Following are the amounts of System Energy's planned construction and other capital investments, existing debt and lease obligations (includes estimated interest payments), and other purchase obligations:

	2012	2013-2014	2015-2016	After 2016	Total
			(In Millions)		
Planned construction and capital investment (1):					
Generation	$316	$74	N/A	N/A	$390
Other	2	4	N/A	N/A	6
Total	$318	$78	N/A	N/A	$396
Long-term debt (2)	$153	$225	$157	$496	$1,031
Purchase obligations (3)	$21	$23	$23	$51	$118

(1) Includes approximately $19 million annually for maintenance capital, which is planned spending on routine capital projects that are necessary to support reliability of service, equipment, or systems.
(2) Includes estimated interest payments. Long-term debt is discussed in Note 5 to the financial statements.
(3) Purchase obligations represent the minimum purchase obligation or cancellation charge for contractual obligations to purchase goods or services. For System Energy, it includes nuclear fuel purchase obligations.

In addition to the contractual obligations given above, System Energy expects to contribute approximately $8.9 million to its pension plans and approximately $4.1 million to its other postretirement plans in 2012 although the required pension contributions will not be known with more certainty until the January 1, 2012 valuations are completed by April 1, 2012.

Also in addition to the contractual obligations, System Energy has $228.6 million of unrecognized tax benefits and interest net of unused tax attributes and payments for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

The planned capital investment estimate for System Energy reflects capital required to support the existing business of System Energy. The estimate also includes the costs of System Energy's planned approximate 178 MW uprate of the Grand Gulf nuclear plant. On November 30, 2009, the MPSC issued a Certificate of Public Convenience and Necessity for implementation of the uprate. A license amendment application was submitted to the NRC in September 2010. After performing more detailed project design, engineering, analysis and major materials purchases, System Energy's current estimate of the total capital investment to be made in the course of the implementation of the Grand Gulf uprate project is approximately $754 million, including SMEPA's share. The estimate includes spending on certain major equipment refurbishment and replacement that would have been required over the normal course of the plant's life even if the uprate were not done. The purpose of performing this major equipment refurbishment and replacement in connection with the uprate is to avoid additional plant outages and construction costs in the future while improving plant reliability. The investment estimate may be revised in the future as System Energy evaluates the progress of the project, including the costs required to install instrumentation in the steam dryer in response to recent guidance from the NRC staff obtained during the review process for certain Requests for Additional Information (RAIs) issued by the NRC in December 2011. The NRC's review of the project is ongoing. System Energy is responding to the recent RAIs and will seek to minimize potential cost effects or delay, if any, to the Grand Gulf uprate implementation schedule.

System Energy also invested, through its subsidiary Entergy New Nuclear Development, LLC, in initial development costs for potential new nuclear development at the Grand Gulf and River Bend sites, including licensing and design activities. This project is in the early stages, and several issues remain to be addressed over time before significant additional capital would be committed to this project. In addition, Entergy temporarily suspended reviews of the two license applications for the sites and will explore alternative nuclear technologies for this project. In the first quarter 2010 the $100 million in construction work in progress incurred by Entergy New Nuclear Development was transferred to Entergy Gulf States Louisiana, Entergy Louisiana, and Entergy Mississippi.

As a wholly-owned subsidiary, System Energy dividends its earnings to Entergy Corporation at a percentage determined monthly. Currently, all of System Energy's retained earnings are available for distribution.

Sources of Capital

System Energy's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- debt issuances; and
- bank financing under new or existing facilities.

System Energy may refinance, redeem, or otherwise retire debt prior to maturity, to the extent market conditions and interest and dividend rates are favorable.

All debt and common stock issuances by System Energy require prior regulatory approval. Debt issuances are also subject to issuance tests set forth in its bond indentures and other agreements. System Energy has sufficient capacity under these tests to meet its foreseeable capital needs.

In February 2012, System Energy VIE issued $50 million of 4.02% Series H notes due February 2017. System Energy used the proceeds to purchase additional nuclear fuel.

System Energy has obtained a short-term borrowing authorization from the FERC under which it may borrow, through October 2013, up to the aggregate amount, at any one time outstanding, of $200 million. See Note 4 to the financial statements for further discussion of System Energy's short-term borrowing limits. System Energy has also obtained an order from the FERC authorizing long-term securities issuances. The current long-term authorization extends through July 2013.

System Energy's receivables from the money pool were as follows as of December 31 for each of the following years:

2011	2010	2009	2008
	(In Thousands)		
$120,424	$97,948	$90,507	$42,915

See Note 4 to the financial statements for a description of the money pool.

Nuclear Matters

System Energy owns and operates Grand Gulf. System Energy is, therefore, subject to the risks related to owning and operating a nuclear plant. These include risks from the use, storage, handling and disposal of high-level and low-level radioactive materials, regulatory requirement changes, including changes resulting from events at other plants, limitations on the amounts and types of insurance commercially available for losses in connection with nuclear operations, and technological and financial uncertainties related to decommissioning nuclear plants at the end of their licensed lives, including the sufficiency of funds in decommissioning trusts. In the event of an unanticipated early shutdown of Grand Gulf, System Energy may be required to provide additional funds or credit support to satisfy regulatory requirements for decommissioning.

After the nuclear incident in Japan resulting from the March 2011 earthquake and tsunami, the NRC established a task force to conduct a review of processes and regulations relating to nuclear facilities in the United States. The task force issued a near term (90-day) report in July 2011 that has made recommendations, which are currently being evaluated by the NRC. It is anticipated that the NRC will issue certain orders and requests for information to nuclear plant licensees by the end of the first quarter 2012 that will begin to implement the task force's recommendations. These orders may require U.S. nuclear operators, including Entergy, to undertake plant modifications or perform additional analyses that could, among other things, result in increased costs and capital requirements associated with operating Entergy's nuclear plants.

Environmental Risks

System Energy's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that System Energy is in substantial compliance with environmental regulations currently applicable to its facilities and operations. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of System Energy's financial statements in conformity with generally accepted accounting principles requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting policies and estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and there is the potential for future changes in the assumptions and measurements that could produce estimates that would have a material impact on the presentation of System Energy's financial position or results of operations.

Nuclear Decommissioning Costs

See "**Nuclear Decommissioning Costs**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Discussion and Analysis for discussion of the estimates inherent in accounting for nuclear decommissioning costs.

In the first quarter 2011, System Energy recorded a revision to its estimated decommissioning cost liability for Grand Gulf as a result of a revised decommissioning cost study. The revised estimate resulted in a $38.9 million reduction in its decommissioning liability, along with a corresponding reduction in the related regulatory asset.

Qualified Pension and Other Postretirement Benefits

Entergy sponsors qualified defined benefit pension plans which cover substantially all employees. Additionally, Entergy currently provides postretirement health care and life insurance benefits for substantially all employees who reach retirement age and meet certain eligibility requirements while still working for Entergy. Entergy's reported costs of providing these benefits, as described in Note 11 to the financial statements, are impacted by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands):

Actuarial Assumption	Change in Assumption	Impact on 2011 Qualified Pension Cost	Impact on Projected Qualified Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$795	$9,826
Rate of return on plan assets	(0.25%)	$446	-
Rate of increase in compensation	0.25%	$330	$2,031

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The following chart reflects the sensitivity of postretirement benefit cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands):

Actuarial Assumption	Change in Assumption	Impact on 2011 Postretirement Benefit Cost	Impact on Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Health care cost trend	0.25%	$368	$2,141
Discount rate	(0.25%)	$287	$2,441

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Funding

Total qualified pension cost for System Energy in 2011was $6.9 million. System Energy anticipates 2012 qualified pension cost to be $11.5 million. System Energy contributed $28.4 million to its qualified pension plans in 2011and expects to contribute approximately $8.9 million in 2012 although the required pension contributions will not be known with more certainty until the January 1, 2012 valuations are completed by April 1, 2012.

Total postretirement health care and life insurance benefit costs for System Energy in 2011 were $4.1 million, including $1.4 million in savings due to the estimated effect of future Medicare Part D subsidies. System Energy expects 2012 postretirement health care and life insurance benefit costs to approximate $5.6 million, including $1.4 million in savings due to the estimated effect of future Medicare Part D subsidies. System Energy anticipates contributions for postretirement health care and life insurance benefits costs to be $4.1 million in 2012.

Federal Healthcare Legislation

See the "**Qualified Pension and Other Postretirement Benefits** - Federal Healthcare Legislation" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of Federal Healthcare Legislation.

New Accounting Pronouncements

See "**New Accounting Pronouncements**" section of Entergy Corporation and Subsidiaries Management's Discussion and Analysis.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of
System Energy Resources, Inc.
Jackson, Mississippi

We have audited the accompanying balance sheets of System Energy Resources, Inc. (the "Company") as of December 31, 2011 and 2010, and the related income statements, statements of cash flows, and statements of changes in common equity (pages 388 through 392 and applicable items in pages 53 through 194) for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of System Energy Resources, Inc. as of December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2012 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

SYSTEM ENERGY RESOURCES, INC.
INCOME STATEMENTS

	For the Years Ended December 31,		
	2011	2010	2009
		(In Thousands)	
OPERATING REVENUES			
Electric	$563,411	$558,584	$554,007
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	76,353	69,962	63,877
Nuclear refueling outage expenses	16,314	17,398	19,186
Other operation and maintenance	136,495	124,690	120,707
Decommissioning	31,460	31,374	29,451
Taxes other than income taxes	21,425	23,412	24,246
Depreciation and amortization	142,543	138,641	140,056
Other regulatory credits - net	(11,781)	(12,040)	(17,525)
TOTAL	412,809	393,437	379,998
OPERATING INCOME	150,602	165,147	174,009
OTHER INCOME			
Allowance for equity funds used during construction	22,359	9,892	12,484
Interest and investment income	8,294	12,639	4,507
Miscellaneous - net	(699)	(518)	(1,813)
TOTAL	29,954	22,013	15,178
INTEREST EXPENSE			
Interest expense	48,117	51,912	47,570
Allowance for borrowed funds used during construction	(6,711)	(3,425)	(4,192)
TOTAL	41,406	48,487	43,378
INCOME BEFORE INCOME TAXES	139,150	138,673	145,809
Income taxes	74,953	56,049	96,901
NET INCOME	$64,197	$82,624	$48,908

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2011	2010	2009
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$64,197	$82,624	$48,908
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	229,715	219,552	169,507
Deferred income taxes, investment tax credits, and non-current taxes accrued	14,923	(1,536)	211,297
Changes in assets and liabilities:			
Receivables	(5,512)	(728)	(2,296)
Accounts payable	17,275	(14,351)	11,574
Taxes accrued and prepaid taxes	160,494	1,327	5,413
Interest accrued	(38,305)	3,503	2,667
Other working capital accounts	11,260	(15,287)	11,672
Provisions for estimated losses	-	(2,009)	(16)
Other regulatory assets	10,874	(4,948)	(4,824)
Pension and other postretirement liabilities	34,474	29,797	3,440
Other assets and liabilities	(68,714)	(47,539)	(39,465)
Net cash flow provided by operating activities	430,681	250,405	417,877
INVESTING ACTIVITIES			
Construction expenditures	(234,753)	(156,766)	(90,778)
Proceeds from the transfer of development costs	-	100,280	-
Allowance for equity funds used during construction	22,359	9,892	12,484
Nuclear fuel purchases	(59,755)	(129,504)	-
Proceeds from sale of nuclear fuel	12,420	-	180
Changes in other investments	-	25,560	-
Proceeds from nuclear decommissioning trust fund sales	203,444	322,789	392,959
Investment in nuclear decommissioning trust funds	(232,636)	(349,398)	(416,597)
Change in money pool receivable - net	(22,476)	(7,441)	(47,592)
Net cash flow used in investing activities	(311,397)	(184,588)	(149,344)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	-	55,385	-
Retirement of long-term debt	(78,161)	(41,715)	(28,440)
Changes in credit borrowings - net	(38,264)	20,003	-
Dividends paid:			
Common stock	(76,000)	(100,200)	(75,300)
Other	(5,474)	-	(3,099)
Net cash flow used in financing activities	(197,899)	(66,527)	(106,839)
Net increase (decrease) in cash and cash equivalents	(78,615)	(710)	161,694
Cash and cash equivalents at beginning of period	263,772	264,482	102,788
Cash and cash equivalents at end of period	$185,157	$263,772	$264,482
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$40,719	$35,540	$48,005
Income taxes	($100,889)	$55,963	($120,352)

