
**FORMULA RATE PLAN
RIDER SCHEDULE FRP-1**

1. GENERAL

Formula Rate Plan Rider Schedule FRP-1 ("Rider FRP") defines the procedure by which the rates contained in the Entergy Gulf States Louisiana, L.L.C. ("EGSL" or "Company") rate schedules designated in Attachment A to this Rider FRP ("Rate Schedules") may be periodically adjusted. Rider FRP shall apply in accordance with the provisions of Section 2.A below to all electric service billed under the Rate Schedules, whether metered or unmetered, and subject to the jurisdiction of the Louisiana Public Service Commission ("LPSC" or "Commission").

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2. APPLICATION AND REDETERMINATION PROCEDURE

2.A. RATE ADJUSTMENTS

The adjustments to the Company's rates set forth in Attachment A to this Rider FRP ("Rate Adjustments") shall be added to the rates set out in the Net Monthly Bill section in the Company's Rate Schedules. The Rate Adjustments shall be determined in accordance with the provisions of Sections 2.B and 2.C below.

2.B. ANNUAL FILING AND REVIEW

2.B.1. FILING DATE

For each year of this FRP, beginning in 2009, EGSL shall file a report with the Commission containing an evaluation of the Company's earnings for the immediately preceding calendar year prepared in accordance with the provisions of Section 2.C below ("Evaluation Report"). A revised Attachment A shall be included in each such filing containing revised Rate Adjustments determined in accordance with the provisions of Section 2.C below. For the 2008 Test Year filing, EGSL shall file the Evaluation Report on or before the first billing cycle of November 2009. For the 2009 and 2010 Test Year filings, EGSL shall file the Evaluation Report on or before May 31 of 2010 and 2011, respectively.

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2.B.2. REVIEW PERIOD

The Commission Staff ("Staff") and all intervenors ("Intervenors") in the prior year base rate or FRP proceeding shall receive a copy of each Evaluation Report filing at the time it is filed with the Commission. While an Intervenor in prior Evaluation Report reviews shall not be precluded from participation in future reviews, Intervenors will be required to file a new intervention in the proceeding associated with each annual Evaluation Report filing. (The Staff, Intervenors and EGSL shall be referred to hereinafter, collectively as the "Parties" and shall receive copies of all filings and pleadings in FRP-related proceedings.) At the time each such Evaluation Report is filed, EGSL shall provide the other Parties with workpapers supporting the data and calculations reflected in the Evaluation Report. The other Parties may request clarification and additional supporting data.

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The Parties shall then have until August 20 of the filing year to review the Evaluation Report to ensure that it complies with the requirements of Section 2.C below. For the Evaluation Report filed on or before the first billing cycle of November 2009, the Parties shall have until February 1, 2010 to conduct this review. If any of the Parties should detect any error(s) in the application of the principles and procedures contained in Section 2.C below or identify issues upon which further information is required of EGSL and/or to verify any of the data or issues contained in the annual filing, such error(s), data or issues requiring verification shall be formally communicated in writing to the other Parties by August 20 of the filing year and, for the 2009 Evaluation Report, by February 1, 2010 ["Dispute" or "Disputes"]. Each such indicated Dispute shall include, if available, documentation of the proposed correction. The Company shall then have until September 30 of the filing year, and to March 15, 2010 for the 2009 Evaluation Report, to review any proposed corrections, to work with the other Parties to resolve any Disputes and to file a revised Attachment A containing Rate Adjustments reflecting all corrections upon which the Parties agree. The Company shall provide the other Parties with appropriate workpapers supporting any revisions made to the Rate Adjustments initially filed.

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Except where there are unresolved Disputes, which shall be addressed in accordance with the provisions of Section 2.B.3 below, the Rate Adjustments initially filed under the provisions of Section 2.B.1 above, or such corrected Rate Adjustments as may be determined pursuant to the terms of this Section 2.B.2, shall become effective for bills rendered on and after the first billing cycle for the month of September or, with the consent of the LPSC Staff, October, of the filing year, except for the 2009 filing year. For the 2009 filing year, the Rate Adjustments initially filed under the provisions of Section 2.B.1 above shall become effective for bills rendered on or after the first billing cycle of November 2009, and any corrected Rate Adjustments as may be determined pursuant to the terms of this Section 2.B.2 shall become effective for bills rendered on or after the first billing cycle of April 2010, or with the consent of the LPSC Staff, May 2010. Those Rate Adjustments shall then remain in effect until changed pursuant to the provisions of this Rider.

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2.B.3. RESOLUTION OF DISPUTES

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In the event there are Disputes regarding any Evaluation Report, the Parties shall work together in good faith to resolve such Disputes. If the Parties are unable to resolve the Disputes or reasonably believe they will be unable to resolve the Disputes by the end of the period provided for in Section 2.B.2 above, revised Rate Adjustments reflecting all revisions to the initially filed Rate Adjustments on which the Parties agree shall become effective as provided for in Section 2.B.2 above. Any remaining Disputes shall be submitted to the Commission for resolution.

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If the Commission's final ruling on any Disputes requires changes in the Rate Adjustments initially implemented pursuant to the above provisions, the Company shall file a revised Attachment A containing such further modified Rate Adjustments within fifteen (15) days after receiving the Commission's order resolving the Disputes. The Company shall provide a copy of the filing to the other Parties together with appropriate supporting documentation. Such modified Rate Adjustments shall then be implemented with the next applicable monthly billing cycle after filing and shall remain in effect until superseded by Rate Adjustments established in accordance with the provisions of this Rider FRP.

