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Arkansas Public Service Commission Applauds Ruling of the Federal Energy Regulatory Commission (FERC) Allowing Entergy Arkansas to Exit Entergy System Agreement

(Little Rock) – The Federal Energy Regulatory Commission (FERC) today unanimously accepted the requests of Entergy Arkansas, Inc. (EAI) and Entergy Mississippi, Inc. (EMI) to withdraw from the Entergy System Agreement. A request supported by the Arkansas Public Service Commission (APSC).

In its order, the FERC ruled in favor of accepting the companies' notices of cancellation allowing them to withdraw from the System Agreement, given that:

- The multi-state System Agreement, established in 1982, provides for member companies to depart provided they give all Entergy system members 96 months written notice of their plans to depart;
- EAI submitted its notification in December 2005 for a withdrawal to take effect in December 2013;
- EMI submitted its notification in November 2007 for a withdrawal to take effect in November 2015;
- By notifying the member companies at least 96 months in advance, EAI and EMI have given sufficient notice of their plans to depart from the System Agreement.

More importantly, the FERC ruled that neither EAI nor EMI must pay an exit fee or otherwise compensate the remaining operating companies prior to withdrawing from the System Agreement, nor do they have any continuing obligations to the remaining operating companies once they withdraw from the System Agreement. This is significant to Arkansas ratepayers considering that Arkansas will have paid approximately \$900 million dollars to subsidize Entergy customers in other states over the past three years as described in the chart below.

Year	EAI's Retail Customer's Share of Payments	Monthly Residential Rate	Monthly Residential Customer Impact	Annual Residential Customer Impact
2007-2008	\$ 235,365,735	\$ 0.01107	\$ 11.07	\$ 132.84
2008-2009	\$ 241,526,423	\$ 0.01143	\$ 11.43	\$ 137.16
2009-2010	\$ 390,881,815	\$ 0.01820	\$ 18.20	\$ 218.40

Arkansas Public Service Commission Chairman Paul Suskie described the FERC's decision as a major victory for Arkansas ratepayers. "After almost twenty-five years of continuous litigation by the Commission on behalf of EAI's Arkansas ratepayers, the end is now in sight." Chairman Suskie praised the hard work and diligence of the Commission's litigation team which led to the FERC's decision today and pledged that the Commission would continue to vigorously defend Arkansas ratepayers until EAI's departure from the System Agreement is accomplished in December 2013. Suskie called the FERC's litigation team "unsung heroes."

"The Arkansas Commission looks forward to working with its fellow Entergy regulators to build a new relationship for the future regulation of the Entergy operating companies through the newly established Entergy Regional State Committee," said Suskie. Suskie further said that the Arkansas Commission "will cooperatively and aggressively work with its fellow Entergy regulators to plan and build out a robust electric transmission system throughout the Entergy service area that is reliable and will provide all of Entergy's ratepayers access to low cost generation whether that is through an enhanced Independent Transmission Coordination Agreement or through membership in the Southwest Power Pool Regional Transmission Organization."

EAI provides electricity to about 687,000 people in customers in Arkansas in 63 of Arkansas's 75 counties.

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