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
ASSETS

	December 31, 2011	December 31, 2010
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$30,961	$903
Temporary cash investments	154,196	262,869
Total cash and cash equivalents	185,157	263,772
Accounts receivable:		
Associated companies	172,943	147,180
Other	7,294	5,070
Total accounts receivable	180,237	152,250
Materials and supplies - at average cost	86,333	84,077
Deferred nuclear refueling outage costs	9,479	22,627
Prepaid taxes	-	68,039
Prepayments and other	1,111	1,142
TOTAL	462,317	591,907
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	423,409	387,876
TOTAL	423,409	387,876
UTILITY PLANT		
Electric	3,438,424	3,362,422
Property under capital lease	491,023	489,175
Construction work in progress	357,826	210,536
Nuclear fuel	157,967	155,282
TOTAL UTILITY PLANT	4,445,240	4,217,415
Less - accumulated depreciation and amortization	2,518,190	2,417,811
UTILITY PLANT - NET	1,927,050	1,799,604
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Regulatory asset for income taxes - net	124,777	126,642
Other regulatory assets	287,796	296,715
Other	20,016	21,326
TOTAL	432,589	444,683
TOTAL ASSETS	$3,245,365	$3,224,070

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31, 2011	December 31, 2010
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$110,163	$33,740
Short-term borrowings	-	38,264
Accounts payable:		
Associated companies	8,032	6,520
Other	63,331	38,447
Taxes accrued	92,455	-
Accumulated deferred income taxes	3,428	8,508
Interest accrued	17,776	56,081
Other	2,591	2,258
TOTAL	297,776	183,818
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	652,418	617,012
Accumulated deferred investment tax credits	57,865	54,755
Other regulatory liabilities	214,745	201,364
Decommissioning	445,352	452,782
Pension and other postretirement liabilities	139,719	105,245
Long-term debt	636,885	796,728
Other	42	-
TOTAL	2,147,026	2,227,886
Commitments and Contingencies		
COMMON EQUITY		
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 789,350 shares in 2011 and 2010	789,350	789,350
Retained earnings	11,213	23,016
TOTAL	800,563	812,366
TOTAL LIABILITIES AND EQUITY	$3,245,365	$3,224,070

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
STATEMENTS OF CHANGES IN COMMON EQUITY
For the Years Ended December 31, 2011, 2010, and 2009

	Common Equity		
	Common Stock	Retained Earnings	Total
		(In Thousands)	
Balance at December 31, 2008	$789,350	$66,984	$856,334
Net income	-	48,908	48,908
Common stock dividends	-	(75,300)	(75,300)
Balance at December 31, 2009	$789,350	$40,592	$829,942
Net income	-	82,624	82,624
Common stock dividends	-	(100,200)	(100,200)
Balance at December 31, 2010	$789,350	$23,016	$812,366
Net income	-	64,197	64,197
Common stock dividends	-	(76,000)	(76,000)
Balance at December 31, 2011	$789,350	$11,213	$800,563

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
SELECTED FINANCIAL DATA - FIVE-YEAR COMPARISON

	2011	2010	2009	2008	2007
			(Dollars In Thousands)		
Operating revenues	$563,411	$558,584	$554,007	$528,998	$553,193
Net Income	$64,197	$82,624	$48,908	$91,067	$136,081
Total assets	$3,245,365	$3,224,070	$3,135,651	$2,945,390	$2,858,760
Long-term obligations (1)	$636,885	$796,728	$728,253	$832,697	$824,824
Electric energy sales (GWh)	9,293	8,692	9,898	8,475	8,440

(1) Includes long-term debt (excluding currently maturing debt) and noncurrent capital lease obligations.

Item 2. Properties

Information regarding the registrant's properties is included in Part I. Item 1. - Business under the sections titled "**Utility - Property and Other Generation Resources**" and "**Entergy Wholesale Commodities - Property**" in this report.

Item 3. Legal Proceedings

Details of the registrant's material environmental regulation and proceedings and other regulatory proceedings and litigation that are pending or those terminated in the fourth quarter of 2011 are discussed in Part I. Item 1. - Business under the sections titled "**Retail Rate Regulation**", "**Environmental Regulation**", and "**Litigation**" and "**Impairment of Long-Lived Assets**" in Note 1 to the financial statements in this report.

Item 4. Mine Safety Disclosures

Not applicable.

EXECUTIVE OFFICERS OF ENTERGY CORPORATION

Executive Officers

Name	Age	Position	Period
J. Wayne Leonard (a)	61	Chairman of the Board of Entergy Corporation	2006-Present
		Chief Executive Officer and Director of Entergy Corporation	1999-Present
Richard J. Smith (a)	60	President, Entergy Wholesale Commodity Business of Entergy Corporation	2010-Present
		President and Chief Operating Officer of Entergy Corporation	2007-2010
		Group President, Utility Operations of Entergy Corporation, Entergy Arkansas, Entergy Gulf States, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans	2001-2007
		Director of Entergy Arkansas, Entergy Gulf States, Entergy Louisiana and Entergy Mississippi	2001-2007
Gary J. Taylor (a)(b)	58	Group President, Utility Operations of Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi and Entergy Texas	2007-Present
		Director of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi and Entergy Texas	2007-Present
		Director of Entergy New Orleans	2008-Present
		Executive Vice President and Chief Nuclear Officer of Entergy Corporation	2004-2007
		Director, President and Chief Executive Officer of System Energy	2003-2007
Leo P. Denault (a)	52	Executive Vice President and Chief Financial Officer of Entergy Corporation	2004-Present
		Director of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi and System Energy	2004-Present
		Director of Entergy Texas	2007-Present
		Director of Entergy New Orleans	2011-Present
Mark T. Savoff (a)	55	Executive Vice President and Chief Operating Officer of	2010-Present

Name	Age	Position	Period
		Entergy Corporation	
		Executive Vice President, Operations of Entergy Corporation	2004-2010
		Director of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana and Entergy Mississippi	2004-Present
		Director of Entergy Texas	2007-Present
		Director of Entergy New Orleans	2011-Present
		Executive Vice President of Entergy Services, Inc.	2003-Present
Roderick K. West (a)	43	Executive Vice President and Chief Administrative Officer of Entergy Corporation	2010-Present
		President and Chief Executive Officer of Entergy New Orleans	2007-2010
		Director of Entergy New Orleans	2005-2011
		Director, Metro Distribution Operation of Entergy Services, Inc.	2005-2006
E. Renae Conley (a)	54	Executive Vice President, Human Resources and Administration of Entergy Corporation	2011-Present
		Executive Vice President of Entergy Corporation	2010-2011
		Director of Entergy Gulf States Louisiana and Entergy Louisiana	2000-2010
		President and Chief Executive Officer of Entergy Gulf States Louisiana and Entergy Louisiana	2000-2010
John T. Herron (a)	58	President and Chief Executive Officer Nuclear Operations/ Chief Nuclear Officer of Entergy Corporation	2009-Present
		Executive Vice President and Chief Nuclear Officer of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana and Entergy Texas	2010-Present
		President, Chief Executive Officer and Director of System Energy	2009-Present
		Senior Vice President, Nuclear Operations	2007-2009
		Senior Vice President, Chief Operating Officer of Entergy Nuclear Northeast	2003-2007
Robert D. Sloan (c)	64	Executive Vice President, General Counsel and Secretary of Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy	2004-2012
		Executive Vice President, General Counsel and Secretary of Entergy Texas	2007-2012
Theodore H. Bunting, Jr. (a)	53	Senior Vice President and Chief Accounting Officer of Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas and System Energy	2007-Present
		Acting principal financial officer of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans and Entergy Texas	2008-Present
		Vice President and Chief Financial Officer, Nuclear Operations of System Energy	2004-2007
Marcus V. Brown (a)(d)	50	Senior Vice President and General Counsel of Entergy Corporation, Entergy Arkansas, Entergy Gulf States	2012-Present

Name	Age	Position	Period
		Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas and System Energy	
		Vice President and Deputy General Counsel of Entergy Services, Inc.	2009-2012
		Associate General Counsel of Entergy Services, Inc.	2007-2009
Terry R. Seamons (e)	70	Senior Vice President, Organizational Development	2011-2012
		Senior Vice President - Human Resources and Administration of Entergy Corporation	2007-2011
		Vice President and Managing Director of RHR, International	1984-2007

(a) In addition, this officer is an executive officer and/or director of various other wholly owned subsidiaries of Entergy Corporation and its operating companies.

(b) Mr. Taylor has advised Entergy that he intends to retire from the positions indicated effective May 31, 2012.

(c) Mr. Sloan served as Executive Vice President, General Counsel and Secretary of Entergy Corporation through January 27, 2012 and in the other positions indicated through February 3, 2012. Through February 3, 2012, Mr. Sloan also served as an executive officer and/or director of various other wholly owned subsidiaries of Entergy Corporation and its operating companies.

(d) Mr. Brown has served as Senior Vice President and General Counsel of Entergy Corporation from January 27, 2012 and as Senior Vice President and General Counsel of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas and System Energy since February 3, 2012.

(e) Mr. Seamons retired from Entergy effective January 2012. Prior to his retirement, Mr. Seamons was an executive officer and/or director of various other wholly owned subsidiaries of Entergy Corporation and its operating companies.

Each officer of Entergy Corporation is elected yearly by the Board of Directors.

PART II

Item 5. Market for Registrants' Common Equity and Related Stockholder Matters

Entergy Corporation

The shares of Entergy Corporation's common stock are listed on the New York Stock and Chicago Stock Exchanges under the ticker symbol ETR.

The high and low prices of Entergy Corporation's common stock for each quarterly period in 2011 and 2010 were as follows:

	2011		2010	
	High	Low	High	Low
	(In Dollars)			
First	74.50	64.72	83.09	75.25
Second	70.40	65.15	84.33	71.28
Third	69.14	57.60	80.80	70.35
Fourth	74.00	62.66	77.90	68.65

Consecutive quarterly cash dividends on common stock were paid to stockholders of Entergy Corporation in 2011 and 2010. Quarterly dividends of $0.83 per share were paid in 2011. In 2010, a dividend of $0.75 per share was paid in the first quarter and dividends of $0.83 per share were paid in the last three quarters.

As of January 31, 2012, there were 35,096 stockholders of record of Entergy Corporation.

Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities (1)

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan	Maximum $ Amount of Shares that May Yet be Purchased Under a Plan (2)
10/01/2011-10/31/2011	-	$-	-	$350,052,918
11/01/2011-11/30/2011	-	$-	-	$350,052,918
12/01/2011-12/31/2011	-	$-	-	$350,052,918
Total	-	$-	-	

In accordance with Entergy's stock-based compensation plans, Entergy periodically grants stock options to key employees, which may be exercised to obtain shares of Entergy's common stock. According to the plans, these shares can be newly issued shares, treasury stock, or shares purchased on the open market. Entergy's management has been authorized by the Board to repurchase on the open market shares up to an amount sufficient to fund the exercise of grants under the plans. In October 2010 the Board granted authority for an additional $500 million share repurchase program. The amount of share repurchases under these programs may vary as a result of material changes in business results or capital spending or new investment opportunities.

(1) See Note 12 to the financial statements for additional discussion of the stock-based compensation plans.
(2) Maximum amount of shares that may yet be repurchased does not include an estimate of the amount of shares that may be purchased to fund the exercise of grants under the stock-based compensation plans.

Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy

There is no market for the common stock of Entergy Corporation's wholly owned subsidiaries. Cash dividends on common stock paid by the Registrant Subsidiaries during 2011 and 2010, were as follows:

	2011	2010
	(In Millions)	
Entergy Arkansas	$117.8	$173.4
Entergy Gulf States Louisiana	$302.0	$124.3
Entergy Louisiana	$358.2	$-
Entergy Mississippi	$3.3	$43.4
Entergy New Orleans	$42.0	$47.0
Entergy Texas	$5.8	$86.4
System Energy	$76.0	$100.2

Information with respect to restrictions that limit the ability of the Registrant Subsidiaries to pay dividends is presented in Note 7 to the financial statements.

