



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

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T.R.A. DOCKET ROOM

January 29, 2013

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

Re: Tennessee Regulatory Authority (TRA) Docket No. 12-00109
Entergy Arkansas, Inc. Request for Approval to Enter Into Certain
Financing Transactions Between January 1, 2013 and
December 31, 2015

Dear Chairman Allison:

Pursuant to the approving Order issued October 24, 2012, in TRA Docket No. 12-00109, please find attached for filing with the TRA the original and 13 copies of Entergy Arkansas, Inc.'s (EAI) compliance financing report filed January 29, 2013, with the Arkansas Public Service Commission in APSC Docket No. 12-059-U.

This report is being filed in regard to the January 9, 2013, issuance of \$54,700,000 aggregate principal amount of tax-exempt revenue bonds by Jefferson County, Arkansas, and \$45,000,000 aggregate principal amount of tax-exempt bonds by Independence County, Arkansas, for the benefit of EAI.

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



Entergy

APSC FILED Time: 1/29/2013 11:12:55 AM: Recvd 1/29/2013 11:03:48 AM: Docket 12-059-U Doc 8

Entergy Arkansas, Inc.

Regulatory Affairs

425 West Capitol Avenue

P. O. Box 551

Little Rock, AR 72203-0551

Tel 501 377 4000

January 29, 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. 12-059-U
Pursuant to Order No. 2
In the Matter of the Application of Entergy Arkansas, Inc.
for Authorization to Enter Into Certain Financing
Transactions Between January 1, 2013, and December 31, 2015

Dear Ms. Rhude:

Pursuant to Order No. 2 in this docket, attached is Entergy Arkansas, Inc.'s (EAI) compliance report to the Commission in the above-styled proceedings regarding the January 9, 2013, issuance of \$54,700,000 aggregate principal amount of tax-exempt revenue bonds by Jefferson County, Arkansas, and \$45,000,000 aggregate principal amount of tax-exempt bonds by Independence County, Arkansas, for the benefit of EAI.

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

ENTERGY ARKANSAS, INC.

ISSUANCE OF TAX-EXEMPT BONDS AND COLLATERAL BONDS:

**INDEPENDENCE COUNTY, ARKANSAS
POLLUTION CONTROL REVENUE REFUNDING BONDS
(ENTERGY ARKANSAS, INC. PROJECT) SERIES 2013,**

**ENTERGY ARKANSAS, INC.
FIRST MORTGAGE BONDS, POLLUTION CONTROL SERIES H,**

**JEFFERSON COUNTY, ARKANSAS
POLLUTION CONTROL REVENUE REFUNDING BONDS
(ENTERGY ARKANSAS, INC. PROJECT) SERIES 2013 AND**

**ENTERGY ARKANSAS, INC.
FIRST MORTGAGE BONDS, POLLUTION CONTROL SERIES G**

EXECUTIVE SUMMARY

Dated January 24, 2013

TRANSACTION ANALYSIS AND RESULTS

On January 9, 2013, Jefferson County, Arkansas ("Jefferson County") issued and sold in a public offering for the benefit of Entergy Arkansas, Inc. (the "Company") \$54,700,000 aggregate principal amount of tax-exempt revenue bonds (the "Jefferson Bonds") and Independence County, Arkansas ("Independence County") issued and sold in a public offering for the benefit of the Company \$45,000,000 aggregate principal amount of tax-exempt bonds (the "Independence Bonds", together with the Jefferson Bonds, the "Bonds").