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Within 60 days after receipt of the Commission's final ruling on any Disputes, the Company shall determine the amount to be refunded or surcharged to customers, if any, together with interest at the legal rate of interest. Such refund/surcharge

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amount shall be effective as of September, or with the consent of the LPSC Staff, as of October, of the filing year (except that for the 2009 filing year any such refund/surcharge amount shall be effective as of November of the filing year), shall be applied on a percentage basis pursuant to Section 2.C.4 of this Rider FRP and shall be based on the customer's applicable base revenue from the first billing cycle of September, or with the consent of the LPSC Staff, October, of the filing year (except for the 2009 filing year for which it shall be based on November of the filing year) through the last date the interim Rate Adjustments were billed. Such refund/surcharge amount shall be applied to customers' bills in the manner prescribed by the Commission.

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2.C. ANNUAL REDETERMINATION OF RATE ADJUSTMENTS

2.C.1. DEFINITION OF TERMS

a. EVALUATION PERIOD

The Evaluation Period shall be the twelve month period ended December 31 of the calendar year immediately preceding the filing of an Evaluation Report. All data utilized in each Evaluation Report shall be based on actual results and balances for the Evaluation Period, as recorded on the Company's books in accordance with the Uniform System of Accounts or such other documentation as may be appropriate allocated to LPSC retail operations as set forth in Attachment B, except where either 13-month average balances or beginning/ending average balances will be used for determination of rate base items.

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b. EARNED RATE OF RETURN ON COMMON EQUITY

The Earned Rate of Return on Common Equity ("EROE") for any Evaluation Period shall be determined in accordance with the Earned Rate of Return on Common Equity Formula set out in Attachment B. The EROE determination shall reflect the Evaluation Period Adjustments set out in Attachment C.

c. BENCHMARK RATE OF RETURN ON RATE BASE

The Benchmark Rate of Return on Rate Base ("BRORB") is the composite weighted embedded cost of capital reflecting the Company's annualized costs of Short-Term Debt, Long-Term Debt, Preferred Stock and Common Equity. The BRORB shall be determined in accordance with the Benchmark Rate of Return on Rate Base Formula set out in Attachment D.

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d. EVALUATION PERIOD COST RATE FOR COMMON EQUITY

The Evaluation Period Cost Rate for Common Equity ("EPCOE") is the Company's cost rate for common equity applicable to the Evaluation Period. The EPCOE value applicable for each Evaluation Period shall be determined in accordance with the Evaluation Period Cost Rate for Common Equity Procedure set out in Attachment E.

e. RATE OF RETURN ON COMMON EQUITY BANDWIDTH

The Rate of Return on Common Equity Bandwidth ("Bandwidth") shall be the range of values with an upper limit ("Upper Band") equal to the EPCOE plus 0.75% and a lower limit ("Lower Band") equal to the EPCOE minus 0.75%.

f. ENVIRONMENTAL COST RELATED REVENUE REQUIREMENT

If during the term of this FRP, there is a change in the law or regulation related to environmental issues or environmental compliance that increases the costs to EGSL, EGSL shall have the right to request the recovery of the prudent level of such costs outside the FRP sharing mechanism. Nothing in this provision shall constitute pre-approval of the recovery of such increased costs.

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g. ENERGY EFFICIENCY RELATED REVENUE REQUIREMENT	AT
If during the term of this FRP, there is a change in law or regulation that adopts measures designed to increase the efficient use of electric energy and that results in increased costs to EGSL, EGSL shall have the right to request the recovery of the prudent level of such costs outside the FRP sharing mechanism. Nothing in this provision shall constitute the pre-approval of the recovery of such increased costs.	
h. RETAIL ALLOCATION FACTOR RELATED REVENUE REQUIREMENT	AT
The Retail Allocation Factor Related Revenue Requirement ("RAFR") shall be equal to the difference in the retail revenue requirement that results from a change in the retail allocation factor resulting from a change in the wholesale for resale load.	
2.C.2. TOTAL RIDER FRP REVENUE LEVEL (EVALUATION REPORTS)	CT RT AT
a. The Extraordinary Cost and/or Additional Capacity Cost Related Revenue Requirement Rider components shall be as defined in Sections 3.A, and 3.D, respectively;	AT
b. Recovery of Realigned Costs Related Revenue Requirement Rider components shall be as defined in Section 3.E; and,	AT
c. The Remaining FRP Revenue Redetermination Rider shall be determined using the Rider FRP Revenue Redetermination Formula set out in Attachment F, which reflects the following rules:	CT
(1) The Total Revenue Requirement for the Evaluation Period shall be reduced by the Evaluation Period amounts for the items reflected in Section 2.C.2.a through 2.C.2.b above.	AT
(2) The Total FRP Revenue level for the Evaluation Period shall be reduced by the annualized revenue associated with the recovery of the items reflected in Section 2.C.2.a through 2.C.2.b, above.	AT
(3) If the EROE is less than the Lower Band, the Rider FRP Revenue level for the Evaluation Period shall be increased by the amount necessary to increase the EROE for the Evaluation Period by 60% of the difference between the Lower Band and the EROE.	CT
(4) There shall be no change in Rider FRP Revenue level for the Evaluation Period if the EROE is less than or equal to the Upper Band and greater than or equal to the Lower Band.	CT
(5) Recovery of costs as defined in Sections 3.A and 3.D, respectively, shall be limited as follows: if the EROE exceeds the Upper Band, the Rider FRP revenue reduction shall be equal to the lesser of 100% of the difference between the EROE and the Upper Band or the net annual cost of the extraordinary cost changes and/or new capacity costs, as defined in Sections 3.A and 3.D, respectively. In the event that the difference between the EROE and the Upper Band exceeds the net annual cost of the extraordinary cost changes and/or new capacity costs in the year in which such costs are first reflected, but not thereafter, the Rider FRP revenue reduction shall be equal to 100% of the net annual cost of the extraordinary cost changes and/or new capacity costs plus 60% of the difference between the EROE and the Upper Band minus the net annual cost of the extraordinary cost changes and/or new capacity costs.	CT CT AT CT CT

