

System Agreement Initiative

Update on Activities Relating to Entergy System Agreement Transition for ELL and EGSL

January 2016



Overview of Activities



Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- In a January 13, 2014 directive, the LPSC recognized that a consensual path is likely to be the most efficient in permitting the parties to achieve an early termination of the Entergy System Agreement and therefore directed that ELL, EGSL and the LPSC Staff continue utilizing reasonable best efforts to achieve a consensual resolution permitting early termination of the System Agreement.
- In order to ensure that ELL and EGSL take the steps necessary to secure their ability to terminate participation in the System Agreement at the earliest practicable date should such discussions fail, the Louisiana Commission directed that:
 - ◆ No later than February 15, 2014, ELL and EGSL each shall provide notice of their intention to terminate their participation in the Entergy System Agreement and shall make the necessary filings at the FERC of such notice.
 - ◆ ELL, EGSL and Staff shall continue utilizing their reasonable best efforts to achieve a consensual resolution permitting early termination of the System Agreement.
 - ◆ ELL, EGSL and Staff shall report monthly on the progress of the negotiations for consensual resolution. Such reports may be provided on a confidential basis as they reflect settlement discussions.
 - ◆ Should the settlement discussions succeed, no later than September 2014, ELL and EGSL shall make a filing seeking the necessary approvals from the Commission.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On February 14, 2014, ELL and EGSL provided written notice to the other EOCs participating in the System Agreement, stating that they will terminate their participation in the System Agreement (attached in the Appendix to this presentation).
- Also on February 14th, in FERC Docket Nos. ER14-1328 (ELL) and ER14-1329 (EGSL), ELL and EGSL filed Notices of Cancellation with FERC to terminate their participation in the System Agreement. ELL and EGSL seek an effective date for cancellation of their participation five years from the date of the notice (February 14, 2019) or such other date consistent with the FERC's ruling in Docket Nos. ER14-75-000 (the FERC proceeding filed to amend the notice provisions of Section 1.01 of the System Agreement).
- This is the latest in a series of monthly reports ELL and EGSL will file with the LPSC regarding actions and developments regarding their reasonable best efforts toward consensual resolution permitting the early termination of their participation in the System Agreement.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- Representatives of ESI and the EOCs in Louisiana, Texas and Mississippi held joint conferences on the following dates with the LPSC Staff, PUCT Staff, the Advisors to the Council of the City of New Orleans, and the MPUS to discuss settlement frameworks to advance the process of searching for a consensual means of allowing ELL, EGSL and ETI to exit the ESA prior to the end of the 96-month notice period.
 - ◆ November 19, 2013
 - ◆ December 5, 2013
 - ◆ January 10, 2014
- Representatives of ESI and the EOCs in Louisiana, Texas and Mississippi have also met individually with the respective Staffs and Advisors to discuss the consensual process and to respond to questions and provide additional requested analyses.
- Entergy continues to conduct weekly Working Group meetings and monthly Steering Committee meetings regarding the System Agreement Initiative. The Preliminary Objectives and Governance Structure for the System Agreement Initiative are included in the Appendix.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- ENO submitted to the CNO Advisors, and ELL and EGSL submitted to the LPSC Staff, an initial strawman proposal for the purpose of reaching a consensual agreement among ELL, EGSL and ENO regarding early termination of the System Agreement and certain post-System Agreement arrangements among the three companies.
- It was the Companies' expectation that the proposal would provide a framework for discussions with the LPSC, CNO and their Staffs to arrive at a consensual agreement that would be just and reasonable to all stakeholders and could be approved by the LPSC and the Council of the CNO.
- In February 2014, representatives of ESI and the EOCs in Louisiana met individually with their respective Staffs and Advisors to review the initial strawman proposal and to discuss concerns regarding the potential early termination of the ESA and certain potential post-System Agreement arrangements.
- On March 11, 2014 representatives of ENO and ESI met with the CNO Council Advisors for further detailed discussion regarding the strawman proposal. The parties agreed to meet and work together on the issues raised by the strawman as they continue to explore settlement options.
- On March 21, 2014 representatives of ELL and EGSL met with LPSC Staff for the purpose of continuing discussions regarding a consensual early termination of the System Agreement and certain post-System Agreement arrangements.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- The Companies utilized feedback regarding the strawman proposal from both the LPSC Staff and Council Advisors in developing an amended proposal, with the goal of completing settlement discussions by June 2014.
- Representatives of the System Agreement Initiative working group and EOCs continue to work to develop plans that identify requirements and a timeline for operational readiness for operations outside the ESA that support each EOC's overall transition plan for exiting the ESA.
