



J. David Palmer
Vice President
Regulatory Affairs

May 31, 2024

Ms. Karen Shook, Secretary
Arkansas Public Service Commission
1000 Center Street
P.O. Box 400
Little Rock, Arkansas 72203 – 0400

Re: APSC Docket No. 07-114-U
Affiliate Transaction Rules for Entergy Arkansas, LLC

Dear Ms. Shook:

The Arkansas Public Service Commission issued Order No. 7 in Docket No. 06-112-R adopting the Affiliate Transaction Rules (“Affiliate Rules”). Rule IX.A of the Affiliate Rules requires that by June 1 of each year, Entergy Arkansas, LLC (EAL) shall file with the Commission an annual report containing certain information and reports required by the rules.

Please find EAL’s annual report attached.

If you have any questions, please feel free to contact me at 501-377-3571 or Ashley Peterson at 501-377-5884.

Sincerely,

/s/ David Palmer

DP/ss
Attachment

c: All Parties of Record

**ENTERGY ARKANSAS, LLC
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

**PURSUANT TO RULE IX.A. OF THE
ARKANSAS PUBLIC SERVICE COMMISSION
AFFILIATE TRANSACTION RULES
ADOPTED IN ORDER NO. 7
IN APSC DOCKET NO. 06-112-R**

ENTERGY ARKANSAS, LLC 2023 ANNUAL REPORT AFFILIATE TRANSACTION RULES

For this annual report required under the Affiliate Transaction Rules (“Rules”) adopted by the Arkansas Public Service Commission (“Commission”), Entergy Arkansas LLC (“EAL”) submits the following attachments:

- ATTACHMENT A** - As required by Rule VIII.C.1. and Rule IX.A.1., Certification of Compliance of Laura Landreaux, President and Chief Executive Officer of EAL.
- ATTACHMENT B** - As required by Rule IX.A.1., Certification of Compliance of Reginald T. Jackson, Senior Vice President, and Chief Accounting Officer of EAL.
- ATTACHMENT C** - As required by Rule VI.A.4.d., copies of the 2023 Federal Energy Regulatory Commission Form 60s filed by Entergy Corporation’s centralized service companies.
- ATTACHMENT D** - As required by Rule VI.A.5., summary report indicating the aggregate dollar amount of all 2023 transactions described in Rule III.G.(1),(2),(3), and (4) which EAL has conducted with each affiliate, as defined under Rule III.A., including the name of such affiliate.
- ATTACHMENT E** - As required by Rule VI.A.6., an update to EAL’s written procedures for compliance with the Affiliate Rules (i.e., the EAL “Manual for Compliance”, as initially filed on September 21, 2007).
- ATTACHMENT F** - As required by Rule VIII.C.2., financial information necessary for the Commission to determine that EAL is complying with the requirements in Rule VIII.A.

APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT A

**CERTIFICATION OF COMPLIANCE OF LAURA LANDREAUX
PRESIDENT & CHIEF EXECUTIVE OFFICER OF EAL**

(RULE VIII.C.1. AND RULE IX.A.1.)

CERTIFICATION

STATE OF ARKANSAS)
) ss:
COUNTY OF PULASKI)

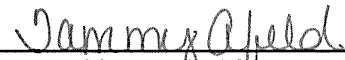
I, Laura Landreaux, President and Chief Executive Officer of Entergy Arkansas, LLC, hereby certify that, to the best of my knowledge, during the year 2023 Entergy Arkansas, LLC was in compliance with the Arkansas Public Service Commission’s Affiliate Transaction Rules approved by Order No. 7 in Docket No. 06-112-R (the “Rules”). This certification is provided pursuant to Rule IX.A.1. of the Rules.

Further, I hereby certify pursuant to Rule VIII.A. of the Rules that during the year 2023 Entergy Arkansas, LLC did not directly engage in a non-utility business other than a utility-related business where the total book value of such non-utility business’ non-utility assets owned by Entergy Arkansas, LLC exceeded ten percent of the book value of the total assets of Entergy Arkansas, LLC and all its affiliates.



Laura Landreaux

Subscribed and sworn to before me this 27th day of May, 2024.



Notary Public

My Commission expires: 6-1-2027



APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT B

**CERTIFICATION OF COMPLIANCE OF REGINALD T. JACKSON
SENIOR VICE PRESIDENT & CHIEF ACCOUNTING OFFICER OF EAL**

(RULE IX.A.1.)

CERTIFICATION

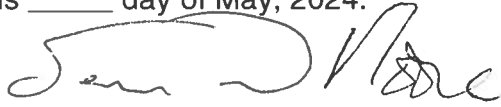
STATE OF LOUISIANA)
) ss:
PARISH OF ORLEANS)

I, Reginald T. Jackson, Senior Vice President and Chief Accounting Officer, of Entergy Arkansas, LLC, hereby certify that, to the best of my knowledge, during the year 2023 Entergy Arkansas, LLC was in compliance with the Arkansas Public Service Commission’s Affiliate Transaction Rules approved by Order No.7 in Docket No. 06-112-R. This certification is provided pursuant to Rule IX.A.1. of the Rules.



Reginald T. Jackson

Subscribed and sworn to before me this 5th day of May, 2024.



Notary Public

My Commission expires: upon death

Sean D. Moore-La. Bar No. 20393
Notary Public for the State of Louisiana
My commission expires upon death

APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT C

**2023 FEDERAL ENERGY REGULATORY COMMISSION FORM 60s
FILED BY ENTERGY CORPORATION'S CENTRALIZED SERVICE COMPANIES**

(RULE VI.A.4.D.)

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No.



FERC FINANCIAL REPORT FERC FORM No. 60: Annual Report of Centralized Service Companies

This report is mandatory under the Public Utility Holding Company Act of 2005, Section 1270, Section 309 of the Federal Power Act and 18 C.F.R. § 366.23. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Year/Period of Report:
End of: 2023/ Q4

Entergy Enterprises, Inc.

FERC FORM NO. 60 (12-06)

GENERAL INSTRUCTIONS FOR FILING FERC FORM NO. 60

Purpose

Form No. 60 is an annual regulatory support requirement under 18 C.F.R. § 369.1 for centralized service companies. The report is designed to collect financial information from centralized service companies subject to the jurisdiction of the Federal Energy Regulatory Commission. The report is considered to be a non-confidential public use form.

Who Must Submit

Unless the holding company system is exempted or granted a waiver by Commission rule or order pursuant to 18 C.F.R. § 366.3 and § 366.4 of this chapter, every centralized service company (see § 367.2) in a holding company system must prepare and file electronically with the Commission the FERC Form No. 60 then in effect pursuant to the General Instructions set out in this form.

How to Submit

Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at <https://eCollection.ferc.gov>, and according to the specifications in the Form 60 taxonomy.

When to Submit

Submit FERC Form No. 60 according to the filing date contained 18 C.F.R. § 369.1 of the Commission's regulations.

Preparation

Prepare this report in conformity with the Uniform System of Accounts (18 C.F.R. § 367) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Time Period

This report covers the entire calendar year.

Whole Dollar Usage

Enter in whole numbers (dollars) only, except where otherwise noted. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's amounts.

Accurateness

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

Applicability

For any page(s) that is not applicable to the respondent, enter "NONE," or "Not Applicable" in column (c) on the List of Schedules, page 2.

Date Format

Enter the month, day, and year for all dates. Use customary abbreviations. The "Resubmission Date" included in the header of each page is to be completed only for resubmissions (see III. above).

Number Format

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by use of a minus sign.

Required Entries

Do not make references to reports of previous years or to other reports instead of required entries, except as specifically authorized.

Prior Year References

Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the report of the previous year, or an appropriate explanation given as to why the different figures were used.

Where to Send Comments on Public Reporting Burden

The public reporting burden for the Form No. 60 collection of information is estimated to average 75 hours per response, including

- the time for reviewing instructions, searching existing data sources,
- gathering and maintaining the data-needed, and
- completing and reviewing the collection of information.

Send comments regarding these burden estimates or any aspect of this collection of information, including suggestions for reducing burden, to:

Federal Energy Regulatory Commission, (Attention: Information Clearance Officer, CIO),
888 First Street NE,
Washington, DC 20426
or by email to DataClearance@ferc.gov

And to:

Office of Information and Regulatory Affairs,
Office of Management and Budget, Washington, DC 20503 (Attention: Desk Office for the Federal Energy Regulatory Commission).
Comments to OMB should be submitted by email to: oira_submission@omb.eop.gov

No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512(a)).

DEFINITIONS

Respondent -- The person, corporation, or other legal entity in whose behalf the report is made.

**FERC FORM NO. 60
REPORT OF CENTRALIZED SERVICE COMPANIES**

Identification

01 Exact Legal Name of Respondent Entergy Enterprises, Inc.	02 Year / Period of Report 2023/ Q4
03 Previous Name (if name changed during the year)	04 Date of Name Change
05 Address of Principal Office at End of Year (Street, City, State, Zip Code) 2001 Timberloch Place, The Woodlands, TX 77380	06 Name of Contact Person Gina G. Bellott
07 Title of Contact Person Sr. Staff Accountant	08 Address of Contact Person 639 Loyola Avenue, New Orleans, LA 70113
09 Telephone Number of Contact Person (504) 858-3276	10 E-mail Address of Contact Person gbellot@entergy.com
11 This Report is An Original / A Resubmission (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12 Date of Report 04/26/2024
13 Date of Incorporation 12/30/1983	14 If Not Incorporated, Date of Organization
15 State or Sovereign Power Under Which Incorporated or Organized DE	
16 Name of Principal Holding Company Under Which Reporting Company is Organized: Entergy Corporation	

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

17 Name of Signing Officer Reginald T. Jackson	19 Signature of Signing Officer Reginald T. Jackson	20 Date Signed (Month, Day, Year) 04/26/2024
18 Title of Signing Officer Sr. VP & Chief Accounting Officer		

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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List of Schedules

1. Enter in Column (c) the terms "None" or "Not Applicable" as appropriate, where no information or amounts have been reported for certain pages.

Line No.	Description (a)	Page Reference (b)	Remarks (c)
1	Schedule I - Comparative Balance Sheet	101	
2	Schedule II - Service Company Property	103	
3	Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property	104	
4	Schedule IV - Investments	105	
4.1	Schedule IV - Investments - Other Investments	105	
4.2	Schedule IV - Investments - Other Special Funds	105	
4.3	Schedule IV - Investments - Temporary Cash Investments	105	
5	Schedule V - Accounts Receivable from Associate Companies	106	
6	Schedule VI - Fuel Stock Expenses Undistributed	107	NA
7	Schedule VII - Stores Expense Undistributed	108	NA
8	Schedule VIII - Miscellaneous Current and Accrued Assets	109	
9	Schedule IX - Miscellaneous Deferred Debits	110	
10	Schedule X - Research, Development, or Demonstration Expenditures	111	NA
11	Schedule XI - Proprietary Capital	201	
12	Schedule XII - Long-Term Debt	202	NA
13	Schedule XIII - Current and Accrued Liabilities	203	
14	Schedule XIV - Notes to Financial Statements	204	
15	Schedule XV - Comparative Income Statement	301	
16	Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies	303	
17	Schedule XVII - Analysis of Billing - Associate Companies (Account 457)	307	
18	Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)	308	NA
21	Schedule XIX - Miscellaneous General Expenses - Account 930.2	309	
23	Schedule XX - Organization Chart	401	

24	Schedule XXI - Methods of Allocation	402	
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Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule I - Comparative Balance Sheet

1. Give balance sheet of the Company as of December 31 of the current and prior year.

Line No.	Account Number (a)	Description (b)	Reference Page No. (c)	As of Dec 31 Current (d)	As of Dec 31 Prior (e)
1		Service Company Property			
2	101	Service Company Property	103	3,345,684	3,345,684
3	101.1	Property Under Capital Leases	103		
4	106	Completed Construction Not Classified			0
5	107	Construction Work In Progress	103		
6		Total Property (Total Of Lines 2-5)		3,345,684	3,345,684
7	108	Less: Accumulated Provision for Depreciation of Service Company Property	104	3,341,368	3,336,597
8	111	Less: Accumulated Provision for Amortization of Service Company Property			
9		Net Service Company Property (Total of Lines 6-8)		4,316	9,087
10		Investments			
11	123	Investment In Associate Companies	105	0	
12	124	Other Investments	105	1,896,508	1,896,508
13	128	Other Special Funds	105	0	30,388
14		Total Investments (Total of Lines 11-13)		1,896,508	1,926,896
15		Current And Accrued Assets			
16	131	Cash		5,207	5,481
17	134	Other Special Deposits			
18	135	Working Funds			
19	136	Temporary Cash Investments	105	789,712	3,818,738
20	141	Notes Receivable			
21	142	Customer Accounts Receivable			
22	143	Accounts Receivable			0
23	144	Less: Accumulated Provision for Uncollectible Accounts			

23.1	145	Notes Receivable From Associate Companies			
24	146	Accounts Receivable From Associate Companies	106	772,993	2,226,781
25	152	Fuel Stock Expenses Undistributed	107		
26	154	Materials And Supplies			
27	163	Stores Expense Undistributed	108		
28	165	Prepayments			0
29	171	Interest And Dividends Receivable			
30	172	Rents Receivable			
31	173	Accrued Revenues			
32	174	Miscellaneous Current and Accrued Assets	109	4,385,456	4,395,307
33	175	Derivative Instrument Assets			
34	176	Derivative Instrument Assets - Hedges			
35		Total Current and Accrued Assets (Total of Lines 16-34)		5,953,368	10,446,307
36		Deferred Debits			
37	181	Unamortized Debt Expense			
38	182.3	Other Regulatory Assets			
39	183	Preliminary Survey And Investigation Charges			
40	184	Clearing Accounts			
41	185	Temporary Facilities			
42	186	Miscellaneous Deferred Debits	110	527	5,304
43	188	Research, Development, or Demonstration Expenditures	111		
44	189	Unamortized Loss on Reacquired Debt			
45	190	Accumulated Deferred Income Taxes		8,592,352	8,656,761
46		Total Deferred Debits (Total of Lines 37-45)		8,592,879	8,662,065
47		TOTAL ASSETS AND OTHER DEBITS (TOTAL OF LINES 9, 14, 35 and 46)		16,447,071	21,044,355
48		Proprietary Capital			
49	201	Common Stock Issued	201	60,400,000	60,400,000
50	204	Preferred Stock Issued	201		
51	211	Miscellaneous Paid-In-Capital	201	392,675,477	395,847,476
52	215	Appropriated Retained Earnings	201		

53	216	<u>Unappropriated Retained Earnings</u>	201	(444,159,687)	(444,159,687)
54	219	<u>Accumulated Other Comprehensive Income</u>	201		
55		<u>Total Proprietary Capital (Total of Lines 49-54)</u>		8,915,790	12,087,789
56		<u>Long-Term Debt</u>			
57	223	<u>Advances From Associate Companies</u>	202		
58	224	<u>Other Long-Term Debt</u>	202		
59	225	<u>Unamortized Premium on Long-Term Debt</u>			
60	226	<u>Less: Unamortized Discount on Long-Term Debt-Debit</u>			
61		<u>Total Long-Term Debt (Total of Lines 57-60)</u>			
62		<u>Other Non-current Liabilities</u>			
63	227	<u>Obligations Under Capital Leases-Non-current</u>			
64	228.2	<u>Accumulated Provision for Injuries and Damages</u>			
65	228.3	<u>Accumulated Provision For Pensions and Benefits</u>			
66	230	<u>Asset Retirement Obligations</u>			
67		<u>Total Other Non-current Liabilities (Total of Lines 63-66)</u>			
68		<u>Current and Accrued Liabilities</u>			
69	231	<u>Notes Payable</u>			
70	232	<u>Accounts Payable</u>		206,867	280,282
71	233	<u>Notes Payable to Associate Companies</u>	203		
72	234	<u>Accounts Payable to Associate Companies</u>	203	706,368	1,930,327
73	236	<u>Taxes Accrued</u>			
74	237	<u>Interest Accrued</u>			
75	241	<u>Tax Collections Payable</u>			
76	242	<u>Miscellaneous Current and Accrued Liabilities</u>	203	334	
77	243	<u>Obligations Under Capital Leases - Current</u>			
78	244	<u>Derivative Instrument Liabilities</u>			
79	245	<u>Derivative Instrument Liabilities - Hedges</u>			
80		<u>Total Current and Accrued Liabilities (Total of Lines 69-79)</u>		913,569	2,210,609
81		<u>Deferred Credits</u>			
82	253	<u>Other Deferred Credits</u>		123,267	259,069

83	254	Other Regulatory Liabilities			
84	255	Accumulated Deferred Investment Tax Credits			
85	257	Unamortized Gain on Reacquired Debt			
86	282	Accumulated deferred income taxes-Other property		6,494,084	6,486,457
87	283	Accumulated deferred income taxes-Other		361	431
88		Total Deferred Credits (Total of Lines 82-87)		6,617,712	6,745,957
89		TOTAL LIABILITIES AND PROPRIETARY CAPITAL (TOTAL OF LINES 55, 61, 67, 80, AND 88)		16,447,071	21,044,355

FOOTNOTE DATA

(a) Concept: ServiceCompanyPropertyGross

Represents the balance in FERC account 121, Non-Utility Property of \$3,345,684 million, which is not an account listed in CFR Part 367 of the Uniform System of Accounts for Centralized Service Companies.

(b) Concept: AccumulatedProvisionforDepreciationofServiceCompanyProperty

Includes the balance in FERC account 122, Accumulated Provision for Non-Utility Property of \$3,341,368 million, which is not an account listed in CFR Part 367 of the Uniform System of Accounts for Centralized Service Companies.

(c) Concept: MiscellaneousPaidInCapital

Represents net capital contributions from/to Entergy Corporation for project and development costs for non-utility operations.

(d) Concept: ServiceCompanyPropertyGross

Represents the balance in FERC account 121, Non-Utility Property of \$3,345,684 million, which is not an account listed in CFR Part 367 of the Uniform System of Accounts for Centralized Service Companies.

(e) Concept: AccumulatedProvisionforDepreciationofServiceCompanyProperty

Includes the balance in FERC account 122, Accumulated Provision for Non-Utility Property of \$3,336,597 million, which is not an account listed in CFR Part 367 of the Uniform System of Accounts for Centralized Service Companies.

FERC FORM No. 60 (REVISED 12-07)

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule II - Service Company Property

1. Provide an explanation of Other Changes recorded in Column (f) considered material in a footnote.
2. Describe each construction work in progress on lines 18 through 30 in Column (b).

Line No.	Account # (a)	Title of Account (b)	Balance at Beginning of Year (c)	Additions (d)	Retirements or Sales (e)	Other Changes (f)	Balance at End of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	3,249,492				3,249,492
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements					
6	391	Office Furniture and Equipment	92,526				92,526
7	392	Transportation Equipment					
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment					
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	3,666				3,666
13	398	Miscellaneous Equipment					
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total Service Company Property (Total of Lines 1-15)	3,345,684				3,345,684
17	107	Construction Work in Progress:					
18							
19							
20							
21							
22							
23							

24							
25							
26							
27							
28							
29							
30							
31		Total Account 107 (Total of Lines 18-30)					
32		Total (Lines 16 and Line 31)					3,345,684

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property

1. Provide an explanation of Other Charges in Column (f) considered material in a footnote.

Line No.	Account Number (a)	Description (b)	Balance at Beginning of Year (c)	Additions Charged To Account 403-403.1 404-405 (d)	Retirements (e)	Other Changes Additions (Deductions) (f)	Balance at Close of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	3,241,046	4,505			3,245,551
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements					
6	391	Office Furniture and Equipment	91,881	266			92,147
7	392	Transportation Equipment					
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment					
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	3,670				3,670
13	398	Miscellaneous Equipment					
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total	3,336,597	4,771			3,341,368

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	123	Investment In Associate Companies		0
2	124	Other Investments	1,896,508	1,896,508
3	128	Other Special Funds	30,388	0
4	136	Temporary Cash Investments	3,818,738	789,712
5		(Total of Line 1-4)	5,745,634	2,686,220

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1	Outside Investments in a business development and finance organization serving poverty stricken areas in western Mississippi, eastern Arkansas, and northeastern Louisiana	ECD Investments, LLC	10	1,896,508

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Special Funds

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1				
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Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Temporary Cash Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Balance at Close of Year (b)
1	Federated Invested Funds	789,712

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule V - Accounts Receivable from Associate Companies

1. List the accounts receivable from each associate company.
2. If the service company has provided accommodation or convenience payments for associate companies, provide in a separate footnote a listing of total payments for each associate company.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)	Total Accommodation or Convenience Payments (e)
1	146	Accounts Receivable From Associate Companies			
2		Associate Company:			
3		Entergy Nuclear, Inc.	202,984	117,484	
4		Entergy International Holdings, LLC-E	2,247	3,867	
5		Entergy Power Mktg Hold I, Inc.	224,223	8,597	
6		Entergy International, Ltd. LLC	5,305	3,838	
7		Entergy Ventures, Inc.	798		
8		Entergy Finance Holding, Inc.		22	
9		Entergy Nuclear Holding Corp #1	72,445	17,580	
10		Entergy Global, LLC	15,332	6,524	
11		Entergy Nuclear Operations, Inc.	25		
12		TLG Services, LLC	44,251	37,604	
13		Entergy Amalgamated Competitive Holdings, LLC	14,188	7,229	
14		EP Gas Operations, LLC	2,507	7,598	
15		Entergy Power Operations US, Inc.	54,156		
16		Entergy Power, LLC	34,147	38,400	
17		Varibus, LLC	93,311	93,311	
18		Entergy Power RS, LLC		12,577	
19		Entergy Nuclear Power Marketing, LLC	63,349	34,390	
20		Entergy Services, LLC	380,190		
21		EAM Nelson Holding, LLC	24,647	38,250	
22		EWO Marketing, LLC	50,438	36,878	
23		EWO Wind II	2,341	3,867	

24		Entergy Northeast Holding LLC	744,818	270,401	
25		Merchant Holding Prop, LLC.	64,874	9,269	
26		Entergy Assets Mgmt Operations LLC	97,979	10,566	
27		Entergy Assets Mgmt Holding Inc.	3,802	4,410	
28		Entergy FitzPatrick Prop LLC	28,365	9,966	
29		Entergy Assets Mgmt Company LLC	59	365	
40	Total		2,226,781	772,993	

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VI - Fuel Stock Expenses Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associate company.
2. In a separate footnote, describe in a narrative the fuel functions performed by the service company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	152	Fuel Stock Expenses Undistributed			
2		Associate Company:			
3					
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41					
40	Total				

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VII - Stores Expense Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	163	Stores Expense Undistributed			
2		Associate Company:			
3					
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5					
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40	Total				

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VIII - Miscellaneous Current and Accrued Assets

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	174	Miscellaneous Current and Accrued Assets		
2		Item List:		
3		Income tax receivable	4,395,307	4,385,456
40	Total		4,395,307	4,385,456

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Schedule IX - Miscellaneous Deferred Debits

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	186	Miscellaneous Deferred Debits		
2		Item List:		
3		Non-expense accrued labor	5,308	532
4		Other 1 item 2023 and 1 item 2022	(4)	(5)
40	Total		5,304	527

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Schedule X - Research, Development, or Demonstration Expenditures

1. Describe each material research, development, or demonstration project that incurred costs by the service company during the year. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Amount (c)
1	188	Research, Development, or Demonstration Expenditures	
2		Project List:	
3			
4			
5			
6			
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40	Total		

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XI - Proprietary Capital

- For Miscellaneous Paid-In Capital (Account 211) and Appropriated Retained Earnings (Account 215), classify amounts in each account, with a brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.
- For Unappropriated Retained Earnings (Account 216), in a footnote, give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing non-associates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentages, amount of dividend, date declared and date paid.

Line No.	Account Number (a)	Title of Account (b)	Description (c)	Amount (d)
1	201	Common Stock Issued	Number of Shares Authorized	100,000
2			Par or Stated Value per Share	
3			Outstanding Number of Shares	57,400
4			Close of Period Amount	60,400,000
5	204	Preferred Stock Issued	Number of Shares Authorized	
6			Par or Stated Value per Share	
7			Outstanding Number of Shares	
8			Close of Period Amount	
9	211	Miscellaneous Paid-In Capital		392,675,477
10	215	Appropriated Retained Earnings		
11	219	Accumulated Other Comprehensive Income		
12	216	Unappropriated Retained Earnings	Balance at Beginning of Year	(444,159,687)
13			Net Income or (Loss)	
14			Dividend Paid	
15			Balance at Close of Year	(444,159,687)

Dividends paid during the year

Line No.	Dividend Paid Description (a)	Dividend Rate (b)	Dividend Paid Amount (c)	Dividend Declared Date (d)	Dividend Paid Date (e)
1					
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FOOTNOTE DATA

(a) Concept: MiscellaneousPaidInCapital

Represents net capital contributions from/to Entergy Corporation for project and development costs for non-utility operations.

22										
23										
24										
25										
26										
27										
28		Total								

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIII - Current and Accrued Liabilities

1. Provide the balance of notes and accounts payable to each associate company (Accounts 233 and 234).
2. Give description and amount of Miscellaneous Current and Accrued Liabilities (Account 242). Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	233	Notes Payable to Associate Companies		
2		Associate Company:		
3				
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21				
23		Subtotal (Total of Lines 3-22)		
24	234	Accounts Payable to Associate Companies		

25		Associate Company:		
26		Entergy Corporation	178,090	146,682
27		Entergy Solutions		25
28		Entergy Asset Management	8,466	48,382
29		Entergy Services, LLC	1,712,824	508,714
30		Entergy Finance Holding, Inc.	8	
31		Entergy Nuclear Nebraska LLC	1,604	2,565
32		Entergy Power RS LLC	29,335	
40		Subtotal (Total of Lines 26-39)	1,930,327	706,368
41	242	Miscellaneous Current and Accrued Liabilities		
42		Items List:		
43		Lease payable		334
49		Subtotal (Total of Lines 43-48)		334
50		TOTAL (LINES 23, 40, AND 49)	1,930,327	706,702

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Schedule XIV - Notes to Financial Statements

1. Use the space below for important notes regarding the financial statements or any account thereof.
2. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year.
3. Furnish particulars as to any significant increase in services rendered or expenses incurred during the year.
4. Furnish particulars as to any amounts recorded in Extraordinary Income (Account 434) or Extraordinary Deductions (Account 435).
5. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.
6. Describe the annual statement supplied to each associate company in support of the amount of interest on borrowed capital and compensation for use of capital billed during the calendar year. State the basis for billing of interest to each associate company. If a ratio, describe in detail how ratio is computed. If more than one ratio, explain the calculation. Report the amount of interest borrowed and/or compensation for use of capital billed to each associate company.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Entergy Enterprises, Inc. (Enterprises or the Company) is a diversified, wholly owned subsidiary of Entergy Corporation (Entergy) chartered in December 1983 to market the Entergy System's (the System) capabilities, expertise, and resources, and to engage in preliminary development activity relating to investments in energy facilities.

Enterprises' principal activities during 2023 and 2022 included: (1) engaging in preliminary development activities with respect to various investment opportunities for the Entergy System, (2) marketing to non-associates the System's expertise and capabilities in energy-related areas, (3) marketing to non-associates intellectual property developed by System companies, (4) providing various consulting, management, administrative and support services to certain associate companies, and (5) providing indirectly through one or more special purpose subsidiary companies of Entergy various operations and maintenance services to non-associate or certain associate companies.

Enterprises was first authorized to conduct business as a subsidiary company for the System by order of the SEC dated January 11, 1983.

All transactions between Enterprises and other System companies are on a full cost reimbursement basis, except that, pursuant to SEC orders and/or regulations, (1) Enterprises must reimburse Entergy Services, LLC and certain other regulated System companies for services at cost plus 5% and (2) Enterprises may charge market-based rates for services provided to non-utility associate companies under certain circumstances.

System of Accounts

The accompanying financial statements include the accounts of Enterprises, which are maintained in accordance with the system of accounts prescribed by the Federal Energy Regulatory Commission (FERC).

Cash and Cash Equivalents

Enterprises considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Depreciation and Amortization

Depreciation is computed on the straight-line method for Enterprises over the estimated useful lives of the furniture, computers and office equipment. Leasehold costs and improvements are amortized over the lease term.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Accounting standards require that deferred income taxes be recorded for all temporary differences between the financial statement and tax basis of assets, liabilities and loss carryforwards. Deferred income tax balances are based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse.

The Company joins its parent and the other Entergy subsidiaries in filing a consolidated Federal income tax return. Income taxes (or benefits) are allocated to the Company in proportion to its contribution to consolidated taxable income.

NOTE 2. TRANSACTIONS WITH AFFILIATES

Refer to Schedule XVII for the amounts Entergy Enterprises, Inc. billed to associated companies. In addition, Entergy Enterprises, Inc receives technical and consulting services and other assistance from Entergy Services, LLC at cost a plus 5% surcharge. These services totaled \$10 million and \$36 million for the years 2023 and 2022, respectively.

NOTE 3. INCOME TAXES

The tax sharing agreement with Entergy provides that the Company will receive tax benefits for its taxable loss utilized by other members of the consolidated group. Accordingly, the Company receives the tax benefit of the cumulative losses in jurisdictions in which the Company files combined or consolidated returns (U.S. Federal, Arkansas, and Mississippi for 2023 and 2022).

Deferred income taxes are provided in recognition of temporary differences between the financial reporting and income tax basis of assets and liabilities and loss carry forwards. Deferred income tax assets (liabilities) are comprised of the following at December 31, 2023 and 2022:

<u>Deferred Tax Assets:</u>	<u>2023</u>	<u>2022</u>
Equipment and fixed assets	\$6,522,966	\$6,709,386
Other tax credits	1,839,100	1,736,113
Deferred charges and other	(315,159)	(343,746)
State deferred tax valuation allowance	(2,382,244)	(2,382,244)
Contribution Carryforward	1,260	1,260
Net operating loss carryforwards	2,926,429	2,935,992
Gross deferred tax assets	<u>8,592,352</u>	<u>8,656,761</u>
 <u>Deferred Tax Liabilities:</u>		
Equipment and fixed assets	(6,494,084)	(6,486,457)
Other intangible Liabilities	(361)	(431)
Gross deferred tax liabilities	<u>(6,494,445)</u>	<u>(6,486,888)</u>
 Net deferred Tax Assets/(Liabilities)	<u>\$2,097,907</u>	<u>\$2,169,873</u>

The ultimate realization of these deferred tax assets is dependent upon future taxable income sufficient to offset the related deductions and loss carry forwards within the applicable carry forward period. The valuation allowance is based upon management's conclusions that sufficient positive evidence, as defined by ASC 740, regarding the realization of certain tax carry forward items does not exist. Such items generally relate to state loss carry forwards in states in which Entergy or its subsidiaries do not file a combined or consolidated return.

The provision for intercompany (benefit) expense in lieu of federal income taxes for the years ended December 31, 2023 and 2022 consisted of the following:

<u>Current:</u>	<u>2023</u>	<u>2022</u>
Federal	\$327,229	\$102,342
State	(347,013)	(830,269)
Total current income tax expense (benefit)	<u>(19,784)</u>	<u>(727,927)</u>
 <u>Deferred:</u>		
Federal	(273,467)	(134,504)
State	345,433	885,973
Total deferred income tax expense (benefit)	<u>71,966</u>	<u>751,469</u>
Recorded Income Tax Expense (Benefit)	<u>\$52,182</u>	<u>\$23,542</u>

The Company's total income taxes differ from the amounts computed by applying the statutory Federal income tax rate to income before taxes. The difference is primarily due to permanent differences related to income tax deductions for stock-based compensation and the effect of state income taxes.

At December 31, 2023, the Company had net operating loss carry forwards available for state income tax reporting purposes of approximately \$2.4 million. These net operating loss carry forwards expire during various periods through 2041 depending on the taxing jurisdiction.

NOTE 4. OTHER INVESTMENTS

In 2001, Entergy Enterprises, Inc. acquired 10 Class C shares from ECD Investments, LLC (A business development and finance organization serving poverty-stricken areas in western Mississippi, eastern Arkansas, and northeastern Louisiana). As of December 31, 2023 and 2022, the amount of the investment was \$1,896,508.

NOTE 5. COMMON STOCK

At December 31, 2023 and 2022, Enterprises was authorized, by its Charter, to issue 100,000 shares of its common stock. It is anticipated that Enterprises' cash flow generated by ongoing operations may not be sufficient to fund all of Enterprises' obligations. Further investment by Entergy in Enterprises may take the form of additional purchases of common stock, capital contributions, loans, and/or open account advances (without interest).

BOARD of DIRECTORS

Director (3)

OFFICERS

President and Chief Executive Officer

Vice President

Secretary

Treasurer

Tax Officer (2)

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XV - Comparative Income Statement

Line No.	Account Number (a)	Title of Account (b)	Current Year (c)	Prior Year (d)
1		<u>SERVICE COMPANY OPERATING REVENUES</u>		
2	400	<u>Service Company Operating Revenues</u>	11,108,675	38,540,469
3		<u>SERVICE COMPANY OPERATING EXPENSES</u>		
4	401	<u>Operation Expenses</u>	11,192,287	38,424,823
5	402	<u>Maintenance Expenses</u>	5	622
6	403	<u>Depreciation Expenses</u>	266	247
7	403.1	<u>Depreciation Expense for Asset Retirement Costs</u>		
8	404	<u>Amortization of Limited-Term Property</u>	4,505	10,649
9	405	<u>Amortization of Other Property</u>		
10	407.3	<u>Regulatory Debits</u>		
11	407.4	<u>Regulatory Credits</u>		
12	408.1	<u>Taxes Other Than Income Taxes, Operating Income</u>	56,365	67,942
13	409.1	<u>Income Taxes, Operating Income</u>	(19,784)	(727,927)
14	410.1	<u>Provision for Deferred Income Taxes, Operating Income</u>	700,895	1,442,226
15	411.1	<u>Provision for Deferred Income Taxes - Credit , Operating Income</u>	(628,929)	(690,757)
16	411.4	<u>Investment Tax Credit, Service Company Property</u>		
17	411.6	<u>Gains from Disposition of Service Company Plant</u>		
18	411.7	<u>Losses from Disposition of Service Company Plant</u>		
19	411.10	<u>Accretion Expense</u>		
20	412	<u>Costs and Expenses of Construction or Other Services</u>		40,757
21	416	<u>Costs and Expenses of Merchandising, Jobbing, and Contract Work</u>		
22		<u>TOTAL SERVICE COMPANY OPERATING EXPENSES (Total of Lines 4-21)</u>	11,305,610	38,568,582
23		<u>NET SERVICE COMPANY OPERATING INCOME (Total of Lines 2 less 22)</u>	(196,935)	(28,113)
24		<u>OTHER INCOME</u>		
25	418.1	<u>Equity in Earnings of Subsidiary Companies</u>		
26	419	<u>Interest and Dividend Income</u>	185,416	39,431

27	419.1	Allowance for Other Funds Used During Construction		
28	421	Miscellaneous Income or Loss	20,000	
29	421.1	Gain on Disposition of Property		
30		TOTAL OTHER INCOME (Total of Lines 25-29)	205,416	39,431
31		OTHER INCOME DEDUCTIONS		
32	421.2	Loss on Disposition of Property		
33	425	Miscellaneous Amortization		
34	426.1	Donations		
35	426.2	Life Insurance		
36	426.3	Penalties	2	
37	426.4	Expenditures for Certain Civic, Political and Related Activities	8,477	11,318
38	426.5	Other Deductions		
39		TOTAL OTHER INCOME DEDUCTIONS (Total of Lines 32-38)	8,479	11,318
40		TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		
41	408.2	Taxes Other Than Income Taxes, Other Income and Deductions		
42	409.2	Income Taxes, Other Income and Deductions		
43	410.2	Provision for Deferred Income Taxes, Other Income and Deductions		
44	411.2	Provision for Deferred Income Taxes - Credit, Other Income and Deductions		
45	411.5	Investment Tax Credit, Other Income Deductions		
46		TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS (Total of Lines 41-45)		
47		INTEREST CHARGES		
48	427	Interest on Long-Term Debt		
49	428	Amortization of Debt Discount and Expense		
50	429	(less) Amortization of Premium on Debt- Credit		
51	430	Interest on Debt to Associate Companies		
52	431	Other Interest Expense	2	
53	432	(less) Allowance for Borrowed Funds Used During Construction-Credit		
54		TOTAL INTEREST CHARGES (Total of Lines 48-53)	2	
55		NET INCOME BEFORE EXTRAORDINARY ITEMS (Total of Lines 23, 30, minus 39, 46, and 54)		

56		EXTRAORDINARY ITEMS		
57	434	Extraordinary Income		
58	435	(less) Extraordinary Deductions		
59		Net Extraordinary Items (Line 57 less Line 58)		
60	409.4	(less) Income Taxes, Extraordinary		
61		Extraordinary Items After Taxes (Line 59 less Line 60)		
62		NET INCOME OR LOSS/COST OF SERVICE (Total of Lines 55 and 61)		

FOOTNOTE DATA

(a) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. There were no costs for 2023. Costs for 2022 included the following:

Capital Costs	<u>2022</u>	\$40,757
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127	925	Injuries and Damages	32,676		32,676				32,676		32,676
128	926	Employee Pensions and Benefits	89,190		89,190				89,190		89,190
129	928	Regulatory Commission Expenses									
130	930.1	General Advertising Expenses									
131	930.2	Miscellaneous General Expenses	98,337		98,337				98,337		98,337
132	931	Rents	1,895		1,895				1,895		1,895
133		Total Administrative and General Operation Expenses	10,917,042		10,917,042				10,917,042		10,917,042
134	935	Maintenance of Structures and Equipment	5		5				5		5
135		Total Administrative and General Maintenance Expenses	11,132,412		11,132,412				11,132,412		11,132,412
136		Total Cost of Service	11,108,675		11,108,675				11,108,675		11,108,675

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVII - Analysis of Billing - Associate Companies (Account 457)

1. For Services Rendered to Associate Companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation for Use of Capital (d)	Total Amount Billed (e)
1	EAM Nelson Holding, LLC	287,214			287,214
2	Entergy Asset Management	669,364			669,364
3	Entergy Corporation	(20,000)			(20,000)
4	Entergy Global, LLC	127,781			127,781
5	Entergy Int Holdings Ltd, LLC-E	32,057			32,057
6	Entergy International Ltd, LLC	37,685			37,685
7	Entergy Nuc Finance Holdng Inc	9,447			9,447
8	Entergy Nuc Fitzpatrick, LLC	135,726			135,726
9	Entergy Nuc Holding Corp-No. 1	272,050			272,050
10	Entergy Nuclear Nebraska, LLC	21,740			21,740
11	Entergy Nuclear Power Mktg,LLC	404,242			404,242
12	Entergy Nuclear Vermont Investment Corp	8,062			8,062
13	Entergy Nuclear, Inc.	1,238,577			1,238,577
14	Entergy Power E&C Holding, LLC	1,368,771			1,368,771
15	Entergy Power RS, LLC	618,640			618,640
16	Entergy Power, LLC	325,408			325,408
17	Entergy Pwr Ops U.S. Inc.	323,929			323,929
18	Entergy Services, LLC	68			68
19	Entergy Solutions Ltd	2,607			2,607
20	Entergy Tech Holdng Co-Parent	39,059			39,059
21	Entergy Ventures, Inc	1,109			1,109
22	EP Gas Holding Corp	85,734			85,734
23	EP Gas Operations Corp	52,351			52,351

24	EWO Holdings Inc	3,531,722			3,531,722
25	EWO Marketing, LLC	548,882			548,882
26	EWO WIND II - EPGC	32,215			32,215
27	Merchant Holdings Prop, LLC	276,058			276,058
28	TLG Services, Inc	472,269			472,269
29	Vermont Yankee Asset Retirement Management, LLC	205,908			205,908
40	Total	11,108,675	0		11,108,675

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)

1. For Services Rendered to Non-Associate Companies (Account 458), list all of the non-associate companies. In a footnote, describe the services rendered to each respective non-associate company.

Line No.	Name of Non-associate Company (a)	Account 458.1 Direct Costs Charged (b)	Account 458.2 Indirect Costs Charged (c)	Account 458.3 Compensation for Use of Capital (d)	Account 458.4 Excess or Deficiency on Servicing Non-associate Utility Companies (e)	Total Amount Billed (f)
1						
2						
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36						
37						
38						
39						
40	Total					

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIX - Miscellaneous General Expenses - Account 930.2

1. Provide a listing of the amount included in Miscellaneous General Expenses (Account 930.2), classifying such expenses according to their nature. Amounts less than \$50,000 may be grouped showing the number of items and the total for the group.
2. Payments and expenses permitted by Section 321 (b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. 441(b)(2)) shall be separately classified.

Line No.	Title of Account (a)	Amount (b)
1	Bank Fees	44,304
2	Dues	53,687
3	Palisades license transfer transaction	346
40	Total	98,337

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
Schedule XX - Organization Chart			
1. Provide a graphical presentation of the relationships and inter relationships within the service company that identifies lines of authority and responsibility in the organization.			

Name of Respondent: Entergy Enterprises, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XXI - Methods of Allocation

1. Indicate the service department or function and the basis for allocation used when employees render services to more than one department or functional group. If a ratio, include the numerator and denominator.
2. Include any other allocation methods used to allocate costs.

Represented in the table entitled "Allocation Methods by Department or Function", are the service department or function and the basis for allocation used when employees render services to more than one department or functional group. The second table, entitled Basis for Allocation and Ratio by Billing Method, contains the numerator and denominator of each allocation method that is represented as a ratio.

Allocation Methods by Department or Function		
Service Department or Function	Basis of Allocation	
Corporate	LBRBIL81	Based on Entergy Enterprises labor billings to its client companies, excluding billings to Entergy Enterprises
	LVLSVC81	Based on Entergy Enterprises total billings to its client companies, excluding billings to Entergy Enterprises
	SENUCALL	Based on the number of operating Nuclear North Units
Finance and Accounting	LVLSVC81	Based on Entergy Enterprises total billings to its client companies, excluding billings to Entergy Enterprises
	SENUCALL	Based on the number of operating Nuclear North Units
Nuclear Operations	SENUCALL	Based on the number of operating Nuclear North Units
Power Generation	EMPLOY81	Based on the number of full-time and part-time non-regulated employees, including Entergy Wholesale Commodities employees
Tax and Interest Expense	LVLSVC81	Based on Entergy Enterprises total billings to its client companies, excluding billings to Entergy Enterprises

Basis for Allocation and Ratio by Billing Method		
Billing Method	Numerator	Denominator
EMPLOY81	Entergy Enterprises employees per company	Total number of Entergy Enterprises employees
LBRBIL81	Entergy Enterprises total labor dollars billed per company	Entergy Enterprises total labor dollars billed
LVLSVC81	Entergy Enterprises dollars billed per company	Total amount of Entergy Enterprises dollars billed
SENUCALL	Number of operating Nuclear North Units per company	Total number of all operating Nuclear North Units

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No.



FERC FINANCIAL REPORT FERC FORM No. 60: Annual Report of Centralized Service Companies

This report is mandatory under the Public Utility Holding Company Act of 2005, Section 1270, Section 309 of the Federal Power Act and 18 C.F.R. § 366.23. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Entergy Nuclear Operations, Inc.

Year/Period of Report:

End of: 2023/ Q4

GENERAL INSTRUCTIONS FOR FILING FERC FORM NO. 60

ABSE FILED Time: 5/31/2024 8:35:49 AM Revd: 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39

Purpose

Form No. 60 is an annual regulatory support requirement under 18 C.F.R. § 369.1 for centralized service companies. The report is designed to collect financial information from centralized service companies subject to the jurisdiction of the Federal Energy Regulatory Commission. The report is considered to be a non-confidential public use form.

Who Must Submit

Unless the holding company system is exempted or granted a waiver by Commission rule or order pursuant to 18 C.F.R. § 366.3 and § 366.4 of this chapter, every centralized service company (see § 367.2) in a holding company system must prepare and file electronically with the Commission the FERC Form No. 60 then in effect pursuant to the General Instructions set out in this form.

How to Submit

Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at <https://eCollection.ferc.gov>, and according to the specifications in the Form 60 taxonomy.

When to Submit

Submit FERC Form No. 60 according to the filing date contained 18 C.F.R. § 369.1 of the Commission's regulations.

Preparation

Prepare this report in conformity with the Uniform System of Accounts (18 C.F.R. § 367) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Time Period

This report covers the entire calendar year.

Whole Dollar Usage

Enter in whole numbers (dollars) only, except where otherwise noted. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's amounts.

Accuratness

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

Applicability

For any page(s) that is not applicable to the respondent, enter "NONE," or "Not Applicable" in column (c) on the List of Schedules, page 2.

Date Format

Enter the month, day, and year for all dates. Use customary abbreviations. The "Resubmission Date" included in the header of each page is to be completed only for resubmissions (see III. above).

Number Format

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by use of a minus sign.

Required Entries

Do not make references to reports of previous years or to other reports instead of required entries, except as specifically authorized.

Prior Year References

Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the report of the previous year, or an appropriate explanation given as to why the different figures were used.

Where to Send Comments on Public Reporting Burden

The public reporting burden for the Form No. 60 collection of information is estimated to average 75 hours per response, including

- the time for reviewing instructions, searching existing data sources,
- gathering and maintaining the data-needed, and
- completing and reviewing the collection of information.

Send comments regarding these burden estimates or any aspect of this collection of information, including suggestions for reducing burden, to:

Federal Energy Regulatory Commission, (Attention: Information Clearance Officer, CIO),
888 First Street NE,
Washington, DC 20426
or by email to DataClearance@ferc.gov

And to:

Office of Information and Regulatory Affairs,
Office of Management and Budget, Washington, DC 20503 (Attention: Desk Office for the Federal Energy Regulatory Commission).
Comments to OMB should be submitted by email to:
oir_submission@omb.eop.gov

No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512(a)).

DEFINITIONS

Respondent -- The person, corporation, or other legal entity in whose behalf the report is made.

Identification

01 Exact Legal Name of Respondent Entergy Nuclear Operations, Inc.	02 Year / Period of Report 2023/ Q4
03 Previous Name (if name changed during the year)	04 Date of Name Change
05 Address of Principal Office at End of Year (Street, City, State, Zip Code) 1340 Echelon Parkway, Jackson, MS 39213	06 Name of Contact Person Gina G. Bellott
07 Title of Contact Person Sr. Staff Accountant	08 Address of Contact Person 639 Loyola Avenue, New Orleans, LA 70113
09 Telephone Number of Contact Person (504) 858-3276	10 E-mail Address of Contact Person gbellot@entergy.com
11 This Report is An Original / A Resubmission (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12 Date of Report 04/26/2024
13 Date of Incorporation 05/09/2000	14 If Not Incorporated, Date of Organization
15 State or Sovereign Power Under Which Incorporated or Organized DE	
16 Name of Principal Holding Company Under Which Reporting Company is Organized: Entergy Corporation	

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

17 Name of Signing Officer Reginald T. Jackson	19 Signature of Signing Officer Reginald T. Jackson	20 Date Signed (Month, Day, Year) 04/26/2024
18 Title of Signing Officer Sr. VP & Chief Accounting Officer		

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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List of Schedules

1. Enter in Column (c) the terms "None" or "Not Applicable" as appropriate, where no information or amounts have been reported for certain pages.

Line No.	Description (a)	Page Reference (b)	Remarks (c)
1	Schedule I - Comparative Balance Sheet	101	
2	Schedule II - Service Company Property	103	
3	Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property	104	
4	Schedule IV - Investments	105	
4.1	Schedule IV - Investments - Other Investments	105	
4.2	Schedule IV - Investments - Other Special Funds	105	
4.3	Schedule IV - Investments - Temporary Cash Investments	105	
5	Schedule V - Accounts Receivable from Associate Companies	106	
6	Schedule VI - Fuel Stock Expenses Undistributed	107	NA
7	Schedule VII - Stores Expense Undistributed	108	NA
8	Schedule VIII - Miscellaneous Current and Accrued Assets	109	NA
9	Schedule IX - Miscellaneous Deferred Debits	110	
10	Schedule X - Research, Development, or Demonstration Expenditures	111	NA
11	Schedule XI - Proprietary Capital	201	
12	Schedule XII - Long-Term Debt	202	
13	Schedule XIII - Current and Accrued Liabilities	203	
14	Schedule XIV - Notes to Financial Statements	204	
15	Schedule XV - Comparative Income Statement	301	
16	Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies	303	
17	Schedule XVII - Analysis of Billing - Associate Companies (Account 457)	307	
18	Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)	308	NA
21	Schedule XIX - Miscellaneous General Expenses - Account 930.2	309	
23	Schedule XX - Organization Chart	401	
24	Schedule XXI - Methods of Allocation	402	

Name of Respondent:
Entergy Nuclear Operations, Inc.

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This Report Is:
(1) An Original
(2) A Resubmission

Date of Report
04/26/2024

Year/Period of Report:
End of: 2023/ Q4

Schedule I - Comparative Balance Sheet

1. Give balance sheet of the Company as of December 31 of the current and prior year.

Line No.	Account Number (a)	Description (b)	Reference Page No. (c)	As of Dec 31 Current (d)	As of Dec 31 Prior (e)
1		Service Company Property			
2	101	Service Company Property	103	18,720,768	18,720,768
3	101.1	Property Under Capital Leases	103		
4	106	Completed Construction Not Classified			
5	107	Construction Work In Progress	103	123	123
6		Total Property (Total Of Lines 2-5)		18,720,891	18,720,891
7	108	Less: Accumulated Provision for Depreciation of Service Company Property	104	9,785,003	9,548,089
8	111	Less: Accumulated Provision for Amortization of Service Company Property		6,010,026	6,008,264
9		Net Service Company Property (Total of Lines 6-8)		2,925,862	3,164,538
10		Investments			
11	123	Investment In Associate Companies	105	0	
12	124	Other Investments	105	0	
13	128	Other Special Funds	105	4,838,807	6,624,615
14		Total Investments (Total of Lines 11-13)		4,838,807	6,624,615
15		Current And Accrued Assets			
16	131	Cash		5,706	582,163
17	134	Other Special Deposits			
18	135	Working Funds		3,112	3,112
19	136	Temporary Cash Investments	105	4,855,558	10,835,971
20	141	Notes Receivable			
21	142	Customer Accounts Receivable			
22	143	Accounts Receivable		1,108,150	1,133,344
23	144	Less: Accumulated Provision for Uncollectible Accounts			
23.1	145	Notes Receivable From Associate Companies			
24	146	Accounts Receivable From Associate Companies	106	1,487,618	680,884
25	152	Fuel Stock Expenses Undistributed	107		
26	154	Materials And Supplies			
27	163	Stores Expense Undistributed	108		
28	165	Prepayments		25,209	130,091
29	171	Interest And Dividends Receivable			
30	172	Rents Receivable			
31	173	Accrued Revenues			
32	174	Miscellaneous Current and Accrued Assets	109		
33	175	Derivative Instrument Assets			

34	176	Derivative Instrument Assets - Hedges			
35		Total Current and Accrued Assets (Total of Lines 16-34)		7,485,353	13,365,565
36		Deferred Debits			
37	181	Unamortized Debt Expense			
38	182.3	Other Regulatory Assets			
39	183	Preliminary Survey And Investigation Charges			
40	184	Clearing Accounts		(740)	(94)
41	185	Temporary Facilities			
42	186	Miscellaneous Deferred Debits	110	42,280,923	36,879
43	188	Research, Development, or Demonstration Expenditures	111		
44	189	Unamortized Loss on Reacquired Debt			
45	190	Accumulated Deferred Income Taxes		285,658,125	298,075,544
46		Total Deferred Debits (Total of Lines 37-45)		327,938,308	298,112,329
47		TOTAL ASSETS AND OTHER DEBITS (TOTAL OF LINES 9, 14, 35 and 46)		343,188,330	321,267,047
48		Proprietary Capital			
49	201	Common Stock Issued	201	1,000	1,000
50	204	Preferred Stock Issued	201		
51	211	Miscellaneous Paid-In-Capital	201	217,741,139	186,738,139
52	215	Appropriated Retained Earnings	201		
53	216	Unappropriated Retained Earnings	201	106,833,037	106,833,037
54	219	Accumulated Other Comprehensive Income	201	(226,951,432)	(233,279,378)
55		Total Proprietary Capital (Total of Lines 49-54)		97,623,744	60,292,798
56		Long-Term Debt			
57	223	Advances From Associate Companies	202		
58	224	Other Long-Term Debt	202		
59	225	Unamortized Premium on Long-Term Debt			
60	226	Less: Unamortized Discount on Long-Term Debt-Debit			
61		Total Long-Term Debt (Total of Lines 57-60)			
62		Other Non-current Liabilities			
63	227	Obligations Under Capital Leases-Non-current			
64	228.2	Accumulated Provision for Injuries and Damages			
65	228.3	Accumulated Provision For Pensions and Benefits		142,776,361	142,648,953
66	230	Asset Retirement Obligations			
67		Total Other Non-current Liabilities (Total of Lines 63-66)		142,776,361	142,648,953
68		Current and Accrued Liabilities			
69	231	Notes Payable			
70	232	Accounts Payable		980,250	1,913,790
71	233	Notes Payable to Associate Companies	203		
72	234	Accounts Payable to Associate Companies	203	10,171,286	1,170,914
73	236	Taxes Accrued		63,326,057	65,298,890

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74	237	Interest Accrued		800,000	600,000
75	241	Tax Collections Payable		1,157	1,048
76	242	Miscellaneous Current and Accrued Liabilities	203	14,637,407	15,786,421
77	243	Obligations Under Capital Leases - Current		1,822	
78	244	Derivative Instrument Liabilities			
79	245	Derivative Instrument Liabilities - Hedges			
80		Total Current and Accrued Liabilities (Total of Lines 69-79)		89,917,979	84,771,063
81		Deferred Credits			
82	253	Other Deferred Credits		12,413,275	33,057,222
83	254	Other Regulatory Liabilities			
84	255	Accumulated Deferred Investment Tax Credits			
85	257	Unamortized Gain on Reacquired Debt			
86	282	Accumulated deferred income taxes-Other property		741,907	781,968
87	283	Accumulated deferred income taxes-Other		(284,936)	(284,957)
88		Total Deferred Credits (Total of Lines 82-87)		12,870,246	33,554,233
89		TOTAL LIABILITIES AND PROPRIETARY CAPITAL (TOTAL OF LINES 55, 61, 67, 80, AND 88)		343,188,330	321,267,047

(a) Concept: CommonStockIssued

The balance at December 31, 2023 represents the balance in FERC account 207 - Premium Capital Stock of \$990, which is not an account listed in 18 CFR Part 367 Uniform System of Accounts for Centralized Service Companies.

(b) Concept: MiscellaneousPaidInCapital

Balance at December 31, 2023	
Equity adjustments for the federal tax allocation 6th Amendment	(\$85,063,000)
Equity adjustment for an interest payment to State of Vermont related to Entergy Nuclear Holdings Company	(458,512)
Equity adjustment for tax accruals booked at Entergy Vermont Yankee Investment Company	(1,216,981)
Equity adjustment to move pension from Entergy Nuclear Holdings Company #2	(20,368)
Cash Capital Contributions	304,500,000
Total	\$217,741,139

(c) Concept: CommonStockIssued

The balance at December 31, 2022 represents the balance in FERC account 207 - Premium Capital Stock of \$990, which is not an account listed in 18 CFR Part 367 Uniform System of Accounts for Centralized Service Companies.

Name of Respondent: Entergy Nuclear Operations, Inc.	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39	This Report Is:	Year/Period of Report: End of: 2023/ Q4
	(1) <input checked="" type="checkbox"/> An Original	Date of Report 04/26/2024	
(2) <input type="checkbox"/> A Resubmission			

Schedule II - Service Company Property

1. Provide an explanation of Other Changes recorded in Column (f) considered material in a footnote.
2. Describe each construction work in progress on lines 18 through 30 in Column (b).

Line No.	Account # (a)	Title of Account (b)	Balance at Beginning of Year (c)	Additions (d)	Retirements or Sales (e)	Other Changes (f)	Balance at End of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	6,010,321				6,010,321
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements	5,274,694				5,274,694
6	391	Office Furniture and Equipment	6,812,750				6,812,750
7	392	Transportation Equipment					
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment					
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	504,711				504,711
13	398	Miscellaneous Equipment	118,292				118,292
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total Service Company Property (Total of Lines 1-15)	18,720,768				18,720,768
17	107	Construction Work in Progress:					
18		See Footnote Detail	123				123
31		Total Account 107 (Total of Lines 18-30)	123				123
32		Total (Lines 16 and Line 31)					18,720,891

(a) Concept: ConstructionWorkInProgress

	<u>Project</u>	<u>Amount</u>	
CAPITAL SUSPENSE FINANCE ELECTRIC			\$123

Name of Respondent: Entergy Nuclear Operations, Inc.	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		

Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property

1. Provide an explanation of Other Charges in Column (f) considered material in a footnote.

Line No.	Account Number (a)	Description (b)	Balance at Beginning of Year (c)	Additions Charged To Account 403-403.1 404-405 (d)	Retirements (e)	Other Changes Additions (Deductions) (f)	Balance at Close of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	6,008,264	1,762			6,010,026
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements	2,187,112	167,451			2,354,563
6	391	Office Furniture and Equipment	6,738,957	69,276			6,808,233
7	392	Transportation Equipment	(2)				(2)
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment					
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	503,728	187			503,915
13	398	Miscellaneous Equipment	118,294				118,294
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total	15,556,353	238,676			15,795,029

Name of Respondent: Entergy Nuclear Operations, Inc.	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	123	Investment In Associate Companies		0
2	124	Other Investments		0
3	128	Other Special Funds	6,624,615	4,838,807
4	136	Temporary Cash Investments	10,835,971	4,855,558
5		(Total of Line 1-4)	17,460,586	9,694,365

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1				
2				
3				
4				
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6				
7				
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Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Special Funds

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1	Self-insurance			4,838,807

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Schedule IV - Investments - Temporary Cash Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Balance at Close of Year (b)
1	Investment in a money market fund - Federated Government Obligations Fund	4,855,558

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Schedule V - Accounts Receivable from Associate Companies

1. List the accounts receivable from each associate company.
2. If the service company has provided accommodation or convenience payments for associate companies, provide in a separate footnote a listing of total payments for each associate company.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)	Total Accommodation or Convenience Payments (e)
1	146	Accounts Receivable From Associate Companies			
2		Associate Company:			
3		Entergy Nuclear Palisades, LLC	393,810		
4		Entergy Services, LLC	4,978	370,771	
5		Entergy Operations, Inc.		6,630	
6		TLG Services	236,465		
7		Entergy Corporation		371,430	
8		Entergy Fitzpatrick Prop, LLC		738,787	
9		Entergy Nuclear, Inc.	18,880		
10		Entergy Assets Management Operations LLC	26,751		
40	Total		680,884	1,487,618	

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Schedule VI - Fuel Stock Expenses Undistributed

- List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associate company.
- In a separate footnote, describe in a narrative the fuel functions performed by the service company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	152	Fuel Stock Expenses Undistributed			
2		Associate Company:			
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40	Total				

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Schedule VII - Stores Expense Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	163	Stores Expense Undistributed			
2		Associate Company:			
3					
4					
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40	Total				

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Schedule VIII - Miscellaneous Current and Accrued Assets

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	174	Miscellaneous Current and Accrued Assets		
2		Item List:		
3				
4				
5				
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Schedule IX - Miscellaneous Deferred Debits

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	186	Miscellaneous Deferred Debits		
2		Item List:		
3		Funded Pension - net		42,254,560
4		Non-expense accrued labor	36,507	26,363
5		Other 1 item for 2022	372	
40	Total		36,879	42,280,923

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Schedule X - Research, Development, or Demonstration Expenditures

1. Describe each material research, development, or demonstration project that incurred costs by the service company during the year. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Amount (c)
1	188	Research, Development, or Demonstration Expenditures	
2		Project List:	
3			
4			
5			
6			
7			
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10			
11			
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40	Total	

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Schedule XI - Proprietary Capital

- For Miscellaneous Paid-In Capital (Account 211) and Appropriated Retained Earnings (Account 215), classify amounts in each account, with a brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.
- For Unappropriated Retained Earnings (Account 216), in a footnote, give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing non-associates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentages, amount of dividend, date declared and date paid.

Line No.	Account Number (a)	Title of Account (b)	Description (c)	Amount (d)
1	201	Common Stock Issued	Number of Shares Authorized	3,000
2			Par or Stated Value per Share	0.01
3			Outstanding Number of Shares	
4			Close of Period Amount	\$1,000
5	204	Preferred Stock Issued	Number of Shares Authorized	
6			Par or Stated Value per Share	
7			Outstanding Number of Shares	
8			Close of Period Amount	
9	211	Miscellaneous Paid-In Capital		\$217,741,139
10	215	Appropriated Retained Earnings		
11	219	Accumulated Other Comprehensive Income		(226,951,432)
12	216	Unappropriated Retained Earnings	Balance at Beginning of Year	106,833,037
13			Net Income or (Loss)	
14			Dividend Paid	
15			Balance at Close of Year	106,833,037

Dividends paid during the year

Line No.	Dividend Paid Description (a)	Dividend Rate (b)	Dividend Paid Amount (c)	Dividend Declared Date (d)	Dividend Paid Date (e)
1					
2					
3					
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(a) Concept: CommonStockIssued

The balance at December 31, 2023 represents the balance in FERC account 207 - Premium Capital Stock of \$990, which is not an account listed in 18 CFR Part 367 Uniform System of Accounts for Centralized Service Companies.

(b) Concept: MiscellaneousPaidInCapital

	Balance at December 31, 2023
Equity adjustments for the federal tax allocation 6th Amendment	(\$85,063,000)
Equity adjustment for an interest payment to State of Vermont related to Entergy Nuclear Holdings Company	(458,512)
Equity adjustment for tax accruals booked at Entergy Vermont Yankee Investment Company	(1,216,981)
Equity adjustment to move pension from Entergy Nuclear Holdings Company #2	(20,368)
Cash Capital Contributions	304,500,000
Total	\$217,741,139

Schedule XII - Long-Term Debt

1. For Advances from Associate Companies (Account 223), describe in a footnote the advances on notes and advances on open accounts. Names of associate companies from which advances were received shall be shown under the class and series of obligation in Column (d).
2. For the deductions in Column (i), give an explanation in a footnote.
3. For Other Long-Term Debt (Account 224), list the name of the creditor company or organization in Column (b).

Line No.	Account Number (a)	Title of Account (b)	Term of Obligation (c)	Class & Series of Obligation (d)	Date of Maturity (e)	Interest Rate (f)	Amount Authorized (g)	Balance at Beginning of Year (h)	Additions Deductions (i)	Balance at Close of Year (j)
1	223	Advances from Associate Companies								
2		Associate Company:								
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13		Total								
14	224	Other Long Term Debt								
15		List Creditor:								
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28		Total								

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Schedule XIII - Current and Accrued Liabilities

1. Provide the balance of notes and accounts payable to each associate company (Accounts 233 and 234).
2. Give description and amount of Miscellaneous Current and Accrued Liabilities (Account 242). Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	233	Notes Payable to Associate Companies		
2		Associate Company:		
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23		Subtotal (Total of Lines 3-22)		
24	234	Accounts Payable to Associate Companies		
25		Associate Company:		
26		Entergy Corporation	635,798	311,262
27		Entergy Services, LLC	662	3,664
28		Entergy FitzPatrick Prop, LLC	73,053	
29		Entergy Operations, Inc.	7,924	
30		Entergy Enterprises, Inc.	25	
31		Entergy Assets Management Operations, LLC		38,669
32		EntergyTexas, Inc.	2	
33		Entergy Northeast Holding LLC	369,186	9,374,734
34		Entergy Nulcear Holding Corp No 1	48,747	49,706
35		Merchant Holdings Prop LLC	34,157	25,982
36		Entergy Louisiana, LLC	1,354	4,607
37		Entergy Arkansas, LLC	6	196

38		TLC Services LLC APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39		362,466
40		Subtotal (Total of Lines 26-39)	1,170,914	10,171,286
41	242	Miscellaneous Current and Accrued Liabilities		
42		Items List:		
43		Current portion OPEB	12,618,000	13,863,000
44		Non-qualified pension	2,878,864	501,518
45		Accrued claims	290,733	274,065
46		Lease accruals	(1,176)	(1,176)
49		Subtotal (Total of Lines 43-48)	15,786,421	14,637,407
50		TOTAL (LINES 23, 40, AND 49)	16,957,335	24,808,693

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Schedule XIV - Notes to Financial Statements

1. Use the space below for important notes regarding the financial statements or any account thereof.
2. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year.
3. Furnish particulars as to any significant increase in services rendered or expenses incurred during the year.
4. Furnish particulars as to any amounts recorded in Extraordinary Income (Account 434) or Extraordinary Deductions (Account 435).
5. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.
6. Describe the annual statement supplied to each associate company in support of the amount of interest on borrowed capital and compensation for use of capital billed during the calendar year. State the basis for billing of interest to each associate company. If a ratio, describe in detail how ratio is computed. If more than one ratio, explain the calculation. Report the amount of interest borrowed and/or compensation for use of capital billed to each associate company.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Entergy Nuclear Operations, Inc. (Entergy Nuclear Operations) is a nuclear management service company wholly owned by Entergy Corporation.

