

Addendum Response to Q BID-11

Entergy Services, Inc. wishes to inform all potential bidders in the Fall 2006 Request for Proposals for Limited-Term Supply Side Resources that Entergy New Orleans, Inc. ("ENO") may participate in one or more transactions entered into as a result of this RFP. Although ENO currently is a debtor-in-possession in Docket No. 05-17697, *In Re: Entergy New Orleans, Inc., Debtor*, Chapter 11 Section "B" pending before the United States Bankruptcy Court, Eastern District of Louisiana, ENO has filed a plan of reorganization and may wish to participate in one or more transactions, subject to any approvals required by the Bankruptcy Court. Any transactions would of course be subject to the execution of definitive agreements as mutually agreed upon by the parties.'

Q BID-11. How is the Responsibility Ratio ("RR") determined? What's the RR now?

The Responsibility Ratio of an Operating Company is determined under the provisions of the Entergy System Agreement. The relevant provisions of the System Agreement are the following:

2.16 Company Load Responsibility shall be determined as follows:

- (b) As of April 1, 2004, to be used in conjunction with Service Schedules MSS-1 and MSS-5 and in conjunction with the allocation of a purchase of capacity and energy for the joint account of all Companies under Section 4.02:
 - (i) The average of the sum of the Company's twelve monthly hourly loads coincident with the System's monthly peak hour load for the period ended with the current month measured in megawatts. Each demand shall represent the simultaneous hourly input from all sources into the system of a Company, less the sum of the simultaneous hourly outputs to the systems of other interconnected utilities.
 - (ii) Less the power supplied to others as sales for the joint account of all Companies.
 - (iii) Less loads served under interruptible tariffs or contracts, where the interruptible load excluded at the time of the system's monthly

peak hour load (which does not include the excludable interruptible load determined herein) is to be that load that, pursuant to said tariff or contract, is subject to interruption. To the extent practical the determination of what loads are interruptible shall be based on actual data and if it is not practical, shall be based on reasonable estimates.

2.17 System Load Responsibility:

- (a) To be used in conjunction with Service Schedules MSS-2 and MSS-6 shall be the arithmetical sum in megawatts of the individual Company Load Responsibilities derived pursuant to Section 2.16(a).
- (b) As of April 1, 2004, to be used in conjunction with Service Schedules MSS-1 and MSS-5 and in conjunction with the allocation of a purchase of capacity and energy for the joint account of all Companies under Section 4.02 shall be the arithmetical sum in megawatts of the individual Company Load Responsibilities derived pursuant to Section 2.16(b).

2.18 Responsibility Ratio of a Company shall be the ratio obtained by dividing the load responsibility of that company by the System Load Responsibility.

Currently, the Responsibility Ratio for each Operating Company is the following:

EAI - .2432
ELL - .2332
EMI - .1474
ENOI - .0356
EGSI - .3406

As indicated in the RFP, Entergy New Orleans, Inc. ("ENO") will not participate in this Fall 2006 RFP. Thus, if a contract is to be allocated among the four Operating Companies participating in this RFP on the basis of their load responsibility shares, the allocation methodology will be based upon the responsibility ratio of each Operating Company calculated without including the load share of ENO.