



Entergy Arkansas, Inc.
Regulatory Affairs
425 West Capitol Avenue
P.O. Box 561
Little Rock, AR 72203-0551
Tel 501 377 4000

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VIA OVERNIGHT MAIL

June 7, 2017

Chairman David Jones
Tennessee Public Utility Commission
Attn. Sharla Dillon, Dockets Manager
502 Deaderick Street, 4th Floor
Nashville, TN 37243

Re: Tennessee Public Utility Commission (TPUC) Docket No. 15-00066
Entergy Arkansas, Inc. Request for Approval to Enter Into Certain
Financing Transactions Not Later Than December 31, 2018

Dear Chairman Jones:

Pursuant to the approving Order issued August 3, 2015, in TPUC Docket No. 15-00066, please find attached for filing with the TRA the original and 4 copies (along with an electronic copy) of Entergy Arkansas, Inc.'s (EAI) compliance financing report filed June 5, 2017, with the Arkansas Public Service Commission in APSC Docket No. 15-035-U.

This report is being filed in regard to the issuance of \$220,000,000 aggregate principal amount of EAI First Mortgage Bonds.

If you have any questions or need additional information, please do not hesitate to call me at 501-377-3571.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Palmer", with a long horizontal line extending to the right.

David Palmer
Manager, Regulatory Affairs

DP/ss
Attachments

c: Mr. Jerry Kettles



Entergy

APSC FILED Time: 6/5/2017 11:25:45 AM: Recvd 6/5/2017 11:24:45 AM: Docket 15-035-U
Entergy Arkansas, Inc.
Regulatory Affairs
425 West Capitol Avenue
P. O. Box 551
Little Rock, AR 72203-0551
Tel 501 377 4000

June 5, 2017

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

Re: APSC Docket No. 15-035-U
Pursuant to Order No. 1
In the Matter of the Application of Entergy Arkansas, Inc. for
Authorization to Enter Into Certain Financing Transactions
Not Later Than December 31, 2018

Dear Ms. Loos:

Pursuant to Order No. 1 in Docket No. 15-035-U of the Arkansas Public Service Commission, attached is the Entergy Arkansas, Inc. compliance report to the Arkansas Public Service Commission regarding the May 16, 2017, issuance of \$220,000,000 aggregate principal amount of Entergy Arkansas, Inc. First Mortgage Bonds.

To the extent that this report contains estimates, a follow-up report will be filed that will reflect actual expenses that will not be known for several months subsequent to the closing of the referenced issuance.

Sincerely,

/s/ J. David Palmer

J. David Palmer
Manager, Regulatory Affairs

Attachment

c: All Parties of Record

**ENTERGY ARKANSAS, INC.
ISSUANCE OF \$220,000,000 PRINCIPAL AMOUNT OF
FIRST MORTGAGE BONDS, 3.5% SERIES DUE APRIL 1, 2026**

EXECUTIVE SUMMARY

Dated June 5, 2017

TRANSACTION ANALYSIS AND RESULTS

On May 16, 2017, Entergy Arkansas, Inc. ("EAI") issued \$220,000,000 aggregate principal amount of its First Mortgage Bonds (the "Bonds") bearing interest at an annual rate of 3.5%. EAI is using the net proceeds it received from the issuance and sale of the Bonds, together with other available funds, (i) to cause the repayment at maturity of \$54,700,000 in aggregate principal amount of pollution control revenue refunding bonds issued on EAI's behalf maturing in October 2017 and bearing interest at 1.55% per annum and (ii) for general corporate purposes. Pending the application of the net proceeds, EAI has invested them in short-term, highly liquid, high-rated money market instruments and the Entergy system money pool. The net proceeds from such issuance were approximately \$222,991,200 after the deduction of underwriting discounts and commissions and estimated offering expenses payable by EAI. Actual expenses will not be known for several months subsequent to the closing of such issuance.

Subsequent to the issuance of the Bonds, \$940,000,000 in new long-term debt will remain authorized under Arkansas Public Service Commission Order No. 1 issued in Docket No. 15-035-U (the "2015 Order"), of which no more than \$440,300,000 in aggregate may be used to retire, to redeem, or to repay principal amounts of then outstanding long-term debt. All other amounts authorized under the 2015 Order are unchanged.

