

STANLEY, REUTER, ROSS
THORNTON & ALFORD, LLC

909 Poydras Street, Suite 2500
New Orleans, Louisiana 70112
Telephone: 504-523-1580
Facsimile: 504-524-0069

ALISON N. PALERMO

OUR FILE NO.
41,654

September 2, 2022

VIA ELECTRONIC DELIVERY

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

Re: *IN RE: Application of Entergy New Orleans, LLC, and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief*
CNO Docket UD-22-01

Dear Ms. Johnson:

On behalf of Entergy New Orleans, LLC (“ENO” or the “Company”), please find enclosed ENO’s Response to the Advisors’ Report of Their Findings, together with Exhibits 1 through 4 attached thereto. As a result of the remote operations of the Council’s office related to Covid-19, ENO submits this filing electronically and will submit the original and requisite number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

Thank you for your courtesy and assistance with this matter. Please do not hesitate to contact me if you have any questions.

September 2, 2022
Page 2 of 2

With kind regards I am,

Sincerely yours,

A handwritten signature in blue ink that reads "Alison N. Palermo". The signature is written in a cursive, flowing style.

Alison N. Palermo

ANP/
Enclosures

cc: Official Service List for Docket UD-22-01 (via electronic mail)

**BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS**

**IN RE: APPLICATION OF ENTERGY)
NEW ORLEANS, LLC, AND THE)
LOUISIANA UTILITIES)
RESTORATION CORPORATION) DOCKET NO. UD-22-01
FOR AUTHORITY TO FUND AND)
FINANCE STORM RECOVERY)
RESERVES, AND RELATED RELIEF)**

**ENTERGY NEW ORLEANS, LLC’S
RESPONSE TO THE ADVISORS’ REPORT OF THEIR FINDINGS**

Entergy New Orleans, LLC (“ENO” or the “Company”) respectfully submits this Response to the Advisors’ Report of Their Findings Regarding the Application (the “Securitization Application”)¹ filed by ENO and the Louisiana Utilities Restoration Corporation (“LURC” or the “Corporation”) for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief (the “Advisors’ Report” or “Report”).

In accordance with the procedural schedule established in this docket, including Council Resolution No. R-22-142,² the Advisors filed their Report on August 19, 2022. The Advisors’ Report contains a number of recommendations and seeks specific supplemental information and documents from ENO. By way of this Response, ENO provides such information and documents. In an August 26, 2022 Order Certifying the Official Administrative Record, Hearing Officer Jeffrey S. Gulin noted that such information and documents should be part of the record to be reviewed by the Council during its deliberative process.

¹ ENO filed its Securitization Application on February 4, 2022.

² By Order dated August 10, 2022, the Advisors’ deadline to file their Report was extended to August 19, 2022.

Accordingly, after reviewing and considering the recommendations in the Advisors' Report, ENO responds and represents as follows:

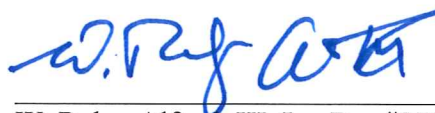
- a. ENO agrees with the Advisors that it makes sense to increase the principal amount of the bond issuance under the Louisiana Electric Utility Storm Recovery Securitization Act, codified at La. R.S. 45:1226–1240 (and pursuant to La. R.S. 45:1343), to a level of storm-recovery-reserve funding that will allow ENO to address unrecovered Hurricane Ida costs and thereby save customers the issuance costs of another securitization. Attached hereto as Exhibit 1 is the Affidavit of Kevin J. Marino, which provides schedules including an updated Projected Up-Front & Ongoing Financing Costs estimate for a bond issuance in the estimated amount of \$205,980,000 and a Bond Debt Service Schedule.
- b. In response to the Advisors' request for ENO's most currently available indicative terms for the storm recovery bonds, please see the Bond Debt Service Schedule provided with Exhibit 1 hereto. That schedule assumes a \$205,980,000 par amount and a 15-year recovery period. Rates will change between now and the time of issuance of the bonds, but, as the Advisors note in their Report, the securitization transaction offers customers significant savings over ENO's present before-tax Weighted Average Cost of Capital. Concerning updated Rider SSCRII revenue requirements and related typical bill impacts, attached hereto as Exhibit 2 is the Affidavit of Scott M. Celino, which provides the information requested by the Advisors.
- c. Forms of all proposed Financing Order Appendices, including Appendix E, are attached hereto as Exhibit 3.³

³ ENO notes that Appendices A and D to the proposed Financing Order do not materially differ from Appendices A and D that were attached to the Financing Order issued by the Council in Resolution R-15-193 (involving ENO's recovery in rates of costs related to, and the funding of its storm reserve escrow fund following, Hurricane Isaac). In addition, there are no substantive changes at this time to the draft versions of Rider SSCRII and

d. Attached hereto as Exhibit 4 is the Affidavit of Kristine T. Jackson, which provides updated schedules demonstrating that total revenues from securitization are significantly less than those that would be required to fund storm recovery reserves in the amount of \$200 million using conventional utility financing, which means that the potential cost savings to ENO's customers from the proposed securitization are significant. And other features of the proposed securitization are reasonably expected to avoid or mitigate rate impacts to customers as compared with traditional methods of financing or recovering storm recovery costs, including storm recovery reserves. ENO agrees that in order to obtain the efficiencies and customer benefits identified in the Advisors' Report, and to enhance ENO's financial position and creditworthiness, expeditious approval and issuance of the requested storm recovery bonds are critical. To that end, ENO reiterates its request that the Council approve and issue a Financing Order in September 2022.

Rider SSCOII that were attached to the Direct Testimony of Scott M. Celino as Exhibits SMC-3 and SMC-6, respectively, and that will be included in Appendix B to the proposed Financing Order. And attached as Exhibit 1 (Schedule KJM-1) hereto is the substance of Appendix C to the proposed Financing Order.

Respectfully submitted,



W. Raley Alford, III, La. Bar #27354
Alison N. Palermo, La. Bar #31276
Christian S. Chaney, La. Bar #37068
STANLEY, REUTER, ROSS, THORNTON
& ALFORD, L.L.C.
909 Poydras Street, Suite 2500
New Orleans, Louisiana 70112
Telephone: (504) 523-1580
Facsimile: (504) 524-0069
wra@stanleyreuter.com
anp@stanleyreuter.com
csc@stanleyreuter.com

-and-

Brian L. Guillot, La. Bar #31759
Leslie LaCoste, La. Bar #38307
ENTERGY SERVICES, LLC
639 Loyola Avenue
Mail Unit L-ENT-26E
New Orleans, Louisiana 70113
Telephone: (504) 576-2603
Facsimile: (504) 576-5579
bguill1@entergy.com
llacost@entergy.com

ATTORNEYS FOR ENTERGY
NEW ORLEANS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon the Official Service List in Docket UD-22-01 via electronic mail this 2nd day of September, 2022.



Alison N. Palermo

**BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS**

**IN RE: APPLICATION OF ENTERGY)
NEW ORLEANS, LLC, AND THE)
LOUISIANA UTILITIES)
RESTORATION CORPORATION) DOCKET NO. UD-22-01
FOR AUTHORITY TO FUND AND)
FINANCE STORM RECOVERY)
RESERVES, AND RELATED RELIEF)**

AFFIDAVIT OF KEVIN J. MARINO

STATE OF LOUISIANA

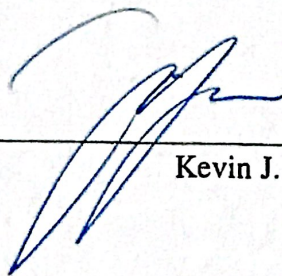
PARISH OF ORLEANS

NOW BEFORE ME, the undersigned authority, personally came and appeared, **Kevin J. Marino**, who after being duly sworn by me, did depose and say that the following statements are being made by him of his personal knowledge and are true and correct to the best of his knowledge, information, and belief:

1. My name is Kevin J. Marino. My business address is 639 Loyola Avenue, New Orleans, Louisiana 70113. I am employed by Entergy Services, LLC (“ESL”), the service company affiliate of Entergy New Orleans, LLC (“ENO” or the “Company”), as Senior Manager, Financings. In this role, I am responsible for corporate finance functions, including (a) ensuring that regulatory approvals are in place authorizing ENO’s entry into corporate finance and bank arrangements to facilitate its raising external funds necessary to support the business, (b) overseeing compliance with debt covenants, and (c) supporting business strategies with analysis and advice. I also have oversight responsibilities for the execution of financings for ENO and have coordinated financings for certain other Entergy Corporation affiliates. As part of this activity, I have regular dialogue with capital market

participants, including lenders and investment bankers, and I present through this affidavit information obtained in the course of that activity.

2. I began my employment with ESL in August 2011. Since then, I have held positions in Financial Planning, Corporate Finance, and Treasury. I also was named Assistant Treasurer of Entergy New Orleans, LLC in 2019.
3. I am familiar with the Application filed by ENO and the Louisiana Utilities Restoration Corporation on February 4, 2022, for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, including, but not limited to (a) the Company's initial up-front and ongoing financing costs estimate for the proposed securitization financing that was attached to the Direct Testimony of Steven C. McNeal as Exhibit SCM-1, and (b) the details of the preliminary bond structure, including the preliminary annual debt service schedules, that were attached to the Direct Testimony of Patrick J. Collins as Exhibit PJC-2. I also am familiar with the Supplemental Direct Testimony of Steven C. McNeal filed on April 26, 2022, which included an updated schedule of estimated up-front and ongoing financing costs as Exhibit SCM-2.
4. Attached to my Affidavit are schedules presenting information that has been updated as of August 2022, including:
 - a. Schedule KJM-1 – Projected Up-Front & Ongoing Financing Costs estimate for a bond issuance in the estimated amount of \$205,980,000; and
 - b. Schedule KJM-2 – Bond Debt Service Schedule.
5. Further the Affiant sayeth not.