- (6) In the event there are no new extraordinary cost changes and/or new capacity costs pursuant to Sections 3.A and 3.D, respectively, if the EROE exceeds the Upper Band, the Rider FRP Revenue level for the Evaluation Period shall be reduced by the amount necessary to reduce the EROE for the Evaluation Period by 60% of the difference between the Upper Band and the EROE. CT
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- (7) A change in the Rider FRP Revenue level shall not be made unless it changes the EROE for the Evaluation Period by more than 0.05% (5 basis points). CT
- (8) The Section 2.C.2.c.(5) sharing mechanism provision shall not apply to the costs relating to the amounts for the items determined in Sections 2.C.2.a through 2.C.2.b and the provisions of Section 3.A. Rather, 100% of the referenced costs shall be reflected CT

2.C.3. RIDER FRP REVENUE ALLOCATION CT

The Total Rider FRP Revenue, as determined under the provisions of Section 2.C.2 above, shall be allocated to each applicable rate schedule based on an equal percentage of applicable base revenue. This percentage shall be developed by dividing the Total Rider FRP Revenue by the total applicable base revenue. RT

2.C.4. RATE ADJUSTMENT REDETERMINATION CT

All applicable retail rates and riders as noted on Attachment A on file with the Louisiana Public Service Commission will be adjusted by an equal percentage of the base rate revenue of all bills.

3. PROVISIONS FOR OTHER RATE CHANGES

3.A. EXTRAORDINARY COST CHANGES

3.A.1. UNFORESEEN COST CHANGES

It is recognized that from time to time EGSL may experience extraordinary increases or decreases in costs that occur as a result of actions, events, or circumstances beyond the control of the Company. Such costs may significantly increase or decrease the Company's revenue requirements and, thereby, require rate changes that this Rider FRP is not designed to address. Should EGSL experience such an extraordinary cost increase or decrease having a net annual revenue requirement impact exceeding \$10 million on an LPSC jurisdictional basis, then either the Company or the Commission may initiate a proceeding to consider a pass-through of such extraordinary cost increase or decrease. CT
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3.A.2. LIMITED LIABILITY CORPORATION

The resulting decrease in the LPSC revenue requirement as a result of conversion to a Limited Liability Corporation ("LLC") shall be reflected fully through this Rider FRP outside of the FRP sharing mechanism. CT

3.A.3. SYSTEM AGREEMENT CASE EFFECTS

The effects, if any, resulting from Opinion Nos. 480 or 480-A issued by the Federal Energy Regulatory Commission ("FERC") in connection with Docket No. EL01-88-001, including the annual bandwidth calculations and retail decisions incident to FERC Section 205 and/or 206 filings that have clarified and/or modified Opinion Nos. 480 and 480-A, shall be considered separately outside of the FRP mechanism. CT

3.A.4. OUACHITA UNIT 3 ACQUISITION EFFECTS

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The rate effects, if any, associated with LPSC Docket No. U-30422 (Subdocket A) shall be considered separately outside of the FRP mechanism and implemented in accordance with the Settlement Term Sheet approved by the LPSC at its September 16, 2009 Business & Executive Meeting and the corresponding written LPSC Order.

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3.A.5. DEPRECIATION/DECOMMISSIONING RATE EFFECTS

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The effects of changes in depreciation rates, and/or decommissioning accruals, increases or decreases, ordered by the LPSC, including as a result of changes in the requirement to fund the decommissioning trust that may be ordered by the Nuclear Regulatory Commission during the period that this FRP is in effect, shall be considered separately outside of the FRP mechanism. In addition, 100% of the incremental rate base (depreciation and ADIT) effects of the depreciation rate change shall be reflected in the derivation of the change in the revenue requirement resulting from a change in the depreciation rate.

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3.A.6. STORM DAMAGE ACCRUAL EFFECTS

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The effects of changes in storm damage accruals, increases or decreases, ordered by the LPSC shall be considered separately outside of the FRP mechanism.

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3.A.7. INTERRUPTIBLE LOAD CASE EFFECTS

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Any retail effects associated with a decision in FERC Docket Nos. EL00-66-000, ER00-2854-000 and EL95-33-002 (Consolidated) shall be considered separately outside of the FRP mechanism. When the FERC issues an order disposing of the Application for Clarifications and Applications for Rehearing in this case, any retail effects that are to be implemented at that time shall be flowed through within a reasonable time after, and in accordance with, LPSC approval of the manner in which that shall occur. However, this Rider FRP provision shall have no precedential or other effect with respect to whether a refund or surcharge is appropriate in connection with a decision in FERC Docket Nos. EL00-66-000, ER00-2854-000 and EL95-33-002 (Consolidated), or whether a stay or injunction is appropriate in the event of an appeal or rehearing of a decision in those consolidated dockets.

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3.B. SPECIAL RATE FILINGS

The Company is experiencing a dynamic business environment and increasing competition. Experimental, developmental, and alternative rate schedules may be appropriate tools for the Company to use to address these conditions. Therefore, nothing in this Rider shall be interpreted as preventing the Company from proposing to revise existing rate schedules or implement new rate schedules as may be appropriate. Any such rate changes shall be filed with the Commission and evaluated in accordance with the rules and procedures then in effect.

