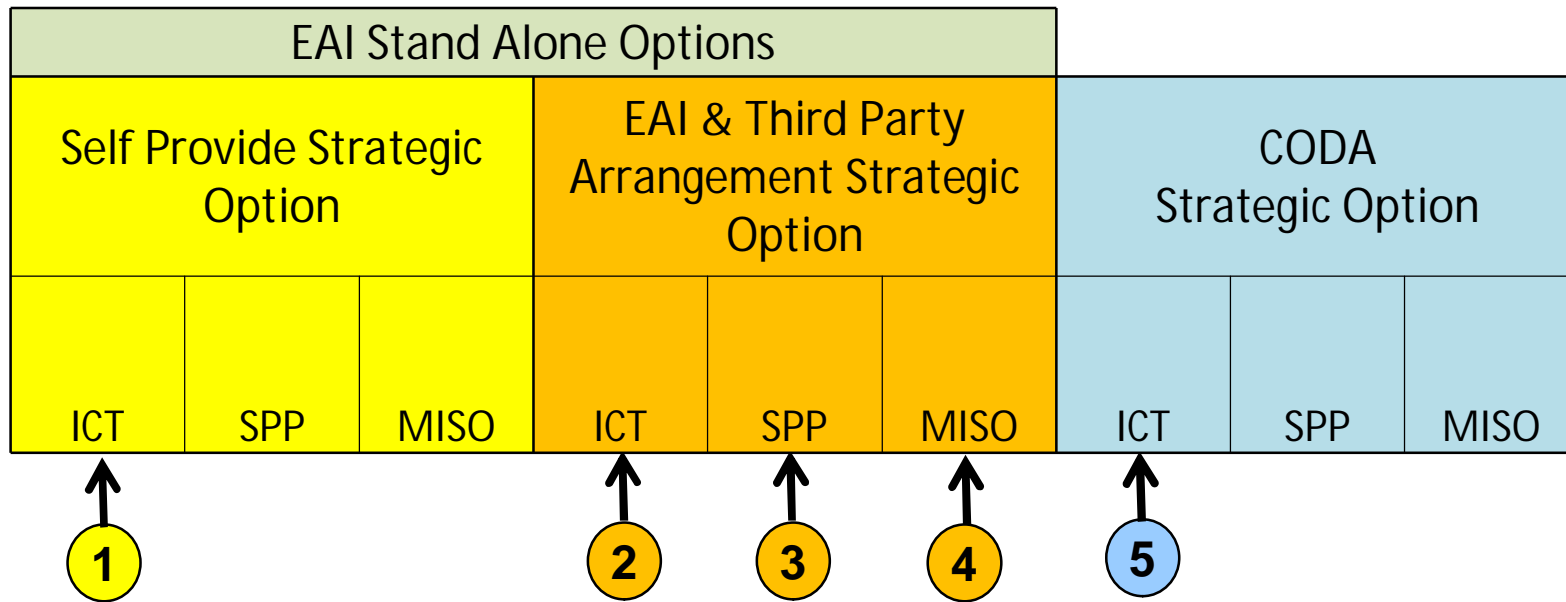


**Entergy Arkansas, Inc.
Transition Plan
Technical Conference #3**

September 23, 2010

While there are 9 possible scenarios the Transition Plan will consider, the priority focus is on 5 scenarios for First Day Operations



Consistent with APSC Order No. 20 In Docket 10-011-U

- ① EAI Self Provide – “baseline scenario”
- ② EAI with Third Party Coordination Arrangements
- ③ EAI as a Stand Alone Member of the SPP RTO
- ④ EAI as a Stand Alone Member of the MISO RTO
- ⑤ Commitment, Operations and Dispatch Agreement (“CODA”)

Note: The APSC defines Stand Alone as EAI not entering into Successor Arrangements (*i.e.*, CODA) and exiting the Energy OATT but entering into necessary and prudent standard agreements with third parties such as the SPP RTO or the MISO RTO or with third parties other than affiliated Entergy OpCos to provide the services necessary to ensure EAI maintains the safety and reliability of its utility system at a reasonable cost

Today's Agenda Focuses on the CODA Strategic Option

Session	Presenter	Time
Welcome and Introduction	Kurt Castleberry	20 minutes
Theory of CODA Guiding Principles	John Hurstell	60 minutes
Break		20 minutes
Major Provisions on the CODA	John Hurstell	60 minutes
Lunch		60 minutes
Major Assumptions of the Initial Analysis	Mike Goin	30 minutes
Results of the Initial Analysis	Mike Goin	60 minutes
Break		20 minutes
Questions / Comments		30 minutes
Closing and Next Steps	Kurt Castleberry	15 minutes

What this Technical Conference **IS** and what it **IS NOT**

This Conference IS

- **An introduction to:**
 - basic concepts and terminology that define the CODA strategic option
 - The modeling that will be used to analyze results
- **Opportunity to provide input regarding:**
 - changes to the terms and conditions of the CODA
 - information needed to understand the contractual terms and analyses
 - scenarios or sensitivity analyses that will be needed
 - timelines and schedules required for decision making
- **This Conference IS NOT**
 - **A review of the final product for CODA**
 - **A comprehensive analyses of the CODA option**
 - **The last opportunity for discussion of this option**
 - **The last opportunity to discuss modeling assumptions and scenarios**

What are you going to see and hear at today's conference?

- **Information on CODA**
 - Contract terms and conditions
 - Initial modeling results

- **The initial modeling results comparison of EAI's costs:**
 - "Stand Alone" versus "CODA"

- **It is an initial modeling results analysis because:**
 - The modeling uses a generic set of assumptions for EAI's generation supply plan
 - Does not incorporate the generation supply plan that is being developed for EAI's Transition Plan

- **The analysis that will ultimately be used by EAI to compare the CODA strategic option to other options will:**
 - Reflect changes to CODA arising from discussions with parties
 - Use EAI's Transition Plan generation supply plan

EAI's Generation Supply Plan is a critical component for assessing EAI's other strategic options, including the CODA option

EAI Generation Supply Plan

- **The generation supply plans included in EAI's Transition Plan will be described in terms of:**
 - 1. Portfolio Supply Plan**
 - Amount and types of generation needed to meet customer load requirements
 - Fuel sources required
 - 2. Generation Operations and Commitment Plan**
 - How the generation portfolio will provide for operational reliability, meet required NERC performance criteria, respond to contingencies, and plan for maintenance of large units
- **Additional detail has been posted that illustrates how the generation supply plan may vary under the various strategic options and outcomes regarding the RTO/ICT decision**
- **Analyses over the coming months will refine the generation supply plan and identify new EAI generation sources**

Upcoming Technical Conferences

● **Technical Conference # 4 – October/November 2010** - The technical conference would address the following subjects:

- SPP RTO Overview – Current
- SPP RTO Overview – Proposed Market
- MISO RTO Overview
- ICT Update
- Implications for Project Schedule
- Implications and Issues for EAI

● **Technical Conference # 5 – December 2010/January 2011** - The technical conference would address the following subjects:

- Overview of EAI with Third Party Arrangements Strategic Option
- Update on EAI Generation Supply Plan
- Regulatory Plan for Transition Plan Implementation and Resource Acquisition