Kevin J. Marino

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 31st DAY OF AUGUST, 2022

Dawn Balash

NOTARY PUBLIC

My commission expires: at death

Dawn Balash

La. Bar Roll NO. 25548

Entergy New Orleans, LLC
\$205,980,000 Securitization
Projected Up-Front & Ongoing Financing Costs

Estimated Deal Size
205,980,000

Issuance Costs

Non-Company Upfront Financing Costs

Item 1	Underwriters' Fees & Expenses	\$	1,279,900
Item 2	Underwriters' Counsel Legal Fees & Expenses	\$	500,000
Item 3	Issuer Legal & Advisory Fees	\$	25,000
Item 4	Issuer Financing Acceptance Fee	\$	102,990
Item 5	State Bond Commission Fees	\$	78,868
Item 6	Bond Counsel Fees	\$	150,000
Item 7	Rating Agency Fee	\$	410,000
Item 8	Printing	\$	15,000
Item 9	Trustee's/Trustee Counsel's Fees & Expenses	\$	50,000
Item 10	LURC Legal and Advisory Fees	\$	300,000
Item 11	LURC Financial Advisor	\$	200,000
Item 12	Original Issuance Discount	\$	-
Item 13	Cost of Swaps & Hedges	\$	-
Item 14	Other Credit Enhancements (Overcollateralization Subaccount)	\$	-
Item 17	Rounding/Contingency	\$	(213)
Item 18	Debt Service Reserve Subaccount (DSRS)	\$	1,029,900
Subtotal Non-Company Upfront Financing Costs		\$	4,141,445

Company Upfront Financing Costs

Item 19	Company's Financial Advisor Fees & Expenses	\$	183,555
Item 20	Company's Internal and External Advisors, including Legal Fees & Expenses	\$	1,240,000
Item 21	Company's Non-legal Securitization Proceeding Costs & Expenses	\$	15,000
Item 22	Company's Miscellaneous Administrative Costs	\$	50,000
Item 23	Servicer's Set-Up Costs	\$	50,000
Item 24	External Servicing Costs (Accountant's)	\$	300,000
Subtotal Company Upfront Financing Costs		\$	1,838,555

Total Estimated Company and Non-Company Upfront Financing Costs

\$ 5,980,000

Itemized Annual Ongoing Financing Costs

Non-Company External Annual Ongoing Financing Costs

Item 25	True-Up Administration Fees ^	\$	-
Item 26	Issuer Administration Fees ^	\$	-
Item 27	Issuer Legal Fees ^	\$	-
Item 28	LURC Administration Fees ^	\$	80,000
Item 29	LURC Legal Fees & Expenses ^	\$	90,000
Item 30	LURC Accounting Fees ^	\$	80,000
Item 31	Trustee's/Trustee's Counsel Fees & Expenses ^	\$	10,000
Item 32	Rating Agency Fees^	\$	48,000
Item 33	Miscellaneous ^	\$	50,000
Item 34	Cost of Swaps & Hedges ^	\$	-
Item 35	Other Credit Enhancements ^	\$	-
Subtotal Non-Company External Annual Ongoing Financing Costs		\$	358,000

Company Annual Ongoing Financing Costs

Item 36	Ongoing Servicer Fees (Company as Servicer) *	\$	205,980
Item 37	Accounting Costs (External) ^	\$	200,000
Subtotal Company Annual Ongoing Financing Costs		\$	405,980

Total (Company as Servicer) Estimated Annual Ongoing Financing Costs

\$ 763,980

Ongoing Servicer Fees (Third-Party as Servicer - 0.60% of principal)	\$	1,235,880
Other External Ongoing Fees (total of lines marked with a ^ mark above)	\$	558,000
Total (Third-Party as Servicer) Estimated Ongoing Financing Costs	\$	1,793,880

BOND DEBT SERVICE

Louisiana Local Government Environmental Facilities & Community Development Authority
Storm Recovery Bonds, Series 2022 (Louisiana Utilities Restoration Corporation Project/ENO)
Assumes \$205,980,000 Par Amount and 15-Year Recovery Period
Illustrative DBC Numbers as of August 23, 2022
*** PRELIMINARY AND SUBJECT TO CHANGE ***

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2023	4,634,344.79	4.608%	6,775,918.08	11,410,262.87	11,410,262.87
03/01/2024	5,198,846.77	4.608%	4,639,003.90	9,837,850.67	
09/01/2024	5,318,628.20	4.608%	4,519,222.47	9,837,850.67	19,675,701.34
03/01/2025	5,441,169.39	4.608%	4,396,681.27	9,837,850.66	
09/01/2025	5,566,533.94	4.608%	4,271,316.73	9,837,850.67	19,675,701.33
03/01/2026	5,694,786.88	4.608%	4,143,063.79	9,837,850.67	
09/01/2026	5,825,994.77	4.608%	4,011,855.90	9,837,850.67	19,675,701.34
03/01/2027	5,960,225.69	4.608%	3,877,624.98	9,837,850.67	
09/01/2027	6,097,549.29	4.608%	3,740,301.38	9,837,850.67	19,675,701.34
03/01/2028	6,238,036.82	4.608%	3,599,813.84	9,837,850.66	
09/01/2028	6,381,761.19	4.608%	3,456,089.47	9,837,850.66	19,675,701.32
03/01/2029	6,528,796.97	4.608%	3,309,053.70	9,837,850.67	
09/01/2029	6,679,220.45	4.608%	3,158,630.21	9,837,850.66	19,675,701.33
03/01/2030	6,833,109.70	4.608%	3,004,740.98	9,837,850.68	
09/01/2030	6,990,544.54	4.608%	2,847,306.13	9,837,850.67	19,675,701.35
03/01/2031	7,151,606.68	4.608%	2,686,243.98	9,837,850.66	
09/01/2031	7,316,379.70	4.608%	2,521,470.96	9,837,850.66	19,675,701.32
03/01/2032	7,484,949.10	4.608%	2,352,901.58	9,837,850.68	
09/01/2032	7,657,402.31	4.608%	2,180,448.35	9,837,850.66	19,675,701.34
03/01/2033	7,833,828.87	4.608%	2,004,021.80	9,837,850.67	
09/01/2033	8,014,320.29	4.608%	1,823,530.38	9,837,850.67	19,675,701.34
03/01/2034	8,198,970.22	4.608%	1,638,880.44	9,837,850.66	
09/01/2034	8,387,874.50	4.608%	1,449,976.17	9,837,850.67	19,675,701.33
03/01/2035	8,581,131.13	4.608%	1,256,719.54	9,837,850.67	
09/01/2035	8,778,840.38	4.608%	1,059,010.28	9,837,850.66	19,675,701.33
03/01/2036	8,981,104.88	4.608%	856,745.80	9,837,850.68	
09/01/2036	9,188,029.52	4.608%	649,821.14	9,837,850.66	19,675,701.34
03/01/2037	9,399,721.73	4.608%	438,128.94	9,837,850.67	
09/01/2037	9,616,291.30	4.608%	221,559.35	9,837,850.65	19,675,701.32
	205,980,000.00		80,890,081.54	286,870,081.54	286,870,081.54

Notes:

Market conditions as of August 16, 2022. The interest rates used herein are hypothetical and take into consideration conditions in today's market and other factual information such as credit rating, geographic location, and market sector, and remain subject to change. The interest rates applied herein are hypothetical, based on current market facts and should not be viewed as rates that J.P. Morgan might expect to achieve for you at the time of any relevant transaction.

**BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS**

**IN RE: APPLICATION OF ENTERGY)
NEW ORLEANS, LLC, AND THE)
LOUISIANA UTILITIES)
RESTORATION CORPORATION) DOCKET NO. UD-22-01
FOR AUTHORITY TO FUND AND)
FINANCE STORM RECOVERY)
RESERVES, AND RELATED RELIEF)**

AFFIDAVIT OF SCOTT M. CELINO

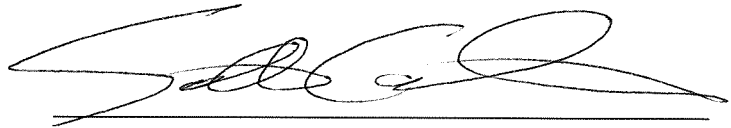
STATE OF LOUISIANA

PARISH OF ORLEANS

NOW BEFORE ME, the undersigned authority, personally came and appeared, **Scott M. Celino**, who after being duly sworn by me, did depose and say that the following statements are being made by him of his personal knowledge and are true and correct to the best of his knowledge, information, and belief:

1. My name is Scott M. Celino. My business address is 639 Loyola Avenue, New Orleans, Louisiana 70113. I am employed by Entergy Services, LLC (“ESL”), the service company affiliate of Entergy New Orleans, LLC (“ENO” or the “Company”), as Manager in the Fuel & Special Riders Department.
2. I submitted Direct Testimony on behalf of ENO in support of the Application filed by ENO and the Louisiana Utilities Restoration Corporation on February 4, 2022, for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, which testimony included the Company’s SSCRII Period One Calculation (attached as Exhibit SMC-2 to my Direct Testimony), and Typical Bill Calculations (attached as Exhibit SMC-7 to my Direct Testimony).

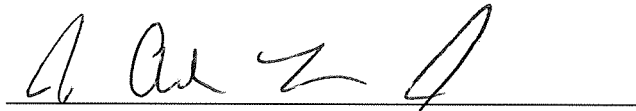
3. Attached to my Affidavit are schedules that have been updated as of August 2022 for a bond issuance of approximately \$206 million, including:
 - a. Schedule SMC-1 – SSCRII Period One Calculation; and
 - b. Schedule SMC-2 – Typical Bill Calculations.
4. As shown in Schedule SMC-2, currently ENO estimates that the initial storm recovery charge imposed on the monthly electric bill of one of its residential customers through proposed Rider SSCRII using 1,000 kilowatt-hours (“kWh”) will be \$4.23 per month. The typical bill impact in the subsequent billing periods will be lower as a result of lower bond payments, all else being equal. ENO estimates that, after the initial billing period (*i.e.*, after October 2023 under preliminary assumptions), the typical bill impact will be approximately \$4.14 for a typical residential customer using 1,000 kWh. In addition, although Rider SSCRII’s impact on the monthly electric bill of ENO’s residential customers is not currently known (and so the current estimates reflect no impact), after the Council certifies the costs incurred by ENO in restoring service after Hurricane Ida, the effects of certain accumulated deferred income taxes from the incurrence of these costs may be reflected in Rider SSCRII and reduce the overall bill impact to customers.
5. Further the Affiant sayeth not.



Scott M. Celino

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 31st DAY OF AUGUST, 2022



NOTARY PUBLIC

My commission expires: at death

**J. ANDREW LEWIS, JR.
Notary Public
State of Louisiana
Notary ID # 133686
My Commission is for life**

Entergy New Orleans, LLC
 Docket No. UD-22-01
 Securitized Storm Cost Calculation - Initial Payment

Line No.	Rate Class	7 months Forecasted Base Revenue (1/2023 - 7/2023) [1]	Required PBR	Uncollectible Rate [2]	PBR Adjusted for Uncollectibles	Securitized Storm Cost Rate
1	All	\$ 228,435,878	\$ 11,410,263	0.4210%	\$ 11,458,304	5.0160%

	PBR Calculation
2 Sept 2023 PPR	\$ 11,410,263
3 Actual Collections - month 1	\$
4 Collections, month 2	\$
5 Excess Funds Subaccount Balance	\$
Initial PBR	<u>\$ 11,410,263</u>

Notes:

[1] Excludes schedules AFC, AMO, BRAR, DTK, EAC, EECR, EFRP, EVCI, FAC, GPO, IRAR-E, MES, MISO, PPCR, PPS, R-3, R-8, RPCEA, SMS, SSCO, SSCO II and SSCR.

[2] Uncollectible factor based on 5 years ending 2021

FORM OF ISSUANCE ADVICE LETTER

____ day, _____, 2022

COUNCIL OF THE CITY OF NEW ORLEANS**SUBJECT: ISSUANCE ADVICE LETTER FOR STORM RECOVERY BONDS**

Pursuant to the Financing Order adopted on the ____ day of ____, 2022 in *Application of Entergy New Orleans, LLC and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, Docket No. UD-22-01* (the “Financing Order”), LOUISIANA UTILITIES RESTORATION CORPORATION (“Corporation”) and ENTERGY NEW ORLEANS, LLC (“ENO” or the “Company” and together with the Corporation, the “Co-Applicants”) hereby submit, no later than two business days after the pricing of the Storm Recovery Bonds, the information referenced below. This Issuance Advice Letter is for the Storm Recovery Bonds, tranches _____. Any capitalized terms not defined in this letter shall have the meanings ascribed to them in the Financing Order or the Louisiana Electric Utility Storm Recovery Securitization Act, La. R.S. §§ 45:1226-1240.