- On March 7, 2014, in FERC Docket Nos. ER14-1328 (ELL) and ER14-1329 (EGSL), the Council filed comments regarding the Companies' Notices of Cancellation of participation in the System Agreement, urging FERC to either condition its acceptance of the notices on compliance with the currently effective provisions of the System Agreement or, in the alternative, to consolidate these dockets with the proceedings in related dockets addressing a proposal to shorten the System Agreement's termination notice period, including Docket Nos. ER14-75-000, *et al.*, and to set them collectively for hearing. On March 24, 2014, the Companies filed a joint answer to the Council Advisors' comments. On April 1, 2014, the Council Advisors filed a response to the joint answer.
- On April 21, 2014, the Companies shared with the LPSC Staff and Council Advisors a new settlement proposal addressing elements of generation and transmission. On April 28, 2014, representatives of the LPSC Staff and the Companies met to discuss the Companies' proposal.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On May 28, 2014, the LPSC Staff presented the Companies with a counter-proposal addressing elements of generation and transmission. On May 30, representatives of the LPSC Staff and the Companies met to discuss the counter-proposal.
- On June 20, 2014, representatives of the Companies made presentations to the LPSC Staff, its attorneys and consultants in Baton Rouge regarding the Companies' participation in MISO and issues related to the termination of the System Agreement.
- On August 18, 2014, representatives of the Companies presented the LPSC Staff and CCNO Advisors with a counter-proposal addressing elements of generation and transmission.
- On September 10, 2014 the Commission issued a directive for LPSC Staff to conduct bilateral discussions with the CCNO Advisors regarding settlement of issues related to System Agreement termination.
- On September 24, 2014, the LPSC Staff and Council Advisors conducted a meeting regarding the possibility of an early exit of the System Agreement by ELL and EGSL. This meeting was initiated by the LPSC Staff in fulfillment of the LPSC's September 10 directive to its Staff to arrange for such a meeting.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- During late September and October 2014, representatives of ELL and EGSL engaged in multiple discussions with the LPSC Staff regarding the settlement proposal.
- Since the last report, negotiations related to the termination of the System Agreement have continued among the Companies, LPSC Staff, and the Council Advisors. Each of the EOCs involved in these discussions (ELL, EGSL, ENO, ETI) continues to work diligently to pursue a consensual agreement among the EOCs and their retail regulators regarding System Agreement termination.
- At its December 18, 2014 Open Meeting, FERC set the proposed 5-year amendment to Section 1.01 of the System Agreement for hearing and settlement judge procedures. FERC granted ESI's proposed effective date for the amendment of October 13, 2013 and denied CNO's request to set the Notices of Termination for hearing. The first settlement conference among the parties occurred on January 22, 2015. The EOCs are participating actively in the FERC-sponsored settlement proceedings and believe those proceedings present an opportunity to make progress in the parties' ongoing negotiations in pursuit of a consensual agreement that would allow an EOC to exit the System Agreement on less than 96 months' notice.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- As planned, the first settlement conference was held on January 22, 2015 in the FERC proceeding regarding the proposed 5-year amendment to Section 1.01 of the System Agreement. The settlement judge issued a report the same day stating that the parties are making progress toward settlement and recommending the continuation of settlement procedures. Another settlement conference has been scheduled for April 2, 2015. ESI continues to respond to informal discovery requests from the LPSC and other parties in conjunction with the FERC proceeding.
- On February 23, 2015, the Entergy Operating Companies presented to the parties in the FERC settlement proceeding a confidential settlement proposal addressing elements of generation and transmission, among other things. The proposal replaces the Companies' August 18, 2014 counter-proposal to the LPSC Staff and CCNO Advisors.
- On March 17, 2015, representatives of EGSL and ELL met with the LPSC Staff to discuss the confidential settlement proposal presented on February 23, 2015 (discussed above).
- Representatives of ENO and ETI are meeting with the Advisors of the Council of the City of New Orleans and the Staff of the Public Utility Commission of Texas to review the February 23, 2015 settlement proposal.
- On April 2, 2015, representatives of the Entergy Operating Companies met with LPSC Staff, Advisors of the Council of the City of New Orleans, and the Staff of the Public Utility Commission of Texas to discuss the February 23, 2015 confidential settlement proposal. The next settlement conference is scheduled for June 3, 2015.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On April 28, 2015, representatives of the Companies met with representatives of the Commission and CCNO to discuss the February 23, 2015 settlement proposal.
- On May 14, 2015, counsel for the LPSC sent the Companies a response to the February 23 settlement proposal.
- On May 20, 2015, the Companies sent counsel for the LPSC a reply clarifying and supplementing certain aspects of the settlement proposal. Discussions are ongoing.
- On June 3, 2015, representatives of the Companies met with representatives of the Commission, the other EOCs, those EOCs' retail regulators, the FERC Settlement Judge and FERC Staff and engaged in further discussions regarding the pending settlement proposal and planned for future discussions.
- On June 5, 2015, in FERC Docket Nos. ER14-75 through ER14-80, the Settlement Judge issued an order scheduling the next settlement conference for July 9, 2015.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- In the June 5, 2015 LPSC Official Bulletin #1090, Commissioner Skrmetta proposed the following motion regarding settling System Agreement issues:

I move that the Commission offer a formal settlement proposal in FERC Docket Nos. ER14-75, et al, and related Louisiana Public Service Commission dockets that address the following issues, subject to the terms and conditions discussed in confidential settlement negotiations:

1. A system agreement termination date;
2. Transmission Pricing Zone issues;
3. Option to participate in a Louisiana Public Service Commission jurisdiction CCGT facility.

I further move that the Commission settle this matter separately any issues related to the Texas PPAs from these settlement negotiations.

- At the June 24, 2015 Business & Executive Meeting, the LPSC adopted the following motion addressing the proposed settlement and next steps:

Entergy Services, Inc. has put forth a settlement proposal in Docket Number ER14-75 before the Federal Energy Regulatory Commission, which docket involves a required time period between an Entergy Company's notice of withdrawing from the Entergy System Agreement and the date on which the withdrawal may occur.
(cont. on next page)

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

The proposal, which is confidential, involves issues outside the scope of the FERC docket and would require the waiver of any conflicts with certain orders or positions of this Commission in retail proceedings. The Commission is giving serious consideration to the offer, subject to certain modifications, but intends that all parties potentially affected by its terms should be provided an opportunity to understand the proposal, submit comments and/or written evidence, and have their views considered. Therefore, I move the Commission directs the Staff and our outside counsel to take the following steps: 1) Obtain approval from the parties in the FERC proceeding to release the proposed terms so that they, together with the Commission's proposed modifications, may be publicly noticed for review in a Commission proceeding. 2) EGSL/ELL shall file the proposed Settlement Term Sheet and associated work papers, including the Commission's proposed modifications, in LPSC Docket Number U-29764, which is a docket to review System Agreement matters, and Docket Number U-32675, MISO Implementation. 3) Notice of the proposed Settlement Term Sheet shall be published in the Commission's Official Bulletin, and such notice shall include the procedure to review and submit comments on the Settlement Term Sheet as set forth below: a) EGSL/ELL and Commission Staff shall host a Technical Conference within ten days of the publication in the Official Bulletin, or as soon as practicable, as determined by Staff, in order to explain the proposed Settlement Term Sheet and answer questions from interested parties; b) interested parties shall submit written comments 30 days following the Technical Conference; and c) reply comments from EGSL/ELL and Commission Staff shall be due ten days after comments are submitted by interested parties. And, finally, 4) A record shall be compiled for the Commission's consideration at its August 26, 2015 Business and Executive Session, or as soon thereafter as practicable.

Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On July 9, 2015, representatives of the Companies met with representatives of the Commission, the other EOCs, those EOCs' retail regulators, the FERC Settlement Judge and FERC Staff and engaged in further discussions regarding the pending settlement proposal and planned for future discussions.
- On July 15, 2015, ESI circulated to the parties to FERC Docket No. ER14-75 through ER14-80 a revised proposed settlement term sheet.
- On August 5, 2015, ESI circulated to the parties to FERC Docket No. ER14-75 through ER14-80 a proposed settlement agreement.
- On August 14, 2015, in FERC Docket Nos. ER14-75 through ER14-80, ESI filed on behalf of the parties a settlement agreement resolving all issues in those dockets.
- On August 17, 2015, the Commission published notice of the settlement agreement in its Bulletin. The same day, the Companies filed in LPSC Docket Nos. 29764, 32675, and 33755 notice of the settlement agreement and a related technical conference, now scheduled for September 4, 2015.
- On September 3, 2015, in In FERC Docket Nos. ER14-75 through ER14-80, FERC Trial Staff filed Initial Comments in support of the settlement agreement filed on August 17, 2015.
- On September 4, 2015, EGSL/ELL and LPSC Staff hosted a Technical Conference in order to explain the proposed Settlement Term Sheet and answer questions from interested parties.