3.C. FORCE MAJEURE

In addition to the rights of EGSL under this Rider, or as provided by law, to make a filing for the pass-through of costs outside the provisions of this Rider FRP, if any event or events beyond the reasonable control of EGSL, including Natural Disaster, damage or unforeseeable loss of generating capacity, changes in regulation ordered by a regulatory body or other entity with appropriate jurisdiction, and orders or acts of civil or military authority, cause increased costs to EGSL or result in a deficiency in revenues to EGSL, EGSL may file for rate or other relief outside the provisions of this Rider FRP. Such request shall be considered by the Commission in accordance with its regulations and applicable law governing such filings.

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The term "Natural Disaster" in the above paragraph shall include weather events such as hurricanes and/or tropical storms, or other events such as earthquakes, for example. If the Commission determines that a Natural Disaster causes a loss of customers for EGSL that would result in the loss of at least \$10 million in base rate revenues during the rate-effective period, EGSL may seek recovery of those base revenues outside of the provisions of this Rider FRP. EGSL shall bear the burden of proof to demonstrate to the Commission the level of base rate revenue loss during the rate effective period and that the loss was caused by the Natural Disaster.

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The loss of base rate revenue during the rate effective period shall, at a minimum, take into consideration the following:

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- 1) The net loss of customers caused by the Natural Disaster looking at the entire service area, adjusted for normal growth.
- 2) The usage patterns of the actual lost customers or some reasonable proxy.
- 3) Any offsets due to the decreased costs and/or due to costs that are still recovered from the remaining customers.

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If this calculation produces a result less than \$10 million in the rate-effective period, no relief should be granted outside of the FRP. If the amount equals or exceeds \$10 million as approved by the commission, EGSL shall be entitled to recover outside of the FRP the lesser of (1) the Commission approved loss in revenues, or (2) the difference between the EROE adjusted to reflect the estimated loss in revenues and the EPCOE. In succeeding years, the revenue loss will be recalculated to recognize the effect of returning customers and load. Once that revenue requirement effect falls below \$10 million, the effect of the revenue reduction will be reflected in the FRP.

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3.D. ADDITIONAL CAPACITY

3.D.1. APPROVED CAPACITY ADDITION

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP sharing mechanism, and consistent with Section 2.C.2., the LPSC retail revenue requirement associated with purchased capacity costs in excess of the amount in base rates as approved by the Commission. Such transactions include:

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- (1) approval of a new purchase capacity agreement, or
- (2) approval of the recovery of previously deferred capacity costs.

In the event the Company adds to its resources by means of a capacity and/or energy purchase and in the event that such new resource is used to provide capacity and/or energy to the Company on or before the first billing cycle for the month of September of a filing year and the Commission has approved the incurrence of such costs and their level pursuant to the applicable General Order(s) of the Commission, then the Company may include all costs related to such resource under this Section 3.D.1 as a cost, so that, at the time that new rates take effect with the first billing cycle for the month of September, those new rates will reflect the costs that are represented by such generating resource.

Provided that the LPSC has approved the new purchase capacity agreement, the Company shall be allowed to defer the capacity costs associated with the new capacity purchase agreement during the period from the incurrence of the cost until such time as the rates that reflect such capacity costs take effect. The Company shall be allowed to accrue interest on the net-of-tax balance of the deferred capacity costs at the rate set forth in LPSC General Order No. U-21497 during the period in which such costs are deferred.

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3.D.2. CAPACITY COST ADJUSTMENTS

The Rider FRP shall be adjusted on an interim basis for:

- (1) the expiration of a purchase capacity agreement previously recovered through Rider FRP, or
- (2) the completion of the recovery of previously deferred capacity costs.

3.D.3. CAPACITY COST TRUE-UP ADJUSTMENTS

The LPSC retail revenue requirement associated with the purchased capacity costs that are billed to EGSL pursuant to a cost of service agreement or tariff and recovered via this Rider pursuant to Section 3.D shall be compared to the actual cost of such capacity. Any difference between the revenue requirement of the capacity costs used to determine the level of this Rider during the Evaluation Period and the revenue requirement associated with the actual capacity cost during the Evaluation Period shall be included in the Evaluation Report as part of the Additional Capacity Revenue Requirement in the next Rider FRP Revenue Requirement Redetermination Formula as set out in Attachment F.

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3.D.4. ACQUISITION/SELF-BUILD CAPACITY COST ADJUSTMENTS

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The Company shall be allowed to recover fully through this Rider FRP, outside the FRP sharing mechanism, and consistent with Section 2.C.2., the LPSC retail revenue requirement associated with:

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- (1) the modification or replacement of an existing generating facility having an annual revenue requirement exceeding \$10 million;
- (2) the acquisition of new generating facilities; and/or,
- (3) the construction of a new generating facility having an annual revenue requirement exceeding \$10 million.

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3.E. RECOVERY OF REALIGNED COSTS

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To the extent that, during the term of this FRP-1, the Commission orders the Company to realign costs from recovery via the Fuel Adjustment Clause to base rates, or the reverse, it shall be done on a basis that, in the aggregate, is revenue-neutral to the customers.

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4. EFFECTIVE DATE AND TERM

Rider FRP-1 shall continue in effect for three years with annual Evaluation Report filings to be made on or before the first billing cycle of November 2009 and May 31 of 2010 and 2011 for the Evaluation Periods 2008, 2009 and 2010, respectively. Unless Rider FRP is extended by mutual agreement of the Commission and the Company, the Rate Adjustments resulting from the May 31, 2011 Evaluation Report filing shall continue in effect until such time as they are superseded pursuant to a final Commission order. If this Rider FRP is not extended, the Company shall file a base rate proceeding on or before June 1, 2012, unless the Commission issues an order making such filing unnecessary. If this Rider FRP is terminated by a future order of the Commission, the then-existing Total FRP Revenue shall continue to be in effect until new base rates reflecting the then-existing Total FRP Revenue are duly approved and implemented. Nothing contained in this Rider FRP shall limit the right of any party to file an appeal as provided by law.