Item 6. Selected Financial Data

Refer to **"SELECTED FINANCIAL DATA - FIVE-YEAR COMPARISON OF ENTERGY CORPORATION AND SUBSIDIARIES, ENTERGY ARKANSAS, INC. AND SUBSIDIARIES, ENTERGY GULF STATES LOUISIANA, L.L.C., ENTERGY LOUISIANA, LLC, ENTERGY MISSISSIPPI, INC., ENTERGY NEW ORLEANS, INC., ENTERGY TEXAS, INC. AND SUBSIDIARIES, and SYSTEM ENERGY RESOURCES, INC."** which follow each company's financial statements in this report, for information with respect to selected financial data and certain operating statistics.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Refer to **"MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS OF ENTERGY CORPORATION AND SUBSIDIARIES, ENTERGY ARKANSAS, INC. AND SUBSIDIARIES, ENTERGY GULF STATES, LOUISIANA, L.L.C., ENTERGY LOUISIANA, LLC, ENTERGY MISSISSIPPI, INC., ENTERGY NEW ORLEANS, INC., ENTERGY TEXAS, INC. AND SUBSIDIARIES, and SYSTEM ENERGY RESOURCES, INC."**

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Refer to **"MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS OF ENTERGY CORPORATION AND SUBSIDIARIES - Market and Credit Risk Sensitive Instruments."**

Item 8. Financial Statements and Supplementary Data

Refer to **"TABLE OF CONTENTS - Entergy Corporation, Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., Entergy Texas, Inc., and System Energy Resources, Inc."**

Item 9. Changes In and Disagreements With Accountants On Accounting and Financial Disclosure

No event that would be described in response to this item has occurred with respect to Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, or System Energy.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

As of December 31, 2011, evaluations were performed under the supervision and with the participation of Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy (individually "Registrant" and collectively the "Registrants") management, including their respective Principal Executive Officers (PEO) and Principal Financial Officers (PFO). The evaluations assessed the effectiveness of the Registrants' disclosure controls and procedures. Based on the evaluations, each PEO and PFO has concluded that, as to the Registrant or Registrants for which they serve as PEO or PFO, the Registrant's or Registrants' disclosure controls and procedures are effective to ensure that information required to be disclosed by each Registrant in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms; and that the Registrant's or Registrants' disclosure controls and procedures are also effective in reasonably assuring that such information is accumulated and communicated to the Registrant's or Registrants' management, including their respective PEOs and PFOs, as appropriate to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting

(Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

The managements of Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy (individually "Registrant" and collectively the "Registrants") are responsible for establishing and maintaining adequate internal control over financial reporting for the Registrants. Each Registrant's internal control system is designed to provide reasonable assurance regarding the preparation and fair presentation of each Registrant's financial statements presented in accordance with generally accepted accounting principles.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Each Registrant's management assessed the effectiveness of each Registrant's internal control over financial reporting as of December 31, 2011. In making this assessment, each management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework.

Based on each management's assessment and the criteria set forth by COSO, each Registrant's management believes that each Registrant maintained effective internal control over financial reporting as of December 31, 2011.

The Registrants' registered public accounting firm has issued an attestation report on each Registrant's internal control over financial reporting.

Changes in Internal Controls over Financial Reporting

Under the supervision and with the participation of the Registrants' management, including their respective PEOs and PFOs, the Registrants evaluated changes in internal control over financial reporting that occurred during the quarter ended December 31, 2011 and found no change that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

Attestation Report of Registered Public Accounting Firm

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Entergy Corporation and Subsidiaries
New Orleans, Louisiana

We have audited the internal control over financial reporting of Entergy Corporation and Subsidiaries (the "Corporation") as of December 31, 2011, based on criteria established in *Internal Control —Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Corporation's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control —Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of the Corporation and our report dated February 27, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Entergy Arkansas, Inc. and Subsidiaries
Little Rock, Arkansas

We have audited the internal control over financial reporting of Entergy Arkansas, Inc. and Subsidiaries (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members of
Entergy Gulf States Louisiana, L.L.C.
Baton Rouge, Louisiana

We have audited the internal control over financial reporting of Entergy Gulf States Louisiana, L.L.C. (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members of
Entergy Louisiana, LLC and Subsidiaries
Baton Rouge, Louisiana

We have audited the internal control over financial reporting of Entergy Louisiana, LLC and Subsidiaries (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Entergy Mississippi, Inc.
Jackson, Mississippi

We have audited the internal control over financial reporting of Entergy Mississippi, Inc. (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Entergy New Orleans, Inc.
New Orleans, Louisiana

We have audited the internal control over financial reporting of Entergy New Orleans, Inc. (the "Company") as of December 31, 2011, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of
Entergy Texas, Inc. and Subsidiaries
Beaumont, Texas

We have audited the internal control over financial reporting of Entergy Texas, Inc. and Subsidiaries (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of
System Energy Resources, Inc.
Jackson, Mississippi

We have audited the internal control over financial reporting of System Energy Resources, Inc. (the "Company") as of December 31, 2011, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the financial statements as of and for the year ended December 31, 2011 of the Company and our report dated February 27, 2012 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 27, 2012

PART III

Item 10. Directors and Executive Officers of the Registrants (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans and Entergy Texas)

Information required by this item concerning directors of Entergy Corporation is set forth under the heading "Item 1 – Election of Directors" contained in the Proxy Statement of Entergy Corporation, to be filed in connection with its Annual Meeting of Stockholders to be held May 4, 2012, and is incorporated herein by reference.

All officers and directors listed below held the specified positions with their respective companies as of the date of filing this report, unless otherwise noted.

Name	Age	Position	Period
ENTERGY ARKANSAS, INC.			
Directors			
Hugh T. McDonald	53	President and Chief Executive Officer of Entergy Arkansas	2000-Present
		Director of Entergy Arkansas	2000-Present
Leo P. Denault		See information under the Entergy Corporation Officers Section in Part I.	
Mark T. Savoff		See information under the Entergy Corporation Officers Section in Part I.	
Gary J. Taylor		See information under the Entergy Corporation Officers Section in Part I.	
Officers			
Marcus V. Brown		See information under the Entergy Corporation Officers Section in Part I.	
Theodore H. Bunting, Jr.		See information under the Entergy Corporation Officers Section in Part I.	
E. Renae Conley		See information under the Entergy Corporation Officers Section in Part I.	
Leo P. Denault		See information under the Entergy Corporation Officers Section in Part I.	
John T. Herron		See information under the Entergy Corporation Officers Section in Part I.	
J. Wayne Leonard		See information under the Entergy Corporation Officers Section in Part I.	
Hugh T. McDonald		See information under the Entergy Arkansas Directors Section above.	
Mark T. Savoff		See information under the Entergy Corporation Officers Section in Part I.	
Terry R. Seamons		See information under the Entergy Corporation Officers Section in Part I.	
Robert D. Sloan		See information under the Entergy Corporation Officers Section in Part I.	
Richard J. Smith		See information under the Entergy Corporation Officers Section in Part I.	
Gary J. Taylor		See information under the Entergy Corporation Officers Section in Part I.	
Roderick K. West		See information under the Entergy Corporation Officers Section in Part I.	
ENTERGY GULF STATES LOUISIANA, L.L.C.			
Directors			
William M. Mohl	52	Director of Entergy Gulf States Louisiana and Entergy Louisiana	2010-Present
		President and Chief Executive Officer of Entergy Gulf States Louisiana and Entergy Louisiana	2010-Present
		Vice President, System Planning of Entergy Services, Inc.	2007-2010
		Vice President, Commercial Operations of Entergy Services, Inc.	2005-2007
Leo P. Denault		See information under the Entergy Corporation Officers Section in Part I.	
Mark T. Savoff		See information under the Entergy Corporation Officers Section in Part I.	
Gary J. Taylor		See information under the Entergy Corporation Officers Section in Part I.	

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Officers

Marcus V. Brown	See information under the Entergy Corporation Officers Section in Part I.
Theodore H. Bunting, Jr.	See information under the Entergy Corporation Officers Section in Part I.
E. Renae Conley	See information under the Entergy Corporation Officers Section in Part I.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
John T. Herron	See information under the Entergy Corporation Officers Section in Part I.
J. Wayne Leonard	See information under the Entergy Corporation Officers Section in Part I.
William M. Mohl	See information under the Entergy Gulf States Louisiana Directors Section above.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Terry R. Seamons	See information under the Entergy Corporation Officers Section in Part I.
Robert D. Sloan	See information under the Entergy Corporation Officers Section in Part I.
Richard J. Smith	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.
Roderick K. West	See information under the Entergy Corporation Officers Section in Part I.

ENTERGY LOUISIANA, LLC

Directors

William M. Mohl	See information under the Entergy Gulf States Louisiana Directors Section above.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.

Officers

Marcus V. Brown	See information under the Entergy Corporation Officers Section in Part I.
Theodore H. Bunting, Jr.	See information under the Entergy Corporation Officers Section in Part I.
E. Renae Conley	See information under the Entergy Corporation Officers Section in Part I.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
John T. Herron	See information under the Entergy Corporation Officers Section in Part I.
J. Wayne Leonard	See information under the Entergy Corporation Officers Section in Part I.
William M. Mohl	See information under the Entergy Gulf States Louisiana Directors Section above.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Terry R. Seamons	See information under the Entergy Corporation Officers Section in Part I.
Robert D. Sloan	See information under the Entergy Corporation Officers Section in Part I.
Richard J. Smith	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.
Roderick K. West	See information under the Entergy Corporation Officers Section in Part I.

ENTERGY MISSISSIPPI, INC.

Directors

Haley R. Fisackerly	46	President and Chief Executive Officer of Entergy Mississippi	2008-Present
		Director of Entergy Mississippi	2008-Present
		Vice President, Nuclear Government Affairs of Entergy Services, Inc.	2007-2008
		Vice President, Customer Service of Entergy Mississippi	2002-2007

Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.

Officers

Marcus V. Brown	See information under the Entergy Corporation Officers Section in Part I.
Theodore H. Bunting, Jr.	See information under the Entergy Corporation Officers Section in Part I.
E. Renae Conley	See information under the Entergy Corporation Officers Section in Part I.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
Haley R. Fisackerly	See information under the Entergy Mississippi Directors Section above.
John T. Herron	See information under the Entergy Corporation Officers Section in Part I.
J. Wayne Leonard	See information under the Entergy Corporation Officers Section in Part I.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Terry R. Seamons	See information under the Entergy Corporation Officers Section in Part I.
Robert D. Sloan	See information under the Entergy Corporation Officers Section in Part I.
Richard J. Smith	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.
Roderick K. West	See information under the Entergy Corporation Officers Section in Part I.

ENTERGY NEW ORLEANS, INC.

Directors

Charles L. Rice, Jr.	47	President and Chief Executive Officer of Entergy New Orleans	2010-Present
		Director of Entergy New Orleans	2010-Present
		Director, Utility Strategy of Entergy Services, Inc.	2009-2010
		Law Partner in the firm of Barrasso, Usdin, Kupperman, Freeman & Sarver, L.L.C.	2005-2009
Leo P. Denault		See information under the Entergy Corporation Officers Section in Part I.	
Mark T. Savoff		See information under the Entergy Corporation Officers Section in Part I.	
Gary J. Taylor		See information under the Entergy Corporation Officers Section in Part I.	

Officers

Marcus V. Brown	See information under the Entergy Corporation Officers Section in Part I.
Theodore H. Bunting, Jr.	See information under the Entergy Corporation Officers Section in Part I.
E. Renae Conley	See information under the Entergy Corporation Officers Section in Part I.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
John T. Herron	See information under the Entergy Corporation Officers Section in Part I.
J. Wayne Leonard	See information under the Entergy Corporation Officers Section in Part I.
Charles L. Rice, Jr.	See information under the Entergy New Orleans Directors Section above.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Terry R. Seamons	See information under the Entergy Corporation Officers Section in Part I.
Robert D. Sloan	See information under the Entergy Corporation Officers Section in Part I.
Richard J. Smith	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.
Roderick K. West	See information under the Entergy Corporation Officers Section in Part I.

ENTERGY TEXAS, INC.

Directors

Joseph F. Domino	63	Director of Entergy Texas	2007-Present
		President and Chief Executive Officer of Entergy Texas	2007-Present
		Director of Entergy Gulf States	1999-2007
		President and Chief Executive Officer - TX of Entergy Gulf States	1998-2007
Leo P. Denault		See information under the Entergy Corporation Officers Section in Part I.	
Mark T. Savoff		See information under the Entergy Corporation Officers Section in Part I.	
Gary J. Taylor		See information under the Entergy Corporation Officers Section in Part I.	

Officers

Marcus V. Brown	See information under the Entergy Corporation Officers Section in Part I.
Theodore H. Bunting, Jr.	See information under the Entergy Corporation Officers Section in Part I.
E. Renae Conley	See information under the Entergy Corporation Officers Section in Part I.
Leo P. Denault	See information under the Entergy Corporation Officers Section in Part I.
Joseph F. Domino	See information under the Entergy Texas Directors Section above.
John T. Herron	See information under the Entergy Corporation Officers Section in Part I.
J. Wayne Leonard	See information under the Entergy Corporation Officers Section in Part I.
Mark T. Savoff	See information under the Entergy Corporation Officers Section in Part I.
Terry R. Seamons	See information under the Entergy Corporation Officers Section in Part I.
Robert D. Sloan	See information under the Entergy Corporation Officers Section in Part I.
Richard J. Smith	See information under the Entergy Corporation Officers Section in Part I.
Gary J. Taylor	See information under the Entergy Corporation Officers Section in Part I.
Roderick K. West	See information under the Entergy Corporation Officers Section in Part I.

