



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

August 26, 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 compliance financing report filed July 3, 2013, with the Arkansas Public Service Commission in APSC Docket No. 12-059-U.

This report is being filed in regard to the issuance of a term loan credit agreement entered into on July 26, 2013 in the amount of \$250,000,000.

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: 8/26/2013 9:00:14 AM Recvd: 8/26/2013 8:56:30 AM Docket 12-059-U

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

August 26, 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 compliance report to the Commission regarding the term load credit agreement entered into on July 26, 2013 in the amount of \$250,000,000.

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.

**TERM LOAN CREDIT AGREEMENT
\$250,000,000 TERM LOAN DUE JANUARY 26, 2015**

EXECUTIVE SUMMARY

DATED: August 23, 2013

PURPOSE AND TERMS OF AGREEMENT

On July 26, 2013, Entergy Arkansas, Inc. ("EAI"), as borrower, entered into a term loan credit agreement with the banks named therein, Wells Fargo Bank, National Association, as Administrative Agent, and Union Bank, N.A., Suntrust Robinson Humphrey, Inc. and Canadian Imperial Bank of Commerce, New York Agency, as Joint Lead Arrangers (the "Agreement"). The Agreement provides EAI with an eighteen-month \$250 million secured credit facility. Borrowings under the facility were used to repay a portion of EAI's \$300 million 5.4% First Mortgage Bonds maturing on August 1, 2013, will be used for general corporate purposes, and will mature and be payable on the termination date for the facility, January 26, 2015.

The Agreement facility has a variable interest rate that fluctuates depending on the senior secured debt rating of EAI. The only borrowing allowed under the agreement was made with a borrowing notice at closing on July 26, 2013 in the amount of \$250 million with the advance occurring on July 31, 2013. The initial interest rate on the borrowings was 0.875% over the applicable per annum Eurodollar Rate as defined in the Agreement. In connection with the Agreement, EAI incurred fees and expenses estimated at approximately \$125,000. Actual expenses will not be known for several months subsequent to closing.

The obligation of EAI under the Agreement is secured by a series of EAI's first mortgage bonds (the "2013 Credit Agreement Collateral Series due 2015"), issued and delivered to the Administrative Agent under the Seventy-fifth Supplemental Indenture, dated as of July 15, 2013 (the "Supplemental Indenture"), to the Company's Mortgage and Deed of Trust, dated as of October 1, 1944, among the Borrower, Deutsche Bank Trust Company Americas (successor to Guaranty Trust Company of New York) (the "Corporate Trustee") and (as to property, real or personal, situated or being in Missouri) The Bank of New York Mellon Trust Company, National Association (successor to Marvin A. Mueller) (the "Missouri Trustee", and together with the Corporate Trustee, the "Mortgage Trustees"), as amended and supplemented from time to time.

On September 13, 2012, the Arkansas Public Service Commission ("APSC" or the "Commission") issued an order in Docket No. 12-059-U (the "Order") authorizing EAI to issue long-term debt (including first mortgage bonds, debentures, loan agreements, credit facilities and other like instruments both secured and unsecured) in an amount not to exceed \$700 million. Subsequent to EAI's entry into the Agreement, \$375 million of long-term debt remains authorized and unissued under the Order.

APSC DOCKET NO. 12-059-U

SUMMARY OF TERMS

Term Loan Credit Facility

Principal Amount: \$250,000,000

Maturity Date: 1/26/15

Interest Rate: Variable

2013 Credit Agreement Collateral Series Mortgage Bonds

Principal Amount: \$255,000,000

Coupon Rate: 0%

ACCOUNTING JOURNAL ENTRIES

The journal entries related to the Credit Agreement are attached as Exhibit A.

EXHIBIT A
APSC DOCKET NO. 12-059-U

ENTERGY ARKANSAS, INC.
ENTRIES TO RECORD IN CONNECTION WITH THE
\$250,000,000 TERM LOAN AGREEMENT

Entry No. 1

Cash	\$250,000,000
Long Term Debt	\$250,000,000

To record the borrowing by Entergy Arkansas, Inc. of \$250,000,000 principal under the term loan credit agreement due January 26, 2015.

Entry No. 2

Unamortized Debt Expense	\$*
Cash	\$*

To record expenses in connection with the initial setup of the \$250,000,000 term loan credit agreement for Entergy Arkansas, Inc. due January 26, 2015.

*NOTE: Total expenses are estimated to be approximately \$125,000. Actual expenses will not be known for several months subsequent to closing.

Entry No. 3

Amortization of Debt Expenses *	\$35,047
Unamortized Debt Expenses *	\$35,047

To record the annual amortization of debt expenses in connection with the initial setup of the \$250,000,000 term loan credit agreement for Entergy Arkansas, Inc. due January 26, 2015.

*NOTE: This amount represents the amount of expenses that will be amortized for 2013 only. The annual amortization of the debt expense for all other years will be \$84,112. Amortization based on estimated expenses. If additional expenses are incurred, it would thereby increase the total balance and monthly amortization.