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**ENTERGY GULF STATES LOUISIANA, L.L.C.
FORMULA RATE PLAN RIDER SCHEDULE FRP
RATE ADJUSTMENTS**

I. APPLICABILITY

This rider is applicable under the regular terms and conditions of the Company to all Customers served under any retail electric rate schedule* and/or rider schedule.*

II. NET MONTHLY RATE

The Net Monthly Bill or Monthly Bill calculated pursuant to each applicable retail rate schedule* and/or rider schedule* on file with the Louisiana Public Service Commission will be adjusted monthly by an equal percentage of 23.7321% of base revenues, before application of the monthly fuel adjustment. CR

*Excluding Schedules: AFC, ASPS, DTK, EAC, EAPS, EEIS, EER, EIS, EIS-I, ERDRS, FA, FR-1, FSC-EGSL, FSCII-EGSL, incremental load under LCOP, LQF-PO, MES, MVER, NFRPCEA, RCL, REP, RPCEA, SMQ, SQF, SSTS, SCO, SCOI and special contract rates.

Note: Rider Schedule FRP billing rate increased 0.0758% from the Rider Schedule FRP billing rate implemented on August 30, 2011. CR
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ENTERGY GULF STATES LOUISIANA, L.L.C. EARNED RATE OF RETURN ON COMMON EQUITY FORMULA		
LINE NO	DESCRIPTION	ADJUSTED AMOUNT
TOTAL ELECTRIC		
1	RATE BASE (Attachment B, Page 2, L21)	
2	BENCHMARK RATE OF RETURN ON RATE BASE (Attachment D, L6, Column D)	
3	REQUIRED OPERATING INCOME (L1 * L2)	
4	NET UTILITY OPERATING INCOME (Attachment B, Page 3, L26)	
5	OPERATING INCOME DEFICIENCY/(EXCESS) (L3 - L4)	
6	REVENUE CONVERSION FACTOR (NOTE A)	
7	REVENUE DEFICIENCY/(EXCESS) (L5 * L6)	
PRESENT RATE REVENUES		
8	ULTIMATE CUSTOMERS (Attachment B, Page 3, L1)	
9	SALES FOR RESALE (Attachment B, Page 3, L2)	
10	TOTAL (L8 + L9)	
11	REVENUE REQUIREMENT (L7 + L10)	
LPSC RETAIL		
12	REVENUE REQUIREMENT ALLOCATION FACTOR (%) (NOTE B)	
13	REVENUE REQUIREMENT (L11 * L12)	
14	PRESENT RATE REVENUES (Attachment B, Page 3, L1)	
15	RIVER BEND DAP REVENUE REQUIREMENT (Attachment C, Page 2, 4(C))	
16	SGT REVENUE REQUIREMENT (Attachment C, Page 2, 4(D))	
17	REVENUE DEFICIENCY/ (EXCESS) (L13 - L14 + L15 + L16)	
18	REVENUE CONVERSION FACTOR (NOTE A)	
19	OPERATING INCOME DEFICIENCY/(EXCESS) (L17 / L18)	
20	RATE BASE ALLOCATION FACTOR (%) (NOTE B)	
21	RATE BASE (L1 * L20)	
22	COMMON EQUITY DEFICIENCY/(EXCESS) (%) (L19 / L21)	
23	WEIGHTED EVALUATION PERIOD COST RATE FOR COMMON EQUITY (%) (Attachment D, L5, Column D)	
24	WEIGHTED EARNED COMMON EQUITY RATE (%) (L23 - L22)	
25	COMMON EQUITY RATIO (%) (Attachment D, L5, Column B)	
26	EARNED RATE OF RETURN ON COMMON EQUITY (%) (L24 / L25)	

NOTE:

- (A) REVENUE CONVERSION FACTOR = 1 / [(1 - COMPOSITE TAX RATE) * (1 - BAD DEBT-REGULATORY COMMISSION EXPENSE RATE - FRANCHISE TAX RATE)]
- (B) THE LPSC RETAIL RATIO UTILIZED BY THE LPSC IN ESTABLISHING THE RATES IN EGSL'S RATE SCHEDULES, EXCEPT THAT AN EGSL RETAIL RATIO ESTABLISHED SOLELY FOR THIS RIDER FRP WILL BE USED POST-SEPARATION UNTIL A FINAL ORDER IS ISSUED IN EGSL'S NEXT GENERAL RATE PROCEEDING

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ENTERGY GULF STATES LOUISIANA, L.L.C. RATE BASE (A)				
LINE NO	DESCRIPTION	PER BOOKS	ADJUST- MENTS (B)	ADJUSTED AMOUNT
1	GROSS PLANT IN SERVICE (H)(I)			
2	DEPRECIATION RESERVES (I)			
3	NET UTILITY PLANT (L1 + L2)			
4	PLANT HELD FOR FUTURE USE			
5	MATERIALS & SUPPLIES (C)			
6	CONSTRUCTION WORK IN PROGRESS (G)			
7	PREPAYMENTS (C)			
8	CASH WORKING CAPITAL (D)			
9	ENVIRONMENTAL RESERVE			
10	PROPERTY INSURANCE RESERVE (C)			
11	INJURIES & DAMAGES RESERVE (C)			
12	NUCLEAR REFUELING OUTAGE			
13	CUSTOMER ADVANCES			
14	CUSTOMER DEPOSITS			
15	ACCUMULATED DEFERRED INCOME TAXES			
16	FUEL INVENTORY (C)			
17	RIVER BEND AFUDC GROSS-UP			
18	COAL CAR MAINTENANCE RESERVE			
19	DOE DECOM. & DECONTAMINATION FEE			
20	OTHER (E) (F)			
21	RATE BASE (L3 + Sum of L4 – L20)			

