



September 26, 2025

Subject: Urgent: Collapse of PosiGen and Risks to New Orleans' Solar Market

Dear Councilmembers,

I am writing to raise urgent concerns regarding the collapse of PosiGen, which has major implications for New Orleans' energy system and ratepayers.

1. **Market concentration:** PosiGen has historically held a dominant share of the local rooftop solar market, estimated at 80% with approximately 9,500 New Orleans customers. This means that the overwhelming majority of our city's distributed solar capacity is now in limbo.
2. **Grid and consumer risks:** Having such a large portion of our distributed energy resources tied up in bankruptcy proceedings is unacceptable. Thousands of New Orleans ratepayers are left vulnerable to a bankruptcy proceeding. Will lease payments increase, panels be repossessed, or maintenance contracts abandoned? Further, the city risks losing a significant share of distributed generation capacity at a time when we should be strengthening resilience, not weakening it.
3. **Role of the Council:** As New Orleans' utility regulator, the Council should consider what proactive steps it can take to secure these resources. Options might include:
 - Opening a docket or inquiry to assess the scope of the risk (how many customers, how much capacity, and what percentage of the city's solar market is implicated).
 - Engaging with creditors, regulators, and potential buyers to ensure continuity of service and protection of existing customers.
 - Exploring legal or regulatory mechanisms to prevent repossession or abandonment of panels that could undermine resilience.
 - Coordinating with Entergy New Orleans to ensure distributed generation capacity is preserved and integrated into planning.
4. **Additional issues to consider:**
 - **Consumer protection:** Most of PosiGen's customers are low-to-moderate income households who could be disproportionately harmed if creditors raise lease payments or abandon system maintenance.



- **Financing fallout:** The bankruptcy could scare off other solar providers or financiers, chilling future investment in rooftop solar in New Orleans unless the Council provides clarity and stability.
- **Resilience planning:** Losing these solar resources undermines broader DER and resilience strategies the Council has been advancing.
- **Equity:** PosiGen marketed heavily to LMI households. If those systems are lost, the city risks widening the clean energy equity gap.

I was a long-time supporter of PosiGen. The company made it possible for thousands of families — many of them LMI households — to access solar when no one else was serving them. But because their business model was dependent on tax credits, I now realize the company was always vulnerable. They were allowed to grow without guardrails, and now families and the grid could pay the price. This collapse is a wake-up call that access to solar is not the only concern. We need durable, resilient business models to ensure solar will be part of New Orleans’ future.

I urge the Council to act quickly. The collapse of PosiGen is not just a private business failure—it is a systemic risk to thousands of households and to the city’s resilience strategy. We cannot afford to let New Orleans’ solar future be decided in a bankruptcy court without regulatory oversight or a plan to protect our community.

Respectfully,

Casey DeMoss

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Executive Director, Resilience new Orleans