



Entergy Arkansas, Inc.  
Regulatory Affairs  
425 West Capitol Avenue  
P. O. Box 551  
Little Rock, AR 72203-0551  
Tel 501 377 4000

RECEIVED  
2013 JAN 15 AM 10:07  
T.R.A. DOCKET ROOM

January 10, 2013

Chairman James M. Allison  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Tennessee Regulatory Authority (TRA) Docket No. 09-00098  
Entergy Arkansas, Inc. Request for Approval to Enter Into Certain  
Financing Transactions During the Years 2010 Through 2012

Dear Chairman Allison:

Pursuant to the approving Order issued November 2, 2009, in TRA Docket No. 09-00098, please find attached for filing with the TRA the original and 13 copies of Entergy Arkansas, Inc.'s compliance financing report filed January 10, 2013, with the Arkansas Public Service Commission in APSC Docket No. 09-068-U.

This report is being filed in regard to the December 13, 2012 issuance of \$200,000,000 aggregate principal amount of First Mortgage Bonds.

If you have any questions or need additional information, please do not hesitate to call me at 501-377-5876.

Sincerely,

A handwritten signature in cursive script that reads "Laura Landreaux".

Laura Landreaux  
Manager, Regulatory Affairs

Attachments

c: Mr. Jerry Kettles



January 10, 2013

Ms. Kristi Rhude, Secretary  
Arkansas Public Service Commission  
P. O. Box 400  
1000 Center Street  
Little Rock, AR 72203-0400

Re: APSC Docket No. 09-068-U  
Pursuant to Order No. 1  
In the Matter of the Application of Entergy Arkansas, Inc.  
for Authorization to Enter Into Certain Financing  
Transactions During the Years 2010 Through 2012

Dear Ms. Rhude:

Pursuant to Order No. 1 in this Docket, attached is Entergy Arkansas, Inc.'s compliance report to the Commission regarding the December 13, 2012, issuance of \$200,000,000 aggregate principal amount of First Mortgage Bonds.

To the extent this report contains estimates, a follow up report will be filed reflecting actual expenses which will not be known for several months subsequent to closing.

Sincerely,

/s/ Laura Landreaux

Laura Landreaux  
Manager, Regulatory Affairs

Attachment  
c: All Parties of Record

APSC DOCKET NO. 09-068-U

**ENTERGY ARKANSAS, INC.**

**ISSUANCE OF FIRST MORTGAGE BONDS:  
\$200,000,000 4.90% SERIES DUE DECEMBER 1, 2052**

**EXECUTIVE SUMMARY**

**Dated January 3, 2013**

**TRANSACTION ANALYSIS AND RESULTS**

On December 13, 2012, Entergy Arkansas, Inc. ("EAI"), issued \$200,000,000 aggregate principal amount of First Mortgage Bonds (the "Bonds") at an annual interest rate of 4.90%. EAI intends to use the net proceeds it receives from the issuance and sale of the Bonds to (i) repay borrowings from the Entergy system money pool, which is an inter-company borrowing arrangement designed to reduce the utility subsidiaries' dependence on short-term borrowings, and (ii) repay borrowings under its (A) \$20 million credit facility with Simmons First National Bank, expiring April 30, 2013 and currently with a cost of capital of 1.97% per annum and (B) \$150 million credit facility with Citibank, N.A., as administrative agent, and the Lenders and LC Issuing Banks named therein, expiring March 9, 2017 and currently with a cost of capital of 1.71% per annum. Proceeds from the borrowings in both (i) and (ii) were used to partially finance the purchase of the Hot Spring Energy Facility from a subsidiary of KGen Power Corporation for a purchase price of approximately \$253 million. The net proceeds from the issuance were approximately \$193.3 million after deducting underwriting discounts and commissions and estimated offering expenses payable by EAI. Actual expenses will not be known for several months subsequent to closing.

