

**Estimated Benefits (\$ million) of the ICT Proposal to EAI Customers Relative to:**

	Status Quo Case - With Higher-Of Pricing for NRIS (1)	Status Quo Case - Without Higher-Of Pricing of NRIS (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	74.8	74.8	74.8	PV
	7.3	7.3	7.3	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	25.0	172.2	PV
		2.5	16.9	Average Annual
Loss of Wholesale Transmission Revenues	-	-	3.7	Average Annual
Total Benefits	7.3	9.8	27.9	Average Annual
ICT Annual Costs to EAI	(2.1)	(2.1)	-	Per Year (ICT Costs same as SPP RTO)
<b>Net Benefits</b>	<b>5.2</b>	<b>7.7</b>	<b>27.9</b>	Per Year plus WPP Savings
WPP Savings (\$30 million for the Entergy System)	7.1	7.1	7.1	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to CNO (ENOI & Algiers) Customers Relative to:**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	4.1	4.1	4.1	PV
	0.4	0.4	0.4	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	4.6	31.4	PV
		0.4	3.1	Average Annual
Loss of Wholesale Transmission Revenues	-	-	1.5	Average Annual
Total Benefits	0.4	0.9	5.0	Average Annual
ICT Annual Costs to CNO	(0.8)	(0.8)	-	Per Year (ICT Costs same as SPP RTO)
<b>Net Benefits</b>	<b>(0.4)</b>	<b>0.0</b>	<b>5.0</b>	Per Year plus WPP Savings
WPP Savings (\$30 million for the Entergy System)	1.8	1.8	1.8	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to Louisiana (ELI & EGSI-LA) Customers Relative to:**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	71.4	71.4	71.4	PV
	7.0	7.0	7.0	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	44.5	306.6	PV
		4.4	30.2	Average Annual
Loss of Wholesale Transmission Revenues	-	-	10.3	Average Annual
Total Benefits	7.0	11.4	47.5	Average Annual
ICT Annual Costs to ELI & EGSI-LA	(5.9)	(5.9)	-	Per Year (ICT Costs same as SPP RTO)
<b>Net Benefits</b>	<b>1.1</b>	<b>5.5</b>	<b>47.5</b>	Per Year plus WPP Savings
WPP Savings (\$30 million for the Entergy System)	12.3	12.3	12.3	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to EMI Customers Relative to:**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	61.5	61.5	61.5	PV
	5.9	5.9	5.9	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	27.4	188.5	PV
	-	2.6	18.0	Average Annual
Loss of Wholesale Transmission Revenues	-	-	3.4	Average Annual
Total Benefits	5.9	8.5	27.2	Average Annual
ICT Annual Costs to EMI	(1.9)	(1.9)	-	Per Year plus WPP Savings
Net Benefits	3.9	6.5	27.2	Per Year (ICT Costs same as SPP RTO)
WPP Savings (\$30 million for the Entergy System)	4.0	4.0	4.0	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to EGSI-TX Customers Relative to:**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	30.3	30.3	30.3	PV
	2.9	2.9	2.9	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	16.3	112.3	PV
	-	1.6	10.8	Average Annual
Loss of Wholesale Transmission Revenues	-	-	4.1	Average Annual
Total Benefits	2.9	4.5	17.7	Average Annual
ICT Annual Costs to EGSI-TX	(2.3)	(2.3)	-	Per Year (ICT Costs same as SPP RTO)
Net Benefits	0.6	2.1	17.7	Per Year plus WPP Savings
WPP Savings (\$30 million for the Entergy System)	4.8	4.8	4.8	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to Entergy System - Wholesale (inc. AECC, OATT Service) Relative to**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	366.0	366.0	366.0	PV
	34.0	34.0	34.0	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	167.0	1,149.2	PV
	-	15.5	106.8	Average Annual
Loss of Wholesale Transmission Revenues	-	-	25.2	Average Annual
Total Benefits	34.0	49.5	165.9	Average Annual
ICT Annual Costs to Entergy	(17.0)	(17.0)	-	Per Year (ICT Costs same as SPP RTO)
Net Benefits	17.0	32.6	165.9	Per Year plus WPP Savings
WPP Savings (\$30 million for the Entergy System)	30.0	30.0	30.0	Per year per percentage point increase in purchases

**Estimated Benefits (\$ million) of the ICT Proposal to Entergy Retail Customers (Excluding AECC) Relative to:**

	Status Quo Case - With Higher-Of Pricing (1)	Status Quo Case - Without Higher-Of Pricing (2)	Joining SPP RTO (Current SPP Tariff)	Notes
Treatment of already incurred interconnection and optional upgrades	242.1	242.1	242.1	PV
	23.5	23.5	23.5	Average Annual
Treatment of investments to qualify new NRIS or NITS resources	-	117.8	811.0	PV
	-	11.5	78.9	Average Annual
Loss of Wholesale Transmission Revenues	-	-	22.9	Average Annual
Total Benefits	23.5	35.0	125.3	Average Annual

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EAI**

<b>Assumptions</b>	
Inflation	2.5%
FERC Interest Rate (Order 2003 Credits)	4.0%

**Transmission Upgrades (\$x1000)**

	EAI											
		1	2	3	4	5	6	7	8	9	10	
<b>Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades</b>												
1a) Built and credited (Reliability only)												
- MSS2 Equalization	905	905										
- EAI Rate Base	7,814	7,814										
2a) Built not yet credited - Current FERC Classification (Reliability only)												
- MSS2 Equalization	1,462	1,462										
- EAI Rate Base	12,858	12,858										
3a) Built not yet credited - FERC Re-classification (Reliability only)												
- MSS2 Equalization	1,207	1,207										
- EAI Rate Base	21,670	21,670										
4) Upgrades for Integrating New NITS Resources for Native Load Growth												
- MSS2 Equalization	3,434	687	704	722	740	758						
- EAI Rate Base	27,868	5,574	5,713	5,856	6,002	6,152						
<b>TOTAL New Ratebase in Each Year</b>	<b>77,218</b>											
- MSS2 Equalization		4,261	704	722	740	758	0	0	0	0	0	0
- EAI Rate Base		47,916	5,713	5,856	6,002	6,152	0	0	0	0	0	0

Annual Revenue Requirement (\$x1000)		8,593	9,333	10,060	10,774	11,475	10,995	10,516	10,036	9,556	9,077
Less Entergy Wholesale @ 15%		(1,289)	(1,400)	(1,509)	(1,616)	(1,721)	(1,649)	(1,577)	(1,505)	(1,433)	(1,361)
Less AECC @ 38%		(2,776)	(3,015)	(3,249)	(3,480)	(3,706)	(3,552)	(3,397)	(3,242)	(3,087)	(2,932)
<b>Net Annual EAI Retail Revenue Requirement (\$x1000)</b>		<b>4,529</b>	<b>4,918</b>	<b>5,302</b>	<b>5,678</b>	<b>6,047</b>	<b>5,795</b>	<b>5,542</b>	<b>5,289</b>	<b>5,036</b>	<b>4,783</b>

	Total Capital	Annual Impact on Rate Base									
		1	2	3	4	5	6	7	8	9	10
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>											
1b) Built and credited (All)											
- MSS2 Equalization	3,621	3,621									
- EAI Rate Base	31,256	31,256									
2b) Built not yet credited - Current FERC Classification (All)											
- MSS2 Equalization	5,847	760	791	822	855	889	925	962	1,000		
- EAI Rate Base	51,431	6,686	6,953	7,232	7,521	7,822	8,135	8,460	8,798		
3b) Built not yet credited - FERC Re-classification (All)											
- MSS2 Equalization	4,830	628	653	679	706	735	764	794	826		
- EAI Rate Base	86,681	11,269	11,719	12,188	12,676	13,183	13,710	14,258	14,829		
4) Upgrades for Integrating New NITS Resources for Native Load Growth											
- MSS2 Equalization	3,434	687	704	722	740	758					
- EAI Rate Base	27,868	5,574	5,713	5,856	6,002	6,152					
<b>TOTAL New Ratebase in Each Year</b>	<b>214,967</b>										
- MSS2 Equalization		5,696	2,147	2,223	2,301	2,382	1,689	1,756	1,826	0	0
- EAI Rate Base		54,784	24,386	25,275	26,199	27,156	21,844	22,718	23,627	0	0

Annual Revenue Requirement (\$x1000)		9,963	13,965	17,964	21,961	25,955	28,779	31,616	34,464	32,966	31,468
Less Entergy Wholesale @ 15%		(1,494)	(2,095)	(2,695)	(3,294)	(3,893)	(4,317)	(4,742)	(5,170)	(4,945)	(4,720)
Less AECC @ 38%		(3,218)	(4,511)	(5,802)	(7,093)	(8,383)	(9,296)	(10,212)	(11,132)	(10,648)	(10,164)
<b>Net Annual EAI Retail Revenue Requirement (\$x1000)</b>		<b>5,250</b>	<b>7,359</b>	<b>9,467</b>	<b>11,573</b>	<b>13,678</b>	<b>15,167</b>	<b>16,661</b>	<b>18,163</b>	<b>17,373</b>	<b>16,584</b>

	Total Capital	Annual Impact on Rate Base									
		1	2	3	4	5	6	7	8	9	10
<b>Scenario 2b - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs plus Crediting for new NRIS Upgrade Costs</b>											
1b) Built and credited (All)											
- MSS2 Equalization	3,621	3,621									
- EAI Rate Base	31,256	31,256									
2b) Built not yet credited - Current FERC Classification (All)											
- MSS2 Equalization	5,847	760	791	822	855	889	925	962	1,000		
- EAI Rate Base	51,431	6,686	6,953	7,232	7,521	7,822	8,135	8,460	8,798		
3b) Built not yet credited - FERC Re-classification (All)											
- MSS2 Equalization	4,830	628	653	679	706	735	764	794	826		
- EAI Rate Base	86,681	11,269	11,719	12,188	12,676	13,183	13,710	14,258	14,829		
4) Upgrades for Integrating New NITS Resources for Native Load Growth											
- MSS2 Equalization	3,434	687	704	722	740	758					
- EAI Rate Base	27,868	5,574	5,713	5,856	6,002	6,152					
5a) Upgrades for New NRIS Resources for Load Connected to Entergy Transmission System											
- MSS2 Equalization	4,989	649	675	701	730	759	789	821	853		
- EAI Rate Base	40,490	5,264	5,474	5,693	5,921	6,158	6,404	6,660	6,927		
<b>TOTAL New Ratebase in Each Year</b>	<b>260,446</b>										
- MSS2 Equalization		6,345	2,822	2,924	3,030	3,140	2,478	2,577	2,680	0	0
- EAI Rate Base		60,048	29,860	30,969	32,119	33,314	28,249	29,379	30,554	0	0

Annual Revenue Requirement (\$x1000)		10,937	15,916	20,896	25,876	30,857	34,672	38,503	42,350	40,520	38,691
Less Entergy Wholesale @ 15%		(1,641)	(2,387)	(3,134)	(3,881)	(4,629)	(5,201)	(5,775)	(6,352)	(6,078)	(5,804)
Less AECC @ 38%		(3,533)	(5,141)	(6,749)	(8,358)	(9,967)	(11,199)	(12,436)	(13,679)	(13,088)	(12,497)
<b>Net Annual EAI Retail Revenue Requirement (\$x1000)</b>		<b>5,764</b>	<b>8,388</b>	<b>11,012</b>	<b>13,637</b>	<b>16,262</b>	<b>18,272</b>	<b>20,291</b>	<b>22,318</b>	<b>21,354</b>	<b>20,390</b>

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EAI**

Scenario 3 - Entergy Joins RTO (SPP), Crediting for NRIS Upgrades (Assumed 8-Years with Interest)		1	2	3	4	5	6	7	8	9	10
1b) Built and credited (All)											
- MSS2 Equalization	3,621	3,621									
- EAI Rate Base	31,256	31,256									
2b) Built not yet credited - Current FERC Classification (All)											
- MSS2 Equalization	5,847	760	791	822	855	889	925	962	1,000		
- EAI Rate Base	51,431	6,686	6,953	7,232	7,521	7,822	8,135	8,460	8,798		
3b) Built not yet credited - FERC Re-classification (All)											
- MSS2 Equalization	4,830	628	653	679	706	735	764	794	826		
- EAI Rate Base	86,681	11,269	11,719	12,188	12,676	13,183	13,710	14,258	14,829		
4) Upgrades for Integrating New NITS Resources for Native Load Growth											
- MSS2 Equalization	3,434	687	704	722	740	758					
- EAI Rate Base	27,868	5,574	5,713	5,856	6,002	6,152					
5b) Built under Order 2003 and 2003A with crediting											
- MSS2 Equalization	34,337	4,464	4,642	4,828	5,021	5,222	5,431	5,648	5,874		
- EAI Rate Base	278,676	36,228	37,677	39,184	40,751	42,382	44,077	45,840	47,673		
<b>TOTAL New Ratebase in Each Year</b>	<b>527,981</b>										
- MSS2 Equalization		10,160	6,790	7,051	7,322	7,604	7,120	7,404	7,701	0	0
- EAI Rate Base		91,012	62,063	64,459	66,950	69,538	65,921	68,558	71,300	0	0
Annual Revenue Requirement (\$x1000)		16,668	27,396	38,142	48,909	59,696	69,339	79,018	88,736	84,958	81,181
Less Entergy Wholesale @ 15%		(2,500)	(4,109)	(5,721)	(7,336)	(8,954)	(10,401)	(11,853)	(13,310)	(12,744)	(12,177)
Less AECC @ 38%		(5,384)	(8,849)	(12,320)	(15,798)	(19,282)	(22,396)	(25,523)	(28,662)	(27,442)	(26,221)
<b>Net Annual EAI Retail Revenue Requirement (\$x1000)</b>		<b>8,784</b>	<b>14,438</b>	<b>20,101</b>	<b>25,775</b>	<b>31,460</b>	<b>36,542</b>	<b>41,643</b>	<b>46,764</b>	<b>44,773</b>	<b>42,782</b>

Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Calculation of Impact to EAI

WACC for EAI	9.08%										
1) Benefit of ICT vs. Status Quo without Add'l NRIS Upgrades											
Difference in Annual Revenue Requirement	722	2,441	4,165	5,895	7,631	9,372	11,120	12,874	12,337	11,800	
PV @ WACC	74,799										
Average Annual Retail Revenue Requirement	7,333										
2) Benefit of ICT vs. Status Quo With Add'l NRIS Upgrades for Loads in Entergy Region											
Difference in Annual Revenue Requirement	1,235	3,469	5,710	7,959	10,214	12,478	14,749	17,029	16,318	15,607	
PV @ WACC	99,812										
Average Annual Retail Revenue Requirement	9,785										
3) Benefit of ICT vs. Joining SPP											
Difference in Annual Revenue Requirement	4,255	9,519	14,799	20,097	25,413	30,747	36,101	41,475	39,737	37,999	
PV @ WACC	246,953										
Average Annual Retail Revenue Requirement	24,209										
Lost Through-and-Out Revenues - Entergy System											
Lost Through-and-Out Revenues - EAI	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678	
PV @ WACC	37,518										
Average Annual Retail Revenue Requirement	3,678										

Assumptions:

- 1) and 2) are based on historical data
- 3) is based on historical data and the assumption that all generators not included in the original eight whom  
 FERC reclassified direct assigned interconnection facilities to be eligible for service credits will file a complaint  
 with FERC seeking the same reclassification. These reclassified dollars would be added to rate base and Entergy  
 would be obligated to repay the funding through transmission service credits.
- 1a), 2a) and 3a) are reliability-related portion (assumed 25% of total) of committed to interconnection costs  
 and 1b), 2b) and 3b) are the total of the committed to interconnection costs.
- 4), 5a) and 5b) are based on current projections by Entergy Transmission.