System of Accounts

Entergy Nuclear Operations maintains its accounting records using a system of accounts which is in accordance with the system prescribed by the Federal Energy Regulatory Commission. Certain reclassifications, which have no effect on net income or retained earnings, may be made to previously reported amounts to conform to current account classifications.

Use of Estimates in the Preparation of Financial Statements

The preparation of Entergy Nuclear Operations' financial statements requires management to make estimates and assumptions that affected the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as well as the reported amounts of revenues and expenses. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used to prepare the financial statements presented in this Annual Report on Form 60.

Depreciation and Amortization

Depreciation is computed on a straight-line basis at rates based on the estimated service lives of the various classes of property, which range from 5 to 32 years.

Income Taxes

Accounting standards require that deferred income taxes be recorded for all temporary differences between the financial statement basis and tax basis of assets, liabilities, and loss carryforwards. Temporary differences are recorded based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse.

Entergy Nuclear Operations joins its parent and most of the other Entergy Corporation subsidiaries in filing a consolidated federal income tax return. Income taxes (or benefits) are allocated to Entergy Nuclear Operations in proportion to its contribution to consolidated taxable income.

Cash and Cash Equivalents

Entergy Nuclear Operations considers all unrestricted highly liquid debt instruments with an original maturity at acquisition of three months or less to be cash equivalents.

Fair Value Disclosure

Entergy Nuclear Operations considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments.

NOTE 2. INCOME TAXES

Deferred income tax assets (liabilities) are comprised of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
<u>Deferred Tax Assets:</u>		
NOL Carryforward	\$256,723,876	\$254,125,610
Pension and benefits (OPEB) related items	25,288,907	40,185,136
Unitary State Taxes	(387,877)	(387,877)
Contribution Carryforward	2,129,190	2,129,190
Credit Carryforward	358,975	337,555
Other	1,545,054	1,685,930
Total	<u>285,658,125</u>	<u>298,075,544</u>
<u>Deferred Tax Liabilities:</u>		
Plant-related basis differences, net	(451,677)	(491,738)
Other	(5,294)	(5,273)
Total	<u>(456,971)</u>	<u>(497,011)</u>
Net Deferred Tax Assets	<u>\$285,201,154</u>	<u>\$297,578,533</u>

Entergy Nuclear Operations' effective income tax rate was 100% in 2023 and 2022 compared to the current federal statutory income tax rate of 21%. The primary reason for the difference between the effective and statutory income tax rates is that Entergy Nuclear Operations collects revenue in an amount equal to offset expenses including income tax. The income tax expense for 2023 and 2022 resulted primarily from uncertain tax positions, permanent differences between financial statement and tax accounting methods, and state income taxes.

The provision for income tax expense (benefit) for the years ended December 31, 2023 and 2022 consisted of the following:

	2023	2022
<u>Current:</u>		
Federal	(\$19,941,545)	(\$15,012,187)
State	(79,312)	93,498
Current Total	<u>(20,020,857)</u>	<u>(14,918,689)</u>
<u>Deferred:</u>		
Federal	10,761,662	14,914,735
State	(66,395)	(280,416)
Deferred Total	<u>10,695,267</u>	<u>14,634,319</u>
Total Income Tax Expense	<u>(\$9,325,590)</u>	<u>(\$284,370)</u>

NOTE 3. OPERATING LEASES

Entergy Nuclear Operations recorded \$1.8 thousand of current operating lease-related liabilities on the consolidated balance sheet as of December 31, 2023.

NOTE 4. EMPLOYEE BENEFITS

Stock-based Compensation

Entergy Nuclear Operations participates in an Equity Ownership Plan, which grants stock options, restricted stock, performance units, and restricted stock units to certain key employees. Effective May 3, 2019, Entergy's shareholders approved the 2019 Omnibus Incentive Plan (2019 Plan). The maximum number of common shares that can be issued from the 2019 Plan for stock-based awards is 12,200,000 all of which are available for incentive stock option grants. The 2019 Plan applies to awards granted on or after May 3, 2019 and awards expire ten years from the date of grant.

As of December 31, 2023, there were 7,546,825 authorized shares remaining for stock-based awards. The costs of the stock options, restricted stock and performance units are charged to income over three years. Entergy Nuclear Operations' costs for these awards including capitalized amounts were approximately \$0.4 million for 2023 and approximately \$0.8 million for 2022.

Defined Contribution Plans

Employees of Entergy Nuclear Operations are also eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries (System Savings Plan). The System Savings Plan is a defined contribution plan covering eligible employees of Entergy and certain of its subsidiaries. The participating Entergy subsidiary makes matching contributions to the System Savings Plans for all eligible participating employees in an amount equal to either 70% or 100% of the participants' basic contributions, up to 6% of their eligible earnings per pay period. The matching contribution is allocated to investments as directed by the employee.

Employees of Entergy Nuclear Operations may also be eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries VI (Savings Plan VI) (established in April 2007) and the Savings Plan of Entergy Corporation and Subsidiaries VII (Savings Plan VII) (established in April 2007) to which matching contributions are also made. The plans are defined contribution plans that cover eligible employees, as defined by each plan, of Entergy and certain of its subsidiaries. Effective December 31, 2023, employees participating in Savings Plan VI and Savings Plan VII were transferred into the System Savings Plan when Savings Plan VI and Savings Plan VII merged into the System Savings Plan.

Employees of Entergy Nuclear Operations may also be eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries VIII (established January 2021) to which company contributions are made. The participating Entergy subsidiary makes matching contributions to this defined contribution plan for all eligible participating employees in an amount equal to 100% of the participants' basic contributions, up to 5% of their eligible earnings per pay period. Eligible participants may also receive a discretionary annual company contribution up to 4% of the participant's eligible earnings (subject to vesting).

Entergy Nuclear Operations' contributions to the Savings Plans were \$266 thousand in 2023 and \$2.6 million in 2022.

Qualified Pension Plans and Other Postretirement Benefit Plans

Entergy Nuclear Operations provides pension and retiree medical, dental, vision, and life insurance benefits (other postretirement benefits) for eligible retired employees.

Entergy has defined benefit qualified pension plans, including the Entergy Corporation Retirement Plan for Non-Bargaining Employees (Non-Bargaining Plan I), the Entergy Corporation Retirement Plan for Bargaining Employees (Bargaining Plan I), the Entergy Corporation Retirement Plan II for Non-Bargaining Employees (Non-Bargaining Plan II), the Entergy Corporation Retirement Plan II for Bargaining Employees (Bargaining Plan II), the Entergy Corporation Retirement Plan III (Plan III), the Entergy Corporation Retirement Plan IV for Bargaining Employees (Bargaining Plan IV), and the Entergy Corporation Cash Balance Plan for Bargaining Employees (Bargaining Cash Balance Plan). The Entergy Corporation Cash Balance Plan for Non-Bargaining Employees (Non-Bargaining Cash Balance Plan) was merged with and into Non-Bargaining Plan I effective January 1, 2022. Effective January 1, 2024, Non-Bargaining Plan I was amended to spin-off predominately inactive participants into a new qualified pension plan, Entergy Corporation Retirement Plan VI for Non-Bargaining Employees (Non-Bargaining Plan VI). Eligible employees of Entergy Nuclear Operations participate in these plans: Non-Bargaining Plan I, Non-Bargaining Plan II, Bargaining Plan II, Plan III, Bargaining Plan IV, Non-Bargaining Plan VI, and Bargaining Cash Balance Plan. Non-bargaining and bargaining employees whose most recent date of hire was prior to June 30, 2014 (or such later date provided for in their applicable collective bargaining agreement) participate in a noncontributory final average pay formula that provides pension benefits based on the employee's credited service and compensation during employment. Non-bargaining and bargaining employees whose most recent date of hire is after June 30, 2014 and before January 1, 2021 (or such later date provided for in their applicable collective bargaining agreement) do not participate in a final average pay formula, but instead participate in a cash balance formula. Effective January 1, 2021, the Non-Bargaining Cash Balance Plan and Bargaining Cash Balance Plan were amended to close participation in each plan to those employees whose most recent hire date is after December 31, 2020 (or such later date provided for in their applicable collective bargaining agreement). Employees hired after this date instead may be eligible to participate in and receive a discretionary employer contribution under an Entergy sponsored tax-qualified defined contribution plan that includes a 401(k) feature.

The assets of the defined benefit qualified pension plans are held in a master trust established by Entergy. Each pension plan has an undivided beneficial interest in each of the investment accounts in the master trust that is maintained by a trustee. Use of the master trust permits the commingling of the trust assets of the pension plans of Entergy Corporation and its Registrant Subsidiaries for investment and administrative purposes. Although assets in the master trust are commingled, the trustee maintains supporting records for the purpose of allocating the trust level equity in net earnings (loss) and the administrative expenses of the investment accounts in the trust to the various participating pension plans in the trust. The fair value of the trust's assets is determined by the trustee and certain investment managers. The trustee calculates a daily earnings factor, including realized and unrealized gains or losses, collected and accrued income, and administrative expenses, and allocates earnings to each plan in the master trust on a pro rata basis.

Within each pension plan, Entergy Nuclear Operations' beneficial interest in the plan assets is maintained by the plan's actuary and is updated quarterly. Assets are increased for investment net income and contributions, and are decreased for benefit payments. A plan's investment net income/loss (i.e. interest and dividends, realized and unrealized gains and losses and expenses) is allocated to Entergy Nuclear Operations based on the value of assets at the beginning of the quarter adjusted for contributions and benefit payments made during the quarter.

Entergy Nuclear Operations' funds pension plans in an amount not less than the minimum required contribution under the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts.

Other postretirement assets are in master trusts, established by Entergy Corporation and maintained by a trustee. Entergy Nuclear Operations holds a beneficial interest in the trusts' assets. The assets in the master trusts are commingled for investment and administrative purposes. Although assets are commingled, supporting records are maintained for the purpose of allocating the beneficial interest in net earnings/(losses) and the administrative expenses of the investment accounts to the various participating plans and participating Entergy companies. Beneficial interest in an investment account's net income/(loss) is comprised of interest and dividends, realized and unrealized gains and losses, and expenses. Beneficial interest from these investments is allocated to the plans and participating Entergy companies based on their portion of net assets in the pooled accounts.

In March 2020, Entergy announced changes to its other postretirement benefits. Effective January 1, 2021, certain retired, former non-bargaining employees age 65 and older who are eligible for Entergy-sponsored retiree welfare benefits, and their eligible spouses who are age 65 and older (collectively, Medicare-eligible participants), are eligible to participate in an Entergy-sponsored retiree health plan, and are no longer eligible for retiree coverage under the Entergy Corporation Companies' Benefits Plus Medical, Dental and Vision Plans. Under the Entergy-sponsored retiree health plan, Medicare-eligible participants are eligible to participate in a health reimbursement arrangement which they may use towards the purchase of various types of qualified insurance offered through a Medicare exchange provider and for other qualified medical expenses. The changes affecting active bargaining unit employees were negotiated with the unions prior to implementation, where necessary, and to the extent required by law.

Components of Qualified Net Pension (Income)/Cost and Other Postretirement (Income)/Cost and Other Amounts Recognized as Accumulated Other Comprehensive Income (AOCI)

Entergy Nuclear Operations' qualified pension and other postretirement (income)/costs, including capitalized amounts, included the following components:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
Net periodic pension and other postretirement (income)/costs				
Service cost	\$160	\$2,271	\$759	\$2,839
Interest cost	71,580	52,542	7,743	5,280
Expected return on assets	(108,600)	(109,198)	(329)	(483)
Amortization of prior service credit	—	—	(6,562)	(7,674)
Recognized net (gain)/loss	1,081	23,584	(3,211)	2,119
Settlement charges	83	13,224	—	—
Net periodic pension and other postretirement (income)/costs	(\$35,696)	(\$17,577)	(\$1,600)	\$2,081
Other changes in plan assets and benefit obligations recognized as AOCI (before tax)				
Arising this period:				
Prior service credit for period	\$—	\$—	\$—	(\$295)
Net (gain)/loss	(19,969)	26,904	4,437	(61,524)
Amounts reclassified from AOCI to net periodic benefit cost in the current year:				
Amortization of prior service credit	—	—	6,562	7,674
Amortization of net gain/(loss)	(1,081)	(23,584)	3,211	(2,119)
Settlement charges	(83)	(13,224)	—	—
Total	(\$21,133)	(\$9,904)	\$14,210	(\$56,264)
Total recognized as net periodic benefit (income)/cost and/or AOCI (before tax)	(\$56,829)	(\$27,481)	\$12,610	(\$54,183)

Qualified Pension and Other Postretirement Obligations, Plan Assets, Funded Status, Amounts Recognized in the Balance Sheet

The qualified pension and other postretirement benefit obligations, plan assets, funded status and amounts recognized in the balance sheet for Entergy Nuclear Operations as of December 31, 2023 and 2022 were as follows:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
	(In Thousands)			
Change in Projected Benefit Obligation (PBO)/Accumulated Postretirement Obligation (APBO)				
Balance at beginning of year	\$1,448,298	\$1,965,754	\$159,020	\$232,859
Service cost	160	2,271	759	2,839
Interest cost	71,580	52,542	7,743	5,280
Plan amendments	—	—	—	(295)
Employee contributions	—	—	3,883	4,063
Actuarial (gain)/loss	43,187	(421,000)	4,789	(63,515)
Benefits paid	(108,502)	(151,269)	(17,176)	(22,271)
Medicare Part D subsidy received	—	—	131	60
Balance at end of year	\$1,454,723	\$1,448,298	\$159,149	\$159,020
Change in Plan Assets				
Fair value of assets at beginning of year	\$1,425,398	\$1,836,119	\$6,838	\$9,864
Actual return on plan assets	171,757	(338,707)	681	(1,508)
Employer contributions	8,325	79,255	11,183	16,690
Employee contributions	—	—	3,883	4,063
Benefits paid	(108,502)	(151,269)	(17,176)	(22,271)
Fair value of assets at end of year	\$1,496,978	\$1,425,398	\$5,409	\$6,838
Funded status	\$42,255	(\$22,900)	(\$153,740)	(\$152,182)
Amounts recognized in the balance sheet				
Non-current assets	\$42,255	\$—	\$—	\$—
Current liabilities	—	—	(13,863)	(12,618)
Non-current liabilities	—	(22,900)	(139,877)	(139,564)
Funded status	\$42,255	(\$22,900)	(\$153,740)	(\$152,182)
Amounts recognized in OCI (before tax)				
Prior service credit	\$—	\$—	(\$14,963)	(\$21,527)
Net (gain)/loss	324,658	345,791	(24,927)	(32,575)
	\$324,658	\$345,791	(\$39,890)	(\$54,102)

Accumulated Qualified Pension Benefit Obligation

The accumulated qualified pension benefit obligation for Entergy Nuclear Operations as of December 31, 2023 and 2022 was \$1.5 billion and \$1.4 billion, respectively.

Non-Qualified Pension Plans

Entergy Nuclear Operations also sponsors non-qualified, non-contributory defined benefit pension plans that provide benefits to certain executives. Entergy Nuclear Operations recognized net periodic pension cost of \$1.4 million in 2023 and \$786 thousand in 2022. In 2023 and 2022, Entergy Nuclear Operations recognized \$931 thousand and \$14 thousand, respectively, in settlement charges related to the payment of lump sum benefits out of the plan that is included in the non-qualified pension plan cost above. The projected benefit obligation was \$4.4 million and \$7 million as of December 31, 2023 and 2022, respectively. The accumulated benefit obligation was \$4.4 million and \$7 million as of December 31, 2023 and 2022, respectively.

Entergy Nuclear Operations' non-qualified, non-current liability at December 31, 2023 and 2022 was \$3.9 million and \$4.1 million, respectively; and its current liability was \$500 thousand and \$2.9 million, respectively. The prior service cost and net loss recognized in accumulated other comprehensive income before taxes was \$2.5 million at December 31, 2023 and \$3.6 million at December 31, 2022.

Reclassification out of Accumulated Other Comprehensive Income

Entergy Nuclear Operations reclassified the following costs out of accumulated other comprehensive income (before taxes and including amounts capitalized) as of December 31, 2023:

	Qualified Pension Cost	Other Postretirement Cost	Non-Qualified Pension Costs	Total
(In Thousands)				
Entergy Nuclear Operations				
Amortization of prior service (cost)/credit	\$—	\$6,562	(\$87)	\$6,475
Amortization of gain (loss)	(1,081)	3,211	(201)	1,929
Settlement loss	(83)	—	(931)	(1,014)
	(\$1,164)	\$9,773	(\$1,219)	\$7,390

Entergy Nuclear Operations reclassified the following costs out of accumulated other comprehensive income (before taxes and including amounts capitalized) as of December 31, 2022:

	Qualified Pension Cost	Other Postretirement Cost	Non-Qualified Pension Costs	Total
(In Thousands)				
Entergy Nuclear Operations				
Amortization of prior service (cost)/credit	\$—	\$7,674	(\$95)	\$7,579
Amortization of gain (loss)	(23,584)	(2,119)	(340)	(26,043)
Settlement loss	(13,224)	—	(14)	(13,238)
	(\$36,808)	\$5,555	(\$449)	(\$31,702)

Accounting for Pension and Other Postretirement Benefits

Accounting standards require an employer to recognize on its balance sheet the funded status of its benefit plans. This is measured as the difference between plan assets at fair value and the benefit obligation. Entergy Nuclear Operations uses a December 31 measurement date for its pension and other postretirement plans. Employers are to record previously unrecognized gains and losses, prior service costs, and the remaining transition asset or obligation (that resulted from adopting prior pension and other postretirement benefits accounting standards) as comprehensive income. Accounting standards also require that changes in the funded status be recorded as other comprehensive income in the period in which the changes occur.

With regard to pension and other postretirement costs, Entergy Nuclear Operations calculates the expected return on pension and other postretirement benefit plan assets by multiplying the long term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy Nuclear Operations determines the MRV of its pension plan assets, except for the long duration fixed income assets, by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For the long duration fixed income assets in the pension trust and for its other postretirement benefits plan assets Entergy Nuclear Operations uses fair value as the MRV.

Qualified Pension and Other Postretirement Plans' Assets

The Plan Administrator's trust asset investment strategy is to invest the assets in a manner whereby long-term earnings on the assets (plus cash contributions) provide adequate funding for retiree benefit payments. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense.

In the optimization studies, the Plan Administrator formulates assumptions about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes and making adjustments to reflect future conditions expected to prevail over the study period.

The target asset allocation for pension adjusts dynamically based on the funded status of each plan within the trust. The current targets are shown below. The expectation is that the allocation to fixed income securities will increase as the pension plans' funded status increases. The following ranges were established to produce an acceptable, economically efficient plan to manage around the targets.

For postretirement assets the target and range asset allocations (as shown below) reflect recommendations made in the latest optimization study. The target asset allocations for postretirement assets adjust dynamically based on the funded status of each sub-account within each trust. The current weighted average targets shown below represent the aggregate of all targets for all sub-accounts within all trusts.

Entergy's qualified pension and postretirement weighted-average asset allocations by asset category at December 31, 2023 and 2022 and the target asset allocation and ranges are as follows:

Pension Asset Allocation	Target	Range		Actual 2023	Actual 2022
Domestic Equity Securities	32%	26%	to 38%	33%	42%
International Equity Securities	17%	14%	to 20%	18%	22%
Intermediate Fixed Income Securities	8%	7%	to 9%	9%	11%
Long Duration Fixed Income Securities	43%	39%	to 47%	40%	22%
Other	—%	—%	to 10%	—%	3%

Postretirement Asset Allocation	Target	Range		Actual 2023	Actual 2022
Domestic Equity Securities	25%	20%	to 30%	28%	25%
International Equity Securities	17%	12%	to 22%	17%	18%
Fixed Income Securities	58%	53%	to 63%	55%	57%
Other	—%	—%	to 5%	—%	—%

In determining its expected long term rate of return on plan assets used in the calculation of benefit plan costs, Entergy Nuclear Operations reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and some investment managers.

The expected long-term rate of return for the qualified pension plans' assets is based primarily on the geometric average of the historical annual performance of a representative portfolio weighted by the target asset allocation defined in the table above, along with other indications of expected return on assets. The time period reflected is a long-dated period spanning several decades.

The expected long-term rate of return for the non-taxable postretirement trust assets is determined using the same methodology described above for pension assets, but the aggregate asset allocation specific to the non-taxable postretirement assets is used.

For the taxable postretirement trust assets, the investment allocation includes tax-exempt fixed income securities. This asset allocation, in combination with the same methodology employed to determine the expected return for other postretirement assets (as described above), and with a modification to reflect applicable taxes, is used to produce the expected long-term rate of return for taxable postretirement trust assets.

Concentrations of Credit Risk

Entergy Nuclear Operations' investment guidelines mandate the avoidance of risk concentrations. Types of concentrations specified to be avoided include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, geographic area and individual security issuance. As of December 31, 2023, all investment managers and assets were materially in compliance with the approved investment guidelines, therefore there were no significant concentrations (defined as greater than 10 percent of plan assets) of risk in Entergy Nuclear Operations' pension and other postretirement benefit plan assets.

Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 - Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by an independent party that uses inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden if it is believed such would be more reflective of fair value. Level 2 inputs include the following:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability; or
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If an asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Level 3 refers to securities valued based on significant unobservable inputs.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy, measured at fair value on a recurring basis at December 31, 2023 and December 31, 2022, a summary of the investments held in the master trusts for Entergy's qualified pension and other postretirement plans in which the Registrant Subsidiaries participate.

Qualified Defined Benefit Pension Plan Trusts

2023	Level 1	Level 2	Level 3	Total
(In Thousands)				
Equity securities:				
Corporate stocks:				
Preferred	\$10,827 (b)	\$—	\$—	\$10,827
Common	715,452 (b)	—	—	715,452
Common collective trusts (c)				2,066,247
Fixed income securities:				
U.S. Government securities	—	1,085,231 (a)	—	1,085,231
Corporate debt instruments	—	924,904 (a)	—	924,904
Registered investment companies (e)	34,364 (d)	2,718 (d)	—	657,691
Other	774 (f)	78,883 (f)	—	79,657
Other:				
Insurance company general account (unallocated contracts)	—	5,899 (g)	—	5,899
Total investments	<u>\$761,417</u>	<u>\$2,097,635</u>	<u>\$—</u>	<u>\$5,545,908</u>
Cash				1,488
Other pending transactions				(22,404)
Less: Other postretirement assets included in total investments				(64,391)
Total fair value of qualified pension assets				<u>\$5,460,601</u>

2022	Level 1	Level 2	Level 3	Total
(In Thousands)				
Equity securities:				
Corporate stocks:				
Preferred	\$12,178 (b)	\$—	\$—	\$12,178
Common	807,437 (b)	—	—	807,437
Common collective trusts (c)				2,516,688
Fixed income securities:				
U.S. Government securities	—	673,348 (a)	—	673,348
Corporate debt instruments	—	525,184 (a)	—	525,184
Registered investment companies (e)	221,582 (d)	2,595 (d)	—	750,454
Other	—	15,395 (f)	—	15,395
Other:				
Insurance company general account (unallocated contracts)	—	5,911 (g)	—	5,911
Total investments	<u>\$1,041,197</u>	<u>\$1,222,433</u>	<u>\$—</u>	<u>\$5,306,595</u>
Cash				10,601
Other pending transactions				(13,813)
Less: Other postretirement assets included in total investments				(61,285)
Total fair value of qualified pension assets				<u>\$5,242,098</u>

Other Postretirement Trusts

2023	Level 1	Level 2	Level 3	Total
(In Thousands)				
Equity securities:				
Common collective trust (c)				\$276,560
Fixed income securities:				
U.S. Government securities	\$80,219 (b)	\$84,521 (a)	\$—	164,740
Corporate debt instruments	—	106,523 (a)	—	106,523
Registered investment companies	548 (d)	—	—	548
Other	—	57,511 (f)	—	57,511
Total investments	<u>\$80,767</u>	<u>\$248,555</u>	<u>\$—</u>	<u>\$605,882</u>
Other pending transactions				2,868
Plus: Other postretirement assets included in the investments of the qualified pension trust				64,391
Total fair value of other postretirement assets				<u>\$673,141</u>

2022

Level 1

Level 2

Level 3

Total

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(in thousands)**Equity securities:**

Common collective trust (c) \$241,676

Fixed income securities:

U.S. Government securities \$69,503 (b) \$78,436 (a) \$— 147,939

Corporate debt instruments — 113,273 (a) — 113,273

Registered investment companies 3,016 (d) — 3,016

Other — 56,149 (f) — 56,149

Total investments \$72,519 \$247,858 \$— \$562,053

Other pending transactions 486

Plus: Other postretirement assets included in the investments of the qualified pension trust 61,285

Total fair value of other postretirement assets \$623,824

(a) Certain fixed income debt securities (corporate, government, and securitized) are stated at fair value as determined by broker quotes.

(b) Common stocks, certain preferred stocks, and certain fixed income debt securities (government) are stated at fair value determined by quoted market prices.

(c) The common collective trusts hold investments in accordance with stated objectives. The investment strategy of the trusts is to capture the growth potential of equity markets by replicating the performance of a specified index. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Net asset value per share of common collective trusts estimate fair value. Common collective trusts are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.

(d) Registered investment companies are money market mutual funds with a stable net asset value of one dollar per share. Registered investment companies may hold investments in domestic and international bond markets or domestic equities valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The money market mutual funds held by the trusts are deemed to be actively traded. Certain registered investment companies are recorded at contract value, which approximates fair value.

(e) Certain of these registered investment companies are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.

(f) The other remaining assets are U.S. municipal and foreign government bonds stated at fair value as determined by broker quotes.

(g) The unallocated insurance contract investments are recorded at contract value, which approximates fair value. The contract value represents contributions made under the contract, plus interest, less funds used to pay benefits and contract expenses, and less distributions to the master trust.

Estimated Future Benefit Payments

Based upon the assumptions used to measure Energy Nuclear Operations' pension and postretirement benefit obligation at December 31, 2023, and including pension and postretirement benefits attributable to estimated future employee service, Energy Nuclear Operations expects that pension and other postretirement benefits to be paid over the next ten years are as follows (in thousands):

Year(s)	Estimated Future Benefit Payments		
	Qualified Pension	Non-Qualified Pension	Other Postretirement
2024	\$97,842	\$502	\$15,390
2025	\$96,792	\$486	\$14,310
2026	\$97,361	\$469	\$13,424
2027	\$97,826	\$450	\$12,416
2028	\$98,396	\$430	\$11,668
2029-2033	\$489,033	\$1,792	\$49,390

Contributions

In 2024, Energy Nuclear Operations expects to contribute approximately \$584 thousand to the qualified pension plans and \$13 million to the other postretirement plans.

Actuarial Assumptions

The significant actuarial assumptions used in determining the pension PBO and the other postretirement benefit APBO as of December 31, 2023 and 2022 were as follows:

	2023	2022
Weighted-average discount rate:		
Qualified pension	5.02% - 5.10%	5.21% - 5.27%
Other postretirement	5.01%	5.20%
Non-qualified pension	4.68%	4.98%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Interest crediting rate	4.00%	4.00%
Assumed health care trend rate:		
Pre-65	6.95%	6.65%
Post-65	7.88%	7.50%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefit costs for 2023 and 2022 were as follows:

2023

2022

Weighted-average discount rate: APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39

Qualified pension:		
Service cost	5.17% - 5.31%	2.87% - 3.24%
Interest cost	4.92% - 5.18%	2.43% - 2.51%
Other postretirement:		
Service cost	5.00%	3.20%
Interest cost	5.09%	2.31%
Non-qualified pension:		
Service cost	5.31%	4.94%
Interest cost	5.30%	5.03%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Expected long-term rate of return on plan assets:		
Pension assets	7.00%	6.75%
Other postretirement non-taxable assets	6.00% - 7.00%	5.75% - 6.75%
Other postretirement taxable assets	5.25%	4.75%
Assumed health care trend rate:		
Pre-65	6.65%	5.65%
Post-65	7.50%	5.90%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 other postretirement benefits APBO. With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 other postretirement benefits APBO.

NOTE 5. TRANSACTIONS WITH AFFILIATES

Entergy Nuclear Operations is on a full cost reimbursement basis for the Companies in which they act as an agent for. Refer to Schedule XVII for the amounts Entergy Nuclear Operations, Inc. billed to associated companies. In addition, Entergy Nuclear Operations occasionally receives technical and consulting services and other assistance from Entergy Services, LLC and Entergy Operations, Inc. at cost plus a 5% surcharge.

NOTE 6. OTHER DEFERRED CREDITS

Other deferred credits (Account 253) for 2023 consists principally of accruals for workers's compensation and non-qualified pension liability. Other deferred credits for 2022 consisted principally of pension and postretirement benefit liabilities.

BOARD of DIRECTORS

Director (3)

OFFICERS

- President and Chief Executive Officer
- Executive Vice President and General Counsel
- Chief Operating Officer-Nuclear Operations
- Senior Vice President, Engineering and Technical Services
- Vice President and Treasurer
- Vice President, Nuclear Engineering
- Vice President, Operations Support
- Secretary
- Assistant Secretary
- Assistant Treasurer
- Tax Officer (2)

Name of Respondent:
Entergy Nuclear Operations, Inc.

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This Report Is:

(1) An Original

(2) A Resubmission

Date of Report
04/26/2024

Year/Period of Report:
End of: 2023/ Q4

Schedule XV - Comparative Income Statement

Line No.	Account Number (a)	Title of Account (b)	Current Year (c)	Prior Year (d)
1		SERVICE COMPANY OPERATING REVENUES		
2	400	Service Company Operating Revenues	(40,452,599)	44,208,489
3		SERVICE COMPANY OPERATING EXPENSES		
4	401	Operation Expenses	(30,754,254)	22,497,313
5	402	Maintenance Expenses	(48,199)	7,632,189
6	403	Depreciation Expenses	236,915	297,355
7	403.1	Depreciation Expense for Asset Retirement Costs		
8	404	Amortization of Limited-Term Property	1,762	14,086
9	405	Amortization of Other Property		
10	407.3	Regulatory Debits		
11	407.4	Regulatory Credits		
12	408.1	Taxes Other Than Income Taxes, Operating Income	366,475	9,764,952
13	409.1	Income Taxes, Operating Income	(20,020,857)	(14,918,689)
14	410.1	Provision for Deferred Income Taxes, Operating Income	29,391,260	53,100,675
15	411.1	Provision for Deferred Income Taxes - Credit , Operating Income	(18,695,993)	(38,466,356)
16	411.4	Investment Tax Credit, Service Company Property		
17	411.6	Gains from Disposition of Service Company Plant		
18	411.7	Losses from Disposition of Service Company Plant		
19	411.10	Accretion Expense		
20	412	Costs and Expenses of Construction or Other Services	498	3,594,016
21	416	Costs and Expenses of Merchandising, Jobbing, and Contract Work		
22		TOTAL SERVICE COMPANY OPERATING EXPENSES (Total of Lines 4-21)	(39,522,393)	43,515,541
23		NET SERVICE COMPANY OPERATING INCOME (Total of Lines 2 less 22)	(930,206)	692,948
24		OTHER INCOME		
25	418.1	Equity in Earnings of Subsidiary Companies		
26	419	Interest and Dividend Income	263,774	16,003
27	419.1	Allowance for Other Funds Used During Construction		
28	421	Miscellaneous Income or Loss	866,799	284,746
29	421.1	Gain on Disposition of Property		50,653
30		TOTAL OTHER INCOME (Total of Lines 25-29)	1,130,573	351,402
31		OTHER INCOME DEDUCTIONS		
32	421.2	Loss on Disposition of Property		19,344
33	425	Miscellaneous Amortization		
34	426.1	Donations		809,396
35	426.2	Life Insurance		
36	426.3	Penalties		

37	426.4	Expenditures for Certain Civic, Political and Related Activities	215,610	
38	426.5	Other Deductions		
39		TOTAL OTHER INCOME DEDUCTIONS (Total of Lines 32-38)	367	1,044,350
40		TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		
41	408.2	Taxes Other Than Income Taxes, Other Income and Deductions		
42	409.2	Income Taxes, Other Income and Deductions		
43	410.2	Provision for Deferred Income Taxes, Other Income and Deductions		
44	411.2	Provision for Deferred Income Taxes - Credit, Other Income and Deductions		
45	411.5	Investment Tax Credit, Other Income Deductions		
46		TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS (Total of Lines 41-45)		
47		INTEREST CHARGES		
48	427	Interest on Long-Term Debt		
49	428	Amortization of Debt Discount and Expense		
50	429	(less) Amortization of Premium on Debt- Credit		
51	430	Interest on Debt to Associate Companies		
52	431	Other Interest Expense	200,000	
53	432	(less) Allowance for Borrowed Funds Used During Construction-Credit		
54		TOTAL INTEREST CHARGES (Total of Lines 48-53)	200,000	
55		NET INCOME BEFORE EXTRAORDINARY ITEMS (Total of Lines 23, 30, minus 39, 46, and 54)		
56		EXTRAORDINARY ITEMS		
57	434	Extraordinary Income		
58	435	(less) Extraordinary Deductions		
59		Net Extraordinary Items (Line 57 less Line 58)		
60	409.4	(less) Income Taxes, Extraordinary		
61		Extraordinary Items After Taxes (Line 59 less Line 60)		
62		NET INCOME OR LOSS/COST OF SERVICE (Total of Lines 55 and 61)		

(a) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 and 2022 include the following:

	<u>2023</u>		<u>2022</u>
Capital Costs	\$498		\$1,391,871
Other Balance Sheet Accounts	—		2,202,145
	<u>\$498</u>		<u>\$3,594,016</u>

18	421	Miscellaneous Income or Loss	866,799		866,799			866,799		866,799
19	421.1	Gain on Disposition of Property								
20	421.2	Loss on Disposition Of Property								
21	425	Miscellaneous Amortization								
22	426.1	Donations								
23	426.2	Life Insurance								
24	426.3	Penalties								
25	426.4	Expenditures for Certain Civic, Political and Related Activities	367		367			367		367
26	426.5	Other Deductions								
27	427	Interest On Long-Term Debt								
28	428	Amortization of Debt Discount and Expense								
29	429	Amortization of Premium on Debt - Credit								
30	430	Interest on Debt to Associate Companies								
31	431	Other Interest Expense	200,000		200,000			200,000		200,000
32	432	Allowance for Borrowed Funds Used During Construction								
33	500-509	Total Steam Power Generation Operation Expenses	11,302		11,302			11,302		11,302
34	510-515	Total Steam Power Generation Maintenance Expenses								
35	517-525	Total Nuclear Power Generation Operation Expenses	2,742,458		2,742,458			2,742,458		2,742,458
36	528-532	Total Nuclear Power Generation Maintenance Expenses	(48,199)		(48,199)			(48,199)		(48,199)
37	535-540.1	Total Hydraulic Power Generation Operation Expenses								
38	541-545.1	Total Hydraulic Power Generation Maintenance Expenses								

135		Total Administrative and General Maintenance Expenses	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc 39 (33,508,014)		(33,508,014)				(33,508,014)		(33,508,014)
136		Total Cost of Service	(40,452,599)		(40,452,599)				(40,452,599)		(40,452,599)

(a) Concept: CostAndExpensesOfConstructionOrOtherServicesAssociateCompany

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 include \$498 of direct capital costs.

(b) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 and 2022 include the following:

	<u>2023</u>	<u>2022</u>
Capital Costs	\$498	\$1,391,871
Other Balance Sheet Accounts	—	2,202,145
	\$498	\$3,594,016

Name of Respondent: Entergy Nuclear Operations, Inc.	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39	This Report Is:	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

Schedule XVII - Analysis of Billing - Associate Companies (Account 457)

1. For Services Rendered to Associate Companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation for Use of Capital (d)	Total Amount Billed (e)
1	Deferred	1,068			1,068
2	Entergy Arkansas, LLC	371,430			371,430
3	Entergy Enterprises, Inc	(40,803,531)			(40,803,531)
4	Entergy Louisiana, LLC	(29,724)			(29,724)
5	Entergy Operations, Inc.	(1,116)			(1,116)
6	Entergy Services, LLC	9,644			9,644
7	Entergy Corporation	(370)			(370)
40	Total	(40,452,599)			(40,452,599)

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)

1. For Services Rendered to Non-Associate Companies (Account 458), list all of the non-associate companies. In a footnote, describe the services rendered to each respective non-associate company.

Line No.	Name of Non-associate Company (a)	Account 458.1 Direct Costs Charged (b)	Account 458.2 Indirect Costs Charged (c)	Account 458.3 Compensation for Use of Capital (d)	Account 458.4 Excess or Deficiency on Servicing Non-associate Utility Companies (e)	Total Amount Billed (f)
1						
2						
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35	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39					
36						
37						
38						
39						
40	Total					

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Year/Period of Report: End of: 2023/ Q4
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Schedule XIX - Miscellaneous General Expenses - Account 930.2

1. Provide a listing of the amount included in Miscellaneous General Expenses (Account 930.2), classifying such expenses according to their nature. Amounts less than \$50,000 may be grouped showing the number of items and the total for the group.
2. Payments and expenses permitted by Section 321 (b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. 441(b)(2)) shall be separately classified.

Line No.	Title of Account (a)	Amount (b)
1	Palisades license transfer transaction and other post sale costs	89,609
2	IT hardware applications/service contracts	2,468
3	5% Surcharge	1,572
4	Tax services	(1,217)
5	Other	323
40	Total	92,755

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Year/Period of Report: End of: 2023/ Q4
Schedule XX - Organization Chart			
1. Provide a graphical presentation of the relationships and inter relationships within the service company that identifies lines of authority and responsibility in the organization.			

Name of Respondent: Entergy Nuclear Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	APSC FILED Time: 5/31/2024 8:27:49 AM: Recvd 5/31/2024 8:17:10 AM: Docket 07-114-U-Doc. 39 Year/Period of Report: End of: 2023/ Q4
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Schedule XXI - Methods of Allocation

1. Indicate the service department or function and the basis for allocation used when employees render services to more than one department or functional group. If a ratio, include the numerator and denominator.
2. Include any other allocation methods used to allocate costs.

Represented in the table entitled "Allocation Methods by Department or Function", are the service department or function and the basis for allocation used when employees render services to more than one department or functional group. The second table, entitled "Basis for Allocation and Ratio by Billing Method", contains the numerator and denominator of each allocation method that is represented as a ratio.

Allocation Methods by Department or Function

Department or Function	Allocation Method	Basis for Allocation
Corporate	EMPLNYPA	Based on Nuclear North Site employees
	SENUCALL	Based on the number of operating Nuclear North Units
Finance and Accounting	SENUCALL	Based on the number of operating Nuclear North Units
Information Technology	SENUCALL	Based on the number of operating Nuclear North Units
	SNUNEALL	Based on the total number of Nuclear North Units
Nuclear Operations	EMPLNYPA	Based on Nuclear North Site employees
	SENUCALL	Based on the number of operating Nuclear North Units
	SNUNEALL	Based on the total number of Nuclear North Units
	SPL77N7A	Split equally between Indian Point 2 and Indian Point 3
Power Generation	SENUCALL	Based on the number of operating Nuclear North Units
Tax and Interest Expense	SENUCALL	Based on the number of operating Nuclear North Units

Basis for Allocation and Ratio by Billing Method

Billing Method	Numerator	Denominator
EMPLNYPA	Number of New York Power Authority employees per company	Based on number of New York Power Authority employees
SENUCALL	Number of operating Nuclear North Units per company	Total number of all operating Nuclear North Units
SNUNEALL	Number of Nuclear North Units per company	Total number of all Nuclear North Units
SPL77N7A	Number of Nuclear Units per company - Indian Point 2 and Indian Point 3	Total number of Indian Point 2 and Indian Point 3 Nuclear Units

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No.



FERC FINANCIAL REPORT FERC FORM No. 60: Annual Report of Centralized Service Companies

This report is mandatory under the Public Utility Holding Company Act of 2005, Section 1270, Section 309 of the Federal Power Act and 18 C.F.R. § 366.23. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Year/Period of Report:
End of: 2023/ Q4

Entergy Operations, Inc.

FERC FORM NO. 60 (12-06)

GENERAL INSTRUCTIONS FOR FILING FERC FORM NO. 60

Purpose

Form No. 60 is an annual regulatory support requirement under 18 C.F.R. § 369.1 for centralized service companies. The report is designed to collect financial information from centralized service companies subject to the jurisdiction of the Federal Energy Regulatory Commission. The report is considered to be a non-confidential public use form.

Who Must Submit

Unless the holding company system is exempted or granted a waiver by Commission rule or order pursuant to 18 C.F.R. § 366.3 and § 366.4 of this chapter, every centralized service company (see § 367.2) in a holding company system must prepare and file electronically with the Commission the FERC Form No. 60 then in effect pursuant to the General Instructions set out in this form.

How to Submit

Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at <https://eCollection.ferc.gov>, and according to the specifications in the Form 60 taxonomy.

When to Submit

Submit FERC Form No. 60 according to the filing date contained 18 C.F.R. § 369.1 of the Commission's regulations.

Preparation

Prepare this report in conformity with the Uniform System of Accounts (18 C.F.R. § 367) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Time Period

This report covers the entire calendar year.

Whole Dollar Usage

Enter in whole numbers (dollars) only, except where otherwise noted. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's amounts.

Accurateness

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

Applicability

For any page(s) that is not applicable to the respondent, enter "NONE," or "Not Applicable" in column (c) on the List of Schedules, page 2.

Date Format

Enter the month, day, and year for all dates. Use customary abbreviations. The "Resubmission Date" included in the header of each page is to be completed only for resubmissions (see III. above).

Number Format

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by use of a minus sign.

Required Entries

Do not make references to reports of previous years or to other reports instead of required entries, except as specifically authorized.

Prior Year References

Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the report of the previous year, or an appropriate explanation given as to why the different figures were used.

Where to Send Comments on Public Reporting Burden

The public reporting burden for the Form No. 60 collection of information is estimated to average 75 hours per response, including

- the time for reviewing instructions, searching existing data sources,
- gathering and maintaining the data-needed, and
- completing and reviewing the collection of information.

Send comments regarding these burden estimates or any aspect of this collection of information, including suggestions for reducing burden, to:

Federal Energy Regulatory Commission, (Attention: Information Clearance Officer, CIO),
888 First Street NE,
Washington, DC 20426
or by email to DataClearance@ferc.gov

And to:

Office of Information and Regulatory Affairs,
Office of Management and Budget, Washington, DC 20503 (Attention: Desk Office for the Federal Energy Regulatory Commission).
Comments to OMB should be submitted by email to: oira_submission@omb.eop.gov

No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512(a)).

DEFINITIONS

Respondent -- The person, corporation, or other legal entity in whose behalf the report is made.

**FERC FORM NO. 60
REPORT OF CENTRALIZED SERVICE COMPANIES**

Identification

01 Exact Legal Name of Respondent Entergy Operations, Inc.	02 Year / Period of Report 2023/ Q4
03 Previous Name (if name changed during the year)	04 Date of Name Change
05 Address of Principal Office at End of Year (Street, City, State, Zip Code) 1340 Echelon Parkway, Jackson, MS 39213	06 Name of Contact Person Gina G. Bellott
07 Title of Contact Person Sr. Staff Accountant	08 Address of Contact Person 639 Loyola Avenue, New Orleans, LA 70113
09 Telephone Number of Contact Person (504) 858-3276	10 E-mail Address of Contact Person gbellot@entergy.com
11 This Report is An Original / A Resubmission (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12 Date of Report 04/26/2024
13 Date of Incorporation 06/06/1990	14 If Not Incorporated, Date of Organization
15 State or Sovereign Power Under Which Incorporated or Organized DE	
16 Name of Principal Holding Company Under Which Reporting Company is Organized: Entergy Corporation	

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:
I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

17 Name of Signing Officer Reginald T. Jackson	19 Signature of Signing Officer Reginald T. Jackson	20 Date Signed (Month, Day, Year) 04/26/2024
18 Title of Signing Officer Sr. VP & Chief Accounting Officer		

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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List of Schedules

1. Enter in Column (c) the terms "None" or "Not Applicable" as appropriate, where no information or amounts have been reported for certain pages.

Line No.	Description (a)	Page Reference (b)	Remarks (c)
1	Schedule I - Comparative Balance Sheet	101	
2	Schedule II - Service Company Property	103	
3	Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property	104	
4	Schedule IV - Investments	105	
4.1	Schedule IV - Investments - Other Investments	105	
4.2	Schedule IV - Investments - Other Special Funds	105	
4.3	Schedule IV - Investments - Temporary Cash Investments	105	
5	Schedule V - Accounts Receivable from Associate Companies	106	
6	Schedule VI - Fuel Stock Expenses Undistributed	107	NA
7	Schedule VII - Stores Expense Undistributed	108	NA
8	Schedule VIII - Miscellaneous Current and Accrued Assets	109	
9	Schedule IX - Miscellaneous Deferred Debits	110	
10	Schedule X - Research, Development, or Demonstration Expenditures	111	NA
11	Schedule XI - Proprietary Capital	201	
12	Schedule XII - Long-Term Debt	202	NA
13	Schedule XIII - Current and Accrued Liabilities	203	
14	Schedule XIV - Notes to Financial Statements	204	
15	Schedule XV - Comparative Income Statement	301	
16	Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies	303	
17	Schedule XVII - Analysis of Billing - Associate Companies (Account 457)	307	
18	Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)	308	NA
21	Schedule XIX - Miscellaneous General Expenses - Account 930.2	309	
23	Schedule XX - Organization Chart	401	

24	Schedule XXI - Methods of Allocation	402	
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Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule I - Comparative Balance Sheet

1. Give balance sheet of the Company as of December 31 of the current and prior year.

Line No.	Account Number (a)	Description (b)	Reference Page No. (c)	As of Dec 31 Current (d)	As of Dec 31 Prior (e)
1		Service Company Property			
2	101	Service Company Property	103	15,966,076	15,192,590
3	101.1	Property Under Capital Leases	103	6,354,084	8,561,656
4	106	Completed Construction Not Classified			
5	107	Construction Work In Progress	103	132,372	
6		Total Property (Total Of Lines 2-5)		22,452,532	23,754,246
7	108	Less: Accumulated Provision for Depreciation of Service Company Property	104	8,357,677	7,905,247
8	111	Less: Accumulated Provision for Amortization of Service Company Property		3,510,609	3,507,445
9		Net Service Company Property (Total of Lines 6-8)		10,584,246	12,341,554
10		Investments			
11	123	Investment In Associate Companies	105		
12	124	Other Investments	105		
13	128	Other Special Funds	105		143,958
14		Total Investments (Total of Lines 11-13)			143,958
15		Current And Accrued Assets			
16	131	Cash		150,196	150,550
17	134	Other Special Deposits			
18	135	Working Funds		39,518	53,740
19	136	Temporary Cash Investments	105	2,534,312	832,455
20	141	Notes Receivable			
21	142	Customer Accounts Receivable			
22	143	Accounts Receivable		1,544,771	1,244,014
23	144	Less: Accumulated Provision for Uncollectible Accounts			

23.1	145	<u>Notes Receivable From Associate Companies</u>			
24	146	<u>Accounts Receivable From Associate Companies</u>	106	57,883,594	71,118,772
25	152	<u>Fuel Stock Expenses Undistributed</u>	107		
26	154	<u>Materials And Supplies</u>			
27	163	<u>Stores Expense Undistributed</u>	108		
28	165	<u>Prepayments</u>		1,159,309	1,771,793
29	171	<u>Interest And Dividends Receivable</u>		50,176	60,487
30	172	<u>Rents Receivable</u>			
31	173	<u>Accrued Revenues</u>			
32	174	<u>Miscellaneous Current and Accrued Assets</u>	109	64,241	1,070,963
33	175	<u>Derivative Instrument Assets</u>			
34	176	<u>Derivative Instrument Assets - Hedges</u>			
35		<u>Total Current and Accrued Assets (Total of Lines 16-34)</u>		63,426,117	76,302,774
36		<u>Deferred Debits</u>			
37	181	<u>Unamortized Debt Expense</u>			
38	182.3	<u>Other Regulatory Assets</u>		19,837,938	19,162,621
39	183	<u>Preliminary Survey And Investigation Charges</u>		12,696	319,589
40	184	<u>Clearing Accounts</u>		(560,760)	(168,544)
41	185	<u>Temporary Facilities</u>			
42	186	<u>Miscellaneous Deferred Debits</u>	110	8,356,456	7,305,156
43	188	<u>Research, Development, or Demonstration Expenditures</u>	111		
44	189	<u>Unamortized Loss on Reacquired Debt</u>			
45	190	<u>Accumulated Deferred Income Taxes</u>		17,799,309	16,427,541
46		<u>Total Deferred Debits (Total of Lines 37-45)</u>		45,445,639	43,046,363
47		<u>TOTAL ASSETS AND OTHER DEBITS (TOTAL OF LINES 9, 14, 35 and 46)</u>		119,456,002	131,834,649
48		<u>Proprietary Capital</u>			
49	201	<u>Common Stock Issued</u>	201	5,000	5,000
50	204	<u>Preferred Stock Issued</u>	201		
51	211	<u>Miscellaneous Paid-In-Capital</u>	201	995,000	995,000
52	215	<u>Appropriated Retained Earnings</u>	201		

53	216	<u>Unappropriated Retained Earnings</u>	201		
54	219	<u>Accumulated Other Comprehensive Income</u>	201		
55		<u>Total Proprietary Capital (Total of Lines 49-54)</u>		1,000,000	1,000,000
56		<u>Long-Term Debt</u>			
57	223	<u>Advances From Associate Companies</u>	202		
58	224	<u>Other Long-Term Debt</u>	202		
59	225	<u>Unamortized Premium on Long-Term Debt</u>			
60	226	<u>Less: Unamortized Discount on Long-Term Debt-Debit</u>			
61		<u>Total Long-Term Debt (Total of Lines 57-60)</u>			
62		<u>Other Non-current Liabilities</u>			
63	227	<u>Obligations Under Capital Leases-Non-current</u>		3,947,402	6,230,505
64	228.2	<u>Accumulated Provision for Injuries and Damages</u>		1,764,757	1,728,008
65	228.3	<u>Accumulated Provision For Pensions and Benefits</u>		1,072,000	179,000
66	230	<u>Asset Retirement Obligations</u>			
67		<u>Total Other Non-current Liabilities (Total of Lines 63-66)</u>		6,784,159	8,137,513
68		<u>Current and Accrued Liabilities</u>			
69	231	<u>Notes Payable</u>			
70	232	<u>Accounts Payable</u>		82,801,530	74,395,881
71	233	<u>Notes Payable to Associate Companies</u>	203		
72	234	<u>Accounts Payable to Associate Companies</u>	203	8,153,697	26,837,095
73	236	<u>Taxes Accrued</u>		2,653,903	1,712,070
74	237	<u>Interest Accrued</u>			
75	241	<u>Tax Collections Payable</u>		953,933	1,000,375
76	242	<u>Miscellaneous Current and Accrued Liabilities</u>	203	100,306	167,976
77	243	<u>Obligations Under Capital Leases - Current</u>		2,404,030	2,332,111
78	244	<u>Derivative Instrument Liabilities</u>			
79	245	<u>Derivative Instrument Liabilities - Hedges</u>			
80		<u>Total Current and Accrued Liabilities (Total of Lines 69-79)</u>		97,067,399	106,445,508
81		<u>Deferred Credits</u>			
82	253	<u>Other Deferred Credits</u>		6,879,265	10,575,301

83	254	Other Regulatory Liabilities		3,396,006	
84	255	Accumulated Deferred Investment Tax Credits			
85	257	Unamortized Gain on Reacquired Debt			
86	282	Accumulated deferred income taxes-Other property		250,921	244,668
87	283	Accumulated deferred income taxes-Other		4,078,252	5,431,659
88		Total Deferred Credits (Total of Lines 82-87)		14,604,444	16,251,628
89		TOTAL LIABILITIES AND PROPRIETARY CAPITAL (TOTAL OF LINES 55, 61, 67, 80, AND 88)		119,456,002	131,834,649

FOOTNOTE DATA

(a) Concept: PropertyUnderCapitalLeases

Includes operating leases recorded in accordance with FASB ASU No. 2016-02, Leases, as provided for in FERC Docket No. AI19-1-000. Refer to Note 4 of the Notes to the Financial Statements for further discussion.

(b) Concept: PropertyUnderCapitalLeases

Includes operating leases recorded in accordance with FASB ASU No. 2016-02, Leases, as provided for in FERC Docket No. AI19-1-000. Refer to Note 4 of the Notes to the Financial Statements for further discussion.

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule II - Service Company Property

1. Provide an explanation of Other Changes recorded in Column (f) considered material in a footnote.
2. Describe each construction work in progress on lines 18 through 30 in Column (b).

Line No.	Account # (a)	Title of Account (b)	Balance at Beginning of Year (c)	Additions (d)	Retirements or Sales (e)	Other Changes (f)	Balance at End of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	3,512,419				3,512,419
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements	8,506,700				8,506,700
6	391	Office Furniture and Equipment	2,244,311				2,244,311
7	392	Transportation Equipment	1,758				1,758
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment	195,282	773,486			968,768
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	244,356				244,356
13	398	Miscellaneous Equipment	487,764				487,764
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total Service Company Property (Total of Lines 1-15)	15,192,590	773,486			15,966,076
17	107	Construction Work in Progress:					
18		See Footnote Detail		132,372			132,372
31		Total Account 107 (Total of Lines 18-30)		132,372			132,372
32		Total (Lines 16 and Line 31)		905,858			16,098,448

FOOTNOTE DATA

(a) Concept: ConstructionWorkInProgress

	<u>Project</u>	<u>Amount</u>
Minor Modifications Blanket		\$108,595
2023 Laptop Purchases		23,777
Total		<u>\$132,372</u>

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property

1. Provide an explanation of Other Charges in Column (f) considered material in a footnote.

Line No.	Account Number (a)	Description (b)	Balance at Beginning of Year (c)	Additions Charged To Account 403-403.1 404-405 (d)	Retirements (e)	Other Changes Additions (Deductions) (f)	Balance at Close of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	3,507,445	3,164			3,510,609
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements	5,091,273	155,645			5,246,918
6	391	Office Furniture and Equipment	1,995,374	208,841			2,204,215
7	392	Transportation Equipment	88	176			264
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment	169,243	77,603			246,846
10	395	Laboratory Equipment					
11	396	Power Operated Equipment					
12	397	Communications Equipment	244,359				244,359
13	398	Miscellaneous Equipment	404,910	10,165			415,075
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total	11,412,692	455,594			11,868,286

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	123	Investment In Associate Companies		
2	124	Other Investments		
3	128	Other Special Funds	143,958	
4	136	Temporary Cash Investments	832,455	2,534,312
5		(Total of Line 1-4)	976,413	2,534,312

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1				
2				
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6				
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Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Special Funds

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
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15				
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Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Temporary Cash Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Balance at Close of Year (b)
1	Money Pool - External	2,534,312

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule V - Accounts Receivable from Associate Companies

- List the accounts receivable from each associate company.
- If the service company has provided accommodation or convenience payments for associate companies, provide in a separate footnote a listing of total payments for each associate company.

<u>Line No.</u>	<u>Account Number (a)</u>	<u>Title of Account (b)</u>	<u>Balance at Beginning of Year (c)</u>	<u>Balance at Close of Year (d)</u>	<u>Total Accommodation or Convenience Payments (e)</u>
1	146	Accounts Receivable From Associate Companies			
2		Associate Company:			
3		Entergy Arkansas, LLC	14,968,259	6,172,972	
4		System Energy Resources, Inc.	9,454,040	3,945,952	
5		Entergy Services, LLC	42,988	31,611	
6		Reclass Company	30,920	75,894	
7		Entergy Louisiana, LLC	18,984,500	8,337,892	
8		Entergy Nuclear Operations, Inc.	7,924		
9		Merchant Holdings Prop, LLC	11		
10		Money Pool - Internal - See Note 3 to the financial statements	27,630,130	39,319,273	
40	Total		71,118,772	57,883,594	

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VI - Fuel Stock Expenses Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associate company.
 2. In a separate footnote, describe in a narrative the fuel functions performed by the service company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	152	Fuel Stock Expenses Undistributed			
2		Associate Company:			
3					
4					
5					
6					
7					
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28					
29					
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35					
36					
37					
38					
39					
40					
41					
40	Total				

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VII - Stores Expense Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	163	Stores Expense Undistributed			
2		Associate Company:			
3					
4					
5					
6					
7					
8					
9					
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12					
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28					
29					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
40	Total				

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VIII - Miscellaneous Current and Accrued Assets

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	174	Miscellaneous Current and Accrued Assets		
2		Item List:		
3		Unbilled external jobbing orders	1,070,963	64,241
40	Total		1,070,963	64,241

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Schedule IX - Miscellaneous Deferred Debits

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	186	Miscellaneous Deferred Debits		
2		Item List:		
3		Non-expense accrued labor	7,207,634	8,283,586
4		Other - 2 items for 2022 and 2023	97,522	72,870
40	Total		7,305,156	8,356,456

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule X - Research, Development, or Demonstration Expenditures

1. Describe each material research, development, or demonstration project that incurred costs by the service company during the year. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Amount (c)
1	188	Research, Development, or Demonstration Expenditures	
2		Project List:	
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
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23			
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26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
40	Total		

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XI - Proprietary Capital

- For Miscellaneous Paid-In Capital (Account 211) and Appropriated Retained Earnings (Account 215), classify amounts in each account, with a brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.
- For Unappropriated Retained Earnings (Account 216), in a footnote, give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing non-associates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentages, amount of dividend, date declared and date paid.

Line No.	Account Number (a)	Title of Account (b)	Description (c)	Amount (d)
1	201	Common Stock Issued	Number of Shares Authorized	1,000
2			Par or Stated Value per Share	5
3			Outstanding Number of Shares	1,000
4			Close of Period Amount	5,000
5	204	Preferred Stock Issued	Number of Shares Authorized	
6			Par or Stated Value per Share	
7			Outstanding Number of Shares	
8			Close of Period Amount	
9	211	Miscellaneous Paid-In Capital		995,000
10	215	Appropriated Retained Earnings		
11	219	Accumulated Other Comprehensive Income		
12	216	Unappropriated Retained Earnings	Balance at Beginning of Year	
13			Net Income or (Loss)	
14			Dividend Paid	
15			Balance at Close of Year	

Line No.	Dividends paid during the year				
	Dividend Paid Description (a)	Dividend Rate (b)	Dividend Paid Amount (c)	Dividend Declared Date (d)	Dividend Paid Date (e)
1					
2					
3					
4					
5					

6					
7					
8					
9					
10					
11					
12					
13					
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25					
26					
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22										
23										
24										
25										
26										
27										
28		Total								

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIII - Current and Accrued Liabilities

1. Provide the balance of notes and accounts payable to each associate company (Accounts 233 and 234).
2. Give description and amount of Miscellaneous Current and Accrued Liabilities (Account 242). Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	233	Notes Payable to Associate Companies		
2		Associate Company:		
3				
4				
5				
6				
7				
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9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
23		Subtotal (Total of Lines 3-22)		
24	234	Accounts Payable to Associate Companies		

25		Associate Company:		
26		Entergy Arkansas, LLC	6,535,640	1,035,706
27		Entergy Texas, Inc.	40	
28		Entergy Louisiana, LLC	12,568,291	2,714,855
29		Entergy Mississippi, LLC	261	906
30		Entergy New Orleans, LLC	18	
31		System Energy Resources, Inc.	4,130,331	608,899
32		Entergy Corporation	3,475,147	3,781,363
33		Entergy Nuclear Operations, Inc.		6,630
34		Entergy Services, LLC	127,367	5,338
40		Subtotal (Total of Lines 26-39)	26,837,095	8,153,697
41	242	Miscellaneous Current and Accrued Liabilities		
42		Items List:		
43		Current portion OPEB	11,000	84,000
44		Non-qualified pension	148,448	7,783
45		Administer real estate	8,528	8,523
49		Subtotal (Total of Lines 43-48)	167,976	100,306
50		TOTAL (LINES 23, 40, AND 49)	27,005,071	8,254,003

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Schedule XIV - Notes to Financial Statements

1. Use the space below for important notes regarding the financial statements or any account thereof.
2. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year.
3. Furnish particulars as to any significant increase in services rendered or expenses incurred during the year.
4. Furnish particulars as to any amounts recorded in Extraordinary Income (Account 434) or Extraordinary Deductions (Account 435).
5. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.
6. Describe the annual statement supplied to each associate company in support of the amount of interest on borrowed capital and compensation for use of capital billed during the calendar year. State the basis for billing of interest to each associate company. If a ratio, describe in detail how ratio is computed. If more than one ratio, explain the calculation. Report the amount of interest borrowed and/or compensation for use of capital billed to each associate company.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Entergy Operations, Inc. (Entergy Operations) is a nuclear management service company wholly owned by Entergy Corporation. Entergy Operations has been authorized to act as an agent in the operations, but not ownership, of Arkansas Nuclear One Steam Electric Generating Station Units 1 and 2 (ANO), River Bend Steam Electric Generating Station (River Bend), Waterford Steam Electric Generating Station Unit No. 3 (Waterford 3), and Grand Gulf Steam Electric Generating Station Unit 1 (Grand Gulf 1), subject to oversight by Entergy Arkansas, LLC, Entergy Louisiana, LLC, and System Energy Resources, Inc. (collectively, the Companies), respectively. The Companies and the Grand Gulf 1 co-owner retain their ownership interests, associated capacity, and energy entitlements and pay directly or reimburse Entergy Operations for the costs associated with the operation and maintenance of these units. Entergy Corporation entered into separate guarantee agreements with the Companies whereby Entergy Corporation guaranteed the financial ability of Entergy Operations to meet its various financial obligations to the Companies under the operating agreements, as long as the Companies continue to meet their payment obligations to Entergy Operations under the applicable operating agreements.

System of Accounts

Entergy Operations maintains its accounting records using a system of accounts which is in accordance with the system prescribed by the Federal Energy Regulatory Commission. Certain reclassifications, which have no effect on net income or shareholder's equity, may be made to previously reported amounts to conform to current account classifications.

Use of Estimates in the Preparation of Financial Statements

The preparation of Entergy Operations' financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as well as the reported amounts of revenues and expenses. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used.

Depreciation and Amortization

Depreciation is computed on a straight-line basis at rates based on the estimated service lives of the various classes of property, which range from 5 to 31-1/2 years.

Income Taxes

Accounting standards require that deferred income taxes be recorded for all temporary differences between the financial statement basis and tax basis of assets, liabilities, and loss carryforwards. Temporary differences are recorded based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse.

Entergy Operations joins its parent and most of the other Entergy Corporation subsidiaries in filing a consolidated federal income tax return. Income taxes (or benefits) are allocated to Entergy Operations in proportion to its contribution to consolidated taxable income.