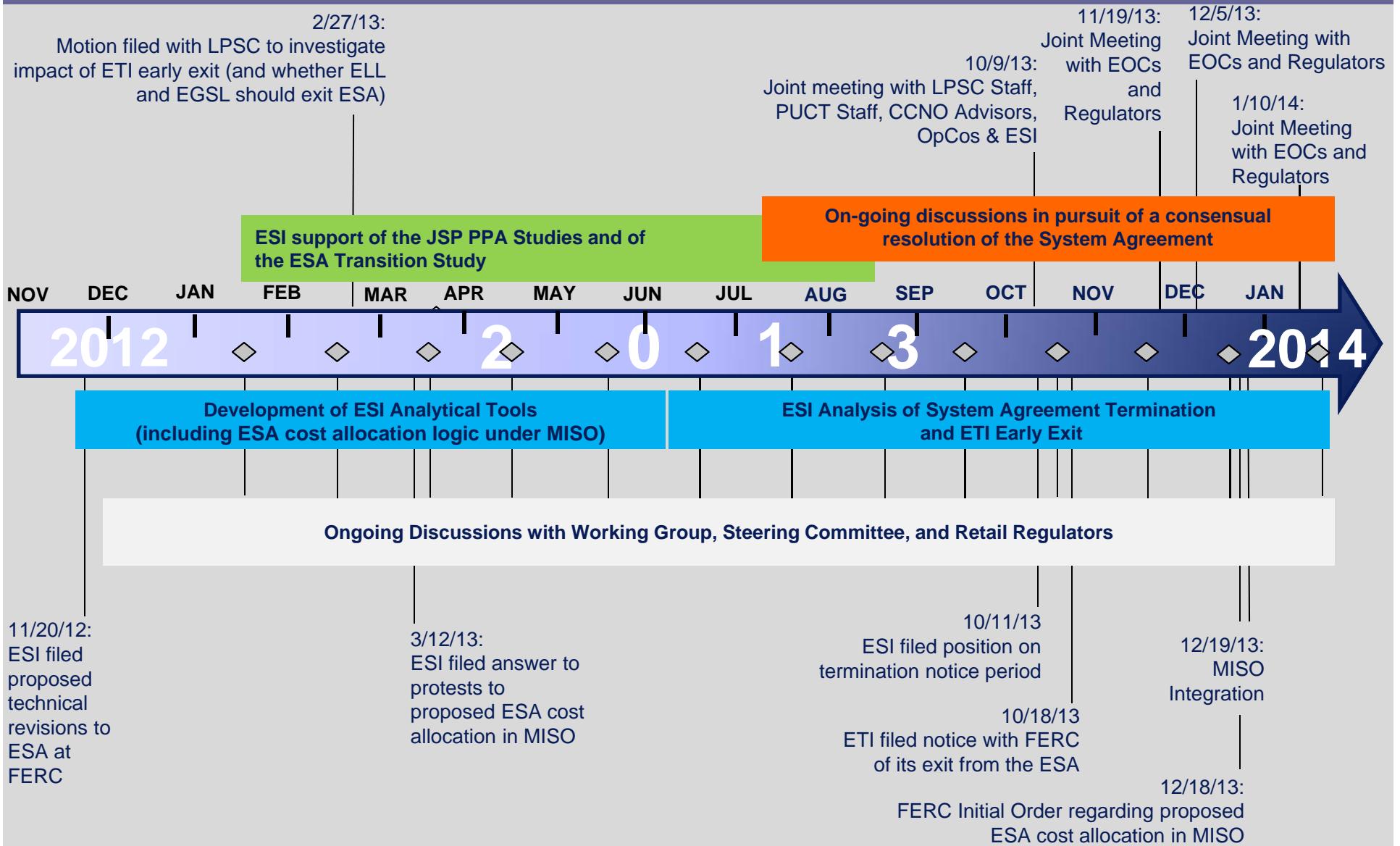
Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On September 28, 2015, Marathon Petroleum Co. filed comments in support of the settlement.
- On October 5, 2015, Louisiana Energy Users Group filed comments asserting that the settlement has merit subject to certain conditions. Occidental Chemical Corp. filed comments requesting a full evidentiary hearing regarding the settlement. The same day, the Public Utility Commission of Texas filed notice in FERC Docket No. ER14-75 that it voted in an open meeting on September 24, 2015 to join the settlement without modification.
- On October 15, 2015, ELL filed comments responding to the comments filed by Marathon Petroleum Co., LEUG, and Occidental Chemical Corp. regarding the settlement. LPSC Staff filed comments summarizing activities and filings related to the settlement and responding to the comments filed by the other parties.
- At its October 28, 2015 Business and Executive Session, the Commission discussed and voted to approve the settlement without modification subject to conditions.
- On October 30, 2015, the Commission filed notice in FERC Docket No. ER14-75 et al of its approval of the settlement without modification subject to conditions. The same day, the Council of the City of New Orleans filed a status report in that docket noting that, on September 30, 2015, the Council's Utility, Cable, Telecommunications and Technology Committee approved a proposed resolution approving the settlement. The report further noted that the proposed resolution must still be approved by the full Council and is scheduled to be addressed, and anticipated to be approved, on the Consent Agenda at the November 5th Council Meeting.
- On November 5, 2015, the Council of the City of New Orleans voted to approve the settlement.

