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

Response of: Entergy Services, Inc.
to the Second Set of Data Requests
of Requesting Party: South Mississippi
Electric Power Association

Filed: 3/25/16

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Question No.: SMEPA 2-4 Part No.: Addendum:

Question:

With reference to the attachment provided in Entergy's response to SMEPA 1-12, the line item labeled as "Oth Insurance & Loss Reserves", please:

a. Provide a detailed description of the nature of this line item which was booked to Account 924 during 2013 and 2014.

b. Explain the significant variance in the accruals for this line item during 2014 [$21,512,812] compared to 2013 [$384,712].

c. Reconcile the 2014 accruals of $21,512,812 for this line item to the storm damage accruals of $21,031,461 reflected in worksheet "WP10 Storm", line 27, of the formula rate.

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Response:

a. The line item "Oth Insurance & Loss Reserves" in account 924 includes the annual storm reserves as approved by the MPSC.

b. The variance in the accruals for that line item is primarily due to an increase in the annual storm damage reserve accruals approved September 2013 in MPSC Docket 2012-UN-424.

c. Please see the attached reconciliation.