ENTERGY SERVICES, INC.
FEDERAL ENERGY REGULATORY COMMISSION
2015 Attachment O Annual Rate Update

Response of: Entergy Services, Inc.
to the First Set of Data Requests
of Requesting Party: Arkansas Electric
Cooperative Corporation

Filed: 01/22/2016

Question No.: AECC 1-12 Part No.: Addendum:

Question:

Refer to EAI'S 2014 FERC Form 1 page 323, line 184, Account 923 – Outside Services Employed, please explain and provide supporting documentation for the increase of approximately $5.1 million, or 24%, above the 2013 expense.

Response:

Please see the attached detail.

The increase was primarily due to a $14.7 million increase associated with regulatory deferrals and regulatory amortizations. The increase is partially offset by approximately $9.7 million decrease in billings by other Entergy companies to EAI.

AECC 1-12 Account 923 2013 vs. 2014

Account	Account Desc	Resource Desc	2013 Monetary Amount	2014 Monetary Amount	Change in $	% Change related to total variance %
923000	Outside Services Employed	Legal Services	$ 2,749,788	$ 1,039,682	$ (1,710,106)	-7.86%
923000	Outside Services Employed	Management Consulting Services	$ 100,260	$ 170,968	$ 70,708	0.33%
923000	Outside Services Employed	Other Outside Contract Service	$ 1,136,095	$ 1,088,294	$ (47,801)	-0.22%
923000	Outside Services Employed	Computer Software Acquisitions	$ -	$ 312	$ 312	0.00%
923000	Outside Services Employed	Computer Hardware Acquisitions	$ 805	$ 3,741	$ 2,936	0.01%
923000	Outside Services Employed	Other Contract Work	$ 252,104	$ 517,561	$ 265,457	1.22%
923000	Outside Services Employed	Contract Work Accrual	$ -	$ 127,020	$ 127,020	0.58%
923000	Outside Services Employed	Temporary Employee Services	$ 10,650	$ 65,428	$ 54,778	0.25%
923000	Outside Services Employed	Service Company Billings	$ 21,200,349	$ 13,340,644	$ (7,859,705)	-36.14%
923000	Outside Services Employed	Labor - Outsourcing	$ 569,864	$ 1,305,105	$ 735,241	3.38%
923000	Outside Services Employed	Subcontractors - Outsourcing	$ 131,629	$ 210,839	$ 79,210	0.36%
923000	Outside Services Employed	Cascade Billing Through EOI	$ 2,332,825	$ 492,176	$ (1,840,649)	-8.46%
923000	Outside Services Employed	Outsourcing - Labor Accrual	$ 77,417	$ (41,000)	$ (118,417)	-0.54%
923000	Outside Services Employed	Other	$ (118,571)	$ -	$ 118,571	0.55%
923000	Outside Services Employed	Other - Outsourcing	$ 78,700	$ 125,229	$ 46,529	0.21%
923000	Outside Services Employed	Designated Svcs Decr - Oursrc	$ (63,856)	$ (64,697)	$ (841)	0.00%
923000	Outside Services Employed	Designated Svcs-Outsourcing	$ 3,999,815	$ 3,680,907	$ (318,908)	-1.47%
923000	Outside Services Employed	Designated Svcs ARC/RRC-Outsou	$ 408,004	$ 555,577	$ 147,573	0.68%
923000	Outside Services Employed	Designated Svcs Incr-Outsrc	$ 381,467	$ 470,579	$ 89,112	0.41%
923000	Outside Services Employed	Ins Recovery Funds	$ (572,278)	$ -	$ 572,278	2.63%
923000	Outside Services Employed	Service Company Recipient	$ 331,391	$ 459,704	$ 128,313	0.59%
923000	Outside Services Employed	ServCo Recip-Cascade-EOI	$ 124	$ -	$ (124)	0.00%
923000	Outside Services Employed	Amortization	$ 147,858	$ -	$ (147,858)	-0.68%
923000	Outside Services Employed	Balance Sheet Default	$ (11,407,293)	$ 3,326,330	$ 14,733,623	67.75%
923000	Outside Services Employed	Co-Owner Billings	$ -	$ 13,202	$ 13,202	0.06%
			$ 21,747,147	$ 26,887,601	$ 5,140,454	23.64%
					23.64%	

AECC 1-12 LC245