NOTES:

- (A) BEGINNING/ENDING AVERAGE BALANCES ARE TO BE UTILIZED EXCEPT WHERE OTHERWISE NOTED.
- (B) ADJUSTMENTS AS SET OUT IN ATTACHMENT C TO THIS RIDER FRP
- (C) 13 MONTH AVERAGE BALANCES
- (D) BASED ON LEAD/LAG STUDY
- (E) OTHER ITEMS INCLUDED PURSUANT TO SECTION 7 OF ATTACHMENT C TO THIS RIDER FRP
- (F) BEGINNING & ENDING OR 13 MONTH AVERAGE AS MORE APPROPRIATE
- (G) AMOUNT NOT SUBJECT TO AFUDC ACCRUAL
- (H) PLANT IN SERVICE EXCLUDING DISALLOWED PLANT INVESTMENT
- (I) YEAR END BALANCES FOR PLANT ACQUISITIONS MADE DURING THE TEST YEAR

**ENTERGY GULF STATES LOUISIANA, L.L.C.
INCOME TAX**

LINE NO	DESCRIPTION	PER BOOKS	ADJUSTMENTS (A)	ADJUSTED AMOUNT
1	TOTAL OPERATING REVENUES (Page 3, L5)			
2	TOTAL O&M EXPENSE (Page 3, L13)			
3	GAIN FROM DISP OF ALLOWANCES (Page 3, L14)			
4	REGULATORY DEBITS AND CREDITS (Page 3, L15)			
6	INTEREST ON CUSTOMER DEPOSITS (Page 3, L16)			
5	DEPR, AMORT, DECOM, & ACCR EXP (Pg 3, L17)			
7	TAXES OTHER THAN INCOME (Page 3, L18)			
8	OTHER (Page 3, L24)			
9	NET INCOME B/F INC. TAXES (L1 - Sum of L2-L8)			
10	ADJUSTMENTS TO NET INCOME BEFORE TAXES			
11	TAXABLE INCOME (L9 + L10)			
COMPUTATION OF STATE INCOME TAX				
12	STATE TAX ADDITIONAL DEPRECIATION ADJ			
13	STATE TAXABLE INCOME (L11 + L12)			
14	STATE INCOME TAX BEFORE ADJUSTMENTS [L13 * Effective State Tax Rate (see Note B)]			
15	ADJUSTMENTS TO STATE TAX			
16	STATE INCOME TAX (L14 +L15)			
COMPUTATION OF FEDERAL INCOME TAX				
17	TAXABLE INCOME (L11)			
18	STATE INCOME TAX [L14 (shown as deduction)]			
19	FEDERAL ADJUSTMENTS			
20	TOTAL FED. TAXABLE INCOME (Sum of L17 - L19)			
21	FEDERAL INCOME TAX BEFORE ADJUSTMENTS [L20 * Federal Tax Rate (see Note B)]			
22	ADJUSTMENTS TO FEDERAL TAX			
23	FEDERAL INCOME TAX (L21 + L22)			

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NOTE:

- (A) ADJUSTMENTS DEFINED IN ATTACHMENT C
- (B) THE TAX RATE IN EFFECT AT THE TIME THE EVALUATION REPORT IS FILED SHALL BE UTILIZED

**ENERGY GULF STATES LOUISIANA L.L.C.
EVALUATION PERIOD ADJUSTMENTS**

CT

The actual (per book) data for each Evaluation Period, as reflected in Attachment B, shall be adjusted to reflect the following:

1. Special Rates

- A) Present rate revenue shall be adjusted to reflect, on an annualized basis, the Rate Adjustments in effect at the end of the Evaluation Period under this Rider FRP.
- B) The rate base, revenue and expense effects associated with any riders, or other rate mechanisms, that EGSL may have in effect during the Evaluation Period which recover specific costs are to be eliminated.

CT

2. Interest Synchronization

All Evaluation Period interest expenses are to be eliminated and replaced with an imputed interest expense amount equal to the Evaluation Period rate base multiplied by the weighted embedded cost of debt for the Evaluation Period determined in accordance with Attachment D.

3. Income Taxes

All state and federal income tax effects including 1) adjustments to taxable income, 2) adjustments to current taxes, 3) provisions for deferred income tax (debit and credit), and 4) accumulated provision for deferred income tax (debit and credit) shall be adjusted or eliminated, as appropriate, to comport with the following principles:

- A) Effects associated with other adjustments set out in this Attachment C shall similarly and consistently be adjusted;
- B) All effects associated with the difference in the timing of transactions, where the underlying timing difference is eliminated, shall also be eliminated;
- C) The corporate state and federal income tax laws legally in effect on the date an Evaluation Report is filed under this Rider FRP shall be reflected in the calculation of all income tax amounts; and
- D) Tax effects normally excluded in prior Commission Orders regarding EGSL for ratemaking purposes shall be eliminated.