Notes:

- 1) Transmission upgrades built for the IPPs and for which credits have  
 already been issued - Assumed in ratebase from Day 1
- 2) Transmission upgrades built for the IPPs that are currently eligible for  
 credits but have not been issued - Assumed in ratebase from Day 1
- 3) Transmission upgrades built for the IPPs that may become eligible for  
 credits - Assumed in ratebase from Day 1
- 4) Local area transmission upgrades to facilitate firm NITS service for  
 new Long-Term Network Resources necessary to serve Entergy's  
 retail load growth.
- 5a) and 5b) Transmission upgrades built under Orders 2003 and 2003a. These will be  
 subject to 8-year crediting and interest.

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EGS-LA**

**Assumptions**  
 Inflation 2.5%  
 FERC Interest Rate (Order 2003 Credits) 4.0%

Transmission Upgrades (\$x1000)	EGSI-LA																														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
<b>Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades</b>																															
1a) Built and credited (Reliability only)																															
- MSS2 Equalization	21	21																													
- EGS-LA Rate Base	2,963	2,963																													
2a) Built not yet credited - Current FERC Classification (Reliability only)																															
- MSS2 Equalization	-757	-757																													
- EGS-LA Rate Base	7,257	7,257																													
3a) Built not yet credited - FERC Re-classification (Reliability only)																															
- MSS2 Equalization	-1,997	-1,997																													
- EGS-LA Rate Base	4,154	4,154																													
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	5,978	1,196	1,226	1,256	1,288	1,320																									
- EGS-LA Rate Base	8,544	1,709	1,752	1,795	1,840	1,886																									
<b>TOTAL New Ratebase in Each Year</b>	<b>26,164</b>																														
- MSS2 Equalization	(1,537)	1,226	1,256	1,288	1,320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
- EGS-LA Rate Base	16,084	1,752	1,795	1,840	1,886	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Annual Revenue Requirement (\$x1000)	2,316	2,721	3,122	3,518	3,909	3,759	3,609	3,459	3,309	3,159	3,010	2,860	2,710	2,560	2,410	2,283	2,183	2,092	2,011	1,940	1,875	1,809	1,744	1,678	1,613	1,547	1,481	1,416	1,350	1,285	
Less Entergy Wholesale @ 15%	(347)	(408)	(468)	(528)	(586)	(564)	(541)	(519)	(496)	(474)	(451)	(429)	(406)	(384)	(362)	(342)	(327)	(314)	(302)	(291)	(281)	(271)	(262)	(252)	(242)	(232)	(222)	(212)	(203)	(193)	
<b>Net Annual EGS-LA Retail Revenue Requirement (\$x1000)</b>	<b>1,968</b>	<b>2,313</b>	<b>2,653</b>	<b>2,990</b>	<b>3,322</b>	<b>3,195</b>	<b>3,068</b>	<b>2,940</b>	<b>2,813</b>	<b>2,685</b>	<b>2,558</b>	<b>2,431</b>	<b>2,303</b>	<b>2,176</b>	<b>2,049</b>	<b>1,940</b>	<b>1,855</b>	<b>1,778</b>	<b>1,709</b>	<b>1,649</b>	<b>1,594</b>	<b>1,538</b>	<b>1,482</b>	<b>1,426</b>	<b>1,371</b>	<b>1,315</b>	<b>1,259</b>	<b>1,203</b>	<b>1,148</b>	<b>1,092</b>	
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>	<b>Total Capital</b>	<b>Annual Impact on Rate Base</b>																													
1b) Built and credited (All)																															
- MSS2 Equalization	84	84																													
- EGS-LA Rate Base	11,852	11,852																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-3,029	-394	-410	-426	-443	-461	-479	-498	-518																						
- EGS-LA Rate Base	29,029	3,774	3,925	4,082	4,245	4,415	4,591	4,775	4,966																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	-7,987	-1,038	-1,080	-1,123	-1,168	-1,215	-1,263	-1,314	-1,366																						
- EGS-LA Rate Base	16,618	2,160	2,247	2,337	2,430	2,527	2,628	2,733	2,843																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	5,978	1,196	1,226	1,256	1,288	1,320																									
- EGS-LA Rate Base	8,544	1,709	1,752	1,795	1,840	1,886																									
<b>TOTAL New Ratebase in Each Year</b>	<b>61,089</b>																														
- MSS2 Equalization	(152)	(264)	(293)	(323)	(356)	(1,742)	(1,812)	(1,885)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
- EGS-LA Rate Base	19,495	7,923	8,214	8,515	8,828	7,220	7,509	7,809	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Annual Revenue Requirement (\$x1000)	3,094	4,210	5,326	6,441	7,556	8,134	8,717	9,305	8,927	8,549	8,171	7,792	7,414	7,036	6,658	6,310	6,004	5,721	5,464	5,233	5,023	4,830	4,655	4,488	4,322	4,156	3,989	3,823	3,657	3,491	
Less Entergy Wholesale @ 15%	(464)	(631)	(799)	(966)	(1,133)	(1,220)	(1,308)	(1,396)	(1,339)	(1,282)	(1,226)	(1,169)	(1,112)	(1,055)	(999)	(946)	(901)	(858)	(820)	(785)	(753)	(724)	(698)	(673)	(648)	(623)	(598)	(573)	(549)	(524)	
<b>Net Annual EGS-LA Retail Revenue Requirement (\$x1000)</b>	<b>2,629</b>	<b>3,578</b>	<b>4,527</b>	<b>5,475</b>	<b>6,422</b>	<b>6,914</b>	<b>7,409</b>	<b>7,909</b>	<b>7,588</b>	<b>7,266</b>	<b>6,945</b>	<b>6,624</b>	<b>6,302</b>	<b>5,981</b>	<b>5,659</b>	<b>5,363</b>	<b>5,103</b>	<b>4,863</b>	<b>4,645</b>	<b>4,448</b>	<b>4,269</b>	<b>4,105</b>	<b>3,956</b>	<b>3,815</b>	<b>3,674</b>	<b>3,532</b>	<b>3,391</b>	<b>3,250</b>	<b>3,108</b>	<b>2,967</b>	
<b>Scenario 2b - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs plus Crediting for new NRIS Upgrade Costs</b>																															
1b) Built and credited (All)																															
- MSS2 Equalization	84	84																													
- EGS-LA Rate Base	11,852	11,852																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-3,029	-394	-410	-426	-443	-461	-479	-498	-518																						
- EGS-LA Rate Base	29,029	3,774	3,925	4,082	4,245	4,415	4,591	4,775	4,966																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	-7,987	-1,038	-1,080	-1,123	-1,168	-1,215	-1,263	-1,314	-1,366																						
- EGS-LA Rate Base	16,618	2,160	2,247	2,337	2,430	2,527	2,628	2,733	2,843																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	5,978	1,196	1,226	1,256	1,288	1,320																									
- EGS-LA Rate Base	8,544	1,709	1,752	1,795	1,840	1,886																									
5a) Upgrades for New NRIS Resources for Load Connected to Entergy Transmission System																															
- MSS2 Equalization	8,696	1,129	1,174	1,221	1,270	1,321	1,374	1,429	1,486																						
- EGS-LA Rate Base	12,414	1,614	1,678	1,745	1,815	1,888	1,963	2,042	2,124																						
<b>TOTAL New Ratebase in Each Year</b>	<b>82,189</b>																														
- MSS2 Equalization	977	910	928	947	965	(369)	(383)	(399)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
- EGS-LA Rate Base	21,109	9,601	9,959	10,331	10,716	9,183	9,551	9,933	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Annual Revenue Requirement (\$x1000)	3,541	5,107	6,675	8,245	9,817	10,855	11,901	12,956	12,435	11,914	11,393	10,872	10,352	9,831	9,310	8,824	8,388	7,986	7,618	7,286	6,986	6,714	6,471	6,243	6,014	5,786	5,558	5,329	5,101	4,872	
Less Entergy Wholesale @ 15%	(531)	(766)	(1,001)	(1,237)	(1,472)	(1,628)	(1,785)	(1,943)	(1,865)	(1,787)	(1,709)	(1,631)	(1,553)	(1,475)	(1,396)	(1,324)	(1,258)	(1,198)	(1,143)	(1,093)	(1,048)	(1,007)	(971)	(936)	(902)	(868)	(834)	(799)	(765)	(731)	

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EGS-LA**

Net Annual EGS-LA Retail Revenue Requirement (\$x1000)		3,010	4,341	5,673	7,008	8,344	9,227	10,116	11,012	10,570	10,127	9,684	9,242	8,799	8,356	7,913	7,500	7,130	6,788	6,475	6,193	5,938	5,707	5,500	5,306	5,112	4,918	4,724	4,530	4,336	4,142
<b>Scenario 3 - Entergy Joins RTO (SPP), Crediting for NRIS Upgrades (Assumed 8-Years with Interest)</b>		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	84																														
- EGS-LA Rate Base	11,852																														
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-3,029	-394	-410	-426	-443	-461	-479	-498	-518																						
- EGS-LA Rate Base	29,029	3,774	3,925	4,082	4,245	4,415	4,591	4,775	4,966																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	-7,987	-1,038	-1,080	-1,123	-1,168	-1,215	-1,263	-1,314	-1,366																						
- EGS-LA Rate Base	16,618	2,160	2,247	2,337	2,430	2,527	2,628	2,733	2,843																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	5,978	1,196	1,226	1,256	1,288	1,320																									
- EGS-LA Rate Base	8,544	1,709	1,752	1,795	1,840	1,886																									
5b) Built under Order 2003 and 2003A with crediting																															
- MSS2 Equalization	59,783	7,772	8,083	8,406	8,742	9,092	9,456	9,834	10,227																						
- EGS-LA Rate Base	85,440	11,107	11,551	12,013	12,494	12,994	13,514	14,054	14,616																						
<b>TOTAL New Ratebase in Each Year</b>	<b>206,311</b>																														
- MSS2 Equalization		7,620	7,819	8,113	8,419	8,736	7,713	8,022	8,342	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- EGS-LA Rate Base		30,602	19,474	20,227	21,009	21,822	20,733	21,563	22,425	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue Requirement (\$x1000)		6,171	10,382	14,610	18,854	23,117	26,863	30,634	34,430	33,070	31,710	30,351	28,991	27,631	26,271	24,911	23,611	22,414	21,306	20,288	19,366	18,537	17,799	17,157	16,563	15,970	15,376	14,782	14,189	13,595	13,002
Less Entergy Wholesale @ 15%		(926)	(1,557)	(2,191)	(2,828)	(3,468)	(4,029)	(4,595)	(5,165)	(4,961)	(4,757)	(4,553)	(4,349)	(4,145)	(3,941)	(3,737)	(3,542)	(3,362)	(3,196)	(3,043)	(2,905)	(2,780)	(2,670)	(2,574)	(2,484)	(2,395)	(2,306)	(2,217)	(2,128)	(2,039)	(1,950)
<b>Net Annual EGS-LA Retail Revenue Requirement (\$x1000)</b>		<b>5,246</b>	<b>8,825</b>	<b>12,418</b>	<b>16,026</b>	<b>19,650</b>	<b>22,834</b>	<b>26,039</b>	<b>29,266</b>	<b>28,110</b>	<b>26,954</b>	<b>25,798</b>	<b>24,642</b>	<b>23,486</b>	<b>22,330</b>	<b>21,174</b>	<b>20,069</b>	<b>19,052</b>	<b>18,110</b>	<b>17,245</b>	<b>16,461</b>	<b>15,756</b>	<b>15,129</b>	<b>14,583</b>	<b>14,079</b>	<b>13,574</b>	<b>13,070</b>	<b>12,565</b>	<b>12,060</b>	<b>11,556</b>	<b>11,051</b>

WACC for EGS-LA		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1) Benefit of ICT vs. Status Quo without Add'l NRIS Upgrades																															
Difference in Annual Revenue Requirement		661	1,265	1,873	2,485	3,100	3,719	4,342	4,969	4,775	4,581	4,387	4,193	3,999	3,805	3,611	3,423	3,248	3,085	2,935	2,799	2,676	2,568	2,474	2,389	2,303	2,217	2,132	2,046	1,961	1,875
PV @ WACC	31,299																														
Average Annual Retail Revenue Requirement	2,996																														
2) Benefit of ICT vs. Status Quo With Add'l NRIS Upgrades for Loads in Entergy Region																															
Difference in Annual Revenue Requirement		1,041	2,028	3,020	4,018	5,022	6,032	7,049	8,072	7,757	7,441	7,126	6,811	6,495	6,180	5,865	5,560	5,275	5,010	4,766	4,544	4,345	4,169	4,018	3,880	3,742	3,603	3,465	3,326	3,188	3,050
PV @ WACC	50,740																														
Average Annual Retail Revenue Requirement	4,857																														
3) Benefit of ICT vs. Joining SPP																															
Difference in Annual Revenue Requirement		3,277	6,512	9,765	13,036	16,327	19,639	22,971	26,326	25,297	24,268	23,240	22,211	21,183	20,154	19,125	18,129	17,197	16,332	15,536	14,812	14,162	13,591	13,101	12,652	12,204	11,755	11,306	10,857	10,408	9,959
PV @ WACC	165,102																														
Average Annual Retail Revenue Requirement	15,804																														
Lost Through-and-Out Revenues - Entergy System	25,179																														
Lost Through-and-Out Revenues - EGS-LA		4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216	4,216
PV @ WACC	44,042																														
Average Annual Retail Revenue Requirement	4,216																														

**Assumptions:**

- 1) and 2) are based on historical data
- 3) is based on historical data and the assumption that all generators not included in the original eight whom FERC reclassified direct assigned interconnection facilities to be eligible for service credits will file a complaint with FERC seeking the same reclassification. These reclassified dollars would be added to rate base and Entergy would be obligated to repay the funding through transmission service credits.
- 1a), 2a) and 3a) are reliability-related portion (assumed 25% of total) of committed to interconnection costs and 1b), 2b) and 3b) are the total of the committed to interconnection costs.
- 4), 5a) and 5b) are based on current projections by Entergy Transmission.**

**Notes:**

- 1) Transmission upgrades built for the IPPs and for which credits have already been issued - Assumed in ratebase from Day 1
- 2) Transmission upgrades built for the IPPs that are currently eligible for credits but have not been issued - Assumed in ratebase from Day 1
- 3) Transmission upgrades built for the IPPs that may become eligible for credits - Assumed in ratebase from Day 1
- 4) Local area transmission upgrades to facilitate firm NITS service for new Long-Term Network Resources necessary to serve Entergy's retail load growth.

5a) and 5b) Transmission upgrades built under Orders 2003 and 2003a. These will be subject to 8-year crediting and interest.





