



Entergy Services, Inc.
639 Loyola Avenue 70113-3125
P.O. Box 61000
New Orleans, LA 70161-1000
Tel 504 576 6571
Fax 504 576 5579

Timothy S. Cragin
Associate General Counsel
Legal Services - Regulatory

April 25, 2017

Via Hand Delivery

Ms. Lora W. Johnson, CMC
Clerk of Council
Room 1E09, City Hall
1300 Perdido Street
New Orleans, LA 70112

***Re: Application of Entergy New Orleans, Inc. for Approval of Proposed Internal Restructuring and for Related Relief
CNO Docket NO.: UD-16-03***

Dear Ms. Johnson:

Please find enclosed for your further handling an original and three copies of the Public Version of Entergy New Orleans, Inc.'s ("ENO") non-unanimous Agreement in Principle ("AIP"), with attached Proposed Ordinances, filed in the above-referenced docket. Please file an original and two copies into the record in the above referenced matter, and return a date-stamped copy to our courier.

A Confidential Version of the filing that contains certain Highly Sensitive Protected Materials is being provided to appropriate Reviewing Representatives pursuant to the Council's Official Protective Order adopted in Resolution R-07-432.

Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy S. Cragin".

Timothy S. Cragin

Enclosure

cc: Official Service List (UD-16-03)

AGREEMENT IN PRINCIPLE

COUNCIL DOCKET NO. UD-16-03

This Agreement in Principle (“AIP”) is entered into by and among the Advisors to the Council of the City of New Orleans (“Advisors”); Entergy New Orleans, Inc. (“ENO” or the “Company”); Air Products and Chemicals, Inc. (“Air Products”); and the City of New Orleans (the “City”); and the Alliance for Affordable Energy (“AAE”) (collectively, the “Settling Parties”) for the purpose of resolving the above-captioned docket. The Sewerage and Water Board of New Orleans, which did not file testimony in this proceeding, has indicated through its counsel that it intends to oppose the AIP. At this time, the City of New Orleans, which also did not file testimony in this proceeding, has not taken a position on the Agreement in Principle. Accordingly, the Settling Parties agree to propose the following settlement terms to the Council of the City of New Orleans (“Council”) as a non-unanimous settlement:

A. Conditions Precedent

1. This AIP reflects a compromise, settlement and accommodation among the signatories, and the terms and conditions herein are interdependent. All actions by the Company contemplated or required by this AIP are conditioned upon the Council’s issuance of a final order consistent with the terms of this AIP.

B. Recommendation to Council and Applicability of Prior Council Orders

1. Council Docket No. UD-16-03 addresses the proposed internal restructuring (the “Restructuring”) through which ENO would use the merger provisions of the Texas Business Organizations Code (sometimes referred to as the Texas merger-by-division (“MBD”) statute),¹ to transfer² substantially all of its assets and liabilities to a subsidiary,

¹ Texas Business Organizations Code, §§ 1.002(55) & 10.001 *et seq.*

Entergy New Orleans Power, LLC (“ENO Power”), a Texas limited liability company (“LLC”). Thereafter, ENO would contribute its membership interests in ENO Power to an intermediate holding company named Entergy Utility Holding Company, LLC (“EUH”), also a Texas LLC. Once under EUH, ENO Power would be renamed Entergy New Orleans, LLC (“ENOL”).

2. The Settling Parties agree that the Restructuring (including the transfer of substantially all of the Company’s assets and liabilities to ENOL and all the corporate restructuring steps necessary to consummate the transaction), subject to the terms of this AIP, is in the public interest, promotes the public welfare of the City of New Orleans and the State of Louisiana, and satisfies the standards and requirements provided in Council Resolutions R-06-88 (addressing corporate restructuring requirements), and R-16-188 (addressing financing plan approval), to the extent applicable to the Restructuring, and satisfies any and all other standards and requirements of the Council that may be applicable to the Restructuring.
3. Settling Parties shall recommend that the Council waive all provisions of Council Resolution R-01-676 regarding the specific transfers of assets necessary to effectuate the Restructuring. Settling parties further agree that the successor utility, i.e., ENOL, shall be subject to all provisions of Resolution R-01-676.
4. To the extent that they might apply to the Restructuring, all other Resolutions, Ordinances and other requirements of the Council that may be applicable to the Restructuring are either hereby satisfied, or ENO is exempted therefrom.