CT

**ENTERGY GULF STATES LOUISIANA, L.L.C.
EVALUATION PERIOD ADJUSTMENTS**

CT

4. Specific Ratemaking Adjustments

The following adjustments shall be made for each Evaluation Period to the extent they remain applicable:

- A) Adjustments to remove the River Bend Deregulated Asset Plan ("DAP") cost effects from rate base and expenses.
- B) Adjustment to remove the 30% unregulated River Bend cost effects from rate base and expense.
- C) Adjustment to Louisiana retail revenue requirement for the DAP revenue requirement.
- D) Adjustment to Louisiana retail revenue requirement for the SGT revenue requirement.
- E) Cash working capital is determined by the latest approved lead/lag study.
- F) Nelson Rail Spur to be included in rate base and expense as if owned by EGSL. CT
- G) Decommissioning expense will be based on the latest approved cost estimates, escalation rates, earnings rates, and the depreciable life of River Bend.
- H) Depreciation expense shall be based on the latest approved Louisiana depreciation rates including a 60-year life for River Bend.
- I) The State Corporate Franchise Tax shall be proformed to reflect the 2007 State Corporate Franchise Tax, consistent with the terms of LPSC Order No. U-21453 (Subdocket J). AT
- J) The transmission costs shall be proformed consistent with the terms of LPSC Order No. U-29203 and LPSC Order No. U-21453 (Subdocket J). AT

5. Reclassifications

- A) Revenues associated with EGSL's rates in the LPSC Retail or FERC (Sales for Resale) jurisdictions, but included in Other Electric Revenue on a per book basis (Attachment B, Page 3, Line 4), shall be reclassified to the appropriate jurisdictional rate schedule revenue category. CT
- B) Costs not allowable for ratemaking purposes shall be removed by adjustment from the Evaluation Period cost data. Likewise, costs that are allowed, but recorded below the utility operating income line, shall be included in the Evaluation Period cost data through appropriate reclassification adjustments. These adjustments shall include, but are not limited to: 1) the reclassification of below-the-line interest expense associated with customer deposits and 2) interest expense related to Entergy Services, Inc. RT

6. Out-of-Period Items

Expenses and revenues recorded in any Evaluation Period that are related to transactions occurring prior to 2004 shall be eliminated by adjustment from the Evaluation Period cost data. This shall include any associated tax adjustments.

7. Other

In addition to Adjustments 1-6 above, there may from time to time be special cost or rate effects that occur during an Evaluation Period that require adjustment of the Evaluation Period cost data. Nothing in this Rider FRP shall preclude any Party from proposing such adjustments.

**ENTERGY GULF STATES LOUISIANA, L.L.C.
BENCHMARK RATE OF RETURN ON RATE BASE**

CT
RT

	(A)	(B)	(C)	(D)	
DESCRIPTION	CAPITAL AMOUNT (1) (\$)	CAPITAL RATIO (2)	COST RATE (3)	BENCHMARK RATE OF RETURN ON RATE BASE (4)	
1 SHORT-TERM DEBT					
2 LONG-TERM DEBT					RT
3 TOTAL DEBT					CT
4 PREFERRED EQUITY					CT
5 COMMON EQUITY	_____	_____	<u>EPCOE</u>	_____	CT
6 TOTAL			100.00%	BRORB	CT

NOTES:

- (1) Amounts at the end of the Evaluation Period, except Short-Term Debt not reflected in the AFUDC calculation which is a 13-month average, as adjusted for refinancing activities that occur prior to implementation of the Evaluation Report. All Long-Term Debt issues shall reflect the balance net of a) unamortized debt discount, premium, and expense; b) gain or loss on reacquired debt; and c) any adjustments required per Attachment C. All Preferred Stock issues shall reflect the balance net of discount, premium and capital stock expense. Common equity and preferred equity shall be adjusted for the net unamortized balance of gains and losses on reacquired preferred stock. Amounts related to Securitization financing will be eliminated. CT
- (2) Each Capital Amount divided by the Total Capital Amount. However, if the Common Equity Ratio exceeds the weighted average common equity ratio of all six Entergy Operating Companies plus 2%, the Common Equity Capital Amount shall be reduced so that the Common Equity Ratio is equal to the weighted average common equity ratio of all six Entergy Operating Companies plus 2%. Any resulting reduction in the Common Equity Capital Ratios (%) shall then be allocated to Short-Term Debt, Long-Term Debt and Preferred Equity on a pro rata basis based on the corresponding Capital Amounts. AT
- (3) Annualized cost of Long-Term Debt and Preferred Equity at the end of the Evaluation Period, as adjusted for refinancing activities that occur prior to implementation of the Evaluation Report, divided by the corresponding Capital Amount. The Short-Term Debt Cost Rate is the 13-month average of the Short-Term Debt interest rates on the last day of each month of the Evaluation Period and the immediately preceding December 31. The Long-Term Debt Cost Rate shall include a) annualized amortization of debt discount premium, and expense; b) annualized gain or loss on reacquired debt; and c) any adjustments required per Attachment C. The Common Equity Cost Rate shall be the Evaluation Period Cost Rate for Common Equity (EPCOE) determined in accordance with Attachment E. CT
AT
- (4) The components of the Benchmark Rate of Return on Rate Base (BRORB) column are the corresponding Cost Rates multiplied by the associated Capital Ratio. The BRORB is the sum of the components so determined and expressed as a percent to two decimal places (XX.XX%). RT

**ENTERGY GULF STATES LOUISIANA, L.L.C.
EVALUATION PERIOD COST RATE FOR COMMON EQUITY PROCEDURE**

CT

A. EVALUATION PERIOD COST RATE FOR COMMON EQUITY

The EPCOE applicable for any Evaluation Report shall be 10.65%. That EPCOE shall remain in effect until the EPCOE is reset by formal finding of the Commission in accordance with the provisions of Section B below.