The Jefferson Bonds were issued under a Trust Indenture, dated as of January 1, 2013 (the "Jefferson Indenture"), between Jefferson County and Simmons First Trust Company, National Association, as Trustee (the "Trustee"). The Jefferson Bonds are payable solely from payments to be made by the Company pursuant to a loan agreement, dated as of January 1, 2013, between the Company and Jefferson County (the "Jefferson Loan Agreement"), pursuant to which Jefferson County has loaned the proceeds of the Jefferson Bonds to the Company. The Independence Bonds were issued under a Trust Indenture, dated as of January 1, 2013 (the "Independence Indenture" and, together with the Jefferson Indenture, the "Indentures"), between Independence County and the Trustee. The Independence Bonds are payable solely from payments to be made by the Company pursuant to a loan agreement, dated as of January 1, 2013, between the Company and Independence County (the "Independence Loan Agreement" and, together with the Jefferson Loan Agreement, the "Loan Agreements"), pursuant to which

Independence County has loaned the proceeds of the Independence Bonds to the Company.

The Jefferson Bonds are secured by a pledge and assignment by Jefferson County to the Trustee of the revenues derived from the payments to be made by the Company pursuant to the Jefferson Loan Agreement, which payments are intended to be sufficient to enable the Trustee to pay when due the principal of and interest on the Jefferson Bonds. The Jefferson Bonds are secured by a pledge and assignment by Jefferson County to the Trustee of the revenues derived from the payments to be made by the Company pursuant to the Jefferson Loan Agreement, which payments are intended to be sufficient to enable the Trustee to pay when due the principal of and interest on the Jefferson Bonds.

The obligation of the Company under the Jefferson Loan Agreement to make such payments is evidenced by a series of the Company's first mortgage bonds (the "Series G Mortgage Bonds"), issued and delivered under the Seventy-second Supplemental Indenture, dated as of January 1, 2013 (the "Supplemental Indenture"), to the Company's Mortgage and Deed of Trust dated as of October 1, 1944, with Deutsche Bank Trust Company Americas (successor to Guaranty Trust Company of New York) and (as to property, real or personal, situated or being in Missouri) The Bank of New York Mellon (successor to Marvin A. Mueller), as trustees, as supplemented and modified (the "Mortgage"). The obligation of the Company under the Independence Loan Agreement to make such payments is evidenced by a separate series of the Company's first mortgage bonds (the "Series H Mortgage Bonds" and, together with the Series G Mortgage Bonds, the "Mortgage Bonds"), also issued and delivered under the Supplemental Indenture.

The Series G Mortgage Bonds were issued and delivered to Jefferson County who then pledged and assigned to the Trustee for the benefit of the holders of the Jefferson Bonds, and the Series H Mortgage Bonds were issued and delivered to Independence County who then pledged and assigned to the Trustee for the benefit of the holders of the Independence Bonds, all rights, title and interests in, to and under such respective series of Mortgage Bonds (including the right to receive such series of Mortgage Bonds under the related Loan Agreement). As holder of the Mortgage Bonds, the Trustee, ratably with the holders of all other first mortgage bonds outstanding under the Mortgage, enjoys the benefit of the Mortgage, which constitutes a first mortgage lien on, subject to certain exceptions, substantially all of the property of the Company.

The proceeds received by each of Jefferson County and Independence County from the sale of the respective series of Bonds, together with other funds provided by the Company, were used or will be used to refinance the Company's obligations with respect to certain outstanding series of pollution control revenue bonds issued by each of the respective counties.

Subsequent to the issuance of the Bonds, \$250,300,000 in Tax-Exempt Bonds and \$299,021,000 in Collateral Bonds remain authorized under the Arkansas Public Service Commission Order issued in docket no. 12-059-U. All other amounts authorized under the Order are unchanged.

SUMMARY OF TERMS

Independence Bonds

<u>Principal Amount:</u>	\$45,000,000
<u>Maturity Date:</u>	1/1/21
<u>Coupon Rate:</u>	2.375%
<u>Underwriters' Commission:</u>	0.50%

Series H Mortgage Bonds

<u>Principal Amount:</u>	\$45,713,000
<u>Coupon Rate:</u>	0%

Jefferson Bonds

<u>Principal Amount:</u>	\$54,700,000
<u>Maturity Date:</u>	10/1/17
<u>Coupon Rate:</u>	1.55%
<u>Underwriters' Commission:</u>	0.45%

Series G Mortgage Bonds

<u>Principal Amount:</u>	\$55,266,000
<u>Coupon Rate:</u>	0%

Underwriters of the Bonds:

Morgan Stanley & Co. LLC
Stephens Inc.
SunTrust Robinson Humphrey, Inc.