² For clarity, certain assets and liabilities of a company may be described in this AIP as being transferred or assigned to another company as a result of the merger that occurs in the transaction steps, even though the applicable merger statute states that such merger does not result in a transfer or assignment.

5. Settling Parties shall recommend that the Council find that ENO's proposed Restructuring in the instant docket is in the public interest, and that ENO be authorized to proceed with such a restructuring upon receipt of all required regulatory approvals.
6. Settling Parties shall recommend that the Council adopt for mayoral approval, an Ordinance transferring all of ENO's franchise and indeterminate permit rights in Orleans Parish to the restructuring's successor utility, *i.e.*, ENOL.
7. A Council Resolution approving the Restructuring will be effective immediately upon issuance.

C. Rate Schedules/Tariffs/Riders/Terms of Service Compliance Filing

1. After the Restructuring occurs, ENOL will revise ENO's rate schedules/tariffs/riders/terms of service to reflect that ENOL (and not ENO) is the utility providing utility services in Orleans Parish. Within ninety (90) days of the closing of the Restructuring, ENOL will make a compliance filing containing those revised rate schedules/tariffs/riders/terms of service that, but for the name of the utility on those documents, should be substantively identical to ENO's pre-Restructuring rate schedules/tariffs/riders/terms of service. In that compliance filing, ENOL might also make non-substantive changes to the rate schedules/tariffs/riders/terms of service to reflect minor updates and correct typographical or grammatical errors in those documents. Any such changes will be clearly identified in the compliance filing.
2. All existing health, safety and other permits of ENO should be assumed or obtained by ENOL.

[REDACTED]

D. Guaranteed and Contingent Customer Credits

1. [REDACTED]

[REDACTED]

a. [REDACTED]

b. [REDACTED]

c. [REDACTED]

[Redacted]

[Redacted]

2. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

3. [Redacted]

a. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

b. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

c. [Redacted]

[Redacted]

d. [Redacted]

[Redacted]

e. [Redacted]

[Redacted]

f. [Redacted]

[Redacted]

4. **Ratemaking Treatment** [REDACTED]

In conjunction with the Restructuring, ENO and/or ENOL customers will receive certain Guaranteed Customer Credits and have the potential to receive certain Contingent Customer Credits [REDACTED]

a. Guaranteed Customer Credits

- i. Following Council approval of ENO's Restructuring, commencing with the next reasonably feasible billing cycle and for the remainder of all billing cycles commencing in 2017, ENO shall credit the Purchased Power and Capacity Acquisition Cost Recovery ("PPCACR") Rider (*i.e.*, reduce customer billing) a total of \$10 million, applied equally across all remaining 2017 monthly billing cycles on a kWh basis pursuant to the PPCACR Rider.
- ii. If the proposed Restructuring is approved by the FERC by December 31, 2018, ENO agrees to provide a credit to customers of \$5 million in each of the years 2018, 2019, and 2020 (*i.e.*, \$15 million total) for utility-related purposes as the Council may determine appropriate pursuant to its plenary authority under the *Home Rule Charter of the City of New Orleans*, the *Constitution of the State of Louisiana*, and all relevant and applicable laws. Accordingly, monthly credits of approximately \$416,667 will be applied on a kWh basis in 2018, 2019, and 2020 pursuant to the PPCACR Rider or the Fuel Adjustment Clause. In the event that FERC approval of the Restructuring occurs in the fourth quarter of 2018, ENO agrees to work with the Council Advisors to determine whether the full amount of

the 2018 \$5 million credit should be applied to 2018 bills, or whether some other application is preferable.