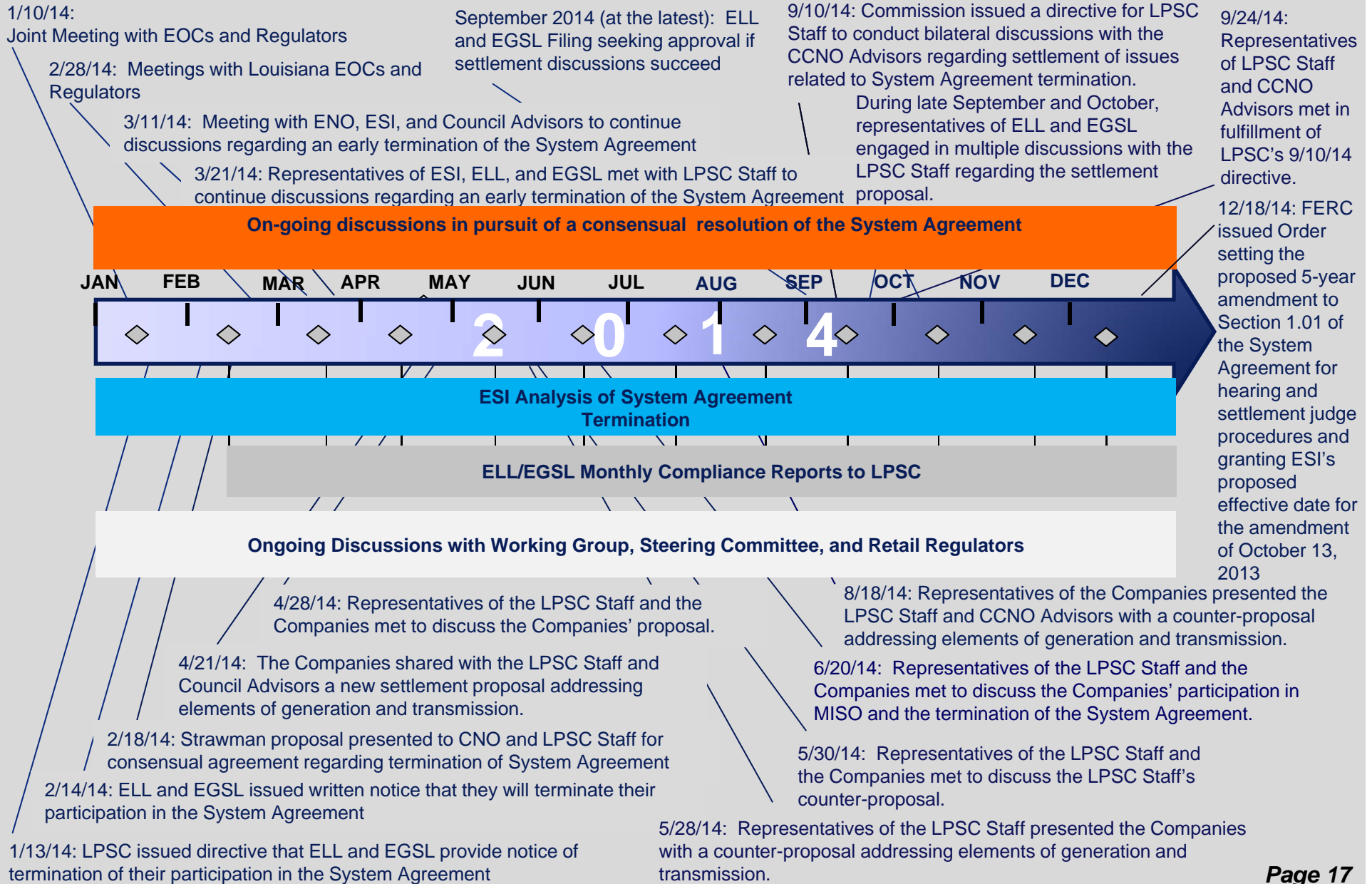
Efforts to Search for Consensual Resolution of System Agreement Termination -- Progress as of January 2016

- On November 24, 2015, in FERC Docket No. ER14-75 et al., the Settlement Judge certified the settlement to the FERC on an uncontested basis. The Settlement Judge found that the settlement comprehensively resolves the issues presented in the consolidated dockets, appears to be just and reasonable, is consistent with the public interest, is uncontested, presents no issues of first impression, impacts no other FERC proceedings, and does not implicate any FERC policies.
- On December 1, 2015, the LPSC issued a written order memorializing its decision at the October 24, 2015 Business and Executive Session to adopt the settlement. The order stated that the settlement was approved, without modification, as it is reasonable in light of the record, consistent with the law, and not contrary to the public interest. The Commission incorporated into its order the Spindletop Letter attached thereto, took notice of the commitments made by Entergy with regard to ENO's TPZ, and noted that it made no finding with respect to the prudence of any particular resource plan for replacing the JSP PPA capacity or the appropriate cost recovery method for the replacement capacity, and reserved its right to review those and any related issues.
- On December 29, 2015, the FERC issued an order approving the settlement. The order states that the settlement resolves all issues in dispute in the consolidated proceedings (FERC Docket Nos. ER14-75 et al.) and that the settlement appears to be fair and reasonable and in the public interest. The order directs ESI to file revisions to the System Agreement implementing the order within 30 days of the issuance of the order.

Integrated Timeline Related to System Agreement Initiative



Integrated Timeline Related to System Agreement Initiative



Integrated Timeline Related to System Agreement Initiative

1/22/15: Settlement conference held in FERC proceeding regarding proposed 5-year amendment to System Agreement Sec. 1.01. Settlement Judge issued report noting parties' progress toward settlement and recommending further settlement procedures. Another settlement conference has been scheduled for April 2, 2015.

2/23/15: The EOCs presented to the parties in the FERC settlement proceeding a confidential settlement proposal addressing elements of generation and transmission, among other things. The proposal replaces the EOCs' 8/18/14 counter-proposal to the LPSC Staff and CCNO Advisors.

6/5/15: Commissioner Skrmetta proposed a motion (See Page 11) that the Commission offer a formal settlement proposal in FERC Docket Nos. ER14-75, et al, and related LPSC dockets and that the Commission settle this matter separately from any issues related to the Texas PPAs.