Cash and Cash Equivalents

Entergy Operations considers all unrestricted highly liquid debt instruments with an original maturity at acquisition of three months or less to be cash equivalents. Investments with original maturities of more than three months are classified as other temporary investments on the balance sheet.

Fair Value Disclosure

Entergy Operations considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments.

NOTE 2. INCOME TAXES

Deferred income tax assets (liabilities) are comprised of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
<u>Deferred Tax Assets:</u>		
Combined Unitary Taxes	(\$1,144)	(\$1,191)
Compensation	348,361	292,353
Contributions	560,933	598,858
Credit Carryforward	56,094	—
Net Operating Loss	922,070	1,031,327
Pension and benefits (OPEB) reserves	16,755,119	16,964,636
Pension (net funding)	(3,383,159)	(3,204,194)
Other Tax Credits	2,342,507	—
Other	198,528	745,752
Total	<u>\$17,799,309</u>	<u>\$16,427,541</u>
<u>Deferred Tax Liabilities:</u>		
Pension and benefits (OPEB) reserves	(\$4,235,608)	(\$4,972,231)
Plant-related basis differences	(250,921)	(244,668)
Other	157,356	(459,428)
Total	<u>(\$4,329,173)</u>	<u>(\$5,676,327)</u>
Net Deferred Tax Assets	<u>\$13,470,136</u>	<u>\$10,751,214</u>

Entergy Operations' effective income tax rate was 100% in 2023 and 2022 compared to the current federal statutory income tax rate of 21%. The primary reason for the difference between the effective and statutory income tax rates is that Entergy Operations collects revenue adequate to fund its income tax expense. The income tax benefit for 2023 and expense for 2022 resulted primarily from non-deductible permanent items and state income taxes.

The provision for intercompany expense (benefit) in lieu of federal income taxes for the years ended December 31, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
<u>Current:</u>		
Federal	\$429,097	\$262,809
State	200,369	21,598
Current Total	<u>\$629,466</u>	<u>\$284,407</u>
<u>Deferred:</u>		
Federal	(\$149,112)	(\$642,402)
State	(2,569,811)	199,513
Deferred Total	<u>(\$2,718,923)</u>	<u>(\$442,889)</u>
Total Income Tax Expense	<u>(\$2,089,457)</u>	<u>(\$158,482)</u>

NOTE 3. LINES OF CREDIT AND RELATED SHORT-TERM BORROWINGS

Entergy Operations participates with certain other Entergy Corporation subsidiaries in the System Money Pool (Money Pool), an intra-system borrowing arrangement designed to reduce the companies' dependence on external short-term borrowings. Entergy Operations did not borrow from the Money Pool during 2023.

NOTE 4. OPERATING LEASES

Entergy Operations incurred the following total lease costs for the year ended December 31, 2023:

	<u>(In Thousands)</u>
Operating lease cost	\$2,619
Finance lease cost:	
Amortization of right-of-use assets	\$80
Interest on lease liabilities	\$7

Included within Property, Plant, and Equipment on Entergy Operations' consolidated balance sheet at December 31, 2023 are the following amounts:

	<u>(In Thousands)</u>
Operating leases	\$6,150
Finance leases	\$204

The following lease-related liabilities are recorded within the respective Other lines on Entergy Operations' consolidated balance sheet as of December 31, 2023:

	<u>(In Thousands)</u>
Current liabilities:	
Operating leases	\$2,328
Finance leases	\$76
Non-current liabilities:	
Operating leases	\$3,820
Finance leases	\$128

The following information contains the weighted average remaining lease term in years and the weighted average discount rate for the operating and finance leases of Entergy Operations at December 31, 2023:

Weighted average remaining lease terms:	
Operating leases	2.59
Finance leases	3.83
Weighted average discount rate:	
Operating leases	4.06 %
Finance leases	3.56 %

At December 31, 2023, Entergy Operations had non-cancelable operating leases with minimum lease payments as follows (in thousands):

2024	\$221
2025	202
2026	96
2027	10
2028	0
Years thereafter	0
	<u>\$529</u>

At December 31, 2023, Entergy Operations had non-cancelable financing leases with minimum lease payments as follows (in thousands):

2024	\$82
2025	57
2026	34
2027	25
2028	9
Years thereafter	12
	<u>\$219</u>

NOTE 5. EMPLOYEE BENEFITS

Stock-based Compensation

Entergy Operations participates in an Equity Ownership Plan, which grants stock options, restricted stock, performance units, and restricted stock units to certain key employees. Effective May 3, 2019, Entergy's shareholders approved the 2019 Omnibus Incentive Plan (2019 Plan). The maximum number of common shares that can be issued from the 2019 Plan for stock-based awards is 12,200,000 all of which are available for incentive stock based grants. The 2019 Plan applies to awards granted on or after May 3, 2019 and awards expire ten years from the date of grant.

As of December 31, 2023, there were 7,546,825 authorized shares remaining for stock-based awards. The costs of the stock options, restricted stock and performance units are charged to income over three years. The costs of the restricted stock unit awards are charged to income over the restricted period, which varies from grant to grant. Entergy Operations' costs for these awards, including capitalized amounts, were approximately \$5.0 million for 2023 and approximately \$4.5 million for 2022.

Defined Contribution Plans

Employees of Entergy Operations are also eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries (System Savings Plan). The System Savings Plan is a defined contribution plan covering eligible employees of Entergy and certain of its subsidiaries. The participating Entergy subsidiary makes matching contributions to the System Savings Plans for all eligible participating employees in an amount equal to either 70% or 100% of the participants' basic contributions, up to 6% of their eligible earnings per pay period. The matching contribution is allocated to investments as directed by the employee.

Employees of Entergy Operations may also be eligible to participate in the the Savings Plan of Entergy Corporation and Subsidiaries VIII (established January 2021) and the Savings Plan of Entergy Corporation and Subsidiaries IX (established January 2021) to which company contributions are made. The participating Entergy subsidiary makes matching contributions to these defined contribution plans for all eligible participating employees in an amount equal to 100% of the participants' basic contributions, up to 5% of their eligible earnings per pay period. Eligible participants may also receive a discretionary annual company contribution up to 4% of the participant's eligible earnings (subject to vesting).

Entergy Operations' contributions to the Savings Plans were \$18.1 million in 2023 and \$17 million in 2022.

Qualified Pension Plan and Other Postretirement Benefit Plans

Entergy Operations provides pension and retiree medical, dental, vision, and life insurance benefits (other postretirement benefits) for eligible retired employees. The pension and other postretirement benefit obligations for the employees and former employees whose primary work location is a nuclear site remains with the operating company who owns the plant.

Entergy has defined benefit qualified pension plans, including the Entergy Corporation Retirement Plan for Non-Bargaining Employees (Non-Bargaining Plan I), the Entergy Corporation Retirement Plan for Bargaining Employees (Bargaining Plan I), the Entergy Corporation Retirement Plan II for Non-Bargaining Employees (Non-Bargaining Plan II), the Entergy Corporation Retirement Plan II for Bargaining Employees (Bargaining Plan II), the Entergy Corporation Retirement Plan III (Plan III), the Entergy Corporation Retirement Plan IV for Bargaining Employees (Bargaining Plan IV), and the Entergy Corporation Cash Balance Plan for Bargaining Employees (Bargaining Cash Balance Plan). The Entergy Corporation Cash Balance Plan for Non-Bargaining Employees (Non-Bargaining Cash Balance Plan) was merged with and into Non-Bargaining Plan I effective January 1, 2022. Effective January 1, 2024, Non-Bargaining Plan I was amended to spin-off predominately inactive participants into a new qualified pension plan, Entergy Corporation Retirement Plan VI for Non-Bargaining Employees (Non-Bargaining Plan VI). Eligible employees of Entergy Operations participate in these plans: Non-Bargaining Plan I, Bargaining Plan I, Plan III, Non-Bargaining Plan VI, and Bargaining Cash Balance Plan. Non-bargaining and bargaining employees whose most recent date of hire was prior to June 30, 2014 (or such later date provided for in their applicable collective bargaining agreement) participate in a noncontributory final average pay formula that provides pension benefits based on the employee's credited service and compensation during employment. Non-bargaining and bargaining employees whose most recent date of hire is after June 30, 2014 and before January 1, 2021 (or such later date provided for in their applicable collective bargaining agreement) do not participate in a final average pay formula, but instead participate in a cash balance formula. Effective January 1, 2021, the Non-Bargaining Cash Balance Plan and Bargaining Cash Balance Plan were amended to close participation in each plan to those employees whose most recent hire date is after December 31, 2020 (or such later date provided for in their applicable collective bargaining agreement). Employees hired after this date instead may be eligible to participate in and receive a discretionary employer contribution under an Entergy sponsored tax-qualified defined contribution plan that includes a 401(k) feature.

The assets of the defined benefit qualified pension plans are held in a master trust established by Entergy. Each pension plan has an undivided beneficial interest in each of the investment accounts in the master trust that is maintained by a trustee. Use of the master trust permits the commingling of the trust assets of the pension plans of Entergy Corporation and its Registrant Subsidiaries for investment and administrative purposes. Although assets in the master trust are commingled, the trustee maintains supporting records for the purpose of allocating the trust level equity in net earnings (loss) and the administrative expenses of the investment accounts in the trust to the various participating pension plans in the trust. The fair value of the trust's assets is determined by the trustee and certain investment managers. The trustee calculates a daily earnings factor, including realized and unrealized gains or losses, collected and accrued income, and administrative expenses, and allocates earnings to each plan in the master trust on a pro rata basis.

Within each pension plan, Entergy Operations' beneficial interest in the plan assets is maintained by the plan's actuary and is updated quarterly. Assets are increased for investment net income and contributions, and are decreased for benefit payments. A plan's investment net income/loss (i.e. interest and dividends, realized and unrealized gains and losses and expenses) is allocated to Entergy Operations based on the value of assets at the beginning of the quarter adjusted for contributions and benefit payments made during the quarter.

Entergy Operations' funds pension plans in an amount not less than the minimum required contribution under the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts.

In March 2020, Entergy announced changes to its other postretirement benefits. Effective January 1, 2021, certain retired, former non-bargaining employees age 65 and older who are eligible for Entergy-sponsored retiree welfare benefits, and their eligible spouses who are age 65 and older (collectively, Medicare-eligible participants), are eligible to participate in an Entergy-sponsored retiree health plan, and are no longer eligible for retiree coverage under the Entergy Corporation Companies' Benefits Plus Medical, Dental and Vision Plans. Under the Entergy-sponsored retiree health plan, Medicare-eligible participants are eligible to participate in a health reimbursement arrangement which they may use towards the purchase of various types of qualified insurance offered through a Medicare exchange provider and for other qualified medical expenses. The changes affecting active bargaining unit employees were negotiated with the unions prior to implementation, where necessary, and to the extent required by law.

Components of Qualified Net Pension Cost and Other Postretirement (Income)/Cost and Other Amounts Recognized as a Regulatory Asset

Entergy Operations' qualified pension and other postretirement (income)/costs, including capitalized amounts, included the following components:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
	(In Thousands)			
Net periodic pension and other postretirement (income)/costs				
Interest cost	\$1,629	\$1,292	\$9	\$5
Expected return on assets	(2,073)	(2,365)	-	-
Amortization of prior service credit	-	-	(104)	(104)
Recognized net (gain)/loss	573	1,672	(60)	(62)
Settlement charges	367	179	-	-
Net periodic pension and other postretirement (income)/costs	<u>\$496</u>	<u>\$778</u>	<u>(\$155)</u>	<u>(\$161)</u>
Other changes in plan assets and benefit obligations recognized as a regulatory asset				
Arising this period:				
Net (gain)/loss	(\$758)	\$1,973	\$574	(\$34)
Amounts reclassified from regulatory asset to net periodic benefit cost in the current year:				
Amortization of prior service credit	-	-	104	104
Amortization of net gain/(loss)	(573)	(1,672)	60	62
Settlement charges	(367)	(179)	-	-
Total	<u>(\$1,698)</u>	<u>\$122</u>	<u>\$738</u>	<u>\$132</u>
Total recognized as net periodic benefit cost, and/or regulatory asset	<u>(\$1,202)</u>	<u>\$900</u>	<u>\$583</u>	<u>(\$29)</u>

Qualified Pension and Other Postretirement Obligations, Plan Assets, Funded Status, Amounts Recognized in the Balance Sheet

The qualified pension and other postretirement benefit obligations, plan assets, funded status and amounts recognized in the balance sheet for Entergy Operations as of December 31, 2023 and 2022 were as follows:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
	(In Thousands)			
Change in Projected Benefit Obligation (PBO)/Accumulated Postretirement Obligation (APBO)				
Balance at beginning of year	\$34,024	\$44,991	\$179	\$233
Interest cost	1,629	1,292	9	5
Plan participant contributions	-	-	267	44
Actuarial (gain)/loss	1,076	(7,382)	573	(34)
Benefits paid (a)	(4,999)	(4,877)	(114)	(69)
Medicare Part D subsidy received	—	—	3	—
Balance at end of year	<u>\$31,730</u>	<u>\$34,024</u>	<u>\$917</u>	<u>\$179</u>
Change in Plan Assets				
Fair value of assets at beginning of year	\$28,256	\$38,456	-	-
Actual return on plan assets	3,907	(6,990)	—	-
Employer contributions	951	1,667	(152)	25
Plan participant contributions	-	-	266	44
Benefits paid (a)	(4,999)	(4,877)	(114)	(69)
Fair value of assets at end of year	<u>\$28,115</u>	<u>\$28,256</u>	<u>\$—</u>	<u>\$—</u>
Funded status	<u>(\$3,615)</u>	<u>(\$5,768)</u>	<u>(\$917)</u>	<u>(\$179)</u>
Amounts recognized in the balance sheet				
Current liabilities	\$-	\$-	(\$84)	(\$11)
Non-current liabilities	(3,615)	(5,768)	(833)	(168)
Funded status	<u>(\$3,615)</u>	<u>(\$5,768)</u>	<u>(\$917)</u>	<u>(\$179)</u>
Amounts recognized in regulatory asset				
Prior service credit	\$—	\$—	(\$219)	(\$323)
Net (gain)/loss	19,838	21,536	21	(613)
	<u>\$19,838</u>	<u>\$21,536</u>	<u>(\$198)</u>	<u>(\$936)</u>

(a) Including settlement lump sum benefit payments of (\$367) thousand and (\$321) thousand in 2023 and 2022 qualified pension, respectively.

Accumulated Qualified Pension Benefit Obligation

The accumulated qualified pension benefit obligation for Entergy Operations as of December 31, 2023 and 2022 were \$31.2 million and \$34 million, respectively.

Non-Qualified Pension Plans

Entergy Operations also sponsors non-qualified, non-contributory defined benefit pension plans that provide benefits to certain executives. Entergy Operations recognized net periodic pension cost of \$377 thousand in 2023 and \$498 thousand in 2022. In 2023 and 2022, Entergy Operations recognized \$176 thousand and \$34 thousand, respectively, in settlement charges related to the payment of lump sum benefits out of the plan that is included in the non-qualified pension plan cost above. The projected benefit obligation was \$99 thousand and \$2.1 million as of December 31, 2023 and 2022, respectively. The accumulated benefit obligation was \$56 thousand and \$1.9 million as of December 31, 2023 and 2022, respectively.

Entergy Operations' non-qualified, non-current liability at December 31, 2023 and 2022 was \$91 thousand and \$1.9 million, respectively; and its current liability was \$8 thousand and \$148 thousand, respectively. The sum of the prior service cost and net loss recognized in regulatory asset was \$3.2 million at December 31, 2023 and \$1.4 million at December 31, 2022.

Accounting for Pension and Other Postretirement Benefits

Accounting standards require an employer to recognize in its balance sheet the funded status of its benefit plans. This is measured as the difference between plan assets at fair value and the benefit obligation. Entergy Operations uses a December 31 measurement date for its pension and other postretirement plans. Employers are to record previously unrecognized gains and losses, prior service costs, and any remaining transition asset or obligation (that resulted from adopting prior pension and other postretirement benefits accounting standards) as comprehensive income and/or as a regulatory asset reflective of the recovery mechanism for pension and other postretirement benefit costs. Accounting standards also require that changes in the funded status be recorded as other comprehensive income and/or a regulatory asset in the period in which the changes occur.

With regard to pension costs, Entergy Operations calculates the expected return on pension plan assets by multiplying the long term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy Operations determines the MRV of pension assets, except for the long duration fixed income assets, by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For the long duration fixed income assets in the pension trust Entergy Operations uses fair value as the MRV.

Qualified Pension Plans' Assets

The Plan Administrator's trust asset investment strategy is to invest the assets in a manner whereby long-term earnings on the assets (plus cash contributions) provide adequate funding for retiree benefit payments. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense.

In the optimization studies, the Plan Administrator formulates assumptions about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes and making adjustments to reflect future conditions expected to prevail over the study period.

The target asset allocation for pension adjusts dynamically based on the funded status of each plan within the trust. The current targets are shown below. The expectation is that the allocation to fixed income securities will increase as the pension plans' funded status increases. The following ranges were established to produce an acceptable, economically efficient plan to manage around the targets.

Entergy's qualified pension weighted-average asset allocation by asset category at December 31, 2023 and 2022 and the target asset allocation and ranges are as follows:

Pension Asset Allocation	Target	Range			Actual 2023	Actual 2022
Domestic Equity Securities	32%	26%	to	38%	33%	42%
International Equity Securities	17%	14%	to	20%	18%	22%
Intermediate Fixed Income Securities	8%	7%	to	9%	9%	11%
Long Duration Fixed Income Securities	43%	39%	to	47%	40%	22%
Other	—%	—%	to	10%	—%	3%

In determining its expected long-term rate of return on plan assets used in the calculation of benefit plan costs, Entergy reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and some investment managers.

The expected long-term rate of return for the qualified pension plans' assets is based primarily on the geometric average of the historical annual performance of a representative portfolio weighted by the target asset allocation defined in the table above, along with other indications of expected return on assets. The time period reflected is a long dated period spanning several decades.

Concentrations of Credit Risk

Entergy Operations' investment guidelines mandate the avoidance of risk concentrations. Types of concentrations specified to be avoided include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, geographic area and individual security issuance. As of December 31, 2023 all investment managers and assets were materially in compliance with the approved investment guidelines, therefore there were no significant concentrations (defined as greater than 10 percent of plan assets) of risk in Entergy Operations' pension and other postretirement benefit plan assets.

Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 - Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by an independent party that uses inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden if it is believed such would be more reflective of fair value. Level 2 inputs include the following:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability; or
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If an asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Level 3 refers to securities valued based on significant unobservable inputs.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy, measured at fair value on a recurring basis at December 31, 2023, and December 31, 2022, a summary of the investments held in the master trusts for Entergy's qualified pension plans in which the Registrant Subsidiaries participate.

Qualified Defined Benefit Pension Plan Trusts

2023	Level 1	Level 2	Level 3	Total
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(In Thousands)

Equity securities:

Corporate stocks:

Preferred	\$10,827 (b)	\$—	\$—	\$10,827
Common	715,452 (b)	—	—	715,452
Common collective trusts (c)				2,066,247
Fixed income securities:				
U.S. Government securities	—	1,085,231 (a)	—	1,085,231
Corporate debt instruments	—	924,904 (a)	—	924,904
Registered investment companies (e)	34,364 (d)	2,718 (d)	—	657,691
Other	774 (f)	78,883 (f)	—	79,657
Other:				
Insurance company general account (unallocated contracts)	—	5,899 (g)	—	5,899
Total investments	<u>\$761,417</u>	<u>\$2,097,635</u>	<u>\$—</u>	<u>\$5,545,908</u>
Cash				1,488
Other pending transactions				(22,404)
Less: Other postretirement assets included in total investments				(64,391)
Total fair value of qualified pension assets				<u>\$5,460,601</u>

2022	Level 1	Level 2	Level 3	Total
				(In Thousands)
Equity securities:				
Corporate stocks:				
Preferred	\$12,178 (b)	\$—	\$—	\$12,178
Common	807,437 (b)	—	—	807,437
Common collective trusts (c)				2,516,688
Fixed income securities:				
U.S. Government securities	—	673,348 (a)	—	673,348
Corporate debt instruments	—	525,184 (a)	—	525,184
Registered investment companies (e)	221,582 (d)	2,595 (d)	—	750,454
Other	—	15,395 (f)	—	15,395
Other:				
Insurance company general account (unallocated contracts)	—	5,911 (g)	—	5,911
Total investments	<u>\$1,041,197</u>	<u>\$1,222,433</u>	<u>\$—</u>	<u>\$5,306,595</u>
Cash				10,601
Other pending transactions				(13,813)
Less: Other postretirement assets included in total investments				(61,285)
Total fair value of qualified pension assets				<u>\$5,242,098</u>

- Certain fixed income debt securities (corporate, government, and securitized) are stated at fair value as determined by broker quotes.
- Common stocks, certain preferred stocks, and certain fixed income debt securities (government) are stated at fair value determined by quoted market prices.
- The common collective trusts hold investments in accordance with stated objectives. The investment strategy of the trusts is to capture the growth potential of equity markets by replicating the performance of a specified index. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Net asset value per share of common collective trusts estimate fair value. Common collective trusts are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.
- Registered investment companies are money market mutual funds with a stable net asset value of one dollar per share. Registered investment companies may hold investments in domestic and international bond markets or domestic equities valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The money market mutual funds held by the trusts are deemed to be actively traded. Certain registered investment companies are recorded at contract value, which approximates fair value.
- Certain of these registered investment companies are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.
- The other remaining assets are U.S. municipal and foreign government bonds stated at fair value as determined by broker quotes.
- The unallocated insurance contract investments are recorded at contract value, which approximates fair value. The contract value represents contributions made under the contract, plus interest, less funds used to pay benefits and contract expenses, and less distributions to the master trust.

Estimated Future Benefit Payments

Based upon the assumptions used to measure the Entergy Operations' pension and postretirement benefit obligation at December 31, 2023, and including pension and postretirement benefits attributable to estimated future employee service, Entergy Operations expects that pension and other postretirement benefits to be paid over the next ten years are as follows (in thousands):

Year(s)	Estimated Future Benefit Payments		
	Qualified Pension	Non-Qualified Pension	Other Postretirement
2024	\$3,154	\$8	\$84
2025	\$3,075	\$7	\$83
2026	\$2,977	\$7	\$82
2027	\$2,821	\$6	\$81
2028	\$2,692	\$6	\$80
2029-2033	\$11,926	\$47	\$361

Contributions

In 2024, Entergy Operations expects to contribute approximately \$1.2 million to the qualified pension plans and \$84 thousand to its other postretirement plans.

Actuarial Assumptions

The significant actuarial assumptions used in determining the pension PBO and the other postretirement benefit APBO as of December 31, 2023 and 2022 were as follows:

	2023	2022
Weighted-average discount rate:		
Qualified pension	5.02% - 5.10%	5.21% - 5.27%
Other postretirement	5.01%	5.20%
Non-qualified pension	4.68%	4.98%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Interest crediting rate	4.00%	4.00%
Assumed health care trend rate:		
Pre-65	6.95%	6.65%
Post-65	7.88%	7.50%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefit costs for 2023 and 2022 were as follows:

	2023	2022
Weighted-average discount rate:		
Qualified pension:		
Service cost	5.25% - 5.31%	3.03% - 3.20%
Interest cost	4.92% - 5.18%	2.44% - 2.52%
Other postretirement:		
Service cost	5.00%	3.20%
Interest cost	5.09%	2.31%
Non-qualified pension:		
Service cost	5.31%	4.94%
Interest cost	5.30%	5.03%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Expected long-term rate of return on plan assets:		
Pension assets	7.00%	6.75%
Other postretirement non-taxable assets	6.00% - 7.00%	5.75% - 6.75%
Other postretirement taxable assets	5.25%	4.75%
Assumed health care trend rate:		
Pre-65	6.65%	5.65%
Post-65	7.50%	5.90%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 other postretirement benefits APBO. With respect to the mortality assumptions,

Entergy used the Pri-2012 Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 other postretirement benefits APBO.

NOTE 6. TRANSACTIONS WITH AFFILIATES

Entergy Operations has been authorized, pursuant to certain operating agreements, to act as an agent for the Companies in the operation, but not ownership, of ANO, River Bend, Waterford 3, and Grand Gulf 1. In return, the Companies pay directly or reimburse Entergy Operations for the costs associated with operating those units. Entergy Operations also provides similar services for other Entergy companies. In 2023 and 2022, Entergy Operations was paid or reimbursed a total of \$698 million and \$735 million, respectively, from ANO, River Bend, Waterford 3, and Grand Gulf 1 for the costs associated with operating those units and also for providing similar services to other Entergy companies.

NOTE 7. OTHER DEFERRED CREDITS

Other deferred credits (Account 253) consist principally of pension and postretirement benefit liabilities, long-term incentive compensation liabilities, and employee litigation reserve in both 2023 and 2022.

BOARD of DIRECTORS

Director (2)

OFFICERS

President and Chief Executive Officer
Executive Vice President and General Counsel
Chief Operating Officer – Nuclear Operations
Senior Vice President, Engineering and Technical Services
Vice President and Treasurer
Vice President, Nuclear Engineering
Vice President, Operations Support
Vice President, Plant Reliability
Vice President, Site (3)
Vice President, (Arkansas Nuclear One)
Secretary
Assistant Secretary
Assistant Treasurer
Tax Officer (2)
Board of Directors

Director (3)

OFFICERS

President and Chief Executive Officer
Executive Vice President and General Counsel
Chief Operating Officer – Nuclear Operations
Senior Vice President, Engineering and Technical Services
Vice President and Treasurer
Vice President, Nuclear Engineering
Vice President, Operations Support
Vice President, Site (4)
Secretary
Assistant Secretary
Assistant Treasurer
Tax Officer (2)

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XV - Comparative Income Statement

Line No.	Account Number (a)	Title of Account (b)	Current Year (c)	Prior Year (d)
1		<u>SERVICE COMPANY OPERATING REVENUES</u>		
2	400	<u>Service Company Operating Revenues</u>	667,536,270	717,974,405
3		<u>SERVICE COMPANY OPERATING EXPENSES</u>		
4	401	<u>Operation Expenses</u>	324,136,305	376,872,639
5	402	<u>Maintenance Expenses</u>	172,193,937	179,337,982
6	403	<u>Depreciation Expenses</u>	452,431	604,560
7	403.1	<u>Depreciation Expense for Asset Retirement Costs</u>		
8	404	<u>Amortization of Limited-Term Property</u>	3,164	4,392
9	405	<u>Amortization of Other Property</u>		
10	407.3	<u>Regulatory Debits</u>		
11	407.4	<u>Regulatory Credits</u>		
12	408.1	<u>Taxes Other Than Income Taxes, Operating Income</u>	28,271,790	29,496,181
13	409.1	<u>Income Taxes, Operating Income</u>	629,466	284,407
14	410.1	<u>Provision for Deferred Income Taxes, Operating Income</u>	27,110,894	26,757,761
15	411.1	<u>Provision for Deferred Income Taxes - Credit , Operating Income</u>	(29,829,817)	(27,200,650)
16	411.4	<u>Investment Tax Credit, Service Company Property</u>		
17	411.6	<u>Gains from Disposition of Service Company Plant</u>		
18	411.7	<u>Losses from Disposition of Service Company Plant</u>		
19	411.10	<u>Accretion Expense</u>		
20	412	<u>Costs and Expenses of Construction or Other Services</u>	\$145,212,635	131,688,449
21	416	<u>Costs and Expenses of Merchandising, Jobbing, and Contract Work</u>		
22		<u>TOTAL SERVICE COMPANY OPERATING EXPENSES (Total of Lines 4-21)</u>	668,180,805	717,845,721
23		<u>NET SERVICE COMPANY OPERATING INCOME (Total of Lines 2 less 22)</u>	(644,535)	128,684
24		<u>OTHER INCOME</u>		
25	418.1	<u>Equity in Earnings of Subsidiary Companies</u>		
26	419	<u>Interest and Dividend Income</u>	899,863	298,104

27	419.1	Allowance for Other Funds Used During Construction		
28	421	Miscellaneous Income or Loss		
29	421.1	Gain on Disposition of Property		
30		TOTAL OTHER INCOME (Total of Lines 25-29)	899,863	298,104
31		OTHER INCOME DEDUCTIONS		
32	421.2	Loss on Disposition of Property		
33	425	Miscellaneous Amortization		
34	426.1	Donations	178,323	422,057
35	426.2	Life Insurance		
36	426.3	Penalties		
37	426.4	Expenditures for Certain Civic, Political and Related Activities		
38	426.5	Other Deductions	28,502	3,616
39		TOTAL OTHER INCOME DEDUCTIONS (Total of Lines 32-38)	206,825	425,673
40		TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		
41	408.2	Taxes Other Than Income Taxes, Other Income and Deductions		
42	409.2	Income Taxes, Other Income and Deductions		
43	410.2	Provision for Deferred Income Taxes, Other Income and Deductions		
44	411.2	Provision for Deferred Income Taxes - Credit, Other Income and Deductions		
45	411.5	Investment Tax Credit, Other Income Deductions		
46		TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS (Total of Lines 41-45)		
47		INTEREST CHARGES		
48	427	Interest on Long-Term Debt		
49	428	Amortization of Debt Discount and Expense		
50	429	(less) Amortization of Premium on Debt- Credit		
51	430	Interest on Debt to Associate Companies	48,503	468
52	431	Other Interest Expense		647
53	432	(less) Allowance for Borrowed Funds Used During Construction-Credit		
54		TOTAL INTEREST CHARGES (Total of Lines 48-53)	48,503	1,115
55		NET INCOME BEFORE EXTRAORDINARY ITEMS (Total of Lines 23, 30, minus 39, 46, and 54)		

56		EXTRAORDINARY ITEMS		
57	434	Extraordinary Income		
58	435	(less) Extraordinary Deductions		
59		Net Extraordinary Items (Line 57 less Line 58)		
60	409.4	(less) Income Taxes, Extraordinary		
61		Extraordinary Items After Taxes (Line 59 less Line 60)		
62		NET INCOME OR LOSS/COST OF SERVICE (Total of Lines 55 and 61)		

FOOTNOTE DATA

(a) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 and 2022 include the following:

	<u>2023</u>	<u>2022</u>
Capital Costs	\$101,111,217	\$80,097,848
Other Balance Sheet Accounts	44,101,418	51,590,601
	\$145,212,635	\$131,688,449

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies

1. Total cost of service will equal for associate and non-associate companies the total amount billed under their separate analysis of billing schedules.

Line No.	Account Number (a)	Title of Account (b)	Associate Company Direct Cost (c)	Associate Company Indirect Cost (d)	Associate Company Total Cost (e)	Nonassociate Company Direct Cost (f)	Nonassociate Company Indirect Cost (g)	Nonassociate Company Total Cost (h)	Total Charges for Services Direct Cost (i)	Total Charges for Services Indirect Cost (j)	Total Charges for Services Total Cost (k)
1	403-403.1	Depreciation Expense	452,431		452,431				452,431		452,431
2	404-405	Amortization Expense	3,164		3,164				3,164		3,164
3	407.3-407.4	Regulatory Debits/Credits - Net									
4	408.1-408.2	Taxes Other Than Income Taxes	28,271,790		28,271,790				28,271,790		28,271,790
5	409.1-409.3	Income Taxes	629,466		629,466				629,466		629,466
6	410.1-410.2	Provision for Deferred Taxes	27,110,894		27,110,894				27,110,894		27,110,894
7	411.1-411.2	Provision for Deferred Taxes - Credit	29,829,817		29,829,817				29,829,817		29,829,817
8	411.6	Gain from Disposition of Service Company Plant									
9	411.7	Losses from Disposition of Service Company Plant									
10	411.4-411.5	Investment Tax Credit Adjustment									
11	411.10	Accretion Expense									
12	412	Costs and Expenses of Construction or Other Services	145,212,635		145,212,635				145,212,635		145,212,635
13	416	Costs and Expenses of Merchandising, Jobbing, and Contract Work for Associated Companies									
14	418	Non-operating Rental Income									
15	418.1	Equity in Earnings of Subsidiary Companies									
16	419	Interest and Dividend Income	899,863		899,863				899,863		899,863

17	419.1	Allowance for Other Funds Used During Construction								
18	421	Miscellaneous Income or Loss								
19	421.1	Gain on Disposition of Property								
20	421.2	Loss on Disposition Of Property								
21	425	Miscellaneous Amortization								
22	426.1	Donations	178,323		178,323			178,323		178,323
23	426.2	Life Insurance								
24	426.3	Penalties								
25	426.4	Expenditures for Certain Civic, Political and Related Activities								
26	426.5	Other Deductions	28,502		28,502			28,502		28,502
27	427	Interest On Long-Term Debt								
28	428	Amortization of Debt Discount and Expense								
29	429	Amortization of Premium on Debt - Credit								
30	430	Interest on Debt to Associate Companies	48,503		48,503			48,503		48,503
31	431	Other Interest Expense								
32	432	Allowance for Borrowed Funds Used During Construction								
33	500-509	Total Steam Power Generation Operation Expenses								
34	510-515	Total Steam Power Generation Maintenance Expenses								
35	517-525	Total Nuclear Power Generation Operation Expenses	215,361,639		215,361,639			215,361,639		215,361,639
36	528-532	Total Nuclear Power Generation Maintenance Expenses	172,193,937		172,193,937			172,193,937		172,193,937
37	535-540.1	Total Hydraulic Power Generation Operation Expenses								

120	913	Advertising Expenses								
121	916	Miscellaneous Sales Expenses								
122		Total Sales Operation Expenses								
123	920	Administrative and General Salaries	5,181,148		5,181,148			5,181,148		5,181,148
124	921	Office Supplies and Expenses	2,199		2,199			2,199		2,199
125	923	Outside Services Employed	236,120		236,120			236,120		236,120
126	924	Property Insurance								
127	925	Injuries and Damages	1,394,887		1,394,887			1,394,887		1,394,887
128	926	Employee Pensions and Benefits	101,925,820		101,925,820			101,925,820		101,925,820
129	928	Regulatory Commission Expenses	30,387		30,387			30,387		30,387
130	930.1	General Advertising Expenses	82		82			82		82
131	930.2	Miscellaneous General Expenses	4,023		4,023			4,023		4,023
132	931	Rents								
133		Total Administrative and General Operation Expenses	108,774,666		108,774,666			108,774,666		108,774,666
134	935	Maintenance of Structures and Equipment								
135		Total Administrative and General Maintenance Expenses	108,774,666		108,774,666			108,774,666		108,774,666
136		Total Cost of Service	667,536,270		667,536,270			667,536,270		667,536,270

FOOTNOTE DATA

(a) Concept: CostAndExpensesOfConstructionOrOtherServicesAssociateCompany

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 include the following:

	<u>Direct</u>	
Capital Costs		\$101,111,217
Other Balance Sheet Accounts		44,101,418
		<u>\$145,212,635</u>

(b) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. Costs for 2023 and 2022 include the following:

	<u>2023</u>	<u>2022</u>
Capital Costs	\$101,111,217	\$80,097,848
Other Balance Sheet Accounts	44,101,418	51,590,601
	<u>\$145,212,635</u>	<u>\$131,688,449</u>

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVII - Analysis of Billing - Associate Companies (Account 457)

1. For Services Rendered to Associate Companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation for Use of Capital (d)	Total Amount Billed (e)
1	Deferred	(98)			(98)
2	Entergy Arkansas, LLC	209,339,590			209,339,590
3	Entergy Enterprises, Inc.	298,703			298,703
4	Entergy Louisiana, LLC	308,951,731			308,951,731
5	Entergy Mississippi, LLC	(188)			(188)
6	Entergy New Orleans, LLC	(941)			(941)
7	Entergy Nuclear Operations Inc.	33,036			33,036
8	Entergy Operations Inc.	(232,709)			(232,709)
9	Entergy Services, LLC	251,131			251,131
10	Entergy Texas, Inc.	(2,015)			(2,015)
11	System Entergy Resources, Inc	148,898,030			148,898,030
40	Total	667,536,270			667,536,270

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)

1. For Services Rendered to Non-Associate Companies (Account 458), list all of the non-associate companies. In a footnote, describe the services rendered to each respective non-associate company.

Line No.	Name of Non-associate Company (a)	Account 458.1 Direct Costs Charged (b)	Account 458.2 Indirect Costs Charged (c)	Account 458.3 Compensation for Use of Capital (d)	Account 458.4 Excess or Deficiency on Servicing Non-associate Utility Companies (e)	Total Amount Billed (f)
1						
2						
3						
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39						
40	Total					

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIX - Miscellaneous General Expenses - Account 930.2

1. Provide a listing of the amount included in Miscellaneous General Expenses (Account 930.2), classifying such expenses according to their nature. Amounts less than \$50,000 may be grouped showing the number of items and the total for the group.
2. Payments and expenses permitted by Section 321 (b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. 441(b)(2)) shall be separately classified.

Line No.	Title of Account (a)	Amount (b)
1	Other - 3 items	4,023
40	Total	4,023

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
Schedule XX - Organization Chart			
1. Provide a graphical presentation of the relationships and inter relationships within the service company that identifies lines of authority and responsibility in the organization.			

Name of Respondent: Entergy Operations, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XXI - Methods of Allocation

1. Indicate the service department or function and the basis for allocation used when employees render services to more than one department or functional group. If a ratio, include the numerator and denominator.
2. Include any other allocation methods used to allocate costs.

Represented in the table entitled "Allocation Methods by Department or Function", are the service department or function and the basis for allocation used when employees render services to more than one department or functional group. The second table, entitled "Basis for Allocation and Ratio by Billing Method", contains the numerator and denominator of each allocation method that is represented as a ratio.

Allocation Methods by Department or Function

Service Department or Function		
Corporate	BWRSRBSR	Based on the number of Boiling Water Reactor Plant Sites
	EMPLOEOI	Based on Nuclear South Site employees
	PWRSANWF	Based on the number of Pressure Water Reactor Plant Sites
	SPLEOIPL	Based on the number of Nuclear South Plant Sites
	SPLUXRBS	Based on the number of operating Nuclear south units, excluding River Bend Station
Finance and Accounting	EMPLOEOI	Based on Nuclear South Site employees
	SPLEOIPL	Based on the number of Nuclear South Plant Sites
	SPLEUNIT	Based on the total number of Nuclear South Units
	SPLUXRBS	Based on the number of operating Nuclear south units, excluding River Bend Station
Information Technology	EMPLOEOI	Based on Nuclear South Site employees
	SPLEOIPL	Based on the number of Nuclear South Plant Sites
Nuclear Operations	BWRSRBSR	Based on the number of Boiling Water Reactor Plant Sites
	EMPLOEOI	Based on Nuclear South Site employees
	PWRSANWF	Based on the number of Pressure Water Reactor Plant Sites
	SPLEOIPL	Based on the number of Nuclear South Plant Sites
	SPLUXRBS	Based on the number of operating Nuclear south units, excluding River Bend Station
President	EMPLOEOI	Based on Nuclear South Site employees

Tax and Interest Expense	SPLEOIPL	Based on the number of Nuclear South Plant Sites
	SPLEPLXS	Based on the number of Non-SERI Generation Sites

Basis for Allocation and Ratio by Billing Method		
Billing Method	Numerator	Denominator
BWRSRBSR	Number of Boiling Water Reactor Plant Sites per company (System Energy and Entergy Louisiana only)	Total number of Boiling Water Reactor Plant Sites (System Energy and Entergy Louisiana only)
EMPLOEOI	Number of Entergy Operations employees per company	Total number of Entergy Operations employees
PWRSANWF	Number of Pressure Water Reactor Plant Sites per company (Entergy Arkansas and Entergy Louisiana only)	Total number of Pressure Water Reactor Plant Sites (Entergy Arkansas and Entergy Louisiana only)
SPLEOIPL	Number of Nuclear South Plant Sites per company	Total number of Nuclear South Plant Sites
SPLEPLXS	Number of generation sites per company, excluding System Energy	Total number of generation sites, excluding System Energy
SPLEUNIT	Number of Nuclear South Units per company	Total number of Nuclear South Units
SPLUXRBS	Number of Nuclear south units per company, excluding River Bend	Total number of all Nuclear south units, excluding River Bend

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No.



FERC FINANCIAL REPORT FERC FORM No. 60: Annual Report of Centralized Service Companies

This report is mandatory under the Public Utility Holding Company Act of 2005, Section 1270, Section 309 of the Federal Power Act and 18 C.F.R. § 366.23. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Year/Period of Report:
End of: 2023/ Q4

Entergy Services, LLC

FERC FORM NO. 60 (12-06)

GENERAL INSTRUCTIONS FOR FILING FERC FORM NO. 60

Purpose

Form No. 60 is an annual regulatory support requirement under 18 C.F.R. § 369.1 for centralized service companies. The report is designed to collect financial information from centralized service companies subject to the jurisdiction of the Federal Energy Regulatory Commission. The report is considered to be a non-confidential public use form.

Who Must Submit

Unless the holding company system is exempted or granted a waiver by Commission rule or order pursuant to 18 C.F.R. § 366.3 and § 366.4 of this chapter, every centralized service company (see § 367.2) in a holding company system must prepare and file electronically with the Commission the FERC Form No. 60 then in effect pursuant to the General Instructions set out in this form.

How to Submit

Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at <https://eCollection.ferc.gov>, and according to the specifications in the Form 60 taxonomy.

When to Submit

Submit FERC Form No. 60 according to the filing date contained 18 C.F.R. § 369.1 of the Commission's regulations.

Preparation

Prepare this report in conformity with the Uniform System of Accounts (18 C.F.R. § 367) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Time Period

This report covers the entire calendar year.

Whole Dollar Usage

Enter in whole numbers (dollars) only, except where otherwise noted. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's amounts.

Accurateness

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

Applicability

For any page(s) that is not applicable to the respondent, enter "NONE," or "Not Applicable" in column (c) on the List of Schedules, page 2.

Date Format

Enter the month, day, and year for all dates. Use customary abbreviations. The "Resubmission Date" included in the header of each page is to be completed only for resubmissions (see III. above).

Number Format

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by use of a minus sign.

Required Entries

Do not make references to reports of previous years or to other reports instead of required entries, except as specifically authorized.

Prior Year References

Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the report of the previous year, or an appropriate explanation given as to why the different figures were used.

Where to Send Comments on Public Reporting Burden

The public reporting burden for the Form No. 60 collection of information is estimated to average 75 hours per response, including

- the time for reviewing instructions, searching existing data sources,
- gathering and maintaining the data-needed, and
- completing and reviewing the collection of information.

Send comments regarding these burden estimates or any aspect of this collection of information, including suggestions for reducing burden, to:

Federal Energy Regulatory Commission, (Attention: Information Clearance Officer, CIO),
888 First Street NE,
Washington, DC 20426
or by email to DataClearance@ferc.gov

And to:

Office of Information and Regulatory Affairs,
Office of Management and Budget, Washington, DC 20503 (Attention: Desk Office for the Federal Energy Regulatory Commission).
Comments to OMB should be submitted by email to: oira_submission@omb.eop.gov

No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512(a)).

DEFINITIONS

Respondent -- The person, corporation, or other legal entity in whose behalf the report is made.

**FERC FORM NO. 60
REPORT OF CENTRALIZED SERVICE COMPANIES**

Identification

01 Exact Legal Name of Respondent Entergy Services, LLC	02 Year / Period of Report 2023/ Q4
03 Previous Name (if name changed during the year)	04 Date of Name Change
05 Address of Principal Office at End of Year (Street, City, State, Zip Code) 639 Loyola Avenue, New Orleans, LA 70113	06 Name of Contact Person Gina G. Bellott
07 Title of Contact Person Sr. Staff Accountant	08 Address of Contact Person 639 Loyola Avenue, New Orleans, LA 70113
09 Telephone Number of Contact Person (504) 858-3276	10 E-mail Address of Contact Person gbellot@entergy.com
11 This Report is An Original / A Resubmission (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12 Date of Report 04/26/2024
13 Date of Incorporation 09/30/2018	14 If Not Incorporated, Date of Organization
15 State or Sovereign Power Under Which Incorporated or Organized DE	
16 Name of Principal Holding Company Under Which Reporting Company is Organized: Entergy Corporation	

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

17 Name of Signing Officer Reginald T. Jackson	19 Signature of Signing Officer Reginald T. Jackson	20 Date Signed (Month, Day, Year) 04/26/2024
18 Title of Signing Officer Sr. VP & Chief Accounting Officer		

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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List of Schedules

1. Enter in Column (c) the terms "None" or "Not Applicable" as appropriate, where no information or amounts have been reported for certain pages.

Line No.	Description (a)	Page Reference (b)	Remarks (c)
1	Schedule I - Comparative Balance Sheet	101	
2	Schedule II - Service Company Property	103	
3	Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property	104	
4	Schedule IV - Investments	105	
4.1	Schedule IV - Investments - Other Investments	105	
4.2	Schedule IV - Investments - Other Special Funds	105	
4.3	Schedule IV - Investments - Temporary Cash Investments	105	
5	Schedule V - Accounts Receivable from Associate Companies	106	
6	Schedule VI - Fuel Stock Expenses Undistributed	107	NA
7	Schedule VII - Stores Expense Undistributed	108	NA
8	Schedule VIII - Miscellaneous Current and Accrued Assets	109	
9	Schedule IX - Miscellaneous Deferred Debits	110	
10	Schedule X - Research, Development, or Demonstration Expenditures	111	NA
11	Schedule XI - Proprietary Capital	201	
12	Schedule XII - Long-Term Debt	202	NA
13	Schedule XIII - Current and Accrued Liabilities	203	
14	Schedule XIV - Notes to Financial Statements	204	
15	Schedule XV - Comparative Income Statement	301	
16	Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies	303	
17	Schedule XVII - Analysis of Billing - Associate Companies (Account 457)	307	
18	Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)	308	NA
21	Schedule XIX - Miscellaneous General Expenses - Account 930.2	309	
23	Schedule XX - Organization Chart	401	

24	Schedule XXI - Methods of Allocation	402	
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Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule I - Comparative Balance Sheet

1. Give balance sheet of the Company as of December 31 of the current and prior year.

Line No.	Account Number (a)	Description (b)	Reference Page No. (c)	As of Dec 31 Current (d)	As of Dec 31 Prior (e)
1		Service Company Property			
2	101	Service Company Property	103	912,380,246	857,650,439
3	101.1	Property Under Capital Leases	103	64,546,796	66,257,830
4	106	Completed Construction Not Classified		90,066,443	63,977,565
5	107	Construction Work In Progress	103	22,719,893	37,149,546
6		Total Property (Total Of Lines 2-5)		1,089,713,378	1,025,035,380
7	108	Less: Accumulated Provision for Depreciation of Service Company Property	104	537,489,266	486,108,786
8	111	Less: Accumulated Provision for Amortization of Service Company Property		212,420,606	202,471,160
9		Net Service Company Property (Total of Lines 6-8)		339,803,506	336,455,434
10		Investments			
11	123	Investment In Associate Companies	105		
12	124	Other Investments	105		
13	128	Other Special Funds	105	3,790	136,747
14		Total Investments (Total of Lines 11-13)		3,790	136,747
15		Current And Accrued Assets			
16	131	Cash		58,428,205	48,003,611
17	134	Other Special Deposits		(15)	(15)
18	135	Working Funds		48,899	49,977
19	136	Temporary Cash Investments	105	2,458,646	15,500
20	141	Notes Receivable			
21	142	Customer Accounts Receivable			
22	143	Accounts Receivable			222,000
23	144	Less: Accumulated Provision for Uncollectible Accounts			

23.1	145	Notes Receivable From Associate Companies			
24	146	Accounts Receivable From Associate Companies	106	279,386,613	226,830,392
25	152	Fuel Stock Expenses Undistributed	107		
26	154	Materials And Supplies			
27	163	Stores Expense Undistributed	108		
28	165	Prepayments		34,324,550	31,867,209
29	171	Interest And Dividends Receivable		19,166	209,020
30	172	Rents Receivable			
31	173	Accrued Revenues			
32	174	Miscellaneous Current and Accrued Assets	109	1,637	
33	175	Derivative Instrument Assets			
34	176	Derivative Instrument Assets - Hedges			
35		Total Current and Accrued Assets (Total of Lines 16-34)		374,667,701	307,197,694
36		Deferred Debits			
37	181	Unamortized Debt Expense			
38	182.3	Other Regulatory Assets		342,275,929	435,170,457
39	183	Preliminary Survey And Investigation Charges		6,300,996	2,610,343
40	184	Clearing Accounts		(1,360,762)	(1,058,175)
41	185	Temporary Facilities			
42	186	Miscellaneous Deferred Debits	110	7,054,343	7,789,248
43	188	Research, Development, or Demonstration Expenditures	111		
44	189	Unamortized Loss on Reacquired Debt			
45	190	Accumulated Deferred Income Taxes		142,617,999	189,734,479
46		Total Deferred Debits (Total of Lines 37-45)		496,888,505	634,246,352
47		TOTAL ASSETS AND OTHER DEBITS (TOTAL OF LINES 9, 14, 35 and 46)		1,211,363,502	1,278,036,227
48		Proprietary Capital			
49	201	Common Stock Issued	201		
50	204	Preferred Stock Issued	201		
51	211	Miscellaneous Paid-In-Capital	201	20,000	20,000
52	215	Appropriated Retained Earnings	201		

53	216	<u>Unappropriated Retained Earnings</u>	201		
54	219	<u>Accumulated Other Comprehensive Income</u>	201	9,061,413	(14,392,118)
55		<u>Total Proprietary Capital (Total of Lines 49-54)</u>		9,081,413	(14,372,118)
56		<u>Long-Term Debt</u>			
57	223	<u>Advances From Associate Companies</u>	202		
58	224	<u>Other Long-Term Debt</u>	202		
59	225	<u>Unamortized Premium on Long-Term Debt</u>			
60	226	<u>Less: Unamortized Discount on Long-Term Debt-Debit</u>			
61		<u>Total Long-Term Debt (Total of Lines 57-60)</u>			
62		<u>Other Non-current Liabilities</u>			
63	227	<u>Obligations Under Capital Leases-Non-current</u>		30,313,547	35,073,825
64	228.2	<u>Accumulated Provision for Injuries and Damages</u>		618,311	720,347
65	228.3	<u>Accumulated Provision For Pensions and Benefits</u>		196,459,127	198,109,100
66	230	<u>Asset Retirement Obligations</u>			
67		<u>Total Other Non-current Liabilities (Total of Lines 63-66)</u>		227,390,985	233,903,272
68		<u>Current and Accrued Liabilities</u>			
69	231	<u>Notes Payable</u>			
70	232	<u>Accounts Payable</u>		395,976,734	302,483,061
71	233	<u>Notes Payable to Associate Companies</u>	203		
72	234	<u>Accounts Payable to Associate Companies</u>	203	58,143,659	65,670,277
73	236	<u>Taxes Accrued</u>		22,943,013	6,325,060
74	237	<u>Interest Accrued</u>			
75	241	<u>Tax Collections Payable</u>		1,112,309	1,433,809
76	242	<u>Miscellaneous Current and Accrued Liabilities</u>	203	28,549,736	72,568,861
77	243	<u>Obligations Under Capital Leases - Current</u>		15,635,537	14,578,324
78	244	<u>Derivative Instrument Liabilities</u>			
79	245	<u>Derivative Instrument Liabilities - Hedges</u>			
80		<u>Total Current and Accrued Liabilities (Total of Lines 69-79)</u>		522,360,988	463,059,392
81		<u>Deferred Credits</u>			
82	253	<u>Other Deferred Credits</u>		307,722,303	450,712,479

83	254	Other Regulatory Liabilities		28,929,440	
84	255	Accumulated Deferred Investment Tax Credits		269,982	404,975
85	257	Unamortized Gain on Reacquired Debt			
86	282	Accumulated deferred income taxes-Other property		35,295,766	33,579,430
87	283	Accumulated deferred income taxes-Other		80,312,625	110,748,797
88		Total Deferred Credits (Total of Lines 82-87)		452,530,116	595,445,681
89		TOTAL LIABILITIES AND PROPRIETARY CAPITAL (TOTAL OF LINES 55, 61, 67, 80, AND 88)		1,211,363,502	1,278,036,227

FOOTNOTE DATA

(a) Concept: PropertyUnderCapitalLeases

Schedule Page: 101 Line No.: 3 Column: d

Includes operating leases recorded in accordance with FASB ASU No. 2016-02, Leases, as provided for in FERC Docket No. AI19-1-000. Refer to Note 5 of the Notes to the Financial Statements for further discussion.

(b) Concept: MiscellaneousPaidInCapital

Non-cash contributions from Entergy Service Holdings, Inc.

(c) Concept: PropertyUnderCapitalLeases

Schedule Page: 101 Line No.: 3 Column: e

Includes operating leases recorded in accordance with FASB ASU No. 2016-02, Leases, as provided for in FERC Docket No. AI19-1-000. Refer to Note 5 of the Notes to the Financial Statements for further discussion.

FERC FORM No. 60 (REVISED 12-07)

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule II - Service Company Property

1. Provide an explanation of Other Changes recorded in Column (f) considered material in a footnote.
2. Describe each construction work in progress on lines 18 through 30 in Column (b).

Line No.	Account # (a)	Title of Account (b)	Balance at Beginning of Year (c)	Additions (d)	Retirements or Sales (e)	Other Changes (f)	Balance at End of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	228,981,168	10,485,038			239,466,206
3	306	Leasehold Improvements					
4	389	Land and Land Rights	2,212,516				2,212,516
5	390	Structures and Improvements	155,539,062	2,258,786	727,405		157,070,443
6	391	Office Furniture and Equipment	418,112,870	67,981,966	475,257		485,619,579
7	392	Transportation Equipment	74,055				74,055
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment	223,986				223,986
10	395	Laboratory Equipment	11,789,184	621,448	24,435		12,386,197
11	396	Power Operated Equipment					
12	397	Communications Equipment	85,126,415	570,291			85,696,706
13	398	Miscellaneous Equipment	19,568,748	175,443	47,190		19,697,001
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total Service Company Property (Total of Lines 1-15)	921,628,004	82,092,972	1,274,287		1,002,446,689
17	107	Construction Work in Progress:					
18		See Footnote Detail	37,149,546			(14,429,653)	^(a) 22,719,893
31		Total Account 107 (Total of Lines 18-30)	37,149,546			(14,429,653)	22,719,893
32		Total (Lines 16 and Line 31)		82,092,972			1,025,166,582

FOOTNOTE DATA

(a) Concept: ConstructionWorkInProgress

<u>Project</u>	<u>Amount</u>
F5 VPN Proxy Replacement	\$4,875,077
Active Directory Upgrade & Redesign	4,002,071
Assessment Remediations in Data Net	2,434,243
Transmission Resiliency Program	2,409,173
LA Workspace Consolidation	1,491,805
RPC Equipment Upgrade	1,134,742
2024 Enterprise Network Security Re	950,372
2023 Laptop Purchases	795,700
CAPITAL SUSPENSE FINANCE ELECTRIC	726,649
T Standards Development Blanket	516,013
General Plant	450,812
Safety and Environmental Management	430,786
Fuel Cell System	408,202
Broadcom AIOps PLA	251,454
AWS Network Cloud Exchange	212,145
BFCI Capital Project	205,637
T Equipment Testing Blanket	181,243
TRN Off-Cycle Computer Purchases	180,753
SQL & Oracle Database Refr Pr 23	175,592
Operations Training Tools & Upgrade	159,218
IBM MRO Inventory Optimization	135,331
TIBCO Containerization	129,909
Facilities Baseline - Break / Fix	128,590
2022 Analytics Platform Tech Maintenance	112,284
Facilities Baseline - Reliability	107,248
Finance Capital - 2023	106,005
B2 Financial Model Upgrade	100,633
Strategic DACS Replacement Program 23	90,969
Echelon - Blanket/Computers	77,133
AED Replacement Costs and Maintenance	76,993
SPO Facilities Project	73,354
Middleware Upgrade Program 23	67,567
Attack Simulation	62,806
Purchase Laptops for Safety	55,597
OTHER GENERAL AND INTANGIBLE PLANT	(596,213)
Total	\$22,719,893

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule III - Accumulated Provision for Depreciation and Amortization of Service Company Property

1. Provide an explanation of Other Charges in Column (f) considered material in a footnote.

Line No.	Account Number (a)	Description (b)	Balance at Beginning of Year (c)	Additions Charged To Account 403-403.1 404-405 (d)	Retirements (e)	Other Changes Additions (Deductions) (f)	Balance at Close of Year (g)
1	301	Organization					
2	303	Miscellaneous Intangible Plant	202,471,160	9,949,446			212,420,606
3	306	Leasehold Improvements					
4	389	Land and Land Rights					
5	390	Structures and Improvements	77,255,448	12,833,396	727,405	95,815	89,457,254
6	391	Office Furniture and Equipment	320,148,556	33,403,067	475,257	(21)	353,076,345
7	392	Transportation Equipment	70,267	947			71,214
8	393	Stores Equipment					
9	394	Tools, Shop and Garage Equipment	127,118	43,255			170,373
10	395	Laboratory Equipment	5,311,548	1,916,257	24,435		7,203,370
11	396	Power Operated Equipment					
12	397	Communications Equipment	72,801,711	3,073,115			75,874,826
13	398	Miscellaneous Equipment	10,394,138	1,286,956	47,190	1,980	11,635,884
14	399	Other Tangible Property					
15	399.1	Asset Retirement Costs					
16		Total	688,579,946	62,506,439	1,274,287	97,774	749,909,872

FOOTNOTE DATA

(a) Concept: AccumulatedProvisionForDepreciationAndAmortizationServiceCompanyPropertyAdjustments

Gain/loss activity and removal work in progress activity.

FERC FORM No. 60 (NEW 12-05)

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	123	Investment In Associate Companies		
2	124	Other Investments		
3	128	Other Special Funds	136,747	3,790
4	136	Temporary Cash Investments	15,500	2,458,646
5		(Total of Line 1-4)	152,247	2,462,436

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1				
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Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Other Special Funds

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Name of Issuing Company (b)	Number of Shares Held (c)	Principal Investment Amount (d)
1	Open Cargo Insurance Deposit			3,790

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IV - Investments - Temporary Cash Investments

1. For Other Investments (Account 124) and Other Special Funds (Account 128), state each investment separately, with description including the name of issuing company, number of shares held or principal investment amount.
2. For Temporary Cash Investments (Account 136), list each investment separately .
3. Investments less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Investment Description (a)	Balance at Close of Year (b)
1	Money Pool - external - See Note 3 to financial statements	2,458,646

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule V - Accounts Receivable from Associate Companies

1. List the accounts receivable from each associate company.
2. If the service company has provided accommodation or convenience payments for associate companies, provide in a separate footnote a listing of total payments for each associate company.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)	Total Accommodation or Convenience Payments (e)
1	146	Accounts Receivable From Associate Companies			
2		Associate Company:			
3		Entergy Arkansas, LLC	56,959,860	53,153,086	
4		Entergy Louisiana, LLC	89,192,747	97,092,996	
5		Entergy Mississippi, LLC	24,462,834	28,729,351	
6		Entergy New Orleans, LLC	12,065,932	15,159,535	
7		Entergy Texas, Inc.	25,609,406	33,089,079	
8		System Energy Resources, Inc.	12,237,494	8,905,719	
9		Entergy Corporation	3,099,531	3,972,920	
10		AR Searcy Partnership, LLC	1,413	1,547	
11		AR Searcy Project Company, LLC	63,095	9,911	
12		MS Sunflower Project Co, LLC	41,171	9,975	
13		Entergy Nuclear Operations, Inc.	662		
14		Entergy Operations, Inc.	127,367	5,338	
15		Entergy Utility Holding Co, LLC	205,167	107,352	
16		Varibus, LLC	370,687	372,085	
17		Entergy Enterprises, Inc.	1,712,825	508,715	
18		Southern Gulf Railway Company	37,403	37,403	
19		Entergy Power Operations US, Inc.		76	
20		Reclass Company	117,666	74,281	
21		Entergy Services Holding Inc	10,661	11,919	
22		Money Pool - internal - See Note 3 to the financial statements	514,471	38,145,325	
40	Total		226,830,392	279,386,613	

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VI - Fuel Stock Expenses Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associate company.
 2. In a separate footnote, describe in a narrative the fuel functions performed by the service company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	152	Fuel Stock Expenses Undistributed			
2		Associate Company:			
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41					
40	Total				

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VII - Stores Expense Undistributed

1. List the amount of labor in Column (c) and expenses in Column (d) incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

Line No.	Account Number (a)	Title of Account (b)	Labor (c)	Expenses (d)	Total (e)
1	163	Stores Expense Undistributed			
2		Associate Company:			
3					
4					
5					
6					
7					
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41					
40	Total				

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule VIII - Miscellaneous Current and Accrued Assets

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	174	Miscellaneous Current and Accrued Assets		
2		Item List:		
3		Refueling outage		1,637
40	Total			1,637

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule IX - Miscellaneous Deferred Debits

1. Provide detail of items in this account. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	186	Miscellaneous Deferred Debits		
2		Item List:		
3		Non-Expense Accrued Labor	6,260,049	6,724,217
4		CO2 Allowances	1,527,577	
5		Accounts payable auto accruals		321,740
6		Other - 3 items for 2023 and 3 items for 2022	1,622	8,386
40	Total		7,789,248	7,054,343

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule X - Research, Development, or Demonstration Expenditures

1. Describe each material research, development, or demonstration project that incurred costs by the service company during the year. Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Amount (c)
1	188	Research, Development, or Demonstration Expenditures	
2		Project List:	
3			
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41			
40	Total		

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XI - Proprietary Capital

- For Miscellaneous Paid-In Capital (Account 211) and Appropriated Retained Earnings (Account 215), classify amounts in each account, with a brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.
- For Unappropriated Retained Earnings (Account 216), in a footnote, give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing non-associates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentages, amount of dividend, date declared and date paid.

Line No.	Account Number (a)	Title of Account (b)	Description (c)	Amount (d)
1	201	Common Stock Issued	Number of Shares Authorized	
2			Par or Stated Value per Share	
3			Outstanding Number of Shares	
4			Close of Period Amount	
5	204	Preferred Stock Issued	Number of Shares Authorized	
6			Par or Stated Value per Share	
7			Outstanding Number of Shares	
8			Close of Period Amount	
9	211	Miscellaneous Paid-In Capital		20,000
10	215	Appropriated Retained Earnings		
11	219	Accumulated Other Comprehensive Income		9,061,413
12	216	Unappropriated Retained Earnings	Balance at Beginning of Year	
13			Net Income or (Loss)	
14			Dividend Paid	
15			Balance at Close of Year	

Dividends paid during the year

Line No.	Dividend Paid Description (a)	Dividend Rate (b)	Dividend Paid Amount (c)	Dividend Declared Date (d)	Dividend Paid Date (e)
1					
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3					
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FOOTNOTE DATA

(a) Concept: MiscellaneousPaidInCapital

Non-cash contributions from Entergy Service Holdings, Inc.

FERC FORM No. 60 (REVISED 12-07)

22										
23										
24										
25										
26										
27										
28		Total								

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIII - Current and Accrued Liabilities

1. Provide the balance of notes and accounts payable to each associate company (Accounts 233 and 234).
2. Give description and amount of Miscellaneous Current and Accrued Liabilities (Account 242). Items less than \$50,000 may be grouped, showing the number of items in each group.

