Candidate Bart Everson Statement on Hurricane Ida, City Council, and Regulation of Energy/Power in New Orleans

Isn't it strange how quickly everything can pivot? Bart Everson is the only local candidate running on a platform completely focused on climate action, with the top priority to "hold Entergy accountable." Prior to August 29, 2021, his platform was seen as a fringe issue. Now it's front and center for all New Orleans.

Bart holds in his heart support and love for all New Orleanians and Louisianans (as well people as far away as New York and New Jersey) as we recover from the devastation of Hurricane Ida. People were hit especially hard in the River Parishes, St. James and St. John (already fighting petrochemical pollution) as well as indigenous communities directly on the coast. There are numerous mutual aid efforts ongoing; we encourage concerned citizens to support the <u>Gulf South Rapid Response Fund</u>.

The intersection of the climate crisis and energy regulation became starkly clear in Ida's aftermath. It is particularly painful in New Orleans, where we had a wake-up call (Katrina) 16 years earlier and did not change our energy sources.

The good news for the New Orleans area: the "hardened" federally-financed levee system held. Also on the plus side, thousands of line workers (local as well as national) are laboring heroically to restore energy across Louisiana.

New Orleans is the only city in the US (other than Washington DC) in which utilities are regulated at the city level. We pay the salaries of seven elected council members who have a unique responsibility to regulate utilities, including Entergy. That means that they set the rules! In Louisiana (outside of New Orleans) the Louisiana Public Service Commission regulates utilities, and we also see colossal failures there. (The commission completely gutted the solar industry by prohibiting net metering.)

We already knew, and now know more clearly, that the climate crisis is irreversibly impacting everyone. Greenhouse gases remain in the atmosphere for decades to centuries. Only by deep decarbonization – the complete transition to non-fossil fuels – will the process eventually be ameliorated. The entire globe, including New Orleans, must act immediately to sustain life on this planet for our children and their descendants, and all future inhabitants of Earth.

Jurisdictions (international, national, state, local) all over the globe have taken steps (not enough, but it's the only correct direction) to stop emitting greenhouse gases. The time has come to transition from voluntary guidelines to laws with teeth!

In most places in the US, power is supplied by regulated, for-profit, utility monopolies with guaranteed return on equity (ROE). The problem is that corporate entities are risk-averse and regulators are hesitant to challenge them. In the face of the climate crisis, we need regulators with backbone. The market has reached a point where transitioning to clean fuel is not only the right thing to do, it will be cheaper and more healthy for everyone. The financial risk is in NOT transitioning, as opposed to maintaining the untenable status quo.

New Orleans City Council has had ample opportunity to force Entergy to transition and has consistently capitulated. Entergy and the Council regulators could have prevented the current situation.

1. They should have publicly and prominently acknowledged the climate crisis as an existential threat to the city of New Orleans.

- 2. They should NOT have insisted on approving and building the New Orleans Power Station (NOPS, also known as "the gas plant"). This was passed by the previous council and RE-AFFIRMED by the existing council.
 - a. This plant uses natural gas fuel (methane) which is a greenhouse gas (leaks are inevitable) and when burned produces carbon dioxide, the main greenhouse gas.
 - b. They insisted that it would have "black start" functionality, which has been clearly revealed as a lie.
 - c. Ratepayers will be paying through the nose for the plant: an extra \$11/month for the next 30 years.
 - d. When power from NOPS is not needed in New Orleans, Entergy sells it for profit to other localities.
- 3. They should have prioritized community solar (small solar facilities in churches, schools, libraries, etc., for local families), individual solar + batteries, microgrids, and energy efficiency.
- 4. They should have updated and repaired local distribution from 19th and 20th century infrastructure.

We are grateful that the City Council passed the Renewable Clean Portfolio Standard (RCPS) ordinance. However, it is a relatively slow transition, and very little actually changes for Entergy. For example, their main compliance is through nuclear. In their first compliance report, they give themselves credit for supplying nuclear energy in other states. Entergy should increase the pace (relative to the ordinance) of community solar, utility-level solar, offshore wind, solar + battery backup, electrification.

Here is what Entergy and The City Council need to do now, going forward:

- 1. Declare a climate emergency. Ensure that all available federal money possible is used to assist institutions and individuals into complete decarbonization.
- 2. Entergy needs a full audit and investigation into their "legacy of broken promises¹" (No New Orleanian will forget the "paid actor" scam!)
- 3. No new rate increases until past issues are resolved and a fully renewable plan is in place. (Entergy proposed a \$25 per month increase.)
- 4. Stop the robo-calls. We pay for that through our bills, also.
- 5. Costs of the storm should not be charged to us, the ratepayers. Entergy has "fully funded its storm reserve through the issuance of low-interest, securitized bonds.²" Even the use of FEMA funds by Entergy is questionable, since they could have prevented a lot of the current heartache.
- City Council can also accelerate other climate action (as outlined in several city documents)
 towards transportation, buildings, zoning, and other important policies. We have model
 legislation.
- 7. Everything needs to be on the table regarding the restructuring and reforming of Entergy, from de-privatization to de-monoploization or both.

Hurricane Ida is the unfortunate wake-up call that New Orleans City Council and Entergy must heed!

For more on Bart Everson's candidacy, please see BartEverson.com

¹ https://www.all4energy.org/watchdog/ida-know-what-ive-been-told

² https://www.entergynewsroom.com/news/entergy-new-orleans-customers-benefit-from-fully-funded-storm-reserve/