

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

October 26, 2011

IN RE:

**APPLICATION OF ENTERGY ARKANSAS, INC.
FOR AUTHORIZATION TO ENTER INTO CERTAIN
FINANCING TRANSACTIONS BETWEEN
DECEMBER 31, 2011 AND DECEMBER 31, 2012**

)
)
)
)
)
)

**DOCKET NO.
11-00160**

ORDER APPROVING FINANCING TRANSACTIONS

This matter came before the Tennessee Regulatory Authority (the "Authority" or "TRA") at the regularly scheduled Authority Conference held on October 17, 2011 for consideration of the *Application* of Entergy Arkansas, Inc. ("EAI," "Entergy," or "Company") for an order, pursuant to Tenn. Code Ann. § 65-4-109 (2004), authorizing the issuance of securities and the assumption of obligations.

THE APPLICATION

EAI is an electric utility primarily serving customers in Arkansas, with only nineteen customers in the State of Tennessee. In its *Application*, filed with the TRA on September 13, 2011, EAI requests that the TRA issue an order authorizing EAI to issue or sell additional long-term debt in the amount of \$600 million in the form of First Mortgage Bonds, as well as debentures, both secured and unsecured, between December 31, 2011 and December 31, 2012.¹ EAI states unexpectedly favorable market conditions has resulted in Company issuing First

¹ This amount is in addition to the remaining aggregate amount of \$225 million of the First Mortgage Bonds, Preferred Stock, Common Stock and Tax-Exempt Bonds previously authorized to be issued and sold in TRA Docket No. 09-00098. On September 14, 2009, the Arkansas Public Service Commission ("APSC") issued an order approving the same financing transactions and imposing reporting requirements on the transactions.

Mortgage Bonds to refinance existing Bonds at a rate faster than anticipated. Current economic forecasts for the Company reflect continued opportunities for savings through refinancing of bonds and therefore, the Company seeks authorization for additional amounts.

According to the *Application*, the proceeds will be used to provide funds to repay maturing debt, to provide funds for the redemption or retirement of the Company's outstanding First Mortgage Bonds prior to the maturity thereof, to provide funds for capital investments, to finance unanticipated events such as emergency restoration, and for other corporate purposes. On September 29, 2011, the Arkansas Public Service Commission entered an Order approving these financing transactions in Docket No. 11-090-U.

FINDINGS AND CONCLUSIONS

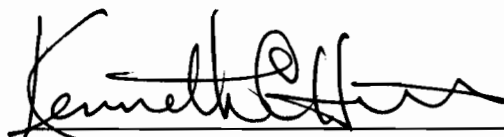
Tenn. Code Ann. § 65-4-109 (2004) provides:

No public utility shall issue any stocks, stock certificates, bonds debentures, or other evidences of indebtedness payable in more than one (1) year from the date thereof, until it shall have first obtained authority from the authority for such proposed issue. It shall be the duty of the authority after hearing to approve any such proposed issue maturing more than one (1) year from the date thereof upon being satisfied that the proposed issue, sale and delivery is to be made in accordance with law and the purpose of such be approved by the authority.

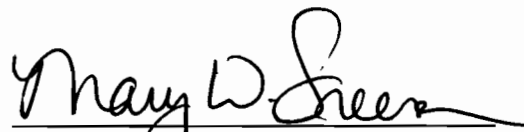
At a regularly scheduled Authority Conference held on October 17, 2011, the Directors found that (1) the financing transactions are subject to Authority approval pursuant to Tenn. Code Ann. § 65-4-109 (2004); (2) the transactions are being made in accordance with the laws enforceable by this agency; (3) the transactions are in the public interest as they provide Entergy flexibility to enter financial markets to reduce interest expenses as opportunities present themselves; and (4) Entergy shall be bound by the same filing requirements imposed by the APSC in Docket No. 11-090-U. Based on its findings, the Directors voted unanimously to approve the financing transactions.

IT IS THEREFORE ORDERED THAT:

1. Entergy Arkansas, Inc. is authorized to enter into financing transactions between December 31, 2011 and December 31, 2012 as described in the *Application* and discussed herein.
2. The terms of said financing transactions shall be as described in the *Application*.
3. Entergy Arkansas, Inc. shall file copies of any reports that it is required to provide to the Arkansas Public Service Commission related to this Docket.
4. The authorization given hereby shall not be used by any party for the purpose of inferring an analysis or assessment of the risks involved. Nothing herein creates or is intended to create any liability on the part of the Tennessee Regulatory Authority, the State of Tennessee, or any political subdivision thereof.


Kenneth C. Hill, Chairman


Sara Kyle, Director


Mary W. Freeman, Director