- iii. The credits described in items 4.a.i. and 4.a.ii. above are contingent only on final non-appealable Council and FERC approval of the proposed Restructuring [REDACTED]

[REDACTED] In the event that a Council Resolution approving the Restructuring is appealed by any party to the Restructuring proceeding, all customer credits shall be suspended during the pendency of the appeal. Customer credits shall resume at such time as the Council approval becomes a final non-appealable decision. Additionally, in the event that a FERC Order approving the Restructuring is appealed by any party to that FERC proceeding, all customer credits shall be suspended during the pendency of that appeal. Customer credits shall resume only at such time as the FERC approval becomes a final and non-appealable decision. In total, and subject to the provisions contained herein, assuming Council approval in 2017 and FERC approval before 2019, ENO agrees to guarantee \$25 million in Guaranteed Customer Credits from 2017 through 2020.

- b. [REDACTED] Contingent Customer Credits

- i. [REDACTED]

[Redacted text block]

- ii. [Redacted text block]

[Redacted text block]

- 1. [Redacted list item]

[REDACTED]

a. [REDACTED]

[REDACTED]

[Redacted text block]

c. [Redacted text]

[Redacted text block]

d. [Redacted text]

[Redacted text block]

e. [REDACTED]

f. [REDACTED]

g. In addition to the Guaranteed Customer Credits described above, in the January, February and March billing cycles of the calendar year following the year in which the Restructuring closes, ENO shall credit PPCACR Rider (*i.e.*, reduce customer billing) by a monthly amount of \$470,000, for total customer credits of \$1.41 million. These credits will be allocated as follows: \$800,000 to the LIS Rate Schedule; and, a total of \$610,000 allocated among all other ENO Legacy rate schedules. In the second year following the year in which the Restructuring closes, ENO shall credit PPCACR Rider \$117,500 each month up to the month in which new ENO base rates go into effect pursuant to a final resolution of the 2018 Combined Rate Case. These credits shall be allocated among all ENO Legacy rate schedules on a kWh basis.

h. Subject to and without expanding the Council’s authority under state and Federal law, the Company acknowledges that if the Council finds ENOL’s actual capital

structure is not just and reasonable, the Council may consider applying a hypothetical capital structure to ENOL for Council ratemaking purposes.

E. Recovery of Restructuring Costs

1. ENO agrees to employ GAAP to identify internal and external expenses associated with the Restructuring. As a result of ENO's commitment not to initiate a base rate action before the first quarter of 2018, which commitment was approved by the Council in Resolution R-15-194, ENO agrees to not seek recovery of the external expenses associated with planning, seeking and receiving regulatory approval of, effecting, or transacting the Restructuring, including the expenses associated with redeeming its preferred stock (*e.g.*, call premiums). ENO agrees not to defer internal expenses related to the Restructuring for later recovery (*i.e.*, request a regulatory asset). ENO acknowledges that the Council, in future rate actions, may evaluate internal expenses related to the Restructuring to determine the appropriate ongoing level of internal expenses necessary to support ENOL's utility operations.
2. ENOL may seek customary regulatory ratemaking treatment of prudently incurred costs associated with the issuance of any new securities.

F. Other Provisions

1. ENO shall agree to expeditiously seek approval for its Restructuring from all relevant regulatory bodies, including FERC, reasonably calculated to enable a close of the Restructuring by December 31, 2017.
2. ENO shall agree to timely inform the Council in writing of any events or developments that reasonably could prevent ENO from closing the Restructuring by December 31, 2017.