**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EGSi-TX**

**Assumptions**

Inflation	2.5%
FERC Interest Rate (Order 2003 Credits)	4.0%

Transmission Upgrades (\$x1000)	EGSi-TX	Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1a) Built and credited (Reliability only)																															
- MSS2 Equalization	21	21																													
- EGSi-TX Rate Base	2,847	2,847																													
2a) Built not yet credited - Current FERC Classification (Reliability only)																															
- MSS2 Equalization	-728	-728																													
- EGSi-TX Rate Base	6,973	6,973																													
3a) Built not yet credited - FERC Re-classification (Reliability only)																															
- MSS2 Equalization	-1,997	-1,997																													
- EGSi-TX Rate Base	4,154	4,154																													
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	4,771	954	978	1,002	1,028	1,053																									
- EGSi-TX Rate Base	7,434	1,487	1,524	1,562	1,601	1,641																									
<b>TOTAL New Ratebase in Each Year</b>	<b>23,475</b>																														
- MSS2 Equalization	(1,749)	978	1,002	1,028	1,053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- EGSi-TX Rate Base	15,461	1,524	1,562	1,601	1,641	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		2,181	2,513	2,841	3,165	3,485	3,351	3,217	3,083	2,949	2,815	2,682	2,548	2,414	2,280	2,146	2,033	1,945	1,865	1,794	1,731	1,672	1,614	1,555	1,496	1,438	1,379	1,320	1,262	1,203	1,144
Less Entergy Wholesale @ 15%		(327)	(377)	(426)	(475)	(523)	(503)	(483)	(463)	(442)	(422)	(402)	(382)	(362)	(342)	(322)	(305)	(292)	(280)	(269)	(260)	(251)	(242)	(233)	(224)	(216)	(207)	(198)	(189)	(180)	(172)
<b>Net Annual EGSi-TX Retail Revenue Requirement (\$x1000)</b>	<b>1,854</b>	<b>2,136</b>	<b>2,415</b>	<b>2,690</b>	<b>2,963</b>	<b>2,849</b>	<b>2,735</b>	<b>2,621</b>	<b>2,507</b>	<b>2,393</b>	<b>2,279</b>	<b>2,165</b>	<b>2,052</b>	<b>1,938</b>	<b>1,824</b>	<b>1,728</b>	<b>1,653</b>	<b>1,586</b>	<b>1,525</b>	<b>1,471</b>	<b>1,421</b>	<b>1,372</b>	<b>1,322</b>	<b>1,272</b>	<b>1,222</b>	<b>1,172</b>	<b>1,122</b>	<b>1,072</b>	<b>1,022</b>	<b>973</b>	
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>	<b>Total Capital</b>	<b>Annual Impact on Rate Base</b>																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	84	84																													
- EGSi-TX Rate Base	11,388	11,388																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-2,911	-378	-394	-409	-426	-443	-460	-479	-498																						
- EGSi-TX Rate Base	27,891	3,626	3,771	3,922	4,079	4,242	4,411	4,588	4,771																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	-7,987	-1,038	-1,080	-1,123	-1,168	-1,215	-1,263	-1,314	-1,366																						
- EGSi-TX Rate Base	16,618	2,160	2,247	2,337	2,430	2,527	2,628	2,733	2,843																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	4,771	954	978	1,002	1,028	1,053																									
- EGSi-TX Rate Base	7,434	1,487	1,524	1,562	1,601	1,641																									
<b>TOTAL New Ratebase in Each Year</b>	<b>57,287</b>																														
- MSS2 Equalization	(378)	(495)	(530)	(566)	(604)	(1,724)	(1,793)	(1,864)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- EGSi-TX Rate Base	18,660	7,541	7,820	8,110	8,410	7,040	7,321	7,614	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		2,922	3,945	4,967	5,990	7,013	7,586	8,163	8,746	8,391	8,036	7,681	7,326	6,970	6,615	6,260	5,934	5,646	5,381	5,139	4,920	4,721	4,539	4,374	4,218	4,062	3,906	3,749	3,593	3,437	3,281
Less Entergy Wholesale @ 15%		(438)	(592)	(745)	(898)	(1,052)	(1,138)	(1,224)	(1,312)	(1,259)	(1,205)	(1,152)	(1,099)	(1,046)	(992)	(939)	(890)	(847)	(807)	(771)	(738)	(708)	(681)	(656)	(633)	(609)	(586)	(562)	(539)	(516)	(492)
<b>Net Annual EGSi-TX Retail Revenue Requirement (\$x1000)</b>	<b>2,484</b>	<b>3,353</b>	<b>4,222</b>	<b>5,091</b>	<b>5,961</b>	<b>6,448</b>	<b>6,939</b>	<b>7,434</b>	<b>7,132</b>	<b>6,830</b>	<b>6,528</b>	<b>6,227</b>	<b>5,925</b>	<b>5,623</b>	<b>5,321</b>	<b>5,044</b>	<b>4,799</b>	<b>4,574</b>	<b>4,368</b>	<b>4,182</b>	<b>4,013</b>	<b>3,858</b>	<b>3,718</b>	<b>3,585</b>	<b>3,453</b>	<b>3,320</b>	<b>3,187</b>	<b>3,054</b>	<b>2,921</b>	<b>2,789</b>	
<b>Scenario 2b - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs plus Crediting for new NRIS Upgrade Costs</b>		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	84	84																													
- EGSi-TX Rate Base	11,388	11,388																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-2,911	-378	-394	-409	-426	-443	-460	-479	-498																						
- EGSi-TX Rate Base	27,891	3,626	3,771	3,922	4,079	4,242	4,411	4,588	4,771																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	-7,987	-1,038	-1,080	-1,123	-1,168	-1,215	-1,263	-1,314	-1,366																						
- EGSi-TX Rate Base	16,618	2,160	2,247	2,337	2,430	2,527	2,628	2,733	2,843																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	4,771	954	978	1,002	1,028	1,053																									
- EGSi-TX Rate Base	7,434	1,487	1,524	1,562	1,601	1,641																									
5a) Upgrades for New NRIS Resources for Load Connected to Entergy Transmission System																															
- MSS2 Equalization	6,932	901	937	975	1,014	1,054	1,096	1,140	1,186																						
- EGSi-TX Rate Base	10,801	1,404	1,460	1,519	1,579	1,643	1,708	1,777	1,848																						
<b>TOTAL New Ratebase in Each Year</b>	<b>75,019</b>																														
- MSS2 Equalization	523	442	445	448	450	(627)	(652)	(679)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- EGSi-TX Rate Base	20,064	9,002	9,339	9,689	10,053	8,748	9,098	9,462	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		3,298	4,698	6,100	7,504	8,911	9,870	10,837	11,811	11,336	10,861	10,386	9,912	9,437	8,962	8,487	8,044	7,648	7,282	6,947	6,644	6,370	6,121	5,899	5,691	5,483	5,274	5,066	4,858	4,649	4,441
Less Entergy Wholesale @ 15%		(495)	(705)	(915)	(1,126)	(1,337)	(1,481)	(1,626)	(1,772)	(1,700)	(1,629)	(1,558)	(1,487)																		



**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EGSI-TX**

EGSI-TX Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
0	16.00%																														
1	15.45%	16.00%																													
2	14.89%	15.45%	16.00%																												
3	14.34%	14.89%	15.45%	16.00%																											
4	13.79%	14.34%	14.89%	15.45%	16.00%																										
5	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																									
6	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																								
7	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																							
8	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																						
9	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																					
10	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																				
11	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																			
12	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																		
13	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																	
14	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%																
15	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%															
16	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%														
17	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%													
18	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%												
19	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%											
20	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%										
21	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%									
22	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%								
23	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%							
24	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%						
25	5.43%	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%					
26	5.18%	5.43%	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%				
27	4.94%	5.18%	5.43%	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%			
28	4.70%	4.94%	5.18%	5.43%	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%		
29	4.46%	4.70%	4.94%	5.18%	5.43%	5.67%	5.91%	6.16%	6.40%	6.64%	6.88%	7.13%	7.37%	7.61%	7.86%	8.25%	8.81%	9.36%	9.91%	10.47%	11.02%	11.57%	12.13%	12.68%	13.23%	13.79%	14.34%	14.89%	15.45%	16.00%	

MSS 2 Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
0	16.74%																															
1	16.16%	16.74%																														
2	15.58%	16.16%	16.74%																													
3	15.00%	15.58%	16.16%	16.74%																												
4	14.42%	15.00%	15.58%	16.16%	16.74%																											
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																										
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																									
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
15	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
22	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
23	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15											

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to ELI**

**Assumptions**

Inflation	2.5%
FERC Interest Rate (Order 2003 Credits)	4.0%

**Transmission Upgrades (\$x1000)**

	ELI																													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
<b>Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades</b>																														
1a) Built and credited (Reliability only)																														
- MSS2 Equalization	-797	-797																												
- ELI Rate Base	2,679	2,679																												
2a) Built not yet credited - Current FERC Classification (Reliability only)																														
- MSS2 Equalization	-364	-364																												
- ELI Rate Base	3,248	3,248																												
3a) Built not yet credited - FERC Re-classification (Reliability only)																														
- MSS2 Equalization	1,572	1,572																												
- ELI Rate Base	9,032	9,032																												
4) Upgrades for Integrating New NITS Resources for Native Load Growth																														
- MSS2 Equalization	(3,984)	(797)	(817)	(837)	(858)	(879)																								
- ELI Rate Base	23,275	4,655	4,771	4,891	5,013	5,138																								
<b>TOTAL New Ratebase in Each Year</b>	<b>34,661</b>																													
- MSS2 Equalization	(386)	(817)	(837)	(858)	(879)																									
- ELI Rate Base	19,613	4,771	4,891	5,013	5,138																									
Annual Revenue Requirement (\$x1000)	3,303	3,867	4,424	4,973	5,514	5,295	5,075	4,855	4,635	4,415	4,195	3,975	3,755	3,535	3,315	3,129	2,984	2,853	2,737	2,636	2,543	2,450	2,356	2,263	2,169	2,076	1,983	1,889	1,796	1,703
Less Entergy Wholesale @ 15%	(495)	(580)	(664)	(746)	(827)	(794)	(761)	(728)	(695)	(662)	(629)	(596)	(563)	(530)	(497)	(469)	(448)	(428)	(411)	(395)	(381)	(367)	(353)	(339)	(325)	(311)	(297)	(283)	(269)	(255)
<b>Net Annual ELI Retail Revenue Requirement (\$x1000)</b>	<b>2,807</b>	<b>3,287</b>	<b>3,760</b>	<b>4,227</b>	<b>4,687</b>	<b>4,500</b>	<b>4,313</b>	<b>4,126</b>	<b>3,939</b>	<b>3,752</b>	<b>3,566</b>	<b>3,379</b>	<b>3,192</b>	<b>3,005</b>	<b>2,818</b>	<b>2,660</b>	<b>2,536</b>	<b>2,425</b>	<b>2,327</b>	<b>2,241</b>	<b>2,161</b>	<b>2,082</b>	<b>2,003</b>	<b>1,923</b>	<b>1,844</b>	<b>1,765</b>	<b>1,685</b>	<b>1,606</b>	<b>1,527</b>	<b>1,447</b>

	Total Capital	Annual Impact on Rate Base																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>																															
1b) Built and credited (All)																															
- MSS2 Equalization	-3,189	-3,189																													
- ELI Rate Base	10,716	10,716																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-1,457	-189	-197	-205	-213	-222	-230	-240	-249																						
- ELI Rate Base	12,991	1,689	1,756	1,827	1,900	1,976	2,055	2,137	2,222																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	6,289	818	850	884	920	957	995	1,035	1,076																						
- ELI Rate Base	36,127	4,696	4,884	5,080	5,283	5,494	5,714	5,943	6,180																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	(3,984)	(797)	(817)	(837)	(858)	(879)																									
- ELI Rate Base	23,275	4,655	4,771	4,891	5,013	5,138																									
<b>TOTAL New Ratebase in Each Year</b>	<b>80,769</b>																														
- MSS2 Equalization	(3,357)	(163)	(158)	(151)	(144)	764	795	827	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- ELI Rate Base	21,756	11,412	11,797	12,195	12,608	7,769	8,079	8,403	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)	3,173	4,991	6,807	8,621	10,433	11,489	12,552	13,622	13,054	12,487	11,919	11,352	10,784	10,217	9,649	9,114	8,632	8,190	7,791	7,434	7,114	6,825	6,568	6,327	6,085	5,844	5,603	5,362	5,121	4,880	
Less Entergy Wholesale @ 15%	(476)	(749)	(1,021)	(1,293)	(1,565)	(1,723)	(1,883)	(2,043)	(1,958)	(1,873)	(1,788)	(1,703)	(1,618)	(1,532)	(1,447)	(1,367)	(1,295)	(1,229)	(1,169)	(1,115)	(1,067)	(1,024)	(985)	(949)	(913)	(877)	(840)	(804)	(768)	(732)	
<b>Net Annual ELI Retail Revenue Requirement (\$x1000)</b>	<b>2,697</b>	<b>4,242</b>	<b>5,786</b>	<b>7,328</b>	<b>8,868</b>	<b>9,766</b>	<b>10,670</b>	<b>11,579</b>	<b>11,096</b>	<b>10,614</b>	<b>10,131</b>	<b>9,649</b>	<b>9,166</b>	<b>8,684</b>	<b>8,202</b>	<b>7,747</b>	<b>7,337</b>	<b>6,962</b>	<b>6,622</b>	<b>6,319</b>	<b>6,047</b>	<b>5,801</b>	<b>5,583</b>	<b>5,378</b>	<b>5,173</b>	<b>4,968</b>	<b>4,763</b>	<b>4,558</b>	<b>4,353</b>	<b>4,148</b>	

	Total Capital	Annual Impact on Rate Base																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
<b>Scenario 2b - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs plus Crediting for new NRIS Upgrade Costs</b>																															
1b) Built and credited (All)																															
- MSS2 Equalization	-3,189	-3,189																													
- ELI Rate Base	10,716	10,716																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-1,457	-189	-197	-205	-213	-222	-230	-240	-249																						
- ELI Rate Base	12,991	1,689	1,756	1,827	1,900	1,976	2,055	2,137	2,222																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	6,289	818	850	884	920	957	995	1,035	1,076																						
- ELI Rate Base	36,127	4,696	4,884	5,080	5,283	5,494	5,714	5,943	6,180																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	-3,984	(797)	(817)	(837)	(858)	(879)																									
- ELI Rate Base	23,275	4,655	4,771	4,891	5,013	5,138																									
5a) Upgrades for New NRIS Resources for Load Connected to Entergy Transmission System																															
- MSS2 Equalization	-5,788	-752	-783	-814	-846	-880	-915	-952	-990																						
- ELI Rate Base	33,817	4,396	4,572	4,755	4,945	5,143	5,349	5,563	5,785																						
<b>TOTAL New Ratebase in Each Year</b>	<b>108,798</b>																														
- MSS2 Equalization	(4,110)	(946)	(971)	(998)	(1,025)	(1,051)	(1,077)	(1,103)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- ELI Rate Base	26,152	15,984	16,552	17,141	17,751	13,117	13,642	14,188	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)	3,802	6,251	8,701	11,152	13,603	15,302	17,011	18,730	17,954	17,178	16,402	15,626	14,850	14,075	13,299	12,562	11,892	11,275	10,715	10,213	9,764	9,361	9,007	8,677	8,348	8,018	7,689	7,359	7,030	6,700	
Less Entergy Wholesale @ 15%	(570)	(938)	(1,305)	(1,673)	(2,040)	(2,295)	(2,552)	(2,809)	(2,693)	(2,577)	(2,460)	(2,344)	(2,228)	(2,111)	(1,995)	(1,884)	(1,784)	(1,691)	(1,607)	(1,532)	(1,465)	(1,404)	(1,351)	(1,302)	(1,252)	(1					



Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Calculation of Impact to ELI

ELI Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
0	17.17%																													
1	16.55%	17.17%																												
2	15.94%	16.55%	17.17%																											
3	15.33%	15.94%	16.55%	17.17%																										
4	14.71%	15.33%	15.94%	16.55%	17.17%																									
5	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																								
6	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																							
7	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																						
8	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																					
9	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																				
10	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																			
11	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																		
12	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																	
13	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%																
14	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%															
15	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%														
16	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%													
17	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%												
18	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%											
19	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%										
20	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%									
21	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%								
22	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%							
23	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%						
24	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%					
25	5.53%	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%				
26	5.27%	5.53%	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%			
27	5.01%	5.27%	5.53%	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%		
28	4.75%	5.01%	5.27%	5.53%	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%	
29	4.49%	4.75%	5.01%	5.27%	5.53%	5.80%	6.06%	6.32%	6.58%	6.84%	7.10%	7.36%	7.62%	7.88%	8.14%	8.58%	9.19%	9.81%	10.42%	11.03%	11.65%	12.26%	12.87%	13.49%	14.10%	14.71%	15.33%	15.94%	16.55%	17.17%