Line No.	Account Number (a)	Title of Account (b)	Balance at Beginning of Year (c)	Balance at Close of Year (d)
1	233	Notes Payable to Associate Companies		
2		Associate Company:		
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19				
20				
21				
23		Subtotal (Total of Lines 3-22)		
24	234	Accounts Payable to Associate Companies		

25		Associate Company:		
26		Entergy Arkansas, LLC	2,860,386	2,662,078
27		Entergy Texas, Inc.	14,621,246	9,069,080
28		Entergy Louisiana, LLC	8,617,910	14,227,874
29		Entergy Mississippi, LLC	10,037,789	4,179,649
30		Entergy New Orleans, LLC	2,349,663	1,347,525
31		Entergy Operations, Inc.	42,988	31,610
32		System Energy Resources, Inc.	5,148	298,467
33		Entergy Nuclear Operations, Inc.	4,978	367,107
34		Entergy Power Operations U.S., Inc.	8,004	
35		Reclass Company		151,018
36		Entergy Enterprises	380,190	
37		Entergy Corporation	26,648,490	25,702,185
38		Southern Gulf Railway Co.	92,400	92,400
39		Entergy Thermal Holdings, LLC	1,085	14,666
40		Subtotal (Total of Lines 26-39)	65,670,277	58,143,659
41	242	Miscellaneous Current and Accrued Liabilities		
42		Items List:		
43		Non-qualified pension	58,220,423	11,680,340
44		Current portion OPEB	14,499,000	16,710,000
45		Deferred revenue	22,120	332,120
46		Other - 1 item in 2023 and 1 item in 2022	(172,682)	(172,724)
49		Subtotal (Total of Lines 43-48)	72,568,861	28,549,736
50		TOTAL (LINES 23, 40, AND 49)	138,239,138	86,693,395

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIV - Notes to Financial Statements

1. Use the space below for important notes regarding the financial statements or any account thereof.
2. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year.
3. Furnish particulars as to any significant increase in services rendered or expenses incurred during the year.
4. Furnish particulars as to any amounts recorded in Extraordinary Income (Account 434) or Extraordinary Deductions (Account 435).
5. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.
6. Describe the annual statement supplied to each associate company in support of the amount of interest on borrowed capital and compensation for use of capital billed during the calendar year. State the basis for billing of interest to each associate company. If a ratio, describe in detail how ratio is computed. If more than one ratio, explain the calculation. Report the amount of interest borrowed and/or compensation for use of capital billed to each associate company.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and System of Accounts

Entergy Services, LLC (Entergy Services), a wholly owned indirect subsidiary of Entergy Corporation, is a centralized service company that provides support services to its associate companies that are direct and indirect subsidiaries of Entergy Corporation.

Entergy Services is organized along functional lines to accomplish its purpose of providing management, administrative, and technical services to its associate companies. Entergy Services maintains its accounts in accordance with the system of accounts prescribed by the Federal Energy Regulatory Commission. Certain reclassifications may have been made to conform to current period presentation.

Use of Estimates in the Preparation of Financial Statements

The preparation of Entergy Services's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used.

Depreciation and Amortization

Depreciation is computed on a straight-line basis at rates based on the estimated service lives of the various classes of property, which generally range from 5 to 15 years. Owned real estate depreciation is computed on a straight-line basis over 31.5 years. Leasehold improvements amortization is computed on a straight-line basis over the lease term. Computer software amortization is computed on a straight-line basis over a 5 or 10 year term.

Income Taxes

Accounting standards require that deferred income taxes be recorded for all temporary differences between the financial statement and tax basis of assets, liabilities, and loss carryforwards. Additionally, such deferred income taxes are computed based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse.

Entergy Services joins its parent and most of the other Entergy Corporation subsidiaries in filing a consolidated Federal income tax return. Income taxes (benefits) are allocated to Entergy Services in proportion to its consolidated taxable income.

Investment tax credits are deferred and amortized based upon the average useful life of the related property, beginning with the year utilized on the consolidated tax return.

Cash and Cash Equivalents

Entergy Services considers all unrestricted highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Fair Value Disclosures

Entergy Services considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments.

NOTE 2. INCOME TAXES

Deferred income taxes are provided in recognition of temporary differences between the financial reporting and income tax basis of assets and liabilities. Deferred income tax assets (liabilities) are comprised of the following at December 31, 2023 and 2022:

	2023	2022
Deferred Tax Assets:		
Deferred compensation	\$38,723,441	\$34,856,412
Operating reserves	64,135,215	66,689,205
Pension related items	33,253,879	82,220,983
Other	6,505,464	5,967,879
Total	142,617,999	189,734,479
Deferred Tax Liabilities:		
Property	(35,295,766)	(33,579,430)
Pension related items	(78,792,058)	(109,245,841)
Other	(1,520,567)	(1,502,956)
Total	(115,608,391)	(144,328,227)
Net Deferred Tax Assets	\$27,009,608	\$45,406,252

The benefit associated with these deferred tax assets has been or will be utilized in the Entergy Corporation consolidated return. The ultimate realization of these deferred tax assets for Entergy Services is dependent upon the allocation of the tax benefit from the Entergy Corporation consolidated return.

Entergy Services's effective income tax rate was 100% in 2023 and 2022 compared to the current Federal statutory income tax rate of 21%. The primary reason for the difference between the effective and statutory income tax rates is that Entergy Services collects revenue adequate to fund its income tax expense.

The provision for inter-company expense (benefit) in lieu of federal income taxes for the years ended December 31, 2023 and 2022 consisted of the following:

	2023	2022
Current:		
Federal	\$4,414,337	\$3,112,981
State	1,017,010	728,290
Total	5,431,347	3,841,271
Deferred:		
Federal	7,550,010	9,658,905
State	2,264,917	3,675,489
Total	9,814,927	13,334,394
Total income tax expense	\$15,246,274	\$17,175,665

NOTE 3. LINES OF CREDIT AND RELATED SHORT-TERM BORROWINGS

Entergy Services participates with certain other Entergy companies in a System Money Pool (Money Pool) arrangement whereby those companies with available funds may invest in the Money Pool while certain other companies may borrow on a short-term basis from the Money Pool, thereby reducing the dependence on external short-term borrowings.

The borrowings and applicable interest rates under the Money Pool arrangement were as follows (dollars in thousands):

	2023	2022
Average borrowing (contributing)	\$61,753	(\$18,237)
Maximum borrowing at month end	\$129,799	\$66,360
Average effective interest rate:		
During the year	4.93%	1.48%
At end of year	5.26%	3.63%

At December 31, 2023 and 2022, Entergy Services's temporary borrowing (contributor) position in the Money Pool was (\$40.6) million and (\$0.5) million, respectively.

NOTE 4. EMPLOYEE BENEFITS

Stock-based Compensation

Entergy Services participates in an Equity Ownership Plan, which grants stock options, restricted stock, performance units, and restricted stock units to certain key employees. Effective May 3, 2019, Entergy's shareholders approved the 2019 Omnibus Incentive Plan (2019 Plan). The maximum number of common shares that can be issued from the 2019 Plan for stock-based awards is 12,200,000 all of which are available for incentive stock based grants. The 2019 Plan applies to awards granted on or after May 3, 2019 and awards expire ten years from the date of grant.

As of December 31, 2023, there were 7,546,825 authorized shares remaining for stock-based awards. The costs of the stock options, restricted stock and performance units are charged to income over three years. The

costs of the unrestricted stock unit awards are charged to income over the restricted period, which varies from grant to grant. Entergy Services' costs for these awards including capitalized amounts were approximately \$48.0 million for 2023 and approximately \$54.2 million for 2022.

Defined Contribution Plans

Employees of Entergy Services are also eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries (System Savings Plan). The System Savings Plan is a defined contribution plan covering eligible employees of Entergy and certain of its subsidiaries. The participating Entergy subsidiary makes matching contributions to the System Savings Plans for all eligible participating employees in an amount equal to either 70% or 100% of the participants' basic contributions, up to 6% of their eligible earnings per pay period. The matching contribution is allocated to investments as directed by the employee.

Employees of Entergy Services may also be eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries VIII (established January 2021) to which company contributions are made. The participating Entergy subsidiary makes matching contributions to this defined contribution plan for all eligible participating employees in an amount equal to 100% of the participants' basic contributions, up to 5% of their eligible earnings per pay period. Eligible participants may also receive a discretionary annual company contribution up to 4% of the participant's eligible earnings (subject to vesting).

Entergy Services' contributions to the Savings Plan were \$24.8 million in 2023 and \$22.6 million in 2022.

Qualified Pension Plans and Other Postretirement Benefit

Entergy Services provides pension and retiree medical, dental, vision, and life insurance benefits (other postretirement benefits) for eligible retired employees.

Entergy has defined benefit qualified pension plans, including the Entergy Corporation Retirement Plan for Non-Bargaining Employees (Non-Bargaining Plan I), the Entergy Corporation Retirement Plan for Bargaining Employees (Bargaining Plan I), the Entergy Corporation Retirement Plan II for Non-Bargaining Employees (Non-Bargaining Plan II), the Entergy Corporation Retirement Plan II for Bargaining Employees (Bargaining Plan II), the Entergy Corporation Retirement Plan III (Plan III), the Entergy Corporation Retirement Plan IV for Bargaining Employees, and the Entergy Corporation Cash Balance Plan for Bargaining Employees (Bargaining Cash Balance Plan). The Entergy Corporation Cash Balance Plan for Non-Bargaining Employees (Non-Bargaining Cash Balance Plan) was merged with and into Non-Bargaining Plan I effective January 1, 2022. Effective January 1, 2024, Non-Bargaining Plan I was amended to spin-off predominately inactive participants into a new qualified pension plan, Entergy Corporation Retirement Plan VI for Non-Bargaining Employees (Non-Bargaining Plan VI). Eligible employees of Entergy Services participate in these plans: Non-Bargaining Plan I, Plan III, and Non-Bargaining Plan VI. Non-bargaining and bargaining employees whose most recent date of hire was prior to June 30, 2014 (or such later date provided for in their applicable collective bargaining agreement) participate in a noncontributory final average pay formula that provides pension benefits based on the employee's credited service and compensation during employment. Non-bargaining and bargaining employees whose most recent date of hire is after June 30, 2014 and before January 1, 2021 (or such later date provided for in their applicable collective bargaining agreement) do not participate in a final average pay formula, but instead participate in a cash balance formula. Effective January 1, 2021, the Non-Bargaining Cash Balance Plan and Bargaining Cash Balance Plan were amended to close participation in each plan to those employees whose most recent hire date is after December 31, 2020 (or such later date provided for in their applicable collective bargaining agreement). Employees hired after this date instead may be eligible to participate in and receive a discretionary employer contribution under an Entergy sponsored tax-qualified defined contribution plan that includes a 401(k) feature.

The assets of the defined benefit qualified pension plans are held in a master trust established by Entergy. Each pension plan has an undivided beneficial interest in each of the investment accounts in the master trust that is maintained by a trustee. Use of the master trust permits the commingling of the trust assets of the pension plans of Entergy Corporation and its Registrant Subsidiaries for investment and administrative purposes. Although assets in the master trust are commingled, the trustee maintains supporting records for the purpose of allocating the trust level equity in net earnings (loss) and the administrative expenses of the investment accounts in the trust to the various participating pension plans in the trust. The fair value of the trust's assets is determined by the trustee and certain investment managers. The trustee calculates a daily earnings factor, including realized and unrealized gains or losses, collected and accrued income, and administrative expenses, and allocates earnings to each plan in the master trust on a pro rata basis.

Within each pension plan, Entergy Services' beneficial interest in the plan assets is maintained by the plan's actuary and is updated quarterly. Assets are increased for investment net income and contributions, and are decreased for benefit payments. A plan's investment net income/loss (i.e. interest and dividends, realized and unrealized gains and losses and expenses) is allocated to Entergy Services based on the value of assets at the beginning of the quarter adjusted for contributions and benefit payments made during the quarter.

Entergy Services funds pension plans in an amount not less than the minimum required contribution under the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts.

In March 2020, Entergy announced changes to its other postretirement benefits. Effective January 1, 2021, certain retired, former non-bargaining employees age 65 and older who are eligible for Entergy-sponsored retiree welfare benefits, and their eligible spouses who are age 65 and older (collectively, Medicare-eligible participants), are eligible to participate in an Entergy-sponsored retiree health plan, and are no longer eligible for retiree coverage under the Entergy Corporation Companies' Benefits Plus Medical, Dental and Vision Plans. Under the Entergy-sponsored retiree health plan, Medicare-eligible participants are eligible to participate in a health reimbursement arrangement which they may use towards the purchase of various types of qualified insurance offered through a Medicare exchange provider and for other qualified medical expenses. The changes affecting active bargaining unit employees were negotiated with the unions prior to implementation, where necessary, and to the extent required by law.

Components of Qualified Net Pension Cost and Other Postretirement Cost and Other Amounts Recognized as a Regulatory Asset and/or Accumulated Other Comprehensive Income (AOCI)

Entergy Services' qualified pension and other postretirement costs, including capitalized amounts, included the following components:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
	(In Thousands)			
Net periodic pension and other postretirement costs				
Service cost	\$40,037	\$52,551	\$4,875	\$7,493
Interest cost	59,972	46,777	9,934	6,394
Expected return on assets	(68,578)	(66,064)	—	—
Amortization of prior service credit	—	—	(7,649)	(7,649)
Recognized net (gain)/loss	25,344	40,787	(2,754)	2,054
Settlement charges	61,437	67,250	—	—
Net periodic pension and other postretirement costs	\$118,212	\$141,301	\$4,406	\$8,292

Other changes in plan assets and benefit obligations recognized as a regulatory asset or AOCI (before tax)

Arising this period:

Net (gain)/loss	(\$47,788)	(\$37,608)	\$1,260	(\$64,853)
Amounts reclassified from regulatory asset and/or AOCI to net periodic benefit cost in the current year:				
Amortization of prior service credit	—	—	7,649	7,649
Amortization of net gain/(loss)	(25,344)	(40,787)	2,754	(2,054)
Settlement charges	(61,437)	(67,250)	—	—
Total	(\$134,569)	(\$145,645)	\$11,663	(\$59,258)
Total recognized as net periodic benefit cost, regulatory asset and/or AOCI (before tax)	(\$16,357)	(\$4,344)	\$16,069	(\$50,966)

Qualified Pension and Other Postretirement Obligations, Plan Assets, Funded Status, Amounts Recognized in the Balance Sheet

The qualified pension and other postretirement benefit obligations, plan assets, funded status and amounts recognized in the balance sheet for Entergy Services as of December 31, 2023 and 2022 were as follows:

	Qualified Pension		Other Postretirement Benefits	
	2023	2022	2023	2022
	(In Thousands)			
Change in Projected Benefit Obligation (PBO)/Accumulated Postretirement Obligation (APBO)				
Balance at beginning of year	\$1,243,967	\$1,672,301	\$202,419	\$269,673
Service cost	40,037	52,551	4,875	7,493
Interest cost	59,972	46,777	9,934	6,394
Plan participant contributions	—	—	3,637	3,748
Actuarial (gain)/loss	20,039	(317,755)	1,260	(64,853)
Benefits paid (a)	(182,367)	(209,907)	(19,125)	(20,095)
Medicare Part D subsidy received	—	—	28	59
Balance at end of year	\$1,181,648	\$1,243,967	\$203,028	\$202,419
Change in Plan Assets				
Fair value of assets at beginning of year	\$939,438	\$1,186,526	\$—	\$—
Actual return on plan assets	136,405	(214,082)	—	—
Employer contributions	115,306	176,901	15,488	16,347
Benefits paid (a)	(182,367)	(209,907)	(19,125)	(20,095)
Plan participant contributions	—	—	3,637	3,748
Fair value of assets at end of year	\$1,008,782	\$939,438	\$—	\$—
Funded status	(\$172,866)	(\$304,529)	(\$203,028)	(\$202,419)
Amounts recognized in the balance sheet				
Current liabilities	\$—	\$—	(\$16,710)	(\$14,499)
Non-current liabilities	(172,866)	(304,529)	(186,318)	(187,920)
Funded Status	(\$172,866)	(\$304,529)	(\$203,028)	(\$202,419)
Amounts recognized in regulatory assets				
Prior service credit	\$—	\$—	(\$9,279)	(\$12,594)
Net (gain)/loss	301,132	400,512	(19,654)	(20,337)
	\$301,132	\$400,512	(\$28,933)	(\$32,931)
Amounts recognized in OCI (before tax)				
Prior service credit	\$—	\$—	(\$7,291)	(\$11,625)
Net (gain)/loss	9,313	44,501	(15,442)	(18,773)
	\$9,313	\$44,501	(\$22,733)	(\$30,398)

a. Including settlement lump sum benefit payments of (\$154.4) million and (\$166.8) million in 2023 and 2022 qualified pension, respectively.

Accumulated Qualified Pension Benefit Obligation

The accumulated qualified pension benefit obligation for Entergy Services as of December 31, 2023 and 2022 were \$1 billion and \$1.1 billion, respectively.

Non-Qualified Pension Plans

Entergy Services also sponsors non-qualified, non-contributory defined benefit pension plans that provide benefits to certain executives. Entergy Services recognized net periodic pension cost of \$40.1 million in 2023 and \$27.5 million in 2022. In 2023 and 2022, Entergy Services recognized \$25.9 million and \$11.1 million, respectively, in settlement charges related to the payment of lump sum benefits out of the plan that is included in the non-qualified pension plan cost above. The projected benefit obligation was \$71.1 million and \$131 million as of December 31, 2023 and 2022 respectively. The accumulated benefit obligation was \$61.4 million and \$119.7 million as of December 31, 2023 and 2022, respectively.

Entergy Services' non-qualified, non-current liability at December 31, 2023 and 2022 was \$59.4 million and \$72.8 million, respectively; and its current liability was \$11.7 million and \$58.2 million, respectively. The prior service cost and net loss recognized in regulatory asset totaled \$31.6 million at December 31, 2023 and \$58.8 million at December 31, 2022. The prior service cost and net loss recognized in accumulated other comprehensive income asset before taxes was \$1.3 million at December 31, 2023 and \$5.1 million at December 31, 2022.

Reclassification out of Accumulated Other Comprehensive Income

Entergy Services reclassified the following costs out of accumulated other comprehensive income (before taxes and including amounts capitalized) as of December 31, 2023:

	Qualified Pension Cost	Other Postretirement Cost	Non-Qualified Pension Costs	Total
	(In Thousands)			
Entergy Services				
Amortization of prior service cost	\$—	\$3,672	(\$365)	\$3,307
Amortization of gain (loss)	(2,534)	1,322	(390)	(1,602)
Settlement loss	(6,144)	—	(2,074)	(8,218)
	<u>(\$8,678)</u>	<u>\$4,994</u>	<u>(\$2,829)</u>	<u>(\$6,513)</u>

Entergy Services reclassified the following costs out of accumulated other comprehensive income (before taxes and including amounts capitalized) as of December 31, 2022:

	Qualified Pension Cost	Other Postretirement Cost	Non-Qualified Pension Costs	Total
	(In Thousands)			
Entergy Services				
Amortization of prior service cost	\$—	\$3,748	(\$620)	\$3,128
Amortization of loss	(4,894)	(1,006)	(988)	(6,888)
Settlement loss	(8,070)	—	(1,671)	(9,741)
	<u>(\$12,964)</u>	<u>\$2,742</u>	<u>(\$3,279)</u>	<u>(\$13,501)</u>

Accounting for Pension and Other Postretirement Benefits

Accounting standards require an employer to recognize on its balance sheet the funded status of its benefit plans. This is measured as the difference between plan assets at fair value and the benefit obligation. Entergy Services uses a December 31 measurement date for its pension and other postretirement plans. Employers are to record previously unrecognized gains and losses, prior service costs, and the remaining transition asset or obligation (that resulted from adopting prior pension and other postretirement benefits accounting standards) as comprehensive income and/or regulatory asset reflective of the recovery mechanism for pension and other postretirement benefit costs. Accounting standards also require that changes in the funded status be recorded in other comprehensive income and/or a regulatory asset in the period in which the changes occur.

With regard to pension costs, Entergy Services calculates the expected return on pension plan assets by multiplying the long term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy Services determines the MRV of pension assets, except for the long duration fixed income assets, by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For the long duration fixed income assets in the pension trust Entergy Services uses fair value as the MRV.

Qualified Pension Plans' Assets

The Plan Administrator's trust asset investment strategy is to invest the assets in a manner whereby long-term earnings on the assets (plus cash contributions) provide adequate funding for retiree benefit payments. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense.

In the optimization studies, the Plan Administrator formulates assumptions about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes and making adjustments to reflect future conditions expected to prevail over the study period.

The target asset allocation for pension adjusts dynamically based on the funded status of each plan within the trust. The current targets are shown below. The expectation is that the allocation to fixed income securities will increase as the pension plans' funded status increases. The following ranges were established to produce an acceptable, economically efficient plan to manage around the targets.

Entergy's qualified pension weighted-average asset allocations by asset category at December 31, 2023 and 2022 and the target asset allocation and ranges are as follows:

Pension Asset Allocation	Target	Range	Actual 2023	Actual 2022
Domestic Equity Securities	32%	26% to 38%	33%	42%
International Equity Securities	17%	14% to 20%	18%	22%
Intermediate Fixed Income Securities	8%	7% to 9%	9%	11%
Long Duration Fixed Income Securities	43%	39% to 47%	40%	22%
Other	—%	—% to 10%	—%	3%

In determining its expected long-term rate of return on plan assets used in the calculation of benefit plan costs, Entergy reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and some investment managers.

The expected long-term rate of return for the qualified pension plans' assets is based primarily on the geometric average of the historical annual performance of a representative portfolio weighted by the target asset allocation defined in the table above, along with other indications of expected return on assets. The time period reflected is a long dated period spanning several decades.

Concentrations of Credit Risk

Entergy Services' investment guidelines mandate the avoidance of risk concentrations. Types of concentrations specified to be avoided include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, geographic area and individual security issuance. As of December 31, 2023 all investment managers and assets were materially in compliance with the approved investment guidelines, therefore there were no significant concentrations (defined as greater than 10 percent of plan assets) of risk in Entergy Services' pension assets.

Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 - Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by an independent party that uses inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden if it is believed such would be more reflective of fair value. Level 2 inputs include the following:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability; or
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If an asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Level 3 refers to securities valued based on significant unobservable inputs.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy, measured at fair value on a recurring basis at December 31, 2023, and December 31, 2022, a summary of the investments held in the master trusts for Entergy's qualified pension plans in which the Registrant Subsidiaries participate.

Qualified Defined Benefit Pension Plan Trusts

2023	Level 1	Level 2	Level 3	Total
	(In Thousands)			
Equity securities:				
Corporate stocks:				
Preferred	\$10,827 (b)	\$—	\$—	\$10,827
Common	715,452 (b)	—	—	715,452
Common collective trusts (c)				2,066,247
Fixed income securities:				
U.S. Government securities	—	1,085,231 (a)	—	1,085,231
Corporate debt instruments	—	924,904 (a)	—	924,904
Registered investment companies (e)	34,364 (d)	2,718 (d)	—	657,691
Other	774 (f)	78,883 (f)	—	79,657
Other:				
Insurance company general account (unallocated contracts)	—	5,899 (g)	—	5,899
Total investments	<u>\$761,417</u>	<u>\$2,097,635</u>	<u>\$—</u>	<u>\$5,545,908</u>
Cash				1,488
Other pending transactions				(22,404)
Less: Other postretirement assets included in total investments				(64,391)
Total fair value of qualified pension assets				<u>\$5,460,601</u>

2022	Level 1	Level 2	Level 3	Total
	(In Thousands)			
Equity securities:				

Corporate stocks:				
Preferred	\$12,178 (b)	\$—	\$—	\$12,178
Common	807,437 (b)	—	—	807,437
Common collective trusts (c)				2,516,688
Fixed income securities:				
U.S. Government securities	—	673,348 (a)	—	673,348
Corporate debt instruments	—	525,184 (a)	—	525,184
Registered investment companies (e)	221,582 (d)	2,595 (d)	—	750,454
Other	—	15,395 (f)	—	15,395
Other:				
Insurance company general account (unallocated contracts)	—	5,911 (g)	—	5,911
Total investments	<u>\$1,041,197</u>	<u>\$1,222,433</u>	<u>\$—</u>	<u>\$5,306,595</u>
Cash				10,601
Other pending transactions				(13,813)
Less: Other postretirement assets included in total investments				(61,285)
Total fair value of qualified pension assets				<u>\$5,242,098</u>

- Certain fixed income debt securities (corporate, government, and securitized) are stated at fair value as determined by broker quotes.
- Common stocks, certain preferred stocks, and certain fixed income debt securities (government) are stated at fair value determined by quoted market prices.
- The common collective trusts hold investments in accordance with stated objectives. The investment strategy of the trusts is to capture the growth potential of equity markets by replicating the performance of a specified index. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Net asset value per share of common collective trusts estimate fair value. Common collective trusts are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.
- Registered investment companies are money market mutual funds with a stable net asset value of one dollar per share. Registered investment companies may hold investments in domestic and international bond markets or domestic equities valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The money market mutual funds held by the trusts are deemed to be actively traded. Certain registered investment companies are recorded at contract value, which approximates fair value.
- Certain of these registered investment companies are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.
- The other remaining assets are U.S. municipal and foreign government bonds stated at fair value as determined by broker quotes.
- The unallocated insurance contract investments are recorded at contract value, which approximates fair value. The contract value represents contributions made under the contract, plus interest, less funds used to pay benefits and contract expenses, and less distributions to the master trust.

Estimated Future Benefit Payments

Based upon the assumptions used to measure the Entergy Services' pension and postretirement benefit obligation at December 31, 2023, and including pension and postretirement benefits attributable to estimated future employee service, Entergy Services expects that pension and other postretirement benefits to be paid over the next ten years are as follows (in thousands):

Year(s)	Estimated Future Benefit Payments		
	Qualified Pension	Non-Qualified Pension	Other Postretirement
2024	\$93,370	\$11,680	\$16,710
2025	\$89,716	\$8,512	\$16,020
2026	\$90,681	\$6,537	\$15,513
2027	\$91,209	\$12,243	\$15,202
2028	\$93,785	\$7,427	\$14,750
2029-2033	\$481,594	\$29,487	\$70,686

Contributions

In 2024, Entergy Services expects to contribute approximately \$119.9 million to the qualified pension plans and approximately \$16.7 million to the other postretirement plans.

Actuarial Assumptions

The significant actuarial assumptions used in determining the pension PBO and the other postretirement benefit APBO as of December 31, 2023, and 2022 were as follows:

	2023	2022
Weighted-average discount rate:		
Qualified pension	5.02% - 5.10%	5.21% - 5.24%
Other postretirement	5.01%	5.20%
Non-qualified pension	4.68%	4.98%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Interest crediting rate	4.00%	4.00%
Assumed health care trend rate:		
Pre-65	6.95%	6.65%
Post-65	7.88%	7.50%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefit costs for 2023 and 2022 were as follows:

	2023	2022
Weighted-average discount rate:		
Qualified pension:		
Service cost	5.25% - 5.31%	3.03% - 3.20%
Interest cost	5.10% - 5.18%	2.44% - 2.49%
Other postretirement:		
Service cost	5.00%	3.20%
Interest cost	5.09%	2.31%
Non-qualified pension:		
Service cost	5.31%	4.94%
Interest cost	5.30%	5.03%
Weighted-average rate of increase in future compensation levels	3.98% - 4.40%	3.98% - 4.40%
Expected long-term rate of return on plan assets:		
Pension assets	7.00%	6.75%
Other postretirement non-taxable assets	6.00% - 7.00%	5.75% - 6.75%
Other postretirement taxable assets	5.25%	4.75%
Assumed health care trend rate:		
Pre-65	6.65%	5.65%
Post-65	7.50%	5.90%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2032	2032
Post-65	2032	2032

With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2023 other postretirement benefits APBO. With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 pension plans' PBOs and the Pri.H 2012 (headcount weighted) Employee and Healthy Annuitant Tables with a fully generational MP-2020 projection scale, in determining its December 31, 2022 other postretirement benefits APBO.

NOTE 5. LEASES

Entergy Services incurred the following total lease costs for the years ended December 31, 2023 and 2022 (dollars in thousands):

	2023	2022
Operating lease cost	\$14,360	\$17,239
Finance lease cost:		
Amortization of right-of-use assets	\$1,935	\$1,813
Interest on lease liabilities	\$952	\$1,074

Included within Property, Plant, and Equipment on Entergy Services' consolidated balance sheet at December 31, 2023 and 2022 are the following amounts (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Operating leases	\$32,409	\$34,120
Finance leases	\$8,972	\$10,579

The following lease-related liabilities are recorded within the respective Other lines on Entergy Services' consolidated balance sheet as of December 31, 2023 and 2022 (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Current liabilities:		
Operating leases	\$13,570	\$12,643
Finance leases	\$2,066	\$1,935
Non-current liabilities:		
Operating leases	\$18,911	\$21,605
Finance leases	\$11,403	\$13,469

The following information contains the weighted average remaining lease term in years and the weighted average discount rate for the operating and finance leases of Entergy Services at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Weighted average remaining lease terms:		
Operating leases	3.23	3.47
Finance leases	5.58	6.58
Weighted average discount rate:		
Operating leases	4.19 %	4.35 %
Finance leases	6.75 %	6.75 %

At December 31, 2023, Entergy Services had noncancellable operating leases with minimum lease payments as follows (in thousands):

2024	\$16,606
2025	9,027
2026	7,918
2027	5,819
2028	596
Years thereafter	—
	<u>\$39,966</u>

At December 31, 2023, Entergy Services had noncancellable financing leases with minimum lease payments as follows (in thousands):

2024	\$2,887
2025	2,887
2026	2,887
2027	2,887
2028	2,887
Years thereafter	1,682
	<u>\$16,117</u>

NOTE 6. BULK POWER SYSTEM OPERATIONS

Entergy Services acts as agent for the coordination of joint bulk power system operations among the Entergy operating companies. All amounts receivable from the power purchasers or payable to the power suppliers as a result of the bulk power transactions are recorded in Entergy Services's accounts receivable or accounts payable balances, and have no effect on Entergy Services's income or expenses.

NOTE 7. TRANSACTIONS WITH AFFILIATES

All transactions between Entergy Services, LLC and other Entergy Corporation subsidiaries generally are on a full cost reimbursement basis, except that, pursuant to SEC orders and/or regulations is required to charge non-regulated companies a 5% surcharge. Refer to Schedule XVII for the amounts Entergy Services, LLC billed to associated companies.

NOTE 8. OTHER DEFERRED CREDITS

Other deferred credits (Account 253) consist principally of accrued pension and postretirement benefit liabilities in both 2023 and 2022.

MANAGEMENT COMMITTEE

Manager (3)

OFFICERS

Assistant Secretary

Assistant Treasurer (2)

Chief Executive Officer

Chief Operating Officer-Nuclear Operations

Chief Transformation Officer

Corporate Controller

Executive Vice President and Chief Financial Officer

Executive Vice President and Chief Operating Officer

Executive Vice President and General Counsel

Executive Vice President, Nuclear Operations/Chief Nuclear Officer

Group President, Utility Operations

Group Vice President, Corporate Affairs and Communications

Interim Senior Vice President, Power Delivery

Senior Vice President and Chief Accounting Officer

Senior Vice President, Chief Customer Officer

Senior Vice President, Chief Human Resources Officer

Senior Vice President, Chief Technology and Business Services Officer

Senior Vice President, Engineering and Technical Services

Senior Vice President, Federal Policy, Regulatory and Governmental Affairs

Senior Vice President, Power Delivery

Tax Officer (3)

Vice President and Deputy General Counsel

Vice President and General Auditor

Vice President and Treasurer

Vice President, Acting Vice President, Operational Excellence and Training

Vice President, Business Development Services

Vice President, Capital Projects

Vice President, Capital Projects-New Generation

Vice President, Chief Information Officer
Vice President, Chief Information Security Officer
Vice President, Chief Security Officer
Vice President, Chief Supply Officer
Vice President, Commercial Development & Portfolio Management
Vice President, Construction
Vice President, Contact Center Operations
Vice President, Continuous Improvement
Vice President, Corporate Development and Strategic Initiatives
Vice President, Customer Experience
Vice President, Customer Strategy and Growth
Vice President, Deputy General Counsel and Secretary
Vice President, Deputy General Counsel Federal
Vice President, Deputy General Tax Counsel
Vice President, Diversity and Workforce Strategy
Vice President, Ethics and Compliance
Vice President, External Affairs
Vice President, Federal Government Affairs
Vice President, Federal Infrastructure Policy
Vice President, Federal Strategic Policy
Vice President, Fuel Supply Operations
Vice President, General Tax Counsel
Vice President, HR Business Partners
Vice President, Human Resources Business Partners-Nuclear
Vice President, Human Resources-Total Rewards
Vice President, Incident Response
Vice President, Independent Oversight
Vice President, Information Services
Vice President, Innovation
Vice President, Investor Relations
Vice President, IT Strategy and Performance
Vice President, Major Fleet Projects
Vice President, Marketing, Sales & Customer Insights
Vice President, Meter to Cash
Vice President, Nuclear Engineering
Vice President, Operational Excellence and Training (R)
Vice President, Operations Excellence
Vice President, Operations Support
Vice President, Outage Services
Vice President, Power Delivery (2)
Vice President, Power Delivery Services
Vice President, Power Delivery Services (R)
Vice President, Power Generation
Vice President, Power Plant Operations

Vice President, Power Plant Operations Support
Vice President, Power Plant Operations-Louisiana
Vice President, Power Plant Operations-Texas
Vice President, Project and Portfolio Development
Vice President, Project Delivery - CP
Vice President, Public Affairs
Vice President, Regulatory Assurance (2)
Vice President, Regulatory Services
Vice President, Reliability Control Center
Vice President, Reliability Louisiana
Vice President, Safety
Vice President, Safety and Health
Vice President, Shared Services
Vice President, Smart Operations Center
Vice President, Social Responsibility
Vice President, Strategic Communications
Vice President, Strategy and Commercial Analytics
Vice President, Sustainability and Environmental Policy
Vice President, System Planning Organization
Vice President, Talent Management
Vice President, Technology Integration
Vice President, Transmission Operations
Vice President, Utility Strategy and Regulatory Initiatives

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XV - Comparative Income Statement

Line No.	Account Number (a)	Title of Account (b)	Current Year (c)	Prior Year (d)
1		<u>SERVICE COMPANY OPERATING REVENUES</u>		
2	400	<u>Service Company Operating Revenues</u>	1,720,076,226	1,770,340,469
3		<u>SERVICE COMPANY OPERATING EXPENSES</u>		
4	401	<u>Operation Expenses</u>	956,923,342	937,604,430
5	402	<u>Maintenance Expenses</u>	38,265,684	41,750,455
6	403	<u>Depreciation Expenses</u>	29,220,277	29,990,830
7	403.1	<u>Depreciation Expense for Asset Retirement Costs</u>		
8	404	<u>Amortization of Limited-Term Property</u>	9,949,446	9,636,345
9	405	<u>Amortization of Other Property</u>		
10	407.3	<u>Regulatory Debits</u>		
11	407.4	<u>Regulatory Credits</u>		
12	408.1	<u>Taxes Other Than Income Taxes, Operating Income</u>	35,100,785	34,539,731
13	409.1	<u>Income Taxes, Operating Income</u>	5,566,340	9,917,530
14	410.1	<u>Provision for Deferred Income Taxes, Operating Income</u>	122,697,829	131,358,551
15	411.1	<u>Provision for Deferred Income Taxes - Credit , Operating Income</u>	(112,882,902)	(123,965,423)
16	411.4	<u>Investment Tax Credit, Service Company Property</u>	(134,993)	(134,993)
17	411.6	<u>Gains from Disposition of Service Company Plant</u>		
18	411.7	<u>Losses from Disposition of Service Company Plant</u>		
19	411.10	<u>Accretion Expense</u>		
20	412	<u>Costs and Expenses of Construction or Other Services</u>	599,092,081	672,933,150
21	416	<u>Costs and Expenses of Merchandising, Jobbing, and Contract Work</u>		
22		<u>TOTAL SERVICE COMPANY OPERATING EXPENSES (Total of Lines 4-21)</u>	1,683,797,889	1,743,630,606
23		<u>NET SERVICE COMPANY OPERATING INCOME (Total of Lines 2 less 22)</u>	36,278,337	26,709,863
24		<u>OTHER INCOME</u>		
25	418.1	<u>Equity in Earnings of Subsidiary Companies</u>		
26	419	<u>Interest and Dividend Income</u>	399,424	906,489

27	419.1	Allowance for Other Funds Used During Construction		
28	421	Miscellaneous Income or Loss	182,726	146,327
29	421.1	Gain on Disposition of Property		
30		TOTAL OTHER INCOME (Total of Lines 25-29)	582,150	1,052,816
31		OTHER INCOME DEDUCTIONS		
32	421.2	Loss on Disposition of Property	98,359	929,454
33	425	Miscellaneous Amortization		
34	426.1	Donations	4,634,938	3,518,072
35	426.2	Life Insurance		
36	426.3	Penalties		816,948
37	426.4	Expenditures for Certain Civic, Political and Related Activities	11,144,912	7,942,120
38	426.5	Other Deductions	16,486,895	13,127,141
39		TOTAL OTHER INCOME DEDUCTIONS (Total of Lines 32-38)	32,365,104	26,333,735
40		TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		
41	408.2	Taxes Other Than Income Taxes, Other Income and Deductions		1,700
42	409.2	Income Taxes, Other Income and Deductions		
43	410.2	Provision for Deferred Income Taxes, Other Income and Deductions		
44	411.2	Provision for Deferred Income Taxes - Credit, Other Income and Deductions		
45	411.5	Investment Tax Credit, Other Income Deductions		
46		TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS (Total of Lines 41-45)		1,700
47		INTEREST CHARGES		
48	427	Interest on Long-Term Debt		
49	428	Amortization of Debt Discount and Expense		
50	429	(less) Amortization of Premium on Debt- Credit		
51	430	Interest on Debt to Associate Companies	3,543,791	167,532
52	431	Other Interest Expense	951,592	1,259,712
53	432	(less) Allowance for Borrowed Funds Used During Construction-Credit		
54		TOTAL INTEREST CHARGES (Total of Lines 48-53)	4,495,383	1,427,244
55		NET INCOME BEFORE EXTRAORDINARY ITEMS (Total of Lines 23, 30, minus 39, 46, and 54)		

56		EXTRAORDINARY ITEMS		
57	434	Extraordinary Income		
58	435	(less) Extraordinary Deductions		
59		Net Extraordinary Items (Line 57 less Line 58)		
60	409.4	(less) Income Taxes, Extraordinary		
61		Extraordinary Items After Taxes (Line 59 less Line 60)		
62		NET INCOME OR LOSS/COST OF SERVICE (Total of Lines 55 and 61)		

FOOTNOTE DATA

(a) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. The 2023 and 2022 costs include the following:

	<u>2023</u>	<u>2022</u>
Capital Costs	\$536,517,087	\$573,620,503
Other Balance Sheet Accounts	62,574,994	99,312,647
	<u>\$599,092,081</u>	<u>\$672,933,150</u>

(b) Concept: MiscellaneousNonoperatingIncome

Totals for line 28 include the amounts in FERC accounts 417.1 (Expenses - Non-Utility) and 454 (Rent From Electric Property). These accounts are not listed in the 18 CFR Part 367 Uniform System of Accounts for Centralized Service Companies, but are included in 18 CFR Part 101. While Entergy's service companies have adopted 18 CFR Part 367, Entergy generally records service company costs on the service companies' books using the same accounts recorded on the affiliates' books as a result of the service company billing. The amounts recorded in account 417.1 and 454 were billed to affiliates based on allocation methods as filed with the FERC in Entergy's Rate Schedule 435, a form of service agreement for the provision of goods and services. Once billed to the affiliate companies, these amounts are properly includable in account 417.1 and 454 per CFR Part 101.

<u>Account</u>	<u>2023</u>	<u>2022</u>
417.1 - Expenses - Non-Utility	\$110,163	\$17,478
454 - Rent from Electric Property	(\$52,646)	(\$145,639)

16	419	Interest and Dividend Income	399,424		399,424				399,424		399,424
17	419.1	Allowance for Other Funds Used During Construction									
18	421	Miscellaneous Income or Loss	189,078	(6,352)	182,726				189,078	(6,352)	182,726
19	421.1	Gain on Disposition of Property									
20	421.2	Loss on Disposition Of Property	98,359		98,359				98,359		98,359
21	425	Miscellaneous Amortization									
22	426.1	Donations	4,518,316	116,622	4,634,938				4,518,316	116,622	4,634,938
23	426.2	Life Insurance									
24	426.3	Penalties									
25	426.4	Expenditures for Certain Civic, Political and Related Activities	10,765,987	378,925	11,144,912				10,765,987	378,925	11,144,912
26	426.5	Other Deductions	16,316,877	170,018	16,486,895				16,316,877	170,018	16,486,895
27	427	Interest On Long-Term Debt									
28	428	Amortization of Debt Discount and Expense									
29	429	Amortization of Premium on Debt - Credit									
30	430	Interest on Debt to Associate Companies	3,543,791		3,543,791				3,543,791		3,543,791
31	431	Other Interest Expense	951,592		951,592				951,592		951,592
32	432	Allowance for Borrowed Funds Used During Construction									
33	500-509	Total Steam Power Generation Operation Expenses	28,035,039	2,450,622	30,485,661				28,035,039	2,450,622	30,485,661
34	510-515	Total Steam Power Generation Maintenance Expenses	1,169,228	139,221	1,308,449				1,169,228	139,221	1,308,449
35	517-525	Total Nuclear Power Generation Operation Expenses	61,123,970	4,993,535	66,117,505				61,123,970	4,993,535	66,117,505
36	528-532	Total Nuclear Power Generation Maintenance Expenses	14,675,927	1,948,436	16,624,363				14,675,927	1,948,436	16,624,363

92	858	Transmission and Compression of Gas By Others								
93	859	Other Expenses	6,702	881	7,583			6,702	881	7,583
94	860	Rents	891		891			891		891
95		Total Gas Transmission Operation Expenses	7,593	881	8,474			7,593	881	8,474
96	861	Maintenance Supervision and Engineering								
97	862	Maintenance of Structures and Improvements								
98	863	Maintenance of Mains								
99	864	Maintenance of Compressor Station Equipment								
100	865	Maintenance of Measuring And Regulating Station Equipment								
101	866	Maintenance of Communication Equipment								
102	867	Maintenance of Other Equipment								
103		Total Gas Transmission Maintenance Expenses								
104	871-881	Total Distribution Operation Expenses	3,146,513	395,444	3,541,957			3,146,513	395,444	3,541,957
105	885-894	Total Distribution Maintenance Expenses	223,853	26,145	249,998			223,853	26,145	249,998
106		Total Natural Gas Operation and Maintenance Expenses	3,377,959	422,470	3,800,429			3,377,959	422,470	3,800,429
107	901	Supervision	2,188,967	210,365	2,399,332			2,188,967	210,365	2,399,332
108	902	Meter reading expenses	63,673	11,076	74,749			63,673	11,076	74,749
109	903	Customer records and collection expenses	75,438,799	2,901,510	78,340,309			75,438,799	2,901,510	78,340,309
110	904	Uncollectible accounts	113		113			113		113
111	905	Miscellaneous customer accounts expenses	192,628	14,387	207,015			192,628	14,387	207,015
112		Total Customer Accounts Operation Expenses	77,884,180	3,137,338	81,021,518			77,884,180	3,137,338	81,021,518
113	907	Supervision	1,438,843	157,415	1,596,258			1,438,843	157,415	1,596,258

114	908	Customer assistance expenses	1,770,630	121,472	1,892,102				1,770,630	121,472	1,892,102
115	909	Informational And Instructional Advertising Expenses	1,477,750	155,063	1,632,813				1,477,750	155,063	1,632,813
116	910	Miscellaneous Customer Service And Informational Expenses	576,296	70,006	646,302				576,296	70,006	646,302
117		Total Service and Informational Operation Accounts	5,263,519	503,956	5,767,475				5,263,519	503,956	5,767,475
118	911	Supervision	25,138	1,039	26,177				25,138	1,039	26,177
119	912	Demonstrating and Selling Expenses	8,318,613	462,818	8,781,431				8,318,613	462,818	8,781,431
120	913	Advertising Expenses	1,226,510		1,226,510				1,226,510		1,226,510
121	916	Miscellaneous Sales Expenses	1,280,942	28,619	1,309,561				1,280,942	28,619	1,309,561
122		Total Sales Operation Expenses	10,851,203	492,476	11,343,679				10,851,203	492,476	11,343,679
123	920	Administrative and General Salaries	220,129,261	29,158,612	249,287,873				220,129,261	29,158,612	249,287,873
124	921	Office Supplies and Expenses	39,030,252		39,030,252				39,030,252		39,030,252
125	923	Outside Services Employed	130,422,566	14,681	130,437,247				130,422,566	14,681	130,437,247
126	924	Property Insurance	877,154	122,498	999,652				877,154	122,498	999,652
127	925	Injuries and Damages	3,499,760	295,574	3,795,334				3,499,760	295,574	3,795,334
128	926	Employee Pensions and Benefits	174,344,280		174,344,280				174,344,280		174,344,280
129	928	Regulatory Commission Expenses	14,655,280	709,273	15,364,553				14,655,280	709,273	15,364,553
130	930.1	General Advertising Expenses	1,216,701	2,385	1,219,086				1,216,701	2,385	1,219,086
131	930.2	Miscellaneous General Expenses	36,719,682	(1,229,871)	35,489,811				36,719,682	(1,229,871)	35,489,811
132	931	Rents	15,566,027		15,566,027				15,566,027		15,566,027
133		Total Administrative and General Operation Expenses	636,460,963	29,073,152	665,534,115				636,460,963	29,073,152	665,534,115
134	935	Maintenance of Structures and Equipment	6,750,347	302,733	7,053,080				6,750,347	302,733	7,053,080

135		Total Administrative and General Maintenance Expenses	737,210,212	33,509,655	770,719,867				737,210,212	33,509,655	770,719,867
136		Total Cost of Service	1,635,154,746	84,921,480	1,720,076,226				1,635,154,746	84,921,480	1,720,076,226

FOOTNOTE DATA

(a) Concept: CostAndExpensesOfConstructionOrOtherServicesAssociateCompany

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. The 2023 costs include the following:

	Direct	Indirect	Total
Capital Costs	\$508,917,879	\$27,599,208	\$536,517,087
Other Balance Sheet Accounts	58,350,868	4,224,126	62,574,994
	<u>\$567,268,747</u>	<u>\$31,823,334</u>	<u>\$599,092,081</u>

(b) Concept: MiscellaneousIncomeOrLossAssociateCompany

Totals for line 18 includes the amounts in FERC accounts 421 (Miscellaneous Income/Loss), 417.1 (Non Utility Operating Expenses) and 454 (Rent From Electric Property). These accounts are not listed in 18 CFR Part 367 Uniform System of Accounts for Centralized Service Companies, but are included in 18 CFR Part 101. While Entergy's service companies have adopted 18 CFR Part 367, Entergy generally records service company costs on the service companies' books using the same accounts recorded on the affiliates' books as a result of the service company billing. The amounts recorded in accounts 417.1 and 454 were billed to affiliates based on allocation methods as filed with the FERC in Entergy's Rate Schedule 435, a form of service agreement for the provision of goods and services. Once billed to the affiliate companies, these amounts are properly includable in accounts 417.1 and 454 per 18 CFR Part 101.

Account	Direct	Indirect	Total
417.1 Non-Utility Operating Expenses	\$103,811	\$6,352	\$110,163
421 Miscellaneous Income/Loss	(240,244)	—	(240,244)
454 – Rent from Electric Property	(52,645)	—	(52,645)
	<u>(\$189,078)</u>	<u>\$6,352</u>	<u>(\$182,726)</u>

(c) Concept: CostAndExpensesOfConstructionOrOtherServices

Account 412 includes the costs incurred by the service company that are billed to affiliates as capital project costs or to other balance sheet accounts. The 2023 and 2022 costs include the following:

	<u>2023</u>	<u>2022</u>
Capital Costs	\$536,517,087	\$573,620,503
Other Balance Sheet Accounts	62,574,994	99,312,647
	<u>\$599,092,081</u>	<u>\$672,933,150</u>

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVII - Analysis of Billing - Associate Companies (Account 457)

1. For Services Rendered to Associate Companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation for Use of Capital (d)	Total Amount Billed (e)
1	Entergy Arkansas, LLC	356,199,709	17,982,887		374,182,596
2	Entergy Corporation	32,156,815	1,152,437		33,309,252
3	Entergy Enterprises, Inc.	9,543,034	529,705		10,072,739
4	Entergy Louisiana, LLC	656,833,303	34,502,916		691,336,219
5	Entergy Mississippi, LLC	182,219,368	9,309,605		191,528,973
6	Entergy New Orleans, LLC	93,803,155	4,830,749		98,633,904
7	Entergy Operations Inc.	384,876			384,876
8	Entergy Services Holding Inc	109,369	8,314		117,683
9	Entergy Services, LLC	8,381,494	1,201,703		9,583,197
10	Entergy Texas, Inc.	206,631,280	10,756,066		217,387,346
11	Entergy Utility Holding Co,LLC	1,069,304	71,643		1,140,947
12	MS Sunflower Project Co, LLC	324,550	22,651		347,201
13	System Energy Resources, Inc.	87,304,675	4,538,524		91,843,199
14	AR Searcy Partnership, LLC	12,807	1,255		14,062
15	AR Searcy Project Company, LLC	177,134	13,025		190,159
16	Deferred	3,873			3,873
40	Total	1,635,154,746	84,921,480		1,720,076,226

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XVIII - Analysis of Billing - Non-Associate Companies (Account 458)

1. For Services Rendered to Non-Associate Companies (Account 458), list all of the non-associate companies. In a footnote, describe the services rendered to each respective non-associate company.

Line No.	Name of Non-associate Company (a)	Account 458.1 Direct Costs Charged (b)	Account 458.2 Indirect Costs Charged (c)	Account 458.3 Compensation for Use of Capital (d)	Account 458.4 Excess or Deficiency on Servicing Non-associate Utility Companies (e)	Total Amount Billed (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
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Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XIX - Miscellaneous General Expenses - Account 930.2

1. Provide a listing of the amount included in Miscellaneous General Expenses (Account 930.2), classifying such expenses according to their nature. Amounts less than \$50,000 may be grouped showing the number of items and the total for the group.
2. Payments and expenses permitted by Section 321 (b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. 441(b)(2)) shall be separately classified.

Line No.	Title of Account (a)	Amount (b)
1	Bank fees	1,803,006
2	IT software/hardware applications and software service contracts	41,640,414
3	Dues	1,687,772
4	System aircraft	905,690
5	System strategy and regulatory services	52,620
6	Investor relations	1,465,198
7	Cell phone service	96,288
8	Tax services	114,500
9	Palisades license transfer transactions	41,888
10	Time study allocation	(8,848,416)
11	Other	(3,469,149)
40	Total	35,489,811

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
Schedule XX - Organization Chart			
1. Provide a graphical presentation of the relationships and inter relationships within the service company that identifies lines of authority and responsibility in the organization.			

Name of Respondent: Entergy Services, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/26/2024	Year/Period of Report: End of: 2023/ Q4
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Schedule XXI - Methods of Allocation

1. Indicate the service department or function and the basis for allocation used when employees render services to more than one department or functional group. If a ratio, include the numerator and denominator.
2. Include any other allocation methods used to allocate costs.

Represented in the table entitled "Allocation Methods by Department or Function", are the service department or function and the basis for allocation used when employees render services to more than one department or functional group. The second table, entitled "Basis for Allocation and Ratio by Billing Method", contains the numerator and denominator of each allocation method that is represented as a ratio.

Allocation Methods by Department or Function	
Service Department or Function	Basis of Allocation
Corporate	APPSUNIX Based on the UNIX server usage
	APPSUPAL Based on a weighted composite of UNIX and NT servers and mainframe usage
	APTRNALL Based on a twelve-month number of accounts payable transactions processed
	ARTRNALL Based on a twelve month number of accounts receivable transactions processed
	ASSTEWCB Based on total assets at period end for all entities involved in the Wholesale Commodity Business
	ASSTNREG Based on total assets at period end for all non-regulated Business Units
	ASSTSALL Based on total assets at period end
	ASSTSREG Based on total assets at period end for all regulated Business Units
	ASSTXLG Based on total assets at period end for ELA and ETI
	ASTREGOP Based on total assets at period end for all regulated Business Units, excluding SERI
	BNKACCTA Based on number of bank accounts at period end
	BWRSNUCA Based on the number of Boiling Water Reactor Plant Units
	CAPACCGT Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously (CCGT)
	CAPAOPCO Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
	CAPXCOPC Based on the power level, in kilowatts, that could be achieved if all non-coal and non-nuclear generating units were operating at maximum capability simultaneously
	COALARGS Based on the quantity of tons of coal delivered to each coal plant within the Entergy System
	COMCLAIM Based on number of open workers' compensation claims
	CUSEGAMI Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
	CUSEGLOU Based on a twelve-month average number of electric and gas customers in Louisiana
	CUSEGTX Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, municipal, and general business customers, excluding ETI
	CUSEMETR Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for the Metro Region, ELA and ENOI
	CUSEOPCO Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSGOPCO Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	CUSTCALL Based on a twenty-four month average of customer calls
	CUSTEGOP Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers

CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTEXAM	Based on a twelve-month average for all customers, excluding EAL and EML
CUSTEXTX	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for EAI, ELA, EMI, and ENOI
DSTLNALL	Based on the number of miles of distribution lines
EMPLFRAN	Based on the number of full-time and part-time employees within Franchise Operations
EMPLOCSS	Based on the number of full-time and part-time employees within Customer Support Service
EMPLOFOS	Based on the number of full-time and part-time employees within Fossil Plant Operations
EMPLOREG	Based on the number of full-time and part-time employees at period end for EAI, ELA, EMI, ENOI, SERI, ETI and ESI
EMPLOYAL	Based on the number of full-time and part-time employees at period end
EMPLPRES	Based on the number of full-time and part-time employees within State President Organizations
EMPLTRAN	Based on the number of full-time and part-time employees within Transmission
EMPLUTOP	Based on the number of full-time and part-time employees within Utility Operations
EMPXENUC	Based on the number of full-time and part-time employees at period end, excluding ENUC
GENLDREG	Based on general ledger transactions for regulated companies
GENLEDAL	Based on general ledger transactions
GPASSTAL	Based on the gross value of utility plant assets at period end for all Entergy Operating Company - for EAM (Enterprise Asset Management) use only
GWHOPCPE	Based on energy sales to ultimate customers
INSPREAL	Based on non-nuclear insurance premiums
ITSPENDA	Based on Information Technology twelve-month total spending
LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
LBRCOMUN	Based on total labor dollars billed to each company by ESI for the Communications function
LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
LBRFDPOL	Based on total labor dollars billed to each company by ESI for the Federal Policy, Regulatory and Governmental Affairs function
LBRFINAN	Based on total labor dollars billed to each company by ESI for the Finance function
LBRINFOR	Based on total labor dollars billed to each company by ESL for the IT function
LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
LBRSUPCN	Based on total labor dollars billed to each company by ESI for the Supply Chain function
LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
LVLSVCAL	Based on ESI total billings to each Client Company
MACCTALL	Based on number of retail managed accounts
NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
OWNISFI	Based on the percentage ownership of SFI
PCNUMALL	Based on the number of PC's within each Business Unit
PCNUMXNR	Based on the number of PC's within each regulated Business Unit at EAI, ELA, EMI, ENOI, SERI, ETI and ESI
PKLDEXAM	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load, excluding EAI and EMI. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.

PRCHKALL	Based on the number of payroll checks issued for each Business Unit
PWRSNUCA	Based on the number of Pressure Water Reactor Plant Units
RADIOALL	Based on usage of Entergy's 2-way radio system
RECDMGNT	Based on the number of full-time and part time employees at period end, excluding the Nuclear function using records management services
SCDSPALL	Based on Supply Chain Procurement Total Spending for the Distribution Function
SCFSPALL	Based on Supply Chain Procurement Total Spending for the Fossil Function
SCMATRAN	Based on the number of Supply Chain materials transactions for each Business Unit in Passport
SCPSBALL	Based on Supply Chain's Procurement Total Spending
SCPSPXNC	Based on Supply Chain Procurement Total Spending, excluding Nuclear for twelve months
SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
SCTDSPAL	Based on Supply Chain's Procurement Total Spending for Distribution and Transmission functions
SCTSPALL	Based on Supply Chain's Procurement Total Spending for Transmission
SENUCALL	Based on the number of operating Nuclear North Units
SNSITEAL	Based on the total number of Nuclear Plant Sites
SNUCSITE	Based on the number of operating Nuclear Plant Sites
SNUCUNIT	Based on the number of operating Nuclear Units
SNUNITAL	Based on the total number of Nuclear Units
SQFTALLC	Based on square footage for all Business Units
TELPBALL	Based on the number of telephones within each Business Unit
TRALINOP	Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >400kv =2)
TRANSPND	Based on Transmission Budgeted Capital Expenditures
TRASUBOP	Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
VEHCLFOS	Based on the number of vehicles owned or leased by each Business Unit for the Fossil function only
VEHCLNUC	Based on the number of vehicles owned or leased by each Business Unit for the Nuclear function only
VEHCLUSG	Based on the number of vehicles owned or leased by each Business Unit that participates in the usage based transportation allocation, excluding Fossil and Nuclear
APPSUPAL	Based on a weighted composite of UNIX and NT servers and mainframe usage
ASSTSALL	Based on total assets at period end
ASSTSREG	Based on total assets at period end for all regulated Business Units
CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
CUSEMETR	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for the Metro Region, ELA and ENOI
CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
CUSGOPCO	Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTCALL	Based on a twenty-four month average of customer calls
CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers

Distribution

CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTEXAM	Based on a twelve-month average for all customers, excluding EAL and EML
DSTLNALL	Based on the number of miles of distribution lines
EMPLFRAN	Based on the number of full-time and part-time employees within Franchise Operations
EMPLOREG	Based on the number of full-time and part-time employees at period end for EAI, ELA, EMI, ENOI, SERI, ETI and ESI
EMPLOYAL	Based on the number of full-time and part-time employees at period end
EMPLTRAN	Based on the number of full-time and part-time employees within Transmission
GENLDREG	Based on general ledger transactions for regulated companies
GENLEDAL	Based on general ledger transactions
GPASSTAL	Based on the gross value of utility plant assets at period end for all Entergy Operating Company - for EAM (Enterprise Asset Management) use only
GWHOPCPE	Based on energy sales to ultimate customers
ITSPENDA	Based on Information Technology twelve-month total spending
LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
LBRSUPCN	Based on total labor dollars billed to each company by ESI for the Supply Chain function
LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
LVLSVCAL	Based on ESI total billings to each Client Company
MACCTALL	Based on number of retail managed accounts
NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
PCNUMALL	Based on the number of PC's within each Business Unit
PCNUMXNR	Based on the number of PC's within each regulated Business Unit at EAI, ELA, EMI, ENOI, SERI, ETI and ESI
PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
PRCHKALL	Based on the number of payroll checks issued for each Business Unit
SCDSPALL	Based on Supply Chain Procurement Total Spending for the Distribution Function
SCPSBALL	Based on Supply Chain's Procurement Total Spending
SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
SCTSPALL	Based on Supply Chain's Procurement Total Spending for Transmission
SENUCALL	Based on the number of operating Nuclear North Units
SQFTALLC	Based on square footage for all Business Units
TELPBALL	Based on the number of telephones within each Business Unit
TRALINOP	Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >400kv =2)
TRANSPND	Based on Transmission Budgeted Capital Expenditures
TRASUBOP	Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
VEHCLFOS	Based on the number of vehicles owned or leased by each Business Unit for the Fossil function only
VEHCLNUC	Based on the number of vehicles owned or leased by each Business Unit for the Nuclear function only
VEHCLUSG	Based on the number of vehicles owned or leased by each Business Unit that participates in the usage based transportation allocation, excluding Fossil and Nuclear

Finance and Accounting

APPSUPAL	Based on a weighted composite of UNIX and NT servers and mainframe usage
APTRNALL	Based on a twelve-month number of accounts payable transactions processed
ARTRNALL	Based on a twelve month number of accounts receivable transactions processed
ASSTEWCB	Based on total assets at period end for all entities involved in the Wholesale Commodity Business
ASSTNREG	Based on total assets at period end for all non-regulated Business Units
ASSTSALL	Based on total assets at period end
ASSTSREG	Based on total assets at period end for all regulated Business Units
BNKACCTA	Based on number of bank accounts at period end
CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
CUSEGLOU	Based on a twelve-month average number of electric and gas customers in Louisiana
CUSEGXTX	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, municipal, and general business customers, excluding ETI
CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
CUSGOPCO	Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTCALL	Based on a twenty-four month average of customer calls
CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTEXTX	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for EAI, ELA, EMI, and ENOI
DSTLNALL	Based on the number of miles of distribution lines
EMPLOREG	Based on the number of full-time and part-time employees at period end for EAI, ELA, EMI, ENOI, SERI, ETI and ESI
EMPLOYAL	Based on the number of full-time and part-time employees at period end
EMPLPRES	Based on the number of full-time and part-time employees within State President Organizations
GENLDREG	Based on general ledger transactions for regulated companies
GENLEDAL	Based on general ledger transactions
INSPREAL	Based on non-nuclear insurance premiums
ITSPENDA	Based on Information Technology twelve-month total spending
LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
LBRCOMUN	Based on total labor dollars billed to each company by ESI for the Communications function
LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
LBRFDPOL	Based on total labor dollars billed to each company by ESI for the Federal Policy, Regulatory and Governmental Affairs function
LBRFINAN	Based on total labor dollars billed to each company by ESI for the Finance function
LBRINFOR	Based on total labor dollars billed to each company by ESL for the IT function
LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function

	LBRSUPCN	Based on total labor dollars billed to each company by ESI for the Supply Chain function
	LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
	LVLVSCAL	Based on ESI total billings to each Client Company
	MACCTALL	Based on number of retail managed accounts
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	OWNISFI	Based on the percentage ownership of SFI
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	PRCHKALL	Based on the number of payroll checks issued for each Business Unit
	SCDSPALL	Based on Supply Chain Procurement Total Spending for the Distribution Function
	SCMATRAN	Based on the number of Supply Chain materials transactions for each Business Unit in Passport
	SCPSPALL	Based on Supply Chain's Procurement Total Spending
	SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
	SENUCALL	Based on the number of operating Nuclear North Units
	SENUCXVY	Split equally among ENG, ENIP2, ENIP3, and ENPAL
	SNSITEAL	Based on the total number of Nuclear Plant Sites
	SNUCSITE	Based on the number of operating Nuclear Plant Sites
	SNUCUNIT	Based on the number of operating Nuclear Units
	SNUNITAL	Based on the total number of Nuclear Units
	SQFTALLC	Based on square footage for all Business Units
	TRANSPND	Based on Transmission Budgeted Capital Expenditures
	TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
	VEHCLFOS	Based on the number of vehicles owned or leased by each Business Unit for the Fossil function only
	VEHCLNUC	Based on the number of vehicles owned or leased by each Business Unit for the Nuclear function only
	VEHCLUSG	Based on the number of vehicles owned or leased by each Business Unit that participates in the usage based transportation allocation, excluding Fossil and Nuclear
Gas Operations	ASSTSALL	Based on total assets at period end
	CUSGOPCO	Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	EMPLOYAL	Based on the number of full-time and part-time employees at period end
	LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
Information Technology	APPSMVX	Based on mainframe usage
	APPSUNIX	Based on the UNIX server usage
	APPSUPAL	Based on a weighted composite of UNIX and NT servers and mainframe usage
	ASSTSALL	Based on total assets at period end
	ASSTSREG	Based on total assets at period end for all regulated Business Units
	CAPACCGT	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously (CCGT)
	CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously

CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
CUSGOPCO	Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTCALL	Based on a twenty-four month average of customer calls
CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
CUSTEXAM	Based on a twelve-month average for all customers, excluding EAL and EML
EMPLOYAL	Based on the number of full-time and part-time employees at period end
EMPXENUC	Based on the number of full-time and part-time employees at period end, excluding ENUC
GENLEDAL	Based on general ledger transactions
GWHOPCPE	Based on energy sales to ultimate customers
ITSPENDA	Based on Information Technology twelve-month total spending
LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
LBRFPOL	Based on total labor dollars billed to each company by ESL for the Federal Policy, Regulatory and Governmental Affairs function
LBRINFOR	Based on total labor dollars billed to each company by ESL for the IT function
LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
LVLVSCAL	Based on ESI total billings to each Client Company
MACCTALL	Based on number of retail managed accounts
NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
PCNUMALL	Based on the number of PC's within each Business Unit
PCNUMXNR	Based on the number of PC's within each regulated Business Unit at EAL, ELA, EMI, ENOI, SERI, ETI and ESI
PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
PRCHKALL	Based on the number of payroll checks issued for each Business Unit
RADIOALL	Based on usage of Entergy's 2-way radio system
RECDMGNT	Based on the number of full-time and part time employees at period end, excluding the Nuclear function using records management services
SCPSBALL	Based on Supply Chain's Procurement Total Spending
SCPSPXNC	Based on Supply Chain Procurement Total Spending, excluding Nuclear for twelve months
SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
SENUCALL	Based on the number of operating Nuclear North Units
SNSITEAL	Based on the total number of Nuclear Plant Sites
TELPHALL	Based on the number of telephones within each Business Unit
TRALINOP	Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >400kv =2)
TRANSPND	Based on Transmission Budgeted Capital Expenditures
TRASUBOP	Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)

	TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
	VEHCLUSG	Based on the number of vehicles owned or leased by each Business Unit that participates in the usage based transportation allocation, excluding Fossil and Nuclear
Nuclear Operations	ASSTSALL	Based on total assets at period end
	BWRSNUCA	Based on the number of Boiling Water Reactor Plant Units
	CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
	CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	EMPLOYAL	Based on the number of full-time and part-time employees at period end
	GWHOPCPE	Based on energy sales to ultimate customers
	ITSPENDA	Based on Information Technology twelve-month total spending
	LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
	LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
	LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
	LVLVSCAL	Based on ESI total billings to each Client Company
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	PWRSNUCA	Based on the number of Pressure Water Reactor Plant Units
	SCFSPALL	Based on Supply Chain Procurement Total Spending for the Fossil Function
	SCMATRAN	Based on the number of Supply Chain materials transactions for each Business Unit in Passport
	SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
	SENUCALL	Based on the number of operating Nuclear North Units
	SNUCSITE	Based on the number of operating Nuclear Plant Sites
	SNUCUNIT	Based on the number of operating Nuclear Units
	SQFTALLC	Based on square footage for all Business Units
TRANSPND	Based on Transmission Budgeted Capital Expenditures	
Power Delivery	ASSTSALL	Based on total assets at period end
	CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
	CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
	CUSEMETR	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for the Metro Region, ELA and ENOI
	CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	DSTLNALL	Based on the number of miles of distribution lines
	EMPLOYAL	Based on the number of full-time and part-time employees at period end

	LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
	LBRFDPOL	Based on total labor dollars billed to each company by ESI for the Federal Policy, Regulatory and Governmental Affairs function
	LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	TRALINOP	Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >400kv =2)
	TRANSPND	Based on Transmission Budgeted Capital Expenditures
	TRASUBOP	Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
	TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
Power Generation	ARTRNALL	Based on a twelve month number of accounts receivable transactions processed
	ASSTSALL	Based on total assets at period end
	ASSTSREG	Based on total assets at period end for all regulated Business Units
	ASSTTXLG	Based on total assets at period end for ELA and ETI
	CAPACCGT	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously (CCGT)
	CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
	CAPXCOPC	Based on the power level, in kilowatts, that could be achieved if all non-coal and non-nuclear generating units were operating at maximum capability simultaneously
	COALARGS	Based on the quantity of tons of coal delivered to each coal plant within the Entergy System
	CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
	CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSGOPCO	Based on a twelve-month average number of gas residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	EMPLOREG	Based on the number of full-time and part-time employees at period end for EAI, ELA, EMI, ENOI, SERI, ETI and ESI
	EMPLOYAL	Based on the number of full-time and part-time employees at period end
	GWHOPCPE	Based on energy sales to ultimate customers
	ITSPENDA	Based on Information Technology twelve-month total spending
	LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
	LBRCOMUN	Based on total labor dollars billed to each company by ESI for the Communications function
	LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
	LBRFDPOL	Based on total labor dollars billed to each company by ESI for the Federal Policy, Regulatory and Governmental Affairs function
	LBRFINAN	Based on total labor dollars billed to each company by ESI for the Finance function

	LBRLEGAL	Based on total labor dollars billed to each company by ESL for the Legal function
	LBRSUPCN	Based on total labor dollars billed to each company by ESI for the Supply Chain function
	LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
	LVLSCAL	Based on ESI total billings to each Client Company
	MACCTALL	Based on number of retail managed accounts
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	PKLDEXAM	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load, excluding EAI and EMI. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	SCFSPALL	Based on Supply Chain Procurement Total Spending for the Fossil Function
	SCPSPALL	Based on Supply Chain's Procurement Total Spending
	SCRSPALL	Based on Supply Chain Procurement Total Spending for the Regulated Companies
	SENUCALL	Based on the number of operating Nuclear North Units
	SNUCSITE	Based on the number of operating Nuclear Plant Sites
	SQFTALLC	Based on square footage for all Business Units
	TELPBALL	Based on the number of telephones within each Business Unit
	TRANSPND	Based on Transmission Budgeted Capital Expenditures
	TRSBINOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
President	APPSUPAL	Based on a weighted composite of UNIX and NT servers and mainframe usage
	ASSTSALL	Based on total assets at period end

	ASSTSREG	Based on total assets at period end for all regulated Business Units
	CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
	CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSTCALL	Based on a twenty-four month average of customer calls
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	EMPLOYAL	Based on the number of full-time and part-time employees at period end
	ITSPENDA	Based on Information Technology twelve-month total spending
	LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
	LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
	LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
	MACCTALL	Based on number of retail managed accounts
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	PCNUMALL	Based on the number of PC's within each Business Unit
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.