3. At the Effective Date, and with respect to ENO:
 - a. ENO shall no longer be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish or engages in the local distribution of natural gas to customers in Orleans Parish; and
 - b. ENO shall no longer be subject to regulation by the Council.
4. At the Effective Date, and with respect to ENOL:
 - a. ENOL will have acquired substantially all of the assets and liabilities of ENO;
 - b. ENOL will be an electric and gas public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish and will engage in the local distribution of natural gas to customers in Orleans Parish;
 - c. ENOL shall be subject to regulation by the Council, as provided for by Louisiana law, and ENOL will be subject to Louisiana and Council utility statutes, regulations, resolutions, franchises/indeterminate permits and/or ordinances applicable to a utility;
 - d. ENOL shall be substituted in the place of ENO as the member of the Special Purpose Entity under Council Resolution R-15-193 dated May 14, 2015; and
 - e. ENOL will be a subsidiary of EUH, an intermediate holding company.
5. At the Effective Date, (a) ENOL, on behalf of itself and its successors and assigns, will assume, undertake to perform and be solely responsible for (i) all laws, rules and regulations of the Council that applied to ENO and the operation of its business as a public utility subject to regulation by the Council immediately prior to the Effective Date,

(ii) all final, non-appealable orders, settlements, certifications, franchises, indeterminate permits, and agreements issued or approved by the Council to which ENO is a party or subject to and which are the obligations in force and effect immediately prior to the Effective Date, and (iii) all pending dockets and reporting requirements that are or may be created in final, non-appealable orders, settlements, certifications, and agreements issued or approved by the Council for ENO before the Council (collectively, the “Council Obligations”), and (b) ENO and its successors (other than Entergy New Orleans Power, LLC, ENOL, and their successors and assigns) and assigns, will be fully, finally, unconditionally, irrevocably and forever released and discharged from any and all claims, liabilities, causes of action, rights of action and actions, demands, suits, proceedings, damages, costs, fees and expenses, and any and all claims, demands, liabilities whatsoever, of every name and nature, both at law and in equity, whether known or unknown, suspected or unsuspected arising out of or related to the Council Obligations, all of which shall be assumed by, undertaken by, and be the sole responsibility of ENOL as of the Effective Date.

6. Following the close of the Restructuring, the applicability of the Council’s approval in Council Resolution R-16-188 of ENO’s anticipated level of debt financing through June 30, 2018 will be extended to ENOL as a new legal entity at the close of the Restructuring. For the avoidance of doubt, included in ENOL’s authority under Council Resolution R-16-188 is the ability of ENOL issue (without Council approval) new preferred membership interests.
7. ENO agrees that the Council's regulatory jurisdiction and authority over ENOL will not be affected in any way by the Restructuring. ENO also agrees that the Texas formation

will not affect in any way the fact ENOL will be subject to Louisiana law in all aspects of its utility operations. ENO represents that it reasonably believes that ENOL's access to capital markets shall not be substantially affected as a result of it being a Texas LLC (*i.e.*, as a result of ENO's losing its exemption under Federal Power Act Section 204(f)).

8. ENOL will ensure continuity of the Company's operations with no decrease in the high quality of service currently provided. As a result of the Restructuring, there shall be no change in how the Company currently interacts with its customers, other than the different company name on Company bills. Nothing herein shall preclude ENOL from changing, in the future and for reasons unrelated to the Restructuring, its practices for interaction with its customers.
9. EUH will only be used in support of the domestic utility business and will not be used to make borrowings on behalf of the unregulated nuclear merchant fleet owned by Entergy Corporation nor will EUH make direct equity investment in these businesses.
10. ENO understands and agrees that ENOL shall be bound by and shall comply with all obligations and conditions presently imposed on ENO under any franchises or indeterminate permits it holds in Orleans Parish. The Council agrees that in conjunction with the Restructuring, all of ENO's rights under any such franchises or indeterminate permits shall be transferred to ENOL. Draft Council Ordinances approving the transfer of ENO's franchises or indeterminate permits to ENOL are attached hereto as Exhibit 1 (Electric East Bank), Exhibit 2 (Gas), and Exhibit 3 (Electric, Algiers).
11. ENO has agreed herein to fulfill certain obligations, however, to the extent that any such obligation actually arises after the restructuring has been completed, ENOL will assume the responsibility for fulfilling any such obligation.