JOURNAL ENTRIES

Exhibit A shows the journal entries related to the issuance of the Jefferson Bonds and Independence Bonds, respectively.

EXHIBIT A
APSC DOCKET NO. 12-059-U

ENTERGY ARKANSAS, INC.
ENTRIES TO RECORD THE SALE OF
\$45,000,000 POLLUTION CONTROL REVENUE BONDS

Entry No. 1

Funds held on deposit with Trustee	\$45,000,000	
Unamortized Discount –	\$0	
Long Term Debt		\$45,000,000
Unamortized Debt Expense – (Underwriting Fee)	\$230,172	
Cash		\$230,172

To record the sale of \$45,000,000 principal amount of 2.375% Independence County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due January 1, 2021 and the related underwriting fee.

Entry No. 2

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

To record expenses in connection with the issuance of \$45,000,000 principal amount of 2.375% Independence County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due January 1, 2021.

*NOTE: Total expenses are estimated to be approximately \$100,000. Actual expenses will not be known for several months subsequent to closing.

Entry No. 3

Amortization – Expenses for Long Term Debt *	\$40,467	
Unamortized Debt Expense for Long Term Debt *		\$40,467

To record the annual amortization of the underwriting fee and other issuance expenses in connection with the issuance of \$45,000,000 principal amount of 2.375% Independence County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due January 1, 2021.

*NOTE: This amount represents the approximate amount of expenses that will be amortized for 2013 only, based on the initial underwriting fee and estimated expenses associated with this debt, with the annual amortization of the debt expense for all other years estimated to be \$41,386. If total expenses increase so would the monthly amortization.

EXHIBIT A
APSC DOCKET NO. 12-059-U

ENTERGY ARKANSAS, INC.
ENTRIES TO RECORD THE SALE OF
\$54,700,000 POLLUTION CONTROL REVENUE BONDS

Entry No. 1

Funds held on deposit with Trustee	\$54,700,000	
Unamortized Discount –	\$0	
Long Term Debt		\$54,700,000
Unamortized Debt Expense – (Underwriting Fee)	\$251,322	
Cash		\$251,322

To record the sale of \$54,700,000 principal amount of 1.55% Jefferson County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due October 1, 2017 and the related underwriting fee.

Entry No. 2

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

To record expenses in connection with the issuance of \$54,700,000 principal amount of 1.55% Jefferson County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due October 1, 2017.

*NOTE: Total expenses are estimated to be approximately \$100,000. Actual expenses will not be known for several months subsequent to closing.

Entry No. 3

Amortization – Expenses for Long Term Debt *	\$72,659	
Unamortized Debt Expense for Long Term Debt *		\$72,659

To record the annual amortization of the underwriting fee and other issuance expenses in connection with the issuance of \$54,700,000 principal amount of 1.55% Jefferson County, Arkansas Pollution Control Revenue Bonds (Entergy Arkansas, Inc) Series 2013, due October 1, 2017.

*NOTE: This amount represents the approximate amount of expenses that will be amortized for 2013 only, based on the initial underwriting fee and estimated expenses associated with this debt, with the annual amortization of the debt expense for all other years estimated to be \$74,310. If total expenses increase so would the monthly amortization.

APSC DOCKET NO. 12-059-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 issuance of the Series G and Series H Mortgage Bonds by the Company as Collateral Bonds for the Jefferson Bonds and Independence Bonds, respectively, on January 9, 2013.



Steven C. McNeal
Vice President and Treasurer