	SCMATRAN	Based on the number of Supply Chain materials transactions for each Business Unit in Passport
	SQFTALLC	Based on square footage for all Business Units
	TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
Transmission	ASSTSALL	Based on total assets at period end
	ASTREGOP	Based on total assets at period end for all regulated Business Units, excluding SERI
	CAPACCGT	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously (CCGT)
	CAPAOPCO	Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously
	CUSEGAMI	Based on a twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers derived from the number of gas-only customers provided by Gas Operations. This method should only be used to allocate Advanced Metering Infrastructure (AMI) deployment infrastructure expense. (Does not include meter hardware purchases)
	CUSEMETR	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers for the Metro Region, ELA and ENOI
	CUSEOPCO	Based on a twelve-month average number of electric residential, commercial, industrial, government, and municipal customers
	CUSTEGOP	Based on a twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers
	CUSTELLA	Based on a twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal customers for ELA and ENOI
	EMPLOYAL	Based on the number of full-time and part-time employees at period end
	EMPLTRAN	Based on the number of full-time and part-time employees within Transmission
	ITSPENDA	Based on Information Technology twelve-month total spending
	LBRBILAL	Based on total labor dollars billed to each Client Company by ESL
	LBRCORPT	Based on total labor dollars billed to each company by ESL for the Corporate function
	LBRSUPCN	Based on total labor dollars billed to each company by ESI for the Supply Chain function
	LBRUTOPN	Based on total labor dollars billed to each company by ESI for the Utility Operations function
	NETPPEAL	Based on the net book value of all companies with property, plant and equipment, excluding natural gas and nuclear fuel
	PKLDEXAM	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load, excluding EAI and EMI. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	PKLOADAL	Based on the ratio of each Client Company's load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.
	SCDSPALL	Based on Supply Chain Procurement Total Spending for the Distribution Function
	SNUCSITE	Based on the number of operating Nuclear Plant Sites
	SQFTALLC	Based on square footage for all Business Units
	TRALINOP	Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >400kv =2)
	TRANSPND	Based on Transmission Budgeted Capital Expenditures
	TRASUBOP	Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
	TRSBLNOP	Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting)
Tax and Interest Expense	LVLSCAL	Based on ESI total billings to each Client Company

Basis for Allocation and Ratio by Billing Method		
Billing Method	Numerator	Denominator
APPSMVSX	Mainframe usage per company	Total usage of the mainframe
APPSUNIX	UNIX servers usage per company	Total usage of the UNIX servers
APPSUPAL	Weighted composite of UNIX and NT servers and mainframe usage per company	Total weighted composite of UNIX and NT servers and mainframe usage
APTRNALL	Number of accounts payable transactions per company	Total number of accounts payable transactions processed
ARTRNALL	Number of accounts receivable transactions processed per company	Total number of accounts receivable transactions processed
ASSTEWCB	Assets per Wholesale Commodity Business company	Total assets of Wholesale Commodity Business companies
ASSTNREG	Assets per non-regulated company	Total assets of non-regulated companies
ASSTSALL	Assets per company	Total assets
ASSTSREG	Assets per regulated company	Total assets of regulated companies
ASSTTXLG	Assets per company - ELA and ETI only	Total combined assets - ELA and ETI
ASTREGOP	Assets per regulated company, excluding SERI	Total assets of regulated companies, excluding SERI
BNKACCTA	Bank accounts per company	Total number of bank accounts
BWRSNUCA	Number of Boiling Water Reactors per company	Total number of Boiling Water Reactors
CAPACCGT	System capacity per company - EAI, ELA, EMI, and ENOI only	System capacity - Regulated. Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously. Based on system capacity of EAI, ELA, EMI, and ENOI.
CAPAOPCO	System capacity per company - EAI, ELA, EMI, ENOI and ETI only	System capacity - Regulated. Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously. Based on system capacity of EAI, ELA, EMI, ENOI and ETI.
CAPXCOPC	System capacity per company	System capacity - Excluding nuclear and coal. Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously.
COALARGS	Quantity of tons of coal delivered to each coal plant within the Entergy System per company	Total quantity of tons of coal delivered to each coal plant within the Entergy System
COMCLAIM	Total number of open worker's compensation claims per company	Total number of open worker's compensation claims
CUSEGAMI	Twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers per company	Twelve-month average number of electric-only, gas-only, and dual (electric and gas) customers
CUSEGLOU	Average number of electric and gas customers per company - ELA and ENOI only	Average number of electric and gas customers - ELA and ENOI
CUSEGXTX	Twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers per company, excluding ETI	Twelve-month average number of electric and gas residential, commercial, industrial, government, and municipal general business customers, excluding ETI
CUSEMETR	Twelve-month average number of electric customers per company - ELA and ENOI only	Twelve-month average number of electric customers in the Metro Region served by ELA and ENOI
CUSEOPCO	Twelve-month average number of system electric residential, commercial, industrial, government, and municipal customers per company	Twelve-month average number of system electric residential, commercial, industrial, government, and municipal customers
CUSGOPCO	Twelve-month average number of gas customers per company - ELA and ENOI only	Average number of gas Customers - ELA and ENOI
CUSTCALL	Customer calls per company	Total number of customer calls
CUSTEGOP	Twelve-month average number of system gas residential, commercial, industrial, government, and municipal customers per company	Twelve-month average number of system gas residential, commercial, industrial, government, and municipal customers
CUSTELLA	Twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal general business customers per company - ELA and ENOI only	Twelve-month average number of Louisiana electric residential, commercial, industrial, government, and municipal general business customers for ELA and ENOI
CUSTEXAM	Average number of customers per company - excluding EAL and EML	Twelve-month average number of customers - Excluding EAL and EML
CUSTEXTX	Twelve-month average number of electric residential, commercial, industrial, government, municipal general business customers per company - EAI, ELA, EMI, and ENOI only	Twelve-month average number of electric residential, commercial, industrial, government, municipal general business customers served by EAI, ELA, EMI, and ENOI

DSTLNALL	Number of miles of distribution lines per company	Total number of miles of distribution lines of 34.5k or less
EMPLFRAN	Number of full-time and part-time employees within Franchise Operations per company	Total number of full-time and part-time employees within Franchise Operations
EMPROCSS	Number of full-time and part-time employees within the Customer Support Services function per company	Total number of full-time and part-time employees within the Customer Support Services function
EMPLOFOS	Number of full-time and part-time employees within Fossil Plant Operations per company	Total number of full-time and part-time employees within Fossil Plant Operations
EMPLOREG	Number of full-time employees at period end per company, including EAI, ELA, EMI, ENOI, SERI, ETI and ESI	Total number of full-time employees at period end, including EAI, ELA, EMI, ENOI, SERI, ETI and ESI
EMPLOYAL	Number of full-time and part-time employees per company	Total number of full-time and part-time employees
EMPLPRES	Number of full-time and part-time employees within the State President function per company	Total number of full-time and part-time employees within the State President function
EMPLTRAN	Number of full-time and part-time employees within Transmission per company	Total number of full-time and part-time employees within Transmission
EMPLUTOP	Number of full-time and part-time employees within Utility Operations per company	Total number of full-time and part-time employees within Utility Operations
EMPXENUC	Number of employees per company, excluding ENUC	Total number of employees for all companies, excluding ENUC
GENLDREG	Number of general ledger transactions per regulated company	Total number of general ledger transactions for regulated companies
GENLEDAL	Number of general ledger transactions per company	Total number of general ledger transactions
GPASSTAL	Total gross utility plant assets per Operating Company	Total gross utility plant assets for all Operating Companies
GWHOPCPE	Energy sales in GWH per company	Total energy sales in GWH
INSPREAL	Insurance premiums per company	Total insurance premiums
ITSPENDA	Information technology total spending per company	Total information technology total spending
LBRBILAL	ESI total labor dollars billed per Client Company	ESI total labor dollars billed
		ESI total labor dollars billed per Client Company
LBRCOMUN	ESI total labor dollars billed for Communications function per company	Total ESI labor dollars billed for the Communications function
LBRCORPT	ESI total labor dollars billed for Corporate function per company	Total ESI labor dollars billed for the Corporate function
LBRFDPOL	ESI total labor dollars billed for Fed Pol, Reg and Gov Affairs function per company	Total ESI labor dollars billed for the Fed Pol, Reg and Gov Affairs function
LBRFINAN	ESI total labor dollars billed for Finance function per company	Total ESI labor dollars billed for the Finance function
LBRINFOR	ESI total labor dollars billed for IT function per company	Total ESI labor dollars billed for the IT function
LBRLEGAL	ESI total labor dollars billed for Legal function per company	Total ESI labor dollars billed for the Legal function
LBRSUPCN	ESI total labor dollars billed for Supply Chain function per company	Total ESI labor dollars billed for the Supply Chain function
LBRUTOPN	ESI total labor dollars billed for Utility Operations function per company	Total ESI labor dollars billed for the Utility Operations function
LVLVSCAL	ESI total billings, excluding corporate overhead, per Client Company	ESI total billings, excluding corporate overhead
MACCTALL	Number of managed accounts per company	Total number of managed accounts for all Entergy companies
NETPPEAL	Balance of each Business Unit's property, plant, and equipment	Balance of Entergy's property, plant, and equipment
OWNISFI	Ownership/contractual interest in SFI per company	Total ownership/contractual interest in SFI
PCNUMALL	Number of PC's per company	Total number of PC's
PCNUMXNR	Number of PC's per company - EAI, ELA, EMI, ENOI, SERI, ETI and ESI only	Total number of PC's - EAI, ELA, EMI, ENOI, SERI, ETI and ESI
PKLDEXAM	Ratio of the company's load at time of peak load per company - Excluding EAI and EMI	Total ratio of the company's load at time of peak load - Excluding EAI and EMI
PKLOADAL	Ratio of the company's load at time of peak load per company	Total ratio of the company's load at time of peak load
PRCHKALL	Number of payroll checks issued per company	Total number of payroll checks issued
PWRSNUCA	Number of Pressure Water Reactors per company	Total number of Pressure Water Reactors
RADIOALL	Radio usage per company	Total radio usage
RECDMGNT	Number of employees using records management services per company, excluding the Nuclear function	Total number of employees using records management services, excluding the Nuclear function

SCDSPALL	Supply Chain total spending for the twelve months ending September 30th per company, Distribution only	Total Supply Chain total spending for the twelve months ending September 30th, Distribution only
SCFSPALL	Supply Chain total spending for the twelve months ending September 30th per company, Fossil only	Total Supply Chain total spending for the twelve months ending September 30th, Fossil Only
SCMATRAN	Supply Chain material transactions per company	Total Supply Chain material transactions
SCPSPALL	Supply Chain total spending for the twelve months ending September 30th per company	Total Supply Chain total spending for the twelve months ending September 30th
SCPSPXNC	Supply Chain total spending, excluding Nuclear, for the twelve months ending September 30th per company	Total Supply Chain total spending, excluding Nuclear, for the twelve months ending September 30th
SCRSBALL	Supply Chain total spending for the twelve months ending September 30th per company, Regulated only	Total Supply Chain total spending for the twelve months ending September 30th, Regulated only
SCTDSPAL	Supply Chain total spending for the twelve months ending September 30th per company, Distribution and Transmission only	Total Supply Chain total spending for the twelve months ending September 30th, Distribution and Transmission only
SCTSPALL	Supply Chain total spending for the twelve months ending September 30th per company, Transmission only	Total Supply Chain total spending for the twelve months ending September 30th, Transmission only
SENUCALL	Number of operating Nuclear North Units per company	Total number of all operating Nuclear North Units
SENUCVY	Number of Nuclear North Units per company, excluding ENVY and ENFZ	Total number of all Nuclear North Units, excluding ENVY and ENFZ
SNSITEAL	Number of Nuclear Plant Sites per company	Total number of all Nuclear Plant Sites
SNUCSITE	Number of operating Nuclear Plant Sites per company	Total number of operating Nuclear Plant Sites
SNUCUNIT	Number of operating Nuclear Units per company	Total number of operating Nuclear Units
SNUINITAL	Number of Nuclear Units per company	Total number of all Nuclear Units
SQFTALLC	Square footage per company	Total square footage for all companies
TELPBALL	Number of telephones per company	Total number of telephones
TRALINOP	Number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >=400kv =2), per company	Total number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >=400kv =2)
TRANSPND	Transmission capital expenditures per company	Total transmission budgeted capital expenditures
TRASUBOP	Number of high voltage substations weighted for voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2) per company	Total number of high voltage substations weighted for voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
TRSBLNOP	Transmission line miles (30% weighting) and the number of high voltage substations (70% weighting) per company	Based on two components: transmission line miles (30% weighting) and the number of high voltage substations (70% weighting)
VEHCLFOS	Number of vehicles per company, Fossil only	Total number of vehicles, Fossil only
VEHCLNUC	Number of vehicles per company, Nuclear only	Total number of vehicles, Nuclear only
VEHCLUSG	Number of vehicles per company, excluding Fossil and Nuclear	Total number of vehicles, excluding Fossil and Nuclear
TRANSPND	Transmission capital expenditures per company	Total transmission budgeted capital expenditures
TRASUBOP	Number of high voltage substations weighted for voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2) per company	Total number of high voltage substations weighted for voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2)
TRSBLNOP	Transmission line miles (30% weighting) and the number of high voltage substations (70% weighting) per company	Based on two components: transmission line miles (30% weighting) and the number of high voltage substations (70% weighting)
UNPOWSAL	Based on fixed allocation percentages under Entergy's Unit Power Sales Agreement by company	Based on fixed allocation percentages under Entergy's Unit Power Sales Agreement
VEHCLFOS	Number of vehicles per company, Fossil only	Total number of vehicles, Fossil only
VEHCLNUC	Number of vehicles per company, Nuclear only	Total number of vehicles, Nuclear only
VEHCLUSG	Number of vehicles per company, excluding Fossil and Nuclear	Total number of vehicles, excluding Fossil and Nuclear

APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT D

AGGREGATE DOLLAR AMOUNT OF 2023 AFFILIATE TRANSACTIONS

(RULE VI.A.5)

**Includes: EAL Sales – Purchases by BU
EAL Co-Owned Billing to Affiliates
SFI Billing to EAL
EAL Direct Billing to Affiliates**

**REPORT OF ENTERGY ARKANSAS, LLC
 CHARGES BY ENTERGY ARKANSAS, LLC TO AN AFFILIATE
 NAME OF AFFILIATE COMPANY: VARIOUS AFFILIATE COMPANIES
 SALES OF ENERGY AND PURCHASED POWER TRANSACTIONS
 FOR THE YEAR ENDED DECEMBER 31, 2023**

AFFILIATE DETAIL

FERC ACCOUNT	ACCOUNT DESCRIPTION	TOTAL (\$ TRANSACTED) ⁽¹⁾	ELL	EML	ENOL	SERI	ENTERGY POWER, LLC
SALES OF ELECTRICITY:							
447	SALES FOR RESALE	125,245,099	39,594,473	45,993,091	39,616,090	-	41,445
POWER PRODUCTION EXPENSES:							
555	PURCHASED POWER	214,758,311	-	-	-	214,758,311	-
TOTALS ACROSS ACCOUNTS FOR THIS AFFILIATE		<u>340,003,410</u>	<u>39,594,473</u>	<u>45,993,091</u>	<u>39,616,090</u>	<u>214,758,311</u>	<u>41,445</u>

⁽¹⁾ During 2022, EAL purchased and/or sold electricity to the following affiliates:
 Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC,
 System Energy Resources, Inc., and Entergy Power LLC.
 The information presented shows total sales and purchased power transactions with the aforementioned affiliates.

REPORT OF ENTERGY ARKANSAS, INC.
 CHARGES BY ENTERGY ARKANSAS, INC. TO AN AFFILIATE
 NAME OF AFFILIATE COMPANY: VARIOUS AFFILIATE COMPANIES
 BILLINGS OF CO-OWNED UNITS
 FOR THE YEAR ENDED DECEMBER 31, 2023

FERC ACCOUNT	ACCOUNT DESCRIPTION	TOTAL (\$ TRANSACTED) ⁽¹⁾						ENTERGY	EWO	ENTERGY
			ELA	EMI	ENOI	SERI	POWER POOL	MARKETING, LP	POWER, INC	
BILLINGS FOR CO-OWNED UNITS:										
107000	107000 - Constr. Work In Progress	3,821,320	788,287	2,406,895	356,670	-	-	-	269,489	
107NS1	107NS1 - ASC 715 REG ASSET CWIP	64,027	4,623	44,230	2,266	-	-	-	12,909	
107NS2	107NS2 - ASC 715 CONTRA CWIP	(64,027)	(4,623)	(44,230)	(2,266)	-	-	-	(12,909)	
108220	108220 - RWIP - REMOVAL COST	261,242	95,499	111,266	46,790	-	-	-	7,688	
108230	108230 - Rwp - Salvage - Scrap	(258,234)	(1,968)	(162,104)	(984)	-	-	-	(93,178)	
154000	154000 - Plants Matls and Operating Sup	1,600,420	904,400	540,724	-	-	-	-	155,296	
165100	165100 -Prepaid Insurance	-	-	-	-	-	-	-	-	
154UPC	154UPC - CO-OWNED INVENTORY UNION POWER	5,367,578	3,578,385	-	1,789,193	-	-	-	-	
186ACL	186ACL - NON-EXPENSE ACCRUED LABOR	(3,424)	(2,282)	-	(1,141)	-	-	-	-	
4031AM	4031AM - Deprec Exp Billed Fr Serv Co	29,672	10,534	12,926	2,485	-	-	-	3,727	
408110	408110 - Employment Taxes	287,189	50,473	177,706	8,410	-	-	-	50,599	
417000	417000 - Revenues Non Utility Oper	(3,544,139)	(2,362,760)	-	(1,181,380)	-	-	-	-	
417100	417100 - Expenses Non Utility Oper	3,379,030	2,252,687	-	1,126,343	-	-	-	-	
4560UP	4560UP - Trans-Union Contract Revenue	(1,606)	(1,071)	-	(535)	-	-	-	-	
500000	500000 - Oper Supervision & Engineerin	468,216	61	364,709	-	-	-	-	103,447	
501000	501000 - Fuel	716,674	-	586,897	-	-	-	-	129,777	
501100	501100 - Fuel - Oil	767,463	-	596,133	-	-	-	-	171,329	
501301	501301 - Fuel - Coal	40,188,004	-	32,122,431	-	-	-	-	8,065,573	
502000	502000 - Steam Expenses	45,286	-	35,181	-	-	-	-	10,104	
502100	502100 - Chemicals-MATS Compliance	459,373	-	360,925	-	-	-	-	98,448	
505000	505000 - Electric Expenses	330,836	-	257,020	-	-	-	-	73,816	
506000	506000 - Misc Steam Power Expenses	1,209,282	19,748	913,466	6,901	-	-	-	269,167	
507000	507000 - Rents	12,669	-	9,718	-	-	-	-	2,951	
510000	510000 - Maintenance Supr & Engineerin	50,558	-	38,482	-	-	-	-	12,076	
511000	511000 - Maintenance Of Structures	297,717	-	233,216	-	-	-	-	64,500	
512000	512000 - Maintenance Of Boiler Plant	3,900,695	-	3,138,871	-	-	-	-	761,824	
513000	513000 - Maintenance Of Electric Plant	1,822,725	-	1,346,630	-	-	-	-	476,095	
514000	514000 - Maintenance Of Misc Steam Plt	2,645,223	4	2,034,288	-	-	-	-	610,930	
546000	546000 - Operation Superv & Engineerin	545,331	414,718	-	130,613	-	-	-	-	
548000	548000 - Generation Expenses	2,319,213	1,559,208	-	760,005	-	-	-	-	
549000	549000 - Misc Oth Pwr Generation Exps	2,484,943	2,004,655	-	480,288	-	-	-	-	
550000	550000 - Rents	45,167	-	38,797	-	-	-	-	6,370	
551000	551000 - Maint Supv & Engineering	67,215	65,676	-	1,539	-	-	-	-	
552000	552000 - Maintenance Of Structures	74,709	66,158	-	8,551	-	-	-	-	
567000	567000 - Rents - Transmission System	3,866	2,577	-	1,289	-	-	-	-	
553000	553000 - Maint-Gener & Elec Equipment	1,107,477	779,001	-	328,476	-	-	-	-	
554000	554000 - Maint-Misc Other Pwr Gen Plt	451,788	322,027	-	129,761	-	-	-	-	
560000	560000 - OPER SUPER & ENGINEERING	162	108	-	54	-	-	-	-	
562000	562000 - Station Expenses	4,050	2,809	-	1,240	-	-	-	-	
568000	568000 - Maint-Supervision & Engineer	68,441	45,627	-	22,814	-	-	-	-	
570000	570000 - Maint. Of Station Equipment	108,098	22,664	50,852	10,597	-	-	-	23,984	
920000	920000 - Adm & General Salaries	394	263	-	131	-	-	-	-	
921000	921000 - Office Supplies and Expenses	-	-	-	-	-	-	-	-	
922000	922000 - ADM. EXPENSE TRANSFERRED - CR	(18)	(12)	-	(6)	-	-	-	-	
923000	923000 - Outside Services Employed	-	-	-	-	-	-	-	-	
924000	924000 - PROPERTY INSURANCE EXPENSE	361,208	-	279,008	-	-	-	-	82,200	
925000	925000 - INJURIES & DAMAGES EXPENSE	1,471	570	700	-	-	-	-	201	
926000	926000 - Employee Pension & Benefits	1,112,312	130,670	747,433	22,354	-	-	-	211,855	
926NS1	926NS1 - ASC 715 NSC - EMP PENS & BEN	116,927	29,405	61,477	9,700	-	-	-	16,345	
930100	930100 - General Advertising Expenses	-	-	-	-	-	-	-	-	
930200	930200 - Miscellaneous General Expense	1,153,137	60	895,779	30	-	-	-	257,268	
228100	228100 - ACCUM PROV FOR PROP INSURANCE	-	-	-	-	-	-	-	-	
935000	228100 - ACCUM PROV FOR PROP INSURANCE	-	-	-	-	-	-	-	-	
TOTALS ACROSS ACCOUNTS FOR THIS AFFILIATE		<u>73,879,657</u>	<u>10,816,979</u>	<u>47,160,628</u>	<u>4,066,558</u>	-	-	-	<u>11,835,492</u>	

⁽¹⁾ During 2020, EAI billed Entergy Mississippi, Inc. and Entergy Power, Inc., for their ownership share of co-owned units as noted:

	EMI	EPI	EGSL	ENOI
ISES Unit 1 - IN1	25.00%			
ISES Unit 2 - IN2	25.00%	14.37%		
ISES Common - INC	25.00%	7.18%		
Ritchie Unit 2 - RT2		100.00%		
Ritchie Common - RTC		59.26%		
Ouchita 3 - OP3			100.00%	

**SYSTEM FUELS, INC.
OIL BILLINGS TO ENTERGY, ARKANSAS, LLC
2023**

	Month	A Total Fuel for EAI	B 5011	C 5184	547	D 165143	Total
SFI Billings	Jan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Feb	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Mar	\$0.00	(417.93)	\$0.00	\$0.00	\$0.00	(\$417.93)
SFI Billings	Apr	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	May	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Jun	\$0.00	(492.83)	\$0.00	\$0.00	\$0.00	(\$492.83)
SFI Billings	Jul	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Aug	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Sep	\$0.00	(535.74)	\$0.00	\$0.00	\$0.00	(\$535.74)
SFI Billings	Oct	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Nov	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SFI Billings	Dec	\$0.00	(553.37)	\$0.00	\$0.00	\$0.00	(\$553.37)
		<u>\$0.00</u>	<u>(\$1,999.87)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$1,999.87)</u>

A) Fuel only (no sales tax , period cost etc.)
 B) Includes resources 173,175 and 177 only
 Note: accounts 5011,5184, and 165143 includes fuel (in column A), sales tax and period cost.

A) Fuel only (no sales tax , period cost etc.)
 B) Includes resources 173,175 and 177 only
 Note: accounts 5011,5184, and 165143 includes fuel, sales tax and period cost.

\$0.00
(\$1,999.87)
(\$1,999.87)

SFI Oil Cost Billed to EAI
Total Amount Billed By SFI

Unit	Bill To	Name	Invoice	Date	Due	Acctg Date	Reporting Group	Biller	Inv Amt	Item Balance
A0000	94261	ENERGY LOUISIANA LLC	2265090	2/22/2023	2/27/2023	2/22/2023	GASSALES	HTHOMA3	15500.000	0.000
A0000	94261	ENERGY LOUISIANA LLC	5015647	1/17/2023	2/16/2023	1/17/2023	COOWNER	APURV12	701754.740	0.000
A0000	94261	ENERGY LOUISIANA LLC	5015714	2/10/2023	3/12/2023	2/10/2023	COOWNER	APURV12	967808.270	0.000
A0000	94261	ENERGY LOUISIANA LLC	5015815	3/9/2023	4/8/2023	3/9/2023	COOWNER	APURV12	398595.510	0.000
A0000	94261	ENERGY LOUISIANA LLC	5015933	5/12/2023	6/11/2023	5/12/2023	COOWNER	BGROSS2	17218.040	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016061	6/12/2023	7/12/2023	6/12/2023	COOWNER	BGROSS2	343304.290	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016172	7/11/2023	8/10/2023	7/11/2023	COOWNER	BGROSS2	1077138.200	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016279	8/10/2023	9/9/2023	8/10/2023	COOWNER	BGROSS2	1018954.740	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016379	9/8/2023	10/8/2023	9/8/2023	COOWNER	BGROSS2	578741.530	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016492	10/9/2023	11/8/2023	10/9/2023	COOWNER	BGROSS2	465306.040	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016611	11/13/2023	12/13/2023	11/13/2023	COOWNER	BGROSS2	1949527.030	0.000
A0000	94261	ENERGY LOUISIANA LLC	5016717	12/12/2023	1/11/2024	12/12/2023	COOWNER	BGROSS2	443271.520	0.000

8,667,905.11

Quachita Funding

Allocation Cd	(Multiple Items)
GL Business Unit	A0000
Affiliate BU	LA000
Account	146811

Row Labels	Sum of Monetary Amt	Customer	Account
1	148,497.19	ENERGY LOUISIANA LLC	146811
2	145,571.44	ENERGY LOUISIANA LLC	146811
3	189,662.79	ENERGY LOUISIANA LLC	146811
4	217,310.28	ENERGY LOUISIANA LLC	146811
5	153,884.14	ENERGY LOUISIANA LLC	146811
6	121,036.74	ENERGY LOUISIANA LLC	146811
7	97,942.12	ENERGY LOUISIANA LLC	146811
8	674,314.36	ENERGY LOUISIANA LLC	146811
9	155,883.57	ENERGY LOUISIANA LLC	146811
10	177,345.76	ENERGY LOUISIANA LLC	146811
11	218,118.31	ENERGY LOUISIANA LLC	146811
12	428,076.58	ENERGY LOUISIANA LLC	146811
Grand Total	2,727,643.28		

TOTAL ENERGY LOUISIANA 11,395,548.39

Unit	Bill To	Name	Invoice	Date	Due	Acctg Date	Reporting Group	Biller	Inv Amt	Item Balance
A0000	12392	ENERGY MISSISSIPPI	2264114	1/5/2023	1/20/2023	1/5/2023	WHOLESALE	GPENTON	2771639.210	0.000
A0000	12392	ENERGY MISSISSIPPI	2264209	1/12/2023	2/11/2023	1/12/2023	COOWNER	MSAUC12	5421516.520	0.000
A0000	12392	ENERGY MISSISSIPPI	2264594	2/3/2023	2/18/2023	2/3/2023	WHOLESALE	GPENTON	3398763.260	0.000
A0000	12392	ENERGY MISSISSIPPI	2264686	2/9/2023	3/11/2023	2/9/2023	COOWNER	MSAUC12	1452578.710	0.000
A0000	12392	ENERGY MISSISSIPPI	2265255	3/3/2023	3/18/2023	3/3/2023	WHOLESALE	GPENTON	1356490.200	0.000
A0000	12392	ENERGY MISSISSIPPI	2265333	3/8/2023	4/7/2023	3/8/2023	COOWNER	MSAUC12	3084749.580	0.000
A0000	12392	ENERGY MISSISSIPPI	2265901	4/5/2023	4/20/2023	4/5/2023	WHOLESALE	GPENTON	239751.670	0.000
A0000	12392	ENERGY MISSISSIPPI	2265976	4/10/2023	5/10/2023	4/10/2023	COOWNER	MSAUC12	3757225.160	0.000
A0000	12392	ENERGY MISSISSIPPI	2266310	5/3/2023	5/18/2023	5/3/2023	WHOLESALE	GPENTON	100893.770	0.000
A0000	12392	ENERGY MISSISSIPPI	2266414	5/8/2023	6/7/2023	5/8/2023	COOWNER	MSAUC12	3492485.320	0.000
A0000	12392	ENERGY MISSISSIPPI	2266868	6/5/2023	6/20/2023	6/5/2023	WHOLESALE	GPENTON	3615072.150	0.000
A0000	12392	ENERGY MISSISSIPPI	2266925	6/8/2023	7/8/2023	6/8/2023	COOWNER	MSAUC12	135818.430	0.000
A0000	12392	ENERGY MISSISSIPPI	2267403	7/6/2023	7/21/2023	7/6/2023	WHOLESALE	GPENTON	3045351.690	0.000
A0000	12392	ENERGY MISSISSIPPI	2267441	7/7/2023	8/6/2023	7/7/2023	COOWNER	MSAUC12	174814.920	0.000
A0000	12392	ENERGY MISSISSIPPI	2267920	8/3/2023	8/18/2023	8/3/2023	WHOLESALE	GPENTON	4379340.370	0.000
A0000	12392	ENERGY MISSISSIPPI	2268496	9/6/2023	9/21/2023	9/6/2023	WHOLESALE	NCUSIMA	4272007.220	0.000
A0000	12392	ENERGY MISSISSIPPI	2269005	10/4/2023	10/19/2023	10/4/2023	WHOLESALE	NCUSIMA	4927395.740	0.000
A0000	12392	ENERGY MISSISSIPPI	2269548	11/3/2023	11/18/2023	11/3/2023	WHOLESALE	GPENTON	3418460.650	0.000
A0000	12392	ENERGY MISSISSIPPI	2269619	11/8/2023	12/8/2023	11/8/2023	COOWNER	BGROSS2	1024873.530	0.000
A0000	12392	ENERGY MISSISSIPPI	2270092	12/5/2023	12/20/2023	12/5/2023	WHOLESALE	GPENTON	2614802.670	0.000
A0000	12392	ENERGY MISSISSIPPI	2270138	12/6/2023	45296	45266	COOWNER	BGROSS2	4/12/6694	0

54,435,107.29

Unit	Bill To	Name	Invoice	Date	Due	Acctg Date	Reporting Group	Biller	Inv Amt	Item Balance
A0000	12424	ENERGY NEW ORLEANS	5015646	1/17/2023	2/16/2023	1/17/2023	COOWNER	APURV12	351358.700	0.000
A0000	12424	ENERGY NEW ORLEANS	5015713	2/10/2023	3/12/2023	2/10/2023	COOWNER	APURV12	484138.120	0.000
A0000	12424	ENERGY NEW ORLEANS	5015814	3/9/2023	4/8/2023	3/9/2023	COOWNER	APURV12	199900.340	0.000
A0000	12424	ENERGY NEW ORLEANS	5015878	4/6/2023	5/6/2023	4/6/2023	COOWNER	BGROSS2	348517.620	0.000
A0000	12424	ENERGY NEW ORLEANS	5015962	5/12/2023	6/11/2023	5/12/2023	COOWNER	BGROSS2	9635.220	0.000
A0000	12424	ENERGY NEW ORLEANS	5016060	6/12/2023	7/12/2023	6/12/2023	COOWNER	BGROSS2	171731.340	0.000
A0000	12424	ENERGY NEW ORLEANS	5016171	7/11/2023	8/10/2023	7/11/2023	COOWNER	BGROSS2	540164.610	0.000
A0000	12424	ENERGY NEW ORLEANS	5016278	8/10/2023	9/9/2023	8/10/2023	COOWNER	BGROSS2	511767.160	0.000
A0000	12424	ENERGY NEW ORLEANS	5016378	9/8/2023	10/8/2023	9/8/2023	COOWNER	BGROSS2	289849.210	0.000
A0000	12424	ENERGY NEW ORLEANS	5016491	10/9/2023	11/8/2023	10/9/2023	COOWNER	BGROSS2	242112.450	0.000
A0000	12424	ENERGY NEW ORLEANS	5016610	11/13/2023	12/13/2023	11/13/2023	COOWNER	BGROSS2	975276.110	0.000
A0000	12424	ENERGY NEW ORLEANS	5016716	12/12/2023	1/11/2024	12/12/2023	COOWNER	BGROSS2	221635.890	0.000

4,346,086.77

Unit	Bill To	Name	Invoice	Date	Due	Acctg Date	Reporting Group	Biller	Inv Amt	Item Balance
A0000	21870	ENERGY POWER, LLC	2264211	1/12/2023	2/11/2023	1/12/2023	COOWNER	MSAUC12	2443719.360	0.000
A0000	21870	ENERGY POWER, LLC	2264687	2/9/2023	3/11/2023	2/9/2023	COOWNER	MSAUC12	332088.150	0.000
A0000	21870	ENERGY POWER, LLC	2265257	3/3/2023	3/18/2023	3/3/2023	WHOLESALE	GPENTON	115564.100	0.000
A0000	21870	ENERGY POWER, LLC	2265260	2/3/2023	2/18/2023	2/3/2023	WHOLESALE	GPENTON	167313.140	0.000
A0000	21870	ENERGY POWER, LLC	2265334	3/8/2023	4/7/2023	3/8/2023	COOWNER	MSAUC12	930606.000	0.000
A0000	21870	ENERGY POWER, LLC	2265903	4/5/2023	4/20/2023	4/5/2023	WHOLESALE	GPENTON	20509.320	0.000
A0000	21870	ENERGY POWER, LLC	2265978	4/10/2023	5/10/2023	4/10/2023	COOWNER	MSAUC12	840013.000	0.000
A0000	21870	ENERGY POWER, LLC	2266312	5/3/2023	5/18/2023	5/3/2023	WHOLESALE	GPENTON	3916.720	0.000
A0000	21870	ENERGY POWER, LLC	2266415	5/8/2023	6/7/2023	5/8/2023	COOWNER	MSAUC12	654674.270	0.000
A0000	21870	ENERGY POWER, LLC	2266869	6/5/2023	6/20/2023	6/5/2023	WHOLESALE	GPENTON	30760.190	0.000
A0000	21870	ENERGY POWER, LLC	2267406	7/6/2023	7/21/2023	7/6/2023	WHOLESALE	GPENTON	12290.360	0.000
A0000	21870	ENERGY POWER, LLC	2267918	8/3/2023	8/18/2023	8/3/2023	WHOLESALE	GPENTON	226341.290	0.000
A0000	21870	ENERGY POWER, LLC	2268754	9/22/2023	10/22/2023	9/30/2023	COOWNER	MGINEL	248410.350	0.000
A0000	21870	ENERGY POWER, LLC	2268831	9/27/2023	10/27/2023	9/27/2023	COOWNER	BMENDEZ	-248410.350	0.000
A0000	21870	ENERGY POWER, LLC	2269771	11/8/2023	12/8/2023	11/8/2023	COOWNER	BGROSS2	250688.100	0.000
A0000	21870	ENERGY POWER, LLC	2270139	12/6/2023	45296	45266	COOWNER	BGROSS2	639184.300	0

6,667,668.30

TOTAL

74,116,767.47

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APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT E

**MANUAL FOR COMPLIANCE WITH THE ARKANSAS
AFFILIATE TRANSACTION RULES**

(RULE VI.A.6.)

ENTERGY ARKANSAS, LLC
MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES
APSC DOCKET NO. 07-114-U

Filing Date: 5/31/2024

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ATTACHMENTS

- Attachment 1 APSC Affiliate Transaction Rules
- Attachment 2 Financing Arrangements In Existence as of 5/25/07 (Rule IV.C.8.)
- Attachment 3 Additional Internal Rules, Practices and Policies (Rule VI.A.6.a.)
- Attachment 4 Names and Addresses of Affiliates (Rule VI.A.6.b.)
- Attachment 5 Organizational Charts (Rule VI.A.6.c.)
- Attachment 6 Assets, Goods, and Services Provided (Rule VI.A.6.d)
- Attachment 7 Method Used to Determine Allocations in Affiliate Transactions
(Rule VI.A.6.e)

1 **I. INTRODUCTION AND OVERVIEW**

2 **A. ARKANSAS AFFILIATE TRANSACTION RULES**

3 On May 25, 2007, the Arkansas Public Service Commission (“APSC” or the
4 “Commission”), in Order No. 7 of Docket No. 06-112-R, adopted Affiliate Transaction
5 Rules, hereinafter referred to as the “Affiliate Rules” or the “Rules”. The Rules are
6 applicable to Entergy Arkansas, LLC (“EAL” or the “Company”). Attachment 1 to this
7 document is a copy of the Affiliate Rules.

8

9 **B. APSC REQUIREMENT FOR COMPLIANCE MANUAL**

10 Rule VI.A. 6. states:

11 Each public utility shall maintain, update annually, train appropriate employees
12 in, and (within 120 days following the effectiveness of these rules, and
13 thereafter, to the extent of material changes, in each annual report required
14 under Rule IX) file with the Commission, written procedures which ensure
15 compliance with these rules; and, such written procedures shall include, at a
16 minimum:

- 17 a. all internal rules, practices, financial record keeping requirements, and
18 other policies governing affiliate transactions among or between the public
19 utility and its affiliates;
- 20 b. the names and addresses of all the public utility's affiliates that participate
21 in affiliate transactions with the public utility;
- 22 c. an organizational chart depicting the ownership relationships between the
23 public utility and those affiliates that participate in affiliate transactions with
24 the public utility;
- 25 d. a description of the types of assets, goods and services provided in any
26 existing affiliate transaction lasting more than one year; and,
- 27 e. a cost allocation manual or other description of the methods used to
28 determine allocations in affiliate transactions.

29 Accordingly, this document, entitled Entergy Arkansas, LLC Manual for
30 Compliance with the Arkansas Affiliate Transaction Rules (“Compliance Manual”) has
31 been developed and filed with the Commission in APSC Docket No. 07-114-U. The
32 Compliance Manual is intended to document the processes and procedures that

1 provide reasonable assurance of compliance with the Affiliate Rules. It is a reference
2 source for employees, including personnel responsible for ensuring implementation of
3 the compliance processes and procedures.

4
5 **C. COMPLIANCE PROGRAM OVERVIEW**

6 Employees of Entergy Corporation or its subsidiaries are subject to the Entergy
7 “Code of Entegrity”, which as part of the overall compliance program sets expectations
8 for ethical standards and compliance with laws and regulations for all employees of
9 an Entergy Corporation subsidiary. A goal of the Code of Entegrity is to promote a
10 culture of compliance.

11 Employees are expected to include regulatory compliance as an essential part
12 of business and a required aspect of their business activities. To support this
13 expectation, the compliance program strives to create an environment where
14 regulatory compliance is well understood and proactively addressed.

15 Each employee must act in a manner that complies with all applicable
16 regulatory requirements, including requirements specified in this Compliance Manual.
17 Failure to meet these obligations may result in disciplinary action.

18 The Ethics & Compliance (“E&C”) Department within Entergy Services, LLC
19 (“ESL”), an Entergy Corporation service company that provides technical and support
20 services to Entergy Corporation subsidiaries, is responsible for the corporate oversight
21 function for all Entergy Corporation subsidiaries’ general compliance efforts and works
22 with appropriate business functions to facilitate compliance with the Affiliate Rules and
23 this Compliance Manual.

24

1 **D. COMPLIANCE TRAINING PROGRAM**

2 Annually, the E&C Department prepares a training plan that identifies employee
3 requirements for formal training, and the functions to be assigned the Arkansas
4 Affiliate Rules computer-based training and acknowledgement module (CBT).
5 Employees are assigned requirements automatically using My Learning and are sent
6 an annual reminder to review and acknowledge the training. Training materials are
7 prepared under the direction of the E&C Department. The E&C Department, at the
8 direction of EAL, facilitates the education of affected employees on the Affiliate Rules
9 and the contents of the Compliance Manual using the training materials and other
10 communications, as necessary.

11

12 **E. RESOURCES**

13 Questions or requests from employees seeking guidance regarding the
14 Compliance Manual or the Affiliate Rules can be directed to the electronic mail
15 address "HelpARC@entergy.com".

16

17 **F. COMPLIANCE ACTIVITIES FORMAT**

18 The next section of this Compliance Manual (Compliance Activities) is
19 structured to follow the sequence of the operational sections in the Affiliate Rules.
20 Each such section and subsection of the Affiliate Rules is repeated verbatim, and for
21 each, a compliance discussion follows. The compliance discussion provides the
22 specific activities the Company performs to comply with the given rule.

23

1 **II. COMPLIANCE ACTIVITIES**

2 **A. RULE IV. – AFFILIATE FINANCIAL TRANSACTIONS**

3 **1. Rule IV. Provision**

4 A. Except as otherwise provided in this Rule IV or in other applicable law,
5 a public utility shall not engage in any affiliate transaction in which the
6 public utility:

7 1. provides to or shares with any affiliate any financial resource or
8 financial benefit, including but not limited to any:

9 a. loan, extension of credit, guarantee or assumption of debt,
10 indemnification, pledge of collateral; or

11 b. encumbrance of or restriction on the disposition of any public
12 utility; or

13 2. incurs any debt for purposes of investing in, or otherwise
14 supporting, any business other than the provision of public utility
15 service in Arkansas.

16 B. A public utility may obtain financial resources from an affiliate for public
17 utility purposes, provided that the cost to the public utility of such
18 financial resource does not exceed the lower of market price or the
19 affiliate's fully allocated cost.

20 C. Rule IV shall not apply to or prohibit any of the following unless the
21 Commission finds, after notice and hearing, unless waived by the
22 parties, and consistent with applicable law, that such arrangement is
23 not consistent with the purposes of these rules as defined in Rule II:

24 1. An inter-affiliate financial transaction integral to an affiliate
25 transaction for goods or services subject to and consistent with
26 Rule V.

27 2. The payment of dividends by a public utility to affiliates that own
28 stock in such public utility (including adjustments to the capital
29 accounts of divisions within the public utility).

30 3. Transactions in connection with the factoring of accounts
31 receivable, the creation and use of special purpose financing
32 entities, and the creation and use of money pool or cash
33 management arrangements, subject to safeguards to prevent
34 cross-subsidization and unauthorized pledges or encumbrances
35 of public utility assets.

36 4. Any loan, extension of credit, guarantee, assumption of debt,
37 restriction on disposition of assets, indemnification, investment,
38 or pledge of assets by a public utility for the purpose of supporting
39 the utility related business activities of an affiliate.

- 1 5. Any debt incurred by a public utility, including debt that imposes
2 any encumbrance on, or any restriction placed on the disposition
3 of any assets of, the public utility for the purpose of supporting
4 the utility related business activities of an affiliate.
- 5 6. Receipt by a public utility of capital contributions or proceeds from
6 the sale of common stock to its parent holding company.
- 7 7. Receipt by a public utility of financial resources from an affiliate
8 for any non-public utility purpose, provided that the cost to the
9 public utility of such financial resource shall not be recovered from
10 the public utility's customers in Arkansas.
- 11 8. Any financing arrangement involving a public utility and any
12 affiliate that was in existence as of the effective date of these
13 rules; provided the public utility files with the Commission a
14 description of each such arrangement involving a public utility
15 and any affiliate having an annual value or amount in excess of
16 \$350,000 and such filing is received within 120 days of the
17 effective date of these rules.
- 18 9. Any other affiliate financial transaction proposed by a public
19 utility, provided that:
- 20 a. the public utility first files with the Commission an
21 application for approval of such proposed affiliate financial
22 transaction including a detailed description thereof and
23 any relevant supporting documentation, and
- 24 b. the Commission finds, after notice and hearing, unless
25 waived by the parties, on such application, that the
26 proposed affiliate financial transaction is consistent with
27 the purposes of these rules as defined in Rule II.
- 28 D. Nothing in this Rule IV shall alter or amend the Commission's authority
29 or the obligation of public utilities set out in Rule 5.01 of the
30 Commission's Rules of Practice and Procedure.

31

32 **2. EAL Compliance Discussion**

33 As discussed in Section I.D. of this Compliance Manual, the E&C Department,
34 at the direction of EAL, facilitates the education of affected employees on the above
35 Rule.

36 ESL's Treasury organization is assigned primary responsibility for meeting the

1 restrictions of Rule IV.A and Rule IV.B. This function oversees intra-Entergy System
2 credit facilities, manages the debt liability portfolio, and manages the issuance of
3 securities. Thus, the Treasury organization is in a position to know of any plans to
4 lend, borrow, or encumber EAL's financial resources and to make a determination as
5 to whether any such contemplated transaction with an affiliate:

- 6 • is prohibited under Rule IV.A.,
- 7 • is priced in accordance with Rule IV.B.,
- 8 • is permissible under Rule IV.C.(1)-(8), and/or
- 9 • requires pre-approval from the APSC under Rule IV.C.(9).

10 To enhance this determination, a checklist has been developed to compare
11 contemplated transactions with the different areas of Rule IV. Use of this checklist
12 must be documented by Treasury for each new financing arrangement involving EAL
13 and an affiliate.

14 Rule IV.C.8. requires that a Public Utility file with the Commission a description
15 of any financing arrangement involving the utility and any affiliate that was in existence
16 as of the effective date of the Rules having an annual value or amount in excess of
17 \$350,000. Such filing was due, and was made, within 120 days of the effective date
18 of the Rules. A description of such financing arrangements for EAL is included as
19 Attachment 2 to this Compliance Manual. Note that some of these financing
20 arrangements may have been terminated, or are less than the \$350,000 annual value
21 and are included for completeness.

22 EAL was a party to the Entergy System Agreement until December 19, 2013.
23 EAL is a party to the Unit Power Sales Agreement and Availability Agreement. EAL
24 does not consider either of the foregoing agreements to be financing agreements.

1 **B. RULE V. – AFFILIATE TRANSACTIONS OTHER THAN FINANCIAL**
2 **TRANSACTIONS**

3 **1. Rule V. Provision**

4 A. Except as otherwise provided in this Rule V, or in other applicable law,
5 with respect to an affiliate transaction involving assets, goods, services,
6 information having competitive value, or personnel, a public utility shall
7 not:

8 1. receive anything of value, unless the compensation paid by the
9 public utility does not exceed the lower of market price or fully
10 allocated cost of the item received; and,

11 2. provide anything of value, unless the compensation received by
12 the public utility is no less than the higher of market price or fully
13 allocated cost of the item provided.

14 B. Rule V shall not apply to or prohibit any of the following unless the
15 Commission finds, after notice and hearing, unless waived by the
16 parties, and consistent with applicable law, that such arrangement is not
17 consistent with the purposes of these rules as defined in Rule II:

18 1. Exchanges of information:

19 a. necessary to the reliable provision of public utility service
20 by a public utility, provided such exchange occurs
21 consistently with guidelines published by the utility and
22 applied equally to affiliates and non-affiliate entities;

23 b. required by or necessary to comply with federal statutes or
24 regulations; or,

25 c. between or among a public utility, its parent holding
26 company, a service company and any affiliated rate-
27 regulated utility in another State of the United States.

28 2. The provision of shared corporate support services, at fully
29 allocated cost, between or among a public utility and any affiliate,
30 including a service company.

31 3. The provision, at fully allocated cost, of assets, goods, services,
32 or personnel between or among a public utility and an affiliated
33 rate-regulated utility in another State of the United States.

34 4. The provision of assets, goods, services, information having
35 competitive value, or personnel, at a price determined by
36 competitive bidding or pursuant to a regulatory filed or approved
37 tariff or contract.

38 5. Any other affiliate transaction proposed by a public utility to be
39 exempted from Rule V.A, provided that

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a. the public utility first files with the Commission an application for an exemption of such proposed affiliate transaction from the requirements of Rule V.A, including a detailed description of the proposed transaction and any relevant supporting documentation, and

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b. the Commission finds, after notice and hearing, unless waived by the parties, on such application and consistent with applicable law, that the proposed exemption is consistent with the Purposes of these rules as defined in Rule II.

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12 **2. EAL Compliance Discussion**

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The following discussion recaps the transfer pricing rules for transfers of assets, goods, services and personnel (loaned labor)¹ that EAL follows in accordance with the Affiliate Rules. It is followed by a description of controls in place to facilitate compliance with the pricing rules. This section concludes with a discussion of protocols for information sharing.

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18 **(a) Transfer Pricing Rules for Assets, Goods, Services and Personnel**

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19

(i) Competitively Bid or Regulatory-Approved Affiliate Transactions.

20

The transfer of assets, goods, services and personnel at a price determined by competitive bidding or pursuant to regulatory filed or approved tariffs or contracts, are performed at the price so determined, pursuant to Rule V.B.4.

21

22

23

(ii) Shared Corporate Support Services.

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In accordance with Rule V.B.2., the provision of shared corporate support services to EAL by its service company affiliates² are priced at fully allocated cost (except that any shared corporate support services to EAL by EEI and ENUC with a

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¹ EAL interprets the Affiliate Rules reference to transfers of personnel to refer to temporary transfers such as loaned labor. It does not interpret the Rules to refer to changes of employment between affiliates (e.g., an employee of EAL decides to take a job with Entergy Mississippi, Inc.).

² The Entergy Service Companies are ESL, Entergy Operations, Inc. ("EOI"), Entergy Enterprises, Inc. ("EEI"), and Entergy Nuclear Operations, Inc. ("ENUC").

1 fair market value in excess of \$100,000 are subject to a competitive bidding
2 requirement (see section iv below)). Where EAL provides services to a centralized
3 service company affiliate, these services are priced at the higher of cost or market as
4 required under FERC Order No. 707³ (except that any services provided by EAL to
5 EEI and ENUC are priced at the higher of cost plus a 5% adder or market value (see
6 section v below)). This is more restrictive than the APSC rules.

7 (iii) EAL and Other Rate Regulated Utilities.

8 In accordance with Rule V.B.3., the provision of assets, goods, services, or
9 personnel between or among EAL and the Entergy Operating Companies (“OPCOs”),⁴
10 or between EAL and System Energy Resources, Inc., are priced at fully allocated cost.

11 (iv) EAL and Other Affiliates – EAL as Recipient.

12 In 1992 Entergy Corporation entered into a settlement agreement with the
13 APSC, the Mississippi Public Service Commission, and the Council for the City of New
14 Orleans (included within Attachment 3 to this Compliance Manual).⁵ The transfer
15 pricing rules within the settlement agreement include the requirement that no
16 procurement with a fair market value in excess of \$100,000 shall be made by a
17 regulated utility from a non-regulated business (as those terms are defined in the
18 settlement agreement) except through a competitive bidding process, or as otherwise
19 approved by the Commission. For procurements of assets, goods and services, and
20 personnel with a fair market value of \$100,000 or less, the transfer pricing is no higher
21 than the lower of market price or fully allocated costs of the items received, in

³ FERC Order 707 issued in Docket No. RM-07-15-000, with implementing regulations codified at 18 CFR § 35.44.

⁴ The Entergy Operating Companies are Entergy Arkansas, LLC. (“EAL”); Entergy Louisiana, LLC (“ELL”); Entergy Mississippi, LLC (“EML”); Entergy New Orleans, LLC (“ENO”); and Entergy Texas, Inc. (“ETI”).

⁵ To the extent there is a variance between the terms of the Settlement Agreement and the provisions in the Affiliate Rules, EAL considers itself bound to the terms of the APSC approved Settlement Agreement.

1 accordance with Rule V.A.1. This is also consistent with FERC Order No. 707
2 guidance that sales of non-power goods and services by non-utility affiliates to utilities
3 having captive ratepayers may not be priced above market.⁶

4 (v) EAL and Other Affiliates – EAL as Provider.

5 The provision of goods and services by EAL to non-regulated affiliates are
6 priced at the higher of fully allocated cost plus a 5% adder or market value. This is
7 more restrictive than Rule V.A.2. The 5% adder is a settlement agreement condition
8 which requires that a charge of 5% be applied to the cost of services provided to non-
9 regulated businesses by regulated utilities. Additionally, the settlement agreement
10 requires that the transfer of generating assets, fuel and fuel-related assets, or real
11 property and improvements from EAL to a non-regulated business or to Entergy
12 Corporation will be priced at the higher of book value or market value if the asset's
13 value exceeds \$100,000. For other transfers from EAL, to the extent there exists a
14 readily available comparative market price, the transfer price is the higher of market
15 price or fully allocated costs of the items provided, in accordance with Rule V.A.2.
16 Pursuant to Rule III.M., in the absence of a readily available competitive market price,
17 the price is the fully allocated cost of the party supplying the goods and services.

18 **(b) Processes/Controls to Help Ensure Pricing Rules are Followed**

19 As discussed in Section I.D. of this Compliance Manual, the E&C Department,
20 at the direction of EAL, facilitates the education of affected employees on the above
21 Rule and pricing requirements.

22 Entergy Corporation's Chief Accounting Officer ("CAO") and the E&C
23 Department are primarily responsible for addressing pricing requirements. The CAO
24 oversees the affiliate billing processes of the Entergy service companies and is

⁶ Codified at 18 CFR § 35.44(b)(2).

1 responsible for billings, allocations related to billings, and the accounting for
2 transactions with other affiliates. The CAO helps to ensure that such billing processes
3 and procedures are in compliance with state and federal regulatory transfer
4 requirements. The CAO administers Entergy's Accounting Policies & Procedures for
5 Affiliate Transactions, Loaning of Labor, Transportation, and/or Materials, and
6 Loaning of Assets – Capitalized Non-Power Goods. Entergy's nuclear organization
7 administers two policies which address the requirements imposed by federal, state
8 and local authorities regarding affiliate transactions and interfaces, EN-PL-113,
9 Nuclear Affiliate Rules Compliance, and EN-BU-111, Guidance on Charging Nuclear
10 Employee and Software Costs. Copies of these policies are included in Attachment
11 3 to this Compliance Manual. Entergy-affiliated companies use two mechanisms to
12 bill affiliates for services rendered: (1) project billings; and (2) loaned resource billings.

- 13 • Project billings are transactions billed to affiliates for services rendered
14 using project codes to determine how costs should be allocated to
15 affiliates.⁷ The billing method is selected based on the principle of cost
16 causation to ensure that every affiliate that causes the cost in the project
17 code is appropriately included in the allocation of costs. Descriptions of the
18 available methods used to determine allocations are in Attachment 7 to this
19 Compliance Manual. Project billings can be used to charge and allocate
20 costs of EAL's two primary Entergy service companies - ESL and EOI.
- 21 • Loaned resource billings include charges for loaned payroll, transportation,
22 and materials and supplies. Under the loaned resource billing mechanism,
23 transactions are directly billed to the department and/or business unit that
24 is the recipient of the resources provided. Loaned resources charges are
25 not distributed based on an allocation factor. Loaned resource billing is
26 used for transactions from EAL to its affiliates. Loaned resource billing is
27 also used for transactions from affiliates to EAL except in those cases where
28 project billings are used.

29 In connection with EAL's December 18, 2013 termination of its participation in
30 the Entergy System Agreement, ESL's service agreement with EAL was amended to

⁷ A project code is an alpha numeric code that is assigned to individual projects established within organizations, applicable to a specific assignment or activity. Each project code has an associated billing methodology.

1 include Rate Schedules 435-A, 435-C, and 435-D which were filed with the Federal
2 Energy Regulatory Commission. Under Rate Schedule 435-A, Amended and
3 Restated Service Agreement for Administrative and General Support Services, ESL
4 continues to provide a wide range of administrative and general support services to
5 EAL at cost. Services provided by ESL under this rate schedule are both direct billed
6 and allocated, as appropriate, following the principles of cost causation. Services
7 provided under Rate Schedule 435-C, Service Agreement for Generation Planning
8 and Operational Support Services, and Rate Schedule 435-D, Service Agreement for
9 Transmission Planning and Reliability Support Services, are direct billed at cost to
10 EAL.

11 The following controls are in place to ensure that the billing mechanisms
12 produce billings to affiliates that represent the actual costs of services provided such
13 affiliates:

- 14 • Multiple Reviews and Approval of Project Codes
- 15 • Approval of Loaned Resource Billings
- 16 • Approval of Source Documentation
- 17 • Budget Process Activities
- 18 • Monthly Allocation Results and Billing Analysis
- 19 • Authorization Required to Access Corporate Applications
- 20 • Billing Analysis Review Team Monthly Reviews of ESL Billings
- 21 • Employee Training
- 22 • Internal Reviews of Affiliate Transactions and Processes
- 23 • External Reviews and Audits of Affiliate Transactions and Processes
- 24 • Sarbanes-Oxley Controls and Testing
- 25 • Affiliate Transactions, Entergy's Accounting Policies & Procedures
- 26 • Loaning of Labor, Transportation, and/or Materials, Entergy's Accounting
27 Policies & Procedures
- 28 • Competitive Bidding Process

- 1 • Use of Loaned Employee Approval Form and Process by Nuclear
2 Operations

3 Further, ESL, at the direction of Entergy Corporation, maintains a corporate
4 compliance program that captures local, state and federal regulatory requirements,
5 including affiliate transaction pricing requirements, in a central database that tracks
6 the associated risks, controls and the test procedures and results of those tests to
7 ensure that controls in all jurisdictional areas are in compliance with such
8 requirements. Tests of controls related to affiliate transaction pricing requirements
9 include testing of certain billing mechanisms, referred to above, including a quarterly
10 review of affiliate transactions to identify transactions that require specific pricing rules,
11 testing of those transactions for compliance with such rules and documentation of
12 pricing support. In addition, ESL's Internal Audit function reviews the controls and
13 performs tests of transactions and balances related to affiliate billings. Specifically
14 related to the implementation of the Sarbanes-Oxley Act, Internal Audit reviews the
15 risks, control activities, and testing of those control activities associated with the
16 affiliate billing process. Internal Audit's review includes the related funding,
17 allocations, and intercompany account reconciliation processes associated with the
18 overall affiliate billing process.