SUMMARY OF TERMS

<u>Principal Amount:</u>	\$220,000,000
<u>Maturity Date:</u>	April 1, 2026
<u>Optional Call Provisions:</u>	Make-whole call at any time prior to January 1, 2026, at a discount rate of the applicable treasury rate plus 20 basis points and thereafter at par

Underwriters:

J.P. Morgan Securities LLC
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Stephens Inc.
Wells Fargo Securities, LLC
BNY Mellon Capital Markets, LLC
Mischler Financial Group, Inc.
The Williams Capital Group, L.P.

U.S. Treasury Benchmark:

2.250% due February 15, 2027

Spread to U.S. Treasury Benchmark:

80 basis points

Treasury Price:

98-21

Treasury Yield:

2.405%

Re-offer Yield:

3.205%

Issue Price to Pubic:

102.208% or \$224,857,600

Underwriting Discounts and Commissions:

0.650% or \$1,430,000

Net Proceeds to Company (Before Expenses):

101.558% or \$223,427,600

JOURNAL ENTRIES

Exhibit A hereto sets forth journal entries related to the issuance of the Bonds.

EXHIBIT A
APSC DOCKET NO. 15-035-U

ENTERGY ARKANSAS, INC.
ENTRIES TO RECORD THE ISSUANCE OF
\$220,000,000 FIRST MORTGAGE BONDS

Entry No. 1

Cash	\$224,390,100	
Unamortized Debt Expense – FMB (Underwriting Fee)	\$1,430,000	
Interest Payable – FMB		\$962,500
Unamortized Premium – FMB		\$4,857,600
Long Term Debt - First Mortgage Bonds		\$220,000,000

To record the sale of \$220,000,000 principal amount of 3.5% Entergy Arkansas, Inc. First Mortgage Bonds due April 1, 2026 and the related underwriting fee, premium, and interest accrued on new bonds from April 1, 2017.

Entry No. 2

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

To record expenses in connection with the issuance of \$220,000,000 principal amount of 3.5% Entergy Arkansas, Inc. First Mortgage Bonds due April 1, 2026.
*NOTE: Total expenses are estimated to be approximately \$436,000. Actual expenses will not be known for several months subsequent to closing.

Entry No. 3

Unamortized Premium on FMB *	\$342,085	
Amortization - Premium on FMB *		\$342,085

To record the annual amortization of debt premium in connection with the issuance of \$220,000,000 principal amount of 3.5% Entergy Arkansas, Inc. First Mortgage Bonds due April 1, 2026.

*NOTE: This amount represents the amount of premium that will be amortized for 2017 only. The annual amortization of the debt premium for all other years will be \$547,335.

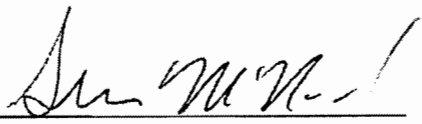
Entry No. 4

Amortization - Expenses for Long Term Debt *	\$131,408	
Unamortized Debt Expense for Long Term Debt *		\$131,408

To record the annual amortization of the underwriting fee and other issuance expenses in connection with the issuance of \$220,000,000 principal amount of 3.5% Entergy Arkansas, Inc. First Mortgage Bonds due April 1, 2026.

*NOTE: This amount represents the amount of expenses that will be amortized for 2017 only. The annual amortization of the debt expense for all other years will be \$210,254. Amortization is based on underwriting fee and estimated expenses. If additional expenses are incurred, they would increase the total balance and monthly amortization.

I, Steven C. McNeal, Vice President and Treasurer of EAI, attest as of the date set forth above that the journal entries attached hereto as Exhibit A correctly reflect the effects of the sale on May 16, 2017, of \$220,000,000 aggregate principal amount of Entergy Arkansas, Inc. First Mortgage Bonds, 3.5% Series due April 1, 2026.



Steven C. McNeal
Vice President and Treasurer
Entergy Arkansas, Inc.