G. Non-Precedential

Except as expressly described herein, the proposed terms in this AIP shall not be precedential with respect to other transactions or proceedings. It is recognized that this AIP was entered into as a result of negotiations between the parties and reflects concessions and considerations that are unique to the facts and circumstances of this proceeding.

Advisors to the Council of the City of New Orleans

By: _____

Entergy New Orleans, Inc.

By: *Timothy A. Cugini* 4/25/17

Air Products and Chemicals, Inc.

By: _____ 4/25/17

Alliance for Affordable Energy

By: *Laura R. Burke* 4/25/17

CERTIFICATE OF SERVICE

CNO Docket No. UD-16-03

I, the undersigned counsel, hereby certify that a copy of the above and foregoing has been served on the persons listed below by facsimile, by hand delivery, by electronic mail, or by depositing a copy of same with the United States Postal Service, postage prepaid, addressed as follows:

Ms. Lora W. Johnson, CMC
Clerk of Council
Council of the City of New Orleans
Room 1E09, City Hall
1300 Perdido Street
New Orleans, LA 70112

Pearlina Thomas,
Chief of Staff
W. Thomas Stratton, Jr.
Director
City Council Utilities Regulatory Office
City Hall, Room 6E07
1300 Perdido Street
New Orleans, LA 70112

David Gavlinski
Interim Council Chief of Staff
City Hall - Room 1E06
1300 Perdido Street
New Orleans, LA 70112

Jeffrey S. Gulin, Esq.
Hearing Officer
3203 Bridle Ridge Lane
Lutherville, MD 21093

Rebecca Dietz
Bobbie Mason
City Attorney Office
Law Department
City Hall – 5th Floor
New Orleans, LA 70112

Beverly Gariepy
Department of Finance
City Hall - Room 3E06
1300 Perdido Street
New Orleans, LA 70112

Timothy S. Cragin, Esq.
Brian L. Guillot, Esq.
Alyssa Maurice-Anderson, Esq.
Harry M. Barton, Esq.
Entergy Services, Inc.
639 Loyola Avenue, L-ENT-26E
New Orleans, LA 70113

Clinton A. Vince, Esq.
Presley R. Reed, Jr., Esq.
Emma F. Hand
Dentons US LLP
1301 K Street, NW
Suite 600, East Tower
Washington, DC 20005-3364

Basile J. Uddo, Esq.
J. A. "Jay" Beatmann, Jr.
c/o Dentons US LLP
650 Poydras Street, Suite 2850
New Orleans, LA 70130

Walter J. Wilkerson, Esq.
Kelley Bazile
Wilkerson and Associates, PLC
The Poydras Center, Suite 1913
650 Poydras Street
New Orleans, LA 70130

Joseph A. Vumbaco, P.E.
Joseph Rogers
Victor M. Prep
Byron S. Watson
Legend Consulting Group Limited
8055 East Tufts Avenue, Suite 1250
Denver, CO 80237-2835

Mark Zimmerman
Air Products and Chemicals, Inc.
7201 Hamilton Blvd.
Allentown, PA 18195

Errol Smith, CPA
Bruno and Tervalon
4298 Elysian Fields Avenue
New Orleans, LA 70122

Seth Cureington
Entergy New Orleans, Inc.
Manager, Resource Planning
1600 Perdido Street, L-MAG 505B
New Orleans, LA 70112

Gary Huntley
Entergy New Orleans, Inc.
1600 Perdido Street, L-MAG-505A
New Orleans, LA 70112

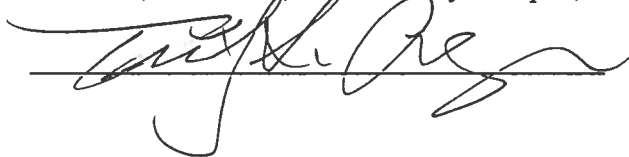
Ernest L. Edwards, Jr.
The Law Offices of Ernest L. Edwards, Jr.
APLC
300 Lake Marina Ave, Unit 5BE
New Orleans, LA 70124
Luke F. Piontek
J. Kenton Parsons
Gayle T. Kellner
Charles M. Pisano
Shelly Ann McGlathery
Rodel, Parsons, Koch, Blache Balhoff &
McCollister
8440 Jefferson highway, Suite 301
Baton Rouge, LA 70809