8/5/15: ESI circulated to the parties to FERC Docket Nos. ER14-75 through ER14-80 a proposed settlement agreement.

8/14/15: In FERC Docket Nos. ER14-75 through ER14-80, ESI filed on behalf of the parties a settlement agreement resolving all issues in those dockets.

8/17/15: The LPSC published notice of the settlement agreement in its Bulletin and the Companies filed notice of the settlement and a technical conference in Docket Nos. 29764, 32675, and 33755.

9/3/15: In FERC Docket Nos. ER14-75 through ER14-80, FERC Trial Staff filed Initial Comments in support of the settlement.

9/4/15: EGSL/ELL and LPSC Staff hosted a Technical Conference in order to explain the proposed Settlement Term Sheet and answer questions from interested parties.

3/17/15: Representatives of ELL and EGSL met with LPSC Staff to discuss the confidential settlement proposal presented on 2/23/15.

4/2/15: Representatives of the EOCs met with LPSC Staff, CCNO Advisors, and PUCT Staff to discuss the confidential settlement proposal presented on 2/23/15.

4/28/15: Representatives of the Companies met with representatives of the Commission and CCNO to discuss the February 23, 2015 settlement proposal.

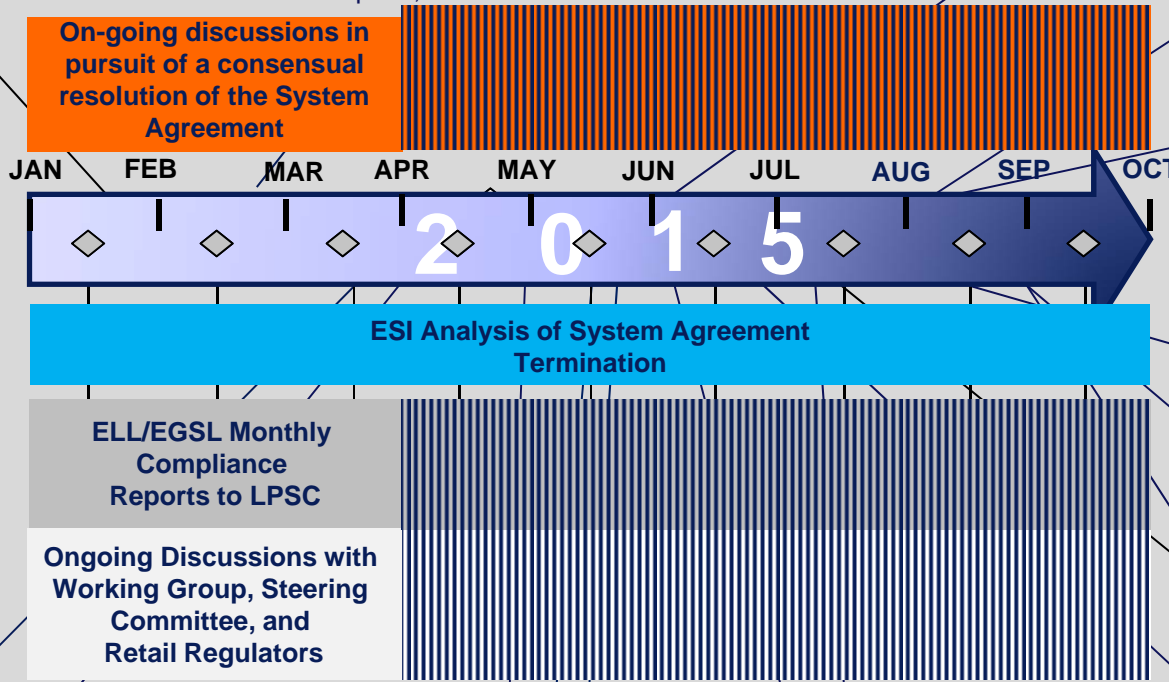
5/14/15: Counsel for the LPSC sent the Companies a response to the February 23 settlement proposal.

5/20/15: The Companies sent counsel for the LPSC a reply clarifying and supplementing certain aspects of the settlement proposal. Discussions are ongoing.

6/24/15: The LPSC adopted a motion addressing the proposed settlement and next steps (See Pages 11 and 12).

7/15/15: ESI circulated to the parties to FERC Docket Nos. ER14-75 through ER14-80 a revised proposed settlement term sheet.

6/3 and 7/9/15: Representatives of the Companies met with representatives of the LPSC, the other EOCs, those EOCs' retail regulators, the FERC Settlement Judge and FERC Staff and engaged in further discussions regarding the pending settlement proposal and planned for future discussions.