PURPOSE

This filing establishes the following:

- (1) the total amount to be financed;
- (2) confirmation that customers will experience savings or that rate impacts to customers will be avoided or mitigated relative to traditional methods of financing;
- (3) confirmation that the structuring, terms and the pricing of the Storm Recovery Bonds are consistent with the terms of the Financing Order;
- (4) confirmation that the pricing of the Storm Recovery Bonds is consistent with market conditions at the time of pricing;
- (5) the actual terms and structure of the Storm Recovery Bonds being issued; and
- (6) the initial Storm Recovery Charges.

The concurrence by the Council’s Designee to this filing will establish the Council’s approval of the final forms of the indenture, the loan agreement (including the form of promissory note), the servicing agreement, and the storm recovery reserve escrow agreement.

COMPLIANCE WITH FINANCING ORDER

The Co-Applicants hereby confirm, pursuant to the Financing Order, the following:

1. COSTS BEING SECURITIZED

The total amount of storm recovery costs, including storm recovery reserves, and issuance costs being financed (the “Authorized Securitization Amount”) is presented in Attachment 1.

2. CONFIRMATION OF SAVINGS

The weighted average interest rate of the Storm Recovery Bonds is less than [____]%, accordingly, the proposed structuring, expected pricing, and financing costs of the storm recovery bonds are reasonably expected to result in lower overall costs and/or will avoid or mitigate rate impacts to customers as compared to traditional methods of financing or recovering storm recovery costs. With regard to securitization of the storm recovery costs, including storm recovery reserves, securitization results in estimated savings of \$____, as compared to the total revenues that would be required to fund a storm recovery reserve using conventional utility financing (see Attachment 2, Schedule C).

3. CONFIRMATION OF STRUCTURE AND PRICES

The Storm Recovery Bonds will be issued in one issuance consisting of one or more tranches having scheduled final maturities of approximately ___ years and legal final maturities not exceeding __ years from the date of issuance (See “Actual Terms of Issuance”). The structuring and pricing of the Storm Recovery Bonds are consistent with the terms set out in the Financing Order (see “Actual Terms of Issuance” and Attachments 2 and 4).

4. CONFIRMATION OF PRICES WITH MARKET

The structuring and pricing of the Storm Recovery Bonds resulted in the lowest storm recovery charges consistent with market conditions on the date and time of such pricing (see Attachments 4 and 5).

5. ACTUAL TERMS OF ISSUANCE

Storm Recovery Bond Series: _____

Storm Recovery Bond Issuer: _____

Trustee: _____

Closing Date: _____, 2022

Bond Ratings: [_____]¹

Amount Issued: \$ _____

Estimated Up-front Financing Costs: See Attachment 1, Schedule B.

Estimated Ongoing Financing Costs: See Attachment 2, Schedule B.

¹ The Company anticipates receiving ratings from at least two of the three major ratings agencies

Tranche	Coupon Rate	Scheduled Final Maturity Date	Legal Final Maturity
A-1	%	/ /	/ /
A-2	%	/ /	/ /
A-3	%	/ /	/ /

Weighted Average Effective Annual Interest Rate of the Storm Recovery Bonds:	_____ %
Life of Bonds:	_____ years
Weighted Average Life of Series:	_____ years
Call provisions (including premium, if any):	
Amortization Schedule:	Attachment 2, Schedule A
Scheduled Final Maturity Dates:	Attachment 2, Schedule A
Legal Final Maturity Dates:	See Table Above
Payments to Investors:	Semiannually Beginning _____,
Amount of initial annual Servicing Fee and as a percent of original Storm Recovery Bond principal balance:	[\$], [%]
Weighted Average Coupon Rate ² :	_____
Annualized Weighted Average Yield ³ :	_____

6. INITIAL STORM RECOVERY CHARGE

Table I below shows the current assumptions for each of the variables used in the calculation of the initial Storm Recovery Charges.

TABLE I	
Input Values For Initial Storm Recovery Charges	
Applicable period: from _____, _____ to _____, _____	
Forecasted base revenue sales for the applicable period:	See Appendix B to the Financing Order
Storm Recovery Bond debt service for the applicable period:	\$ _____
Charge-off rate for each investment cost recovery group:	See Appendix B to the Financing Order
Forecasted % of Billings Paid in the Applicable Period:	_____ %

² Weighted by modified duration and principal amount.

³ Weighted by modified duration and principal amount.

Forecasted annual ongoing financing costs (excluding Storm Recovery Bond principal and interest):	\$ _____
Current Storm Recovery Bond outstanding balance:	\$ _____
Target Storm Recovery Bond outstanding balance as of ___/___/___:	\$ _____
Total Periodic Billing Requirement for applicable period:	\$ _____

Based on the foregoing, the initial Storm Recovery Charges are detailed in Attachment 3.

EFFECTIVE DATE

In accordance with the Financing Order, the Storm Recovery Charge shall be billed beginning on [DATE], *i.e.*, the first day of the first billing cycle of the next revenue month following the date of issuance of the Storm Recovery Bonds.

NOTICE

Copies of this filing are being furnished to the parties on the service list in this docket. Notice to the public is hereby given by filing and keeping this filing open for public inspection at the Company’s corporate headquarters.

APPROVAL:

[_____], the duly designated Designee under the Financing Order, shall notify the Co-Applicants and the Council, no later than one business day after receipt of this Issuance Advice Letter via email, and using the form of letter attached hereto as Attachment 6, in the case of acceptance and approval of the Issuance Advice Letter by the Designee.

AUTHORIZED OFFICER

The undersigned are officers of Co-Applicants and authorized to deliver this Issuance Advice Letter on behalf of Co-Applicants.

Respectfully submitted,

LOUISIANA UTILITIES
RESTORATION CORPORATION

By: _____

Name: _____

Title: _____

Date: _____

ENTERGY NEW ORLEANS, LLC

By: _____

Name: _____

Title: _____

Date: _____

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ATTACHMENT 1
SCHEDULE A
CALCULATION OF AUTHORIZED SECURITIZATION AMOUNT⁴

A.	Costs of replenishing and funding storm recovery reserves	
B.	Estimated up-front financing costs of issuing the Storm Recovery Bonds (Attachment 1, Schedule B)	
C.	Any adjustments to carrying costs	
TOTAL AUTHORIZED SECURITIZATION AMOUNT		

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⁴ Refer to the attached workpapers.

ATTACHMENT 1
SCHEDULE B
ESTIMATED UP-FRONT FINANCING COSTS

Non-Company Upfront Financing Costs	
Underwriters' Fees & Expenses	\$
Underwriters' Counsel Legal Fees & Expenses	\$
Issuer Legal & Advisory Fees	\$
Issuer Financing Acceptance Fee	\$
State Bond Commission Fees	\$
Bond Counsel Fees	\$
Rating Agency Fees	\$
Printing	\$
Trustee's/Trustee Counsel's Fees & Expenses	\$
LURC Legal and Advisory Fees	\$
LURC Financial Advisor	\$
Original Issue Discount	\$
Cost of Swaps & Hedges	\$
Other Credit Enhancements (Overcollateralization Subaccount)	\$ _____
Rounding/Contingency	\$
Debt Service Reserve Subaccount (DSRS)	\$
Subtotal Non-Company Up-front Financing Costs	\$
Company Upfront Financing Costs	
Company's Financial Advisor Fees & Expenses	\$
Company's Internal and External Advisors, including Legal Fees & Expenses	\$ _____
Company's Non-legal Securitization Proceeding Costs & Expenses	\$ _____
Company's Miscellaneous Administrative Costs	\$
Servicer's Set-Up Costs	\$
External Servicing Costs (Accountant's)	\$
Subtotal Company Up-front Financing Costs	\$
TOTAL ESTIMATED UP-FRONT FINANCING COSTS TO BE SECURITIZED	\$

Note: Any difference between the Estimated Up-front Financing Costs financed for, and the actual Up-front Financing Costs incurred by, the Corporation, the Issuer and ENO will be resolved, if estimates are more or less than actual, through Rider SSCRII or pursuant to the Council Order issued in this proceeding, as applicable.

ATTACHMENT 2
SCHEDULE A
STORM RECOVERY BOND REVENUE REQUIREMENT INFORMATION

SERIES _____, TRANCHE _____				
Payment Date	Principal Balance	Interest	Principal	Total Payment
	\$	\$	\$	\$

SERIES _____, TRANCHE _____				
Payment Date	Principal Balance	Interest	Principal	Total Payment
	\$	\$	\$	\$

SERIES _____, TRANCHE _____				
Payment Date	Principal Balance	Interest	Principal	Total Payment
	\$	\$	\$	\$

ATTACHMENT 2
SCHEDULE B
ESTIMATED ONGOING FINANCING COSTS

	ANNUAL AMOUNT
True-Up Administration Fees [^]	\$ _____
Issuer Administration Fees [^]	\$ _____
Issuer Legal Fees [^]	\$ _____
LURC Administration Fees [^]	\$ _____
LURC Legal Fees & Expenses [^]	\$ _____
LURC Accounting Fees [^]	\$ _____
Trustee's/Trustee's Counsel Fees & Expenses [^]	\$ _____
Rating Agency Fees [^]	\$ _____
Miscellaneous [^]	\$ _____
Costs of Swaps & Hedges [^]	\$ _____
Other Credit Enhancements [^]	\$ _____
Subtotal Non-Company External Annual Ongoing Financing Costs	\$ _____
Company Annual Ongoing Financing Costs	
Ongoing Servicer Fees (ENO as Servicer)	\$ _____
Accounting Costs (External) [^]	\$ _____
Subtotal Company Annual Ongoing Financing Costs	\$ _____
Total (ENO as Servicer) Estimated Annual Ongoing Financing Costs	\$ _____
Ongoing Servicer Fees (Third-Party as Servicer – 0.60% of principal)	\$ _____
Other External Ongoing Fees (total of lines marked with a [^] mark above)	\$ _____
Total (Third-Party As Servicer) Estimated Ongoing Financing Costs	\$ _____

Note: The amounts shown for each category of ongoing financing costs on this attachment are the expected expenses for the first year of the storm recovery bonds. Storm recovery charges will be adjusted at least semi-annually to reflect the actual Ongoing Financing Costs through the true-up process described in the Financing Order, except that the servicing fee is fixed as long as ENO is servicer.

ATTACHMENT 2
SCHEDULE C
BENEFITS VERSUS CONVENTIONAL FINANCING

Storm Recovery Reserves

	Conventional Financing	Securitization Financing	Savings/(Cost) of Securitization Financing
Nominal Revenue	\$	\$	\$

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ATTACHMENT 3
INITIAL ALLOCATION OF COSTS

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ATTACHMENT 4
APPLICANT'S CERTIFICATION
[ENO Letterhead]

Date: _____, 20__

Council of the City of New Orleans
City Hall, Room 1E09
1300 Perdido Street
New Orleans, Louisiana 70112

Re: Application of Entergy New Orleans, LLC and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, Docket No. UD-22-01

Dear _____:

Entergy New Orleans, LLC (the "Applicant") submits this Certification pursuant to Ordering Paragraph [6] of the Financing Order in *Application of Entergy New Orleans, LLC and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, Docket No. UD-22-01* (the "Financing Order"). All capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order or the Louisiana Electric Utility Storm Recovery Securitization Act, La. R.S. §§ 45:1226-1240.