Joseph Romano
Suzanne M. Fontan
Danielle Burleigh
Therese Perrault
Entergy Services, Inc.
639 Loyola Avenue, L-ENT-4C
New Orleans, LA 70113

Maurice Brubaker
James R. Dauphinais
Brubaker and Associates
16690 Swingley Ridge Road, Suite 140
Chesterfield, MO 63017

Logan Atkinson Burke
Forest Wright
Sophie Zaken
Alliance for Affordable Energy
4035 Washington Avenue
New Orleans, LA 70125

New Orleans, Louisiana, this 25th day of April, 2017.

A handwritten signature in black ink, appearing to read 'Mark Zimmerman', is written over a horizontal line.

PROPOSED ORDINANCE (Electric East Bank)

An ordinance providing for the consent to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, which subsequently shall change its name to Entergy New Orleans, LLC, with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises to generate and distribute electricity in the City of New Orleans in accordance with the terms of the indeterminate permit granted under Ordinance No. 7068 C.C.S., as amended by Ordinance No. 17962 M.C.S. and Ordinance No. 26507 M.C.S.; and to the exercise of said rights, privileges and franchises by Entergy New Orleans Power, LLC.

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That said City of New Orleans does hereby give its consent and authorization to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, its successors, and assigns with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises granted under Ordinance No. 7068 C.C.S., as amended by Ordinance No. 17962 M.C.S. and Ordinance No. 26507 M.C.S. The said Entergy New Orleans Power, LLC shall have and enjoy, after said change of ownership, all the rights, privileges, and franchises granted under Ordinance No. 7068 C.C.S., as amended by Ordinance No. 17962 M.C.S. and Ordinance No. 26507 M.C.S.

SECTION 2. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. Entergy New Orleans Power, LLC shall be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish and shall engage in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans Power, LLC shall be subject to regulation by the Council

pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans. Further, Entergy New Orleans Power, LLC shall be substituted in the place of Entergy New Orleans, Inc. as the member of the Special Purpose Entity under Council Resolution R-15-193, dated May 14, 2015, and Entergy New Orleans Power, LLC shall be a subsidiary of Entergy Utility Holding Company, LLC, an intermediate holding company.

SECTION 3. Said City of New Orleans acknowledges that Entergy New Orleans, Inc. shall no longer be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish or engages in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans, Inc. shall not be subject to regulation by the Council pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans.

SECTION 4. Said City of New Orleans acknowledges that, at the closing date of the transaction whereby Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. (“Effective Date”), (a) Entergy New Orleans Power, LLC, on behalf of itself and its successors and assigns, will assume, undertake to perform and be solely responsible for (i) all laws, rules and regulations of the Council that applied to Entergy New Orleans, Inc. and the operation of its business as a public utility subject to regulation by the Council immediately prior to the Effective Date, (ii) all final, non-appealable orders, settlements, certifications, franchises, indeterminate permits, and agreements issued or approved by the Council to which Entergy New Orleans, Inc. is a party or subject to and which are the obligations in force and effect immediately prior to the Effective Date, and (iii) all pending dockets and reporting requirements that are or may be created in final, non-appealable orders, settlements, certifications, and agreements issued or approved by the Council for Entergy

New Orleans, Inc. before the Council (collectively, the “Council Obligations”), and (b) Entergy New Orleans, Inc. and its successors (other than Entergy New Orleans Power, LLC and its successors and assigns) and assigns, will be fully, finally, unconditionally, irrevocably and forever released and discharged from any and all claims, liabilities, causes of action, rights of action and actions, demands, suits, proceedings, damages, costs, fees and expenses, and any and all claims, demands, liabilities whatsoever, of every name and nature, both at law and in equity, whether known or unknown, suspected or unsuspected arising out of or related to the Council Obligations, all of which shall be assumed by, undertaken by, and be the sole responsibility of Entergy New Orleans Power, LLC as of the Effective Date.