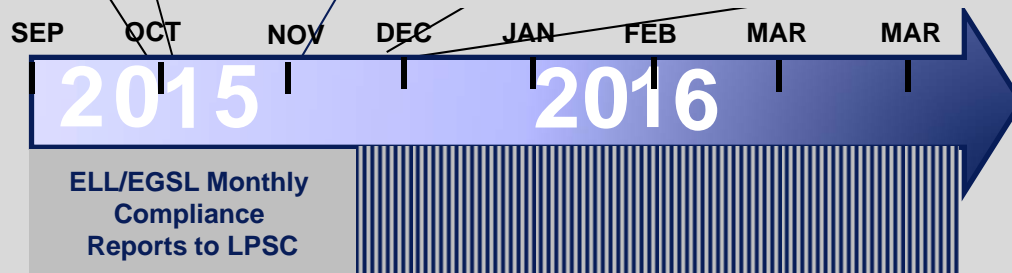
Integrated Timeline Related to System Agreement Initiative

9/28/15: Marathon Petroleum Co. filed comments in support of the settlement.

10/5/15: LEUG filed comments asserting that the settlement has merit subject to certain conditions. Occidental Chemical Corp. filed comments requesting a full evidentiary hearing regarding the settlement. The same day, the PUCT filed notice in FERC Docket No.ER14-75 that it voted in an open meeting on September 24, 2015 to join the settlement without modification.

11/5/15: The Council of the City of New Orleans voted to approve the settlement.

11/24/15: In FERC Docket No.ER14-75 et al., the Settlement Judge certified the settlement to the FERC on an uncontested basis. The Settlement Judge found that the settlement comprehensively resolves the issues presented in the consolidated dockets, appears to be just and reasonable, is consistent with the public interest, is uncontested, presents no issues of first impression, impacts no other FERC proceedings, and does not implicate any FERC policies.



12/1/15: The Commission issued a written order memorializing its decision at the 10/24/15 B&E Session to adopt the settlement. The order stated that the settlement was approved, without modification, as it is reasonable in light of the record, consistent with the law, and not contrary to the public interest. The Commission incorporated into its order the Spindletop Letter attached thereto, took notice of the commitments made by Entergy with regard to ENO's TPZ, and noted that it made no finding with respect to the prudence of any particular resource plan for replacing the JSP PPA capacity or the appropriate cost recovery method for the replacement capacity, and reserved its right to review those and any related issues.

10/15/15: ELL filed comments responding to the comments filed by Marathon Petroleum Co., LEUG, and Occidental Chemical Corp. regarding the settlement. LPSC Staff filed comments summarizing activities and filings related to the settlement and responding to the comments filed by the other parties.

12/29/15: The FERC issued an order approving the settlement. The order states that the settlement resolves all issues in dispute in the consolidated proceedings (FERC Docket Nos. ER14-75 et al.) and that the settlement appears to be fair and reasonable and in the public interest. The order directs ESI to file revisions to the System Agreement implementing the order within 30 days of the issuance of the order.

10/28/15: At its October 28, 2015 B&E Session, the Commission discussed and voted to approve the settlement without modification subject to conditions.

10/30/15: The Commission filed notice in FERC Docket No.ER14-75 et al of its approval of the settlement without modification subject to conditions. The same day, the Council of the City of New Orleans filed a status report in that docket noting that, on September 30, 2015, the Council's Utility, Cable, Telecommunications and Technology Committee approved a proposed resolution approving the settlement. The report further noted that the proposed resolution must still be approved by the full Council and is scheduled to be addressed, and anticipated to be approved, on the Consent Agenda at the November 5th Council Meeting.