The Issuance Advice Letter dated _____, 20__, sets forth the following particulars of the Storm Recovery Bonds:

The proposed terms of pricing and issuance of the Storm Recovery Bonds are as follows:

Name of the Storm Recovery Bonds: _____
Name of Trustee: _____
Closing Date: _____, 20__
Principal Amount of Storm Recovery Bonds: _____
Bond Ratings: _____
Scheduled and Legal Final Maturities: _____
Amount of Upfront Financing Costs securitized: See Attachment 1 Schedule B to Issuance Advice Letter
Estimated Ongoing Financing Costs: See Attachment 2, Schedule B.

Tranche	Coupon Rate	Scheduled Final Maturity Date	Legal Final Maturity
A-1	%	/ /	/ /
A-2	%	/ /	/ /
A-3	%	/ /	/ /

Weighted Average Effective Annual Interest Rate of the Storm Recovery Bonds: _____ %
 Life of Bonds: _____ years
 Weighted Average Life of Series: _____ years
 Call provisions (including premium, if any):
 Amortization Schedule: Attachment 2, Schedule A
 Scheduled Final Maturity Dates: Attachment 2, Schedule A
 Legal Final Maturity Dates: See Table Above
 Payments to Investors: Semiannually Beginning _____, 20____
 Amount of initial annual Servicing Fee and as a percent of original Storm Recovery: Bond principal balance: [\$], [%]

Weighted Average Interest Rate⁵: _____
 Weighted Average Effective Annual Interest Rate⁶: _____
 Initial Balance of Capital Subaccount: _____

The following actions were taken in connection with the design, structuring and pricing of the bonds:

- [Included credit enhancement in the form of the true-up mechanism and an equity contribution of 0.50% of the original principal amount.]
- [Did not utilize the overcollateralization account.]
- [Achieved [_____] from at least two of the three major rating agencies.]
- [Selection of underwriters that have relevant experience and execution capabilities was affirmed by the Company’s Financial Advisor, the Council Utility Advisors and the Council’s Financial Advisor.]

⁵ Weighted by modified duration and principal amount.

⁶ Annualized and weighted by modified duration and principal amount giving effect to compounding and including up-front costs.

- [The marketing presentations were developed to emphasize the unique credit quality and security related to these bonds, and provide comparative analysis to other competing securities.]
- [Provided the termsheet and [preliminary prospectus/offering memorandum] by e-mail to prospective investors.]
- [Allowed sufficient time for investors to review the termsheet and preliminary offering memorandum and to ask questions regarding the transaction.]
- [Held one-on-one and group conference calls with investors, along with meetings with potential investors to describe the legislative, political and regulatory framework and the bond structure with a focus on [corporate/agency/other crossover buyers] specifically targeted to achieve the transaction objectives.]
- [Arranged issuance of rating agency pre-sale reports during the marketing period.]
- [During the period that the bonds were marketed, held daily market update discussions with the underwriting team to develop recommendations for pricing.]
- [Had multiple conversations with all of the members of the underwriting team during the marketing phase in which we stressed the requirements of the Financing Order.]
- [Developed and implemented a marketing plan designed to incent each of the underwriters to aggressively market the bonds to their customers and to reach out to a broad base of potential investors, including investors who have not previously purchased this type of security.]
- [Provided potential investors with access to an internet roadshow for viewing on repeated occasions at investors' convenience. Similar roadshow information was also presented in one-on-one and group meetings with investors.]
- [Adapted the storm recovery bond offering to market conditions and investor demand at the time of pricing. Variables impacting the final structure of the transaction were evaluated including the length of average lives and maturity of the bonds and interest rate requirements at the time of pricing so that the structure of the transaction would correspond to investor preferences and rating agency requirements for favorable ratings.]
- [Worked with the Council's Financial Advisor to develop bond allocations, underwriter compensation and preliminary price guidance designed to achieve lowest storm recovery rates.]

Based upon information reasonably available to its officers, agents, and employees of the Applicant, the Applicant hereby certifies that the structuring and pricing of the Storm Recovery Bonds will result in the lowest Storm Recovery Charges consistent with market conditions at the time of pricing and the terms of the Financing Order.

Respectfully submitted,
ENTERGY NEW ORLEANS, LLC

By: _____
Name: _____
Title: _____

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ATTACHMENT 5
PRICING ADVICE CERTIFICATE

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ATTACHMENT 6

[COUNCIL DESIGNEE'S CONCURRENCE]

[Letterhead]

Date: _____, 20__

Council of the City of New Orleans
City Hall, Room 1E09
1300 Perdido Street
New Orleans, Louisiana 70112

Pursuant to the Financing Order of the Council of the City of New Orleans ("Council") dated _____, 20__, Council Docket No. UD-22-01

I, _____, (the "Designee"), in accordance with the Louisiana Electric Utility Storm Recovery Securitization Act, codified at La. R.S. 45:1226-1240, and the Financing Order, for the purpose of (a) establishing that the structuring and pricing of the Storm Recovery Bonds will result in the lowest Storm Recovery Charges consistent with market conditions and the terms of the Financing Order and (b) approving at the time of pricing of the Storm Recovery Bonds, the terms and conditions of the Storm Recovery Bonds, servicing fees with respect to the collection of such Storm Recovery Charges and the pledging, assignment and sale of the Storm Recovery Bonds in connection with the initial Storm Recovery Charge, HEREBY CONCUR as follows:

1. I have received and reviewed in accordance with Financing Order a copy of the Applicant's Certification, a copy of which is attached hereto, and find that such certificate is in proper form as evidenced by such Financing Order. I have also reviewed other information as I have deemed necessary to provide this Concurrence. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order or the Louisiana Electric Utility Storm Recovery Securitization Act.
2. The following are the terms of the Storm Recovery Bonds:

Name of Storm Recovery Bonds: _____

Closing Date: _____

Amount Issued: _____

Interest Rates and Expected Amortization Schedule: See Issuance Advice Letter

Distributions to Investors (quarterly or semi-annually): _____

Weighted Average Coupon Rate: See Issuance Advice Letter

Annualized Weighted Average Yield: See Issuance Advice Letter

Initial Balance of Capital Subaccount: _____

3. The final structuring, terms and pricing of the storm recovery bonds in the Issuance Advice Letter are consistent with the criteria established in the Financing Order, and the mathematical calculations are accurate. Accordingly, the terms and conditions of the Storm Recovery Bonds and the schedule of payments of principal and interest on the Storm Recovery Bonds as well as the initial storm recovery charge are approved.
4. The final forms (subject to completion of final numbers and information) of the indenture, the loan agreement (including the form of promissory note), the servicing agreement, and the storm recovery reserve escrow agreement have been reviewed by the Council Utility Advisors and are approved.

Respectfully submitted,

Designee

By: _____

Name: _____

Title: _____

ATTACHMENT 7
SCHEDULE A
EXPECTED AMORTIZATION SCHEDULE

(with coupons, prices, classes, if any, expected amortization schedule and stated maturities, and call features requirements)

A. General Terms

<u>Class</u>	<u>Price</u>	<u>Coupon</u>	<u>Fixed/Floating</u>	<u>Avg. Life</u>	<u>Stated Maturity</u>	<u>Legal Final Maturity</u>

B. Scheduled Amortization Requirement

<u>Date</u>	<u>[Class]</u>	<u>[Class]</u>	<u>[Class]</u>

Allocation Methodology, Rider SSCRII and Rider SSCOII

Entergy New Orleans, LLC						
Docket No. UD-22-01						
Securitized Storm Cost Calculation - Initial Payment						
Line No.	Rate Class	7 months Forecasted Base Revenue (1/2023 - 7/2023) [1]	Required PBR	Uncollectible Rate [2]	PBR Adjusted for Uncollectibles	Securitized Storm Cost Rate
1	All	\$ 228,435,878	\$ 11,410,263	0.4210%	\$ 11,458,304	5.0160%
					PBR Calculation	
2	Sept 2023 PPR				\$ 11,410,263	
3	Actual Collections - month 1				\$ -	
4	Collections, month 2				\$ -	
5	Excess Funds Subaccount Balance				\$ -	
	Initial PBR				<u>\$ 11,410,263</u>	
Notes:						
[1] Excludes schedules AFC, AMO, BRAR, DTK, EAC, EECR, EFRP, EVCI, FAC, GPO, IRAR-E, MES, MISO, PPCR, PPS, R-3, R-8, RPCEA, SMS, SSCO, SSCO II and SSCR.						
[2] Uncollectible factor based on 5 years ending 2021						

ENTERGY NEW ORLEANS, LLC
ELECTRIC SERVICE

RIDER SSCRII

Effective Date:
Filed Date:
Supersedes: New Schedule
Schedule Consists of: One
Page and
Attachment A

SECURITIZED STORM COST RECOVERY RIDER SSCRII

I. APPLICABILITY

This rider is applicable under the regular terms and conditions of Entergy New Orleans, LLC to all customers served under any retail electric rate schedule* and/or rider schedule* or Special Contract Rates pursuant to Council of the City of New Orleans (the "Council") orders in Docket No._____. The initial SSCRII rate shall be billed beginning on the first day of the first billing cycle of the next revenue month following the date of issuance of the storm recovery bonds.

II. NET MONTHLY RATE

There shall be added to each monthly bill an adjustment, in the form of a new and separate charge, for the replenishment of the storm reserve and up front financing costs as approved by the Council. Customer charges, energy charges, load or demand charges, lamp charges or access charges on any monthly bill shall be adjusted by the appropriate rate shown in Attachment A.

III. TRUE-UP

The SSCRII Rate Adjustment shall be subject to true-up in accordance with the schedule prescribed in the Council's financing order and shall be performed at least semi-annually.

Attachment A
Page 1 of 1
Effective: XX/XX/2022

ENTERGY NEW ORLEANS, LLC
SECURITIZED STORM COST RECOVERY RIDER SSCRII
SSCRII RATE

All Rate Classes X.XXXX%

*Excluding Schedules AFC, AMO, BRAR, DTK, EAC, EECR, EFRP, EVCI, FAC, GPO, IRAR-E, MES, MISO, PPCR, PPS, R-3, R-8, RPCEA, SMS, SSCO, SSCOII and SSCR.

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ENTERGY NEW ORLEANS, LLC
ELECTRIC SERVICE

RIDER SSCOII

Effective Date:
Filed Date:
Supersedes: New Schedule
Schedule Consists of: One Page and
Attachment A

SECURITIZED STORM COST OFFSET RIDER – SSCOII

I. APPLICABILITY

This rider is applicable under the regular terms and conditions of Entergy New Orleans, LLC to all customers served under any retail electric rate schedule* and/or rider schedule* or Special Contract Rates pursuant to the Council of the City of New Orleans (the "Council") orders in Docket No. _____.

II. NET MONTHLY RATE

There shall be added to each monthly bill for electric service an adjustment as approved by the Council. Each Net Monthly Bill shall be adjusted by the appropriate rate shown in Attachment A.

III. ANNUAL REVIEW AND FILING

Beginning in 2022 and concurrent with the filing for the first adjustment to Rider SSCRII, ENOL shall file a revised Attachment A containing a revised Rate Adjustment. The revised Rate Adjustment shall become effective for bills rendered on and after the first billing cycle of the next revenue month until changed pursuant to the provisions of this Rider.