B. REVISION OF THE EPCOE

1. General

Any Party may propose to revise the EPCOE by filing a proposal with the Commission. Such filing shall include expert testimony providing sufficient information and analysis to support the proposed revision to the EPCOE. The Commission shall then conduct a hearing to consider the proposal.

2. Revision in Context of Annual Review

In the event the Commission revises the EPCOE in the context of the review of an Evaluation Report filed in any year, the revised EPCOE shall be reflected in the final Rate Adjustments resulting from that review, which shall become effective in accordance with the requirements of Section 2.B of this Rider FRP.

3. Other Revision

In the event the Commission orders a revision of the EPCOE other than in the context of an annual review, as provided for in Section B.2 above, the revised EPCOE shall be reflected prospectively. Within ten (10) days after the issuance of the Commission's order revising the EPCOE, the Company shall file revised Rate Adjustments, which shall be based on the then currently effective Rate Adjustments as modified only to reflect the revised EPCOE. The revised Rate Adjustments shall then become effective beginning with the next applicable monthly billing cycle.

ENTERGY GULF STATES LOUISIANA, L.L.C.
RIDER FRP REVENUE REDETERMINATION FORMULA

SECTION 1		BANDWIDTH CHECK		
<u>DESCRIPTION</u>	<u>REFERENCE</u>			
1	Earned Rate of Return on Common Equity	Attachment B, Page 1, L25	_____ %	CT
2	Evaluation Period Cost Rate for Common Equity	Developed per Attachment E	_____ 10.65%	
3	If $L 2 + 0.75\% < L 1$		GO TO Section 2	RT
4	If $L 2 - 0.75\% > L 1$		GO TO Section 3	RT
5	Otherwise		No Rate Change	
SECTION 2		UPPER BAND RATE ADJUSTMENT		
<u>DESCRIPTION</u>	<u>REFERENCE</u>			
6	Earned Rate of Return on Common Equity (EROE)	L 1	_____ %	AT
7	Upper Band	L 2 + 0.75%	_____ %	RT
8	Reduction to Upper Band	L 6 - L 7	_____ %	
9	Extraordinary Cost and/or Capacity Costs	Per Sec. 3.A &/or 3.D of Tariff	\$ _____	RT
10	Common Equity Capital Ratio	Attachment D, L5, Column B	_____ %	CT
11	LPSC Retail Rate Base	Attachment B, Page 1, L20	\$ _____	CT
12	Revenue Conversion Factor	Attachment B, Page 1, L 6	_____	
13a	Net Cost Impact on Common Equity	$L 9 / (L 10 * L 11 * L 12)$	_____ %	
13b	Reduction due to Extraordinary/Capacity Costs	Lesser of L 8 or L 13a	_____ %	
13c	Reduction in EROE	If $L 8 > L 13b$, then 60% (L8 - L13b); otherwise zero	_____ %	CT
14	Total ROE Reduction	L 13b + L 13c	_____ %	
15	If $L 14 \leq 0.05\%$		No Rate Change	
16	If $L 14 > 0.05\%$, then Reduction in Rider FRP Revenue	L 10 * L 11 * L 12 * L14	\$ _____	
SECTION 3		LOWER BAND RATE ADJUSTMENT		
<u>DESCRIPTION</u>	<u>REFERENCE</u>			
17	Lower Band	L 2 - 0.75%	_____ %	RT
18	Earned Rate of Return on Common Equity	L 1	_____ %	
19	Increase to Lower Band	L 17 - L 18	_____ %	
20	Increase in Earned Rate of Return on Common Equity	60% of L 19	_____ %	RT
21	If $L 20 \leq .05\%$		No Rate Change	
22	If $L 20 > 0.05\%$, then			
23	Increase in EROE	L 20	_____ %	CT
24	Common Equity Capital Ratio	Attachment D, L5, Column B	_____ %	CT
25	LPSC Retail Rate Base	Attachment B, Page 1, L20	\$ _____	CT
26	Revenue Conversion Factor	Attachment B, Page 1, L6	_____	CT
27	Increase in Rider FRP Revenue	$L 23 * L 24 * L 25 * L 26$	\$ _____	
SECTION 4		TOTAL RIDER FRP REVENUE		
<u>DESCRIPTION</u>	<u>REFERENCE</u>			
28	Annualized Evaluation Period FRP Revenue	See Note 1	\$ _____	CT
29	(Reduction)/Increase in Rider FRP Revenue	- L 16 or + L 27	\$ _____	
30	Transmission Related Revenue Requirement	Per Sec. 2.C.2 of the Tariff	\$ _____	CT
31	Environmental Related Revenue Requirement	Per Sec. 2.C.2 of the Tariff	\$ _____	CT
32	Energy Efficiency Related Revenue Requirement	Per Sec. 2.C.2 of the Tariff	\$ _____	CT
33	Retail Allocation Related Revenue Requirement	Per Sec. 2.C.2 of the Tariff	\$ _____	CT
34	Extraordinary Cost Change Revenue Requirement	Per Sec. 3.A of the Tariff	\$ _____	CT
35	Additional Capacity Revenue Requirement	Per Sec. 3.D of the Tariff	\$ _____	CT
36	Recovery of Realigned Costs Revenue Requirement	Per Sec. 3.E of the Tariff	\$ _____	CT
37	Total Rider FRP Revenue	Sum of L28 – L36	\$ _____	CT

Note:

- (1) Rider FRP Rate Adjustments in effect at the end of the applicable Evaluation Period multiplied by the applicable Evaluation Period billing determinants.