SECTION 5. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall change its name to Entergy New Orleans, LLC.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS _____

PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON _____

APPROVED: _____

MAYOR

RETURNED BY THE MAYOR ON _____ AT _____

CLERK OF COUNCIL

YEAS:
NAYS:
ABSENT:

PROPOSED ORDINANCE (GAS)

An ordinance providing for the consent to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, which subsequently shall change its name to Entergy New Orleans, LLC, with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises to distribute artificial and/or natural gas in the City of New Orleans in accordance with the terms of the indeterminate permit granted under Ordinance No. 7069 C.C.S., as amended by Ordinance No. 17963 M.C.S.; and to the exercise of said rights, privileges and franchises by Entergy New Orleans Power, LLC.

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That said City of New Orleans does hereby give its consent and authorization to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, its successors, and assigns with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises granted under Ordinance No. 7069 C.C.S., as amended by Ordinance No. 17963 M.C.S. The said Entergy New Orleans Power, LLC shall have and enjoy, after said change of ownership, all the rights, privileges, and franchises granted under Ordinance No. 7069 C.C.S., as amended by Ordinance No. 17963 M.C.S.

SECTION 2. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. Entergy New Orleans Power, LLC shall be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish and shall engage in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans Power, LLC shall be subject to regulation by the Council pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans. Further,

Entergy New Orleans Power, LLC shall be substituted in the place of Entergy New Orleans, Inc. as the member of the Special Purpose Entity under Council Resolution R-15-193, dated May 14, 2015, and Entergy New Orleans Power, LLC shall be a subsidiary of Entergy Utility Holding Company, LLC, an intermediate holding company.

SECTION 3. Said City of New Orleans acknowledges that Entergy New Orleans, Inc. shall no longer be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish or engages in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans, Inc. shall not be subject to regulation by the Council pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans.

SECTION 4. Said City of New Orleans acknowledges that, at the closing date of the transaction whereby Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. (“Effective Date”), (a) Entergy New Orleans Power, LLC, on behalf of itself and its successors and assigns, will assume, undertake to perform and be solely responsible for (i) all laws, rules and regulations of the Council that applied to Entergy New Orleans, Inc. and the operation of its business as a public utility subject to regulation by the Council immediately prior to the Effective Date, (ii) all final, non-appealable orders, settlements, certifications, franchises, indeterminate permits, and agreements issued or approved by the Council to which Entergy New Orleans, Inc. is a party or subject to and which are the obligations in force and effect immediately prior to the Effective Date, and (iii) all pending dockets and reporting requirements that are or may be created in final, non-appealable orders, settlements, certifications, and agreements issued or approved by the Council for Entergy New Orleans, Inc. before the Council (collectively, the “Council Obligations”), and (b) Entergy

New Orleans, Inc. and its successors (other than Entergy New Orleans Power, LLC and its successors and assigns) and assigns, will be fully, finally, unconditionally, irrevocably and forever released and discharged from any and all claims, liabilities, causes of action, rights of action and actions, demands, suits, proceedings, damages, costs, fees and expenses, and any and all claims, demands, liabilities whatsoever, of every name and nature, both at law and in equity, whether known or unknown, suspected or unsuspected arising out of or related to the Council Obligations, all of which shall be assumed by, undertaken by, and be the sole responsibility of Entergy New Orleans Power, LLC as of the Effective Date.