Each director and officer of the applicable Entergy company is elected yearly to serve by the unanimous consent of the sole stockholder with the exception of the directors and officers of Entergy Gulf States Louisiana, L.L.C. and Entergy Louisiana, LLC, who are elected yearly to serve by the unanimous consent of the sole common membership owners, EGS Holdings, Inc. and Entergy Louisiana Holdings, respectively. Entergy Corporation's directors are elected annually at the annual meeting of shareholders. Entergy Corporation's officers are elected at the annual meeting of the Board of Directors.

Corporate Governance Guidelines and Committee Charters

Each of the Audit, Corporate Governance and Personnel Committees of Entergy Corporation's Board of Directors operates under a written charter. In addition, the full Board has adopted Corporate Governance Guidelines. Each charter and the guidelines are available through Entergy's website (www.entergy.com) or upon written request.

Audit Committee of the Entergy Corporation Board

The following directors are members of the Audit Committee of Entergy Corporation's Board of Directors:

Steven V. Wilkinson (Chairman)
Maureen S. Bateman
Stuart L. Levenick
Blanche L. Lincoln

All Audit Committee members are independent. For purposes of independence of members of the Audit Committee, an independent director also may not accept directly or indirectly any consulting, advisory or other compensatory fee from Entergy or be affiliated with Entergy as defined in SEC rules. All Audit Committee members possess the level of financial literacy and accounting or related financial management expertise required by the NYSE rules. Steven V. Wilkinson qualifies as an "audit committee financial expert," as that term is defined in the SEC rules.

Code of Ethics

The Board of Directors has adopted a Code of Business Conduct and Ethics for Members of the Board of Directors. The code is available through Entergy's website (www.entergy.com) or upon written request. The Board has also adopted a Code of Business Conduct and Ethics for Employees that includes Special Provision Relating to Principal Executive Officer and Senior Financial Officers. The Code of Business Conduct and Ethics for Employees is to be read in conjunction with Entergy's omnibus code of integrity under which Entergy operates called the Code of Entegrity as well as system policies. All employees are required to abide by the Codes. Non-bargaining employees are required to acknowledge annually that they understand and abide by the Code of Entegrity. The Code of Business Conduct and Ethics for Employees and the Code of Entegrity are available through Entergy's website (www.entergy.com) or upon written request.

Source of Nominations to the Board of Directors; Nominating Procedure

The Corporate Governance Committee has adopted a policy on consideration of potential director nominees. The Committee will consider nominees from a variety of sources, including nominees suggested by shareholders, executive officers, fellow board members, or a third party firm retained for that purpose. It applies the same procedures to all nominees regardless of the source of the nomination.

Any party wishing to make a nomination should provide a written resume of the proposed candidate, detailing relevant experience and qualifications, as well as a list of references. The Committee will review the resume and may contact references. It will decide based on the resume and references whether to proceed to a more detailed investigation. If the Committee determines that a more detailed investigation of the candidate is warranted, it will invite the candidate for a personal interview, conduct a background check on the candidate, and assess the ability of the candidate to provide any special skills or characteristics identified by the Committee or the Board.

Section 16(a) Beneficial Ownership Reporting Compliance

Information called for by this item concerning the directors and officers of Entergy Corporation is set forth in the Proxy Statement of Entergy Corporation to be filed in connection with its Annual Meeting of Stockholders to be held on May 4, 2012, under the heading "Section 16(a) Beneficial Ownership Reporting Compliance", which information is incorporated herein by reference.

Item 11. Executive Compensation

ENTERGY CORPORATION

Information concerning the directors and officers of Entergy Corporation is set forth in the Proxy Statement under the headings "Compensation Discussion and Analysis," "Executive Compensation Tables," "Nominees for the Board of Directors," and "Non-Employee Director Compensation," all of which information is incorporated herein by reference.

ENTERGY ARKANSAS, ENTERGY GULF STATES LOUISIANA, ENTERGY LOUISIANA, ENTERGY MISSISSIPPI, ENTERGY NEW ORLEANS AND ENTERGY TEXAS

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

In this section, the salaries and other compensation elements paid in 2011 to the Chief Executive Officers ("CEOs"), the Principal Financial Officer ("PFO"), the three other most highly compensated executive officers other than the CEO and PFO (collectively, the "Named Executive Officers") of each of Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans and Entergy Texas (the "Subsidiaries") are discussed and analyzed. Entergy believes the executive pay programs described herein and in the accompanying tables have played a material role in its ability to drive strong financial results and to attract and retain a highly experienced and successful management team. The purpose of this section is to provide investors with material information necessary to understand the compensation policies for the Named Executive Officers. This section should be read in combination with the more detailed compensation tables and other data presented elsewhere in this report. For information regarding the compensation of the named executive officers of Entergy Corporation, see the Proxy Statement of Entergy Corporation.

The Named Executive Officers are identified in the Summary Compensation Table immediately following this Compensation Discussion and Analysis. Mr. Leonard, Mr. Denault and Mr. Taylor also serve as executive officers of Entergy Corporation. Mr. Leonard, Mr. Denault and Mr. Taylor do not receive additional compensation for serving as Named Executive Officers of the Subsidiaries. For more information about the officers of the Subsidiaries, see Part III, Item 10 of this report.

Executive Compensation Best Practices

On an ongoing basis, with the assistance of the Personnel Committee's independent executive compensation consultant, the Personnel Committee reviews and evaluates Entergy's overall approach to its executive compensation programs. It undertakes this review to ensure that Entergy's programs continue to be in line with best practices of other companies in the industry as well as other Fortune 500 companies. As a result of this process, in the past two years the Personnel Committee has:

- Eliminated "gross up" payments by Entergy with respect to excise taxes due on the payment of severance benefits to the named executive officers in the case of a change in control. See "Benefits, Perquisites, Agreements and Post-Termination Plans - Retention Agreements and Other Compensation Arrangements."
- Adopted a "clawback" policy providing for the recoupment by the Company of incentive compensation in certain circumstances. See "Compensation Program Administration - Executive Compensation Governance."
- Adopted a "double trigger" (requiring both a change in control and an involuntary job loss or substantial diminution of duties) for the acceleration of awards under the 2007 and 2011 Equity Ownership and Long-Term Cash Incentive Plans.
- Adopted a policy prohibiting hedging transactions in Entergy's common stock by any officer, director or employee. See "Compensation Program Administration - Executive Compensation Governance."

- Reduced the maximum payout under the Long-Term Performance Unit Program (for top quartile performance) from 250% to 200% of target beginning with the 2011-2013 performance period, combined with an increase in the minimum payout (for third quartile performance) from 10% to 25% of target; there continues to be no payout for bottom quartile performance.
- Modified the form of payout for the Long-Term Performance Unit Program, beginning with the 2012-2014 performance period, to provide that participants will receive their awards in shares of Entergy common stock rather than in cash, with officers required to retain these shares until they satisfy their stock ownership requirements.
- Increased the portion of long-term compensation that is derived from performance units from 50% to 60% and decreased the portion that is derived from restricted stock and stock option grants to 40%.
- Eliminated club dues as a perquisite for the members of the Office of Chief Executive and eliminated gross-up payments on perquisites, except for relocation benefits.
- Discontinued financial counseling as a perquisite for all executive officers, with the value of this discontinued perquisite not being replaced in the executive's compensation.
- Adopted a policy that prohibits Entergy Corporation or its affiliates from engaging the independent compensation consultant that provides executive and director compensation services to the Personnel and Corporate Governance Committees or its affiliates to provide other services to Entergy with an aggregate value in excess of $120,000 in any year. In 2011, the independent consultant to the Committees did not provide any services to Entergy beyond consulting to the Personnel Committee.

The Personnel Committee also considered in 2011, and will consider in the future, the results of the vote of the shareholders on the annual advisory vote on executive compensation. Given the approximately 97% level of support for Entergy's executive compensation at the 2011 Annual Meeting, the Committee believes that Entergy's shareholders are generally very satisfied with the pay practices and the Committee did not make any change to Entergy Corporation's executive compensation program in response to this advisory vote.

2011 Performance and Compensation

Pay for Performance Philosophy. Entergy's compensation programs for Named Executive Officers are based on a philosophy of pay-for-performance which is embodied in the design of the annual and long-term incentive plans. The annual incentive plan incentivizes and rewards the achievement of operational and financial metrics that are deemed by the Board to be consistent with the overall goals and strategic direction that the Board has set for Entergy. For 2011, these metrics were earnings per share and operating cash flow. The long-term incentive plan was comprised for many years of options and performance unit awards, and in 2011, Entergy added restricted stock awards to the program. The value of these instruments to the executive is directly tied to the performance of the stock price, thereby aligning the interests of the executives and the stockholders.

2011 Performance and Significant Achievements. The businesses delivered strong financial and operational performance in 2011, achieving record as reported earnings per share for the seventh year in a row and strong operating cash flow, despite substantially lagging our peer group in total shareholder return. We believe the efforts in 2011 also have positioned the Company for future success, as reflected in the following significant achievements and recognitions:

- Achieved record as reported earnings of $7.55 per share and operating cash flow of approximately $3.1 billion;
- Returned to shareholders nearly $800 million through dividends and net share repurchases;
- Proposed the transfer of control of the utility operating companies' transmission assets to the Midwest Independent System Operator Regional Transmission Organization after a comprehensive review and analysis indicated up to $1.4 billion in potential net customer savings over the first 10 years;
- Entered into agreements for the spin-off and merger with ITC Holdings Corp. of the Company's transmission business;
- Obtained 20-year license renewal from the Nuclear Regulatory Commission for Vermont Yankee nuclear facility;
- Acquired the Rhode Island State Energy Center combined cycle gas turbine (CCGT) plant;

- Completed the acquisition of the Acadia power station with full cost recovery;
- Executed agreements and made appropriate regulatory filings to support the acquisitions of the Hinds and Hot Spring generating facilities and the Ninemile 6 new build CCGT project;
- Completed securitization for costs associated with the Little Gypsy project;
- Successfully resolved formula rate plans;
- Maintained reliability of bulk electric system through 2011 ice events, tornadoes and record flooding;
- Retained an evaluation in the 'excellence' category compared to peers for our Pilgrim and Vermont Yankee nuclear facilities, making a total of five plants in Entergy's nuclear fleet currently with this evaluation;
- Hedged over 29 TWh of future nuclear energy production;
- Completed record runs at our Pilgrim and Cooper nuclear facilities;
- Included on the Dow Jones Sustainability North America Index, marking the tenth consecutive year on either the DJSI World Index or DJSI North America Index, or both; and
- Received multiple awards and recognition for economic development, community relations, corporate citizenship, climate protection, customer service and nuclear practices.

Application of Pay-for-Performance Philosophy. Pay outcomes for the Named Executive Officers during 2011 clearly demonstrated the application of the pay-for-performance philosophy. The annual incentive program is tied to the financial performance through the Entergy Achievement Multiplier (the performance metric used to determine awards under the Annual Incentive Plan), which is determined based on Entergy's success in achieving the earnings per share and operating cash flow goals. Entergy substantially exceeded the earnings per share goal of $6.60 in 2011 by $0.95 per share, while falling short of the operating cash flow goal of $3.35 billion by $221 million. This resulted in an Entergy Achievement Multiplier of 128% of the executive's target annual incentive plan compensation, with the Chief Executive Officer receiving an award equal to 154% of his base salary and the other Named Executive Officers each receiving awards equal to between 50% and 90% of their base salaries. For additional information regarding the Annual Incentive Compensation program see "Short-Term Compensation - Non-Equity Incentive Plans (Cash Bonus)."

This contrasts with the performance under the long-term incentives, which are directly tied to total shareholder return. Under the Long-Term Performance Unit Program, Entergy measures performance over a three year period by assessing Entergy's total shareholder return in relation to the total shareholder return of the companies included in the Philadelphia Utility Index, with payouts under the plan tied directly to Entergy's performance in relation to the other companies in the index over the performance period. Relative total shareholder return is used as the measure of performance under this program because it encourages the executives to deliver superior shareholder value in relation to Entergy's peers and rewards not just stock appreciation, but also the ability to deliver significant dividends to shareholders. Notwithstanding the strong overall operational and financial performance in 2011, the total shareholder return was in the bottom quartile of the Philadelphia Utility Index for the 2009-2011 performance period, which resulted in a zero payout for the performance units granted in 2009. Moreover, many of the stock options granted to the Named Executive Officers in recent years have no intrinsic value, due to declines in Entergy's stock price since they were granted. For additional information regarding the long-term compensation program, see "Long-Term Compensation - Performance Unit Program."