Attachment A
Page 1 of 1
Effective Date: XX/XX/2022

ENTERGY NEW ORLEANS, LLC
SECURITIZED STORM COST OFFSET RIDER SSC0II

SSCOII RATE

All Rate Classes

-X.XXXX%

*Excluding Schedules AFC, AMO, BRAR, DTK, EAC, EECR, EFRP, EVCI, FAC, GPO, IRAR-E, MES, MISO, PPCR, PPS, R-3, R-8, RPCEA, SMS, SSCO, SSCR and SSCRII.

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Estimated Up-Front and Ongoing Financing Costs

Entergy New Orleans, LLC			
\$205,980,000 Securitization			
Projected Up-Front & Ongoing Financing Costs			
Estimated Deal Size			
205,980,000			
			Issuance Costs
Non-Company Upfront Financing Costs			
Item 1	Underwriters' Fees & Expenses	\$	1,279,900
Item 2	Underwriters' Counsel Legal Fees & Expenses	\$	500,000
Item 3	Issuer Legal & Advisory Fees	\$	25,000
Item 4	Issuer Financing Acceptance Fee	\$	102,990
Item 5	State Bond Commission Fees	\$	78,868
Item 6	Bond Counsel Fees	\$	150,000
Item 7	Rating Agency Fee	\$	410,000
Item 8	Printing	\$	15,000
Item 9	Trustee's/Trustee Counsel's Fees & Expenses	\$	50,000
Item 10	LURC Legal and Advisory Fees	\$	300,000
Item 11	LURC Financial Advisor	\$	200,000
Item 12	Original Issuance Discount	\$	-
Item 13	Cost of Swaps & Hedges	\$	-
Item 14	Other Credit Enhancements (Overcollateralization Subaccount)	\$	-
Item 17	Rounding/Contingency	\$	(213)
Item 18	Debt Service Reserve Subaccount (DSRS)	\$	1,029,900
Subtotal Non-Company Upfront Financing Costs		\$	4,141,445
Company Upfront Financing Costs			
Item 19	Company's Financial Advisor Fees & Expenses	\$	183,555
Item 20	Company's Internal and External Advisors, including Legal Fees & Expenses	\$	1,240,000
Item 21	Company's Non-legal Securitization Proceeding Costs & Expenses	\$	15,000
Item 22	Company's Miscellaneous Administrative Costs	\$	50,000
Item 23	Servicer's Set-Up Costs	\$	50,000
Item 24	External Servicing Costs (Accountant's)	\$	300,000
Subtotal Company Upfront Financing Costs		\$	1,838,555
Total Estimated Company and Non-Company Upfront Financing Costs		\$	5,980,000
			Itemized Annual Ongoing Financing Costs
Non-Company External Annual Ongoing Financing Costs			
Item 25	True-Up Administration Fees ^	\$	-
Item 26	Issuer Administration Fees ^	\$	-
Item 27	Issuer Legal Fees ^	\$	-
Item 28	LURC Administration Fees ^	\$	80,000
Item 29	LURC Legal Fees & Expenses ^	\$	90,000
Item 30	LURC Accounting Fees ^	\$	80,000
Item 31	Trustee's/Trustee's Counsel Fees & Expenses ^	\$	10,000
Item 32	Rating Agency Fees^	\$	48,000
Item 33	Miscellaneous ^	\$	50,000
Item 34	Cost of Swaps & Hedges ^	\$	-
Item 35	Other Credit Enhancements ^	\$	-
Subtotal Non-Company External Annual Ongoing Financing Costs		\$	358,000
Company Annual Ongoing Financing Costs			
Item 36	Ongoing Servicer Fees (Company as Servicer) *	\$	205,980
Item 37	Accounting Costs (External) ^	\$	200,000
Subtotal Company Annual Ongoing Financing Costs		\$	405,980
Total (Company as Servicer) Estimated Annual Ongoing Financing Costs		\$	763,980
Ongoing Servicer Fees (Third-Party as Servicer - 0.60% of principal)		\$	1,235,880
Other External Ongoing Fees (total of lines marked with a ^ mark above)		\$	558,000
Total (Third-Party as Servicer) Estimated Ongoing Financing Costs		\$	1,793,880

FORM OF TRUE-UP LETTER
[ENO Letterhead]

Date: _____, 20__

Council of the City of New Orleans
City Hall, Room 1E09
1300 Perdido Street
New Orleans, Louisiana 70112

Re: Application of Entergy New Orleans, LLC and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, Docket No. UD-22-01

Dear _____:

Pursuant to the Financing Order adopted on the _____ day of _____, 20__ in *Application of Entergy New Orleans, LLC and the Louisiana Utilities Restoration Corporation for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief*, Docket No. UD-22-01 (the “Financing Order”), Entergy New Orleans, LLC (“ENO”) as Servicer of the Storm Recovery Bonds or any successor Servicer on behalf of the trustee as assignee of the Louisiana Utilities Restoration Corporation shall apply semi-annually for a mandatory periodic adjustment to the Storm Recovery Charge. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order or Louisiana Electric Utility Storm Recovery Securitization Act, codified at La. R.S. 45:1226-1240.

Each semi-annual true-up adjustment shall be filed with the Council not less than 15 days prior to the first billing cycle of the month in which the revised storm recovery charges will be in effect. The Council Utility Advisors will have 15 days after the date of a true-up adjustment filing in which to confirm the mathematical accuracy of the servicer’s adjustment, after which the charge will become effective. However, any mathematical correction not made prior to the effective date of the storm recovery charge will be made in future true-up adjustment filings and will not delay the effectiveness of the storm recovery charge.

Using the formula approved by the Council in the Financing Order, this filing modifies the variables used in the Storm Recovery Charge calculation and provides the resulting modified Storm Recovery Charge. Attachments 1 and 2 show the resulting Storm Recovery Charge expressed as a percentage of base rate revenues and calculated in accordance with the Financing Order. The assumptions underlying the current Storm Recovery Charge were filed by ENO in an Issuance Advice/True-Up Letter dated _____. **[NOTE: only first true-up letter refers to IAL.]**

Respectfully submitted,

ENTERGY NEW ORLEANS, LLC

By: _____

Name: _____

Title: _____

Date: _____

Attachments

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ATTACHMENT 1
CALCULATION OF STORM RECOVERY CHARGES

[INSERT TABLE]

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ATTACHMENT 2
STORM RECOVERY CHARGE

Rate Class _____	Storm Recovery Charge

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STORM RECOVERY RESERVE ESCROW AGREEMENT

THIS STORM RECOVERY RESERVE ESCROW AGREEMENT (this “Escrow Agreement”), effective as of _____, 2022, is by and between Entergy New Orleans, LLC (“ENO”), a Texas limited liability company, and _____, as escrow agent (the “Escrow Agent”).

WHEREAS, on _____, 2022, the Council of the City of New Orleans (the “Council”), in its capacity as the governmental body having the power of supervision, regulation and control over public utilities providing service within the City of New Orleans, issued in its Docket No. UD-22-01 an order (“Financing Order,” a copy of which is attached hereto as Exhibit A) by which ENO is directed to cause to be deposited [\$ _____] million (“Storm Recovery Reserve Amount”) for the funding of storm recovery reserves for ENO’s service territory in a restricted escrow account (“Escrow Account”) to be managed by an unaffiliated financial institution; and

WHEREAS, ENO and Escrow Agent desire to establish an agreement with respect to the Escrow Account.

NOW THEREFORE, ENO and Escrow Agent agree as follows:

1. Appointment of Escrow Agent. ENO designates and appoints the bank named above as Escrow Agent, to serve in accordance with the terms, conditions and provisions of this Escrow Agreement, and said bank agrees to act as Escrow Agent under the terms, conditions and provisions of this Escrow Agreement.

2. Deposit of Storm Recovery Reserve Amount.

(a) Pursuant to the Financing Order, ENO shall cause the Storm Recovery Reserve Amount to be deposited with the Escrow Agent, to be held in a special, identified and segregated account that is separate and apart from the assets of the Escrow Agent. The assets of the Escrow Account (which shall include the Storm Recovery Reserve Amount and any investments, gains or losses, or interest earnings of the Escrow Account) shall be referred to herein collectively as the “Escrowed Property.” The Escrow Agent agrees to hold and distribute as provided herein the amounts held in the Escrow Account. The Escrow Agent agrees that it will not commingle the Escrowed Property with its own assets.

(b) The Escrow Agent represents that this Escrow Agreement creates a bailment, and not a debtor-creditor relationship between the parties, and furthermore represents that the Escrowed Property shall not constitute assets of the Escrow Agent.

(c) The Escrow Agent agrees not to take any action, or fail to take any action, if such action or failure to take any action could cause the Escrowed Property to be deemed to be assets of the Escrow Agent, or be deemed to be available to satisfy the claims of creditors of the Escrow Agent, or, in the event a conservator or receiver were appointed for the Escrow Agent, to be part of the Escrow Agent’s conservatorship or receivership estate.

(d) The Escrow Agent waives any right in or claim to the Escrowed Property, including any right or claim arising out of a banker's lien or similar rights.

3. Investment of Escrowed Property. Escrow Agent shall invest the Escrowed Property pursuant to written directions from the Vice President and Treasurer or any Assistant Treasurer of ENO the identity of whom is set forth in Exhibit E hereto (as supplemented from time to time). Escrow Agent shall not be liable or responsible in any manner for any loss resulting from an investment made pursuant to such direction. Interest and other earnings on investments ("Escrow Interest") shall, immediately upon receipt by the Escrow Agent, be credited to the Escrow Account as part of the Escrowed Property.

4. Disbursements from Escrow Account.

(a) Except as provided in Section 14, Escrow Agent shall disburse funds from the Escrow Account only upon receipt of a certificate signed by two Authorized Officers of ENO, as described in subsection (b) of this Section 4, or upon receipt of an order of the Council or of a court of competent jurisdiction, as described in subsection (c) of this Section 4. The term "Authorized Officer" as used herein shall refer to each such individual then serving as President and Chief Executive Officer, Vice President and Treasurer, or any Assistant Treasurer of ENO and shall be identified as indicated on Exhibit E.

(b) (1) ENO may effect a disbursement of Escrowed Property by delivering a certificate to the Escrow Agent, via regular mail, electronic mail or facsimile, signed by two Authorized Officers of ENO in the form of Exhibit B attached hereto, (i) certifying that a Triggering Weather Event (as defined below) has occurred; (ii) specifying the amount of the requested disbursement; (iii) certifying that ENO has given a written notice to the Council Designee (as defined below) of ENO's intent to withdraw such funds that describes the Triggering Weather Event (including the amount of costs or estimated costs that permit the intended withdrawal); and (iv) certifying that either (1) the Council Designee issued an approval letter or failed to timely respond, or (2) the Council Designee issued a deficiency letter, and this withdrawal matter has been resolved either by ENO and the Council Designee or by the Council. For the avoidance of doubt, disbursements may be made for interim or permanent recovery of storm recovery costs for Hurricane Ida (subject to Council certification of those costs).