SECTION 5. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall change its name to Entergy New Orleans, LLC.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS _____

PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON _____

APPROVED: _____

MAYOR

RETURNED BY THE MAYOR ON _____ AT _____

CLERK OF COUNCIL

YEAS:
NAYS:
ABSENT:

PROPOSED ORDINANCE (Electric Algiers)

An ordinance providing for the consent to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, which subsequently shall change its name to Entergy New Orleans, LLC, with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises to construct, maintain, and operate an electric light and power plant and system in accordance with the terms of the indeterminate permit granted under Ordinance No. 6332 C.S., to which Entergy New Orleans, Inc. was made an additional grantee under Ordinance No. 26508 M.C.S.; and to the exercise of said rights, privileges and franchises by Entergy New Orleans Power, LLC.

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That said City of New Orleans does hereby give its consent and authorization to the ownership change from Entergy New Orleans, Inc. to Entergy New Orleans Power, LLC, its successors, and assigns with respect to all of Entergy New Orleans, Inc.'s rights, privileges, and franchises granted under Ordinance No. 6332 C.S., to which Entergy New Orleans, Inc. was made an additional grantee under Ordinance No. 26508 M.C.S. The said Entergy New Orleans Power, LLC shall have and enjoy, after said change of ownership, all the rights, privileges, and franchises granted under Ordinance No. 6332 C.S., as amended by Ordinance No. 26508 M.C.S.

SECTION 2. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. Entergy New Orleans Power, LLC shall be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish and shall engage in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans Power, LLC shall be subject to regulation by the Council

pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans. Further, Entergy New Orleans Power, LLC shall be substituted in the place of Entergy New Orleans, Inc. as the member of the Special Purpose Entity under Council Resolution R-15-193, dated May 14, 2015, and Entergy New Orleans Power, LLC shall be a subsidiary of Entergy Utility Holding Company, LLC, an intermediate holding company.

SECTION 3. Said City of New Orleans acknowledges that Entergy New Orleans, Inc. shall no longer be a public utility that provides electric generation, transmission, distribution, and electric power service to retail and wholesale customers in Orleans Parish or engages in the local distribution of natural gas to customers in Orleans Parish and that Entergy New Orleans, Inc. shall not be subject to regulation by the Council pursuant to Section 3-130 of the Home Rule Charter of the City of New Orleans.

SECTION 4. Said City of New Orleans acknowledges that, at the closing date of the transaction whereby Entergy New Orleans Power, LLC shall have acquired substantially all of the assets and liabilities of Entergy New Orleans, Inc. ("Effective Date"), (a) Entergy New Orleans Power, LLC, on behalf of itself and its successors and assigns, will assume, undertake to perform and be solely responsible for (i) all laws, rules and regulations of the Council that applied to Entergy New Orleans, Inc. and the operation of its business as a public utility subject to regulation by the Council immediately prior to the Effective Date, (ii) all final, non-appealable orders, settlements, certifications, franchises, indeterminate permits, and agreements issued or approved by the Council to which Entergy New Orleans, Inc. is a party or subject to and which are the obligations in force and effect immediately prior to the Effective Date, and (iii) all pending dockets and reporting requirements that are or may be created in final, non-appealable orders, settlements, certifications, and agreements issued or approved by the Council for Entergy

New Orleans, Inc. before the Council (collectively, the "Council Obligations"), and (b) Entergy New Orleans, Inc. and its successors (other than Entergy New Orleans Power, LLC and its successors and assigns) and assigns, will be fully, finally, unconditionally, irrevocably and forever released and discharged from any and all claims, liabilities, causes of action, rights of action and actions, demands, suits, proceedings, damages, costs, fees and expenses, and any and all claims, demands, liabilities whatsoever, of every name and nature, both at law and in equity, whether known or unknown, suspected or unsuspected arising out of or related to the Council Obligations, all of which shall be assumed by, undertaken by, and be the sole responsibility of Entergy New Orleans Power, LLC as of the Effective Date.

SECTION 5. Said City of New Orleans acknowledges that Entergy New Orleans Power, LLC shall change its name to Entergy New Orleans, LLC.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS _____

PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON _____

APPROVED: _____

MAYOR

RETURNED BY THE MAYOR ON _____ AT _____

CLERK OF COUNCIL

YEAS:
NAYS:
ABSENT: