

New Orleans CITY BUSINESS

Power Play

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February 15, 2010

Energy-efficiency programs in the New Orleans area are taking shape in fits and starts. But as green energy options for consumers evolve, finding a single program to suit public demand has been difficult.



Energy Corp. spokesman Philip Allison uses a power meter to demonstrate the amount of energy a compact fluorescent light bulb uses compared with a standard light bulb. (Photo by Frank Aymami)

The New Orleans City Council's Utility Committee has spent the better part of two years crafting its Energy Smart program. It was approved in September and largely emphasizes energy efficiency over renewable power, although it does try to help homeowners producing solar electricity take advantage of tax breaks.

Among the many components of the Energy Smart legislation, which should take effect in late 2010 or early 2011, residents can receive grants for weatherizing homes and rebates for energy audits after improvements are made.

"We wanted to include the community and have a public process in deciding what we wanted our citywide energy-efficiency program to look like and not just adopt something that was already on the shelf," said City Councilwoman Shelley Midura, the Utility Committee's chairwoman.

Beth Galante, director of the environmental group Global Green USA's New Orleans office, said the city's program is flawed because it will be run by the utility provider Entergy and not an independent third party.

"Entergy will lose money if the program is successful because their profits are tied to higher energy use," Galante said.

Louisiana is squandering opportunities to produce energy from its agricultural waste, the sun and offshore wind, she said. If the state would commit to producing renewable energy — she recommends 10 percent in the next five years — entrepreneurs could secure the investments needed to construct alternative energy power plants.

Lambert Boissiere III, Louisiana Public Service Commission chairman, said his utility oversight agency has been studying renewable energy options. He said he is pushing for a portfolio standard that would require a fraction of Louisiana's energy come from renewable sources by a certain date, although he said he does not yet know what that percentage or date will be.

The city's efforts come on the heels of a separate effort. Entergy Gulf States Louisiana and the Public Service Commission launched a pilot program in April 2007 called Geaux Green. State officials hoped it would provide some answers about bringing renewable energy to Louisiana residents.

It allows customers to purchase blocks of 100 kilowatt-hours for \$2.25 each, with the total added to their regular bills. The renewable energy purchased is added to Entergy's fuel mix.

Geaux Green receives its renewable energy from plants in the Lake Charles area that burn sugar cane stalks and rice hulls. Entergy breaks even on the program, company spokesman Philip Allison said.

"It's a good program, certainly for those people interested in renewable power and trying to promote this new industry," Allison said. "Obviously, it's not going to appeal to everyone, but we try to promote it the best we can."

The program has since been expanded to customers of Entergy Louisiana, which covers much of New Orleans' suburbs. Nearly three years after the program's inception, 519 customers statewide had signed up as of December.

Galante says that's not enough interest for Entergy to keep Geaux Green afloat.

"That type of program is really designed to fail," Galante said. "By putting all of the burden on very few people who want to do the right thing, it's really not fair. It's putting an unreasonable financial burden on folks."

Geaux Green is available in Jefferson Parish but not to customers of Entergy New Orleans, which is regulated by the City Council. Entergy New Orleans spokesman Morgan Stewart said the utility made a proposal in December 2007 to bring the program to New Orleans, but the council never acted on it, opting instead for its Energy Smart program.

Boissiere said the debate over renewable energy was just getting started when Geaux Green was established in 2007. Today, he said, the Public Service Commission is more aggressive in finding new sources of power.

“We have to continue to search and find ways to not only to diversify our fuel mix, but to find alternative fuels that may be cheaper, cleaner, better and remove any dependencies we have to our traditional fuel sources,” he said.

Other Louisiana energy companies have instituted their own green efforts. Cleco, which serves parts of St. Tammany Parish, is about to open a new power plant near Alexandria that will generate some of its energy from woodchips.

Natural gas provider Atmos Energy serves 49 Louisiana parishes including Jefferson, Plaquemines, St. Bernard, St. Charles, St. John and St. Tammany. The company has been educating its customers about energy efficiency and informing them that natural gas has been certified as a clean-burning, alternative fuel.