Subsequent to the issuance of the Bonds, \$25 million in first mortgage bonds remain authorized under the Arkansas Public Service Commission Order issued in docket no. 09-068-U (the "2009 Order"). All other amounts authorized under the Order are unchanged. In addition, an aggregate principal amount of \$600,000,000 of first mortgage bonds remain unsold and unissued under the APSC Order issued in docket no. 11-090-U.

**SUMMARY OF TERMS**

<u>Principal Amount:</u>	\$200,000,000
<u>Maturity Date:</u>	12/1/52
<u>Optional Call Provisions:</u>	Callable at par on or after 12/1/17

APSC DOCKET NO. 09-068-U

SUMMARY OF TERMS (CONTINUED)

Underwriters:

Merrill Lynch, Pierce, Fenner & Smith  
Incorporated  
Morgan Stanley & Co. LLC  
Stephens Inc.  
Wells Fargo Securities, LLC  
Ameriprise Financial Services, Inc.  
Davenport & Company LLC  
D. A. Davidson & Co.  
Halliday (HRC Investments Inc.)  
Janney Montgomery Scott LLC  
J.P. Morgan Securities LLC  
Oppenheimer & Co. Inc.  
Raymond James & Associates, Inc.  
Robert W. Baird & Co. Incorporated  
Wedbush Securities Inc.

<u>30 Year Treasury Yield @ Pricing:</u>	2.76%
<u>Spread to Treasury:</u>	2.14%
<u>Yield to Public:</u>	4.90%
<u>Coupon Rate:</u>	4.90%
<u>Price to Public:</u>	100%
<u>Underwriters' Compensation:</u>	3.15%
<u>Proceeds to Company (before expenses):</u>	96.85% or \$193,700,000

JOURNAL ENTRIES

Exhibit A shows journal entries related to the issuance of the new series of First Mortgage Bonds.

EXHIBIT A  
APSC DOCKET NO. 09-068-U

ENTERGY ARKANSAS, INC.  
ENTRIES TO RECORD THE ISSUANCE OF  
\$200,000,000 FIRST MORTGAGE BONDS

Entry No. 1

Cash	\$193,700,000	
Unamortized Debt Expense – FMB (Underwriting Fee)	\$6,300,000	
Long Term Debt – First Mortgage Bonds		\$200,000,000

To record the sale of \$200,000,000 principal amount of 4.90% Entergy Arkansas, Inc. First Mortgage Bonds due December 1, 2052 and the related underwriting fee.

---

Entry No. 2

Unamortized Debt Expense – FMB	\$*	
Cash		\$*

To record expenses in connection with the issuance of \$200,000,000 principal amount of 4.90% Entergy Arkansas, Inc. First Mortgage Bonds due December 1, 2052.

\*NOTE: Total expenses are estimated to be approximately \$440,000. Actual expenses will not be known for several months subsequent to closing.

---

Entry No. 3

Amortization – Expenses for Long Term Debt *	\$8,432	
Unamortized Debt Expense for Long Term Debt *		\$8,432

To record the annual amortization of the underwriting fee and other issuance expenses in connection with the issuance of \$200,000,000 principal amount of 4.90% Entergy Arkansas, Inc. First Mortgage Bonds due December 1, 2052.

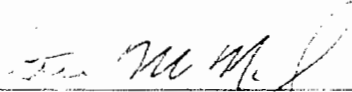
\*NOTE: This amount represents the amount of expenses that will be amortized for 2012 only. The annual amortization of the debt expense for all other years will be \$168,641, unless more expenses are added to this project code, thereby increasing the total balance and monthly amortization.

---

APSC DOCKET NO. 09-068-U

ENTERGY ARKANSAS, INC.

I, Steven C. McNeal, Vice President and Treasurer, attest as of the date set forth above, that the journal entries attached as Exhibit A correctly reflect the effects of the sale on December 13, 2012 of \$200,000,000, 4.90% Entergy Arkansas, Inc. First Mortgage Bonds due December 1, 2052.



---

Steven C. McNeal  
Vice President and Treasurer