19 In addition, external reviews and audits of affiliate transactions and processes
20 are conducted routinely. For instance, external auditors perform certain agreed upon
21 procedures annually to satisfy a requirement included in settlement agreements
22 between certain regulators and certain OPCOs, including the 1992 Settlement
23 Agreement discussed earlier in this Compliance Manual. External auditors also select
24 several intercompany transactions billed to EEI by Entergy Corporation affiliates to
25 ensure they are billed in accordance with the Public Utility Holding Company Act of
26 2005 affiliate billing requirements. The annual external audit of Entergy Corporation

1 and its subsidiaries' financial statements helps to detect whether the intercompany
2 accounts and billing processes are producing any material misstatements in the
3 financial statements. Finally, the Sarbanes-Oxley Act requires that an independent
4 auditor attest to the accuracy of disclosure regarding the effectiveness of its internal
5 controls.

6 **(c) Information Exchanges**

7 The general transfer pricing rules (Rule V.A.) apply to "information having
8 competitive value," an undefined term. EAL interprets the term such that if information
9 is, or has been made, publicly available then the information will not have competitive
10 value and thus Rule V.A. is not applicable.

11 Thus, in combination with the exceptions at Rule V.B.1., the Rules' general
12 pricing provisions for information having competitive value does not apply to:

- 13
- 14 • information that has been made public,
 - 15 • information transfers required by, or necessary to comply with, federal
16 statutes or regulations (Rule V.B.1.b.), and
 - 17 • information transfers between EAL, its service companies, the other
18 Entergy Operating Companies, Entergy Corporation and any other affiliated
rate-regulated utility in another state (Rule V.B.1.c.).

19 Other applicable exchanges of information between EAL and an affiliate,
20 including those exchanges described in Rule V.B.1.a., are addressed in guidelines
21 developed by EAL and made available to the public at [http://www.energy-
22 arkansas.com/content/affiliate/docs/2007-1204_info_Exchange_Guidelines.pdf](http://www.energy-arkansas.com/content/affiliate/docs/2007-1204_info_Exchange_Guidelines.pdf)

23

1 **C. RULE VI. – BOOKS, RECORDS, AND PROCEDURES**

2 **1. Rule VI. Provision**

3 A. Recordkeeping

4 1. The public utility shall:

- 5 a. keep books and records separately from the books and
6 records of its affiliates; and,
7 b. maintain such books and records in accordance with the
8 applicable rules and orders of the Commission, and with
9 Generally Accepted Accounting Principles (GAAP) as
10 amended;

11 provided, that, any multi-jurisdictional public utility whose
12 Arkansas rates are set pursuant to jurisdictional allocations
13 among such public utility's various regulatory jurisdictions shall not
14 be required to keep books and records other than on a combined
15 basis including all its utility business.

16 2. Such books and records shall contain all information necessary
17 to:

- 18 a. identify all affiliate transactions in which the public utility
19 participated; and,
20 b. identify and allocate or impute all revenues and costs (both
21 direct and indirect) associated with all such affiliate
22 transactions.

23 3. Upon the creation of a new affiliate that will participate in affiliate
24 transactions with a public utility, the utility shall, no later than 60
25 days after the creation of such affiliate, notify the Commission by
26 letter to the Secretary of the Commission of the creation of such
27 new affiliate, which notice shall include an explanation of how the
28 public utility will implement these rules with respect to such new
29 affiliate.

30 4. Each public utility shall maintain, for at least five years, records
31 of each affiliate transaction in which it participated and the
32 records shall:

- 33 a. be made contemporaneously with each affiliate
34 transaction;
35 b. be in a readily retrievable format; and,
36 c. include, for each affiliate transaction:
37 (1) the identity of the affiliate involved in the affiliate
38 transaction;

- 1 (2) the commencement and termination dates of the
2 affiliate transaction;
- 3 (3) a description of the affiliate transaction, including
4 the nature and quantity of value provided and
5 received;
- 6 (4) the dollar amount of the affiliate transaction and the
7 manner in which such dollar amount was
8 calculated;
- 9 (5) all other terms of the affiliate transaction;
- 10 (6) the direct and indirect costs associated with the
11 affiliate transaction, including any allocation
12 formula used to attribute indirect costs; and,
- 13 (7) all information necessary to verify compliance with
14 these rules and the accuracy of amounts stated on
15 the public utility's books and records, such
16 information to include, but not be limited to:
 - 17 (a) invoices, vouchers, communications, journal
18 entries, work papers; and,
 - 19 (b) information supporting the price of each
20 affiliate transaction, including but not limited
21 to the cost and allocation method of the
22 affiliate transaction and, when the cost was
23 the result of a competitive bidding process,
24 the market price and basis for the market
25 price of the Affiliate transaction; and,
- 26 d. be summarized and said summary for the prior calendar
27 year shall be filed annually with the Commission as part of
28 the annual report required by Rule IX. Unless otherwise
29 ordered by the Commission, a public utility may satisfy the
30 requirement of this Rule VI.A.4.d by filing with the
31 Commission a copy of Federal Energy Regulatory
32 Commission Form 60, Annual Report of Centralized
33 Service Companies.
- 34 5. Each public utility shall file contemporaneously with its annual
35 report under Rule VI.A.4.d the following information: a
36 summary report indicating the aggregate dollar amount of all
37 transactions described in Rule III.G.(1), (2), (3), and (4) which
38 the utility has conducted with each affiliate, as defined under
39 Rule III.A., including the name of each such affiliate.
- 40 6. Each public utility shall maintain, update annually, train
41 appropriate employees in, and (within 120 days following the

1 effectiveness of these rules, and thereafter, to the extent of
2 material changes, in each annual report required under Rule IX)
3 file with the Commission, written procedures which ensure
4 compliance with these rules; and, such written procedures shall
5 include, at a minimum:

- 6 a. all internal rules, practices, financial record keeping
7 requirements, and other policies governing affiliate
8 transactions among or between the public utility and its
9 affiliates;
- 10 b. the names and addresses of all the public utility's affiliates
11 that participate in affiliate transactions with the public
12 utility;
- 13 c. an organizational chart depicting the ownership
14 relationships between the public utility and those affiliates
15 that participate in affiliate transactions with the public
16 utility;
- 17 d. a description of the types of assets, goods and services
18 provided in any existing affiliate transaction lasting more
19 than one year; and,
- 20 e. a cost allocation manual or other description of the
21 methods used to determine allocations in affiliate
22 transactions.

23 **2. EAL Compliance Discussion**

24 **(a) Training and Education**

25 As discussed in Section I.D. of this Compliance Manual, the E&C Department,
26 at the direction of EAL, facilitates the education of affected employees on the above
27 Rules.

28 **(b) Entergy's Accounting System (Rule VI.A.1. and A.2.)**

29 Entergy Corporation's CAO is primarily responsible for meeting the
30 requirements of Rules VI.A.1. and A.2. The accounting system for Entergy
31 Corporation entities is comprised of a number of integrated systems that track, record,
32 and report all required financial information for all of Entergy Corporation's various
33 entities. The accounting system executes standard accounting procedures and

1 functions such as accounts payable, journal entries, customer billings, and payroll,
2 allowing ESL accountants to perform all of the required accounting functions, including
3 project costing and fixed asset accounting and reporting. The accounting system also
4 performs validations of source data and transactions. For example, the procedure
5 known as a compatibility edit will test for compatibility among accounting code block
6 elements. All of these systems are electronically linked to and summarized in Entergy
7 Corporation's general ledger accounts so that financial statements for each entity,
8 including EAL, may be produced. As a result, Entergy Corporation's accounting
9 system maintains separate books and records for all affiliates in accordance with the
10 above Rule.

11 The books and records of utility subsidiaries are kept in accordance with the
12 FERC Uniform System of Accounts and Generally Accepted Accounting Principles.
13 The books and accounting records of Entergy Corporation and its subsidiaries are the
14 focus of periodic internal and external audits to ensure accounting policies and
15 procedures are in place, and being followed, to provide reasonable assurances as to
16 their accuracy and adherence to rules and regulations.

17 **(c) Creation of New Affiliates (Rule VI.A.3.)**

18 ESL's Legal Services Department and the E&C Department are primarily
19 responsible for meeting the requirements of Rule VI.A.3. Requests for the formation
20 of a new Entergy Corporation legal entity are required to be submitted to the Legal
21 Services Department pursuant to the Legal Entity Management & Compliance system
22 policy ("LEM Policy"). Entergy personnel who wish to form a new legal entity must
23 submit for approval a Request to Create a New Legal Entity in accordance with the
24 LEM Policy, which states the business need for the proposed entity. The form asks
25 whether the new affiliate is expected to engage in transactions with regulated public

1 utilities. If an affirmative response is given, the E&C Department and Legal Services-
2 Regulatory will validate as to whether the proposed new entity is reasonably expected
3 to be involved in affiliate transactions, as defined by Rule III.G., with EAL. Within 60
4 days of the creation of a new affiliate that is reasonably expected to participate in
5 affiliate transactions with EAL, the Company will notify the Commission by letter of the
6 new affiliate's creation. This notice also will include an explanation of how EAL will
7 implement the Affiliate Rules with respect to the new affiliate.

8 **(d) Maintenance and Reporting (Rule VI.A.4. and A.5.)**

9 Entergy Corporation's CAO is primarily responsible for meeting the
10 requirements of Rule VI.4. and Rule VI.5. All applicable affiliate transactions are
11 contemporaneously recorded by ESL's accounting function in a readily retrievable
12 electronic format accessed through Entergy's general ledger system. The record of
13 these transactions includes the information outlined in Rule VI.A.4.c.

14 In accordance with Entergy System policies, the records of the affiliate
15 transactions have a retention period in excess of five years.

16 The CAO is assigned responsibility to address the reporting requirements in
17 Rule VI.A.4.d. as part of the annual report required by Rule IX. The reporting
18 obligation is satisfied by filing with the Commission a copy of FERC Form 60, as
19 permitted under the Rule. The CAO is also responsible for the reporting requirement
20 mandated by Rule VI.A.5.

21 **(e) Compliance Procedures (Rule VI.A.6.)**

22 EAL, with the filing of its first Compliance Manual, provided initial compliance
23 with Rule VI.A.6. The E&C Department is primarily responsible for the maintenance
24 of the manual narrative. EAL files a Compliance Manual with the Commission as part

1 of the annual report required in Rule IX revised as necessary to reflect any material
2 changes in the procedures for complying with the Affiliate Rules.

3 The Compliance Manual is a primary source for addressing affiliate
4 transactions among or between EAL and its affiliates. In initial compliance with Rule
5 VI.A.6.a., other internal policies that address affiliate transactions among or between
6 EAL and its affiliates are included as Attachment 3 to this Compliance Manual. To the
7 extent Entergy System policies need to be further revised to reflect the Affiliate Rules,
8 revisions are included at the next annual update. Attachment 3 also includes a copy
9 of the 1992 Settlement Agreement among Entergy Corporation, the APSC, the
10 Mississippi Public Service Commission, and the Council for the City of New Orleans.

11 In compliance with Rule VI.A.6.b., Attachment 4 to the Compliance Manual
12 included as part of each annual report required in Rule IX includes names and
13 addresses of affiliates of EAL who participated in affiliate transactions with the
14 Company during the applicable reporting period.

15 In compliance with Rule VI.A.6.c., organizational charts depicting the
16 ownership relationships between EAL and its affiliates are in Attachment 5 to this
17 Compliance Manual. The organization charts in Attachment 5 depict all of Entergy
18 Corporation's legal entities, including those identified in Attachment 4 which depicts
19 the legal entities involved in affiliate transactions with EAL. Though not required to do
20 so by the above Rule, EAL has provided the complete Entergy Corporation
21 organizational charts to fully disclose ownership relationships between and among its
22 affiliates.

23 In compliance with Rule VI.A.6.d., a description of the types of assets, goods,
24 and services provided in existing affiliate transactions which are anticipated to be of
25 an ongoing nature is in Attachment 6 to this Compliance Manual.

1 In compliance with Rule VI.A.6.e., descriptions of the methods used to
2 determine allocations in affiliate transactions are found in Attachment 7 to this
3 Compliance Manual. Refer to the discussion in Section II.B.2.(b) of this Compliance
4 Manual on the allocation of costs as well as the direct billing of costs associated with
5 loaned resources.
6

1 **D. RULE VII. – BOND RATING DOWNGRADES**

2 **1. Rule VII. Provision**

- 3 A. This Rule VII applies only to a public utility that has a separate, stand-
4 alone bond rating by Standard and Poor's or Moody's, and that has
5 affiliates, other than utility related businesses, with assets whose total
6 book value exceeds ten (10) percent of the book value of the public
7 utility's assets.
- 8 B. If a public utility's bond ratings are downgraded to a Standard and Poor's
9 rating of BB+ or lower, or to a Moody's rating of Bal or lower, such utility
10 shall notify the Commission within thirty (30) days of such downgrading.
11 The public utility will provide the Commission a copy of publicly released
12 information about such rating downgrade and such other information as
13 the Commission requests.
- 14 C. If the Commission finds, after notice and opportunity for hearing, unless
15 waived by the parties, that the public utility's bond ratings downgrade
16 would not have occurred but for one or more relationships between such
17 public utility and one or more affiliates, then the Commission may
18 impose remedies designed to insulate the public utility and its customers
19 from any diminution in the public utility's ability to carry out its obligation
20 to serve at reasonable rates.

21
22 **2. EAL Compliance Discussion**

23 As discussed in Section I.D. of this Compliance Manual, the E&C Department,
24 at the direction of EAL, facilitates the education of affected employees on the above
25 Rule.

26 Entergy Corporation's Treasury organization is primarily responsible for
27 complying with the above requirements. EAL has a separate, stand-alone senior
28 secured bond rating by Standard and Poor's and Moody's. In the event EAL's senior
29 secured bond rating with Standard and Poor's or Moody's is downgraded per the
30 provisions of Rule VII.B., assuming EAL satisfies the precondition in Rule VII.A, EAL
31 will notify the Commission within 30 days of the downgrade. Further EAL will provide
32 the Commission with any publicly released information regarding any such downgrade
33 and respond to other requests for information regarding the downgrade that might be

1 made by the Commission.

2

1 **E. RULE VIII. – UTILITY OWNERSHIP OF NON-UTILITY BUSINESS**

2 **1. Rule VIII. Provision**

3 A. A public utility shall not directly engage in a non-utility business other than a
4 utility related business if the total book value of such non-utility business's
5 non-utility assets owned by the utility exceeds 10 percent of the book value
6 of the total assets of the public utility and all its affiliates.

7 B. This Rule VIII does not apply to or prohibit a public utility or any affiliate
8 thereof from continuing to engage in any non-utility business existing as of
9 the effective date of these rules; provided the public utility files with the
10 Commission a description of such non-utility business existing as of the
11 effective date of these rules and such filing is received within 120 days of
12 the effective date of these rules.

13 C. Each public utility or its public utility holding company shall file an annual
14 report with the Commission in accordance with Rule IX that includes:

- 15 1. a certification by the president of the public utility that the public utility
16 is in compliance with this section; and,
17 2. all financial information necessary for the Commission to determine
18 the utility is complying with the requirements in Rule VIII.A.

19 **2. EAL Compliance Discussion**

20 As discussed in Section I.D. of this Compliance Manual, the E&C Department, at
21 the direction of EAL, facilitates the education of affected employees on the above Rule.

22 EAL's Regulatory Affairs group is primarily responsible for complying with the
23 above requirements. EAL participates in one business, Arklahoma Corporation
24 ("Arklahoma"), which may qualify as a non-utility business pursuant to one interpretation
25 of Rule III.I., but EAL's participation in Arklahoma does not meet the threshold contained
26 in Rule VIII.A. Arklahoma is a transmission facility in which EAL owns 34 percent along
27 with two non-affiliated power companies.

1 **F. RULE IX. – COMPLIANCE**

2 **1. Rule IX. Provision**

3 A. No later than the June 1 following the first full calendar year after the
4 effective date of these rules, and no later than June 1 of every year
5 thereafter, each public utility shall file with the Commission:

- 6 1. a notice, signed by both the public utility's president or chief
7 executive officer and its chief financial officer, certifying the public
8 utility's compliance with these rules in the prior year; and,
9 2. the other annual information and reports required under these rules.

10 **2. EAL Compliance Discussion**

11 As discussed in Section I.D. of this Compliance Manual, the E&C Department, at
12 the direction of EAL, facilitates the education of affected employees on the above Rule.

13 EAL's Regulatory Affairs group is primarily responsible for complying with the
14 above requirements. EAL interprets the above requirement to mean the first annual
15 notice, signed by its president and chief executive officer and its chief financial officer, as
16 well as other information and reports required by the Rules, initially were due no later than
17 June 1, 2009, and by June 1 in subsequent years.

ENTERGY ARKANSAS, LLC
MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES
ATTACHMENT 1
APSC AFFILIATE TRANSACTION RULES

ARKANSAS PUBLIC SERVICE COMMISSION

AFFILIATE TRANSACTION RULES

Rule I - Authority

These rules are promulgated pursuant to the Commission's authority under Ark. Code Ann. §§ 23-2-301, 23-2-304(a)(3), 23-2-305, 23-3-102(e), 23-3-103 and 23-18-103.

Rule II - Purpose

The purpose of these rules is to ensure that all transactions among or between a public utility and any affiliates or divisions do not result in rates which are unreasonable and in violation of Ark. Code Ann. §§ 23-4-103 and 23-4-104; to ensure that the rates charged by public utilities do not provide any subsidy to affiliates or divisions of the public utility which are involved in non-utility activities or which provide services to the public utility; to prevent anti-competitive behavior, and market manipulation or market power; and to prevent financial risk to rate-regulated public utility operations which may arise from business endeavors of an unregulated affiliate.

Rule III - Definitions

- A. "Affiliate" means:
1. any person covered by the definition of:
 - a. "affiliated interest with a public utility" under Ark. Code Ann. § 23-1-101(1)(A), (B) and (C);
 - b. "affiliate" under Ark_ Code Ann. §23-3-302(2); or
 - c. "Affiliate company" under Ark. Code Ann. §23-18-103 (a) (1); and,
 2. any unit, division, separate business activity or operating part (a "division"),
 - a. which is within a public utility, and
 - b. which provides assets, goods, services, information having competitive value, personnel, or financial resources other than, or in addition to, public utility service provided directly to Arkansas retail customers.

- B. "Public utility goods or services" mean goods or services which the public utility is required, by Arkansas statute or Commission rules, to provide to Arkansas retail customers.
- C. "Public utility" means all jurisdictional rate-regulated public utilities.
- D. "Direct cost" of a product or service means a cost solely attributable, on a cost-causative basis, to the production or provision of such individual product or service where the attribution does not require the use of allocations to separate the costs incurred in the production of other services or products.
- E. "Indirect cost" of a product or service means a cost, other than a direct cost, properly attributable to the production or provision of an individual product or service.
- F. "Fully allocated cost," with respect to a particular product or service, is the sum of the direct cost and indirect cost of that product or service.
- G. "Affiliate transaction" means a purchase, sale, trade, lease, transfer, sharing or joint use, between a public utility and any affiliate thereof, of assets (whether tangible or intangible), goods, services, information having competitive value, personnel, or financial resources but not including (1) electricity or gas, (2) electric transmission, (3) any purchase, sale, trade, lease, transfer, sharing or joint use, between a public utility and any affiliate thereof, of (i) capacity and energy, (ii) gas, coal, uranium or other fuel and (iii) related gathering, storage, transportation or assets, services and consumables, in each case the costs of which are recovered by the public utility through Commission-approved base rates or a purchased gas adjustment, purchased power adjustment, fuel adjustment or similar mechanism or (4) transactions described at Ark. Code Ann. §23-3-102 (e)(2).
- H. "Non-utility asset" is an asset used for one or more non-utility businesses; where an asset is used for both utility and non-utility businesses, a "non-utility asset" is an appropriate allocated portion of the shared asset, as determined by the Commission.
- I. "Non-utility business" means a business other than the provision of public utility goods or services as defined at III.B.
- J. "Utility related business" means a business which is, or which engages in:
 - 1. a rate-regulated utility in another state of the United States;
 - 2. independent power generation;
 - 3. energy marketing and trading;
 - 4. gas gathering, production, storage, distribution and transportation;

5. providing fuel to generating plants;
6. a nuclear decommissioning trust;
7. an entity created to facilitate tax advantages for the holding company system;
8. an entity created to facilitate financing transactions;
9. a captive insurance and other risk management entity;
10. an entity that holds or manages emission allowances or other environmental allowances or credits;
11. an entity created to facilitate risk management with respect to the ownership of real property and improvements thereon;
12. an entity that engages in producing, generating, transmitting, delivering, distributing, storing, selling, marketing, and/or furnishing gas, oil, electricity, thermal energy, and/or steam energy, to wholesale and/or retail customers;
13. an entity that provides or is engaged in:
 - a. energy management services and demand side management activities;
 - b. development and commercialization of electrotechnologies related to energy conservation, storage and conversion;
 - c. ownership, operation, sale, installation and servicing of refueling, recharging and conversion equipment and facilities relating to electric and compressed natural gas powered vehicles;
 - d. sale of electric and gas appliances or equipment to promote energy efficiency or new technologies, or new applications for existing technologies or for energy efficiency, that use gas or electricity and equipment that enables the use of gas or electricity as an alternate fuel and the installation and servicing thereof;
 - e. production, conversion, sale and distribution of thermal energy products, such as process steam, heat, hot water, chilled water, air conditioning, compressed air and similar products, alternative fuels, and renewable energy resources, and the servicing of thermal resources;
 - f. sale of technical, operational, management and other similar kinds of services and expertise relating to distribution, transmission, generation engineering, development, design and rehabilitation, construction,

- maintenance and operation, fuel procurement, delivery and management and environmental licensing, testing and remediation;
- g. ownership, operation and servicing of fuel procurement, transportation, handling and storage facilities, scrubbers, and resource recovery and waste water treatment facilities, including activities related to nuclear fuels;
 - h. development and commercialization of technologies or processes that utilize coal waste or by-products as an integral component of such technology or process;
 - i. securitization activities;
 - j. development activities relating to other authorized electric or gas related activities;
 - k. local community development investments relating to other authorized electric or gas related activities; or,
 - l. sales of assets related to other authorized electric or gas related activities; or,
14. other utility related activities as determined on a case-by-case basis by the Commission.
- K. "Service company" means a person or division that is organized principally for the purpose of providing shared corporate support services to a public utility or its affiliates or divisions.
- L. "Shared corporate support services" means services shared between or among a public utility, its parent holding company or an affiliate or division, such as human resources, procurement, information technology, regulatory services, administrative services, real estate services, legal, services, accounting services, environmental services, research and development, internal audit, community relations, corporate communications, financial services, financial planning and management support, and corporate services.
- M. "Market price" means a price determined by a public utility as the amount it would pay or receive for receiving or providing a good or service in an affiliate transaction based on comparisons of similar transactions with, or the price of similar goods and services available from, unrelated third parties. A public utility may make such determination based on surveys, specific price inquiries, benchmarking, competitive bids or any other reasonable method. For goods or services for which there is no readily available comparative market price, the price shall be the fully allocated cost of the person supplying the goods or services.

- N. "Agreed Upon Procedures" means the activities performed by an independent accountant conforming with Interim Attestation Standard AT 201 of the Public Company Accounting Oversight Board (or successor provision) as in force at the time such procedures are required under these rules.
- O. "Commission" means the Arkansas Public Service Commission.

Rule IV - Affiliate Financial Transactions

- A. Except as otherwise provided in this Rule IV or in other applicable law, a public utility shall not engage in any affiliate transaction in which the public utility:
 - 1. provides to or shares with any affiliate any financial resource or financial benefit, including but not limited to any:
 - a. loan, extension of credit, guarantee or assumption of debt, indemnification, pledge of collateral; or
 - b. encumbrance of or restriction on the disposition of any public utility; or
 - 2. incurs any debt for purposes of investing in, or otherwise supporting, any business other than the provision of public utility service in Arkansas.
- B. A public utility may obtain financial resources from an affiliate for public utility purposes, provided that the cost to the public utility of such financial resource does not exceed the lower of market price or the affiliate's fully allocated cost.
- C. Rule IV shall not apply to or prohibit any of the following unless the Commission finds, after notice and hearing, unless waived by the parties, and consistent with applicable law, that such arrangement is not consistent with the purposes of these rules as defined in Rule II:
 - 1. An inter-affiliate financial transaction integral to an affiliate transaction for goods or services subject to and consistent with Rule V.
 - 2. The payment of dividends by a public utility to affiliates that own stock in such public utility (including adjustments to the capital accounts of divisions within the public utility).
 - 3. Transactions in connection with the factoring of accounts receivable, the creation and use of special Purpose financing entities, and the creation and use of money pool or cash management arrangements, subject to safeguards to prevent cross-subsidization and unauthorized pledges or encumbrances of public utility assets.
 - 4. Any loan, extension of credit, guarantee, assumption of debt, restriction on disposition of assets, indemnification, investment, or pledge of assets by a

public utility for the purpose of supporting the utility related business activities of an affiliate.

5. Any debt incurred by a public utility, including debt that imposes any encumbrance on, or any restriction placed on the disposition of any assets of, the public utility for the purpose of supporting the utility related business activities of an affiliate.
6. Receipt by a public utility of capital contributions or proceeds from the sale of common stock to its parent holding company.
7. Receipt by a public utility of financial resources from an affiliate for any non-public utility Purpose, provided that the cost to the public utility of such financial resource shall not be recovered from the public utility's customers in Arkansas.
8. Any financing arrangement involving a public utility and any affiliate that was in existence as of the effective date of these rules; provided the public utility files with the Commission a description of each such arrangement involving a public utility and any affiliate having an annual value or amount in excess of \$350,000 and such filing is received within 120 days of the effective date of these rules.
9. Any other affiliate financial transaction proposed by a public utility, provided that:
 - a. the public utility first files with the Commission an application for approval of such proposed affiliate financial transaction including a detailed description thereof and any relevant supporting documentation, and
 - b. the Commission finds, after notice and hearing, unless waived by the parties, on such application, that the proposed affiliate financial transaction is consistent with the purposes of these rules as defined in Rule II.

D. Nothing in this Rule IV shall alter or amend the Commission's authority or the obligation of public utilities set out in Rule 5.01 of the Commission's Rules of Practice and Procedure.

Rule V - Affiliate Transactions Other Than Financial Transactions

- A. Except as otherwise provided in this Rule V, or in other applicable law, with respect to an affiliate transaction involving assets, goods, services, information having competitive value, or personnel, a public utility shall not:

1. receive anything of value, unless the compensation paid by the public utility does not exceed the lower of market price or fully allocated cost of the item received; and,
 2. provide anything of value, unless the compensation received by the public utility is no less than the higher of market price or fully allocated cost of the item provided.
- B. Rule V shall not apply to or prohibit any of the following unless the Commission finds, after notice and hearing, unless waived by the parties, and consistent with applicable law, that such arrangement is not consistent with the Purposes of these rules as defined in Rule II:
1. Exchanges of information:
 - a. necessary to the reliable provision of public utility service by a public utility, provided such exchange occurs consistently with guidelines published by the utility and applied equally to affiliates and non-affiliate entities;
 - b. required by or necessary to comply with federal statutes or regulations; or,
 - c. between or among a public utility, its parent holding company, a service company and any affiliated rate-regulated utility in another State of the United States.
 2. The provision of shared corporate support services, at fully allocated cost, between or among a public utility and any affiliate, including a service company.
 3. The provision, at fully allocated cost, of assets, goods, services, or personnel between or among a public utility and a affiliated rate-regulated utility in another State of the United States.
 4. The provision of assets, goods, services, information having competitive value, or personnel, at a price determined by competitive bidding or pursuant to a regulatory filed or approved tariff or contract.
 5. Any other affiliate transaction proposed by a public utility to be exempted from Rule V.A, provided that
 - a. the public utility first files with the Commission an application for an exemption of such proposed affiliate transaction from the requirements of Rule V.A, including a detailed description of the proposed transaction and any relevant supporting documentation, and
 - b. the Commission finds, after notice and hearing, unless waived by the parties, on such application and consistent with applicable law, that the

proposed exemption is consistent with the Purposes of these rules as defined in Rule II.

Rule VI - Books, Records and Procedures

A. Recordkeeping

1. The public utility shall:

- a. keep books and records separately from the books and records of its affiliates; and,
- b. maintain such books and records in accordance with the applicable rules and orders of the Commission, and with Generally Accepted Accounting Principles (GAAP) as amended;

provided, that, any multi-jurisdictional public utility whose Arkansas rates are set pursuant to jurisdictional allocations among such public utility's various regulatory jurisdictions shall not be required to keep books and records other than on a combined basis including all its utility business.

2. Such books and records shall contain all information necessary to:

- a. identify all affiliate transactions in which the public utility participated; and,
- b. identify and allocate or impute all revenues and costs (both direct and indirect) associated with all such affiliate transactions.

3. Upon the creation of a new affiliate that will participate in affiliate transactions with a public utility, the utility shall, no later than 60 days after the creation of such affiliate, notify the Commission by letter to the Secretary of the Commission of the creation of such new affiliate, which notice shall include an explanation of how the public utility will implement these rules with respect to such new affiliate.

4. Each public utility shall maintain, for at least five years, records of each affiliate transaction in which it participated and the records shall:

- a. be made contemporaneously with each affiliate transaction;
- b. be in a readily retrievable format; and,
- c. include, for each affiliate transaction:
 - (1) the identity of the affiliate involved in the affiliate transaction;
 - (2) the commencement and termination dates of the affiliate transaction;

- (3) a description of the affiliate transaction, including the nature and quantity of value provided and received;
 - (4) the dollar amount of the affiliate transaction and the manner in which such dollar amount was calculated;
 - (5) all other terms of the affiliate transaction;
 - (6) the direct and indirect costs associated with the affiliate transaction, including any allocation formula used to attribute indirect costs; and,
 - (7) all information necessary to verify compliance with these rules and the accuracy of amounts stated on the public utility's books and records, such information to include, but not be limited to:
 - (a) invoices, vouchers, communications, journal entries, workpapers; and,
 - (b) information supporting the price of each affiliate transaction, including but not limited to the cost and allocation method of the affiliate transaction and, when the cost was the result of a competitive bidding process, the market price and basis for the market price of the affiliate transaction; and,
 - d. be summarized and said summary for the prior calendar year shall be filed annually with the Commission as part of the annual report required by Rule IX. Unless otherwise ordered by the Commission, a public utility may satisfy the requirement of this Rule VI.A.4.d by filing with the Commission a copy of Federal Energy Regulatory Commission Form 60, Annual Report of Centralized Service Companies.
5. Each public utility shall file contemporaneously with its annual report under Rule VI.A.4.d the following information: a summary report indicating the aggregate dollar amount of all transactions described in Rule III.G.(1), (2), (3), and (4) which the utility has conducted with each affiliate, as defined under Rule III.A., including the name of each such affiliate.
6. Each public utility shall maintain, update annually, train appropriate employees in, and (within 120 days following the effectiveness of these rules, and thereafter, to the extent of material changes, in each annual report required under Rule IX) file with the Commission, written procedures which ensure compliance with these rules; and, such written procedures shall include, at a minimum:

- a. all internal rules, practices, financial record keeping requirements, and other policies governing affiliate transactions among or between the public utility and its affiliates;
- b. the names and addresses of all the public utility's affiliates that participate in affiliate transactions with the public utility;
- c. an organizational chart depicting the ownership relationships between the public utility and those affiliates that participate in affiliate transactions with the public utility;
- d. a description of the types of assets, goods and services provided in any existing affiliate transaction lasting more than one year; and,
- e. a cost allocation manual or other description of the methods used to determine allocations in affiliate transactions.

B. Commission Access

The Commission shall have access to all books and records, of a public utility and its affiliates that participate in transactions with the public utility, to the extent such access is relevant to determining compliance with all applicable Arkansas statutes and rules or establishing rates subject to the Commission's jurisdiction.

Rule VII- Bond Rating Downgrades

- A. This Rule VII applies only to a public utility that has a separate, stand-alone bond rating by Standard and Poor's or Moody's, and that has affiliates, other than utility related businesses, with assets whose total book value exceeds ten (10) percent of the book value of the public utility's assets.
- B. If a public utility's bond ratings are downgraded to a Standard and Poor's rating of BB+ or lower, or to a Moody's rating of Bal or lower, such utility shall notify the Commission within thirty (30) days of such downgrading. The public utility will provide the Commission a copy of publicly released information about such rating downgrade and such other information as the Commission requests.
- C. If the Commission finds, after notice and opportunity for hearing, unless waived by the parties, that the public utility's bond ratings downgrade would not have occurred but for one or more relationships between such public utility and one or more affiliates, then the Commission may impose remedies designed to insulate the public utility and its customers from any diminution in the public utility's ability to carry out its obligation to serve at reasonable rates.

Rule VIII - Utility Ownership of Non-utility Business

- A. A public utility shall not directly engage in a non-utility business other than a utility related business if the total book value of such non-utility business's non-

utility assets owned by the utility exceeds 10 percent of the book value of the total assets of the public utility and all its affiliates.

- B. This Rule VIII does not apply to or prohibit a public utility or any affiliate thereof from continuing to engage in any non-utility business existing as of the effective date of these rules; provided the public utility files with the Commission a description of such non-utility business existing as of the effective date of these rules and such filing is received within 120 days of the effective date of these rules.
- C. Each public utility or its public utility holding company shall file an annual report with the Commission in accordance with Rule IX that includes:
 - 1. a certification by the president of the public utility that the public utility is in compliance with this section; and,
 - 2. all financial information necessary for the Commission to determine the utility is complying with the requirements in Rule VIII.A.

Rule IX -Compliance

- A. No later than the June 1 following the first full calendar year after the effective date of these rules, and no later than June 1 of every year thereafter, each public utility shall file with the Commission:
 - 1. a notice, signed by both the public utility's president or chief executive officer and its chief financial officer, certifying the public utility's compliance with these rules in the prior year; and,
 - 2. the other annual information and reports required under these rules.
- B. The Commission may at any time initiate a proceeding against a public utility to determine whether a reasonable basis exists that the public utility is out of compliance with these Rules. If the Commission, after notice and hearing, unless waived by the parties, makes such determination and specifically identifies the rule or rules or procedures which may be in non-compliance, then the Commission may require the public utility to engage an independent accountant (which, at the public utility's election, may be the accountant that regularly audits the public utility's financial statements) to conduct Agreed Upon Procedures to review identified accounting entries, methods or procedures used by the public utility in connection with these rules. A work plan outlining such Agreed Upon Procedures, together with such letters or acknowledgements as shall be reasonably required by the accountant in connection with such engagement, shall be developed by the public utility and filed with the Commission for approval. Upon review of the information provided by such independent accountant after undertaking such Agreed Upon Procedures, which information shall be filed by the public utility with the Commission, the Commission may, after notice and hearing, unless waived by the parties, order the public utility to make changes in its accounting

methods or procedures found by the Commission to be reasonably necessary to ensure future compliance with these Rules.

Rule X - Miscellaneous

The costs of any affiliate transaction found to be inconsistent with these rules shall be adjusted in a ratemaking proceeding to be consistent with these rules.

Rule XI - Exemptions

- A. Any utility may petition for exemption from any of these rules, on the basis that application of the rule would not be in the public interest, in accordance with Rule 1.03 of the Commission's Rules of Practice and Procedure.
- B. Any existing financing arrangements, provision of corporate services or other affiliate relationship which could be deemed to be in violation of these rules will be allowed to continue for a period of one year from adoption of these rules in order to allow the utilities involved to seek an exemption from the application of these rules for those existing circumstances.

ENTERGY ARKANSAS, LLC

MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES

ATTACHMENT 2

FINANCIAL ARRANGEMENTS IN EXISTENCE AS OF 5/25/2007

In accordance with Rule IV.C.8. of the Arkansas Public Service Commission Affiliate Transaction Rules, and to the extent they qualify as financing arrangements, the following were in existence as of the effective date of the rules. Note that some of these financing arrangements may be less than the \$350,000 annual value noted in Rule IV.C.8.

- 1) Money Pool. Entergy Arkansas, LLC (“EAL”)¹, from time-to-time, extends credit to, and receives credit from, the other participants in the Entergy System Money Pool through unsecured short-term loans from available cash. The other participants in the Money Pool are: Entergy Louisiana, LLC (“ELL”); Entergy Mississippi, LLC (“EML”)²; Entergy New Orleans, LLC (“ENOL”); System Energy Resources, Inc. (“SERI”); Entergy Services, LLC (“ESL”)³; Entergy Operations, Inc. (“EOI”); Entergy Texas, Inc.; Entergy Utility Holding Company, LLC; and Entergy Corporation.
- 2) Joint Operating Agreement for Independence Station. Pursuant to the Independence Steam Electric Station Operating Agreement, EAL in its capacity as the operator of the Independence Steam Electric Station, incurs costs (including fuel related costs) associated with the operation of the plant for which it is reimbursed by the other co-owners of the plant (including Entergy Power, LLC and EML).⁴
- 3) EAL extends credit (to include the provision of guarantees) to affiliates, and receives credit from affiliates, in connection with routine business transactions, service or sale contracts (including sales of materials and supplies), sales of electric energy or fuel, or other obligations accruing in the ordinary course of business.
- 4) Services and other resources are provided, and costs incurred are later reimbursed, under ESL’s Service Agreement with EAL under which ESL provides such services as financial planning, budgeting and forecasting,

¹ EAI converted to a Texas corporation (named Entergy Arkansas, Inc.) (“EAI-TX”) on November 19, 2018. On November 30, 2018, under the Texas Business Organizations Code (“TXBOC”), EAI-TX allocated substantially all of its assets to a new subsidiary, Entergy Arkansas Power, LLC, a Texas limited liability company (“EAP”), and EAP assumed substantially all of the liabilities of EAI-TX, in a transaction regarded as a merger under the TXBOC. Under the TXBOC, both EAI-TX and EAP survived the merger and remained in existence. On December 1, 2018, EAI-TX changed its name from “Entergy Arkansas, Inc.” to “Entergy Utility Property, Inc.” On December 1, 2018, EAP changed its name from “Entergy Arkansas Power, LLC” to “Entergy Arkansas, LLC”

² EMI converted to a Texas corporation (named Entergy Mississippi, Inc.) (“EMI-TX”) on November 19, 2018. On November 30, 2018, under the TXBOC, EMI-TX allocated substantially all of its assets to a new subsidiary, Entergy Mississippi Power and Light Company, LLC, a Texas limited liability company (“EMP”), and EMP assumed substantially all of the liabilities of EMI-TX, in a transaction regarded as a merger under the TXBOC. Under the TXBOC, both EMI-TX and EMP survived the merger and remained in existence. On December 1, 2018, EMI-TX changed its name from “Entergy Mississippi, Inc.” to “Entergy Utility Enterprises, Inc.” On December 1, 2018, EMP changed its name from “Entergy Mississippi Power and Light Company, LLC” to “Entergy Mississippi, LLC.”

³ Entergy Services, Inc., converted to a Delaware limited liability company called Entergy Services, LLC (ESL) on September 30, 2018. ESL became a Louisiana limited liability company on November 30, 2018.

⁴ Entergy Power, Inc. was replaced with Entergy Power, LLC effective September 29, 2009.

employee benefits counseling, regulatory services, legal services, tax services, insurance consulting, and system planning.⁵

- 5) Services and other resources are provided, and costs incurred are later reimbursed, under EOI's Operating Agreement for Arkansas Nuclear One under which EOI assumed the responsibility for operating the nuclear unit.
- 6) Shared Resources. The Entergy Operating Companies may upon request, subject to availability, provide services, resources or construction for, or sell goods to one another, and costs incurred are later reimbursed. Such shared resources may include those products and services described in Attachment 6, as well as for example: (1) emergency services; (2) generation, transmission and distribution operation and maintenance services; (3) facilities; (4) products; (5) processes; (6) techniques; (7) computer hardware and software; (8) technical information; (9) training aids and properties; (10) vehicles; (11) transmission and distribution equipment, materials and supplies; and (12) generation equipment materials and supplies.
- 7) Resources are provided, and costs incurred are later reimbursed, under the fiber optics agreement with Entergy Technology Company ("ETC") whereby ETC markets fiber optic capacity on cable owned by EAL.⁶

⁵ In connection with EAL's December 18, 2013 termination of its participation in the Entergy System Agreement, ESL's (at the time, ESI) service agreement with EAL (at the time, EAI) was amended to include Rate Schedules 435-A, 435-C, and 435-D which were filed with the Federal Energy Regulatory Commission.

⁶ The assets of ETC were transferred to ESL (at the time, ESI) effective December 28, 2015.

ENTERGY ARKANSAS, LLC

MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES


ATTACHMENT 3

ADDITIONAL INTERNAL RULES, PRACTICES AND POLICIES

Title: **Nuclear Affiliate Rules Compliance**

Effective Date: 07/30/22

Policy Owner:

Print Name:	Susan Raimo		
Title:	Associate General Counsel, Entergy Nuclear		
Signature:		Date:	7/10/2022

Chief Nuclear Officer Approval

Signature:		Date:	7-15-22
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Basis Statement:

This revision cancels this policy which is no longer needed because this policy is duplicative of the system-wide Affiliate Interactions Policy, which is applicable to the Nuclear organization.



	NUCLEAR MANAGEMENT MANUAL	POLICY	EN-PL-113	REV. 2
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1.0 PURPOSE

- [1] This policy addresses the requirements imposed by federal, state and local authorities to Entergy Nuclear regarding affiliate transactions and interfaces.

2.0 POLICY

2.1 OVERVIEW

- [1] Under FERC's orders,¹ the Arkansas Affiliate Transaction Rules², and a number of settlement agreements with state public service commissions and the New Orleans City Council, Entergy must comply with "Affiliate Rules" that are designed to ensure that any control that utilities may have over critical functions is not used to unfairly benefit affiliated companies/functions or to unfairly disadvantage competitive market participants or electric customers.

2.2 AFFILIATE RULE REQUIREMENTS AND EMPLOYEE CLASSIFICATIONS.

2.2.1 Affiliate Rules and Initial Employee Designations.


- [1] The Affiliate Rules prohibit: (a) a utility's transmission function from discriminating in a manner that conveys preferences and market advantages to affiliated (both regulated and unregulated) wholesale power marketing functions;³ and (b) any Franchised Public Utility ("FPU") from harming captive customers by transferring benefits from these captive customers to unregulated or Market-Regulated Power Sales Affiliates ("MRPSA"); and (c) inter-affiliate transactions granting undue preferences to affiliates or otherwise resulting in wholesale customers' rates reflecting imprudent or unreasonable costs.⁴
- [2] The Affiliate Rules are implemented in the following ways:

¹ FERC Standards of Conduct (FERC Order 717); FERC Market-Based Rate Affiliate Restrictions (FERC Order 697); FERC Cross-Subsidization Restrictions on Affiliate Transactions (FERC Order 707).

² See "Entergy Arkansas, Inc. Manual for Compliance with the Arkansas Affiliate Transaction Rules", APSC DOCKET NO. 07-114-U, accessible via the following link on the EntergyNet, https://portal.entergy.com/EntergyNET/ShowDoc/ETRECM%20Repository/Portal/ethics_compliance/Affiliate%20Rules%20Compliance/Arkansas/2007%20Compliance%20Plan%20%20Attachments/Arkansas%20Compliance%20Manual, which describes requirements related to the Arkansas Affiliate Transaction Rules.

³ See "Written Procedures for Implementation (§358.7(d))" on the Entergy's OASIS external public website at the following link, http://www.oatioasis.com/EES/EESdocs/Standards_of_Conduct.htm, which describes and references detailed procedures related to the FERC Standards.


⁴ See Entergy's "Affiliate Transactions Accounting Policy," accessible via links on the following EntergyNet webpage <http://thefoc.entergy.com/Isabill.htm#AffiliateTransPol>, which provides detailed pricing rules for transactions between regulated and market-regulated affiliates.

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- (a) Functional employee separation: Transmission Function Employees may not work on behalf of any FPU or MRPSA marketing function. Marketing Function Employees may not work on behalf of the transmission function. FPUs and competitive affiliates may not share employees who direct, organize or execute (“D-O-E”) generation or market functions.
- (b) No-conduit rule.
- (1) Marketing Function Employees (“MFEs”) may not have access to Non-Public Transmission Function Information (“NPTFI”), and employees with access to NPTFI may not act as “conduits” for the disclosure of such information to MFEs. For example, nuclear employees, such as control room operators, must not improperly disclose NPTFI to MFEs, such as dispatchers in System Planning and Operations.

Examples of Transmission Function Information include any transmission-related reason behind corrective actions to transmission problems, any expected results from carrying out transmission corrective actions, the likelihood of transmission events, power flows and available transmission capability, granting and denying of transmission service requests, price, curtailments, storage, load or interchange information about third-party transmission customers, other transmission customer data, and studies prepared for transmission customers, and planned transmission outages, no matter how far in the future the planned outage may occur. FERC has declined to create a general rule regarding the staleness of Transmission Function Information. In general, Non-Public Transmission Function Information (“NPTFI”) is any such information that has not been posted on the Entergy OASIS.

- (2) Competitive Affiliate Employees may not have access to non-public FPU Market Information, unless FERC Compliance or Legal Services determines that (a) such employees have a legitimate business need to know such non-public information in advance of receiving access, and (b) such information sharing would not potentially harm any FPU captive customers. Employees with access to non-public FPU information may not act as “conduits” for the disclosure of such information to Competitive Affiliate Employees.

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Examples of Market Information include: past sales and purchase activities; load forecasts; availability or price of inputs to generation (e.g., fuel management and procurement; plant operations and maintenance costs); price and quantity the entity intends to offer to a third-party; business opportunities being considered or undertaken; information concerning sales or purchases that will not be made; commodity-market forecasts; generation outage schedules; and generation or fuel supply strategies.


(c) Asymmetrical Pricing and Affiliate Transaction Documentation. Transactions among Entergy affiliates may be subject to various asymmetrical pricing rules that may require pricing at “lower of cost or market price,” “not above market price,” and “higher of cost or market price.” For affiliate transactions that require asymmetrical pricing, Cost and Market Reference Value documentation is required. Nuclear employees involved with a transaction among Entergy affiliates should seek guidance from the FERC Compliance Section, or the Affiliate Accounting and Allocations Section of Entergy Services Inc. (“ESI”) Financial Processes.

[3] Determination of Restricted Employee Classifications. Certain Nuclear employees who are engaged in directing, organizing or executing (D-O-E) generation or market functions will be designated as Competitive Affiliate Employees. This designation will be made by the FERC Compliance Section.

2.2.2 Training Plan. Nuclear employees will be required to learn and apply the restrictions necessary to comply with the Affiliate Rules requirements if they (a) engage in any D-O-E activities, or (b) have access to non-public FPU information, and (c) have potential interactions with MFEs, TFEs, Competitive Affiliate Employees or personnel involved in generation or market functions. Provisions for training of these designated types of Nuclear employees and determining the access restrictions for Nuclear Competitive Affiliate Employees will be the responsibility of the FERC Compliance Section.

2.2.3 Maintaining Designations.

[1] Monitoring Events that Could Change Employee Classifications. The Nuclear Coordinator-SVP shall monitor Nuclear organizational duties and responsibilities in order to determine if changes in personnel or changes in assignments create the need to revise the Competitive Affiliate Employee List or to file updates of organizational charts submitted to FERC. Not by way of limitation, the following events involving current or future Nuclear personnel will give need for a review of the list or potentially to update Nuclear organizational information filed with FERC.

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- (a) Organizational changes wherein a function (whether new or existing) assumes responsibility for directing, organizing or executing any wholesale generation or market function activities.
- (b) Personnel transfers into or out of a group that contains individuals on the Competitive Affiliate Employee List or the MFE List.
- (c) Management changes impacting a group that contains individuals on the Competitive Affiliate Employee List or in any generation or market function.

[2] Communicating Potential Changes in Employee Classifications. If any needed changes in the Competitive Affiliate Employee List or the MFE List are identified involving current or future Nuclear personnel, or if Nuclear organizational information filed with FERC potentially should be updated, the Nuclear Coordinator-SVP shall communicate such information to the FERC Compliance Section.


2.3 SHARED SUPPORT SERVICE EMPLOYEES (PROVIDING SERVICES TO FPU OPERATIONS AND MARKET-REGULATED OPERATIONS).

2.3.1 Shared Support Employees and Service Companies.

- [1] The Affiliate Rules recognize the importance of shared support services, wherein services are provided to groups that otherwise are required to function independently. However, these shared support employees are under obligations imposed by the Affiliate Rules, as discussed below. **Certain nuclear employees are not allowed to perform shared support services, including Competitive Affiliate Employees and anyone else who performs D-O-E activities for Nuclear generation or market functions .**
- [2] All Nuclear ESI employees, with the exception of specific Nuclear Business Development personnel, are considered shared support employees.
- [3] All employees of Entergy Nuclear Operations, Inc. (“ENOI”), Entergy Nebraska, Inc, (“ENE”) and Entergy Operations, Inc. (“EOI”) are considered field and maintenance employees who are capable of being shared under the Affiliate Restrictions.

2.3.2 Affiliate Rules Guidance for Shared Support Employees.

- [1] General Guidance. Unless otherwise approved by FERC Compliance or Legal Services, shared support service employees shall **not** do the following:
 - (a) Perform any D-O-E activities on behalf of either an FPU or an MRPSA.
 - (b) Provide preferential treatment to any Competitive Affiliate Employee or to an MFE that you would not provide to a non-affiliated (third-party) entity.

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- (c) Fail to report any potential violation to the Entergy Ethics Telephone Reporting Line: 1-888-257-3844 or website: <https://www.compliance-helpline.com/entergyethicsline.jsp>.


- [2] Information Sharing Guidance. In the course of performing assigned work tasks, shared support services employees may come to possess non-public, restricted information that is subject to the No Conduit rule described in Section 3.2.1[2](b) above. Shared support services personnel in the possession of such restricted information shall be responsible for controlling access to it, including without limitation in the following circumstances:
- (a) Electronic data transfer technologies including email, text messaging, and instant messaging.
 - (b) Electronic data storage technologies including applications, servers/directories, websites (including InsideEntergy articles), eRooms, and SharePoint communities.
 - (c) Personnel interactions including conference calls, meetings, and other discussions.
 - (d) Physical viewing of hard copy documents and computer files/screens, particularly through unescorted access, within Nuclear office locations.

2.3.3 Other Restrictions on Shared Support Employees. Shared support employees may not provide support in such a manner that an FPU's business activities are "shaped" to benefit MRPSA operations to the detriment of the captive customers of the FPU. Additionally, should a situation arise in which a wholesale energy transaction is contemplated between regulated and competitive (market-regulated) operations, shared support employees should not support both sides of the same transaction. Due to the geographic distance between Nuclear regulated and MRPSA operations, these situations are unlikely to arise at this time. The Nuclear Coordinator-SVP and the FERC Compliance Section, however, should be contacted for guidance in the event that any of these situations arise. Further, regulatory approval will be required in advance of any such wholesale energy transaction.

2.3.4 Cost Allocation. Shared support services employees must account for their time (labor) and expenses (travel) so that each supported affiliates and functions are billed their appropriate share of support services costs. This is discussed in more detail below in Section 2.5.1.

2.4 OTHER NUCLEAR EMPLOYEES.

While other Nuclear employees will generally not have the same possibilities to violate the Affiliate Rules discussed above for shared support services, in that other employees will generally be exclusively assigned to support either regulated or market-regulated

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operations, they are still subject to the same restrictions. In particular, the “No-Conduit Rule” applies to all nuclear employees, not just those identified as likely to possess such information. To facilitate the awareness of the rules, and the knowledge of who are nuclear restricted employees, a notice will be given through WebTap to all nuclear employees who are assigned to take FERC Affiliate Rules training, on an annual basis, as a reminder of this restriction, and to check the following link to the “Check the Lists” section of the FERC Compliance EntergyNet homepage.⁵


2.5 AFFILIATE TRANSACTIONS – NON POWER GOODS AND SERVICES.

Specific requirements must be followed for transactions between the regulated and market-regulated affiliates. These requirements stem from several sources including FERC Order 707, Settlement Agreements with the retail regulators (i.e., state Public Service Commissions and New Orleans City Council), the Arkansas Affiliate Transaction Rules and other jurisdictional requirements governing affiliate transactions involving Entergy FPU.

2.5.1 Shared Support Services (See Procedure EN-BU-111 for details).

- [1] ESI employees are required to charge their time and expenses to the nuclear entity that receives the benefit. The costs charged to the market-regulated business are fully loaded with an additional 5% upcharge applied.
- [2] EOI employees typically work to benefit a particular regulated site. EOI employees are allowed to work to the benefit of market-regulated sites and to other regulated sites. Fleet procedure EN-BU-111 provides the provisions for this work. The costs charged to the market-regulated business are fully loaded with an additional 5% upcharge applied.
- [3] ENOI and ENE employees typically work to benefit a particular market-regulated site. ENOI and ENE employees are allowed to work to the benefit of other market-regulated and regulated sites. ENOI or ENE fully loaded costs charged to any regulated business per project per year must not exceed a fair market value of \$100,000, which is the materiality threshold at which regulated businesses are required to (a) procure services or goods through a competitive bidding process or (b) obtain prior approval of the transaction by applicable retail regulators. Fleet procedure EN-BU-111 provides the provisions for this work.

2.5.2 Inventory Transactions (See Procedure EN-MP-110 and the Entergy System Affiliate Transactions Accounting Policy for Details). Inventory Transfers within the regions (i.e., regulated to regulated or market-regulated to market-regulated) and across the regions, will be implemented in accordance with Fleet procedure EN-MP-110.

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2.5.3 Software Transactions (See Procedure EN-BU-111 and the Entergy System Affiliate Transactions Accounting Policy for Details). Software developed by one region may be sold to the other region and priced asymmetrically in accordance with Fleet Procedure EN-BU-111.

3.0 DEFINITIONS AND ACRONYMS

[1] Acronyms

Acronym	Meaning
D-O-E	Directing, Organizing or Executing the Generation or Market Function
FERC	Federal Energy Regulatory Commission
FPU	Franchised Public Utility with Captive Customers
MFE	Marketing Function Employee
MRPSA	Market-Regulated Power Sales Affiliate
MRV	Market Reference Value
NPTFI	Non-Public Transmission Function Information
TFE	Transmission Function Employee

[2] Competitive Affiliate Employee – Those personnel shown on the Competitive Affiliate Employee List.⁶ In general, the list consists of personnel, including Marketing Function Employees, doing work for competitive operations (exclusive of shared support personnel and certain other service company personnel).


[3] Cost – means fully allocated cost. The sum of the costs which can be directly identified with a particular service or product plus an appropriate allocation of indirect costs that cannot be directly identified with a particular service or product including, but not limited to, overhead costs, administrative and general costs, and taxes

[4] Entergy or Entergy System Company or Company – Entergy Corporation, all of its subsidiaries and affiliates, and other entities in which Entergy Corporation has a direct or indirect majority ownership interest.


[5] FERC Compliance Section – the Legal Department group in the office of the Vice President, Ethics and Compliance and the Legal Department which is responsible for FERC and Affiliate Rule compliance.

[6] Franchised Public Utility with Captive Customers (FPU) – “a public utility with a franchised service obligation under state law that provides electric energy under cost-based regulation to wholesale or retail ratepayers.” (18 C.F.R. § 35.36(a)(5)). Under the Affiliate Restrictions, service company generation and market function employees that act on behalf of the Entergy FPUs are considered to be FPU employees.

⁶ http://transarc.entropy.com/public/ViewList.asp?ListType=Competitive_Restricted

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- [7] Generation or Market Functions – includes the following functions: (a) buying and selling wholesale power, (b) making economic dispatch decisions, (c) determining the timing of outage schedules, (d) engaging in fuel procurement, and (e) engaging in strategic resource planning.
- [8] Marketing Function Employee (MFE) – An employee, contractor, consultant or agent of Entergy companies (either FPU or MRPSAs, defined below) who actively and personally engages on a day-to-day basis in the sale for resale, or offers for sale, in interstate commerce of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights; excludes bundled retail sales. MFEs are included on the Marketing Function Employee List at <http://transarc.entergy.com/public/ViewList.asp?ListType=Restricted>.
- [9] Market Information – Includes, but is not limited to, any non-public information regarding wholesale power sales, cost of production, economic dispatch, generator outages, generator heat rates, unconsummated transactions, historical generator volumes, or wholesale power or generation facility purchases. Market Information includes non-public wholesale power transactional information about either the Entergy affiliate (FPU or MRPSA) or the counterparty to the transactional activity.
- [10] Market Reference Value (MRV) – One or more independent, credible and comparable market prices or values used to calculate the fair market value for determining the transfer price of an affiliate transaction involving any non-power good or asset.
- [11] Market-Regulated Power Sales Affiliate (MRPSA) – “any power seller affiliate other than a Franchised Public Utility, including a power marketer, exempt wholesale generator, qualifying facility or other power seller affiliate, whose power sales are regulated in whole or in part on a market-rate basis.” (18 C.F.R. § 35.36(a)(7)). Under the Affiliate Restrictions, service company generation and market function employees that act on behalf of the Entergy MRPSAs are considered to be MRPSA employees. MRPSA employees are included on the Competitive Affiliate Employee List.
- [12] Shared Support Services – The classification of employees who may permissibly perform functions on behalf of both the FPU and the MRPSAs. Subject Matter Experts (“SMEs”) in the following functions may be shared: legal, accounting, human resources, travel, information technology, risk management, and “field and maintenance” employees. Field and maintenance includes craft, technical and engineering personnel engaged in generation-related activities. Further, to enable informed corporate oversight, senior officers and members of boards of directors may be shared.

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- [13] Transmission Function Employee (TFE) – An employee, contractor, consultant and agent who actively and personally engage on a day-to-day basis in transmission functions. For a list of such employees, please see the latest Transmission Function Employee List at [\[http://transarc.energy.com/public/ViewList.asp?listType=Transmission\]](http://transarc.energy.com/public/ViewList.asp?listType=Transmission).
- [14] Transmission Function Information (TFI) – Information relating to the planning, directing, organizing or carrying out of day-to-day transmission operations, including the granting and denying of transmission service requests and transmission customer information.


4.0 INDUSTRY BEST PRACTICES (See Procedure EN-BU-111 for Details).

- [1] The nuclear power industry is driven by the actions stemming from the Kemeny Commission⁷ and the Nuclear Regulatory Commission⁸ that require sharing of best practices and emulation of good performance. The Institute of Nuclear Operations⁹ and the World Association of Nuclear Operatorsⁱ (“WANO”) promulgate such activities through efficient industry self-regulation.
- [2] To this end, the Entergy nuclear plants must foster an open environment for performance sharing, best practice sharing, emulation of good performance, and specialty equipment sharing. Accordingly, provisions exist inside the regulated region and inside the market-regulated region to allow provision of services by site personnel to other sites within the same region. The sharing will be provided with no transfer price or cost allocation (i.e., the home site is charged) for work expected to be less than 40-hours in duration. This engenders an environment of cooperation and support. This does not apply to services provided between regions.
- [3] Additionally, when working on fleet wide peer groups and formal assessments, the individuals are allowed to charge to their home sites. Procedure EN-OM-116 (Peer Groups) and EN-LI-128 (Mid-Cycle Assessment Process) define the types of transactions allowed for this provision.
- [4] These practices are easily linked to the significant improvement in the nuclear industry’s performance and safety record since the adoption of sharing by the industry. Capability factors are much higher than before the implementation of this principle, and the safety performance has been significantly improved. The result is a safer and more efficient fleet of plants in the Entergy Nuclear system.

⁷ *Report of the President’s Commission on the Accident at Three Mile Island*, John G. Kemeny, Chairman, p. 68 (October 1979).

⁸ *Convention on Nuclear Safety Report: The Role of the Institute of Nuclear Power Operations in supporting the United States commercial nuclear electric utility industry’s focus on nuclear safety*, INPO, p. 23 (Sept. 2007).

⁹ *2010 Year-End Highlights Report*, World Association of Nuclear Operators, p. 2 (2011).


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5.0 COMPLIANCE.

- [1] Associate General Counsel, Nuclear will coordinate with the Nuclear Coordinator-SVP and the FERC Compliance Section to implement compliance with this Policy.

6.0 ATTACHMENTS.

None.

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Procedure Contains NMM ECH eB REFLIB Forms: YES NO

Procedure Revision Type: New NON-Editorial Editorial TC Cancellation

HQN Effective Date 10/15/2020	Procedure Owner: Title: Site:	John Jacobs, Sr. Manager, Nuclear Financial Business Partners (FBP)	Governance Owner: Title: Site:	Bryon Morgan, Director, Nuclear FBP

Site	Site Procedure Champion	Title
ANO	Sarah Bauer	Mgr., FBP
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GGNS	Alice Byrnes	Mgr., FBP
BRP	Pete Sabo	Mgr., FBP
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RBS	Bradley Porter	Mgr., FBP
W3	Craig Zeringue	Mgr., FBP
HQN	John Jacobs	Sr. Mgr., FBP

For site implementation dates see ECH eB REFLIB using site tree view (Navigation panel).

Site and NMM Procedures Canceled or Superseded By This Revision

Process Applicability Exclusion): All Sites:

Specific Sites: ANO GGNS IPEC PAL RBS W3

Change Statement

Editorial change to update site champions, governance owner, job titles, and employee ID to attachment 9.3.

Associated PRHQN #: 2020-00384 **Procedure Writer:** JoAnne Ivy

Contains Proprietary Information: YES NO



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Guidance on Charging Nuclear Employee and Software Costs				

1.0 PURPOSE


- [1] The purpose of this procedure is to provide guidance to Entergy Nuclear (EN) management and employees in the use of shared labor resources and software between EN sites and subsidiaries including the charging of payroll and expenses in accordance with regulatory and legal requirements governing the Company's affiliate transactions.

2.0 REFERENCES


- [1] Entergy System Accounting Policy, "Affiliate Transactions"
- [2] Entergy System Policy, "Affiliate Interactions"
- [3] Entergy System Accounting Policy, "Loaning of Labor, Transportation, and/or Materials"
- [4] FERC Order Conditionally Granting Request for Waiver of Affiliate Restrictions, "FERC Conditional Waiver Order", Docket No. ER11-3175-000, September 29, 2011
- [5] NCIS Administrative Manual, NCIS-AD-G-002, "Process for Valuing EN-S Applications for Buy-in by EN-NE"
- [6] Nuclear Management Manual Procedure, ENS-HR-130, "Shared Resource Assignment"

3.0 DEFINITIONS


- [1] The Company – Entergy Corporation and its subsidiaries.
- [2] Entergy Nuclear (EN) – Comprises both the regulated and unregulated nuclear operations.
- [3] Entergy Services, Inc. (ESI) Nuclear Employee – An employee of ESI.
- [4] Entergy Nuclear Operations, Inc. (ENOI) Employee and Entergy Nebraska, Inc. (ENE) Employee – An employee of either ENOI or ENE. ENOI and ENE primarily provide services to Entergy's unregulated nuclear business.