MSS 2 Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
0	16.74%																														
1	16.16%	16.74%																													
2	15.58%	16.16%	16.74%																												
3	15.00%	15.58%	16.16%	16.74%																											
4	14.42%	15.00%	15.58%	16.16%	16.74%																										
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																									
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
15	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
22	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%								
23	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%							
24	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%</													

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to EMI**

<b>Assumptions</b>																															
Inflation	2.5%																														
FERC Interest Rate (Order 2003 Credits)	4.0%																														
<b>Transmission Upgrades (\$x1000)</b>		<b>EMI</b>																													
<b>Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades</b>		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1a) Built and credited (Reliability only)																															
- MSS2 Equalization	-468	-468																													
- EMI Rate Base	8,015	8,015																													
2a) Built not yet credited - Current FERC Classification (Reliability only)																															
- MSS2 Equalization	-128	-128																													
- EMI Rate Base	8,990	8,990																													
3a) Built not yet credited - FERC Re-classification (Reliability only)																															
- MSS2 Equalization	924	924																													
- EMI Rate Base	3,705	3,705																													
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	(13,255)	(2,651)	(2,717)	(2,785)	(2,855)	(2,926)																									
- EMI Rate Base	32,880	6,576	6,740	6,909	7,082	7,259																									
<b>TOTAL New Ratebase in Each Year</b>		<b>40,662</b>																													
- MSS2 Equalization	(2,322)	(2,717)	(2,785)	(2,855)	(2,926)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- EMI Rate Base	27,285	6,740	6,909	7,082	7,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		4,158	4,687	5,211	5,729	6,241	6,010	5,779	5,548	5,317	5,086	4,855	4,624	4,392	4,161	3,930	3,739	3,594	3,462	3,343	3,237	3,138	3,039	2,940	2,841	2,742	2,643	2,544	2,446	2,347	2,248
Less Entergy Wholesale @ 15%		(624)	(703)	(782)	(859)	(936)	(902)	(867)	(832)	(798)	(763)	(728)	(694)	(659)	(624)	(590)	(561)	(539)	(519)	(501)	(486)	(471)	(456)	(441)	(426)	(411)	(397)	(382)	(367)	(352)	(337)
<b>Net Annual EMI Retail Revenue Requirement (\$x1000)</b>		<b>3,535</b>	<b>3,984</b>	<b>4,429</b>	<b>4,870</b>	<b>5,305</b>	<b>5,109</b>	<b>4,912</b>	<b>4,716</b>	<b>4,519</b>	<b>4,323</b>	<b>4,126</b>	<b>3,930</b>	<b>3,734</b>	<b>3,537</b>	<b>3,341</b>	<b>3,178</b>	<b>3,055</b>	<b>2,942</b>	<b>2,841</b>	<b>2,751</b>	<b>2,667</b>	<b>2,583</b>	<b>2,499</b>	<b>2,415</b>	<b>2,331</b>	<b>2,247</b>	<b>2,163</b>	<b>2,079</b>	<b>1,995</b>	<b>1,911</b>
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>		<b>Total Capital Annual Impact on Rate Base</b>																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	-1,872	-1,872																													
- EMI Rate Base	32,058	32,058																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-510	-66	-69	-72	-75	-78	-81	-84	-87																						
- EMI Rate Base	35,958	4,675	4,862	5,056	5,258	5,469	5,687	5,915	6,151																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	3,698	481	500	520	541	562	585	608	633																						
- EMI Rate Base	14,819	1,927	2,004	2,084	2,167	2,254	2,344	2,438	2,535																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	(13,255)	(2,651)	(2,717)	(2,785)	(2,855)	(2,926)																									
- EMI Rate Base	32,880	6,576	6,740	6,909	7,082	7,259																									
<b>TOTAL New Ratebase in Each Year</b>		<b>103,776</b>																													
- MSS2 Equalization	(4,109)	(2,286)	(2,337)	(2,389)	(2,442)	504	524	545	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- EMI Rate Base	45,235	13,605	14,049	14,507	14,981	8,031	8,353	8,687	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		6,851	8,506	10,163	11,822	13,484	14,411	15,348	16,293	15,648	15,002	14,357	13,711	13,066	12,421	11,775	11,196	10,700	10,240	9,819	9,437	9,089	8,768	8,477	8,201	7,924	7,648	7,371	7,095	6,818	6,542
Less Entergy Wholesale @ 15%		(1,028)	(1,276)	(1,524)	(1,773)	(2,023)	(2,162)	(2,302)	(2,444)	(2,347)	(2,250)	(2,154)	(2,057)	(1,960)	(1,863)	(1,766)	(1,679)	(1,605)	(1,536)	(1,473)	(1,416)	(1,363)	(1,315)	(1,272)	(1,230)	(1,189)	(1,147)	(1,106)	(1,064)	(1,023)	(981)
<b>Net Annual EMI Retail Revenue Requirement (\$x1000)</b>		<b>5,823</b>	<b>7,230</b>	<b>8,638</b>	<b>10,049</b>	<b>11,462</b>	<b>12,250</b>	<b>13,045</b>	<b>13,849</b>	<b>13,300</b>	<b>12,752</b>	<b>12,203</b>	<b>11,655</b>	<b>11,106</b>	<b>10,558</b>	<b>10,009</b>	<b>9,516</b>	<b>9,095</b>	<b>8,704</b>	<b>8,346</b>	<b>8,022</b>	<b>7,726</b>	<b>7,453</b>	<b>7,206</b>	<b>6,971</b>	<b>6,736</b>	<b>6,501</b>	<b>6,266</b>	<b>6,031</b>	<b>5,796</b>	<b>5,561</b>
<b>Scenario 2b - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs plus Crediting for new NRIS Upgrade Costs</b>																															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	-1,872	-1,872																													
- EMI Rate Base	32,058	32,058																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	-510	-66	-69	-72	-75	-78	-81	-84	-87																						
- EMI Rate Base	35,958	4,675	4,862	5,056	5,258	5,469	5,687	5,915	6,151																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	3,698	481	500	520	541	562	585	608	633																						
- EMI Rate Base	14,819	1,927	2,004	2,084	2,167	2,254	2,344	2,438	2,535																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	(13,255)	(2,651)	(2,717)	(2,785)	(2,855)	(2,926)																									
- EMI Rate Base	32,880	6,576	6,740	6,909	7,082	7,259																									
5a) Upgrades for New NRIS Resources for Load Connected to Entergy Transmission System																															
- MSS2 Equalization	-19,259	-2,504	-2,604	-2,708	-2,816	-2,929	-3,046	-3,168	-3,295																						
- EMI Rate Base	47,772	6,210	6,459	6,717	6,986	7,265	7,556	7,858	8,172																						
<b>TOTAL New Ratebase in Each Year</b>		<b>132,289</b>																													
- MSS2 Equalization	(6,613)	(4,890)	(5,045)	(5,205)	(5,370)	(2,542)	(2,644)	(2,749)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- EMI Rate Base	51,446	20,064	20,766	21,493	22,246	15,587	16,211	16,859	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		7,467	9,742	12,023	14,312	16,609	18,175	19,756	21,352	20,519	19,687	18,854	18,022	17,189	16,357	15,524	14,763	14,098	13,481	12,916	12,403	11,937	11,514	11,135	10,779	10,423	10,066	9,710	9,353	8,997	8,640
Less Entergy Wholesale @ 15%		(1,120)	(1,461)	(1,804)	(2,147)	(2,491)	(2,726)	(2,963)	(3,203)	(3,078)	(2,953)	(2,828)	(2,703)	(2,578)	(2,453)	(2,329)	(2,214)	(2,115)	(2,022)	(1,937)	(1,860)	(1,791)	(1,727)	(1,670)	(1,617)	(1,563)	(1,510)	(1,456)	(1,403)	(1,350)	(1,296)
<b>Net Annual EMI Retail Revenue Requirement (\$x1000)</b>		<b>6,347</b>	<b>8,280</b>	<b>10,220</b>	<b>12,166</b>	<b>14,118</b>	<b>15,449</b>	<b>16,793</b>	<b>18,149</b>	<b>17,441</b>	<b>16,734</b>	<b>16,026</b>	<b>15,318</b>	<b>14,611</b>	<b>13,903</b>	<b>13,195</b>	<b>12,549</b>	<b>11,983</b>	<b>11,459</b>	<b>10,978</b>	<b>10,542</b>	<b>10,147</b>	<b>9,787</b>	<b>9,465</b>	<b>9,162</b>	<b>8,859</b>	<b>8,556</b>	<b>8,253</b>	<b>7,950</b>	<b>7,647</b>	<b>7,344</b>
<b>Scenario 3 - Entergy Joins RTO (SPP), Crediting for NRIS Upgrades (Assumed 8-Years with Interest)</b>																															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	-1,872	-1,872																													
- EMI Rate Base	32,058	32,058																													
2b) Built not yet credited - Current FERC Classification (All)																															





Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Calculation of Impact to EMI

EMI Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
0	16.67%																														
1	16.10%	16.67%																													
2	15.54%	16.10%	16.67%																												
3	14.98%	15.54%	16.10%	16.67%																											
4	14.42%	14.98%	15.54%	16.10%	16.67%																										
5	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																									
6	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																								
7	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																							
8	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																						
9	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																					
10	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																				
11	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																			
12	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																		
13	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																	
14	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%																
15	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%															
16	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%														
17	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%													
18	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%												
19	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%											
20	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%										
21	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%									
22	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%								
23	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%							
24	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%						
25	6.01%	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%					
26	5.77%	6.01%	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%				
27	5.53%	5.77%	6.01%	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%			
28	5.29%	5.53%	5.77%	6.01%	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%		
29	5.04%	5.29%	5.53%	5.77%	6.01%	6.25%	6.49%	6.73%	6.97%	7.21%	7.45%	7.69%	7.93%	8.17%	8.41%	8.81%	9.37%	9.93%	10.49%	11.06%	11.62%	12.18%	12.74%	13.30%	13.86%	14.42%	14.98%	15.54%	16.10%	16.67%	

MSS 2 Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
0	16.74%																															
1	16.16%	16.74%																														
2	15.58%	16.16%	16.74%																													
3	15.00%	15.58%	16.16%	16.74%																												
4	14.42%	15.00%	15.58%	16.16%	16.74%																											
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																										
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																									
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
15	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
22	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
23	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%</												





Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Calculation of Impact to ENOI  
 ENOI Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
0	17.27%																													
1	16.70%	17.27%																												
2	16.14%	16.70%	17.27%																											
3	15.57%	16.14%	16.70%	17.27%																										
4	15.01%	15.57%	16.14%	16.70%	17.27%																									
5	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																								
6	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																							
7	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																						
8	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																					
9	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																				
10	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																			
11	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																		
12	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																	
13	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%																
14	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%															
15	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%														
16	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%													
17	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%												
18	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%											
19	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%										
20	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%									
21	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%								
22	7.28%	7.52%	7.76%	8.00%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%								
23	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%						
24	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%					
25	6.56%	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%				
26	6.32%	6.56%	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%			
27	6.08%	6.32%	6.56%	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%		
28	5.84%	6.08%	6.32%	6.56%	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%	
29	5.60%	5.84%	6.08%	6.32%	6.56%	6.80%	7.04%	7.28%	7.52%	7.76%	8.00%	8.24%	8.48%	8.72%	8.96%	9.36%	9.92%	10.49%	11.05%	11.62%	12.18%	12.75%	13.31%	13.88%	14.44%	15.01%	15.57%	16.14%	16.70%	17.27%

MSS 2 Annual Rev Req (as % of Rate Base in each year)

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
0	16.74%																														
1	16.16%	16.74%																													
2	15.58%	16.16%	16.74%																												
3	15.00%	15.58%	16.16%	16.74%																											
4	14.42%	15.00%	15.58%	16.16%	16.74%																										
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																									
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
15	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
22	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%								
23	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%							
24	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%											

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to ETR**

**Assumptions**  
 Inflation 2.5%  
 FERC Interest Rate (Order 2003 Credits) 4.0%

Transmission Upgrades (\$x1000)	ETR																														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
<b>Scenario 1 - FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) and for Previously Reclassified IPP Upgrades</b>																															
1a) Built and credited (Reliability only)																															
- MSS2 Equalization	0	0																													
- ETR Rate Base	24,318	24,318																													
2a) Built not yet credited - Current FERC Classification (Reliability only)																															
- MSS2 Equalization	0	0																													
- ETR Rate Base	39,325	39,325																													
3a) Built not yet credited - FERC Re-classification (Reliability only)																															
- MSS2 Equalization	0	0																													
- ETR Rate Base	42,885	42,885																													
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	0	0	0	0	0	0																									
- ETR Rate Base	100,000	20,000	20,500	21,013	21,538	22,076																									
<b>TOTAL New Ratebase in Each Year</b>	<b>206,528</b>																														
- MSS2 Equalization		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- ETR Rate Base		126,528	20,500	21,013	21,538	22,076	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Revenue Requirement (\$x1000)		21,178	23,875	26,539	29,169	31,764	30,535	29,307	28,079	26,850	25,622	24,394	23,165	21,937	20,709	19,480	18,461	17,685	16,978	16,340	15,775	15,247	14,718	14,190	13,661	13,133	12,604	12,075	11,547	11,018	10,490
<b>Net Annual ETR Retail Revenue Requirement (\$x1000)</b>		<b>21,178</b>	<b>23,875</b>	<b>26,539</b>	<b>29,169</b>	<b>31,764</b>	<b>30,535</b>	<b>29,307</b>	<b>28,079</b>	<b>26,850</b>	<b>25,622</b>	<b>24,394</b>	<b>23,165</b>	<b>21,937</b>	<b>20,709</b>	<b>19,480</b>	<b>18,461</b>	<b>17,685</b>	<b>16,978</b>	<b>16,340</b>	<b>15,775</b>	<b>15,247</b>	<b>14,718</b>	<b>14,190</b>	<b>13,661</b>	<b>13,133</b>	<b>12,604</b>	<b>12,075</b>	<b>11,547</b>	<b>11,018</b>	<b>10,490</b>
<b>Scenario 2a - Status Quo - FERC Requires Reclassified of Existing Interconnection, Optional Upgrade Costs</b>	<b>Total Capital</b>	<b>Annual Impact on Rate Base</b>																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1b) Built and credited (All)																															
- MSS2 Equalization	0	0																													
- ETR Rate Base	97,270	97,270																													
2b) Built not yet credited - Current FERC Classification (All)																															
- MSS2 Equalization	0	0	0	0	0	0	0	0	0																						
- ETR Rate Base	157,301	20,449	21,267	22,118	23,002	23,923	24,879	25,875	26,910																						
3b) Built not yet credited - FERC Re-classification (All)																															
- MSS2 Equalization	0	0	0	0	0	0	0	0	0																						
- ETR Rate Base	171,540	22,300	23,192	24,120	25,085	26,088	27,132	28,217	29,346																						
4) Upgrades for Integrating New NITS Resources for Native Load Growth																															
- MSS2 Equalization	0	0	0	0	0	0																									
- ETR Rate Base	100,000	20,000	20,500	21,013	21,538	22,076																									
<b>TOTAL New Ratebase in Each Year</b>	<b>526,111</b>																														
- MSS2 Equalization		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- ETR Rate Base		160,019	64,959	67,250	69,625	72,087	52,011	54,092	56,255	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue Requirement (\$x1000)		26,784	36,728	46,679	56,637	66,603	72,790	79,023	85,305	81,845	78,384	74,924	71,463	68,002	64,542	61,081	57,885	55,061	52,455	50,076	47,931	45,991	44,226	42,644	41,155	39,666	38,177	36,688	35,199	33,709	32,220
<b>Net Annual ETR Retail Revenue Requirement (\$x1000)</b>		<b>26,784</b>	<b>36,728</b>	<b>46,679</b>	<b>56,637</b>	<b>66,603</b>	<b>72,790</b>	<b>79,023</b>	<b>85,305</b>	<b>81,845</b>	<b>78,384</b>	<b>74,924</b>	<b>71,463</b>	<b>68,002</b>	<b>64,542</b>	<b>61,081</b>	<b>57,885</b>	<b>55,061</b>	<b>52,455</b>	<b>50,076</b>	<b>47,931</b>	<b>45,991</b>	<b>44,226</b>	<b>42,644</b>	<b>41,155</b>	<b>39,666</b>	<b>38,177</b>	<b>36,688</b>	<b>35,199</b>	<b>33,709</b>	<b>32,220</b>



**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Impact to ETR**  
**Average Annual Retail Revenue Requirement 25,179**

**Assumptions:**

- 1) and 2) are based on historical data
- 3) is based on historical data and the assumption that all generators not included in the original eight whom FERC reclassified direct assigned interconnection facilities to be eligible for service credits will file a complaint with FERC seeking the same reclassification. These reclassified dollars would be added to rate base and Entergy would be obligated to repay the funding through transmission service credits.
- 1a), 2a) and 3a) are reliability-related portion (assumed 25% of total) of committed to interconnection costs and 1b), 2b) and 3b) are the total of the committed to interconnection costs.
- 4), 5a) and 5b) are based on current projections by Entergy Transmission.**

**Notes:**

- 1) Transmission upgrades built for the IPPs and for which credits have already been issued - Assumed in ratebase from Day 1
- 2) Transmission upgrades built for the IPPs that are currently eligible for credits but have not been issued - Assumed in ratebase from Day 1
- 3) Transmission upgrades built for the IPPs that may become eligible for credits - Assumed in ratebase from Day 1
- 4) Local area transmission upgrades to facilitate firm NITS service for new Long-Term Network Resources necessary to serve Entergy's retail load growth.
- 5a) and 5b) Transmission upgrades built under Orders 2003 and 2003a. These will be subject to 8-year crediting and interest.

