

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

May 13, 2014

IN RE:)	
)	
APPLICATION OF ENTERGY ARKANSAS,)	DOCKET NO.
INC. FOR APPROVAL OF CHANGES IN RATES)	13-00114
FOR RETAIL ELECTRIC SERVICE)	

ORDER ADOPTING DECISION OF ARKANSAS PUBLIC SERVICE COMMISSION

This matter came before Director Kenneth C. Hill, Director Robin Bennett and Director David F. Jones of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on April 14, 2014, for consideration of Entergy Arkansas, Inc.’s (“Entergy” or the “Company”) *Application* filed on August 26, 2013.

BACKGROUND

Entergy provides electric service to approximately 695,000 customers, approximately seven of which are in Tennessee. Due to the small percentage of Tennessee customers, it has been the position of the TRA to allow the Arkansas Public Service Commission (“APSC”) to investigate and conduct rate case hearings and to determine the appropriate rates for Entergy. After the APSC ruling is made, Entergy files the rates adopted in Arkansas seeking the Authority’s approval of the rates in Tennessee.

Entergy filed the *Application* for approval of changes in rates for retail electric power on August 26, 2013. In addition to a change in rates, Entergy seeks approval of a new Capacity Cost Recovery Rider and a new Mid-Continent Independent System Operator, Inc. (“MISO”)

Rider. The Capacity Cost Recovery Rider will recover costs associated with short term and pre-approved purchase power contracts, and the MISO Rider will recover MISO-related costs including costs of membership and revenues and costs of Entergy's participation in the MISO energy market. Entergy's filing with the Authority was a copy of the *Application* that had been filed with the APSC in APSC Docket No. 13-028-U.

On October 29, 2013, the Authority filed its *Order Appointing a Hearing Officer*. The Hearing Officer was directed to monitor APSC decisions in Docket No. 13-028-U and to prepare the matter for hearing. On March 21, 2014, Entergy supplemented its filing with the final APSC Order No. 21, which resulted in base rate increases listed by rate class as follows:

Residential	6.12% Increase
Small General Service	8.17% Increase
Large General Service	12.77% Increase
Lighting	0 % Increase
Total	8.17% Increase

In addition, on March 21, 2014, Entergy filed the compliance tariffs issued in Arkansas and APSC Order No. 24, approving the compliance tariffs. Entergy also requested the rates be approved at the April 14, 2014 Conference and that the tariff be allowed to take effect beginning with the first billing cycle in May 2014 (April 30, 2014).

FINDINGS AND CONCLUSIONS

The panel convened a public hearing in this matter during the regularly scheduled April 14, 2014 Authority Conference. The Hearing Officer issued public notice of the hearing on April 2, 2014. On April 9, 2014, Entergy filed proof of publication showing that notice of the hearing had been published in an appropriate newspaper of general circulation on April 2, 2014. No person sought intervention prior to or during the Hearing.

During the Hearing, Ms. Laura R. Landreaux, Manager of Regulatory Affairs, participated telephonically. Ms. Landreaux summarized Entergy's *Application* and was subject to examination

by the panel. Ms. Debbie P. Bishop, a licensed Notary Public in good standing in the State of Arkansas, administered the testimonial oath to Ms. Landreaux and remained present with her throughout her examination and testimony. In addition, as required, the Authority received a properly executed *Witness Certification* and a *Notary Public Affidavit* on April 17, 2014.

Based on the testimony and the entire record, the panel found the rates requested by Entergy, and approved by the APSC, to be just and reasonable. Thereafter, the panel voted unanimously to adopt the rates approved by the APSC in APSC Docket No. 13-028-U, *Application for Approval of Changes in Rates for Retail Electric Service*. Further, the panel voted unanimously to approve the requested tariffs and establish the effective date of such tariffs as April 30, 2014.

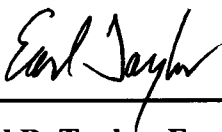
IT IS THEREFORE ORDERED THAT:

1. The decision of the Arkansas Public Service Commission in Arkansas Public Service Commission Docket No. 13-028-U, *Application for Approval of Changes in Rates for Retail Electric Service*, is adopted.

2. The tariffs filed on March 21, 2014 by Entergy Arkansas, Inc. are hereby approved, with an effective date of April 30, 2014.

Director Kenneth C. Hill, Director Robin Bennett and Director David F. Jones concur.

ATTEST:



Earl R. Taylor, Executive Director