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- [5] Entergy Operations, Inc. (EOI) Employee – An employee of EOI. EOI has service agreements to provide services to Entergy’s regulated nuclear sites that are owned by the Regulated Subsidiaries.
- [6] Entergy Information Technology function – Entergy’s Information Technology business function and Nuclear’s Information Technology contractors.
- [7] FERC Conditional Waiver Order – ENOI personnel who schedule the dates of outages for Entergy’s unregulated nuclear business must not be shared with Entergy’s regulated nuclear business. EOI personnel who schedule the dates of outages for Entergy’s regulated nuclear business must not be shared with Entergy’s unregulated nuclear business. ENOI and EOI outage scheduling personnel direct, organize and execute (DOE) the generation function under the FERC Affiliate Restrictions.
- [8] Forty (40) Hour Rule – Employees providing services within their region (i.e., EOI Employees providing services to Regulated Subsidiaries or ENOI/ENE Employees providing services to Unregulated Subsidiaries) that are planned for forty hours or less shall continue to charge time and expenses to their home site for each such temporary job assignment. The benefiting site, at its discretion, may choose to pay expenses if the assignment is less than 40 hours. If the services are expected to exceed 40 hours, the “host” site/department that benefits from the temporary services pays all labor costs and expenses.
- [9] Industry Best Practice Sharing Rule – The nuclear industry’s practice is to share best practices and emulate successes which benefit each nuclear station. Employees participating in the industry’s best practices through involvement in Peer Groups will continue to charge time and expenses to their home site. (LEAF is not required.) Providing assessments for a particular site is not covered by The Industry Best Practice Sharing Rule. The site(s) receiving the benefits of such activities should be charged, using the LEAF form if parties are working to the benefit of the other region.
- [10] LEAF – Loaned Employee Approval Form (LEAF) to be completed for all EOI and ENOI/ENE employees on loan between the regulated and unregulated regions. In the LEAF, the Work Description shall be a clear and succinct summary. This form is not required for Industry Best Practices Sharing Rule Peer Groups and ESI personnel. The LEAF Corporate Coordinator is responsible for maintaining the LEAF. See Attachment 9.3

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- [11] Loaned Labor Approved Project – A project that can be charged by loaned resources from another subsidiary that otherwise cannot bill the recipient business unit or site. A Loaned Labor Approved Project has all of the following:
- (a) A clear scope of work to support a temporary business need such as an outage, ice storm, or specialized expertise.
 - (b) Project code to charge the benefiting (host) site/department with the fully-loaded loaned labor costs and expenses.
 - (c) Recipient business unit or recipient site management approval of an employee’s eligibility to be loaned to the project for a defined time period.
- [12] \$100,000 Limit Rule – If the cost of the resources procured by a Regulated Subsidiary from an Unregulated Subsidiary exceeds \$100,000 for any specific project code or scope of work, the transfer may not occur unless (a) the procurement was competitively bid under a bidding process approved by retail regulators, (b) prior retail regulatory approval was obtained, or (c) it was an emergency situation verified by the Director, Nuclear FBP.
- (a) In the case of an emergency situation, notify Regulatory Affairs in the jurisdiction(s) involved.
 - (b) The \$100,000 limit threshold has no time limit (i.e., all cumulative Unregulated Subsidiary charges to the Regulated Subsidiary project code or scope of work apply). The cumulative charges include fully-loaded loaned labor and expenses by employees and contractors, related employee and contractor expenses, and transfers of equipment or materials through purchase or lease and related transportation and overhead costs.
- [13] Regulated Subsidiary – Regulated Subsidiaries include EOI, Entergy Services, Inc. (ESI), Entergy Louisiana, LLC. (ELA), Entergy Arkansas, Inc. (EAI), Entergy Mississippi (EMI), System Energy Resources, Inc. (SERI), and any other such similar subsidiaries as Entergy may create. Entergy Nuclear South plants are owned by Regulated Subsidiaries. Contact the Sr. Manager, Nuclear Financial Business Partners (or delegated representative) to resolve any question as to whether an entity is a Regulated Subsidiary.

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- [14] Unregulated Subsidiary – An Entergy Corporation subsidiary that Entergy has created or shall create that is not a domestic regulated electric utility or is not primarily engaged in the business of providing services or goods to domestic regulated electric utilities. Unregulated Subsidiaries include ENOI, Entergy legal entities that own Entergy Nuclear Northeast plants, and ENE. Contact the Sr. Manager, Nuclear FBP (or delegated representative) to resolve any question as to whether an entity is an Unregulated Subsidiary.

4.0 RESPONSIBILITIES

- [1] **Site Vice Presidents** – are responsible for reviewing and approving completed LEAF forms when their site is requesting or loaning employees. See Attachment 9.3 Loaned Employee Approval Form Section I. Initial Request.
- [2] **Director, Nuclear Financial Business Partners (FBP)** – is responsible for the maintenance and interpretation and audits of compliance of this procedure as well as the determination of emergency situations within the context of the \$100,000 Limit Rule.
- [3] **Sr. Manager, Nuclear FBP** – reports to the Director, Nuclear FBP and is responsible for verifying the effectiveness of this procedure, informing EN personnel of the content of this procedure, appointing a LEAF Corporate Coordinator, approving the LEAF, and periodically reporting to the Director, Nuclear FBP on the loaned labor activity between the regulated and unregulated regions.
- [4] **Requesting Manager** – responsible for completing the Initial Request (Section I) and coordinating completion of Sections II and III of the LEAF.
- [5] **Loaning Employee’s Supervisor/Manager** – responsible for ensuring their employee correctly charges expenses and payroll to the projects on which they work.
- [6] **LEAF Corporate Coordinator** – appointed by the Sr. Manager, Nuclear FBP and is responsible for maintaining the LEAF for EOI or ENOI/ENE employees loaned between the regulated and unregulated regions, designating the accounting treatment on the LEAF, ensuring proper documentation, and tracking and periodically reporting to the Sr. Manager, Nuclear FBP on the loaned labor activity between the regulated and unregulated regions.

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- [7] **Human Resources Management Support Representative** – shall be contacted to coordinate review of the site collective bargaining agreement and compliance with all provisions therein, in the event that a union member employee will provide any service requiring a LEAF.
- [8] **EN Employees** – are responsible for correctly charging expenses and payroll for work to the subsidiary of the Company where they are authorized to work.


5.0 DETAILS

5.1 PRECAUTIONS AND LIMITATIONS


None

5.2 GUIDANCE ON THE USE OF AND CHARGES OF EOI, ENOI, AND ENE NUCLEAR PERSONNEL

- [1] EOI does not have service agreements to provide labor to Unregulated Subsidiaries. EOI only has service agreements to support Regulated Subsidiaries. However, EOI personnel may support Unregulated Subsidiaries under certain conditions and pricing rules. ENOI and ENE only have service agreements to support Unregulated Subsidiaries. However, ENOI/ENE personnel may support the Regulated Subsidiaries under certain conditions, limitations and pricing rules. Settlement agreements with retail regulators and affiliate rules issued by regulatory agencies such as the Federal Energy Regulatory Commission (FERC) have placed specific requirements on activities between the regulated and unregulated nuclear businesses as included in this procedure.
- [2] EOI and ENOI/ENE Employees must charge payroll and expenses to the Regulated or Unregulated Subsidiary that is receiving the benefit of their efforts except in cases where the Industry Best Practice Sharing Rule or the 40 Hour Rule applies.
- (a) EOI and ENOI/ENE Employees participating in the industry's best practices through involvement in Peer Groups are subject to the Industry Best Practice Sharing Rule and will charge their home site for time and expenses. Peer Groups do not perform assessments for a particular site, exclusively. Peer Groups are limited to assessments of the industry's best practices for the Nuclear fleet.

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- (b) When loaning labor from one site to another site within the same region (e.g. EOI site to another EOI site, or ENOI/ENE site to another ENOI/ENE site), the host site/department will pay for the payroll and employee expenses associated in accordance with the 40 Hour Rule.
- [3] Employees must record the correct code block elements as required by the appropriate accounting entry system (Business Unit, Department, Resource, Project, Activity and Physical Location) when charging payroll and expenses for work performed at their home site or for another site.
- (c) Contact the budget coordinator, Nuclear FBP section, or the LEAF Corporate Coordinator with any questions on code block elements.
- [4] Employees providing services to the Cooper Nuclear Station should contact the Cooper Contract Liaison for Entergy Nebraska in addition to following this process.
- 5.2.1 Additional Guidance On The Use Of And Charges For EOI Personnel To Unregulated Subsidiaries
- [1] If the EOI Employee who will provide any service to an Unregulated Subsidiary is a union member, the Human Resources Management Support Representative should be contacted, the site collective bargaining agreement should be reviewed, and all provisions therein should be complied with.
- [2] Transactions that require completion of a LEAF:
- (a) When loaning labor from EOI to an unregulated site, or
- (b) When loaning labor from EOI to the unregulated nuclear fleet.
- [3] When loaning labor from EOI to the entire nuclear fleet (i.e., both regulated and unregulated fleets), so long as the Industry Best Practice Sharing Rule applies. See Attachment 9.3.
- [4] In cases where a LEAF is required, it is imperative that the loaned employee charge all payroll hours and employee expenses to the host site's code block elements (Business Unit, Department, Resource, Project, Activity and Physical Location) as required by the appropriate accounting entry system.

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- (a) The host site/department manager should be informed prior to the temporary direct charges occurring.
- (b) Contact the LEAF Corporate Coordinator with any questions concerning loaned labor.

[5] Any payment to a Regulated Subsidiary for the services rendered to an Unregulated Subsidiary will be priced at the higher of fully-loaded cost or fair market value, and an additional 5% surcharge will be applied to the cost of services including labor, overhead and expenses.

In general, the fully-loaded cost of labor will be treated as equivalent to the fair market value of labor.

5.2.2 Additional Guidance On The Use Of And Charges For ENOI/ENE Personnel To Regulated Subsidiaries


- [1] If the ENOI/ENE Employee who will provide any service to a Regulated Subsidiary is a union member, the Human Resources Management Support Representative should be contacted, the site collective bargaining agreement should be reviewed, and all provisions therein should be complied with.
- [2] In general, services provided by an ENOI/ENE Employee to a Regulated Subsidiary (including ESI) will be charged at the lesser of fully-loaded cost or market value.
- [3] The fully-loaded cost of labor will be treated as equivalent to the fair market value of labor.
- [4] Charges from any Unregulated Subsidiary to a Regulated Subsidiary shall be applied to the \$100,000 Limit Rule.
- [5] Transactions that require completion of a LEAF:
 - (a) When loaning labor from ENOI/ENE to a regulated site, or
 - (b) When loaning labor from ENOI/ENE to the regulated nuclear fleet (including EOI or any strictly regulated ESI project).

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- [6] When loaning labor ENOI/ENE to the entire nuclear fleet (i.e. regulated and unregulated), the LEAF is not required so long as the Industry Best Practice Sharing Rule applies. See Attachment 9.3.
- [7] In cases where a LEAF is required, it is imperative that the loaned employee charge all payroll hours and employee expenses to the host site's/department's code block elements (Business Unit, Department, Resource, Project, Activity and Physical Location) as required by the appropriate accounting entry system.
- (a) The host site/department manager should be informed prior to the temporary direct charges occurring.
- (b) Contact the LEAF Corporate Coordinator for assistance with the LEAF and with any questions concerning loaned labor.

5.3 GUIDANCE ON CHARGES OF ESI NUCLEAR PERSONNEL

- [1] In accordance with service agreements, ESI may provide services to the Regulated and Unregulated Subsidiaries.
- [2] ESI Nuclear employees must charge payroll and expenses to the Regulated or Unregulated Subsidiary that is receiving the benefit of their efforts.
- (a) For services rendered to a Regulated Subsidiary, ESI will charge the fully loaded labor and expenses.
- (b) The services rendered to an Unregulated Subsidiary will incur an additional 5% surcharge to the cost of service.
- [2] ESI Nuclear payroll and expenses incurred in support of the Unregulated Subsidiaries must never be charged to the Regulated Subsidiaries.
- [3] ESI Nuclear employees must use the specific code block elements (Business Unit, Department, Project, and Physical Location) that are established for ESI Nuclear in performing services for the Unregulated and Regulated Subsidiaries.
- (a) Contact the budget coordinator, Nuclear FBP section, or the LEAF Corporate Coordinator for guidance on ESI code block elements for Regulated Subsidiaries.

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- (b) If work is to be performed for Unregulated Subsidiaries, guidance on code block elements will be provided by the Sr. Manager, Nuclear FBP (or delegated representative) under the Director, Nuclear FBP.

5.4 CHARGING FOR SOFTWARE COSTS

- [1] Software developed by a Regulated Subsidiary and transferred for use by an Unregulated Subsidiary must be priced at the higher of fully loaded cost or market value, and an additional 5% surcharge will be applied to the price.
- [2] If a market value or cost is not available, the transaction is charged at the Entergy Information Technology function replacement cost, including the additional 5% surcharge, in accordance with the procedure in Reference 2.0 [3].
- [3] Software developed by an Unregulated Subsidiary and transferred for use by a Regulated Subsidiary must be priced at lesser of cost or market, and is subject to the \$100,000 Limit Rule.
- [4] If a market value is not available, the transaction is charged at the Entergy Information Technology function replacement cost, subject to the \$100,000 Limit Rule, in accordance with the procedure in Reference 2.0 [3].

5.5 ASSESSMENT OF CHARGES OF NUCLEAR PERSONNEL

- [1] On at least an annual basis, Director, Nuclear FBP will conduct an assessment of whether payroll and expenses are being charged to the correct project or organizational codes.
- (a) Assessment techniques may encompass reviews of LEAFs and billing charges and interviews with EN personnel and/or their supervisors to ascertain whether the personnel have been charging to the correct work projects.
- (b) Entergy Nuclear senior management will be apprised of the results of the annual assessment so that they may take actions, if necessary, to ensure payroll and expenses are charged to the correct legal entities.

6.0 INTERFACES

None



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7.0 RECORDS

7.1 The LEAF will be maintained by the LEAF Corporate Coordinator. See Attachment 9.3

8.0 SITE SPECIFIC COMMITMENTS

None

9.0 ATTACHMENTS

9.1 NUCLEAR AFFILIATE RULES FLOWCHART – SHARED SERVICES

9.2 EMPLOYEE EXAMPLES OF CHARGING COSTS

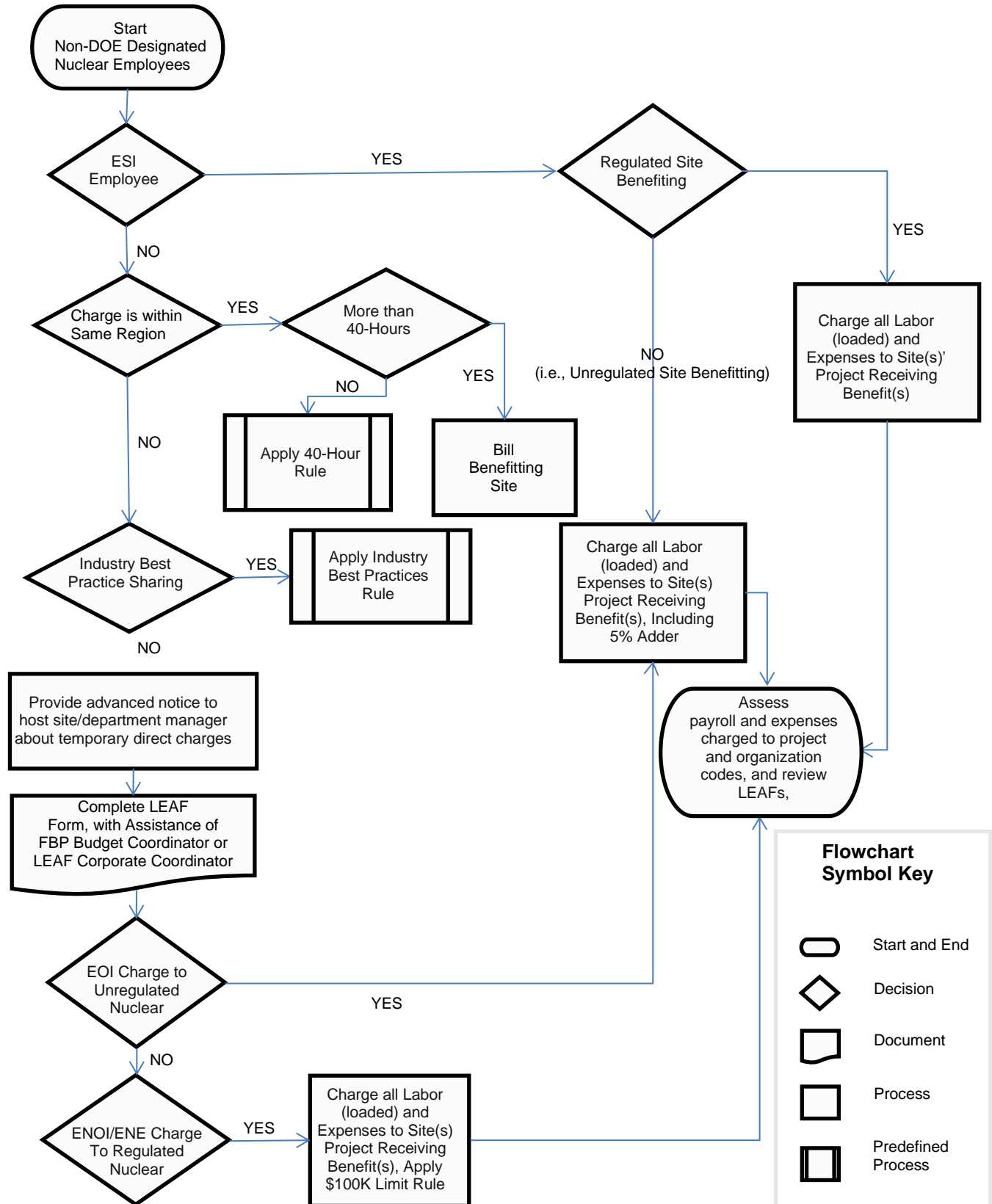
9.3 LOANED EMPLOYEE APPROVAL FORM (LEAF)




Guidance on Charging Nuclear Employee and Software Costs

ATTACHMENT 9.1

NUCLEAR AFFILIATE RULES FLOWCHART – SHARED SERVICES



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1. **Peer Groups and Assessments** – These activities have long been a practice in the nuclear industry. These activities serve to benefit the fleet plant operations by determining best practices, and driving performance to emulate that of the best nuclear sites. So long as the Peer Group is focused on benefits to the entire nuclear fleet, and not just one region or a few sites, the LEAF is not required; and the employee charges their home site.
2. **Providing Assessment for Particular Site(s)** – Providing assessments for a particular site is not covered by The Industry Best Practice Sharing Rule. The site(s) receiving the benefits of such activities should be charged, using the LEAF form if parties are working to the benefit of the other region.
3. **Formal Teams** – Formal teams established outside the Peer Group membership may be needed for fleet improvement activities, but also may be utilized to benefit a single plant or multiple ones. Costs of these teams must be charged to the site(s) receiving the benefits. LEAF is required if parties are working to benefit the other region.
4. **Loaned Labor Approved Project** – See Section 3.0, Definition # 11.
5. **Special Studies** – Activities like due diligence and special assessments. Parties must charge their costs to the site(s) receiving the benefits. LEAF is required if parties are working to benefit the other region.
6. **Regional Lab Services** – If centralized services are established, such as a common instrument calibration facility, the accounting for centralized services must be approved by the Chief Finance Officer’s organization.
7. **Refueling Outage Support or Support Critical to Plant Operations** – Payroll hours and expenses provided by EOI or ENOI/ENE personnel in a loaned capacity across regions should be charged to the Regulated or Unregulated Subsidiary that benefited from the services. LEAF is required.
8. **Work Assistance** (such as subject matter expertise and training) – Payroll hours and expenses provided by EOI or ENOI/ENE personnel in a loaned capacity across regions should be charged to the Regulated or Unregulated Subsidiary that benefited from the services. LEAF is required.
9. **Other** – Consult with the LEAF Corporate Coordinator for any other work situation not defined in this procedure.



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ATTACHMENT 9.3

LOANED EMPLOYEE APPROVAL FORM (LEAF)

NOTE: This form applies to EOI and ENOI/ENE employees. This form is NOT required for Industry Best Practices Peer Groups and ESI personnel. ESI employees who work for regulated and unregulated regions must bill hours appropriately.

I. Initial Request – To Be Completed by Requesting Manager:

Date of Request: _____
Employee Name: _____ Employee ID: _____
Home Site: _____ Temporary "Host" Site: _____
Estimated Duration of temporary assignment: _____

Transaction Type:

- Regulated Employee working to benefit unregulated site.
- Unregulated Employee working to benefit regulated site.

Required Approval:

Requesting Benefitting (Host) Site Vice President Signature

Loaning Site Vice President Signature

Work Description (include Emergency Basis when applicable):

Requesting Benefitting (Host) Site/Department Manager Signature

Loaning Manager Signature

II. Accounting Treatment and LEAF Control Number (see appropriate FBP personnel):

Accounting Codes for Labor:

Business Unit: _____
Department: _____
Activity: _____
Project: _____
Physical Location: _____
LEAF Control Number: _____

Accounting Codes for Expenses:

Business Unit: _____
Department: _____
Activity: _____
Project: _____
Physical Location: _____

Signature of LEAF Corporate Coordinator

Director, Financial Business Processes (if Emergency Basis applies)

III. Final Review:

- For ENOI/ENE charging regulated project code, cumulative total charges from Unregulated Subsidiaries will not exceed \$100,000.00 (no time limit for total)

Sr. Manager, Nuclear FBP

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Subject Matter Expert: Ryan Dumas	Responsible Officer: Reginald Jackson	Approved By: Kimberly Fontan	

I. POLICY SUMMARY

- This Policy sets forth the billing and payment requirements for transactions between Entergy affiliated companies.
- This Policy provides basic guidance on the billing methodologies based on compliance requirements set forth by federal, state, and local rules and regulations.
- Affiliate rules issued by regulatory agencies, including the Federal Energy Regulatory Commission (FERC) and Settlement Agreements with retail regulators, govern interactions between Entergy Corporation affiliates.
- Entergy Accounting Policies & Procedures apply to all Entergy employees, agents, and contractors.
- All employees, agents, and contractors of Entergy shall record accounting transactions accurately and completely in accordance with established Entergy Accounting Policies & Procedures.
- All employees, agents, and contractors of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Entergy System Policies & Procedures – Reporting Violations.
- Inquiries regarding affiliate transaction billing questions should be directed to Affiliate Accounting and Allocations. Inquiries regarding capital spares transfers, transfer of assets, and asset loaning will be addressed by Property Accounting, with inquiries regarding inventory transfers to be addressed by Accounting Processes and Controls. This Policy and additional allocation and pricing resources may be found on the [Affiliate Transactions SharePoint Page](#).¹
- For questions regarding affiliate rules compliance, please contact the Ethics & Compliance department.
- **Please refer to the following detailed Policy for further information.**

¹ <https://entergy.sharepoint.com/sites/Accounting/Pages/Affiliate-Transactions.aspx>

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II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

The purpose of this Policy is to set forth the billing and payment requirements for transactions between Entergy affiliated companies.

This Policy provides basic guidance on the billing methodologies based on compliance requirements set forth by federal, state, and local rules and regulations.

Affiliate rules issued by regulatory agencies, including the Federal Energy Regulatory Commission (FERC) and Settlement Agreements with retail regulators, govern interactions between Entergy Corporation affiliates.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED, AS WELL AS AGENTS AND CONTRACTORS OF ANY ENTERGY SYSTEM COMPANY.

THIS POLICY COVERS EMPLOYEES WHO ARE REPRESENTED BY A UNION, EXCEPT THAT ANY CONFLICTING TERMS OF EMPLOYMENT IN A COLLECTIVE BARGAINING AGREEMENT OR OTHER AGREEMENT REACHED WITH THE UNION(S) SHALL CONTROL.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY, NOR DOES THIS POLICY CONFER ANY CONTRACTUAL RIGHT TO ANY PERSON TO BECOME OR REMAIN AN EMPLOYEE OF ANY ENTERGY SYSTEM COMPANY.

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2.0 REFERENCES AND CROSS REFERENCES

2.1 Entergy System Policies & Procedures

- Accounting
- Affiliate Interactions
- Approval Authority
- Reporting Violations

2.2 Entergy Accounting Policies & Procedures

- Inventory, Materials & Stores Accounting
- Loaning of Labor, Transportation, and/or Materials
- Loaning of Assets – Capitalized Non-Power Goods

3.0 DEFINITIONS

3.1 **Captive Customers** – any wholesale or retail electric energy customers served by a franchised public utility under cost-based regulation.

3.2 **Cost** – means fully allocated cost. The sum of the costs which can be directly identified with a particular service or product plus an appropriate allocation of indirect costs that cannot be directly identified with a particular service or product including, but not limited to, overhead costs, administrative and general costs, and taxes.

3.3 **Entergy Enterprises, Inc. (EEI)** – a wholly owned subsidiary of Entergy Corporation that provides services to Entergy’s non-regulated affiliates.

3.4 **Entergy Nuclear Operations, Inc. (ENO)** – a wholly owned subsidiary of Entergy Corporation that provides services to Entergy’s non-utility nuclear facilities.

3.5 **Entergy Operations, Inc. (EOI)** – a wholly owned subsidiary of Entergy Corporation that provides services to Entergy’s regulated nuclear facilities.

3.6 **Entergy Services, LLC (ESL)** – a wholly owned subsidiary of Entergy Corporation that provides management, administrative, accounting, legal, engineering, and other services to the regulated and non-regulated subsidiaries of Entergy Corporation.

3.7 **Franchised Public Utility** – a public utility with a franchised service obligation under state or local law. A Franchised Public Utility may have captive customers and/or may own or provide transmission service over jurisdictional transmission facilities.

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- 3.8 Non-Power Goods and Services** – not a FERC-defined term. See Section A of Attachment 1 to this policy for guidance on what may be included in Non-Power Goods and Services.
- 3.9 Non-Regulated Service Company** – any Service Company whose costs are not recovered directly or indirectly in retail rates. Entergy Enterprises, Inc. (EEI) and Entergy Nuclear Operations, Inc. (ENO) are Non-Regulated Service Companies.
- 3.10 Non-Utility Affiliate** – any other affiliate not organized as a Service Company or a Franchised Public Utility. Examples of Non-Utility Affiliates include:

 - Market-regulated power sales affiliates (e.g., EWO Marketing, LLC, Entergy Power, LLC and RS Cogen, LLC).
 - The non-utility nuclear plants (Indian Point 2, Indian Point 3, and Palisades).
 - Other Non-Utility Affiliates include Entergy Asset Management, Inc. (EAM) and Entergy Nuclear, Inc. (ENI).
 - System Fuels, Inc. (SFI) is regarded under FERC Order No. 707 as a Non-Utility Affiliate, otherwise, in the Settlement Agreements SFI is defined as a Regulated Utility. SFI is excluded from the Arkansas Affiliate Transaction Rules.
- 3.11 Operating Companies (OPCOs)** – Franchised Public Utilities – Entergy Arkansas, LLC (EAL), Entergy Louisiana, LLC (ELL), Entergy Texas, Inc. (ETI), Entergy Mississippi, LLC (EML), Entergy New Orleans, LLC (ENOL), and System Energy Resources, Inc. (SERI). Under FERC Order No. 707, SERI is treated as a Franchised Public Utility; otherwise, SERI is not normally considered an OPCO.
- 3.12 Policy** – This Affiliate Transactions policy.
- 3.13 Regulated Service Company** – any Service Company whose costs are recoverable directly or indirectly in retail rates. Entergy Regulated Service Companies include ESL and EOI.
- 3.14 Service Company (as defined by FERC)** – The term “service company” means any associate company within a holding company system organized specifically for the purpose of providing non-power goods or services or the sale of goods or construction work to any public utility in the same holding company system.
- 3.15 System Energy Resources, Inc. (SERI)** – a wholly owned subsidiary of Entergy Corporation that owns and leases an aggregate 90% undivided interest in Grand Gulf 1 and bills capacity and other costs pursuant to a Unit Power Sales Agreement regulated by FERC.

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3.16 System Fuels, Inc. (SFI) – a jointly owned subsidiary of EAL (35%), ELL through Entergy Louisiana Properties, LLC (33%), EML (19%), and ENOL (13%), that implements and manages certain programs to procure, deliver, and store fuel supplies for those companies.

4.0 RESPONSIBILITY

4.1 The **Chief Accounting Officer** has responsibility for approving all financial interactions between Entergy affiliate companies.

4.2 Affiliate Accounting and Allocations, Accounting Processes and Controls, and Property Accounting have responsibility for the application of approved intra-company policies, including maintenance of appropriate documentation and systems.

5.0 DETAILS

Affiliate transactions that affect the jurisdictional rates of a public utility or a natural gas company are under the jurisdiction of federal and jurisdictional regulations. Further, Settlement Agreements that contain pricing provisions have been entered into and filed with various federal and state and local regulatory agencies. Notably, the FERC, under the provisions of the Public Utility Holding Company Act of 2005 (PUHCA 2005), has authority over affiliate transactions that affect the jurisdictional rates of a public utility or a natural gas company. FERC also has the authority to review and authorize cost allocations as requested by centralized service companies such as ESL and EOI.

5.1 All rates and charges made, demanded, or received by any Franchised Public Utility for or in connection with the transmission or sale of electric energy, are subject to the jurisdiction of the FERC and all rules and regulations affecting or pertaining to such rates or charges, will be just and reasonable.

5.2 Asymmetrical pricing rules among affiliates are mandated by federal and jurisdictional regulations and various agreements among Entergy affiliates that have been filed with regulatory agencies.

5.3 FERC Order No. 707, issued in 2008, mandates asymmetrical pricing rules among affiliates of a Franchised Public Utility. FERC Order No. 707 pricing requirements as they relate to contracts entered into on or after March 31, 2008, by Entergy affiliates are listed below in section 3.

5.4 FERC Order No. 707 requires that where a conflict arises between state and federal regulations, regarding the pricing of affiliate transactions, the utility shall apply the stricter rule.

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- 5.5** Specific price regulation: sales or transfers of products or services in instances where a state or federal regulatory agency regulates the price will be priced at the price established by the regulator, and that price will be used for ratemaking purposes and will be considered the Fair Market Value (FMV).
- 5.6** No procurement with FMV in excess of \$100,000 will be made by a regulated utility from a non-regulated business except through competitive bidding processes or as otherwise authorized by an appropriate state regulatory commission. Please refer to the Entergy System Policies & Procedures – Procurement as well as the Nuclear Management Manual procedures EN-MP-110 and EN-BU-111.
- 5.7** Further guidance on determination of cost and market reference values may be found in Attachment 1 to this policy entitled, “Affiliate Transactions Guidance, Cost and Market Reference Values.”

6.0 PROCEDURES

6.1 Pricing Requirements

6.1.1 Provider – OPCOs – Pricing for transactions involving the provision of non-power goods or services by an OPCO shall be determined as follows:

Transaction	Pricing
OpCo to OpCo or to Regulated Non-Utility Affiliate (e.g., SFI)	At cost
Opco to Regulated Service Company	Higher of cost or market
Opco to Non-Regulated Service Company or to Non-Regulated Non-Utility Affiliate*	Higher of Cost + 5% or Market

***Exception:** Transactions in which ENOL provides non-power goods or services with a FMV exceeding \$100,000 to a Non-Regulated Service Company or a Non-Regulated Non-Utility Affiliate shall be priced using terms of approved tariff or competitive bidding process.

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6.1.2 Provider – Regulated Service Companies (ESL and EOI) – Pricing for transactions involving the provision of non-power goods or services by a Regulated Service Company shall be determined as follows:

Transaction	Pricing
Regulated Service Company to OPCO* or to Regulated Non-Utility Affiliate (e.g., SFI)	At cost
Regulated Service Company to Regulated Service Company	At cost
Regulated Service Company to Non-Regulated Service Company or to Non-Regulated Non-Utility Affiliate	Cost + 5%

***Exception:** Transactions in which a Regulated Service Company provides non-power **goods** to EAL shall be priced at lower of cost or market.

6.1.3 Provider – Non-Regulated Service Companies (ENOI & EEI) – Pricing for transactions involving the provision of non-power goods or services by a Non-Regulated Service Company shall be determined as follows:

Transaction	Pricing
Non-Regulated Service Company to OPCO, Regulated Non-Utility Affiliate, or Regulated Service Company with FMV in excess of \$100,000	Competitively bid unless otherwise approved by a regulatory authority
Non-Regulated Service Company to OPCO* or Regulated Non-Utility Affiliate with a FMI less than or equal to \$100,000	At cost
Non-Regulated Service Company to Regulated Service Company	At cost
Non-Regulated Service Company to Non-Regulated Service Company or to Non-Utility Affiliate	At cost

***Exception:** Transactions in which a Non-Regulated Service Company provides non-power **goods** with FMV less than or equal to \$100,000 to EAL shall be priced at the lower of cost or market.

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6.1.4 Provider – Non-Utility Affiliates – Pricing for transactions involving the provision of non-power goods or services by a Non-Utility Affiliate shall be determined as follows:

Transaction	Pricing
Non-Utility Affiliate to OPCO, Regulated Non-Utility Affiliate, or Regulated Service Company with FMV in excess of \$100,000	Competitively bid unless otherwise approved by a regulatory authority
Regulated Non-Utility Affiliate (e.g., SFI) to OPCO*, Regulated Non-Utility Affiliate, or Regulated Service Company with FMV less than or equal to \$100,000	Not above market
Non-Utility Affiliate to Regulated Service Company with FMV less than or equal to \$100,000	Not above market
Non-Utility Affiliate is the provider to a Non-Regulated Service Company or to a Non-Utility Affiliate	At Cost

***Exception:** Transactions in which a Non-Utility Affiliate provides non-power goods or services with a FMV less than or equal to \$100,000 to EAL shall be priced at the lower of cost or market.

6.2 Other Transactions and Restrictions:

6.2.1 Transactions involving the provision of product rights, patents, or copyrights between any affiliates, costs are included in product development costs and treated as non-power goods and services.

6.2.2 Transactions that involve the transfer of (a) generating assets, fuel and fuel-related assets and real property and improvements, or (b) market, technological or similar data must receive prior approval by the Chief Accounting Officer, with pricing in accordance with applicable regulations and contracts.

6.2.3 Any other transactions not addressed elsewhere in this Accounting Policy must receive prior approval by the Chief Accounting Officer so that the transactions can be properly billed.

6.3 Billing Methodologies for ESL and EOI are authorized by the FERC and are designed to allow ESL and EOI to directly bill one affiliate or to allocate to more than one affiliate costs that cannot be directly assigned to a particular affiliate

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company. A billing allocation method may be comprised of one or more components, or cost drivers. The selection of an appropriate method is critical since such billings are subject to regulatory and auditor review.

6.4 Project codes are used to accumulate costs on a specific job, project, or functional basis for purposes of billing such costs to the appropriate affiliate company. Expenditures that do not pertain to performance of services by ESL or EOI should not be charged to an ESL or EOI project code. Instead, these expenditures should be charged directly by the vendor or supplier to the respective affiliate company.

6.5 **Payment of Inter-Company Service Billings** - The service agreements between Entergy service companies and their affiliates establish the guidelines for payment of inter-company billings as well as guidance by FERC under the PUHCA of 2005. It is important that these bills be paid on time to maintain regulatory compliance for payments between regulated and non-regulated Entergy affiliates.

6.5.1 This policy applies to all Entergy affiliates when billed by an Entergy Service Company through the inter-company billing process.

6.5.2 Inter-company service bills, resulting from the billing of non-power goods and services provided by Entergy Service Companies such as ESL, EOI, EEI, and ENO to Entergy affiliates, will be paid in full by each affiliate no later than 25 days after the close of the month in which the service billings took place. For example, services provided during the month of July, and posted to the general ledger system in that month, will be payable by the 25th day of August.

6.5.3 Inter-company service bills are identifiable in the form of journal entries posted in the general ledger system. A paper invoice is not required to be, nor will one be, submitted to the payee of an inter-company service bill, but instead billings for services rendered will be posted to the general ledger system and can be viewed by the payee.

6.5.4 Any disputed charges will be investigated, and when appropriate, credited back to the client company as quickly as possible, ideally in the month following the billing.

7.0 **ATTACHMENTS**

Attachment I – Affiliate Transactions Guidance, Cost and Market Reference Values

ATTACHMENT 1**AFFILIATE TRANSACTIONS GUIDANCE
COST AND MARKET REFERENCE VALUES**

A. Background – Affiliate Transaction Rules

Affiliate¹ transactions are under the jurisdiction of federal and retail regulations. Notably, the Federal Energy Regulatory Commission (“FERC”) has authority over affiliate transactions that affect the rates of a public utility or a natural gas company. The FERC may also review and authorize cost allocations as requested by centralized service companies. Further, state and local regulatory agencies have retail affiliate rules in place and Entergy has entered into Settlement Agreements with retail regulators that contain affiliate transaction pricing provisions. FERC and retail affiliate transaction requirements are included in the Entergy Accounting Policies & Procedures – Affiliate Transactions².

Affiliate transaction rules include provisions related to the transfer price of non-power goods (including non-power capital assets) or non-power services (“non-power goods or services” which is an undefined term) that are transferred between certain affiliates. By considering FERC Order Nos. 684 and 715 definitions of goods and services, non-power goods and services may include the following.

1. **Goods** - “...any goods, equipment (including machinery), materials, supplies, appliances, or similar property (including coal, oil, or steam, but not including electric energy, natural or manufactured gas, or utility assets³) which is sold, leased, or furnished for a charge.”
2. **Services** - “...any managerial, financial, legal, engineering, purchasing, marketing, auditing, statistical, advertising, publicity, tax, research, or any other service (including supervision or negotiation of construction or of sales), information or data, which is sold or furnished for a charge.”

For affiliate transactions, the required transfer pricing method may depend on each affiliate’s role, i.e., which affiliate is the provider and which affiliate is the recipient of the non-power goods or services. Generally, for transfers of non-power goods or services between Entergy affiliates, the affiliate transaction rules mandate the determination and documentation of the fair market value and cost of the non-power goods or services. The following information is provided for guidance on the determination and documentation of **cost** (see Section B) and of **fair market value** (see Section C).

¹ An affiliate includes any company that Entergy directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities.

² The Entergy Accounting Policies & Procedures – Affiliate Transactions provides requirements on the affiliate transaction pricing rules and is accessible under the Affiliate Transactions heading at the following link: <https://myentergy.entergy.com/sites/Accounting/Pages/Accounting-Policies.aspx>.

³ While utility assets are excluded from the definition of “goods” in FERC Order Nos. 684 and 715, the asymmetrical pricing requirements in FERC Order No. 707 do not specifically exclude utility assets. Entergy Legal Counsel has interpreted the transfer pricing requirements under FERC Order No. 707 to include utility assets.

ATTACHMENT 1**AFFILIATE TRANSACTIONS GUIDANCE
COST AND MARKET REFERENCE VALUES**

B. Cost

Cost is defined as “fully allocated cost.”

1. The “fully allocated cost” of a good or service that is not treated as a capital asset is determined by adding all direct costs (as defined below) and indirect costs (as defined below) specifically attributable to the good or service.
2. The “fully allocated cost” of a good or service that is treated as a capital asset is the net book value of that asset, which should be calculated by adding both direct costs (as defined below) and indirect costs (as defined below) and reducing that total by the accumulated depreciation (as defined below) at the time of transfer. Documentation shall be established by reference to the appropriate affiliate’s accounting records.
3. Other definitions:
 - 3.1 Direct costs are the costs and expenses for goods and services, which can be identified through a work order system as being applicable to the goods or services provided for a single or group of associate and non-associate companies. Original historical costs incidental to or related to a directly charged item must be classified as a direct cost.
 - 3.2 Indirect costs include the costs of a general overhead nature properly attributable to the production or provision of a good or service, such as general services, housekeeping costs, and other support costs, which cannot be separately identified to a single or group of associate and non-associate companies and, therefore, must be allocated.
 - 3.3 Depreciation is the reduction in the value of a capital asset used for business purposes, since the time the asset was placed into service, due to usage, passage of time, wear and tear, technological outdateding or obsolescence, inadequacy, rot, rust, decay or other such factor.

C. Fair Market Value

Fair market value is defined as the amount a party would pay or receive in an arm’s length transaction with unaffiliated parties, each party acting in its own best interest to carry out a particular transaction. Applied to affiliated parties, a transaction is at arm’s length if the transaction would have been made on the same terms with a disinterested third party in a bargained transaction.

1. **Determination of Fair Market Value** – Fair market value may be determined by **competitive bid** (see Section D) or by reference to one or more independent, credible and comparable **market reference values** (“MRVs”) (see Sections E and F). Documentation must be produced and retained in accordance with Section G; oral MRV sources must be voice-recorded.

ATTACHMENT 1**AFFILIATE TRANSACTIONS GUIDANCE
COST AND MARKET REFERENCE VALUES**

2. **No Available Fair Market Value** – When the fair market value cannot be determined, the transaction recipient’s business unit must provide a written explanation about the absence of fair market value to Accounting Processes and Controls. This written explanation may be documented using the form entitled “Explanation for No Credible MRV or Special Circumstances” that can be found in the Forms section of the Accounting/Affiliate Transactions SharePoint site. Alternatively, the transaction recipient’s business unit may request guidance from Ethics & Compliance and the appropriate legal department personnel to prepare written documentation about the absence of fair market value. See also Section F.5.2. Such written explanation shall be retained by the business unit for at least five years (the Record Series 1611 “Legal/Affiliate Rules/Regulatory Issues Files” may be used by the business unit to classify the records). The regulatory guidance may cover similar instances when fair market value is not available.

D. Competitive Bid

If competitive bid is used to set the fair market value for a transaction covered by the affiliate rules, first contact Ethics & Compliance because the bidding process may have to follow procedures specified by the applicable regulatory agency.

E. Market Reference Values (“MRVs”) – Non-Power Services

Entergy, through a process of compensation benchmarking and surveys that is considered to be independent, credible and comparable, strives to price all of its personnel compensation at market rates. While some individual pay decisions may cause a lower or higher individual pay, in aggregate, pay per employee is priced at market. Accordingly, for any non-power service performed by an Entergy employee, the fully allocated cost of any such non-power service is regarded as the fair market value.

F. Market Reference Values (“MRVs”) – Non-Power Goods (including Non-Power Capital Assets)

1. **Overview** – MRVs for non-power goods must be:

- independent (see Section F.2),
- of the number required in Section F.3,
- in the form described in Section F.4,
- credible (see Section F.5) and
- comparable (see Sections F.6 and F.7)

2. **Independence**

- 2.1 If an actual transaction is used as the source of a MRV, at least one party must be unaffiliated. For example:

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**AFFILIATE TRANSACTIONS GUIDANCE
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- 2.1.1** If an affiliated party is a provider in a historical transaction that is used as a MRV source, the recipient must be an unaffiliated party.
 - 2.1.2** If an affiliated party is a recipient in a historical transaction that is used as a MRV source, the provider must be an unaffiliated party.
 - 2.2** If an affiliated party is a proposed provider in an offered transaction that is used as a source of a MRV, the proposed recipient must be an unaffiliated party and the offer must be binding.
 - 2.3** Otherwise, MRVs must be determined from unaffiliated parties.
- 3. Number of MRVs**
 - 3.1** If a single MRV source is documented to be independent, highly credible and comparable, then the use of such single MRV source is acceptable.
 - 3.2** At least two separate MRV sources are required if both MRV sources are contractors/vendors that provide the non-power goods at issue and have an existing contract or purchase order with Entergy. See Section F.5.2.
- 4. Form of MRVs** – MRVs for non-power goods shall be in the form of:
 - 4.1** The price of actual transactions for non-power goods (e.g., historical price paid by Entergy to a vendor within the previous year);
 - 4.2** The price of offered non-power goods (e.g., price estimate or quote from vendor);
or
 - 4.3** Other reference sources for non-power goods, which may include:
 - Industry average price or value, such as from a benchmarking study survey,
 - Industry catalog price,
 - Advertised price,
 - Published benchmarking industry average value,
 - Auction website transaction price, or
 - Appraisals, such as auction house appraiser value estimate or insurance appraisal valuation.
 - **Other reference source (Recipient must describe).**
- 5. Credibility** – In determining the credibility of a MRV, consider the reliability, industry reputation, expertise (knowledge and skills) and disinterest of the source.
 - 5.1** For benchmarking or survey sources, consider the following.
 - 5.1.1** Whether the source includes adequate data collection, definitions, methods, sample size, original data sources and other survey information.

ATTACHMENT 1**AFFILIATE TRANSACTIONS GUIDANCE
COST AND MARKET REFERENCE VALUES**

- 5.1.2** If a survey or benchmarking report provides data trended over multiple survey periods, the user may need to extrapolate to estimate the industry average value for the appropriate period of time.
- 5.1.3** Reports from reputable survey or benchmarking consulting firms⁴ are preferred over reports available from public Internet web sites.
- 5.2** Contractors/vendors that provide the non-power goods at issue and that have an existing contract or purchase order with Entergy may be used as sources of MRVs only if alternative MRV sources are not reasonably available. The transaction recipient's business unit must provide a written explanation about the absence of fair market value to Accounting Processes and Controls. This written explanation may be documented using the form entitled "Explanation for No Credible MRV or Special Circumstances" that can be found in the Forms section of the Accounting/Affiliate Transactions SharePoint site. Alternatively, the transaction recipient's business unit may request guidance from Ethics & Compliance and the appropriate legal department personnel to prepare written documentation about the absence of fair market value. Items with written explanations as required by Section C.2 may use this type of MRV source as a single source rather than the two separate MRV sources required by Section F.3.2.
- 6. Comparability** – Comparable goods are similar equivalents in form, function and features; but may not have the same exact product specifications. In determining comparability, take into consideration the similarity of the following attributes, as appropriate, for the MRV and the non-power goods being valued.
- Percentage of ownership,
 - The nature of the ownership interest,
 - Restrictions on use,
 - Market area,
 - Time-frame of usage,
 - Location,
 - Age, wear, quality, quantity, size, color, and weight,
 - Potential obsolescence, and
 - Other physical, legal, and economic characteristics.
- 7. Comparability – Fluctuating Market Prices** – If a MRV is obtained in times of rapidly rising or falling market prices, the value analyzed from these time-frames shall be adjusted accordingly to the effective date of the affiliate transaction.

⁴ Reputable survey or benchmarking consulting practices include Hay Group, Willis Towers Watson, Aon Hewitt, Mercer, PricewaterhouseCoopers, and Buck Consultants.

ATTACHMENT 1**AFFILIATE TRANSACTIONS GUIDANCE
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G. Fair Market Value Documentation and Periodic Reviews

1. **Non-Power Services** – For non-power services, compensation MRV methodology and studies are held and documented within the Human Resources – Compensation department.
2. **Non-Power Goods** – If fair market value is required to determine the price of a transaction for non-power goods, the transaction recipient’s business unit must (a) provide the fair market value amount as of the effective date of the affiliate transaction to the group described below (Section G.2.1) no later than two months after the transaction date, unless the MRV is based on a historical transaction, (b) provide to that same group upon request the supporting documentation described below (Section G.2.2) within one week of any such request, and (c) retain such fair market valuation documentation for at least five years (the Record Series 1611 “Legal/Affiliate Rules/Regulatory Issues Files” may be used by the business unit to classify the records).
 - 2.1 **Market Value Information** – The fair market value amount must be provided to the groups described below. Contact information is provided in Section H.
 - 2.1.1 For material or non-capital equipment transfers, provide fair market value amount to Accounting Processes and Controls.
 - 2.1.2 For non-power capital asset transfers, provide fair market value amount to Property Accounting.
 - 2.1.3 For all other applicable affiliate transactions, provide fair market value amount to Affiliate Accounting and Allocations.
 - 2.2 **Supporting Information to Retain** – For competitive bid determinations of fair market value for non-power goods, the supporting documentation to retain shall include the transaction details of the competitive bid. For MRV determinations of fair market value for non-power goods, supporting documentation to retain shall include the following information:
 - 2.2.1 Fair market value,
 - 2.2.2 Date of the MRV,
 - 2.2.3 Calculations, if applicable, to extrapolate the fair market value estimate to the effective date of the affiliate transaction,
 - 2.2.4 Description of the independence, credibility and comparability of the MRV,
 - 2.2.5 Written explanations/documentation required in Sections F.3.2 and F.5.2,
 - 2.2.6 Voice Recordings of oral quotes or estimates, and
 - 2.2.7 Data items required by Accounting.⁵

⁵ For market values using transactions by Entergy and an outside vendor within the previous year, Accounting may require Recipient Business Unit Name, Project Code, and other data items.

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**AFFILIATE TRANSACTIONS GUIDANCE
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2.3 Review of Supporting Information – Each calendar quarter, Affiliate Accounting and Allocations shall review supporting documentation for a sample of affiliate transactions for non-power goods to verify that the attributes have been satisfied and to test compliance with this guidance.

H. Contact Information. If you have any questions about these affiliate transaction guidelines, please contact the Affiliate Rules Compliance Helpdesk (HelpARC@entergy.com).

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Title: LOANING OF LABOR, TRANSPORTATION, AND/OR MATERIALS		Last Revision: December 1, 2022	Rev. 7
Subject Matter Expert: Ryan Dumas	Responsible Officer: Reginald Jackson	Approved By: Kimberly Fontan	

I. POLICY SUMMARY

- This Policy sets forth the guiding principles and procedures regarding the loaning of labor, transportation, and/or materials and supplies between Entergy affiliated companies.
- This Policy applies to all Entergy employees, including full time, regular part-time and temporary employees.
- Affiliate transactions are governed by multiple regulatory bodies. If contemplating a loaning transaction, an employee should refer to this policy as well as the Entergy Accounting Policies & Procedures – Affiliate Transactions.
- Department managers are responsible for ensuring that appropriate project, department, and business unit codes are used for loaning transactions of all types.
- Requests for procurement of materials, goods and services must be approved in accordance with the Entergy System Policies & Procedures – Approval Authority.
- Questions about loaned transactions should be referred to Affiliate Accounting and Allocations. Inquiries regarding Materials and Supplies will be addressed by Accounting Processes and Controls.

Please refer to the following detailed Policy for further information.

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Title: LOANING OF LABOR, TRANSPORTATION, AND/OR MATERIALS	Last Revision:	Rev. 7
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II. Policy Details

1.0 PURPOSE AND APPLICABILITY

The purpose of this Policy is to provide a framework for loaning transactions to properly account for the movement of costs from one department and/or business unit (BU) to another. Labor, transportation, and/or material costs can be loaned, as described in this Policy. This Policy seeks to ensure Entergy's financial statements and records conform in all respects to Generally Accepted Accounting Principles (GAAP) in the United States, Securities & Exchange Commission (SEC) regulations, Federal Energy Regulatory Commission (FERC) regulations, state and local regulatory guidelines, as well as the Sarbanes-Oxley Act of 2002.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED, AS WELL AS AGENTS AND CONTRACTORS OF ANY ENTERGY SYSTEM COMPANY.

THIS POLICY COVERS EMPLOYEES WHO ARE REPRESENTED BY A UNION, EXCEPT THAT ANY CONFLICTING TERMS OF EMPLOYMENT IN A COLLECTIVE BARGAINING AGREEMENT OR OTHER AGREEMENT REACHED WITH THE UNION(S) SHALL CONTROL.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY, NOR DOES THIS POLICY CONFER ANY CONTRACTUAL RIGHT TO ANY PERSON TO BECOME OR REMAIN AN EMPLOYEE OF ANY ENTERGY SYSTEM COMPANY.

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2.0 REFERENCES AND CROSS REFERENCES

2.1. Entergy System Policies & Procedures

- Accounting
- Affiliate Interactions
- Approval Authority
- Discipline
- Procurement
- Reporting Violations

2.2. Entergy Accounting Policies & Procedures

- Affiliate Transactions
- Inventory, Materials & Stores Accounting
- Loaning of Assets – Capitalized Non-Power Goods

3.0 DEFINITIONS

- 3.1. **Borrowing business unit** – the BU that is the user and, therefore, the recipient of the costs for the loaned labor, transportation, and/or materials provided by the home BU.
- 3.2. **Borrowing department** – the department that is the user and, therefore, the recipient of the costs for the loaned labor, transportation, and/or materials provided by the home department. Please note: this department can be within the same home BU or outside of the home BU.
- 3.3. **Business unit (BU)** – an Entergy company (legal entity).
- 3.4. **Enterprise Asset Management (EAM) Application** - The software product or program used by the Entergy fleet for Work Management, Document Management, Engineering Change, Tracking Actions, and Supply Chain (includes Material Control, Inventory Control, Contract Management, Accounts Payable, Procurement Engineering and Purchasing).
- 3.5. **Home business unit** – the BU in which an employee is assigned to perform his/her duties on a regular basis.
- 3.6. **Home department** – the department in which an employee is assigned to perform his/her duties on a regular basis.
- 3.7. **Loaned labor** – the cost of an employee working for a department and/or affiliate company other than his/her home department and/or BU.
- 3.8. **Loaned materials** – the cost of materials and supplies that originate with one BU and are transferred to another BU via request.

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3.9. Loaned transportation - the process by which the costs associated with the physical use of a vehicle are recorded to the department and business unit that was the recipient of the service provided.

3.10. Loaned resources – the general term applied to the loaning of labor, transportation, and/or materials.

3.11. Policy – This Loaning of Labor, Transportation, and/or Materials policy.

4.0 RESPONSIBILITIES

4.1. The Chief Accounting Officer has the responsibility for developing policies which govern financial transactions between Entergy’s affiliated companies.

4.2. Accounting and Reporting organization

4.2.1. Affiliate Accounting and Allocations - maintains billing processes and compliance with billing policies and regulatory guidelines as they relate to such policies, e.g., maintaining allocations associated with payroll and transportation and funding the resulting payables and receivables for loaning transactions. Additionally, Affiliate Accounting and Allocations reviews loaned transactions to ensure that they are in compliance with special regulatory pricing requirements.

4.2.2. Accounting Processes and Controls - records the cross jurisdictional loader entries (materials loaders) which move the overhead dollars from the issuing BU to the receiving BU and establishes the payables and receivables. Accounting Processes and Controls maintains the material and supplies overhead rate forecast model which is used to establish the M&S rates. Additionally, Accounting Processes and Controls monitors and adjusts, where necessary, loaned material prices when special pricing tests are met.

4.3. Department managers are responsible for ensuring that appropriate project, department, and BU codes are used for loaning of labor, transportation, and/or materials and supplies.

5.0 DETAILS

6.0 PROCEDURES

6.1. Labor - Loaned labor is the process by which payroll costs are charged from one department and/or BU (home department and/or home BU) to another (borrowing department and/or borrowing BU) when an employee is loaned to support a temporary business need such as an outage, ice storm, or specialized expertise.

ENERGY ACCOUNTING POLICIES & PROCEDURES

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- 6.1.1. Management approval is required for an employee's eligibility to loan.
- 6.1.2. The loaned employee will record his/her time in his/her time reporting system using the department and/or BU charge fields to specify the borrowing department and/or borrowing BU.
- 6.1.3. Additionally, the loaned employee must charge the appropriate project code on his/her timesheet. If unsure of the project code, the loaned employee should ask his/her supervisor or Finance Business Partners representative for the proper project code to charge.
- 6.1.4. The borrowing department and/or BU will incur the payroll and related payroll allocated costs (benefits, payroll taxes, non-productive loading, and certain incentive compensation) associated with the loaned labor. The home department and/or BU will not incur any labor related costs resulting from the loaned labor costs billed to the borrowing department and/or BU.
- 6.1.5. Special pricing considerations are necessary when an employee of one of Entergy's Franchised Public Utilities or Regulated Service Companies provides loaned labor to one of Entergy's Non-Utility Affiliates or Non-Regulated Service Companies and vice versa. Refer to the pricing guidance in the Entergy Accounting Policies & Procedures – Affiliate Transactions for detailed pricing requirements.
- 6.2. **Transportation** - Loaned transportation is the process by which the costs associated with the physical use of a vehicle are recorded to the department (borrowing department) and/or BU (borrowing BU) that used the vehicle. Transportation costs include direct lease costs, fuel, other contract work, and transportation shop overhead costs.
 - 6.2.1. Loaning of transportation occurs when a vehicle, assigned to a home BU and home department, is utilized to provide services to a borrowing department and/or borrowing BU.
 - 6.2.2. The employee responsible for recording usage data must enter the appropriate code block necessary for the loaned transaction into their time reporting system. Project codes may be utilized in the transportation process but are not always required.
 - 6.2.3. Power Generation and Nuclear vehicle loaning is recorded in Cyndrus Fleet. The appropriate code block necessary for the loaned transaction must be entered into Cyndrus Fleet. Project codes may be utilized in the transportation process but are not always required.

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6.3. Materials and Supplies - Loaned materials and supplies is the process by which physical control over materials by one BU (home BU) is transferred to another BU (borrowing BU) via a request process. This may occur via an inventory transfer or a direct purchase transaction. Materials issued between departments of the same BU are not considered loaned. Employees should refer to the Entergy System Policies & Procedures – Procurement for materials and supplies approval policies as well as the Entergy Accounting Policies & Procedures – Inventory, Materials & Stores Accounting.

6.3.1. For loaned inventory items, the loaned transaction is processed through Enterprise Asset Management (EAM) Application. A request is made to transfer or issue an item from the home (owning) BU into the control of the borrowing (receiving) BU via EAM Application. When the loaned materials are removed from the borrowing BU's inventory, an M&S loader will be applied through a journal entry using the borrowing BU's M&S rate. This journal entry will record the loader as well as the intercompany payables and receivables created by the loader. The home BU's M&S cost pool will be reduced at an amount based on its M&S rate via a journal entry which moves these costs to the borrowing BU's overhead pool.

6.3.2. Loaning of direct purchase items can occur via a direct purchase in which the home BU purchases an item on behalf of the borrowing BU. The home BU, utilizing EAM Application, sets up a purchase order, records the liability to the vendor, records a receivable from the borrowing BU, and pays the invoice. The borrowing BU, through the EAM Application, records the expense and records a payable to the home BU and takes physical control over the materials and supplies. Loaders will be applied in the same manner as cross company issue of inventory noted in 6.3.1.

6.3.3. Project codes are required on capital purchases but are not required on all material and supplies purchases.

6.3.4. Special pricing considerations are necessary when a transfer of materials is made by one of Entergy's Franchised Public Utilities or Regulated Service Companies to an Entergy Non-Utility Affiliate or Non-Regulated Service Company or vice versa. Refer to the pricing guidance in the Entergy System Accounting Policies & Procedures – Affiliate Transactions for detailed pricing requirements.

7.0 ATTACHMENTS

None

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Title: LOANING OF ASSETS - CAPITALIZED NON-POWER GOODS		Last Revision: December 1, 2022	Rev. 5.1
Subject Matter Expert: George Adams Matthew Biri	Responsible Officer: Reginald Jackson	Approved By: Kimberly Fontan	

I. POLICY SUMMARY

- This Loaning of Assets – Capitalized Non-Power Goods Policy (Policy) sets forth the principles and procedures for any Entergy Franchised Public Utility to loan its Capitalized Non-Power Goods to any Entergy Non-Utility Affiliate. This Policy does not address the loaning of Capitalized Non-Power Goods from Entergy’s Non-Utility Affiliates to Entergy’s Franchised Public Utilities.
- This Policy outlines a process by which there may be loans consistent with the pricing requirements between each Entergy Franchised Public Utility and each Entergy Non-Utility Affiliate for the loaning of Capitalized Non-Power Goods, specifically property, plant, and equipment.
- Capitalized Non-Power Goods may be loaned temporarily. The temporary loaning period is typically not expected to exceed 90 days.
- Affiliate transactions are governed by multiple regulatory bodies. If contemplating a loaning transaction, an employee shall refer to this Policy as well as the following: Entergy Accounting Policies and Procedures -- Affiliate Transactions.
- Department managers are responsible for ensuring that appropriate project, department and business unit codes are used for loaning transactions of all types.
- Questions about loaned Capitalized Non-Power Goods transactions shall be referred to Nuclear Site Finance Business Partners or Property Accounting.
- **Please refer to the following detailed Policy for further information.**

Title: LOANING OF ASSETS - CAPITALIZED NON-POWER GOODS	Last Revision: December 1, 2022	Rev. 5.1
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II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

The purpose of accounting for Capitalized Non-Power Goods loaning transactions is to properly account for the value of the service of loaning capitalized non-power goods from a Franchised Public Utility (FPU) to a Non-Utility Affiliate (NUA). This Policy applies to transactions in which Entergy's Regulated FPUs loan capitalized non-power goods to Entergy's Non-Regulated NUAs.

As required by the Federal Energy Regulatory Commission (FERC), and other state and local affiliate transactions regulations, non-power goods and services transactions, when provided by a FPU to a NUA, shall be priced at the higher of cost or market.

This Policy outlines a process for pricing loan transactions to provide terms and conditions among Entergy's FPUs and Entergy's NUAs for the purpose of loaning Capitalized Non-Power Goods by a FPU to a NUA.

Capitalized Non-Power Goods may be loaned temporarily. The temporary loaning period is typically not expected to exceed 90 days. A NUA shall return any loaned goods within 15 days of request by the FPU that owns the loaned non-power good(s).

This Policy does not address the loaning of Capitalized Non-Power Goods from Entergy's NUAs to Entergy's FPUs. With respect to loaning transactions from a NUA to a FPU, the direct costs associated with the service of loaning of assets shall comply with the Entergy System Accounting Policy - Loaning of Labor, Transportation, and/or Materials.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED, AS WELL AS AGENTS AND CONTRACTORS OF ANY ENTERGY SYSTEM COMPANY.

THIS POLICY COVERS EMPLOYEES WHO ARE REPRESENTED BY A UNION, EXCEPT THAT ANY CONFLICTING TERMS OF EMPLOYMENT IN A COLLECTIVE BARGAINING AGREEMENT OR OTHER AGREEMENT REACHED WITH THE UNION(S) SHALL CONTROL.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY, NOR DOES THIS POLICY CONFER ANY CONTRACTUAL RIGHT TO ANY PERSON TO BECOME OR REMAIN AN EMPLOYEE OF ANY ENTERGY SYSTEM COMPANY.

Title: LOANING OF ASSETS - CAPITALIZED NON-POWER GOODS	Last Revision: December 1, 2022	Rev. 5.1
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2.0 **REFERENCES AND CROSS REFERENCES**

2.1 **FERC Order No. 707 and 707A**, 18 CFR Part 35, Docket No. RM07-15-000

2.2 **Entergy System Policies & Procedures**

- Accounting
- Affiliate Interactions
- Approval Authority
- Discipline
- Procurement
- Reporting Violations

2.3 **Entergy System Accounting Policies and Procedures**

- Affiliate Transactions
- Loaning of Labor, Transportation, and/or Materials

3.0 **DEFINITIONS**

3.1 **Capitalized Non-Power Goods** – Property, plant, and equipment accounted for as an asset, whether installed or held as a capital spare, excluding those used in the direct production of electricity.

3.1.1 *As defined in FERC Order No. 684, “Goods means any goods, equipment (including machinery), materials, supplies, appliances, or similar property (including coal, oil, or steam, but not including electric energy, natural or manufactured gas, or utility assets) which is sold, leased, or furnished, for a charge.”*

3.2 **Franchised Public Utility (FPU)** – Regulated utilities that have captive customers (retail or wholesale ratepayers). Entergy’s affiliates classified as FPUs under this Policy include: Entergy Arkansas, LLC, Entergy New Orleans, LLC, Entergy Louisiana, LLC, Entergy Texas, Inc., Entergy Mississippi, LLC, and System Energy Resources, Inc.

3.3 **Non-Utility Affiliate (NUA)** – Non-regulated business units that do not have captive customers, including market-regulated power sales affiliates (does not include service companies, such as Entergy Enterprises, Inc. or Entergy Nuclear Operations, Inc.)

3.3.1 *As defined in FERC Order 707, “Market-regulated power sales affiliate means any power seller affiliate other than a franchised public utility, including a power marketer, exempt wholesale generator, qualifying facility or other power seller affiliate, whose power sales are regulated in whole or in part on a market-rate basis.”*

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4.0 RESPONSIBILITY

- 4.1** The **Chief Accounting Officer** has the responsibility for developing policies which govern financial transactions between Entergy's affiliated companies.
- 4.2** **Nuclear Site Finance Business Partners** – Maintain records related to asset loaning between Nuclear units/sites; calculate and record the transactions as described herein. Establish internal policies, controls and procedures related to loaned Capitalized Non-Power Goods.
- 4.3** **Property Accounting** – Maintain list of depreciation rates for each FPU, as needed for the calculation of expense. Provide support for determination of original cost of Capitalized Non-Power Goods used in the calculation of rental expense described in Section 4.2. Provide support for the accounting entries associated with non-nuclear capital asset loaning transactions

5.0 DETAILS

See Section 6.0

6.0 PROCEDURES

- 6.1** Prior to the loan of Capitalized Non-Power Goods from a FPU to a NUA, the owning department and/or the corporate staff shall document the following:
- the description, quantity, serial numbers, and state of operability of the major component assemblies of the loaned goods;
 - the monthly depreciation expense associated with the loaned goods;
 - the condition of loaned goods; and
 - the current ROE allowed by regulators to be earned on rate base by the owning FPU.
- 6.2** As prescribed by FERC Order No. 707 and 707-A, the affiliate transfer price of services provided by an FPU to a NUA shall be priced at the higher of cost or fair market value. Based on past experience, there is no accessible market rate for the service of loaned utility assets. However, to ensure that the FPUs earn a market level of return on the service, since the underlying asset is a part of the utility's rate base which has a calculated cost of capital, this Policy shall require the following return on equity calculation to increase the total charges for the service by the amount of the allowed market rate of return.
- 6.3** In order to comply with Entergy's FPUs' regulated pricing requirements for loaned capitalized non-power goods, a **monthly loaning rate** calculation has been established and shall be calculated as follows:
- 6.3.1** Step 1 – Determine the monthly depreciation expense of the loaned asset. Calculated by multiplying the original cost of asset by the current FPU's depreciation rate. See Section 4.3.