Objectives of the Executive Compensation Program

- **The greatest part of the compensation of the Named Executive Officers should be in the form of "at risk" performance-based compensation in order to focus the executives on the achievement of superior results.**

The executive compensation programs are designed to ensure that a significant percentage of the total compensation of the Named Executive Officers is contingent on achievement of performance goals that drive total shareholder return and result in increases in Entergy Corporation's common stock price. For example, each of the annual cash incentive and long-term performance unit programs is designed to pay out only if Entergy achieves pre-established performance goals. If minimum established performance goals are not achieved, no payouts are made under the incentive programs. Assuming achievement of these performance goals at target levels, approximately 80% of the annual target total compensation (excluding non-qualified supplemental retirement income) of Entergy Corporation's Chief Executive Officer is at risk because it is performance-based compensation and the remaining 20% is represented by base salary. For Mr. Denault and Mr. Taylor, assuming achievement of performance goals at the target levels, approximately 65% of the annual target total compensation (excluding non-qualified supplemental retirement income) is at risk because it is performance-based compensation with the remaining 35% represented by base salary. For substantially all of the other Named Executive Officers, assuming achievement of performance goals at the target levels, at least 50% of the annual target total compensation (excluding non-qualified supplemental retirement income) is at risk because it is performance-based compensation with the remaining 50% represented by base salary. Entergy Corporation's Chief Executive Officer's total compensation is at greater risk than the other Named Executive Officers, reflecting both market practice and acknowledging the leadership role of the Chief Executive Officer in setting company policies and strategies.

- **A substantial portion of the Named Executive Officers' compensation should be delivered in the form of equity awards.**

To align the economic interests of the Named Executive Officers with the shareholders of Entergy Corporation, Entergy believes a substantial portion of its total compensation should be in the form of equity-based awards. In 2011, awards were granted in the form of restricted stock, stock options and performance units. Stock options and restricted stock generally will be subject to time-based vesting. Performance units pay out only if Entergy Corporation achieves specified performance targets with the amount of payout contingent on the level of performance achieved and Entergy's common stock price. These awards focus and reward executive officers on building shareholder value. Further, beginning with the 2012-2014 performance period, the performance unit program will help to provide an even greater portion of the officer's total compensation in equity, as these awards will be settled in shares of Entergy common stock rather than in cash.

- **The compensation programs of Entergy Corporation and the Subsidiaries should enable the companies to attract, retain and motivate executive talent by offering competitive compensation packages.**

It is in the shareholders' best interests that Entergy Corporation and the Subsidiaries attract and retain talented executives by offering compensation packages that are competitive. Entergy Corporation's Personnel Committee has sought to develop compensation programs that deliver total target compensation in the aggregate at approximately the 50th percentile of the market data.

<u>**The Starting Point**</u>

To develop a competitive compensation program, the Personnel Committee annually reviews base salary and other compensation data from two sources:

- <u>Survey Data</u>: The Committee uses published and private compensation survey data to develop marketplace compensation levels for executive officers. The data, which is compiled by the Committee's independent compensation consultant, compares the current compensation opportunities provided to each of the executive officers against the compensation opportunities provided to executives holding similar positions at companies with corporate revenues consistent with the revenues of Entergy Corporation. For non-industry specific positions such as a chief financial officer, the Committee reviews general industry data for total cash compensation (base salary and annual incentive). For management positions that are industry-specific such as Group President, Utility Operations, the Committee reviews data from energy services companies for total cash compensation. However, for long-term incentives, all positions are reviewed relative to utility market data. The survey data reviewed by the Committee covers approximately 400 public and private companies in general industry and approximately over 60 investor-owned companies in the energy services sector. In evaluating compensation levels against the survey data, the Committee considers only the aggregated survey data. The identity of the companies comprising the survey data is not disclosed to, or considered by, the Committee in its decision-making process and, thus, is not considered material by the Committee.

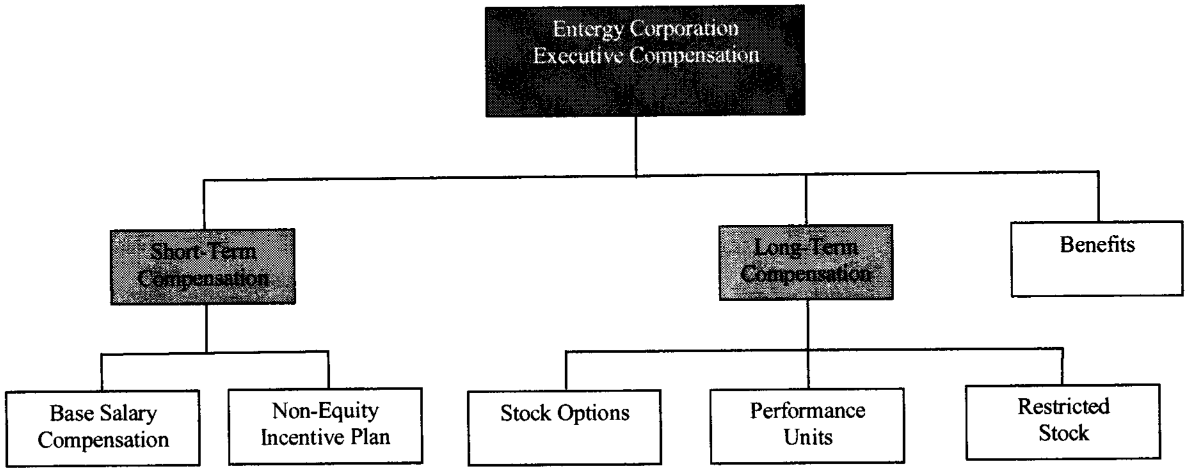
The Committee uses the survey data to develop compensation opportunities that deliver total target compensation at approximately the 50th percentile of the surveyed companies. This survey data is used as the primary data for purposes of determining target compensation. For this purpose, the Committee reviews the results of the survey data (organized in tabular format) comparing each of the Named Executive Officer's compensation relative to the 25th, 50th (or median) and 75th percentile of the surveyed companies. The Committee considers its objectives to have been met if Entergy Corporation's Chief Executive Officer and the eight (8) other executive officers who constitute what is referred to as the Office of the Chief Executive each have a target compensation package that falls within the range of 85 - 115 percentile of the 50th percentile of the companies in the survey data. In 2011, in the aggregate the target compensation of all of the Named Executive Officers fell within this range. Actual compensation received by an individual officer may be above or below the 50th percentile based on an individual officer's skills, performance and responsibilities, Entergy Corporation performance and internal pay equity.

- Proxy Analysis: Although the survey data described above is the primary data source used in determining compensation, the Committee reviews data derived from proxy statements as an additional point of analysis. The proxy data is used to compare the compensation levels of the named executive officers against the compensation levels of the corresponding top five highest paid executive officers from the companies in the Philadelphia Utilities Index. The Personnel Committee does not target Entergy's executive compensation elements against the companies included in the index, but rather, uses the proxy analysis to evaluate the reasonableness of the compensation program. The proxy market data compare Entergy executive officers to other proxy officers based on pay rank without regard to roles and responsibilities. These companies are:

  - AES Corporation
  - Ameren Corporation
  - American Electric Power Co. Inc.
  - CenterPoint Energy Inc.
  - Consolidated Edison Inc.
  - Dominion Resources Inc.
  - DTE Energy Company
  - Duke Energy Corporation
  - Edison International
  - Exelon Corporation
  - FirstEnergy Corporation
  - NextEra Energy
  - Northeast Utilities
  - PG&E Corporation
  - Progress Energy, Inc.
  - Public Service Enterprise Group, Inc.
  - Southern Company
  - Xcel Energy

Elements of the Compensation Program

The major components of the 2011 executive compensation program are presented below:



Entergy's executive compensation package consists of a combination of short-term and long-term compensation elements. Short-term compensation included base pay and annual cash incentive awards and long-term compensation included stock options, restricted stock and performance units. All of the incentive plans are linked to Entergy's financial and stock performance or its total shareholder return in relation to its peers. The executive compensation program is approved by Entergy's Personnel Committee, which consists entirely of independent board members.

The executive compensation programs reflect a balanced compensation approach to incentivizing and rewarding performance by combining a market-based base salary with reasonable annual and long-term incentive compensation programs. These incentive compensation programs are designed to reward the executive officers if they attain specified annual and long-term goals while taking an appropriate level of risk.

Compensation decisions for each executive officer are made after taking into account all elements of the officer's compensation. In making compensation decisions, Entergy applies the same compensation policies to all of the executive officers; however, the application of these policies results in different compensation amounts to individual executive officers because of: (i) differences in roles and responsibilities; (ii) differences in market-based compensation levels for specific officer positions; (iii) the assessment of individual performance; (iv) internal equity; and (v) variations in business unit performance.

Short-Term Compensation

- **Base Salary**

Base salary is a component of each Named Executive Officer's compensation package because the Personnel Committee believes it is appropriate that some portion of the compensation that is provided to these officers is stable. Also, base salary remains the most common form of payment throughout all industries. Its use ensures a competitive compensation package for the Named Executive Officers.

The Committee (in the case of Mr. Leonard, Mr. Denault and Mr. Taylor) determine the base salaries for these Named Executive Officers, including whether to grant annual merit increases in base salary based on the following factors:

- Entergy Corporation, business unit and individual performance during the prior year;
- Market data;
- Internal pay equity and the executive pay structure;

- The Committee's assessment of other elements of compensation provided to the Named Executive Officers; and
- Entergy's Chief Executive Officer's recommendations for the Named Executive Officers other than himself.

The use of "internal pay equity" in setting merit increases assists the Committee in determining whether a change in an executive officer's role and responsibilities relative to other executive officers requires an adjustment in the officer's salary. The Committee has not established any predetermined formula against which the base salary of one Named Executive Officer is measured against another officer or employee.

In 2011, the Named Executive Officers received merit increases in their base salaries in the range of 2 to 4 percent. The increases in base salary were made in light of current economic conditions and the projected growth in executive salaries in 2011 based on general industry surveys obtained from human resources consulting firms.

The following table sets forth the 2011 base salaries for the Named Executive Officers. Changes in base salaries were effective in April of each of the years shown.

Named Executive Officer	2010 Base Salary	2011 Base Salary
J. Wayne Leonard	$1,291,500	$1,323,800
Leo P. Denault	$630,000	$ 655,200
Gary J. Taylor	$570,000	$ 592,800
Theodore H. Bunting, Jr.	$350,448	$ 359,209
Joseph F. Domino	$317,754	$ 324,104
Haley R. Fisackerly	$275,000	$ 283,250
Hugh T. McDonald	$322,132	$ 330,185
William M. Mohl	$325,000	$ 335,550
Charles L. Rice, Jr.	$240,000	$ 247,200

Mr. Leonard's base salary is larger than the other Named Executive Officers because of his leadership role in setting company policies and strategic planning and reflects market practice for salaries for chief executive officers of similarly sized companies.

- **Non-Equity Incentive Plan (Cash Bonus)**

Performance-based incentives are included in the Named Executive Officers' compensation packages because Entergy believes performance-based incentives encourage the Named Executive Officers to pursue objectives consistent with the overall goals and strategic direction that the Entergy Board has set for Entergy Corporation and the Subsidiaries. Annual incentive plans are commonly used by companies in a variety of industry sectors to compensate their executive officers for achieving financial and operational goals.

The Named Executive Officers participate in a performance-based cash bonus plan known as the Executive Annual Incentive Plan or Executive Incentive Plan. Under the plan, Entergy uses a performance metric known as the Entergy Achievement Multiplier to determine the percentage of target annual plan awards that will be paid each year to each Named Executive Officer. Each year the Personnel Committee reviews the performance measures used to determine the Entergy Achievement Multiplier. In December 2010, the Personnel Committee decided to retain the performance measures used in 2010. Accordingly, the 2011 performance measures used to determine the Entergy Achievement Multiplier were consolidated earnings per share and operating cash flow, with each measure weighted equally. The Committee selected these performance measures because:

- earnings per share and operating cash flow have both a correlative and causal relationship to shareholder value over the long-term;
- earnings per share and operating cash flow targets are aligned with externally-communicated goals; and

- earnings per share and operating cash flow results are readily available in earning releases and SEC filings.

In addition, these measures are used by a number of other companies, including the companies in the Philadelphia Utility Index, as components of their incentive programs. For example, approximately 72 percent of the industry peer group companies use earnings per share as an incentive measure.

The Committee sets minimum, target and maximum achievement levels under the Executive Incentive Plan. Payouts for performance between minimum and target achievement levels and between target and maximum levels are calculated using straight line interpolation. If Entergy does not achieve its minimum achievement levels, no payout occurs under the Executive Incentive Plan. In general, the Committee seeks to establish target achievement levels such that the relative difficulty of achieving the target level is consistent from year to year. Over the past five years ending with 2011, the average Entergy Achievement Multiplier was 136% of target.

