



Council Utility Committee Expected to Approve Reduction in Citizen Utility Bills

News Release

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New Orleans, LA - December 17, 2007 - At a Special Council Utility Committee meeting on Tuesday, December 18, 2007, the Committee is expected to consider and recommend approval of a resolution approving Entergy New Orleans Inc.'s (ENO) request to implement a voluntary credit that will lower most customers' electric bills. The full Council will formally adopt the implementing resolution at its meeting on Thursday, December 20.

District "A" Councilmember Shelley Midura said, "This is great news for the Holiday Season! Ratepayers in New Orleans will enjoy much needed rate relief going into the New Year. It is an example of the good things that can happen when Entergy and the City Council work together for the benefit of the entire City."

The key elements of ENO's Recovery Credit Rider is a credit equal to approximately 6% of base electricity rates. Base electricity rates are the rates exclusive of the fuel charge and taxes on a customer's bill.

This action is expected to provide a net benefit to ENO customers in excess of \$10 million over the course of the next year. The second key component of Entergy's expected filing will be an offer to commit about \$2.5 million that will be designated for use at a later date.

The 6.15% credit on electric base rates is proposed to begin with the first billing cycle of the January 2008. The total amount of the credit is approximately \$10.6 million annually and will remain in effect at least throughout 2008.

For a typical residential bill, the Recovery Credit will result in a bill reduction of around \$2 on average. Bill reductions for commercial customers it will be somewhat greater. The 6.15% credit will appear as a line item credit on the customers' bills as a "Recovery Credit" beginning in January 2008.

Entergy's request was prompted by the greater speed in which customers have returned to New Orleans based on its 2006 estimates developed while ENO was in bankruptcy. Due to faster rate in which citizens have returned home, ENO finds itself in the unique financial position to give back to ratepayers in the same spirit of cooperation that the Council and customers supported ENO during its bankruptcy.

The credit is timely in that it will more than offset a rate increase scheduled to become effective in January of 2008, which was a part of the October 2006 modest negotiated rate increase approved in October 2006 as well as the surcharge for ENO's Storm Reserve Rider.

New Orleans City Council

The New Orleans City Council is the legislative branch of New Orleans city government. The Council considers and enacts all local laws that govern the City of New Orleans. The Council also approves the operating and capital budgets for the City, as recommended by the mayor, and continually monitors revenues and expenditures for local government operations. The City Council is also the regulatory body for public utilities. It also reviews and has final say on many land use and zoning matters, as well as considers major economic development projects for the City. As a Board of Review for Orleans Parish, the Council examines appeals of property tax assessments for real estate taxes, and certifies tax rolls to the Louisiana Tax Commission. Other responsibilities of the Council include overseeing the operation of the public access television in Orleans Parish.

The City Council is comprised of five districts and two councilmembers-at-large. Council President and Councilmember-at-Large Arnie Fielkow; Council Vice-President and Councilmember-at-Large Jacquelyn Brechtel Clarkson; District "A" Councilmember Shelley Midura; District "B" Councilmember Stacy S. Head; District "C" Councilmember James Carter; District "D" Councilmember Cynthia Hedge-Morrell; and District "E" Councilmember Cynthia Willard-Lewis.