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- *If the asset's original cost is valued at zero, use a comparable asset's original cost as the basis for determination of monthly depreciation expense.*

- 6.3.2** Step 2 – Apply the 5% surcharge required by the Settlement Agreements between Entergy FPUs and retail regulators. Calculated by multiplying monthly depreciation expense by 5%.

- 6.3.3** Step 3 – Apply the FPU's allowed rate of return on equity (ROE) to the sum of the monthly depreciation expense and the 5% surcharge from Steps 1 and 2 above.
 - *The ROE percentage used shall be based on each FPU's latest ROE, as disclosed in the most recent 10-K filing.*

- 6.3.4** The **monthly loaning rate** is calculated as follows: Monthly depreciation expense (*Step 1*) plus 5% surcharge (*Step 2*) plus the results of the ROE calculation (*Step 3*).

- 6.4** The monthly loaning rate for the service of loaning the Capitalized Non-Power Goods from the FPU to the NUA shall be calculated as described in Sections 6.2 and 6.3. above, and recorded via journal entries to the general ledger as Miscellaneous Revenue for the FPU and Rental Expense for the NUA.
 - 6.4.1** The journal entries to record the monthly loaning rate by the FPU and the nuclear NUA or non-nuclear NUA are outlined below:
 - FPU shall record a credit to revenue at Account 456: Other Electric Revenues and a debit to Account 146: Inter-Company Receivable.
 - Entergy's nuclear NUA shall record a debit to Rent Expense at Account 524: Miscellaneous Nuclear Power Expenses, and a credit to Account 234000: Inter-Company Payable. If the expense is incurred as part of an outage, the expense may be recorded to specific outage project and the account shall be derived based on the outage project criteria.
 - Entergy's non-nuclear NUAs shall contact this Policy's subject matter expert, as loaning by FPUs to non-nuclear NUAs shall be accounted for under the terms of this Policy on a case by case basis.

 - 6.4.2** The monthly loaning rate shall be recorded for each month of the loaning period.
 - 6.4.2.1.** The loaning period begins on the date of the physical removal of the loaned goods from the FPU's site and ends on the date of the physical return of the loaned goods to the FPU's site.

 - 6.4.2.2.** For partial months, a daily rate shall be calculated and applied. [Daily rate calculated as total monthly loaning rate / # of days in month.]

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6.4.3. See Attachment 1: Example of Journal Support to be included in journal to record revenues and expenses associated with the loaning of Capitalized Non-Power Goods.

- 6.5.** Out-of-pocket expenses including, but not limited to, contracting, packaging, loading, shipping, receiving, unloading, unpackaging, insurance, maintenance, transportation, invoicing, etc., are to be paid directly by the borrower or are to be reimbursed to the owner by way of the current affiliate loaning process (see reference at Section 2.3 of this Policy).
- 6.6.** The expense of any additional repairs or maintenance on the goods while in the possession of the borrower, or necessitated as the result of the borrower's use, shall be borne by the borrower. Any irreparable damages to the goods while in possession of the borrower or in transport to or from the loaning department location shall be replaced 'like-for-like' at the expense of the borrower.
- 6.7.** FPU and NUA representatives shall inspect all goods and document their condition at the time of shipment and delivery. Documentation of any damages shall be noted and forwarded to the loaning department location prior to the use of the goods. Goods shall be returned in the same quantity and in the same or better working/operating condition as when they were received.
- 6.8.** Capitalized Non-Power Goods shall be returned within 15 days upon notification from the owner or after use. The temporary loaning period is typically not expected to exceed 90 days. The costs of transporting the goods to and from the borrower's location shall be borne by the borrower.
- 6.9.** Selling, leasing, renting, loaning or otherwise conveying ownership or use of any goods to a third party is prohibited.

7.0 **ATTACHMENTS**

Attachment I: Example of Journal Support

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Attachment I: Example of Journal Support**CAPITALIZED NON-POWER GOODS LOAN AGREEMENT**

This loan agreement is established to provide terms and conditions between an Entergy Franchised Public Utility and a Non-Utility Affiliate for the purpose of loaning Capitalized Non-Power Goods, as described herein, by a Franchised Public Utility to a Non-Utility Affiliate.

Description of Capitalized Non-Power Good Loaned	Project E1PPVALVE2 - 2C Valve		
Loaning Business Unit:	A0000	Original Cost of Asset:	\$60,000.00
Borrowing Business Unit:	7R000	Depreciation Rate:	5.00%
Duration of Loan (Days):	49	ROE:	9.75%
Market Rate as calculated for duration of loan:			\$470.55

Prior to such loan, the owning station and/or the corporate staff shall document the following:

- (1) the quantity, serial numbers, and state of operability of the major component assemblies of the capitalized non-power goods;
- (2) the monthly depreciation expense associated with the loaned goods;
- (3) the current ROE allowed by regulators to be earned on rate base by the owning Utility.

The value of the service of the loaning shall consist of:

- (1) The higher of cost + 5% or fair market value, as calculated for the duration of the loan period.
- (2) Out-of-pocket expenses such as, but not limited to, contracting, packaging, loading, shipping, receiving, unloading, unpackaging, insurance, maintenance, transportation, invoicing, etc., are to be paid directly by the borrower or are to be reimbursed to the owner by way of the affiliate loaning process.

The expense of any additional repairs or maintenance on the equipment while in the possession of the borrower, or necessitated as the result of the borrower's use, shall be borne by the borrower. Any irreparable damages to the equipment while in possession of the borrowing station or in transport to or from the loaning station shall be replaced 'like-for-like' at the expense of the borrower.

Representatives of each business unit shall inspect all items and document their condition at the time of shipment and delivery. Documentation of any damages shall be noted and forwarded to the loaning station prior to the use of the equipment. Goods shall be returned in the same quantity and in the same or better working/operating condition as when it was received.

Goods shall be returned within 15 days upon notification from the owner or after use. The temporary loaning period is typically not expected to exceed 90 days. The costs of transporting the equipment to and from the borrower's station shall be incurred by the borrower.

Selling, leasing, renting, loaning or otherwise conveying ownership or use of any equipment to a third party is prohibited.

SETTLEMENT AGREEMENT

This settlement Agreement, by and between Entergy Corporation ("Entergy"),¹ the Arkansas Public Service Commission ("APSC"), the Mississippi Public Service Commission ("MPSC"), and the Council for

¹ For purposes of this Agreement, except as the context otherwise dictates, the term "Entergy" shall mean the entire Entergy holding company system, including but not limited to the registered holding company, the nonregulated businesses (as defined herein), and the regulated utilities (as defined herein).

the City of New Orleans ("Council"), provides as follows:

Whereas, Entergy has proposed several investments in foreign utility operations and in demand-side management products and services before the Securities and Exchange Commission ("SEC");¹

Whereas, the APSC, MPSC, and Council have filed pleadings in opposition to Entergy's proposed investments cited above;

Whereas, Entergy and the APSC, MPSC, and Council have agreed to a set of conditions appropriate for the SEC's incorporation in its orders approving Entergy's proposed investments cited above;

Whereas, the APSC, MPSC and Council have agreed to withdraw their respective oppositions, based upon the SEC's incorporation of the agreed-upon conditions in its orders approving Entergy's proposed investments cited above;

Whereas, the Louisiana Public Service Commission ("LPSC") has

¹ Entergy Corporation, et al. Docket No. 70-7947 (filed March 31, 1992, proposing the formation of a new subsidiary to engage in the energy management service business and to conduct related transactions with Systems and Service International, Inc.); Entergy Corporation, et al., Docket No. 70-8002 (filed May 1, 1992) (proposing to acquire an interest in the Costanera electric generating facility in Argentina and related transactions); and Entergy Corporation, et al., Docket No. 70-8010 (filed June 16, 1992) (proposing to acquire an interest in the Edesur electric distribution facilities in Argentina and related transactions).

filed a withdrawal of the LPSC's earlier request for intervention with respect to SEC Docket No. 70-8002;

Therefore, in light of the foregoing, it is agreed by and between Entergy, the APSC, MPSC, and Council that the following conditions will be incorporated into the SEC's orders approving Entergy's proposed investments as outlined herein:

1. Entergy shall ensure that the state regulatory commissions³ have access to books and records of Entergy and each of its affiliates and subsidiaries including the Entergy participant in joint ventures⁴, with respect to matters and activities that relate to retail electric rates. Administratively, requests for such books and records made by the state regulatory commissions, their staff or their authorized agents shall be presumed to be valid, material and relevant, subject

³ For purposes of this Agreement, the term "state regulatory commission" shall mean any unit of state government with final administrative authority over the rates for retail sale of electricity charged by an operating public utility subsidiary of Entergy, which unit through an authorized representative has either executed this Agreement or filed a written statement with the SEC setting forth such unit's acquiescence to the terms of this Agreement.

⁴ For purposes of this Agreement, the term "joint venture" shall mean any participation through investment, ownership, or control, by Entergy in any nonregulated business (as defined herein), either within the United States or outside the United States, irrespective of the ownership structure of, or form of participation in, such business.

to a showing by Entergy to the contrary. Any objections to such requests shall be timely raised before the administrative law judge or assigned commissioner in the proceeding in which such objections arise. In order to sustain an objection to such a request, respondents shall have the burden of showing that the request is not reasonably related to any issue properly before the state regulatory commission and, further, it is not reasonably calculated to result in the discovery of admissible evidence in the proceeding. The state regulatory commissions agree to grant, subject to applicable provisions of state law, any protective order requested by Entergy and necessary to protect the confidentiality of commercially sensitive or competitive information produced in accordance with this paragraph. Nothing in this paragraph shall limit the existing authority of state regulatory commissions with respect to the performance of audits.

2. Entergy and each of its subsidiaries and affiliates, including the Entergy participant in joint ventures, shall employ accounting and other procedures and controls related to cost allocations and transfer pricing to ensure and facilitate full review by the state regulatory commissions, and to protect against cross-subsidization of nonregulated businesses¹ by

¹ For purposes of this Agreement, the term "nonregulated business" shall include Entergy Power, Inc., Entergy Enterprises, Inc., and such other subsidiaries and affiliates as Entergy shall create which are not domestic regulated electric utilities primarily engaged in the

Entergy's retail utility customers. A charge of five-percent⁶ will be applied to the cost of services provided to nonregulated businesses by regulated utilities.⁷ Notwithstanding the foregoing, the transfer from a regulated utility to a nonregulated business or to Entergy of generating assets, fuel and fuel-related assets, and real property and improvements exceeding a fair market value of \$100,000 will be priced at market value, unless such pricing method is detrimental to ratepayers. Entergy shall use its best efforts to support the pricing methods established in this paragraph before the SEC. However, in the event the SEC declines to approve such pricing, the SEC pricing method shall be applicable, and the state regulatory commissions shall retain whatever authority they may have to regulate the transfer of

business of selling electric energy at retail or at wholesale to affiliates or are not primarily engaged in the business of providing services or goods to regulated electric utility affiliates.

⁶ For purposes of this Agreement the five percent charge is intended to recover unquantifiable costs with respect to the provision of services to nonregulated businesses so as to ensure that all costs related to provision of such services are charged to such businesses.

⁷ For purposes of this Agreement, the term "regulated utility" shall include New Orleans Public Service Inc., Louisiana Power & Light Company, Arkansas Power & Light Company, Mississippi Power & Light Company, Entergy Operations, Inc., System Fuels, Inc., System Energy Resources, Inc., and Entergy Services, Inc., and such other similar subsidiaries as Entergy shall create whose activities and operations are primarily related to the domestic sale of electric energy at retail or at wholesale to affiliates, or the provision of services or goods thereto.

services and jurisdictional utility assets, including the authority to establish the reasonable value of such services and assets for ratemaking purposes, based upon substantial evidence. Nothing in this paragraph shall affect or govern the transfer or transfer price of utility assets which are not included or not to be included in retail rates.

3. Entergy and each of its subsidiaries and affiliates including the Entergy participant in joint ventures shall keep their books in a manner consistent with generally accepted accounting principles and, where appropriate, consistent with the Uniform System of Accounts of the Federal Energy Regulatory Commission.
4. Upon request by a state regulatory commission, subject to appropriate rules of procedure and notice for such appearances, the nonregulated businesses and/or Entergy Services, Inc. shall make available to appear and testify in state regulatory and administrative or judicial proceedings, an officer or employee who has actual knowledge and/or decisionmaking authority with respect to nonregulated business transactions asserted to have an effect upon retail electric rates when such testimony and appearance is reasonably related to the exercise by the relevant administrative or judicial body of its jurisdiction with respect to matters and activities that relate to retail electric rates. Nothing in

this paragraph shall limit the existing authority of state regulatory commissions to compel the testimony and appearance of officers and employees of the utility operating companies and their affiliates and subsidiaries.

5. Entergy shall furnish the state regulatory commissions with:
 - a. The quarterly and annual consolidated financial statements including, but not limited to, Balance Sheet, Income Statement, Statement of Cash Flow and related notes to the Financial Statements of Entergy, including consolidating subsidiary schedules of Entergy and its subsidiaries and affiliates;
 - b. Annual statements concerning the nature of intercompany transactions concerning Entergy and a description of the basis upon which cost allocations and transfer pricing have been established in these transactions, including the report of independent accountants thereon;
 - c. The balance sheets and income statements of the nonconsolidated subsidiaries, affiliates and Entergy participants in joint ventures;
 - d. All required reports filed by Entergy with the SEC; and

- e. Entergy shall submit by June 30, 1994, if requested by the state regulatory commissions, an audit of all affiliated transactions among Entergy, its regulated utilities and its nonregulated businesses for the calendar years 1992 and 1993, to be performed by an outside auditing firm which shall be selected and supervised by state regulatory commissions, and to be paid for by Entergy. Thereafter, periodic reviews of such affiliated transactions will be performed at the direction of the participating regulators. Entergy shall furnish all books and records as described in paragraph 1. The selection of an audit firm and scope and funding of reviews is to be agreed to by Entergy and the state regulatory commissions, and the audit will be based upon audit workpapers of Entergy's auditors. Entergy shall make available company officials at the respective official's usual place of business, as necessary, to discuss the audit.
6. Entergy and its regulated utilities shall avoid a diversion of management talent that would adversely affect its regulated utilities. Entergy shall also provide to state regulatory commissions an annual report identifying nonclerical personnel transferred from a regulated utility to any of Entergy's nonregulated businesses. Entergy Services, Inc. shall designate an employee who shall be responsible for coordination of all requests for affiliate

services and transactions.

7. Entergy shall notify the state regulatory commissions in writing thirty (30) days prior to any transfer to Entergy or its nonregulated businesses by any regulated utility of any generating assets, fuel or fuel-related assets, or real property and improvements exceeding a fair market value of \$100,000, whether or not considered by the regulated utility to be necessary or useful in the performance of its public utility obligations.

8. Market, technological, or similar data transferred, directly or indirectly, from a regulated utility to a nonregulated business for use by such nonregulated business shall be transferred at market value, subject to SEC approval, unless such pricing method is detrimental to ratepayers. This condition will ensure that the regulated utility is compensated and that ratepayers are indifferent to the transaction. Entergy shall use its best efforts to support the pricing methods established in this paragraph before the SEC. However, in the event the SEC declines to approve such pricing, the SEC pricing method shall be applicable, and the state regulatory commissions shall retain whatever authority they may have to regulate the transfer of jurisdictional utility assets, including the authority to establish the reasonable value of such assets

for ratemaking purposes, based upon substantial evidence.

9. Entergy shall give first priority in the allocation of resources to the capital requirements of the regulated utilities, as determined to be necessary to meet their obligations to serve.

10. On a quarterly basis, Entergy shall provide the state regulatory commissions with a report detailing the regulated utilities' proportionate share of Entergy's i) total consolidated assets; ii) total consolidated operating revenues; iii) total operating and maintenance expense; and iv) total consolidated number of employees. The state regulatory commissions agree to grant, subject to applicable provisions of state law, any protective order requested by Entergy and necessary to protect the confidentiality of commercially sensitive or competitive information produced in accordance with this paragraph.

11. Where product rights, patents, copyrights, or similar legal rights are transferred from a regulated utility to Entergy or any of its nonregulated businesses a royalty payment may be required to ensure that ratepayers receive appropriate compensation. Such royalty payments shall be developed on a case-by-case basis. If a regulated utility develops a product which is subsequently marketed by a

nonregulated business, all profits on the sale of the product shall be split 50-50 between the regulated utility which is responsible for developing the product and the nonregulated business, after deducting all costs, including the costs for marketing such product. Entergy shall use its best efforts to support the pricing methods established in this paragraph before the SZC. However, in the event the SZC declines to approve such pricing, the SZC pricing method shall be applicable, and the state regulatory commissions shall retain whatever authority they may have to regulate the transfer of jurisdictional utility assets, including the authority to establish the reasonable value of such assets for ratemaking purposes, based upon substantial evidence. Service to support the product, if required, shall be billed as a service to the nonregulated business.

12. No procurement with a fair market value in excess of \$100,000 shall be made by a regulated utility from a nonregulated business except through competitive bidding processes or as otherwise authorized by an appropriate state regulatory commission.

Title: AFFILIATE INTERACTIONS		Last Revision: 9/23/2021	Rev. 9.2
Subject Matter Expert: Kathryn Ann Washington	Responsible Officer: Marcus V. Brown	Approved By: Corporate Compliance Committee	

I. POLICY SUMMARY

- Federal, state, and local laws and regulations govern interactions between an Entergy System Company engaged in utility operations and an Entergy System Company engaged in competitive operations.
- Federal rules address interactions between regulated Transmission Function Employees and Marketing Function Employees.
- Federal rules also address interactions between an Entergy System Company engaged in utility operations and a Market-Regulated Power Sales Affiliate.
- This Policy provides general guidance on how to comply with such federal, state, and local laws, rules and regulations.
- Employees contemplating an affiliate interaction should contact Legal or Ethics & Compliance and ensure the interaction is reviewed for potential financial, legal, and regulatory issues before it is consummated. In some cases, regulatory agencies may require reporting of information relating to, or advance approval of, interactions.
- All employees, agents and contractors of Entergy shall immediately report known, suspected or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.
- **Please refer to the following detailed Policy for further information.**

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II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

This Policy generally addresses legal requirements pertaining to (a) interactions involving Regulated Utility operations and competitive operations; (b) interactions involving Transmission Function Employees and Marketing Function Employees; and (c) interactions involving Regulated Utility operations and a Market-Regulated Power Sales Affiliate. This Policy provides general guidance on how best to ensure compliance with the legal requirements.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED, AS WELL AS AGENTS AND CONTRACTORS OF ANY ENTERGY SYSTEM COMPANY.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY, NOR DOES THIS POLICY CONFER ANY CONTRACTUAL RIGHT TO ANY PERSON TO BECOME OR REMAIN AN EMPLOYEE OF AN ENTERGY SYSTEM COMPANY.

2.0 REFERENCES & CROSS REFERENCES

2.1 Various statutes, rules, regulations, restrictions, orders, settlement agreements, and internal codes and standards of conduct located, along with further information and compliance plans, at the FERC Compliance website at:

<https://entergy.sharepoint.com/sites/EthicsandCompliance/FERCCompliance/Pages/Home.aspx>

For greater detail, contact the Company's Legal Services Department or contact the Ethics & Compliance Department at HelpARC@entergy.com.

2.2 Entergy System Policies & Procedures - Reporting Violations

2.3 Entergy System Policies & Procedures – Anticompetitive Behavior

2.4 Entergy Accounting Policies

2.4.1 Affiliate Transactions

2.4.2 Loaning of Labor, Transportation and/or Materials

2.4.3 Loaning of Assets – Capitalized Non-Power Goods

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3.0 **DEFINITIONS**

- 3.1 **Broker Power** – To negotiate or arrange, for compensation, the sale or purchase of wholesale electric energy between two or more parties. The brokering entity does not take title to the electric energy for which the subject transaction is arranged.
- 3.3 **Business Event** – An interaction involving (a) an Entergy Regulated Utility and a competitive affiliate; (b) regulated Transmission Function Employees and Marketing Function Employees; or (c) an Entergy Regulated Utility and a Market-Regulated Power Sales Affiliate. Such interactions may include, but are not limited to: business transactions; a significant change of an existing business transaction; a transfer of personnel, information, or other assets; joint advertising/marketing; sharing of resources; and changes in legal structure.
- 3.3 **Entergy, Entergy System Company, or Company** - Entergy Corporation, all of its subsidiaries and affiliates, and other entities in which Entergy Corporation has a direct or indirect majority ownership interest.
- 3.4 **FERC** – Federal Energy Regulatory Commission.
- 3.5 **Marketing Function Employee** – Any Entergy personnel who actively and personally engages on a day-to-day basis in the sale for resale, or offers for sale, in interstate commerce of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights.
- 3.6 **Market-Regulated Power Sales Affiliate** – Any Entergy affiliate or function engaged in the sale of power, other than a franchised public utility, including a power marketer, exempt wholesale generator, qualifying facility or other power sales affiliate, whose power sales are regulated in whole or part on a market-rate basis by the FERC.
- 3.7 **Policy** - This Affiliate Interactions Policy.
- 3.8 **Regulated Utility** – An Entergy public utility with a franchised service obligation under state or local law that provides electric energy under cost-based regulation to retail ratepayers, and System Energy Resources, Inc.
- 3.9 **Transmission Function Employee** – Any Entergy personnel who actively and personally engages on a day-to-day basis in the planning, directing, organizing or carrying out of day-to-day transmission operations.
- 3.10 **Transmission Function Information** – Any information relating to the planning, directing, organizing or carrying out of day-to-day transmission operations, including the granting and denying of transmission service requests.

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3.11 Transmission System Operations – The operation of facilities used for the provision of transmission service in interstate commerce.

4.0 RESPONSIBILITY

4.1 All officers, employees, agents and contractors shall comply with this Policy and shall immediately report known, suspected or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.

4.2 The Vice President, Ethics & Compliance shall facilitate compliance with this Policy and shall interpret it with the assistance of the General Counsel.

5.0 DETAILS

5.1 Business Events between Regulated Utility Operations and Competitive Operations. Various federal, state and local laws, regulations, and rules address Business Events between an Entergy System Company engaged in utility operations and an Entergy System Company engaged in competitive operations. In general, any such Business Events should be conducted in such a manner that it does not result in:

5.1.1 The Regulated Utility's providing an unfair competitive advantage or undue preferential treatment to the competitive affiliate(s).

5.1.2 The inappropriate transfer of regulated information from the utility to the competitive affiliate(s).

5.1.3 Customers' being confused as to which entity is the utility and which is the competitive affiliate.

5.1.4 A Regulated Utility's subsidizing its affiliates, whether a utility or a competitive affiliate.

5.2 Business Events between Transmission Function Employees and Marketing Function Employees. FERC rules address Business Events involving Transmission Function Employees and Marketing Function Employees. The FERC rules:

5.2.1 Require Transmission Function Employees to function independently from Marketing Function Employees.

5.2.2 Require Transmission System Operations to treat all transmission customers, affiliated and nonaffiliated, on a not unduly discriminatory basis.

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5.2.3 Restrict transfers of Transmission Function Information from any Entergy employee to Marketing Function Employees.

5.3 **Business Events between Regulated Utility and Market-Regulated Power Sales Affiliate.** FERC rules, and Entergy policy, address Business Events involving Entergy Regulated Utility operations and a Market-Regulated Power Sales Affiliate, as follows:

5.3.1 To the maximum extent practicable, Market-Regulated Power Sales Affiliate employees must operate separately from Regulated Utility employees.

5.3.2 Transfers of market information from a Regulated Utility to a Market-Regulated Power Sales Affiliate are restricted.

5.3.3 A Market-Regulated Power Sales Affiliate shall not Broker Power for a Regulated Utility.

5.3.4 A Regulated Utility shall not Broker Power for a Market-Regulated Power Sales Affiliate.

5.4 **Need for Reporting/Pre-approval.** Federal, state, or local regulatory agencies may require reporting of information relating to Business Events and pricing of transactions involved in a Business Event. In some cases, agencies may require advance approval of such Business Events and transaction pricing. Employees must follow the procedure specified in Section 6.1 below for contemplated Business Events that have not been previously reviewed.

6.0 **PROCEDURES**

6.1 **Contemplated Business Events.** Contemplated Business Events that may involve multiple companies within the Entergy corporate family, or that involve an Entergy System Company and any company in which an Entergy System Company has any ownership interest, even if less than majority interest must be reviewed for financial, legal, and regulatory effects before they are consummated. Employees shall contact a member of the FERC, Regulatory, or Corporate Sections of the Company's Legal Services Department or the Ethics and Compliance Department before decisions are made to enter such Business Events.

7.0 **ATTACHMENTS**

None.

ENTERGY ARKANSAS, LLC
MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES
ATTACHMENT 4
NAMES AND ADDRESSES OF AFFILIATES

**Entergy Arkansas, LLC
Names and Addresses of
Affiliates¹2023**

Entergy Louisiana, LLC 4809 Jefferson Highway Jefferson, Louisiana 70121	Entergy Mississippi, LLC 308 East Pearl Street Jackson, Mississippi 39201
Entergy New Orleans, LLC 1600 Perdido Street New Orleans, Louisiana 70112	Entergy Services, LLC 639 Loyola Avenue New Orleans, Louisiana 70113
Entergy Nuclear Operations, Inc. 1340 Echelon Parkway Jackson, Mississippi 39213	System Energy Resources, Inc. 1340 Echelon Parkway Jackson, Mississippi 39213
Entergy Operations, Inc. 1340 Echelon Parkway Jackson, Mississippi 39213	Entergy Power Operations US, Inc. 2107 Research Forest Drive, The Woodlands, TX 77380
Entergy Texas, Inc. 350 Pine Street Beaumont, Texas 77701	

NOTE 1: In addition, EAL owns The Arkansas Power & Light Company, LLC, EAL had no transactions with this affiliate in 2023.

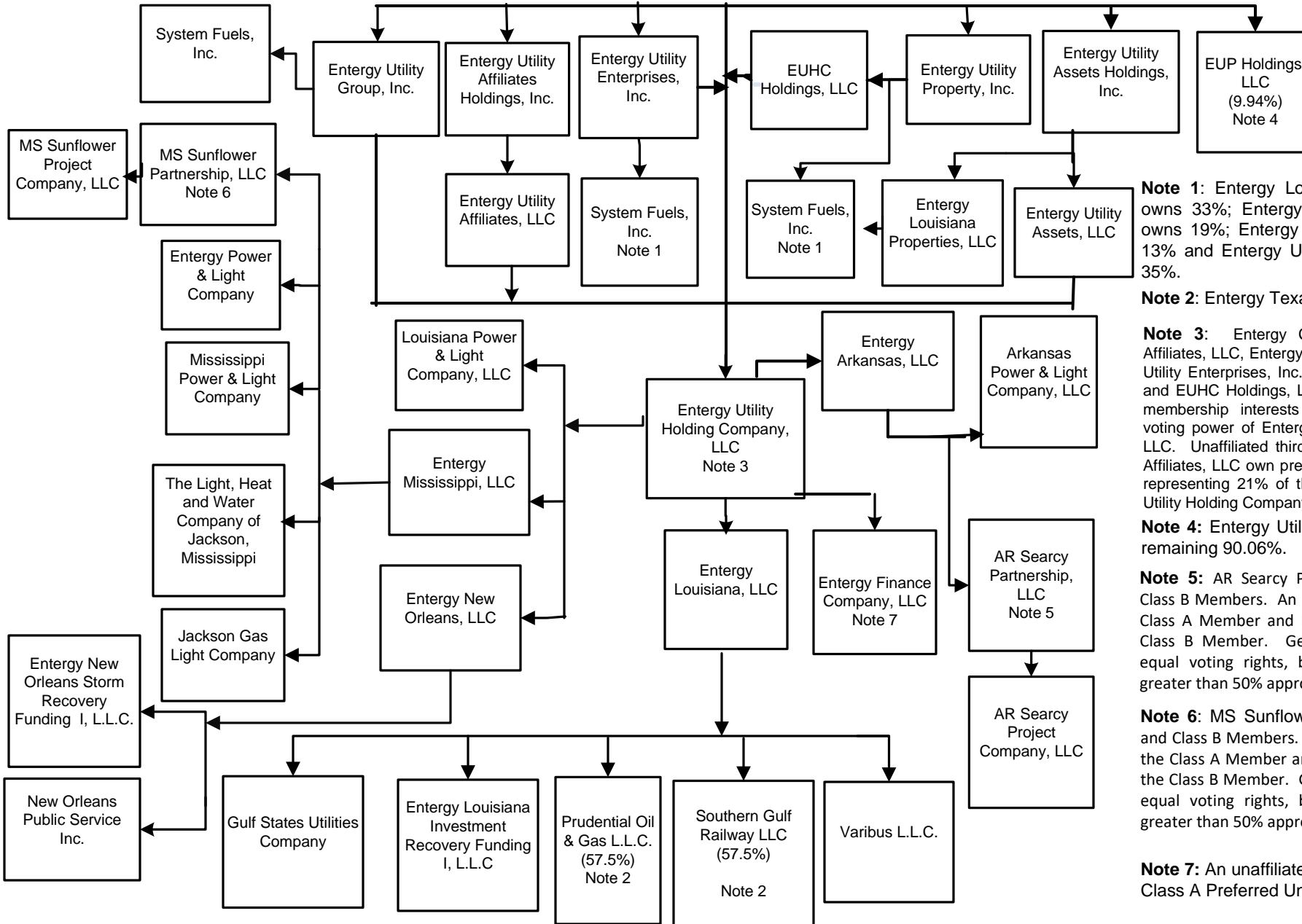
¹ List of affiliates with whom EAL had transactions during the 12 months ended 12/31/2023.

ENTERGY ARKANSAS, LLC
MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES
ATTACHMENT 5
ORGANIZATIONAL CHARTS

**Entergy Corporation and Subsidiaries
as of December 31, 2023**

Entergy Corporation

Unless otherwise noted, an entity is 100% owned by the entity immediately above it.



Note 1: Entergy Louisiana Properties, LLC owns 33%; Entergy Utility Enterprises, Inc. owns 19%; Entergy Utility Group, Inc. owns 13% and Entergy Utility Property, Inc. owns 35%.

Note 2: Entergy Texas, Inc. owns 42.5%.

Note 3: Entergy Corporation, Entergy Utility Affiliates, LLC, Entergy Utility Assets, LLC, Entergy Utility Enterprises, Inc. Entergy Utility Group, Inc., and EUHC Holdings, LLC Inc. each hold common membership interests representing 79% of the voting power of Entergy Utility Holding Company, LLC. Unaffiliated third parties and Entergy Utility Affiliates, LLC own preferred membership interests representing 21% of the voting power of Entergy Utility Holding Company, LLC.

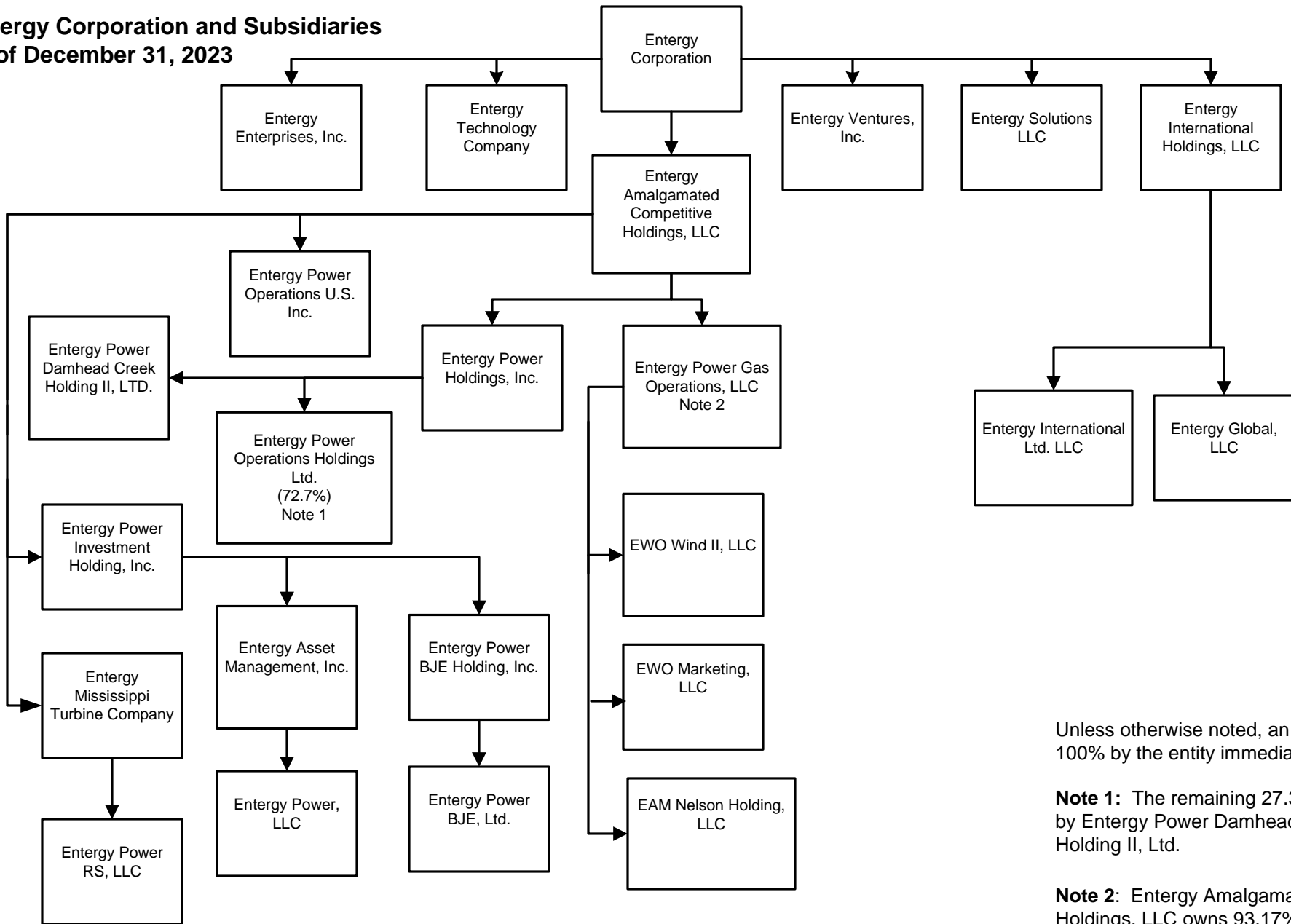
Note 4: Entergy Utility Property, Inc. owns the remaining 90.06%.

Note 5: AR Searcy Partnership has Class A and Class B Members. An unaffiliated third party is the Class A Member and Entergy Arkansas, LLC is the Class B Member. Generally, the members have equal voting rights, but certain matters require greater than 50% approval.

Note 6: MS Sunflower Partnership has Class A and Class B Members. An unaffiliated third party is the Class A Member and Entergy Mississippi, LLC is the Class B Member. Generally, the members have equal voting rights, but certain matters require greater than 50% approval.

Note 7: An unaffiliated third party owns all of the Class A Preferred Units and has no voting rights.

**Entergy Corporation and Subsidiaries
as of December 31, 2023**



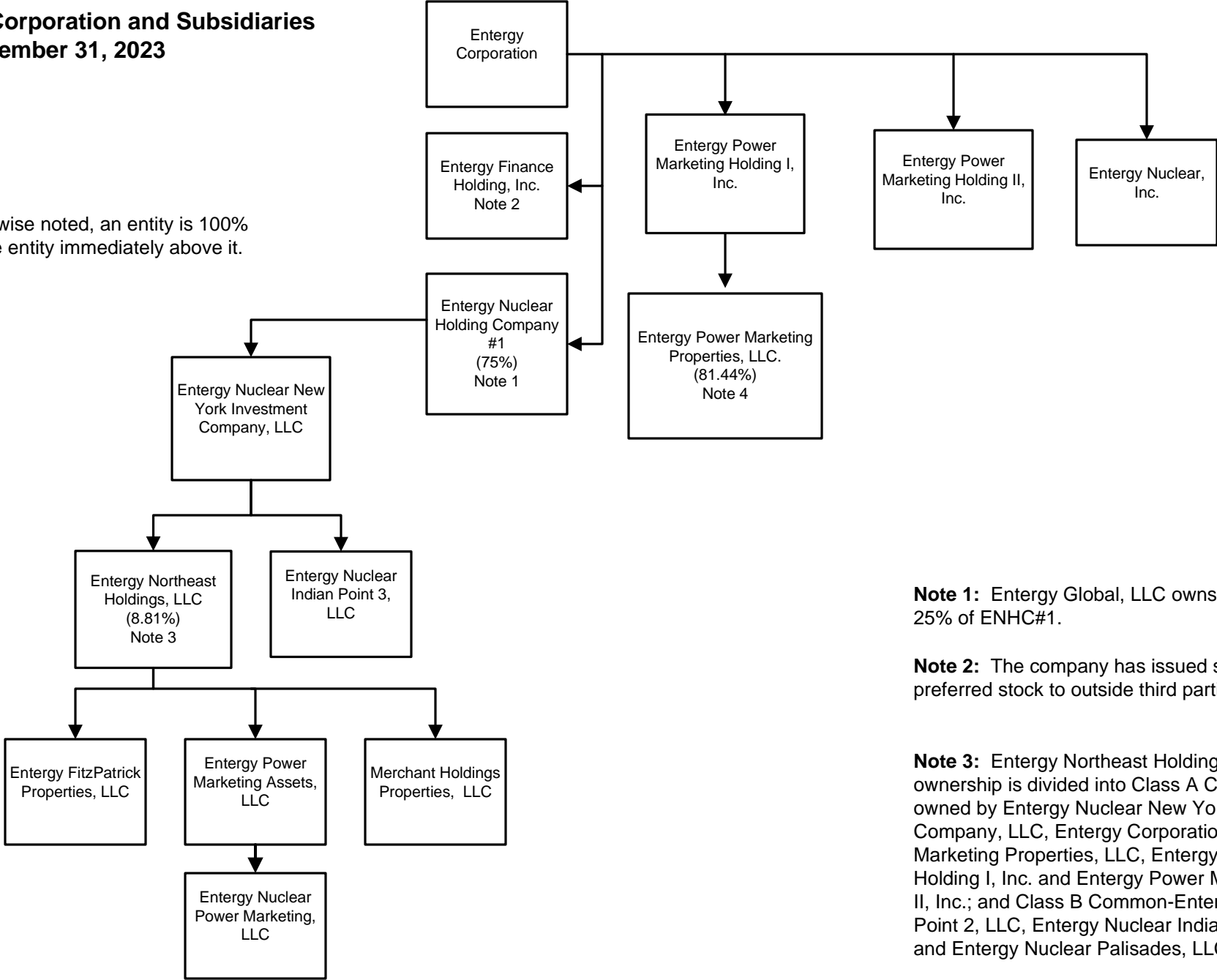
Unless otherwise noted, an entity is owned 100% by the entity immediately above it.

Note 1: The remaining 27.3% is owned by Entergy Power Damhead Creek Holding II, Ltd.

Note 2: Entergy Amalgamated Competitive Holdings, LLC owns 93.17%; Entergy Power BJE Holding, inc.. owns 5.02%; and Entergy Asset Management, Inc. owns 1.81%.

**Entergy Corporation and Subsidiaries
as of December 31, 2023**

Unless otherwise noted, an entity is 100% owned by the entity immediately above it.



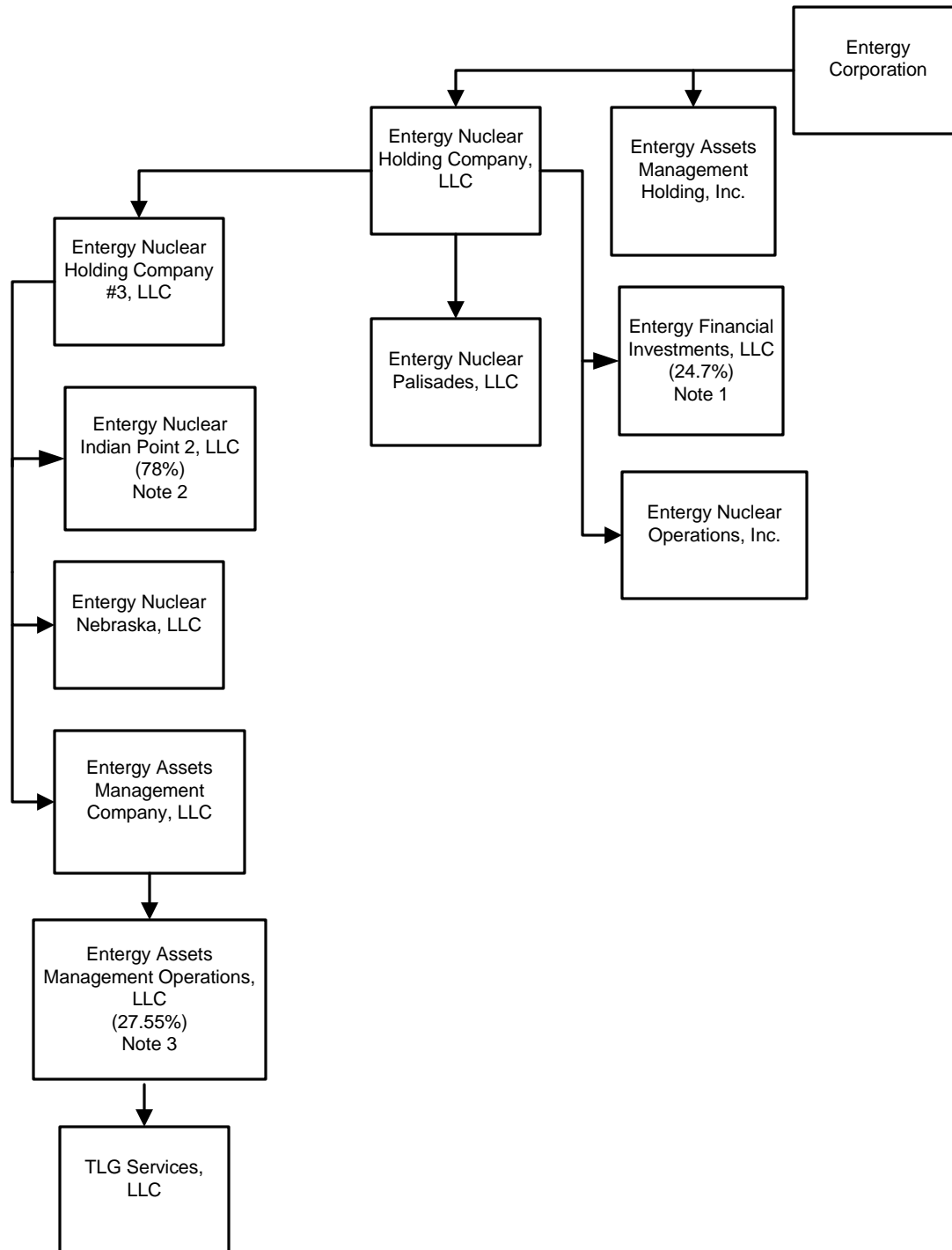
Note 1: Entergy Global, LLC owns the remaining 25% of ENHC#1.

Note 2: The company has issued shares of preferred stock to outside third parties.

Note 3: Entergy Northeast Holdings, LLC's ownership is divided into Class A Common, which is owned by Entergy Nuclear New York Investment Company, LLC, Entergy Corporation. Entergy Power Marketing Properties, LLC, Entergy Power Marketing Holding I, Inc. and Entergy Power Marketing Holding II, Inc.; and Class B Common-Entergy Nuclear Indian Point 2, LLC, Entergy Nuclear Indian Point 3, LLC and Entergy Nuclear Palisades, LLC.

Note 4: Entergy Power Marketing Holding II, LLC owns the remaining 18.56%.

**Entergy Corporation and Subsidiaries
as of December 31, 2023**



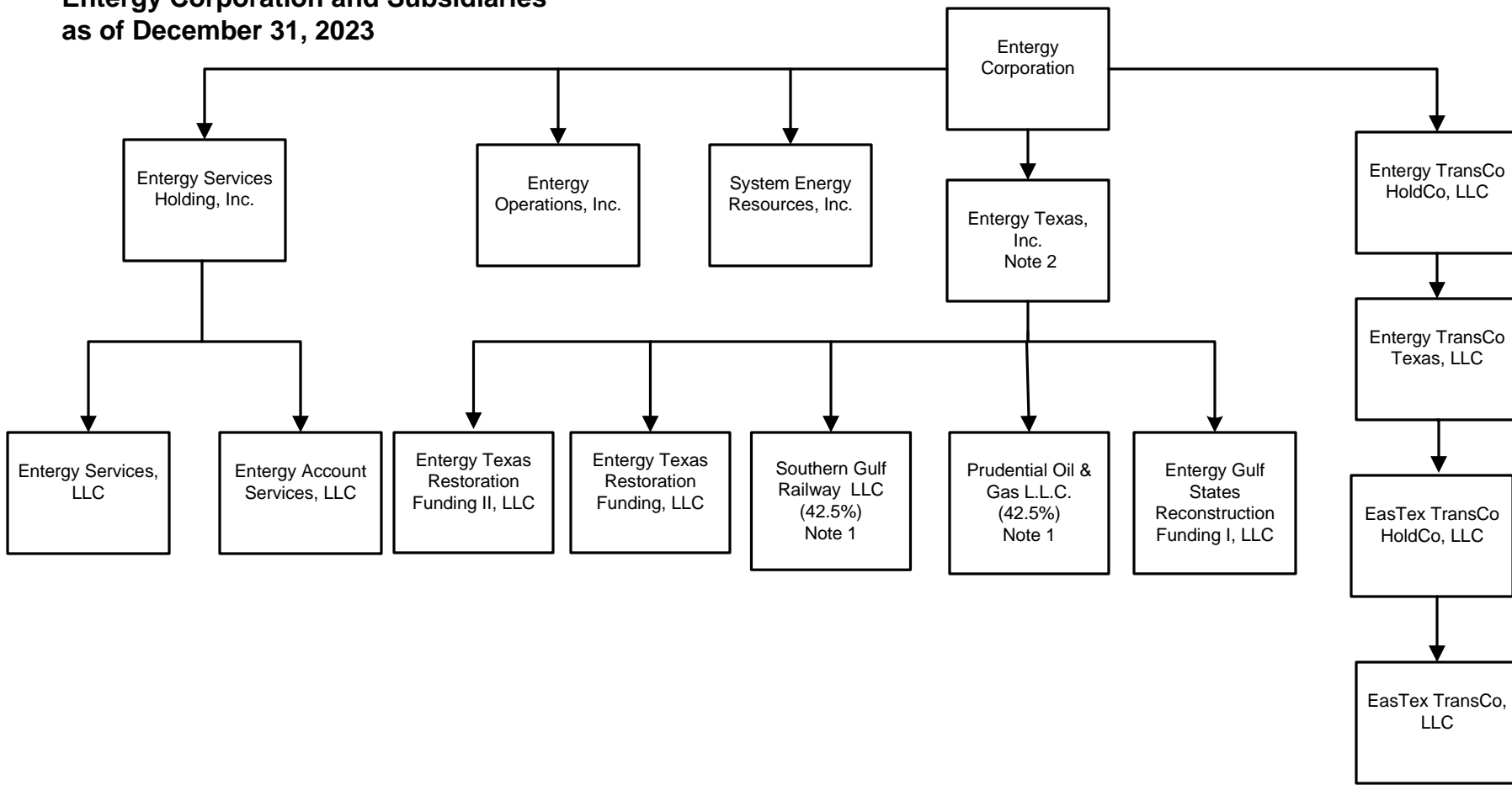
Unless otherwise noted, an entity is 100% owned by the entity immediately above it.

Note 1: Entergy Power Investment Holding, Inc. owns 75.3%.

Note 2: Entergy Power BJE Holding, Inc. owns the remaining 22% of ENIP2 and has no voting rights.

Note 3: Entergy Assets Management Company, LLC owns voting and non-voting rights. Entergy Assets Management Holding, Inc. (68.66%) and Entergy Nuclear, Inc. (3.79%) own the remaining non-voting rights.

**Entergy Corporation and Subsidiaries
as of December 31, 2023**



Unless otherwise noted, an entity is 100% owned by the entity immediately above it.

Note 1: Entergy Louisiana, LLC owns 57.5%.

Note 2: Unaffiliated third parties own Class A preferred stock, and Entergy Corporation owns Class B preferred stock, together representing 21% of the voting power of Entergy Texas, Inc.

ENTERGY ARKANSAS, LLC

MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES

ATTACHMENT 6

TYPES OF ASSETS, GOODS, AND SERVICES
PROVIDED IN EXISTING AFFILIATE TRANSACTIONS

**REPORT OF Entergy Arkansas, LLC. (EAL)
DESCRIPTION OF PRODUCTS PROVIDED BY EAL
TO AFFILIATES AND FROM AFFILIATES TO EAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

The products and services provided by and to EAL are described in the matrix below. The columns at the top represent the general categories of products and services provided. The business units down the left side represent the company providing the product or service. The business units listed in the matrix represent the companies receiving the products and services.

Products / Services Provided By:	Products / Services Provided To:												
	General Executive Services	Advisory Services	Administrative Services	Accounting Services	Legal Services	Information System & Technology Services	Finance & Tax & Regulatory Support Services	Engineering Services	Emergency and Storm Damage Support	Fuel Mgmt., Acquis., &/or Transportation Services	Infrastructure, Maintenance & Misc Services	Facilities - Installation / Construction Services	Materials and Supplies and Procurement
Entergy Arkansas, LLC.(EAL)								ELL, ENOL, ETI, ESL	ELL, EML, ETI, ESL	ELL, ESL	ELL, EML, ENOL, ESL, ETI	ELL, EML, ENOL, ESL, ETI	ELL, EML, ENOL, SERI, ESL, ETI
Entergy Mississippi, LLC. (EML)								EAL	EAL		EAL	EAL	EAL
Entergy New Orleans, LLC. (ENOL)									EAL		EAL	EAL	EAL
Entergy Texas, Inc. (ETI)								EAL	EAL	EAL	EAL	EAL	EAL
Entergy Services, LLC. (ESL)	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL	EAL
Entergy Operations, Inc.(EOI)		EAL						EAL	EAL	EAL	EAL	EAL	EAL
Entergy Power Operations US, Inc (Non-Reg)											EAL		
Entergy Nuclear Operations, Inc. (ENUC/ENOI)											EAL		
System Energy Resources, Inc. (SERI)													EAL
Entergy Louisiana, LLC (ELL)								EAL	EAL		EAL	EAL	EAL

ENTERGY ARKANSAS, LLC

MANUAL FOR COMPLIANCE WITH THE
ARKANSAS AFFILIATE TRANSACTION RULES

ATTACHMENT 7

METHOD USED TO DETERMINE ALLOCATIONS IN
AFFILIATE TRANSACTIONS

**Entergy Services, LLC
2023
Cost Allocation Formulae**

Note: Each allocation formula will be based on data relevant to the individual Client Companies to whom the services are provided. These allocation formulae are the bases for all billing method calculations.

263 - SECTION 263A TAX BENEFITS

Based on Internal Revenue Code Section 263A tax benefits for each Legal Entity.

Used for the allocation of costs associated with tax administration, planning, and support related to Internal Revenue Code Section 263A tax benefits.

APT - ACCOUNTS PAYABLE TRANSACTIONS

Based on a twelve-month number of accounts payable transactions processed.

Used for the allocation of costs associated with the support of the accounts payable function.

ARI - ACCOUNTS RECEIVABLE INVOICES

Based on a twelve-month number of accounts receivable transactions processed.

Used for the allocation of costs associated with the support of the accounts receivable function.

AST - TOTAL ASSETS

Based on total assets at period end.

Used primarily to allocate costs associated with the oversight and safeguarding of corporate assets. This would include services provided by financial management and certain finance functions, among others. Also used when the services provided are driven by the relative size and complexity of the Client Companies and there is no functional relationship between the services and any other available allocation formula.

BNK - BANK ACCOUNTS

Based on the number of bank accounts at period end.

Used for the allocation of costs associated with daily cash management activities.

CAL - NUMBER OF CALLS – CUSTOMER SERVICE CENTERS

Based on a twenty-four-month average of customer calls for each Legal Entity.

Used for the allocation of costs associated with the administration and support of Entergy's Customer Service Centers.

CAP - SYSTEM CAPACITY (NON-NUCLEAR)

Based on the power level, in kilowatts, that could be achieved if all non-nuclear generating units were operating at maximum capability simultaneously.

Used primarily for the allocation of costs associated with the support of the fossil operations of the System. This would include services provided by plant support, environmental and purchasing.

CHK - PAYCHECKS

Based on the number of paychecks issued at each Legal Entity at period end.

Used for the allocation of costs associated with the processing of payroll.

CLM - OPEN WORKERS' COMPENSATION CLAIMS

Based on the number of open claims for each Legal Entity.

Used for the allocation of costs associated with managing workers' compensation claims processes and budgets.

COL - COAL CONSUMPTION

Based on the quantity of tons of coal delivered for a twelve-month period to each coal plant within the Entergy System.

Used for the allocation of costs associated with services in support of coal purchased for coal generating units.

CUS - CUSTOMERS

Based on a twelve-month average of residential, commercial, industrial, government, and municipal general business electric and gas customers.

Used primarily for the allocation of costs associated with the support of customer-based services. Would include customer service and support, marketing, economic forecasts, environmental services, financial and regulatory analyses, and customer information systems.

DLM - DISTRIBUTION LINE MILES

Based on the number of miles of distribution lines of 34.5kv or less.

Used primarily for the allocation of costs associated with project design, maintenance and installation of Entergy distribution lines.

EMP - EMPLOYEES

Based on the number of full-time employees at period end.

Used primarily for the allocation of costs associated with the support of employee-based services. Would include administration of employee benefits programs, employee communications, employee training, and various facilities-based benefits and information technology desktop support.

GCE - SERVER AND MAINFRAME USAGE COMPOSITE

Based on the use of historical expenditures.

Used primarily for the allocation of costs associated with mainframe, unix servers and related database administration.

GLT - GENERAL LEDGER TRANSACTIONS

Based on the number of general ledger transactions for the period.

Used primarily for the allocation of costs associated with general ledger activities, including related information systems, and for general accounting activities.

GWH - ENERGY SALES

Based on total kilowatt-hours of energy sold to consumers.

Used primarily for the allocation of costs associated with the financial analyses of sales and related items.

ITS - TOTAL IT SPEND

Based on the total dollars spent in the Information Technology plan.

Used for the allocation of costs associated with the administration and support of Entergy's IT business planning.

LVS - LEVEL OF ESI SERVICE

Based on ESI total billings to each Client Company, excluding corporate overhead. Used for the allocation of costs associated with support of ESI as a Legal Entity.

The variation of this cost driver Labor Dollars Billed, is based on ESI total labor dollars billed to each Client Company. Used primarily to allocate the costs associated with employee benefit plans, payroll taxes, department indirect costs, and performance-based compensation plans for ESI employees.

MAT - SUPPLY CHAIN – Inventory Management Fossil, Transmission & Distribution Issues, Transfers & Returns

Based on the number of issues, transfer & return transactions for each Legal Entity at period end.

Used for the allocation of costs associated with the management and operations of investment recovery, including Fossil, but excluding Nuclear.

MGA - MANAGED ACCOUNTS

Based on the number of industrial and commercial managed accounts.

Used for the allocation of costs associated with the maintenance of Entergy's industrial and commercial customer accounts.

NST - NUCLEAR SITES

Based on the number of nuclear sites managed and operated by each Entergy Client Company.

Used to allocate miscellaneous nuclear-related services.

NUT - NUCLEAR UNITS

Based on the number of nuclear units managed and operated by each Entergy Client Company.

Used primarily to allocate nuclear fuel-related services.

PC – PERSONAL COMPUTERS

Based on the number of PC's within each Legal Entity at period end.

Used for the allocation of costs associated with maintenance and support of PC's

PLL - PROPERTY AND LIABILITY PAID LOSSES

Based on a five-year annual average of the property and liability losses paid by the Client Companies.

Used for the allocation of costs associated with the operation and maintenance of the Risk Information System.

PRM - INSURANCE PREMIUMS (NON-NUCLEAR)

Based on non-nuclear insurance premiums.

Used for the allocation of costs associated with risk management.

RAD - RADIO USAGE

Based on usage of Entergy's 2-way radio system.

Used for the allocation of costs associated with the administration and support of Entergy's 2-way radio system.

RCM - RECORDS MANAGEMENT

Based on the number of employees at each Legal Entity using records management services.

Used to allocate costs associated with the management and supervision of non-nuclear business unit records management processes.

SCL - SUPPLY CHAIN – Labor Dollars

Based on the labor dollars for the Transformer, Meter, and Light Shops.

Used primarily for the allocation of costs associated with services provided by employees in the supply chain equipment refurbishment and repair department.

SCS - SUPPLY CHAIN – Procurement Total Spending

Based on the dollar amount of procurement spending within each Legal Entity at period end.

Used for the allocation of costs associated with procurement activities for the Entergy System.

SQF - SQUARE FOOTAGE

Based on occupied square footage administrated by ESI Administrated Services units.

Used primarily to allocate the costs associated with facilities supervision and support.

STR - DISTRIBUTION SUBSTATIONS TRANSFORMERS

Based on the number of transformers at the Distribution Substations at period end.

Used primarily for the allocation of costs associated with the maintenance, administrative activities, and technical analysis of all Distribution Substations.

SUB - SUBSTATIONS

Based on the number of high voltage substations weighted for Voltage (Voltage < 500kv = 1; Voltage >= 500kv = 2).

Used primarily for the allocation of related engineering and technical support for transmission and distribution substation operations and maintenance as well as for engineering and project management associated with substation construction.

TEL - TELEPHONES

Based on the number of telephones within each Legal Entity at period end.

Used for the allocation of costs associated with maintenance and support of telephones.

TLN - TRANSMISSION LINE MILES

Based on the number of miles of transmission lines, weighted for design voltage (Voltage < 400kv = 1; Voltage >=400kv =2).

Used primarily for the allocation of costs associated with project design, maintenance and installation of Entergy transmission lines.

TSL - COMPOSITE - TRANSMISSION LINES/SUBSTATIONS

Based on two components: Transmission Line Miles (30% weighting) and the Number of High Voltage Substations (70% weighting).

Used primarily for the allocation of the costs associated with the support of the transmission and distribution function that has both a transmission line component as well as a substation or load component.

UPS - UNIT POWER SALES AGREEMENT

Based on fixed allocation percentages under Entergy's Unit Power Sales Agreement.

Used primarily for the allocation of certain Tax Department services in connection with Entergy's Unit Power Sales Agreement.

VEH - VEHICLES

Based on the number of vehicles owned by each Legal Entity.

Used for the allocation of costs associated with the maintenance of company vehicles.

CCP - CAPITAL CONSTRUCTION PLAN

Based on the total dollars budgeted for each Legal Entity in the annual capital construction plans developed by the various functions.

Used for the allocation of costs associated with capital construction overheads.

PGR – PROCUREMENT OF LONG-TERM GENERATION RESOURCES

Based on the ownership/contractual interest of each Legal Entity in connection with the procurement of those long-term generation resources where more than one Entergy Operating Company is expected to hold an ownership/contractual interest.

Used for the allocation of costs associated with the procurement of long-term generation resources where more than one Entergy Operating Company is expected to hold an ownership/contractual interest.

SVR – SERVER & MAINFRAME USAGE

Based on the historical data usage of servers, platforms, & mainframe.

Used for the allocation of costs associated with the individual maintenance of the mainframe, UNIX servers, WINTEL servers, and related database administration.

PKL – PEAK LOAD RATIO

Based on the ratio of each Client Company’s load to the peak load at time of all companies peak load. The calculation of Peak Load Ratio is performed using a twelve-month rolling average of the coincident peaks.

Used primarily for the allocation of costs incurred for operations support, software, and training.

PPE – PROPERTY, PLANT AND EQUIPMENT

Based on the net book value of property, plant and equipment, excluding natural gas and nuclear fuel.

Used for the allocation of costs associated with the operation of Entergy Services' Property Accounting department in monitoring, managing, and accounting for Entergy's property, plant and equipment, excluding natural gas and nuclear fuel.

GPA – GROSS UTILITY PLANT ASSETS

Based on the gross value of utility plant assets.

Used primarily for the allocation of costs associated with the management, maintenance, renewal, and replacement of utility plant assets.

**Entergy Operations, INC
2023
Cost Allocation Formulae**

Note: Each allocation formula will be based on data relevant to participating Client Companies to whom the services are provided.

BOILING WATER REACTOR SITES

Based on the number of Boiling Water Reactor Plant Sites

Used primarily for the allocation of costs associated with the maintenance of boiling water reactor systems.

NUCLEAR SOUTH SITE EMPLOYEES

Based on Nuclear South Site employees

Used primarily for the allocation of costs associated with the support of employee-based services. This would include administration of employee benefits programs, employee communications, employee training, and various facilities-based benefits and information technology desktop support.

PRESSURE WATER REACTOR SITES

Based on the number of Pressure Water Reactor Plant Sites

Used primarily for the allocation of costs associated with the maintenance of reactor coolant system attachments (e.g. control rod drive nozzles, pressurizer nozzles, and large bore nozzle safety ends) when these costs are driven by the number of reactor sites.

SPLIT METHODS

- NUCLEAR SOUTH PLANT SITES
- SPLIT AMONG ANC (33%), WF3 (33%), AND GG1 (33%)
- NUMBER OF NON-SERI GENERATION SITES
- NUCLEAR SOUTH UNITS

Based on the number of nuclear sites or units managed and operated by each Entergy Client Company

Used for the allocation of nuclear management, operation, and maintenance services associated with specific groups of nuclear sites and units.

APSC AFFILIATE TRANSACTION RULES

**ENTERGY ARKANSAS, LLC (EAL)
2023 ANNUAL REPORT**

FILED MAY 31, 2024 IN APSC DOCKET NO. 07-114-U

ATTACHMENT F

UTILITY OWNERSHIP OF NON-UTILITY BUSINESS

(RULE VIII.A AND VIII.C.2.)

Entergy Arkansas, LLC
Non-Utility Business Financial Information
(Rule VIII.A. and Rule VIII.C.2.)

As discussed in Section II.E. of its Manual For Compliance With The Arkansas Affiliate Transaction Rules, included with this filing, EAL participates in one business, Arkklahoma Corporation (“Arkklahoma”), which may qualify as non-utility business pursuant to one interpretation of the definition in Rule III.I.

However, pursuant to Rule VIII. B., this business was identified in the Manual For Compliance filed by EAL on September 21, 2007, and thus Rule VIII.A. does not apply.

EAL engages in no other businesses which may qualify as non-utility businesses other than a utility related business. Accordingly, the threshold contained in Rule VIII.A of 10% of the book value of the total assets of EAL and its affiliates is not violated.

(Reported in Thousands)

Total Assets of Entergy Corp and its Subsidiaries as of 12/31/23, per Entergy Annual Report.	\$59,703,396
10%	\$5,970,340
Total EAL investment in non-utility businesses, other than a utility related business, that is subject to application of Rule VIII.	\$0