In December 2010, the Committee set the 2011 target awards for incentives to be paid for 2011 under the Executive Incentive Plan. As a percentage of base salary, the target awards for certain of Entergy named executive officers were set as follows: J. Wayne Leonard, CEO of Entergy Corporation (120%); Leo P. Denault, Executive Vice President and Chief Financial Officer (70%); and Gary J. Taylor, Group President Utility Operations (70%). The Committee based its decision on the target awards for Mr. Denault and Mr. Taylor on the recommendation of Entergy's Chief Executive Officer.

In setting these target awards, the Personnel Committee considered several factors, including:

- Analysis provided by the Committee's independent compensation consultant as to compensation practices at the industry peer group companies and the general market for companies the size of Entergy Corporation;
- Competitiveness of the compensation plans and Entergy's ability to attract and retain top executive talent;
- The individual performance of each Entergy named executive officer (other than the Chief Executive Officer of Entergy Corporation) as evaluated by the Chief Executive Officer of Entergy Corporation;
- Target bonus levels in the market for comparable positions;
- The desire to ensure that a substantial portion of total compensation is performance-based;
- The relative importance of the short-term performance goals established pursuant to the Executive Incentive Plan;
- Internal pay equity and the executive pay structure;
- The Committee's assessment of other elements of compensation provided to the Named Executive Officers; and
- Entergy's Chief Executive Officer's recommendations for the Named Executive Officers other than himself.

The Committee established a higher target percentage for Mr. Leonard compared to the other Named Executive Officers to reflect the following factors:

- Market practices that compensate chief executive officers at greater potential compensation levels with more "pay at risk" than other executive officers.
- The Personnel Committee's assessment of Mr. Leonard's strong performance based on the Board's annual performance evaluation, in which the Board reviews and assesses Mr. Leonard's performance based on critical factors such as: leadership, strategic planning, financial results, succession planning, communications with all of Entergy's stakeholders, external relations with the communities and industries in which Entergy Corporation operates and his relationship with the Board.

The target awards for the other Named Executive Officers were set as follows: Joseph F. Domino, CEO - Entergy Texas (50%); Hugh T. McDonald, CEO - Entergy Arkansas (50%); Haley Fisackerly, CEO - Entergy Mississippi (40%); William M. Mohl (60%), CEO - Entergy Gulf States and Entergy Louisiana; Charles L. Rice, Jr. (40%), CEO - Entergy New Orleans and Theodore H. Bunting, Jr. - Principal Accounting Officer - the Subsidiaries (60%).

The target awards for the Named Executive Officers (other than Entergy named executive officers) were set by their respective supervisors (subject to ultimate approval of Entergy's Chief Executive Officer) who allocated a potential incentive pool established by the Personnel Committee among various of their direct and indirect reports. In setting the target awards, the supervisor took into account considerations similar to those used by the Personnel Committee in setting the target awards for Entergy's Named Executive Officers.

Target awards are set based on an executive officer's current position and executive management level within the Entergy organization. Executive management levels at Entergy range from Level 1 thorough Level 4. Mr. Denault and Mr. Taylor hold positions in Level 2 whereas Mr. Bunting and Mr. Mohl hold positions in Level 3 and Mr. Domino, Mr. Fisackerly, Mr. McDonald and Mr. Rice hold positions in Level 4. Accordingly, their respective incentive targets differ one from another based on the external market data developed by the Committee's independent compensation consultant and the other factors noted above.

In December 2010, the Committee determined the Executive Incentive Plan targets to be used for purposes of establishing annual bonuses for 2011. The Committee's determination of the target levels was made after full Board review of management's 2011 financial plan for Entergy Corporation, upon recommendation of the Finance Committee, and after the Committee's determination that the established targets aligned with Entergy Corporation's anticipated 2011 financial performance as reflected in the financial plan. The targets established to measure management performance against as reported results were:

	Minimum	**Target**	**Maximum**
Earnings Per Share ($)	$6.10	$6.60	$7.10
Operating Cash Flow ($ in Billions)	$2.97	$3.35	$3.70

In January 2012, after reviewing earnings per share and operating cash flow results against the performance objectives in the above table, the Committee determined that Entergy Corporation had exceeded as reported earnings per share target of $6.60 by $0.95 in 2011 while falling short of the operating cash flow goal of $3.35 billion by $221 million in 2011. In accordance with the terms of the Annual Incentive Plan, in January 2012, the Personnel Committee certified the 2012 Entergy Achievement Multiplier at 128% of target.

Under the terms of the Management Effectiveness Program, the Entergy Achievement Multiplier is automatically increased by 25 percent for the members of the Office of the Chief Executive if the pre-established underlying performance goals established by the Personnel Committee are satisfied at the end of the performance period, subject to the Personnel Committee's discretion to adjust the automatic multiplier downward or eliminate it altogether. In accordance with Section 162(m) of the Internal Revenue Code, the multiplier which Entergy refers to as the Management Effectiveness Factor is intended to provide the Committee a mechanism to take into consideration specific achievement factors relating to the overall performance of Entergy Corporation. In January 2012, the Committee eliminated the Management Effectiveness Factor with respect to the 2011 incentive awards, reflecting the Personnel Committee's determination that the Entergy Achievement Multiplier, in and of itself without the Management Effectiveness Factor, was consistent with the performance levels achieved by management.

The annual incentive awards for the Named Executive Officers (other than Mr. Leonard, Mr. Denault and Mr. Taylor) are awarded from an incentive pool approved by the Committee. From this pool, each Named Executive Officer's supervisor determines the annual incentive payment based on the Entergy Achievement Multiplier. The supervisor has the discretion to increase or decrease the multiple used to determine an incentive award based on individual and business unit performance. The incentive awards are subject to the ultimate approval of Entergy's Chief Executive Officer.

The following table shows the Executive Incentive Plan payments as a percentage of base salary for 2011 based on an Entergy Achievement Multiplier of 128% as well as the incentive awards for each Named Executive Officer:

Named Executive Officer	Target	Percentage Base Salary	2011 Annual Incentive Award
J. Wayne Leonard	120%	154%	$2,033,356
Leo P. Denault	70%	90%	$ 587,059
Gary J. Taylor	70%	90%	$ 531,148
Theodore H. Bunting, Jr.	60%	111%	$ 400,000
Joseph F. Domino	50%	66%	$ 215,000
Haley R. Fisackerly	40%	53%	$ 150,000
Hugh T. McDonald	50%	65%	$ 210,000
William M. Mohl	60%	79%	$ 265,000
Charles L. Rice, Jr.	40%	53%	$ 130,000

Nuclear Retention Plan

Some of Entergy's executive officers, including Mr. Taylor, participate in a retention plan for officers and other leaders with special expertise in the nuclear industry. The Committee authorized this retention plan to attract and retain management talent in the nuclear power field, a field that requires unique technical and other expertise that is in great demand in the utility industry. This type of retention plan is not an uncommon practice among companies that operate nuclear power plants. Mr. Taylor's participation in the plan covers a three-year period that began on January 1, 2009 and terminated with the January 2012 payment. In January 2010, 2011 and 2012, in accordance with the terms and conditions of the plan, Mr. Taylor received a cash bonus equal to 30% of his base salary as of January 1, 2009. Mr. Taylor's participation in the plan (with respect to the period covered and percentage of base salary paid) is consistent with the level of participation of other employees who participate in the Plan. Mr. Taylor has advised Entergy Corporation that he intends to resign from his position as Group President, Utility Operations, effective May 31, 2012.

Long-Term Compensation

Entergy's goal for long-term incentive compensation is to focus and reward executive officers for building shareholder value and to increase the executive officers' ownership in Entergy Corporation common stock. In the long-term incentive programs, Entergy uses a mix of performance units, restricted stock and stock options. Performance units reward the Named Executive Officers on the basis of total shareholder return, which is a measure of stock appreciation, dividend payments and stock price relative to the companies in the Philadelphia Utility Index. Restricted stock ties the executive officers' long-term financial interest to the long-term financial interests of the shareholders. Stock options provide a direct incentive for increasing the price of Entergy Corporation common stock. In addition, restricted stock units have occasionally been awarded for retention purposes or to offset forfeited compensation in order to attract officers and managers from other companies. The target value of long-term incentive compensation granted is allocated 60% to performance units and 40% to a combination, equally divided, of stock options and restricted stock, all based on their grant date values.

Each of the performance units, shares of restricted stock and stock options granted to the Named Executive Officers in 2011 were awarded under the 2007 Equity Ownership and Long Term Cash Incentive Plan of Entergy Corporation, which is referred to as the 2007 Equity Ownership Plan. At Entergy's 2011 Annual Meeting, Entergy's shareholders approved the 2011 Equity Ownership and Long Term Cash Incentive Plan or 2011 Equity Ownership Plan. Any equity award granted after that date will be granted under the 2011 Equity Ownership Plan.

- **Performance Unit Program**

Entergy issues performance unit awards to the Named Executive Officers under its Long-Term Performance Unit Program. Historically, each performance unit equals the cash value of one share of Entergy Corporation common stock at the end of the three-year performance period. Each unit also earns the cash equivalent of the dividends paid during the performance period. Dividends accrued during the performance period are paid out only to the extent the performance measures are achieved and a payout under the program for that period occurs. The Long-Term Performance Unit Program is structured to reward Named Executive Officers only if performance goals set by the Personnel Committee are met. The Personnel Committee has no discretion to make awards if minimum performance goals are not achieved. Beginning with the 2012-2014 performance period, upon vesting, the performance units granted under the Long-Term Performance Unit Program will be settled in shares of Entergy Corporation common stock rather than cash. Accrued dividends on any shares earned under the plan will also be converted and paid in shares of Entergy Corporation common stock. Entergy modified the form of payment to align the method of payment with market practice and to encourage the executives to own shares of Entergy Corporation common stock. Executives are required to retain after-tax shares issued under the Long-Term Performance Unit Program until they have achieved their prescribed level of stock ownership under the stock ownership guidelines.

The Long-Term Performance Unit Program provides a minimum, target and maximum achievement level. Performance is measured by assessing Entergy Corporation's total shareholder return relative to the total shareholder return of the companies in the Philadelphia Utility Index. The Personnel Committee identified the Philadelphia Utility Index as the industry peer group for total shareholder return performance because the companies represented in this index closely approximate Entergy Corporation in terms of size and scale. The Personnel Committee chose total shareholder return as a measure of performance because it assesses Entergy Corporation's creation of shareholder value relative to other electric utilities over the performance period. It also takes into account dividends paid by the companies in this index and normalizes events that affect the industry as a whole. Minimum, target and maximum performance levels are determined by reference to the percentile ranking of Entergy Corporation's total shareholder return against the total shareholder return of the companies in the Philadelphia Utility Index. At any given time, a participant in the Long-Term Performance Unit Program may be participating in three performance periods. Currently participants are participating in the 2010-2012, the 2011-2013 and the 2012-2014 performance periods.

The 2011-2013 Performance Unit Program Grant. Subject to achievement of the performance levels, the Personnel Committee established target amounts of 26,000 performance units for Mr. Leonard; and 5,900 performance units for each of Mr. Denault and Mr. Taylor for the 2011-2013 performance period. The target amounts for the other Named Executive Officers are as follows: 2,500 performance units for Mr. Bunting and Mr. Mohl; 1,200 performance units for each of Mr. Domino, Mr. McDonald, Mr. Fisackerly and Mr. Rice. The range of payouts under the program is shown below.

Performance Levels:	**Minimum**	**Target**	**Maximum**
Total Shareholder Return	25th percentile	50th percentile	75th percentile
Payouts	25% of Target	100% of Target	200% of Target

There is no payout for performance below the 25th percentile. Payouts between minimum and target and target and maximum are calculated using straight line interpolation. Beginning with the 2011-2013 performance period, Entergy reduced the maximum payout under the Long-Term Performance Unit Program from 250% to 200% of target and increased the minimum payout from 10% to 25% of target to better align with market practice.

The Personnel Committee sets payout opportunities for the Long-Term Performance Unit Program at the outset of each performance period. In determining payout opportunities, the Committee considers several factors, including:

- The advice of the Committee's independent compensation consultant regarding compensation practices at the industry peer group companies;

- Competitiveness of Entergy's compensation plans and their ability to attract and retain top executive talent;
- Target long-term compensation values in the market for similar jobs;
- The desire to ensure, as described above, that a substantial portion of total compensation is performance-based;
- The relative importance of the long-term performance goals established pursuant to the Performance Unit Program;
- Internal pay equity and the executive pay structure;
- The Committee's assessment of other elements of compensation provided to the Named Executive Officers; and
- Entergy's Chief Executive Officer's recommendation for the Named Executive Officers other than himself.