(2) A Triggering Weather Event is defined as:

(i) Hurricane Ida in 2021 or a "named" hurricane or tropical storm named by the National Weather Service (or successor agency); or

(ii) A storm or weather event in any portion of ENO's service territory for which either (1) the President of the United States issues an emergency or major disaster declaration, declares a "Federal Disaster Area," or makes a similar declaration or (2) the Mayor of New Orleans or the Governor of Louisiana issues a disaster or emergency declaration, declares a "State of Emergency," or makes a similar declaration; and (*i.e.*, in addition to either condition (i) or condition (ii))

(iii) The storm or weather/weather-related events cause or are projected to cause ENO to incur at least [\$ _____] million of costs to repair damage caused by that event or

events and/or otherwise to restore electric service and/or replace and/or remove tangible assets in ENO's service territory in the aftermath of such event or events. A Triggering Weather Event also shall be established if a series of storms or weather events that each satisfies either condition (i) or condition (ii) above occur within a twenty-four (24) month period and together cause or are projected to cause ENO to incur at least [\$ _____] million of costs. Further, if either condition (i) or condition (ii) is satisfied, but the [\$ _____] million threshold is not, a Triggering Weather Event shall be established upon written agreement by ENO and the Council Designee.

(3) The Council Designee for purposes of this Escrow Agreement shall be the Council Chief of Staff, or in her/his unavailability, the Chair of the Council Utility, Cable, Telecommunications and Technology Committee. Within five business days of a written notice of ENO's intent to withdraw funds from the Escrow Account, the Council Designee shall determine whether a Triggering Weather Event has occurred that permits the intended withdrawal and, based on that determination, shall issue either an approval letter or a deficiency letter. If a deficiency letter is issued, ENO and the Council Designee will work to resolve promptly the claimed deficiencies, and, if no resolution is reached, the matter may be taken up by the Council.

(c) Upon receipt by the Escrow Agent of a certified copy of an Order of the Council or a certified copy of an Order of a court of competent jurisdiction authorizing or directing ENO or the Escrow Agent to close the Escrow Account, the Escrow Agent shall disburse to ENO all Escrowed Property, less any currently outstanding charges authorized herein, and, upon said disbursement to ENO, this Agreement shall automatically terminate.

(d) Escrow Agent agrees to make disbursements to ENO:

(1) within 24 hours or the next business day following receipt of the certificate requesting said disbursement, in the case of a disbursement required under Paragraph (b) of this Section 4; and

(2) within 30 business days of receipt of an Order described in Paragraph (c) of this Section 4.

(e) Each request for disbursement presented by ENO shall include disbursement instructions. Disbursements from the Escrow Account shall be made by the Escrow Agent only to the account and only in the manner specified in the disbursement instructions.

(f) In the event that there are insufficient funds in the Escrow Account to satisfy a request for disbursement that meets the requirements of Paragraph b(1) in this Section 4, at the time that such request is made, the Escrow Agent shall only make a disbursement from the Escrow Account to the extent that funds are available in the Escrow Account. The Escrow Agent shall make no disbursement that would cause an overdraft of the Escrow Account.

(g) Security Procedure For Funds Transfers. The Escrow Agent shall confirm each funds transfer instruction received in the name of ENO by means of the security procedure selected by ENO and communicated to the Escrow Agent through a signed certificate in the form of Exhibit E attached hereto, which upon receipt by the Escrow Agent shall become a part of this Escrow Agreement. Once delivered to the Escrow Agent, Exhibit E may be revised or rescinded only by a writing signed by an authorized representative of ENO. Such revisions or rescissions

shall be effective only after actual receipt and following two (2) business days. If a revised Exhibit E or a rescission of an existing Exhibit E is delivered to the Escrow Agent by an entity that is a successor-in-interest to ENO, such document shall be accompanied by additional documentation satisfactory to the Escrow Agent showing that such entity has succeeded to the rights and responsibilities of ENO under this Escrow Agreement. ENO understands that the Escrow Agent's inability to receive or confirm funds transfer instructions pursuant to the security procedure selected by ENO may result in a delay in accomplishing such funds transfer, and agrees that the Escrow Agent shall not be liable for any loss caused by any such delay.

5. Review of Disbursements. Any disbursement from the Escrow Account approved by the Council Designee does not impair the Council's ability to review the prudence of the costs incurred that prompted such withdrawal. In the event that ENO as the result of such review is required to repay an amount to the Escrow Account, the Escrow Agent shall accept said amount for re-deposit into the Escrow Account.

6. No Diversion Permitted. Except as provided in Sections 4(c) and 14, the Escrowed Property shall be used only to pay amounts that become due pursuant to Section 4(b). Escrowed Property shall not be included in the estate of ENO for bankruptcy purposes or used to satisfy creditors of ENO for purposes inconsistent with those described herein. In no event shall the Escrowed Property be available to satisfy liabilities of ENO other than those set forth herein. Upon a merger or sale of ENO, or surrender of either or both of ENO's franchises, the assets of the Escrow Account shall continue to be available in accordance with the terms hereof until such time as a final non-appealable order of the Council providing for the disposition of the balance of the Escrowed Property is obtained, upon timely application by ENO.

7. Information Provided by Escrow Agent. The Escrow Agent shall deliver monthly account statements detailing all deposits to and disbursements from the Escrow Account, including all Escrow Interest. In addition, the Escrow Agent shall provide daily on-line access to balances and activity in the Escrow Account. Account statements shall be delivered and on-line access shall be available to the person(s) identified from time to time in writing by ENO's Vice President and Treasurer or any Assistant Treasurer.

8. Instructions from ENO to Escrow Agent. Except as otherwise provided herein, any instructions, certifications, demands, or other communications from ENO to the Escrow Agent may be made by any of the persons then serving as ENO's President and Chief Executive Officer, Vice President and Treasurer, or any Assistant Treasurer.

9. Responsibilities of the Escrow Agent. The Escrow Agent shall have no duties or responsibilities except those expressly set forth in this Escrow Agreement. The Escrow Agent shall have no responsibility for the validity of any agreements referred to in this Escrow Agreement, or for the performance of any such agreements by any party, or for interpretation of any of the provisions of any such agreements. The Escrow Agent shall be protected in acting upon any certificate, notice or other instrument whatsoever received by the Escrow Agent under this Escrow Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information therein contained, which the Escrow Agent in good faith believes to be genuine and to have been signed or presented by a proper person or persons. The Escrow Agent shall have no responsibility as to the validity,

collectability or value of the Escrowed Property. In the event that the Escrow Agent shall be uncertain as to its duties or rights or shall receive instructions with respect to any Escrowed Property which, in the opinion of the Escrow Agent, are in conflict with any of the provisions of this Escrow Agreement, the Escrow Agent shall be entitled to refrain from taking any action until it shall be directed otherwise in writing by ENO or by order of a court of competent jurisdiction. The Escrow Agent shall be deemed to have no notice of, or duties with respect to, any agreement or agreements with respect to any property held by it in escrow pursuant to this Escrow Agreement other than this Escrow Agreement or except as otherwise provided herein. This Escrow Agreement sets forth the entire agreement between ENO and the Escrow Agent with respect to the escrow of the Storm Recovery Reserve Amount. **The Escrow Agent shall at all times maintain an investment-grade rating of not less than “A” on LT Local Issuer Credit by Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. or “A2” on Senior Unsecured Debt by Moody’s Investors Service, Inc., and at least ten billion dollars in assets.** Within ten (10) business days of any rating change, the Escrow Agent shall notify ENO of such change and provide a copy of each rating agency release announcing such a change.

10. Nature of the Escrow. The Escrow Agent shall have no interest in the Escrowed Property except as provided in this Escrow Agreement. The Escrowed Property shall be held separate from the assets of the Escrow Agent. The Escrow Agent shall have custody of the Escrowed Property solely as custodian for ENO and its successors and assigns.

11. Amendment and Cancellation. The Escrow Agent shall not be bound by any cancellation, waiver, modification or amendment of this Escrow Agreement, including the transfer of any interest hereunder, unless such cancellation, waiver, modification or amendment is in writing and signed by ENO, and a copy is provided to the Escrow Agent and, if the duties of the Escrow Agent hereunder are affected in any way, unless such waiver, modification or amendment is accepted in writing by the Escrow Agent. Acceptance of such waiver, modification or amendment by the Escrow Agent shall not, however, be a precondition to its obligation to comply with a direction received under Section 4(c), Section 13, an order referred to in Section 19, or a similar action, and the Escrow Agent shall be bound to comply upon its receipt of any such direction or order from ENO.

12. Legal Counsel. The Escrow Agent may consult with and obtain advice from legal counsel in the event of any question as to any of the provisions hereof or its duties under this Escrow Agreement, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion and instructions of such counsel. The reasonable cost of such services, should they be required, shall be added to and be a part of the Escrow Agent’s expenses and reimbursed in accordance with Section 14 hereof.

13. Resignation or Removal. The Escrow Agent shall have the right, in its discretion, to resign as the Escrow Agent at any time, by giving at least thirty (30) days prior written notice of such resignation to ENO. ENO shall have the right to remove Escrow Agent, with or without cause, upon thirty (30) days prior written notice to the Escrow Agent. In the event of a removal or resignation, ENO shall promptly select as successor Escrow Agent a bank meeting the requirements of Section 9. The Escrow Agent shall be entitled to unpaid fees and expenses for its services hereunder, as described in Section 14, and shall cooperate with the successor Escrow Agent to effect the transfer of the Escrowed Property. An Escrow Agent shall be discharged from

all further duties upon acceptance by a successor Escrow Agent of its duties and upon transfer and delivery of the funds in the Escrow Account to such successor, or upon the order of any court of competent jurisdiction. Upon delivery to ENO of an Escrow Agent's final statement of receipts and disbursements, the Escrow Agent shall be relieved of all further liability unless ENO files a written objection with it within thirty (30) days of receipt.

14. Fees and Expenses. The Escrow Agent shall be entitled to be paid a fee for its services pursuant to the Escrow Fee Schedule (attached as Exhibit C) and to be reimbursed for its reasonable out-of-pocket fees and expenses hereunder. The Escrow Agent shall submit an invoice for such fees and expenses to ENO. The Escrow Agent shall deduct its fees and expenses from the Escrow Account no sooner than thirty (30) days after the date of the invoice. The Escrow Agent shall make no disbursement that would cause an overdraft of the Escrow Account.

15. Notices. All notices, invoices, requests, demands, claims, and other communications relating to this Escrow Agreement shall be in writing and shall be deemed to have been given (a) on the date of personal delivery; (b) on the fourth (4th) day after deposit in the U.S. Mail if mailed by registered or certified mail, postage prepaid and return receipt requested; (c) when receipt is electronically confirmed, if faxed (with hard copy to follow via first class mail, postage prepaid); or (d) one day after deposit with a reputable overnight courier service company:

If to the Escrow Agent:

Attention: _____

Phone: _____

Fax: _____

If to ENO:

Entergy New Orleans, LLC
1600 Perdido Street
New Orleans, Louisiana 70112
Attention: President

with a copy (which shall not constitute notice): to the Vice President and Treasurer (639 Loyola Avenue, New Orleans, Louisiana 70113; Fax: 504-576-4455) and to any other person(s) identified in writing by ENO's President and Chief Executive Officer, Vice President and Treasurer, or any Assistant Treasurer.

ENO or Escrow Agent may change the address and/or facsimile number to which notices, requests, demands, claims, and other communications are to be delivered by giving the other party notice in the manner set forth in this Section 15.