**ETR Annual Rev Req (as % of Rate Base in each year)**

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
0	16.74%																													
1	16.16%	16.74%																												
2	15.58%	16.16%	16.74%																											
3	15.00%	15.58%	16.16%	16.74%																										
4	14.42%	15.00%	15.58%	16.16%	16.74%																									
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
15	8.02%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%								
22	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%							
23	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%						
24	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%					
25	5.70%	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%				
26	5.45%	5.70%	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%			
27	5.20%	5.45%	5.70%	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%		
28	4.95%	5.20%	5.45%	5.70%	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%	
29	4.70%	4.95%	5.20%	5.45%	5.70%	5.95%	6.20%	6.45%	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%

**MSS 2 Annual Rev Req (as % of Rate Base in each year)**

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
0	16.74%																														
1	16.16%	16.74%																													
2	15.58%	16.16%	16.74%																												
3	15.00%	15.58%	16.16%	16.74%																											
4	14.42%	15.00%	15.58%	16.16%	16.74%																										
5	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																									
6	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																								
7	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																							
8	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																						
9	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																					
10	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																				
11	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																			
12	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																		
13	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																	
14	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%																
15	8.02%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%															
16	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%														
17	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%													
18	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%												
19	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%											
20	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%										
21	6.70%	6.95%	7.20%	7.45%	7.70%	7.95%	8.20%	8.61%	9.19%	9.77%	10.35%	10.93%	11.51%	12.10%	12.68%	13.26%	13.84%	14.42%	15.00%	15.58%	16.16%	16.74%									
22	6.45%	6.70%																													

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Scenario Narrative**

**Scenario 1:** FERC Accepts Entergy Proposed Transmission Pricing Policy for All New Investments (Including for NRIS) as well as for previously reclassified transmission upgrades for IPPs. Only "Reliability" related upgrades for IPPs eligible for crediting. An additional \$100 million in local area transmission upgrades to facilitate firm NITS service for new Long-Term Network Resources necessary to serve Entergy's retail load growth are also required. Total capital investment by Entergy in Scenario 1a is \$107 million + \$100 million = \$207 million

**Scenario 2a:** First Status Quo Case, in which FERC continues to require crediting for transmission investments including all previously spent interconnection and optional upgrades for IPPs. All \$426 million of prior upgrades for IPPs are eligible for crediting. An additional \$100 million in local area transmission upgrades to facilitate firm NITS service for new Long-Term Network Resources necessary to serve Entergy's retail load growth are also required. Total capital investment by Entergy in Scenario 1b is \$426 million + \$100 million = \$526 million

**Scenario 2b:** Second Status Quo Case, in which FERC continues to require crediting for transmission investments including all previously spent interconnection and optional upgrades for IPPs. All \$426 million of prior upgrades for IPPs are eligible for crediting. There are also \$145 million of transmission upgrades made for new NRIS resources to serve non-Entergy load that is connected to the Entergy transmission system. 8-year crediting assumed. An additional \$100 million in local area transmission upgrades to facilitate firm NITS service for new Long-Term Network Resources necessary to serve Entergy's retail load growth are also required. Total capital investment by Entergy in Scenario 2b is \$426 million + \$145 million + \$100 million = \$671 million

**Scenario 3:** FERC requires crediting for all prior interconnection cost as well as crediting with interest for NRIS Upgrades. With all SPP as potential customer for NRIS resources, an additional \$1,000 million of transmission investment for NRIS is assumed. Total capital investment by Entergy in Scenario 2 is \$426 + \$100 + \$1,000 = \$1,526 million.



Entergy Services, Inc.  
 Equalization of Transmission Service Credits by Jurisdiction (Excludes Interconnection Costs)  
 December 31, 2003

OPCO	Total Credit Eligible \$ (1)	Equalized \$ (2)	Non-Equalized \$	Equalized %	Equalization Factor	Increase (Decrease) in Service Credit Liab
EAI	100,687,097.00	6,183,684.05	94,503,412.95	6%	0.236	9,361,988.18
ELI	23,706,368.00	19,957,424.17	3,748,943.83	84%	0.248	(3,593,558.67)
EMI	68,904,014.00	10,807,558.71	58,096,455.29	16%	0.134	(1,952,596.01)
EGSI-TX	43,799,320.81	14,226,984.24	29,572,336.57	32%	0.161	(3,612,444.11)
EGSI-LA	45,587,048.19	14,807,677.47	30,779,370.72	32%	0.167	(3,759,890.81)
<b>EGSI</b>	<b>89,386,369.00</b>	<b>29,034,661.71</b>	<b>60,351,707.29</b>	<b>32%</b>	<b>0.328</b>	<b>(7,372,334.92)</b>
ENOI	0	0	0		0.054	3,556,501.41
	<u>282,683,848.00</u>	<u>65,983,328.64</u>	<u>216,700,519.36</u>		<u>1.00</u>	<u>(0.00)</u>

(1) These amounts include estimated cost to complete but does not include tax gross-up or interest.  
 (2) These amounts were provided by Donna Childers, Administrator of Transmission System Agreements.

Entergy Services, Inc.  
 Equalization of Transmission Service Credits by Jurisdiction - Interconnection Costs Only  
 December 31, 2003

OPCO	Total Credit Eligible \$ (1)	Equalized \$ (2)	Non-Equalized \$	Equalized %	Equalization Factor	Increase (Decrease) in Service Credit Liab
EAI	68,681,031	1,313,266.91	67,367,763.88	2%	0.2356	3,468,686.29
ELI	36,126,686	539,120.18	35,587,565.84	1%	0.248	4,494,514.77
EMI	13,932,096	(2,219.05)	13,934,315.26	0%	0.1342	2,726,065.06
EGSI-TX	12,096,845.60	9,038,906.07	3,057,939.53	75%	0.161	(5,773,802.23)
EGSI-LA	12,590,594.40	9,407,841.02	3,182,753.38	75%	0.167	(6,009,467.62)
<b>EGSI</b>	<b>24,687,440</b>	<b>18,446,747.09</b>	<b>6,240,692.91</b>	<b>75%</b>	<b>0.3283</b>	<b>(11,783,269.85)</b>
ENOI	0	0	0	0	0.0539	1,094,003.73
	143,427,253.02	20,296,915.13	123,130,337.89		1.00	0.00

(1) These amounts include estimated cost to complete but does not include tax gross-up or interest.  
 (2) These amounts were provided by Donna Childers, Administrator of Transmission System Agreements.

							<b>EAI</b>	
<b>EAI</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	31,256,123	7,814,031	1,919,590	5,540,830	29,336,533	3,621	31,256
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	51,430,974	12,857,743	3,158,626	9,005,566	48,272,347	5,847	51,431
3) Built not yet credited - FERC Re-classification (Y)	(Y)	86,681,031	21,670,258	1,657,449	6,487,165	85,023,581	4,830	86,681
<b>TOTAL</b>		<b>169,368,128</b>	<b>42,342,032</b>	<b>6,735,666</b>	<b>21,033,561</b>	<b>162,632,462</b>	<b>14,298</b>	<b>169,368</b>
<b>EGSI-LA</b>								
<b>EGSI-LA</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	11,852,357	2,963,089	3,849,907	3,937,682	8,002,450	88	11,852
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	29,029,484	7,257,371	9,429,416	6,399,953	19,600,068	-3,029	29,029
3) Built not yet credited - FERC Re-classification (Y)	(Y)	17,295,802	4,323,950	12,923,628	4,610,210	4,372,174	-8,313	17,296
<b>TOTAL</b>		<b>58,177,643</b>	<b>14,544,411</b>	<b>26,202,950</b>	<b>14,947,844</b>	<b>31,974,693</b>	<b>-11,255</b>	<b>58,178</b>
<b>EGSI-TX</b>								
<b>EGSI-TX</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	11,387,559	2,846,890	3,698,930	3,783,263	7,688,629	84	11,388
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	27,891,073	6,972,768	9,059,635	6,148,974	18,831,438	-2,911	27,891
3) Built not yet credited - FERC Re-classification (Y)	(Y)	16,617,535	4,154,384	12,416,819	4,429,417	4,200,716	-7,987	16,618
<b>TOTAL</b>		<b>55,896,166</b>	<b>13,974,042</b>	<b>25,175,383</b>	<b>14,361,654</b>	<b>30,720,783</b>	<b>-10,814</b>	<b>55,896</b>
<b>ELI</b>								
<b>ELI</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	10,715,800	2,678,950	9,021,195	5,832,453	1,694,605	-3,189	10,716
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	12,990,568	3,247,642	10,936,229	9,479,543	2,054,339	-1,457	12,991
3) Built not yet credited - FERC Re-classification (Y)	(Y)	36,126,686	9,031,672	539,120	6,828,595	35,587,566	6,289	36,127
<b>TOTAL</b>		<b>59,833,054</b>	<b>14,958,263</b>	<b>20,496,544</b>	<b>22,140,590</b>	<b>39,336,510</b>	<b>1,644</b>	<b>59,833</b>
<b>EMI</b>								
<b>EMI</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	32,058,327	8,014,582	5,028,332	3,156,109	27,029,995	-1,872	32,058
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	35,958,409	8,989,602	5,640,058	5,129,656	30,318,352	-510	35,958
3) Built not yet credited - FERC Re-classification (Y)	(Y)	14,819,373	3,704,843	-2,360	3,695,151	14,821,734	3,698	14,819
<b>TOTAL</b>		<b>82,836,110</b>	<b>20,709,028</b>	<b>10,666,029</b>	<b>11,980,916</b>	<b>72,170,081</b>	<b>1,315</b>	<b>82,836</b>
<b>ENOI</b>								
<b>ENOI</b>	<b>Source</b>	<b>Total</b>	<b>Reliability Only (25% of Total)</b>	<b>Prior to Equalization</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	0	0	0	1,267,618	0	1,268	-
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	0	0	0	2,060,272	0	2,060	-
3) Built not yet credited - FERC Re-classification (Y)	(Y)	0	0	0	1,484,118	0	1,484	-
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>4,812,007</b>	<b>0</b>	<b>4,812</b>	<b>-</b>
<b>SYSTEM</b>								
<b>Category</b>	<b>Source</b>	<b>System</b>	<b>Reliability Only (25% of Total)</b>	<b>Equalized</b>	<b>after Equalization</b>	<b>Non-Equalized</b>	<b>Net MSS2</b>	<b>Company</b>
1) Built and credited (X)	(X)	97,270,166	24,317,542	23,517,954	23,517,954	73,752,213	0	97,270
2) Built not yet credited - Current FERC Classification (Z-X)	(Z)-(X)-(Y)	157,300,507	39,325,127	38,223,964	38,223,964	119,076,543	0	157,301
3) Built not yet credited - FERC Re-classification (Y)	(Y)	171,540,427	42,885,107	27,534,656	27,534,656	144,005,772	0	171,540
<b>Total</b>		<b>426,111,101</b>	<b>106,527,775</b>	<b>89,276,573</b>	<b>89,276,573</b>	<b>336,834,528</b>	<b>0</b>	<b>426,111</b>

426,111,101

	INTERCONNECTION (after reclass)			REFUNDABLE (optional and reclassified)			TOTAL CONSTRUCTION COSTS	Total Eligible Credits - Current Classification (2) (5)	Portion of Total Eligible Credits Resulting from FERC Reclassification (4) (6)	Estimate to Complete and Estimated Additional Impact if FERC Reclassification is Applied Retroactively (6) (9)	Credits Issued	Credits Issued Total	Total Construction Costs Spent 2001 and before	Total Construction Costs Spent 2002	Total Construction Costs Spent 2003	Total Construction Costs to be Spent 2004 +	Credits Issued 2002	Credits Issued 2003	
	ACTUAL	ESTIMATE TO COMPLETE	TOTAL (10)	ACTUAL	ESTIMATE TO COMPLETE	TOTAL (11)													
<b>EAI</b>																			
Duke Energy Hot Springs (a) (1)	0	0	0	26,008,708	0	26,008,708	26,008,708	26,008,708	15,781,200	0		9,780,349	12,169,094	12,168,126	1,671,488	0	2,982,327	6,798,022	
Cogentrix Sterlington - Ouachita (a)	closed	0	0	11,424,541	0	11,424,541	11,424,541	11,424,541	0	0	3,192,955	3,192,955	10,091,177	1,244,438	88,926	0	1,525,332	1,667,623	
Tractebel (EPC included) (b)		17,354,330	165,816	17,520,145	2,840,637	0	2,840,637	20,360,782	2,840,637	0	17,520,145	0	0	640,470	19,554,497	165,816	0	0	
UPP Panda (a)		26,805,106	0	26,805,106	4,500,601	0	4,500,601	31,305,707	4,500,601	0	26,805,106	6,064,875	26,615,048	4,631,974	58,685	0	0	6,064,875	
Pine Bluff Skygen (a)	closed	148,069	0	148,069	8,549,332	0	8,549,332	8,697,400	8,549,332	0	148,069	8,549,332	8,697,400	0	0	0	4,030,289	4,519,043	
TPS Dell (a)		24,207,711	0	24,207,711	0	0	24,207,711	0	0	0	24,207,711	0	5,688,760	17,783,560	735,391	0	0	0	
Kinder Morgan Wrightsville (a) (1)		0	0	0	29,363,278	0	29,363,278	29,363,278	13,384,944	0		3,668,612	20,808,396	8,868,828	-313,946	0	0	3,668,612	
Plum Point Energy Associates (to start 2005) (b) (1) (8)		0	0	0	18,000,000	18,000,000	18,000,000	0	0	18,000,000	0	0	0	0	0	18,000,000	0	0	
<b>Total EAI</b>		<b>68,515,215</b>	<b>165,816</b>	<b>68,681,031</b>	<b>82,687,097</b>	<b>18,000,000</b>	<b>100,687,097</b>	<b>169,368,128</b>	<b>82,687,097</b>	<b>29,166,144</b>	<b>86,681,031</b>	<b>3,192,955</b>	<b>31,256,123</b>	<b>84,069,875</b>	<b>45,337,396</b>	<b>21,795,041</b>	<b>18,165,816</b>	<b>8,537,948</b>	<b>22,718,175</b>
								(Z)					(X)						
<b>EGSI-TX</b>																			
SRW (a)	closed	2,559,756	0	2,559,756	12,965,090	0	12,965,090	15,524,846	12,965,090	0	2,559,756	14,974,774	11,974,075	3,550,771	0	0	6,956,162	8,018,612	
Intergen Cottonwood (a) (1) (7)		0	0	52,369,853	0	52,369,853	52,369,853	52,369,853	18,900,169	0		5,086,980	12,785,927	35,607,504	3,976,422	0	0	5,086,980	
Exxon-Mobil (phase I + EPC) (a) (1) (3)	closed	5,212,732	0	5,212,732	258,616	223,653	482,269	5,695,001	258,616	0	5,436,385	0	4,360	777,597	4,689,391	223,653	0	0	
Exxon-Mobil (phase II) (b) (3)		0	0	0	999,519	8,979,920	9,979,440	9,979,440	999,519	594,177	8,979,920	0	0	0	1,045,254	8,934,186	0	0	
<b>Total EGSI-TX</b>		<b>7,772,488</b>	<b>0</b>	<b>7,772,488</b>	<b>66,593,079</b>	<b>9,203,573</b>	<b>75,796,652</b>	<b>83,569,140</b>	<b>66,593,079</b>	<b>19,494,346</b>	<b>16,976,062</b>	<b>-</b>	<b>20,061,753</b>	<b>24,764,362</b>	<b>39,935,872</b>	<b>9,711,068</b>	<b>9,157,839</b>	<b>6,956,162</b>	<b>13,105,592</b>
								(Z)					(X)						
<b>ELI</b>																			
Oxy Taft (a)	closed	16,527,959	0	16,527,959	4,467,447	0	4,467,447	20,995,405	4,467,447	0	16,527,959	5,901,341	5,901,341	7,758,723	12,587,944	648,738	0	5,901,341	
Cogentrix Sterlington - Ouachita (a)		8,172,038	0	8,172,038	15,581,283	0	15,581,283	23,753,321	15,581,283	0	8,172,038	4,814,459	4,814,459	20,059,087	3,678,646	15,588	0	2,693,462	2,120,997
Cleco Midstream Perryville (a)	closed	8,790,773	0	8,790,773	0	0	0	8,790,773	0	0	8,790,773	0	8,745,491	45,282	0	0	0	0	
Duke Ruston (Mt. Olive) (b)	closed	1,192,256	0	1,192,256	0	0	0	1,192,256	0	0	1,192,256	0	110,636	1,081,620	0	0	0	0	
Washington Parish (Calpine) Bogalusa (a) (1)	closed	0	0	0	3,657,638	0	3,657,638	3,657,638	3,657,638	2,140,737	0	0	1,124,295	2,464,105	69,238	0	0	0	
Koch Power Louisiana (a)	closed	1,443,661	0	1,443,661	0	0	0	1,443,661	0	0	1,443,661	0	1,443,661	0	0	0	0	0	
<b>Total ELI</b>		<b>36,126,686</b>	<b>0</b>	<b>36,126,686</b>	<b>23,706,368</b>	<b>0</b>	<b>23,706,368</b>	<b>59,833,054</b>	<b>23,706,368</b>	<b>2,140,737</b>	<b>36,126,686</b>	<b>10,715,800</b>	<b>10,715,800</b>	<b>39,241,893</b>	<b>19,857,597</b>	<b>733,564</b>	<b>0</b>	<b>2,693,462</b>	<b>8,022,338</b>
								(Z)					(X)						
<b>EGSI-LA</b>																			
RS Cogen (a)	closed	258,964	0	258,964	0	0	0	258,964	0	0	258,964	0	94,099	164,865	0	0	0	0	
NRG Bayou Cove (including EPC) (b)		577,634	3,654,155	4,231,789	423,730	0	423,730	4,655,519	423,730	0	4,231,789	41,525	1,780	987,543	12,041	3,654,155	0	41,525	
Dow Chemical (b) (7)		4,866,114	94,025	4,960,139	9,596,180	22,324	9,618,504	14,578,643	9,596,180	0	4,982,463	0	612,647	10,024,211	3,825,436	116,348	0	0	
Cleco Richard/ Acadian Power Partners (a)	closed	4,047,717	0	4,047,717	3,547,483	0	3,547,483	7,595,201	3,547,483	0	4,047,717	3,136,637	5,676,904	1,918,297	0	0	0	3,136,637	
Shell Woodstock Geismar (a)	closed	356,820	0	356,820	0	0	0	356,820	0	0	356,820	0	356,820	0	0	0	0	0	
Calpine Skygen Carville (a)	closed	3,059,523	0	3,059,523	0	0	0	3,059,523	0	0	3,059,523	0	2,324,795	707,631	27,097	0	0	0	
<b>Total EGSI-LA</b>		<b>13,166,772</b>	<b>3,748,180</b>	<b>16,914,952</b>	<b>13,567,393</b>	<b>22,324</b>	<b>13,589,717</b>	<b>30,504,669</b>	<b>13,567,393</b>	<b>-</b>	<b>16,937,275</b>	<b>-</b>	<b>3,178,163</b>	<b>9,067,045</b>	<b>13,802,547</b>	<b>3,864,574</b>	<b>3,770,503</b>	<b>0</b>	<b>3,178,163</b>

INTERCONNECTION (after reclass)			REFUNDABLE (optional and reclassified)			(Z)	(Y)	(X)											
ACTUAL	ESTIMATE TO COMPLETE	TOTAL (10)	ACTUAL	ESTIMATE TO COMPLETE	TOTAL (11)	TOTAL CONSTRUCTION COSTS	Total Eligible Credits - Current Classification (2) (5)	Portion of Total Eligible Credits Resulting from FERC Reclassification (4) (6)	Estimate to Complete and Estimated Additional Impact if FERC Reclassification is Applied Retroactively (6) (9)	Credits Issued	Credits Issued Total	Total Construction Costs Spent 2001 and before	Total Construction Costs Spent 2002	Total Construction Costs Spent 2003	Total Construction Costs to be Spent 2004 +	Credits Issued 2002	Credits Issued 2003		
<b>EMI</b>																			
TPS McAdams GenPower (a)	closed	2,634,534	0	2,634,534	8,868,070	0	8,868,070	11,502,604	8,868,070	0	2,634,534	0	8,909,941	2,588,629	4,034	0	0		
Cogentrix Sterlington - Ouachita (a)		0	0	0	865,464	0	865,464	865,464	865,464	0	0	340,768	340,768	814,232	51,232	0	240,709	100,059	
LSP Energy, Batesville (a)	closed	993,030	0	993,030	6,573,590	0	6,573,590	7,566,620	6,573,590	0	993,030	6,573,590	7,566,620	0	0	0	0	6,573,590	
Duke Freeport Southaven (a) (1)	one ce a o	0	0	0	8,252,976	0	8,252,976	8,252,976	8,252,976	1,476,278	0	8,772,555	3,036,424	2,261,869	2,954,683	0	0	8,772,555	
MDEA Clarksdale (includes estimated EPC) (a)		0	0	0	3,730,183	54,000	3,784,183	3,784,183	3,730,183	0	54,000	0	0	141,021	3,589,162	54,000	0	0	
French Camp Reliant Choctaw (includes EPC) (a) (1)		0	0	0	11,527,486	0	11,527,486	11,527,486	11,527,486	11,527,486	0	0	30,497	1,859,744	9,637,245	0	0	0	
Cogentrix Freeport (Southaven Power) (a)	closed	2,445,724	0	2,445,724	7,543,727	0	7,543,727	9,989,451	7,543,727	0	2,445,724	541,517	6,525,477	3,380,648	83,326	0	0	541,517	
Warren Power (a)	closed	2,785,202	0	2,785,202	4,470,305	0	4,470,305	7,255,507	4,470,305	0	2,785,202	527,265	7,255,507	0	0	0	527,265	0	
Duke Energy Hinds																			
Lakcover (a) (1) closed		0	0	0	11,476,059	0	11,476,059	11,476,059	11,476,059	6,566,337	0	13,083,605	11,476,059	0	0	0	5,414,011	7,669,594	
Rankin-Pelahatchie (b) (1)		0	0	0	3,035,974	833,277	3,869,251	3,869,251	3,035,974	0	833,277	0	0	7,812	3,028,162	833,277	0	0	
Duke McAdams Attala (a)	closed	3,860,783	0	3,860,783	1,672,903	0	1,672,903	5,533,686	1,672,903	0	3,860,783	2,219,027	5,533,686	0	0	0	2,219,027	0	
SMEPA Silver Creek (b)		666,388	546,436	1,212,823	0	0	0	1,212,823	0	0	1,212,823	0	0	0	666,388	546,436	0	0	
<b>Total EMI</b>		<b>13,385,660</b>	<b>546,436</b>	<b>13,932,096</b>	<b>68,016,737</b>	<b>887,277</b>	<b>68,904,014</b>	<b>82,836,110</b>	<b>68,016,737</b>	<b>19,570,101</b>	<b>14,819,373</b>	<b>340,768</b>	<b>32,058,327</b>	<b>51,148,443</b>	<b>10,290,955</b>	<b>19,962,999</b>	<b>1,433,713</b>	<b>8,401,013</b>	<b>23,657,315</b>
<b>Total</b>		<b>138,966,822</b>	<b>4,460,431</b>	<b>143,427,253</b>	<b>254,570,673</b>	<b>28,113,174</b>	<b>282,683,847</b>	<b>426,111,101</b>	<b>254,570,673</b>	<b>70,371,328</b>	<b>171,540,427</b>	<b>14,249,523</b>	<b>97,270,166</b>	<b>208,291,618</b>	<b>129,224,367</b>	<b>56,067,246</b>	<b>32,527,871</b>	<b>26,588,584</b>	<b>70,681,582</b>
			<b>C</b>	<b>A</b>	<b>B</b>		<b>F</b>	<b>D</b>			<b>E</b>		<b>(X)</b>						

**Assumptions**

- (a) Projects are substantially complete and actual costs are being reported.
- (b) Projects are still under construction. Costs represent actual costs plus estimated cost to complete.
- (1) These projects have already had interconnection costs reclassified from non-credit eligible to credit eligible by specific FERC orders. The reclassification is in the appeals process. Although it is unlikely to be reversed, the tax gross-up on the mandatory credit eligible costs are not being required in cash from the generator, but a clarification letter (to the IOA) and security is being requested instead. Tax Gross-up is not reported in these numbers.
- (2) This number represents the total amount of credits that will be eligible without consideration for whether they have been placed in service or have been used. This amount does not include tax gross-up or estimated cost to complete, only actual charges.
- (3) It is unlikely that future FERC rulings would impact this project as both phases were considered in the recent ruling.
- (4) This amount does not include estimated costs to complete, only actual charges.
- (5) All plants with eligible credits are currently expected to utilize these credits with the exception of Washington Parish (Calpine) Bogalusa and TPS McAdams GenPower. These generators have reduced the plants to skeleton crews.
- (6) When FERC ordered the reclassification of interconnection costs to credit eligible, they also order interest to be paid on these service credits as of specific dates, depending on the project. This accrued interest is not reflected in these numbers.
- (7) This project crosses jurisdictions, however, less than 3% of this projects costs and credits are related to a jurisdiction other than the one represented.
- (8) Once the construction costs are collected, they will be credit eligible.
- (9) This also includes estimated costs to complete that have been reclassified by FERC, but have not yet been incurred.
- (10) This amount is fully reimbursed with Contribution in Aid of Construction (CIAC) from the generator and is not included in rate base.
- (11) This amount is refunded to the generator in the form of Transmission service credits and is included in rate base.

<b>A = D</b>	254,570,673	254,570,673
<b>B + C = E</b>	171,540,427	171,540,427
<b>D + E = F</b>	426,111,101	426,111,101

**Limitations**

The amounts reclassified per the FERC order include the cost of metering. If the reclass becomes permanent, these costs of metering would be removed from the reclassified amounts and remain as non-credit eligible. The approximate amount related to metering is less than \$3 million.

Support for Scenario 1a, 1b - buckets 1a), 2a) & 3a), 1b), 2b) & 3b)

	Total	Reliability Only (25% of Total)	
<b>EAI</b>			
1) Built and credited (X)	31,256,123	7,814,031	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	51,430,974	12,857,743	
3) Built not yet credited - FERC Re-classification (Y)	86,681,031	21,670,258	
<b>TOTAL</b>	<b>169,368,128</b>	<b>42,342,032</b>	<b>40%</b>
<b>EGSI</b>			
1) Built and credited (X)	23,239,916	5,809,979	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	56,920,556	14,230,139	
3) Built not yet credited - FERC Re-classification (Y)	33,913,337	8,478,334	
<b>TOTAL</b>	<b>114,073,809</b>	<b>28,518,452</b>	
<b>EGSI-LA</b>			
1) Built and credited (X)	11,852,357	2,963,089	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	29,029,484	7,257,371	
3) Built not yet credited - FERC Re-classification (Y)	17,295,802	4,323,950	
<b>TOTAL</b>	<b>58,177,643</b>	<b>14,544,411</b>	<b>14%</b>
<b>EGSI-TX</b>			
1) Built and credited (X)	11,387,559	2,846,890	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	27,891,073	6,972,768	
3) Built not yet credited - FERC Re-classification (Y)	16,617,535	4,154,384	
<b>TOTAL</b>	<b>55,896,166</b>	<b>13,974,042</b>	<b>13%</b>
<b>ELI</b>			
1) Built and credited (X)	10,715,800	2,678,950	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	12,990,568	3,247,642	
3) Built not yet credited - FERC Re-classification (Y)	36,126,686	9,031,672	
<b>TOTAL</b>	<b>59,833,054</b>	<b>14,958,263</b>	<b>14%</b>
<b>EMI</b>			
1) Built and credited (X)	32,058,327	8,014,582	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	35,958,409	8,989,602	
3) Built not yet credited - FERC Re-classification (Y)	14,819,373	3,704,843	
<b>TOTAL</b>	<b>82,836,110</b>	<b>20,709,028</b>	<b>19%</b>
<b>ENOI</b>			
1) Built and credited (X)	-	-	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	-	-	
3) Built not yet credited - FERC Re-classification (Y)	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>SYSTEM</b>			
<b>Category</b>	<b>System</b>	<b>Reliability Only (25% of Total)</b>	
1) Built and credited (X)	97,270,166	24,317,542	
2) Built not yet credited - Current FERC Classification (Z-X-Y)	157,300,507	39,325,127	
3) Built not yet credited - FERC Re-classification (Y)	171,540,427	42,885,107	
	<u>426,111,101</u>	<u>106,527,775</u>	

Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Estimate of Allocation of Transmission Upgrade Costs to Retail Jurisdictions

Percentages Applied - Local Area upgrades and for elimination of Internal Constraints

	EAI	EGSI-LA	EGSI-TX	ELI	EMI	ENOI	TOTAL
>=230 kV (Resp. Ratio)	23.56%	16.74%	16.09%	24.80%	13.42%	5.39%	56.69%
>=230 kV (Prior to MSS2)	17.50%	6.20%	7.67%	31.83%	36.80%	0.00%	56.69%
< 230 kV	41.44%	11.61%	7.12%	12.08%	27.75%	0.00%	43.31%

Estimated Percentages Applied to \$100MM - Local Area Upgrades for new Entergy Long-Term NITS Resources

	EAI	EGSI-LA	EGSI-TX	ELI	EMI	ENOI	TOTAL
>=230 kV In Jurisdiction	9,923,234	3,514,070	4,349,265	18,043,583	20,863,233	0	56,693,385
MSS2 Equalization	3,433,728	5,978,273	4,770,830	-3,983,623	-13,254,981	3,055,773	0
Net >=230kV	13,356,962	9,492,344	9,120,095	14,059,960	7,608,252	3,055,773	56,693,385
< 230 kV	17,944,395	5,029,881	3,084,363	5,231,502	12,016,474	0	43,306,615
3) Total	31,301,357	14,522,225	12,204,458	19,291,461	19,624,726	3,055,773	100,000,000

Estimated Percentages Applied to \$145MM - Local Area Upgrades for NITS/NRIS

	EAI	EGSI-LA	EGSI-TX	ELI	EMI	ENOI	TOTAL
>=230 kV In Jurisdiction	14,417,875	5,105,738	6,319,226	26,216,265	30,313,051	0	82,372,154
MSS2 Equalization	4,989,005	8,686,079	6,931,735	-5,787,970	-19,258,708	4,439,859	0
Net >=230kV	19,406,879	13,791,817	13,250,961	20,428,294	11,054,343	4,439,859	82,372,154
< 230 kV	26,072,151	7,308,122	4,481,398	7,601,064	17,459,229	0	62,921,964
Total	45,479,030	21,099,938	17,732,359	28,029,358	28,513,572	4,439,859	145,294,118

Estimated Percentages Applied to \$1000MM - Local Area Upgrades for NITS/NRIS

	EAI	EGSI-LA	EGSI-TX	ELI	EMI	ENOI	TOTAL
>=230 kV In Jurisdiction	99,232,336	35,140,705	43,492,648	180,435,829	208,632,335	0	566,933,852
MSS2 Equalization	34,337,280	59,782,731	47,708,300	-39,836,234	-132,549,812	30,557,735	0
Net >=230kV	133,569,616	94,923,436	91,200,948	140,599,595	76,082,523	30,557,735	566,933,852
< 230 kV	179,443,952	50,298,812	30,843,631	52,315,015	120,164,737	0	433,066,148
4) Total	313,013,568	145,222,248	122,044,579	192,914,611	196,247,260	30,557,735	1,000,000,000

Notes:

4) \$1000MM estimate for local area upgrades associated with Order 2003, 2003A NRIS qualification of units. Estimate provided by Transmission.

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Calculation of Percentage Split Between Jurisdictions for Scenarios 2 & 3**

Here's a summary of an analysis prepared by Kham Vongkhamchanh similar to the one he performed last July for the APSC. He took the same data set of long-term firm transmission service requests dated January 2000 to July 2003 and summarized the transmission upgrades that were identified for each study.

Here are the key steps that he took:

1. Grouped the merchant plants into four groups by state – Arkansas, Louisiana, Mississippi, and Texas.
2. For each group, determined the unique set of transmission upgrades that were identified for both INTERNAL and EXTERNAL sinks.
3. Broke down the upgrades into two voltage categories:  $\geq 230$  kV and  $< 230$  kV.
4. Summed costs of the upgrades by voltage category and Jurisdiction (EAI, EGSI-LA, EGSI-TX, ELI, EMI, ENOI).
5. Determined the relative percentages of upgrades attributed to each Jurisdiction and voltage category.
6. Applied these percentages to the \$1.8 billion estimate.

**CAVEATS:**

The percentages derived should be taken as relative percentages since the system impact studies were performed independently.

The percentages were based solely on the system impact studies requested during January 2000 - July 2003.

The percentages for EAI are slightly different than those cited last July for the APSC due to some data refinement.

EAI's percentage of the total is now 28% instead of 30%.

The list of upgrades that were identified are subject to dynamic system conditions including changing network resources and demand projections internal and external to the Entergy system.

Location of Identified Upgrades	$\geq 230$ kV	$< 230$ kV	% of Total Upgrades
	% of Subtotal	% of Subtotal	
EAI	18%	41%	27.868%
EGSI-LA	6%	12%	8.544%
EGSI-TX	8%	7%	7.434%
ELI	32%	12%	23.275%
EMI	37%	28%	32.880%
ENOI	0%	0%	0.000%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100.000%</b>

**$\geq 230$ kV upgrades as a percentage of total =**

**57%**

**$< 230$ kV upgrades as a percentage of total =**

**43%**

	Estimated Percentages Applied to \$1.0 Billion		
	$\geq 230$ kV	$< 230$ kV	% of Total Upgrades
EAI	\$ 99,232,336	\$ 179,443,952	\$ 278,676,288
EGSI-LA	\$ 35,140,705	\$ 50,298,812	\$ 85,439,517
EGSI-TX	\$ 43,492,648	\$ 30,843,631	\$ 74,336,279
ELI	\$ 180,435,829	\$ 52,315,015	\$ 232,750,844
EMI	\$ 208,632,335	\$ 120,164,737	\$ 328,797,071
ENOI	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 566,933,852</b>	<b>\$ 433,066,148</b>	<b>\$ 1,000,000,000</b>

Example of Calculation for EAI:  $(57\%)*1,000,000,000*(18\%) = \$99,232,336$

Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Revenue Requirement Calculation

EAI

trans inv	1000
book life	30
tax life	15
debt cost	7.18%
debt ratio	50.25%
equity cost	11%
equity ratio	49.75%
tax rate	41.50%
property tax	0.45%
franchise tax	0.01%
wacc	9.08%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	14	-	14	7	976	35	53	38	5	33	164	16.45%
2	967	933	950	67	14	14	28	21	929	34	51	36	5	33	158	15.83%
3	933	900	917	67	14	28	42	35	882	32	48	34	5	33	152	15.22%
4	900	867	883	67	14	42	55	48	835	30	46	32	5	33	146	14.61%
5	867	833	850	67	14	55	69	62	788	28	43	31	5	33	140	14.00%
6	833	800	817	67	14	69	83	76	741	27	41	29	5	33	134	13.39%
7	800	767	783	67	14	83	97	90	693	25	38	27	5	33	128	12.78%
8	767	733	750	67	14	97	111	104	646	23	35	25	5	33	122	12.17%
9	733	700	717	67	14	111	125	118	599	22	33	23	5	33	116	11.55%
10	700	667	683	67	14	125	138	131	552	20	30	21	5	33	109	10.94%
11	667	633	650	67	14	138	152	145	505	18	28	20	5	33	103	10.33%
12	633	600	617	67	14	152	166	159	458	17	25	18	5	33	97	9.72%
13	600	567	583	67	14	166	180	173	410	15	22	16	5	33	91	9.11%
14	567	533	550	67	14	180	194	187	363	13	20	14	5	33	85	8.50%
15	533	500	517	67	14	194	208	201	316	11	17	12	5	33	79	7.89%
16	500	467	483	-	(14)	208	194	201	283	10	15	11	5	33	75	7.45%
17	467	433	450	-	(14)	194	180	187	263	9	14	10	5	33	72	7.20%
18	433	400	417	-	(14)	180	166	173	244	9	13	9	5	33	69	6.95%
19	400	367	383	-	(14)	166	152	159	224	8	12	9	5	33	67	6.70%
20	367	333	350	-	(14)	152	138	145	205	7	11	8	5	33	64	6.44%
21	333	300	317	-	(14)	138	125	131	185	7	10	7	5	33	62	6.19%
22	300	267	283	-	(14)	125	111	118	166	6	9	6	5	33	59	5.94%
23	267	233	250	-	(14)	111	97	104	146	5	8	6	5	33	57	5.68%
24	233	200	217	-	(14)	97	83	90	127	5	7	5	5	33	54	5.43%
25	200	167	183	-	(14)	83	69	76	107	4	6	4	5	33	52	5.18%
26	167	133	150	-	(14)	69	55	62	88	3	5	3	5	33	49	4.93%
27	133	100	117	-	(14)	55	42	48	68	2	4	3	5	33	47	4.67%
28	100	67	83	-	(14)	42	28	35	49	2	3	2	5	33	44	4.42%
29	67	33	50	-	(14)	28	14	21	29	1	2	1	5	33	42	4.17%
30	33	(0)	17	-	(14)	14	-	7	10	0	1	0	5	33	39	3.92%

EGSI-LA

trans inv	1000
book life	30
tax life	15
debt cost	7.06%
debt ratio	55.52%
equity cost	11%
equity ratio	44.48%
tax rate	39.00%
property tax	0.88%
franchise tax	0.12%
wacc	8.81%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	38	48	31	10	33	160	16.00%
2	967	933	950	67	13	13	26	20	931	36	46	29	10	33	154	15.45%
3	933	900	917	67	13	26	39	33	884	35	43	28	10	33	149	14.89%
4	900	867	883	67	13	39	52	46	838	33	41	26	10	33	143	14.34%
5	867	833	850	67	13	52	65	59	792	31	39	25	10	33	138	13.79%
6	833	800	817	67	13	65	78	72	745	29	36	23	10	33	132	13.23%
7	800	767	783	67	13	78	91	85	699	27	34	22	10	33	127	12.68%
8	767	733	750	67	13	91	104	98	653	26	32	20	10	33	121	12.13%
9	733	700	717	67	13	104	117	111	606	24	30	19	10	33	116	11.57%
10	700	667	683	67	13	117	130	124	560	22	27	18	10	33	110	11.02%
11	667	633	650	67	13	130	143	137	514	20	25	16	10	33	105	10.47%
12	633	600	617	67	13	143	156	150	467	18	23	15	10	33	99	9.91%
13	600	567	583	67	13	156	169	163	421	16	21	13	10	33	94	9.36%
14	567	533	550	67	13	169	182	176	375	15	18	12	10	33	88	8.81%
15	533	500	517	67	13	182	195	189	328	13	16	10	10	33	83	8.25%
16	500	467	483	-	(13)	195	182	189	295	12	14	9	10	33	79	7.86%
17	467	433	450	-	(13)	182	169	176	275	11	13	9	10	33	76	7.61%
18	433	400	417	-	(13)	169	156	163	254	10	12	8	10	33	74	7.37%
19	400	367	383	-	(13)	156	143	150	234	9	11	7	10	33	71	7.13%
20	367	333	350	-	(13)	143	130	137	214	8	10	7	10	33	69	6.88%
21	333	300	317	-	(13)	130	117	124	193	8	9	6	10	33	66	6.64%
22	300	267	283	-	(13)	117	104	111	173	7	8	5	10	33	64	6.40%
23	267	233	250	-	(13)	104	91	98	153	6	7	5	10	33	62	6.16%
24	233	200	217	-	(13)	91	78	85	132	5	6	4	10	33	59	5.91%
25	200	167	183	-	(13)	78	65	72	112	4	5	3	10	33	57	5.67%
26	167	133	150	-	(13)	65	52	59	91	4	4	3	10	33	54	5.43%
27	133	100	117	-	(13)	52	39	46	71	3	3	2	10	33	52	5.18%
28	100	67	83	-	(13)	39	26	33	51	2	2	2	10	33	49	4.94%
29	67	33	50	-	(13)	26	13	20	30	1	1	1	10	33	47	4.70%
30	33	(0)	17	-	(13)	13	-	7	10	0	0	0	10	33	45	4.46%



**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Revenue Requirement Calculation**

**EGSI-TX**

trans inv	1000
book life	30
tax life	15
debt cost	7.06%
debt ratio	55.52%
equity cost	11%
equity ratio	44.48%
tax rate	39.00%
property tax	0.88%
franchise tax	0.12%
wacc	8.81%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	38	48	31	10	33	160	16.00%
2	967	933	950	67	13	13	26	20	931	36	46	29	10	33	154	15.45%
3	933	900	917	67	13	26	39	33	884	35	43	28	10	33	149	14.89%
4	900	867	883	67	13	39	52	46	838	33	41	26	10	33	143	14.34%
5	867	833	850	67	13	52	65	59	792	31	39	25	10	33	138	13.79%
6	833	800	817	67	13	65	78	72	745	29	36	23	10	33	132	13.23%
7	800	767	783	67	13	78	91	85	699	27	34	22	10	33	127	12.68%
8	767	733	750	67	13	91	104	98	653	26	32	20	10	33	121	12.13%
9	733	700	717	67	13	104	117	111	606	24	30	19	10	33	116	11.57%
10	700	667	683	67	13	117	130	124	560	22	27	18	10	33	110	11.02%
11	667	633	650	67	13	130	143	137	514	20	25	16	10	33	105	10.47%
12	633	600	617	67	13	143	156	150	467	18	23	15	10	33	99	9.91%
13	600	567	583	67	13	156	169	163	421	16	21	13	10	33	94	9.36%
14	567	533	550	67	13	169	182	176	375	15	18	12	10	33	88	8.81%
15	533	500	517	67	13	182	195	189	328	13	16	10	10	33	83	8.25%
16	500	467	483	-	(13)	195	182	189	295	12	14	9	10	33	79	7.86%
17	467	433	450	-	(13)	182	169	176	275	11	13	9	10	33	76	7.61%
18	433	400	417	-	(13)	169	156	163	254	10	12	8	10	33	74	7.37%
19	400	367	383	-	(13)	156	143	150	234	9	11	7	10	33	71	7.13%
20	367	333	350	-	(13)	143	130	137	214	8	10	7	10	33	69	6.88%
21	333	300	317	-	(13)	130	117	124	193	8	9	6	10	33	66	6.64%
22	300	267	283	-	(13)	117	104	111	173	7	8	5	10	33	64	6.40%
23	267	233	250	-	(13)	104	91	98	153	6	7	5	10	33	62	6.16%
24	233	200	217	-	(13)	91	78	85	132	5	6	4	10	33	59	5.91%
25	200	167	183	-	(13)	78	65	72	112	4	5	3	10	33	57	5.67%
26	167	133	150	-	(13)	65	52	59	91	4	4	3	10	33	54	5.43%
27	133	100	117	-	(13)	52	39	46	71	3	3	2	10	33	52	5.18%
28	100	67	83	-	(13)	39	26	33	51	2	2	2	10	33	49	4.94%
29	67	33	50	-	(13)	26	13	20	30	1	1	1	10	33	47	4.70%
30	33	(0)	17	-	(13)	13	-	7	10	0	0	0	10	33	45	4.46%

**ELI**

trans inv	1000
book life	30
tax life	15
debt cost	7.70%
debt ratio	49.60%
equity cost	11%
equity ratio	50.40%
tax rate	40.35%
property tax	0.87%
franchise tax	0.16%
wacc	9.36%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	37	54	37	10	33	172	17.17%
2	967	933	950	67	13	13	27	20	930	36	52	35	10	33	166	16.55%
3	933	900	917	67	13	27	40	34	883	34	49	33	10	33	159	15.94%
4	900	867	883	67	13	40	54	47	836	32	46	31	10	33	153	15.33%
5	867	833	850	67	13	54	67	61	789	30	44	30	10	33	147	14.71%
6	833	800	817	67	13	67	81	74	743	28	41	28	10	33	141	14.10%
7	800	767	783	67	13	81	94	87	696	27	39	26	10	33	135	13.49%
8	767	733	750	67	13	94	108	101	649	25	36	24	10	33	129	12.87%
9	733	700	717	67	13	108	121	114	602	23	33	23	10	33	123	12.26%
10	700	667	683	67	13	121	135	128	556	21	31	21	10	33	116	11.65%
11	667	633	650	67	13	135	148	141	509	19	28	19	10	33	110	11.03%
12	633	600	617	67	13	148	161	155	462	18	26	17	10	33	104	10.42%
13	600	567	583	67	13	161	175	168	415	16	23	16	10	33	98	9.81%
14	567	533	550	67	13	175	188	182	368	14	20	14	10	33	92	9.19%
15	533	500	517	67	13	188	202	195	322	12	18	12	10	33	86	8.58%
16	500	467	483	-	(13)	202	188	195	288	11	16	11	10	33	81	8.14%
17	467	433	450	-	(13)	188	175	182	268	10	15	10	10	33	79	7.88%
18	433	400	417	-	(13)	175	161	168	249	9	14	9	10	33	76	7.62%
19	400	367	383	-	(13)	161	148	155	229	9	13	9	10	33	74	7.36%
20	367	333	350	-	(13)	148	135	141	209	8	12	8	10	33	71	7.10%
21	333	300	317	-	(13)	135	121	128	189	7	10	7	10	33	68	6.84%
22	300	267	283	-	(13)	121	108	114	169	6	9	6	10	33	66	6.58%
23	267	233	250	-	(13)	108	94	101	149	6	8	6	10	33	63	6.32%
24	233	200	217	-	(13)	94	81	87	129	5	7	5	10	33	61	6.06%
25	200	167	183	-	(13)	81	67	74	109	4	6	4	10	33	58	5.80%
26	167	133	150	-	(13)	67	54	61	89	3	5	3	10	33	55	5.53%
27	133	100	117	-	(13)	54	40	47	70	3	4	3	10	33	53	5.27%
28	100	67	83	-	(13)	40	27	34	50	2	3	2	10	33	50	5.01%
29	67	33	50	-	(13)	27	13	20	30	1	2	1	10	33	48	4.75%
30	33	(0)	17	-	(13)	13	(0)	7	10	0	1	0	10	33	45	4.49%

**Entergy Services, Inc.**  
**Entergy System Financial Exposure Under IPP Scenarios**  
**Revenue Requirement Calculation**

**EMI**

trans inv	1000
book life	30
tax life	15
debt cost	6.97%
debt ratio	55.55%
equity cost	11%
equity ratio	44.45%
tax rate	40.00%
property tax	1.48%
franchise tax	0.11%
wacc	8.76%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	38	48	32	16	33	167	16.67%
2	967	933	950	67	13	13	27	20	930	36	45	30	16	33	161	16.10%
3	933	900	917	67	13	27	40	33	883	34	43	29	16	33	155	15.54%
4	900	867	883	67	13	40	53	47	837	32	41	27	16	33	150	14.98%
5	867	833	850	67	13	53	67	60	790	31	39	26	16	33	144	14.42%
6	833	800	817	67	13	67	80	73	743	29	36	24	16	33	139	13.86%
7	800	767	783	67	13	80	93	87	697	27	34	23	16	33	133	13.30%
8	767	733	750	67	13	93	107	100	650	25	32	21	16	33	127	12.74%
9	733	700	717	67	13	107	120	113	603	23	29	20	16	33	122	12.18%
10	700	667	683	67	13	120	133	127	557	22	27	18	16	33	116	11.62%
11	667	633	650	67	13	133	147	140	510	20	25	17	16	33	111	11.06%
12	633	600	617	67	13	147	160	153	463	18	23	15	16	33	105	10.49%
13	600	567	583	67	13	160	173	167	417	16	20	14	16	33	99	9.93%
14	567	533	550	67	13	173	187	180	370	14	18	12	16	33	94	9.37%
15	533	500	517	67	13	187	200	193	323	13	16	11	16	33	88	8.81%
16	500	467	483	-	(13)	200	187	193	290	11	14	9	16	33	84	8.41%
17	467	433	450	-	(13)	187	173	180	270	10	13	9	16	33	82	8.17%
18	433	400	417	-	(13)	173	160	167	250	10	12	8	16	33	79	7.93%
19	400	367	383	-	(13)	160	147	153	230	9	11	7	16	33	77	7.69%
20	367	333	350	-	(13)	147	133	140	210	8	10	7	16	33	74	7.45%
21	333	300	317	-	(13)	133	120	127	190	7	9	6	16	33	72	7.21%
22	300	267	283	-	(13)	120	107	113	170	7	8	6	16	33	70	6.97%
23	267	233	250	-	(13)	107	93	100	150	6	7	5	16	33	67	6.73%
24	233	200	217	-	(13)	93	80	87	130	5	6	4	16	33	65	6.49%
25	200	167	183	-	(13)	80	67	73	110	4	5	4	16	33	62	6.25%
26	167	133	150	-	(13)	67	53	60	90	3	4	3	16	33	60	6.01%
27	133	100	117	-	(13)	53	40	47	70	3	3	2	16	33	58	5.77%
28	100	67	83	-	(13)	40	27	33	50	2	2	2	16	33	55	5.53%
29	67	33	50	-	(13)	27	13	20	30	1	1	1	16	33	53	5.29%
30	33	(0)	17	-	(13)	13	-	7	10	0	0	0	16	33	50	5.04%

**ENOI**

trans inv	1000
book life	30
tax life	15
debt cost	7.86%
debt ratio	60.16%
equity cost	11%
equity ratio	39.84%
tax rate	40.35%
property tax	1.91%
franchise tax	0.23%
wacc	9.11%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	46	43	29	21	33	173	17.27%
2	967	933	950	67	13	13	27	20	930	44	41	28	21	33	167	16.70%
3	933	900	917	67	13	27	40	34	883	42	39	26	21	33	161	16.14%
4	900	867	883	67	13	40	54	47	836	40	37	25	21	33	156	15.57%
5	867	833	850	67	13	54	67	61	789	37	35	23	21	33	150	15.01%
6	833	800	817	67	13	67	81	74	743	35	33	22	21	33	144	14.44%
7	800	767	783	67	13	81	94	87	696	33	30	21	21	33	139	13.88%
8	767	733	750	67	13	94	108	101	649	31	28	19	21	33	133	13.31%
9	733	700	717	67	13	108	121	114	602	28	26	18	21	33	127	12.75%
10	700	667	683	67	13	121	135	128	556	26	24	16	21	33	122	12.18%
11	667	633	650	67	13	135	148	141	509	24	22	15	21	33	116	11.62%
12	633	600	617	67	13	148	161	155	462	22	20	14	21	33	111	11.05%
13	600	567	583	67	13	161	175	168	415	20	18	12	21	33	105	10.49%
14	567	533	550	67	13	175	188	182	368	17	16	11	21	33	99	9.92%
15	533	500	517	67	13	188	202	195	322	15	14	10	21	33	94	9.36%
16	500	467	483	-	(13)	202	188	195	288	14	13	9	21	33	90	8.96%
17	467	433	450	-	(13)	188	175	182	268	13	12	8	21	33	87	8.72%
18	433	400	417	-	(13)	175	161	168	249	12	11	7	21	33	85	8.48%
19	400	367	383	-	(13)	161	148	155	229	11	10	7	21	33	82	8.24%
20	367	333	350	-	(13)	148	135	141	209	10	9	6	21	33	80	8.00%
21	333	300	317	-	(13)	135	121	128	189	9	8	6	21	33	78	7.76%
22	300	267	283	-	(13)	121	108	114	169	8	7	5	21	33	75	7.52%
23	267	233	250	-	(13)	108	94	101	149	7	7	4	21	33	73	7.28%
24	233	200	217	-	(13)	94	81	87	129	6	6	4	21	33	70	7.04%
25	200	167	183	-	(13)	81	67	74	109	5	5	3	21	33	68	6.80%
26	167	133	150	-	(13)	67	54	61	89	4	4	3	21	33	66	6.56%
27	133	100	117	-	(13)	54	40	47	70	3	3	2	21	33	63	6.32%
28	100	67	83	-	(13)	40	27	34	50	2	2	1	21	33	61	6.08%
29	67	33	50	-	(13)	27	13	20	30	1	1	1	21	33	58	5.84%
30	33	(0)	17	-	(13)	13	(0)	7	10	0	0	0	21	33	56	5.60%

Entergy Services, Inc.  
 Entergy System Financial Exposure Under IPP Scenarios  
 Revenue Requirement Calculation

System

trans inv	1000
book life	30
tax life	15
debt cost	7.26%
debt ratio	52.90%
equity cost	11%
equity ratio	47.10%
tax rate	39.83%
property tax	1.12%
franchise tax	0.13%
wacc	8.48%

year	boy book	eoy book	my book	tax dep	ann def tax	boy def tx	eoy def tx	my def tx	my rtbase	debt ret	eq ret	inc tax	Other Tax	dep	tot rev req	rev Req as % of Inv.
1	1,000	967	983	67	13	-	13	7	977	38	51	33	12	33	167	16.74%
2	967	933	950	67	13	13	27	20	930	36	48	32	12	33	162	16.16%
3	933	900	917	67	13	27	40	33	883	34	46	30	12	33	156	15.58%
4	900	867	883	67	13	40	53	46	837	32	43	29	12	33	150	15.00%
5	867	833	850	67	13	53	66	60	790	30	41	27	12	33	144	14.42%
6	833	800	817	67	13	66	80	73	744	29	39	26	12	33	138	13.84%
7	800	767	783	67	13	80	93	86	697	27	36	24	12	33	133	13.26%
8	767	733	750	67	13	93	106	100	650	25	34	22	12	33	127	12.68%
9	733	700	717	67	13	106	119	113	604	23	31	21	12	33	121	12.10%
10	700	667	683	67	13	119	133	126	557	21	29	19	12	33	115	11.51%
11	667	633	650	67	13	133	146	139	511	20	26	18	12	33	109	10.93%
12	633	600	617	67	13	146	159	153	464	18	24	16	12	33	104	10.35%
13	600	567	583	67	13	159	173	166	417	16	22	14	12	33	98	9.77%
14	567	533	550	67	13	173	186	179	371	14	19	13	12	33	92	9.19%
15	533	500	517	67	13	186	199	193	324	12	17	11	12	33	86	8.61%
16	500	467	483	-	(13)	199	186	193	291	11	15	10	12	33	82	8.20%
17	467	433	450	-	(13)	186	173	179	271	10	14	9	12	33	79	7.95%
18	433	400	417	-	(13)	173	159	166	251	10	13	9	12	33	77	7.70%
19	400	367	383	-	(13)	159	146	153	231	9	12	8	12	33	74	7.45%
20	367	333	350	-	(13)	146	133	139	211	8	11	7	12	33	72	7.20%
21	333	300	317	-	(13)	133	119	126	191	7	10	7	12	33	69	6.95%
22	300	267	283	-	(13)	119	106	113	170	7	9	6	12	33	67	6.70%
23	267	233	250	-	(13)	106	93	100	150	6	8	5	12	33	64	6.45%
24	233	200	217	-	(13)	93	80	86	130	5	7	4	12	33	62	6.20%
25	200	167	183	-	(13)	80	66	73	110	4	6	4	12	33	60	5.95%
26	167	133	150	-	(13)	66	53	60	90	3	5	3	12	33	57	5.70%
27	133	100	117	-	(13)	53	40	46	70	3	4	2	12	33	55	5.45%
28	100	67	83	-	(13)	40	27	33	50	2	3	2	12	33	52	5.20%
29	67	33	50	-	(13)	27	13	20	30	1	2	1	12	33	50	4.95%
30	33	(0)	17	-	(13)	13	(0)	7	10	0	1	0	12	33	47	4.70%

ENTERGY SERVICES, INC.  
POINT-TO-POINT TRANSMISSION AND NETWORK INTEGRATION SERVICE TARIFFS  
**FOR THE TEST YEAR ENDED DECEMBER 31, 2001**  
(\$)

**COST OF CAPITAL COMPONENT SUMMARY**

Variable	Description	TOTAL	EAI (A)		EGSI (G)		ELI (L)		EMI (M)		ENOI (N)	
			WP Ref.	WP Ref.	WP Ref.	WP Ref.	WP Ref.	WP Ref.				
<b>Capitalization:</b>												
Total Debt	=	5,672,995,296	1,357,682,380	D.1.1.1	2,143,031,351	D.1.2.1	1,306,742,433	D.1.3.1	638,390,023	D.1.4.1	227,149,109	D.1.5.1
Preferred Equity	=	358,669,423	116,547,918	D.1.1.1	73,007,046	D.1.2.1	98,789,461	D.1.3.1	50,321,277	D.1.4.1	20,003,721	D.1.5.1
Common Equity	=	4,691,662,284	1,227,624,848	D.1.1.1	1,643,957,524	D.1.2.1	1,229,213,058	D.1.3.1	460,433,780	D.1.4.1	130,433,074	D.1.5.1
Total Capitalization	=	<u>10,723,327,003</u>	<u>2,701,855,146</u>		<u>3,859,995,921</u>		<u>2,634,744,952</u>		<u>1,149,145,080</u>		<u>377,585,904</u>	
<b>Capitalization Ratios:</b>												
DR = Debt Capitalization Ratio	=	52.90%	50.25%		55.52%		49.60%		55.55%		60.16%	
PR = Preferred Stock Capitalization Ratio	=	3.34%	4.31%		1.89%		3.75%		4.38%		5.30%	
CR = Common Equity Capitalization Ratio	=	43.76%	45.44%		42.59%		46.65%		40.07%		34.54%	
Total Capitalization	=	<u>100.00%</u>	<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>		<u>100.00%</u>	
<b>Cost Rates:</b>												
D = Embedded Cost Rate Of Long-Term Debt	=	7.26%	7.18%	D.1.1.1	7.06%	D.1.2.1	7.70%	D.1.3.1	6.97%	D.1.4.1	7.86%	D.1.5.1
PF = Embedded Cost Rate of Preferred Stock	=	6.64%	6.67%	D.1.1.1	6.81%	D.1.2.1	6.80%	D.1.3.1	6.70%	D.1.4.1	4.82%	D.1.5.1
CE = 0.1100	=	11.00%	11.00%		11.00%		11.00%		11.00%		11.00%	
Weighted Average	=	<u>8.87%</u>	<u>8.90%</u>		<u>8.73%</u>		<u>9.21%</u>		<u>8.57%</u>		<u>8.79%</u>	

Notes:

DR = (Total LT Debt / Total Capitalization)

PR = (Total Preferred Equity / Total Capitalization)

CR = (Total Common Equity / Total Capitalization)

D = ((A Cost Rate \* A LT Debt)+(G Cost Rate \* G LT Debt)+(L Cost Rate \* L LT Debt)+(M Cost Rate \* M LT Debt)+(N Cost Rate \* N LT Debt)) / Total LT Debt

PF = ((A Cost Rate \* A Preferred)+(G Cost Rate \* G Preferred)+(L Cost Rate \* L Preferred)+(M Cost Rate \* M Preferred)+(N Cost Rate \* N Preferred)) / Total Preferred Equity

CE = ((A Cost Rate \* A Common)+(G Cost Rate \* G Common)+(L Cost Rate \* L Common)+(M Cost Rate \* M Common)+(N Cost Rate \* N Common)) / Total Common Equity

ENTERGY SERVICES, INC.  
 POINT-TO-POINT TRANSMISSION AND NETWORK INTEGRATION SERVICE TARIFFS  
 FOR THE TEST YEAR ENDED DECEMBER 31, 2001  
 (\$)

COMPOSITE CORPORATE INCOME TAX RATE SUMMARY

Variable	Description	TOTAL	EAI (A)	EGSI (G)	ELI (L)	EMI (M)	ENOI (N)
			WP Ref.	WP Ref.	WP Ref.	WP Ref.	WP Ref.
<b>Tax Rates</b>							
F =	Statutory Federal Corporate Income Tax Rate	<u>35.00%</u>	35.00% D.6	35.00% D.6	35.00% D.6	35.00% D.6	35.00% D.6
	Effective Statutory State Corporate Income Tax Rate	=	6.50% D.6	4.00% D.6	8.00% D.6	5.00% D.6	8.00% D.6
S =	Effective State Tax Rate (1)	<u>4.83%</u> (2)	6.50%	2.64%	5.35%	5.00%	5.35%

**Property Tax Rate      Corporate Franchise Tax Rate**

EAI	0.4501%	0.0052%
EGSI-LA	0.8821%	0.1193%
EGSI-TX	0.8821%	0.1193%
ELI	0.8686%	0.1592%
EMI	1.4817%	0.1095%
ENOI	1.9098%	0.2329%