The Committee established a higher target amount for Mr. Leonard compared to the other Named Executive Officers based on the following factors:

- Mr. Leonard's leadership and contributions to Entergy Corporation's success as measured by, among other things, the overall performance of Entergy Corporation.
- Market practices that compensate chief executive officers at greater potential compensation levels with more "pay at risk" than other named executive officers.

Payout for the 2009-2011 Performance Period. For the 2009-2011 performance period, the target amounts were:

- 22,500 performance units for Mr. Leonard;
- 4,800 performance units for Mr. Denault and Mr. Taylor;
- 2,000 performance units for Mr. Bunting;
- 1,450 performance units for Mr. Mohl;
- 900 performance units each for Mr. Domino, Mr. Fisackerly and Mr. McDonald; and
- 450 performance units for Mr. Rice.

Participants could earn performance units based on relative total shareholder return and on the following range of payouts:

Performance Level	Minimum	Target	Maximum
Total Shareholder Return	25th percentile	50th percentile	75th percentile
Payouts	10% of target	100% of target	250% of Target

In January 2012, the Committee assessed Entergy Corporation's total shareholder return for the 2009-2011 performance period in order to determine the actual number of performance units to be paid to Performance Unit Program participants for the 2009-2011 performance period. The Committee compared the Company's total shareholder return against the total shareholder return of the companies that comprise the Philadelphia Utility Index. Based on this comparison, the Committee concluded that Entergy Corporation's performance for the 2009-2011 performance period, ranked in the bottom quartile. This resulted in no payout under the Performance Unit Program for the performance period.

- **Stock Options**

The Personnel Committee and, in the case of the Named Executive Officers (other than Mr. Leonard, Mr. Denault and Mr. Taylor), Entergy's Chief Executive Officer and the Named Executive Officer's supervisor consider several factors in determining the amount of stock options it will grant to the Named Executive Officers, including:

- Individual performance;
- Prevailing market practice in stock option grants;

- The targeted long-term value created by the use of stock options;
- Internal pay equity and the executive pay structure;
- The number of participants eligible for stock options, and the resulting "burn rate" (i.e., the number of stock options authorized divided by the total number of shares outstanding) to assess the potential dilutive effect; and
- The Committee's assessment of other elements of compensation provided to the Named Executive Officers based upon Entergy's Chief Executive Officer's recommendations for the Named Executive Officers other than himself.

For stock option awards to the Named Executive Officers (other than Mr. Leonard), the Committee's assessment of individual performance of each Named Executive Officer in consultation with Entergy Corporation's Chief Executive Officer, which involves a review of each officer's performance, role and responsibilities, strengths and developmental opportunities and is the most important factor in determining the number of options awarded. The Committee also considers the significant achievements of Entergy for the prior year.

The following table sets forth the number of stock options granted to each Named Executive Officer in 2011. The exercise price for each option was $72.79, which was the closing price of Entergy Corporation common stock on the date of grant.

Named Executive Officer	Stock Options
J. Wayne Leonard	70,000
Leo P. Denault	25,000
Gary J. Taylor	20,000
Theodore H. Bunting, Jr.	6,800
Joseph F. Domino	2,900
Haley R. Fisackerly	2,900
Hugh T. McDonald	2,900
Willliam M. Mohl	6,100
Charles L. Rice	2,900

The option grants awarded to the Named Executive Officers (other than Mr. Leonard) ranged in number between 2,900 and 25,000 shares and were determined based on the factors described above. In the case of Mr. Leonard, who received 70,000 stock options, the Committee took special note of his performance as Entergy Corporation's Chief Executive Officer. The number of options granted to the Named Executive Officers decreased from prior year grants as a result of the addition of awards of restricted stock in 2011 as part of the executives' long-term incentive compensation. Forty percent of the target value of the long-term incentive compensation for 2011 was allocated to the grant of stock options and restricted stock, equally divided in value, based on their grant date values. Entergy added restricted stock to the long-term compensation because Entergy believes it enhances retention, mitigates the burn rate and assists in building stock ownership.

For additional information regarding stock options awarded in 2011 to each of the Named Executive Officers, see the 2011 Grants of Plan-Based Awards table.

Under Entergy's equity plans, all stock options must have an exercise price equal to the closing fair market value of Entergy Corporation common stock on the date of grant. In 2008, Entergy Corporation implemented guidelines that require an executive officer to achieve and maintain a level of Entergy Corporation stock ownership equal to a multiple of his or her salary. Until an executive officer satisfies the applicable stock ownership guidelines of Entergy Corporation common stock, the executive officer (including a Named Executive Officer) upon exercising any stock option granted on or after January 1, 2003, must retain at least 75% of the after-tax net profit from such stock option exercise in the form of Entergy Corporation common stock. The equity ownership plans prohibit the repricing of "underwater" stock options without shareholder approval.

Entergy Corporation has not adopted a formal policy regarding the granting of options at times when it is in possession of material non-public information. However, Entergy Corporation generally grants options to

Named Executive Officers only during the month of January in connection with its annual executive compensation decisions. On occasion, it may grant options to newly hired employees or existing employees for retention or other limited purposes.

- **Restricted Stock**

During 2011, the Personnel Committee approved a change in the long-term incentive awards to include awards of restricted stock to the executive officers. The grant of restricted stock awards replaced a portion of the stock option awards historically granted to the executive officers. Entergy believes this change enhances retention, mitigates the burn rate and assists in building ownership of the common stock.

The restricted stock awards are intended to:

- Align the interests of executive officers with the interests of shareholders by tying executive officers' long-term financial interests to the long-term financial interests of shareholders;
- Act as a retention mechanism for the key executives officers; and
- Maintain a market competitive position for total compensation.

Shares of restricted stock vest over a three-year period, have voting rights and accrue dividends during the vesting period. Upon vesting, shares of Entergy common stock will be distributed along with the dividends that have accrued on the vested shares. Officers subject to the stock ownership guidelines will be required to retain vested shares until they satisfy the stock ownership guidelines.

The Personnel Committee considers several factors in determining the amount of restricted stock it will grant to the Named Executive Officers, including:

- Individual performance;
- Prevailing market practice in restricted stock grants;
- The targeted long-term value created by the use of restricted stock;
- Internal pay equity and the executive pay structure;
- The number of participants eligible for restricted stock, and the resulting "burn rate" (i.e., the number of restricted shares authorized divided by the total number of shares outstanding) to assess the potential dilutive effect; and
- The Committee's assessment of other elements of compensation provided to the Named Executive Officers based upon the Chief Executive Officer's recommendations for the Named Executive Officers other than himself.

For restricted stock awards, the Committee's assessment of individual performance of each Named Executive Officer, in consultation with the Chief Executive Officer, involves a review of each officer's performance, role and responsibilities, strengths and developmental opportunities is the most important factor in determining the number of shares of restricted stock awarded. The Committee also considers the significant achievements of Entergy for the prior year.

The following table sets forth the number of shares of restricted stock granted to each Named Executive Officer in 2011.

Named Exeutive Officer	Shares of Restricted Stock
J. Wayne Leonard	11,500
Leo P. Denault	5,000
Gary J. Taylor	3,000
Theodore H. Bunting, Jr.	1,750
Joseph F. Domino	900
Haley R. Fisackerly	900
Hugh T. McDonald	900
William M. Mohl	1,100
Charles L. Rice	650

The shares of restricted stock awarded to the named executive officers (other than the Chief Executive Officer) ranged in number between 650 and 5,000 shares and were determined based on the factors described above. In the case of Entergy's Chief Executive Officer, who received 11,500 shares of restricted stock in 2011, the Committee took special note of Mr. Leonard's performance as Entergy Corporation's Chief Executive Officer.

Benefits, Perquisites, Agreements and Post-Termination Plans

- **Pension Plan, Pension Equalization Plan and System Executive Retirement Plan**

The Named Executive Officers are eligible to participate in the Pension Plan, Pension Equalization Plan and System Executive Retirement Plan. The Committee believes that these plans are an important part of the Named Executive Officers' compensation program. These plans are important in the recruitment of top talent in the competitive market, as these types of supplemental plans are typically found in companies of similar size to Entergy. These plans serve a critically important role in the retention of the senior executives, as benefits from these plans generally increase for each year that these executives remain employed by an Entergy system company. The plans thereby encourage the most senior executives to remain employed by Entergy and continue their work on behalf of Entergy's shareholders.

The Named Executive Officers participate in an Entergy Corporation-sponsored pension plan that covers a broad group of employees. This pension plan is a funded, tax-qualified, noncontributory defined benefit pension plan. Benefits under the pension plan are based upon an employee's years of service with an Entergy system company and the employee's average monthly rate of "Eligible Earnings" (which generally includes the employee's salary and eligible incentive awards, other than incentive awards paid under the Executive Incentive Plan) for the highest consecutive 60 months during the 120 months preceding termination of employment. Benefits under the tax-qualified plan are payable monthly after attainment of at least age 55 and after separation from an Entergy system company. The amount of annual earnings that may be considered in calculating benefits under the tax-qualified pension plan is limited by federal law.

Benefits under the tax-qualified pension plan in which the Named Executive Officer participates are calculated as an annuity payable at age 65 and equal to 1.5% of a participant's Eligible Earnings multiplied by years of service. Years of service under the pension plan formula cannot exceed 40. Contributions to the pension plan are made entirely by the employer and are paid into a trust fund from which the benefits of participants will be paid.

Entergy Corporation sponsors the Pension Equalization Plan, which is available to a select group of management and highly compensated employees, including the Named Executive Officers (other than Entergy's Chief Executive Officer). The Pension Equalization Plan is a non-qualified unfunded supplemental retirement plan that provides for the payment to participants from an Entergy System employer's general assets a single lump sum cash distribution upon separation from service generally equal to the actuarial present value of the difference between the amount that would have been payable as an annuity under the tax-qualified pension plan, but for Internal Revenue Code limitations on pension benefits and earnings that may be considered in calculating tax-qualified pension benefits, and the amount actually payable as an annuity under the tax-qualified pension plan. The Pension Equalization Plan also takes into account as "Eligible Earnings" any incentive awards paid under the Executive Incentive Plan.

Entergy Corporation also sponsors the System Executive Retirement Plan, which is available to Entergy's approximately 60 officers, including the Named Executive Officers (other than Entergy's Chief Executive Officer). Participation in the System Executive Retirement Plan requires individual approval by the plan administrator. An employee participating in both the System Executive Retirement Plan and the Pension Equalization Plan is eligible to receive only the greater of the two single-sum benefits computed in accordance with the terms and conditions of each plan.

Like the Pension Equalization Plan, the System Executive Retirement Plan is designed to provide for the payment to participants from an Entergy System employer's general assets a single-sum cash distribution upon separation from service. The single-sum benefit is generally equal to the actuarial present value of a specified percentage of the participant's "Final Average Monthly Compensation" (which is generally 1/36th of the sum of the participant's annual rate of base salary and Executive Incentive Plan award for the 3 highest years during the last 10 years preceding termination of employment), after first being reduced by the value of the participant's tax-qualified Pension Plan benefit and typically any prior employer pension benefit available to the participant.

While the System Executive Retirement Plan has a replacement schedule from one year of service to the maximum of 30 years of service, the table below offers a sample ratio at 20 and 30 years of service.

Years of Service	**Executives at Management Level 1**	**Executives at Management Level 3 and above**	**Executives at Management Level 4**
20 years	55.0%	50.0%	45.0%
30 years	65.0%	60.0%	55.0%

Mr. Leonard's retention agreement (as further discussed below) provides that, in lieu of his participation in the Pension Equalization Plan and the System Executive Retirement Plan, upon the termination of his employment (unless such termination is for Cause, as defined in the agreement), he will be entitled to receive a benefit equal to 60% of his Final Average Compensation (as described in the description of the System Executive Retirement Plan above) calculated as a single life annuity and payable as an actuarial equivalent lump sum. This benefit will be reduced by other benefits to which he is entitled from any Entergy Corporation-sponsored pension plan or prior employer pension plans. The terms of Mr. Leonard's Supplemental Retirement Benefit were negotiated at the time his employment with Entergy Corporation commenced and were designed to, among other things, offset the loss of benefits resulting from Mr. Leonard's resignation from his prior employer. At the time that Entergy recruited Mr. Leonard, he had accumulated twenty-five years of seniority with his prior employer and had served as an executive officer for that employer for over ten years and in an officer-level capacity for over fifteen years.

The Entergy System company employer of Mr. Taylor and Mr. Denault has agreed to provide service credit to each of them under either the Pension Equalization Plan or the System Executive Retirement Plan. Entergy System company employers typically offer these service credit benefits as one element of the total compensation package offered to new mid-level or senior executives that are recruited from other companies. By offering these executives "credited service," Entergy Corporation is able to compete more effectively to hire these employees by mitigating the potential loss of their pension benefits resulting from accepting employment within the Entergy system.

See the 2011 Pension Benefits table for additional information regarding the operation of the plans described under this caption.

- **Savings Plan**

The Named Executive Officers are eligible to participate in an Entergy Corporation-sponsored Savings Plan that covers a broad group of employees. This is a tax-qualified retirement savings plan, wherein total combined before-tax and after-tax contributions may not exceed 30 percent of a participant's base salary up to certain contribution limits defined by law. In addition, under the Savings Plan, the participant's employer matches an amount equal to seventy cents for each dollar contributed by participating employees, including the Named Executive Officers, on the first six percent of their Earnings (as defined in the Savings Plan) for that pay period. Entergy Corporation maintains the Savings Plan for employees of participating Entergy System companies, including the Named Executive Officers, because it wishes to encourage employees to save some percentage of their cash compensation for their eventual retirement. The Savings Plan permits employees to make such savings in a manner that is relatively tax efficient. This type of savings plan is also a critical element in attracting and retaining talent in a competitive market.

- **Executive Deferred Compensation**

The Named Executive Officers are eligible to defer up to 100% of their Executive Incentive Plan and Long-Term Performance Unit Program awards into either or both the Entergy-sponsored Executive Deferred Compensation Plan and the equity plan. In addition, they are eligible to defer up to 100% of their base salary into the Executive Deferred Compensation Plan.

Entergy provides these benefits because the Committee believes it is standard market practice to permit officers to defer the cash portion of their compensation. The Committee believes that providing this benefit is important as a retention and recruitment tool as many, if not all, of the companies with which they compete for executive talent provide a similar arrangement to the senior employees.

All deferral amounts represent an unfunded liability of the employer. Amounts deferred into the equity plan are deemed invested in phantom shares of Entergy Corporation common stock. Amounts deferred under the Executive Deferred Compensation Plan are deemed invested in one or more of the available investment options (generally mutual funds) offered under the Savings Plan.

Entergy does not "match" amounts that are deferred by employees pursuant to the Executive Deferred Compensation Plan or equity plan. With the exception of allowing for the deferral of federal and state taxes, no additional benefits are provided to the Named Executive Officer for deferring any of the above payments. Any increase in value of the deferred amounts results solely from the increase in value of the deemed investment options selected by the Named Executive Officer (phantom Entergy stock or mutual funds available under the Savings Plan).

Additionally, Mr. Leonard currently has a deferred account balance under a frozen Defined Contribution Restoration Plan. These amounts are deemed invested in the options available under this plan.

- **Health & Welfare Benefits**

The Named Executive Officers are eligible to participate in various health and welfare benefits available to a broad group of employees. These benefits include medical, dental and vision coverage, life and accidental death and dismemberment insurance and long-term disability insurance. Eligibility, coverage levels, potential employee contributions and other plan design features are the same for the Named Executive Officers as for the broad employee population.

- **Executive Long-Term Disability Program**

All executive officers, including the Named Executive Officers, are eligible to participate in the Entergy Corporation-sponsored Executive Long-Term Disability program. Individuals who elect to participate in this plan and become disabled under the terms of the plan are eligible for 65 percent of the difference between their base salary and $275,000 (i.e. the base salary that produces the maximum $15,000 monthly disability payment under the Entergy Corporation's general long-term disability plan).

- **Perquisites**

Entergy provides the Named Executive Officers with a limited number of perquisites and other personal benefits as part of providing a competitive executive compensation program and for employee retention. The Personnel Committee reviews all perquisites, including the use of corporate aircraft, on an annual basis. In 2011, the Named Executive Officers were offered the following personal benefits: corporate aircraft usage, relocation and housing benefits and annual mandatory physical exams. In 2011, Entergy discontinued providing personal financial counseling, club dues for members of the Office of Chief Executive and tax gross up payments on any perquisites, except for relocation benefits. The Named Executive Officers did not receive any additional compensation for the lost value of these discontinued perquisites.

For security and business reasons, Entergy permits its Chief Executive Officer to use its corporate aircraft at its expense for personal use. The other Named Executive Officers may use corporate aircraft for personal travel subject to the approval of Entergy Corporation's Chief Executive Officer. For additional information regarding perquisites, see the "All Other Compensation" column in the Summary Compensation Table.

- **Retention Agreements and other Compensation Arrangements**

The Committee believes that retention and transitional compensation arrangements are an important part of overall compensation. The Committee believes that these arrangements help to secure the continued employment and dedication of the Named Executive Officers, notwithstanding any concern that they might have at the time of a change in control regarding their own continued employment. In addition, the Committee believes that these arrangements are important as recruitment and retention devices, as all or nearly all of the companies with which Entergy Corporation and the Subsidiaries compete for executive talent have similar arrangements in place for their senior employees.

To achieve these objectives, Entergy Corporation has established a System Executive Continuity Plan under which each of the Named Executive Officers (other than Entergy's Chief Executive Officer and Chief Financial Officer) is entitled to receive "change in control" payments and benefits if such officer's employment is involuntarily terminated. Severance payments under the System Executive Continuity Plan are based on a multiple of the sum of an executive officer's annual base salary plus his or her average Executive Incentive Plan award at target for the two fiscal years immediately preceding the fiscal year in which the termination of employment occurs. Under no circumstances can this multiple exceed 2.99 the sum of (a) annual base salary plus (b) the higher of: (i) the annual incentive award actually awarded to the executive office under the Executive Incentive Plan for the fiscal year immediately preceding the fiscal year in which the termination of employment occurs or (ii) the average Executive Incentive Plan award for the two fiscal years immediately preceding the fiscal year in which the termination of employment occurs. Entergy Corporation has strived to ensure that the benefits and payment levels under the System Executive Continuity Plan are consistent with market practices. The executive officers will not receive any tax gross up payments on any severance benefits received under this plan.

In certain cases, the Committee may approve the execution of a retention agreement with an individual executive officer. These decisions are made on a case by case basis to reflect specific retention needs or other factors, including market practice. If a retention agreement is entered into with an individual officer, the Committee considers the economic value associated with that agreement in making overall compensation decisions for the affected officer. Entergy Corporation has voluntarily adopted a policy that any severance arrangements providing benefits in excess of 2.99 times an officer's annual base salary and bonus must be approved by its shareholders.

At present, Entergy Corporation has entered into retention agreements with Mr. Leonard, Entergy's Chief Executive Officer, and Mr. Denault, Entergy's Chief Financial Officer. In general, these retention agreements provide for "change in control" payments and other benefits in lieu of those provided under the System Executive Continuity Plan. The retention agreements entered into with Mr. Leonard and Mr. Denault reflect, among other things, the competition for chief executive officer and chief financial officer talent in the market place and the Committee's assessment of the critical role of these officers in executing Entergy

Corporation's long-term financial and other strategic objectives. Based on market data provided by its former independent compensation consultant, the Personnel Committee believes the benefits and payment levels under these retention agreements are consistent with market practices. As with any severance benefits paid under the System Executive continuity, and to align with best practices, in December 2011, both Mr. Leonard and Mr. Denault will not receive any tax gross up payments on any severance benefits they may receive under these agreements.

For additional information regarding the System Executive Continuity Plan and the retention agreements described above, see "Potential Payments upon Termination or Change in Control."

Compensation Program Administration

Executive Compensation Governance

Entergy Corporation strives strive to ensure that the compensation philosophy and practices are in line with the best practices of companies in the industry as well as Fortune 500 companies. Some of these practices include the following:

1. Entergy's ultimate objective is to deliver long-term value to shareholders as well as other stakeholders such as customers and employees. Entergy continually reviews and adjusts the pay programs so that the primary focus is on long-term success. Executives understand that successful long-term decision making will allow them to be paid their target compensation. Short term decisions that impair the long term value will reduce an executive's compensation over the long term. To further this objective, beginning with the 2012-2014 performance period of the Long-Term Performance Unit Program, performance awards will be settled 100 percent in Entergy common stock upon vesting with all shares required to be retained until the officer satisfies their ownership requirements. In 2011, Entergy also increased the portion of long-term compensation that will be derived from performance units from 50% to 60% and decreased the portion that will be derived from other equity awards to 40%. Entergy added restricted stock awards to the long-term compensation program because it believes the use of restricted stock enhances retention, mitigates the burn rate and assists in building ownership of its common stock. Entergy believes that these actions further align the interest of the executive officers with those of the shareholders.

2. The adoption of the Entergy Corporation Policy Regarding Recoupment of Certain Compensation. This policy covers executive officers who are subject to Section 16 of the Exchange Act. Under the policy, the Committee will require reimbursement of incentives paid these executives where:

    - the payment was predicated upon the achievement of certain financial results with respect to the applicable performance period that were subsequently the subject of a material restatement other than a restatement due to changes in accounting policy or a material miscalculation of a performance award occurs whether or not the financial statements were restated;
    - in the Board of Directors' view, the elected officer engaged in fraud that caused or partially caused the need for the restatement or caused a material miscalculation of a performance award whether or not the financial statements were restated; and
    - a lower payment would have been made to the elected officer based upon the restated financial results or miscalculation.

    The amount the Committee requires to be reimbursed is equal to the excess of the gross incentive payment made over the gross payment that would have been made if the original payment had been determined based on the restated financial results or correct calculation. Further, following a material restatement of its financial statements, Entergy Corporation will seek to recover any compensation received by the Chief Executive Officer and Chief Financial Officer that is required to be reimbursed under Section 304 of the Sarbanes-Oxley Act of 2002

3. Formalization of the timing and process for reviewing the executive compensation consultant services and fees. Annually, the Committee reviews the relationship with its compensation consultant including services provided, quality of those services and fees associated with services during the fiscal year to ensure executive compensation consultant independence is maintained. To ensure the independence of the Committee's compensation consultant, Entergy's Board adopted a policy that any consultant (including its affiliates) retained by the Board of Directors or any Committee of the Board of Directors to provide advice or recommendations on the amount or form of executive and director compensation should not be retained by Entergy Corporation or any of its affiliates to provide other services in an aggregate amount that exceeds $120,000. In 2011, Pay Governance did not provide any services to the Entergy other than its services to the Personnel Committee.

4. Adoption of an anti-hedging policy that prohibits officers, directors and employees from entering into hedging or monetization transactions involving Entergy Corporation common stock. Prohibited transactions include, without limitation, zero-cost collars, forward sale contracts, purchase or sale of options, puts, calls, straddles or equity swaps or other derivatives that are directly linked to the Entergy's stock or transactions involving "short-sales" of Entergy's stock. The Entergy Board adopted this policy to require officers, directors and employees to continue to own Entergy Corporation common stock with the full risks and rewards of ownership, thereby ensuring continued alignment of their objectives with Entergy's other shareholders.

Reviewing the Executive Compensation Programs and Establishing Compensation Levels.

Role of Personnel Committee

The Personnel Committee has overall responsibility for approving the compensation program for the Named Executive Officers and makes all final compensation decisions regarding Entergy's named executive officers. The Committee works with the executive management to ensure that the compensation policies and practices are consistent with Entergy's values and support the successful recruitment, development and retention of executive talent so it can achieve the business objectives and optimize the long-term financial returns. The Committee evaluates executive pay each year to ensure that the compensation policies and practices are consistent with Entergy's philosophy. The Personnel Committee is responsible for, among its other duties, the following actions related to Entergy Corporation's named executive officers:

- developing and implementing compensation policies and programs for the executive officers, including any employment agreement with an executive officer;
- evaluating the performance of Entergy Corporation's Chairman and Chief Executive Officer; and
- reporting, at least annually, to the Board on succession planning, including succession planning for Entergy Corporation's Chief Executive Officer.

Certain aspects of the compensation of officers who are not Entergy Corporation named executive officers, Mr. Bunting, Mr. Domino, Mr. Fisackerly, Mr. McDonald, Mr. Mohl and Mr. Rice are not directly determined by the Personnel Committee. While the Committee does determine the number of performance units to be granted to these Named Executive Officers, the Committee does not determine the actual annual incentive target for these Named Executive Officers. Rather, the Committee establishes an overall available annual incentive pool for these officers and establishes the specific goal targets and ranges, the officers' respective supervisor determines the actual incentive payment, in each case, subject to the ultimate approval of Entergy's Chief Executive Officer. Further, Entergy's Chief Executive Officer and the officer's supervisor have ultimate responsibility for adjusting the salary of these Named Executive Officers as deemed appropriate. The officer's supervisor and Entergy's Chief Executive Officer also determine how many stock option and restricted stock awards are to be allocated to the Named Executive Officers from an available pool established by the Personnel Committee for similarly situated officers, though the Personnel Committee ultimately approves the options granted.