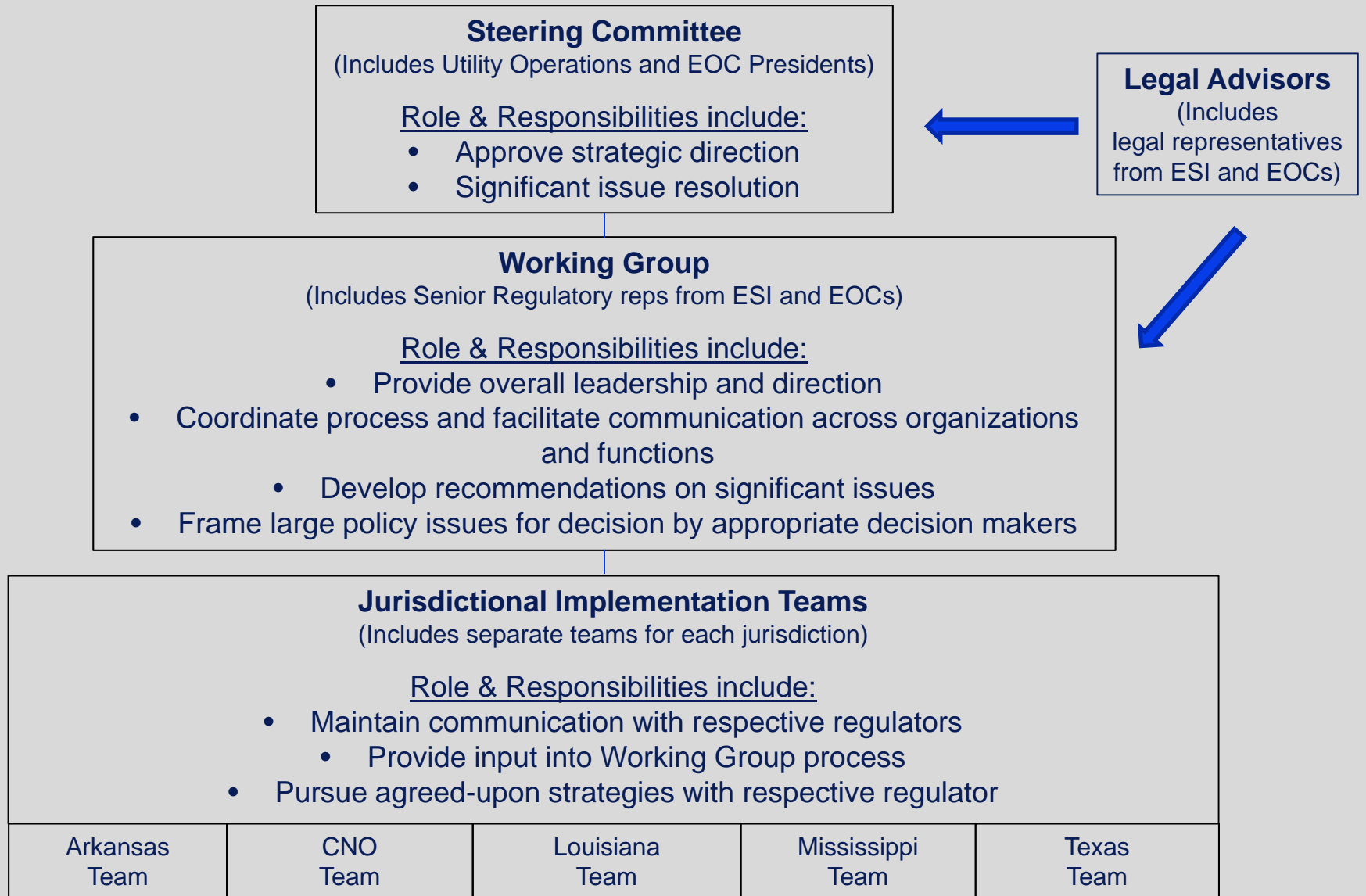
Appendix



Preliminary Objectives of System Agreement Initiative

- Preliminary objectives of the System Agreement Initiative include the following:
 - ◆ Establish regularly scheduled update meetings with EOCs, ESI, and Entergy Corp. management
 - ◆ Facilitate a process for engagement between and among all of the EOCs and their respective retail regulators
 - ◆ Develop an analysis to evaluate the effects of ELL, EGSL and other EOCs terminating participation in the ESA, including effect of reducing the 96-month notice period, as well as potential future arrangements for the Louisiana EOCs (EGSL, ELL and ENO)
 - ◆ Based on information to be obtained from engagement with all of the EOCs and their retail regulators, identify and develop proposals to advance discussions in pursuit of a consensual means of allowing ELL, EGSL and ETI to exit the SA prior to the end of the mandatory 96-month notice period
 - Including analysis that would be useful in supporting such proposals and written terms for the proposals
 - ◆ Engage the LPSC, through participation in LPSC Docket No. U-29764, and CCNO regarding the termination of the System Agreement and, if appropriate, potential future arrangements

Governance Structure of System Agreement Initiative



Notice of Termination



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Entergy Gulf States Louisiana, L.L.C.
4809 Jefferson Highway
Jefferson, LA 70121

Phillip R. May
President and CEO

February 14, 2014

Ms. Sallie T. Rainer
President and CEO, Entergy Texas, Inc.
9425 Pinecroft
The Woodlands, TX 77380

Mr. Haley R. Fisackerly
President and CEO, Entergy Mississippi, Inc.
308 East Pearl Street
Suite 700
Jackson, MS 39215

Mr. Charles Rice, Jr.
President and CEO, Entergy New Orleans, Inc.
1600 Perdido Street, Building 505
New Orleans, LA 70112

RE: Withdrawal of Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C. from the Entergy System Agreement

Dear Colleagues:

Pursuant to the provisions of the Entergy System Agreement ("System Agreement"), including Article I, Section 1.01, Entergy Louisiana, LLC ("ELL") and Entergy Gulf States Louisiana, L.L.C. ("EGSL") (collectively, the "Companies") each hereby provides written notice that ELL and EGSL will terminate their participation in the System Agreement.

As you are aware, on October 11, 2013, in Docket Nos. ER14-75 through ER14-80 ("October 11 Filing"), Entergy Services, Inc., on behalf of the Entergy Operating Companies, filed an amendment to Article 1, Section 1.01 of the System Agreement to modify the advance written notice period for termination from ninety-six (96) to sixty (60) months with a proposed effective date of October 12, 2013. The Companies' notice to terminate their participation in the System Agreement will commence on the later of the date of this letter or the effective date established by FERC for the October 11 filing such that the notice will be provided pursuant to

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ELL/EGSL Withdrawal from Entergy System Agreement
February 14, 2014

the 60 month notice period (or such other notice period as determined by FERC in the October 11 Filing).

Sincerely,

Phillip R. May

cc: Etienne Senac
Brian Burns