16. Indemnification of Escrow Agent. ENO agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, claim or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Escrow Agreement; provided, however, that said indemnification shall not cover losses, claims and demands arising out of the gross negligence, willful misconduct or bad faith of the Escrow Agent or any of its employees or agents. The Escrow Agent shall not be responsible for any losses resulting from an act of God, that is, an overwhelming, unpreventable event caused by a force of nature, such as earthquake, flood or tornado, if the losses could not be prevented or avoided by the exercise of due care. The Escrow Agent shall reimburse ENO for payments made by ENO pursuant to this Section 16 to the extent of any proceeds, net of all expenses of collection, actually received by the Escrow Agent from any insurance with respect to the loss sustained. The Escrow Agent may, but shall not have the duty to, claim any such insurance proceeds and, to the extent of any such claim, the Escrow Agent shall assign its rights to such proceeds, to the extent of such required reimbursement, to ENO. The indemnification set forth in this Section 16 shall survive termination of this Escrow Agreement and the resignation or removal of the Escrow Agent.

17. Disagreements. In the event of a dispute between the parties hereto sufficient in the discretion of the Escrow Agent to justify its doing so, the Escrow Agent shall be entitled to tender the Escrowed Property into the registry or custody of any court of competent jurisdiction, to initiate such legal proceedings as it deems appropriate, and thereupon to be discharged from all further duties and liabilities under this Escrow Agreement. Any such legal action may be brought in any such court in Louisiana as the Escrow Agent shall determine to have jurisdiction over the Escrowed Property. The filing of any such legal proceedings shall not deprive the Escrow Agent of its compensation hereunder earned prior to such filing.

18. Litigation; Agents. If the Escrow Agent becomes involved in litigation on account of this Escrow Agreement, it shall have the right to retain counsel and shall have a first lien on the Escrowed Property for any and all costs, attorneys' fees, charges, disbursements, and expenses in connection with such litigation; and shall be entitled to reimbursement therefor out of the Escrowed Property in accordance with Section 14, and if such reimbursement is unavailable due to insufficient funds in the Escrow Account, ENO agrees to pay to the Escrow Agent, within thirty (30) days of demand, its reasonable charges, counsel and attorneys' fees, disbursements, and expenses in connection with such litigation, except for any litigation that results in a finding of gross negligence or willful misconduct of the Escrow Agent or any of its employees or agents. The Escrow Agent shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees.

19. Court Orders. In the event that any of the Escrowed Property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court of competent jurisdiction, or any order, judgment or decree shall be made or entered by any order of a court of competent jurisdiction affecting the Escrowed Property, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree, it shall not be liable to any of the parties hereto or to any other person, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

20. Governing Law. This Escrow Agreement shall be governed by, and construed in accordance with, the laws of the State of Louisiana applicable to contracts executed in and to be performed entirely within that state, without reference to its conflict of laws principles.

21. Severability. Whenever possible, each provision of this Escrow Agreement shall be interpreted in such manner as to be effective and valid under Louisiana law, but if any provision shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Escrow Agreement.

22. Entire Agreement; Binding Effect. This Escrow Agreement contains the entire understanding by and between the parties hereto with respect to the matters contained herein and shall be binding upon and shall inure to the benefit of (a) the parties hereto, (b) any “successor” to ENO (i) that provides electric transmission and distribution service to ENO’s customers that are subject to the jurisdiction of the Council or (ii) that provides distribution service to ENO’s customers that are subject to the jurisdiction of the Council if, by law, ENO or its successor is no longer required to own and/or operate both the transmission and distribution systems, and (c) any successor or assign of the Escrow Agent (to the extent permitted hereunder). For purposes of clause (b) of this Section 22, a “successor” means any entity that succeeds by any means whatsoever to any interest or obligation of its predecessor or transferor (a “Successor Transaction”), including by way of bankruptcy, reorganization or other insolvency proceeding, merger, acquisition, division, consolidation or other business combination, conversion, assignment, sale, transfer, lease, management contract, pledge or other security, by operation of law, as a result of electric utility restructuring or otherwise.

23. Counterparts. This Escrow Agreement may be executed in counterparts, all of which taken together shall constitute one instrument.

24. LIMITATION OF LIABILITY. THE ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT’S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; OR (II) SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION.

[Remainder of Page Intentionally Blank; Signature Page Follows]

Each party has caused this agreement to be executed in multiple originals by its duly authorized officer effective as of the date first written above.

Entergy New Orleans, LLC

By: _____
Name: _____
Title: _____

_____ **[bank]**

By: _____
Name: _____
Title: _____

DRAFT

Exhibit A

Financing Order
(Separately Attached)

Exhibit B

Entergy New Orleans, LLC Request for Disbursement for Storm Costs

This is a request for disbursement from the Escrow Account established by Entergy New Orleans, LLC (“ENO”) pursuant to that certain Storm Recovery Reserve Escrow Agreement dated _____, 20__ (“Escrow Agreement”) by and between ENO and _____. This request is made pursuant to Section 4(b) of the Escrow Agreement. Capitalized terms used and not defined herein shall have the meanings set forth in the Escrow Agreement.

The undersigned Authorized Officers of ENO hereby certify that a Triggering Weather Event has occurred that has caused the incurrence of costs or estimated costs to repair damage and/or otherwise to restore electric service and/or replace and/or remove tangible assets in the aftermath of such event.

The undersigned Authorized Officers of ENO further hereby certify that (a) ENO has given a written notice to the Council Designee of ENO’s intent to withdraw funds from the Escrow Account in the amount specified below and the description of this Triggering Weather Event (including the amount of costs or estimated costs that permit this intended withdrawal), and (b) either (1) the Council Designee issued an approval letter or failed to timely respond, or (2) the Council Designee issued a deficiency letter, and this withdrawal matter has been resolved either by ENO and the Council Designee or by the Council.

Therefore, the undersigned authorize and direct the Escrow Agent to make a disbursement to ENO from the Escrow Account (Account No. _____) in the amount of \$ _____, not exceeding the amount of such costs, such transfer to be made via wire transfer from the Escrow Account to:

Bank: _____

Account: _____

ABA #: _____

Dated the _____ day of _____, 20__.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Copy to: Council of the City of New Orleans
Council Designee

Escrow Agent's Schedule of Fees and Expenses

DRAFT

Investment details

ENO shall use its reasonable best efforts and appropriate due diligence to select the investment option for the Escrowed Property, with the goal of maximizing investment return while seeking to preserve the principal amount of the Storm Recovery Reserve Amount at all times and maintaining the highest liquidity during hurricane season. Among the authorized investments are those authorized by the Trustee's Trust Department from time to time. As of the date hereof, investments that meet ENO's criteria are **Prime and Government Money Market Funds**. ENO shall use reasonable best efforts and appropriate due diligence to review the performance of the investment option that is selected and may make changes to the investment option from time to time as it deems appropriate based on such performance for inclusion in ENO's reporting requirements to the Council on the Escrow Account.

Exhibit E

Entergy New Orleans, LLC (“ENO”) certifies that the names, titles, telephone numbers, e-mail addresses and specimen signatures set forth in Parts I and II of this Exhibit E identify the persons authorized to provide direction and initiate or confirm transactions, including funds transfer instructions, on behalf of ENO, and that the option checked in Part III of this Exhibit E is the security procedure selected by ENO for use in verifying that a funds transfer instruction received by the Escrow Agent is that of ENO.

ENO has reviewed each of the security procedures and has determined that the option checked in Part III of this Exhibit E best meets its requirements given the size, type and frequency of the instructions it will issue to the Escrow Agent. By selecting the security procedure specified in Part III of this Exhibit E, ENO acknowledges that it has elected to not use the other security procedures described and agrees to be bound by any funds transfer instruction, whether or not authorized, issued in its name and accepted by the Escrow Agent in compliance with the particular security procedure chosen by ENO.

NOTICE: The security procedure selected by ENO will not be used to detect errors in the funds transfer instructions given by ENO. If a funds transfer instruction describes the beneficiary of the payment inconsistently by name and account number, payment may be made on the basis of the account number even if it identifies a person different from the named beneficiary. If a funds transfer instruction describes a participating financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. Therefore, it is important that ENO take such steps as it deems prudent to ensure that there are no such inconsistencies in the funds transfer instructions it sends to the Escrow Agent.

Part I

Name, Title, Telephone Number, Electronic Mail (“e-mail”) Address and Specimen Signature for person(s) designated to provide direction, including, but not limited to, funds transfer instructions, and to otherwise act on behalf of ENO

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>	<u>Specimen Signature</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Part II

Name, Title, Telephone Number and E-mail Address for person(s) designated to confirm funds transfer instructions

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Part III

Means for delivery of instructions and/or confirmations

The security procedure to be used with respect to funds transfer instructions is checked below:

Option 1. Confirmation by telephone call-back. The Escrow Agent shall confirm funds transfer instructions by telephone call-back to a person at the telephone number designated on Part II above. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit E.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by telephone call-back, the Escrow Agent may, at its discretion, confirm by e-mail, as described in Option 2.

Option 2. Confirmation by e-mail. The Escrow Agent shall confirm funds transfer instructions by e-mail to a person at the e-mail address specified for such person in Part II of this Exhibit E. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit E. ENO understands the risks associated with communicating sensitive matters, including time sensitive matters, by e-mail. ENO further acknowledges that instructions and data sent by e-mail may be less confidential or secure than instructions or data transmitted by other methods. The Escrow Agent shall not be liable for any loss of the confidentiality of instructions and data prior to receipt by the Escrow Agent.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by e-mail, the Escrow Agent may, at its discretion, confirm by telephone call-back, as described in Option 1.

Option 3. Delivery of funds transfer instructions by password protected file transfer system only - no confirmation. The Escrow Agent offers the option to deliver funds transfer instructions through a password protected file transfer system. If ENO wishes to use the password protected file transfer system, further instructions will be provided by the Escrow Agent. If ENO chooses this Option 3, it agrees that no further confirmation of funds transfer instructions will be performed by the Escrow Agent.

Option 4. Delivery of funds transfer instructions by password protected file transfer system with confirmation. Same as Option 3 above, but the Escrow Agent shall confirm funds transfer instructions by telephone call-back or e-mail (must check at least one, may check both) to a person at the telephone number or e-mail address designated on Part II above. By checking a box in the prior sentence, the party shall be deemed to have agreed to the terms of such confirmation option as more fully described in Option 1 and Option 2 above.

Dated this ____ day of _____, 20__.

By _____

Name:

Title:

**BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS**

IN RE: APPLICATION OF ENTERGY)	
NEW ORLEANS, LLC, AND THE)	
LOUISIANA UTILITIES)	
RESTORATION CORPORATION)	DOCKET NO. UD-22-01
FOR AUTHORITY TO FUND AND)	
FINANCE STORM RECOVERY)	
RESERVES, AND RELATED RELIEF)	

AFFIDAVIT OF KRISTINE T. JACKSON

STATE OF LOUISIANA

PARISH OF ORLEANS

NOW BEFORE ME, the undersigned authority, personally came and appeared, **Kristine T. Jackson**, who after being duly sworn by me, did depose and say that the following statements are being made by her of her personal knowledge and are true and correct to the best of her knowledge, information, and belief:

1. My name is Kristine T. Jackson. My business address is 639 Loyola Avenue, New Orleans, Louisiana 70113. I am employed by Entergy Services, LLC (“ESL”), the service company affiliate of Entergy New Orleans, LLC (“ENO” or the “Company”), as Manager, Financial Business Partners.
2. I submitted Direct Testimony on behalf of ENO in support of the Application filed by ENO and the Louisiana Utilities Restoration Corporation (“LURC”) on February 4, 2022, for Authority to Fund and Finance Storm Recovery Reserves, and Related Relief, which testimony included the Company’s Comparison of Benefits calculation (attached as Exhibit KTJ-3 to my Direct Testimony), and Conventional Revenue Requirements calculations (attached as Exhibit KTJ-4 to my Direct Testimony).

3. Attached to my Affidavit are the following schedules that have been updated as of August 2022 using the same methodology set forth in my Direct Testimony:
 - a. Schedule KTJ-1 – Comparison of Benefits (updating my Exhibit KTJ-3); and
 - b. Schedule KTJ-2 – Conventional Revenue Requirements (updating my Exhibit KTJ-4).
4. I note that Schedules KTJ-1 and KTJ-2 reflect a long-term debt rate for ENO of 4.30%. But ENO has not issued long-term debt in 2022, and my expectation is that debt cost would be higher if ENO pursued conventional utility financing of \$200 million under current market conditions. As the Council Advisors noted in their Report of August 19, 2022, ENO's current before-tax Weighted Average Cost of Capital ("WACC") of 8.64% can change upward because ENO's long-term cost of debt can vary. And the comparison of benefits in Schedule KTJ-1 does not reflect the depreciable life of any specific utility plant (such as poles replaced after Hurricane Ida) in determining the revenue requirements under conventional utility financing methods. The Council Advisors discussed in their August 19, 2022 Report the potential impact to customers of traditional cost recovery over a 35-year depreciable life of utility plant.
5. I noted in my Direct Testimony that changes in the amount to be securitized would not affect my conclusion that securitization offers benefits to ENO's customers, and those benefits go beyond savings to customers by financing \$200 million in storm recovery reserves (plus estimated upfront and ongoing financing costs) at a weighted average annual interest rate that is less than ENO's WACC of 8.64%. The LURC's participation in the proposed transaction means that the securitization debt will be "off-balance sheet" for ENO, thereby aiding ENO's credit metrics and ratings. Those metrics and ratings directly affect the cost of capital needed for utility investments and operations that is reflected in

customer rates. Furthermore, for the reasons discussed in my Direct Testimony, beyond those benefits that I have quantified in my exhibits, using securitization financing to fund storm recovery reserves can mitigate the impact of storm recovery costs on customer rates in comparison with conventional utility financing methods in several other key areas. For example, as I discussed in response to Q11 in my Direct Testimony, the benefits to customers when ENO has storm reserves in place that it can access quickly after a major storm (should it need to do so) include the following:

- A known, low financing cost, which mitigates the uncertainty around the availability and cost of financing a future storm.
- Mitigation of negative action by rating agencies in the event of future storms.
- Additional assurance to power and fuel suppliers that the Company will be able to pay for purchases following a storm and mitigation of the risk of suppliers refusing to transact without prepayment or adequate assurance.
- Additional assurance to mutual aid companies and contractors that they will be paid for the restoration work they perform in ENO's service area.
- Mitigation of customer exposure to carrying costs following expenditures for future storm restoration.

6. Further the Affiant sayeth not.



Kristine J. Jackson

SWORN TO AND SUBSCRIBED BEFORE ME

THIS FIRST DAY OF SEPTEMBER, 2022.



NOTARY PUBLIC

My commission expires: upon my death.

W. Raley Afford, III, Esq.
Notary Public
State of Louisiana
La. Bar Roll No. 27554
My Commission is for Life

**ENTERGY NEW ORLEANS, LLC
CNO DOCKET UD-22-01
SUMMARY OF COSTS TO BE FINANCED**

<u>Line No.</u>		<u>ENO - Retail Amount</u>
1	Storm Recovery Costs	\$ 200,000,000 [1]
2	Estimated Upfront Financing Costs	5,980,000 [2]
3	Costs to be Financed	205,980,000

Notes:

- [1] Reference Schedule KTJ-2
- [2] Reference Schedule KJM-1

**Entergy New Orleans, LLC
 CNO Docket UD-22-01
 Comparison of Benefits**

<u>Nominal Revenue</u>		<u>Issuance @ 4.608%</u>		<u>Issuance @ 6.00%</u>	
1	SRC	\$	298,329,782	\$	329,583,752
2	SRC Conventional Financing		331,608,555 [1]		331,608,555 [1]
3	Savings From Securitization	\$	33,278,773	\$	2,024,803
<u>Present Value</u>					
4	SRC	\$	160,755,455	\$	180,987,804
5	SRC Conventional Financing		196,488,022 [1]		196,488,022 [1]
6	Savings From Securitization	\$	35,732,567	\$	15,500,218

[1] Reference Schedule KTJ-2

Entergy New Orleans, LLC
Amortization Stream - Issuance @ 4.608%

Line No.	Period	Payments [1]	Admin & Servicing & Impl. Fees [2]	Net Amount
1	1	\$ 11,410,263	\$ 763,980	\$ 12,174,243
2	2	19,675,701	763,980	20,439,681
3	3	19,675,701	763,980	20,439,681
4	4	19,675,701	763,980	20,439,681
5	5	19,675,701	763,980	20,439,681
6	6	19,675,701	763,980	20,439,681
7	7	19,675,701	763,980	20,439,681
8	8	19,675,701	763,980	20,439,681
9	9	19,675,701	763,980	20,439,681
10	10	19,675,701	763,980	20,439,681
11	11	19,675,701	763,980	20,439,681
12	12	19,675,701	763,980	20,439,681
13	13	19,675,701	763,980	20,439,681
14	14	19,675,701	763,980	20,439,681
15	15	19,675,701	763,980	20,439,681
16	16			
17	17			
18	18			
19	19			
20	20			
21	21			
22	Total	<u>\$ 286,870,082</u>	<u>\$ 11,459,700</u>	<u>\$ 298,329,782</u>
23	NPV	8.64% [3]		\$ 160,755,455
24	Reserve Principal		\$ 205,980,000 [4]	

- Notes:**
- [1] Reference Schedule KJM-2
 - [2] Reference Schedule KJM-1
 - [3] Reference Schedule MD-4 filed in Entergy New Orleans, LLC's 2022 Electric Formula Rate Plan Filing, Council Docket No. UD-18-07.
 - [4] Storm Reserve Principal amount including upfront fees.

Entergy New Orleans, LLC
Amortization Stream - Issuance @ 6.00%

Line No.	Period	Payments	Admin & Servicing & Impl. Fees [1]	Net Amount
1	1	\$ 21,208,270	\$ 763,980	\$ 21,972,250
2	2	21,208,270	763,980	21,972,250
3	3	21,208,270	763,980	21,972,250
4	4	21,208,270	763,980	21,972,250
5	5	21,208,270	763,980	21,972,250
6	6	21,208,270	763,980	21,972,250
7	7	21,208,270	763,980	21,972,250
8	8	21,208,270	763,980	21,972,250
9	9	21,208,270	763,980	21,972,250
10	10	21,208,270	763,980	21,972,250
11	11	21,208,270	763,980	21,972,250
12	12	21,208,270	763,980	21,972,250
13	13	21,208,270	763,980	21,972,250
14	14	21,208,270	763,980	21,972,250
15	15	21,208,270	763,980	21,972,250
16	16			
17	17			
18	18			
19	19			
20	20			
21	21			
22	Total	<u>\$ 318,124,052</u>	<u>\$ 11,459,700</u>	<u>\$ 329,583,752</u>
23	NPV	8.64%	[2]	\$ 180,987,804

Notes:
[1] Reference Schedule KJM-1
[2] Reference Schedule MD-4 filed in Entergy New Orleans, LLC's 2022 Electric Formula Rate Plan Filing, Council Docket No. UD-18-07.

Entergy New Orleans, LLC
Revenue Requirement
New Orleans Storm Recovery Costs

Year	Storm Reserves	Year End Rate Base	Average Rate Base	Rate of Return on Rate Base	Return on Rate Base	Collection of Storm Reserves	Total Revenue Requirements
0	\$ 200,000,000	\$ 200,000,000					
1	\$ 186,666,667	\$ 186,666,667	\$ 193,333,333	8.64%	\$ 16,695,300	\$ 13,333,333	\$ 30,028,633
2	\$ 173,333,333	\$ 173,333,333	\$ 180,000,000	8.64%	\$ 15,543,900	\$ 13,333,333	\$ 28,877,233
3	\$ 160,000,000	\$ 160,000,000	\$ 166,666,667	8.64%	\$ 14,392,500	\$ 13,333,333	\$ 27,725,833
4	\$ 146,666,667	\$ 146,666,667	\$ 153,333,333	8.64%	\$ 13,241,100	\$ 13,333,333	\$ 26,574,433
5	\$ 133,333,333	\$ 133,333,333	\$ 140,000,000	8.64%	\$ 12,089,700	\$ 13,333,333	\$ 25,423,033
6	\$ 120,000,000	\$ 120,000,000	\$ 126,666,667	8.64%	\$ 10,938,300	\$ 13,333,333	\$ 24,271,633
7	\$ 106,666,667	\$ 106,666,667	\$ 113,333,333	8.64%	\$ 9,786,900	\$ 13,333,333	\$ 23,120,233
8	\$ 93,333,333	\$ 93,333,333	\$ 100,000,000	8.64%	\$ 8,635,500	\$ 13,333,333	\$ 21,968,833
9	\$ 80,000,000	\$ 80,000,000	\$ 86,666,667	8.64%	\$ 7,484,100	\$ 13,333,333	\$ 20,817,433
10	\$ 66,666,667	\$ 66,666,667	\$ 73,333,333	8.64%	\$ 6,332,700	\$ 13,333,333	\$ 19,666,033
11	\$ 53,333,333	\$ 53,333,333	\$ 60,000,000	8.64%	\$ 5,181,300	\$ 13,333,333	\$ 18,514,633
12	\$ 40,000,000	\$ 40,000,000	\$ 46,666,667	8.64%	\$ 4,029,900	\$ 13,333,333	\$ 17,363,233
13	\$ 26,666,667	\$ 26,666,667	\$ 33,333,333	8.64%	\$ 2,878,500	\$ 13,333,333	\$ 16,211,833
14	\$ 13,333,333	\$ 13,333,333	\$ 20,000,000	8.64%	\$ 1,727,100	\$ 13,333,333	\$ 15,060,433
15	\$ (0)	\$ (0)	\$ 6,666,667	8.64%	\$ 575,700	\$ 13,333,333	\$ 13,909,033
16	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
17	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
18	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
19	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
20	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
21	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
22	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
23	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
24	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
25	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
26	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
27	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
28	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
29	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
30	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
31	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
32	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
33	\$ (0)	\$ (0)	\$ (0)	8.64%	\$ (0)	\$ -	\$ (0)
Total Revenue Requirements							\$ 329,532,500
Revenue Related Factor							1.0063
Total Revenue Requirements with revenue relat							\$ 331,608,555
NPV for Total Revenue Rec							8.64% \$ 196,488,022

Entergy New Orleans, LLC
 Inputs

1 **Storm Reserves** \$ 200,000,000 \$ 200,000,000

	Cost of Capital	Cost Rate	Capital Ratio	RORB
2	Debt	4.30%	49.00%	2.11%
3	Short-Term Debt	0.00%	0.00%	0.00%
4	Preferred Equity	0.00%	0.00%	0.00%
5	Common Equity	9.35%	51.00%	4.77%
6	After Tax Rate of Return		100.00%	6.88%
7	Income Taxes			1.76%
8	Return Including Income Taxes			<u>8.64%</u>
9	Income Tax Rate	26.93%		