

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule VIII - Miscellaneous Current and Accrued Assets

(In Thousands)

Instructions:

Provide detail of items in this account. Items less than \$10,000 may be grouped, showing the number of items in each group.

Description	Balance at Beginning of Year	Balance at Close of Year
Account 174 - Miscellaneous Current and Accrued Assets		
Unbilled Expenses and Other Receivables	\$777	\$785
TOTAL	\$777	\$785

ANNUAL REPORT OF ENTERGY SERVICES, INC.

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Schedule IX - Miscellaneous Deferred Debits

(In Thousands)

Instructions:

Provide detail of items in this account. Items less than \$10,000 may be grouped by class showing the number of items in each class.

Description	Balance at Beginning of Year	Balance at Close of Year
Account 186 - Miscellaneous Deferred Debits		
Miscellaneous Accounts Receivable Refund Clearing	(\$411)	\$-
Deferred costs for companies not yet billed	(61)	-
Non-Expense Accrued Labor	1,287	498
Aircraft Chargeback Clearing	-	110
Business Process Delivery Model Assessment	-	697
Edison Plaza Sub Lease Loss	694	419
Employee Benefits	88,464	105,956
Minimum Pension Liability	12,312	4,669
Other	(220)	160
TOTAL	\$102,065	\$112,509

ANNUAL REPORT OF ENTERGY SERVICES, INC.

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Schedule X - Research, Development, or Demonstration Expenditures

(In Thousands)

Instructions:

Provide a description of each material research, development, or demonstration project which incurred costs by the service corporation during the year.

Description	Amount
Account 188 - Research, Development, or Demonstration Expenditures	\$-
TOTAL	\$-

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Schedule XI - Proprietary Capital

Account Number	Class of Stock	Number of Shares Authorized	Par or Stated Value Per Share	Outstanding Close of Period No. of Shares	Total Amount
201	Common Stock Issued	50,000	\$10.00	2,000	\$20,000

Instructions:

Classify amounts in each account with brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.

Description	Amount
Account 211 - Miscellaneous Paid-in Capital	\$-
Account 215 - Appropriated Retained Earnings	\$-
TOTAL	\$-

Instructions:

Give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing nonassociates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentage, amount of dividend, date declared and date paid.

Description	Balance at Beginning of Year	Net Income or (loss)	Dividends Paid	Balance at Close of Year
Account 216 - Unappropriated Retained Earnings	\$-	\$-	\$-	\$-
TOTAL	\$-	\$-	\$-	\$-

Description	Amount (In Thousands)
Account 219 - Other Comprehensive Income	(\$5,799)
TOTAL	(\$5,799)

ANNUAL REPORT OF ENTERGY SERVICES, INC.

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Schedule XII - Long-Term Debt

(In Thousands)

Instructions:

Advances from associate companies should be reported separately for advances on notes, and advances on open account. Names of associate companies from which advances were received shall be shown under the class and series of obligation column. For Account 224 - Other long-term debt provide the name of creditor company or organization, terms of the obligation, date of maturity, interest rate, and the amount authorized and outstanding.

Name of Creditor	Terms of Obligation Class & Series of Obligation	Date of Maturity	Interest Rate	Amount Authorized	Balance at Beginning of Year	Additions	Deductions	Balance at Close of Year
Account 223 - Advances from Associate Companies				\$-	\$-	\$-	\$-	\$-
Account 224 - Other Long-Term Debt				\$-	\$-	\$-	\$-	\$-
TOTAL					\$-	\$-	\$-	\$-

ANNUAL REPORT OF ENTERGY SERVICES, INC.

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Schedule XIII - Current and Accrued Liabilities

(In Thousands)

Instructions:

Provide balance of notes and accounts payable to each associate company. Give description and amount of miscellaneous current and accrued liabilities. Items less than \$10,000 may be grouped, showing the number of items in each group.

Description	Balance at Beginning of Year	Balance at Close of Year
Account 233 - Notes Payable to Associate Companies	\$-	\$-
TOTAL	\$-	\$-
Account 234 - Accounts Payable to Associate Companies		
Entergy Arkansas, Inc.	\$15,256	\$16,425
Entergy Louisiana, Inc.	1,951	5
Entergy Mississippi, Inc.	1,113	1
Entergy New Orleans, Inc.	55,743	1,663
Entergy Gulf States, Inc.	2,480	-
Entergy Corporation	5,918	16,917
Entergy Operations, Inc.	614	67
Entergy Enterprises, Inc.	14	46
System Energy Resources, Inc.	42	-
Money Pool (See Note 3)	9,384	23,346
TOTAL	\$92,515	\$58,470
Account 242 - Miscellaneous Current and Accrued Liabilities		
Accrued Rent Expense	\$5,070	\$5,973
Accrued Savings Plan	-	(2,797)
Accrued Severance Pay	106	-
Row Transmission Liability	846	1,038
Other	-	75
TOTAL	\$6,022	\$4,289

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule XIV - Notes to Financial Statements

Instructions:

The space below is provided for important notes regarding the financial statements or any account thereof. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

See pages 14-A thru 14-J

Schedule XIV – Notes to Financial Statements

For the Year Ended December 31, 2004

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and System of Accounts

Entergy Services, Inc. (Entergy Services), a wholly owned subsidiary of Entergy Corporation, was authorized to conduct business as a service company for Entergy Corporation and its various subsidiaries (Entergy) by order of the Securities and Exchange Commission (SEC) dated March 1963 and made permanent March 1965. Entergy Services is organized along functional lines to accomplish its purpose of providing management, administrative, and technical services to Entergy. Such services are priced so that Entergy Services operates on a break-even basis.

Entergy Services maintains its accounts in accordance with the Public Utility Holding Company Act of 1935, as administered by the SEC, and has adopted a system of accounts consistent with the system of accounts prescribed by the Federal Energy Regulatory Commission. Certain reclassifications may have been made to conform to current period presentation.

Use of Estimates in the Preparation of Financial Statements

The preparation of Entergy Services' financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used.

Depreciation and Amortization

Depreciation is computed on a straight-line basis at rates based on the estimated service lives of the various classes of property, which generally range from 5 to 15 years. Owned real estate depreciation is computed on a straight-line basis over 31.5 years. Leasehold improvements amortization is computed on a straight-line basis over the lease term. Computer software amortization is computed on a straight-line basis over a 3-year term.

Income Taxes

Entergy Services accounts for income taxes pursuant to Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes" (SFAS 109). This standard requires that deferred income taxes be recorded for all temporary differences between the financial statement and tax basis of assets, liabilities, and loss carryforwards. Additionally, such deferred income taxes are computed based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse.

Entergy Services joins its parent and most of the other Entergy Corporation subsidiaries in filing a consolidated Federal income tax return. Income taxes (benefits) are allocated to Entergy Services in proportion to its consolidated taxable income. SEC regulations require that neither Entergy Services nor its affiliates pay more income taxes than it would have paid had a separate income tax return been filed. In addition, Entergy Services files a consolidated Arkansas and combined Mississippi income tax return with certain other Entergy Corporation subsidiaries and separate company income tax returns for Louisiana, Washington D.C., and Texas, and Connecticut.

Investment tax credits are deferred and amortized based upon the average useful life of the related property, beginning with the year utilized on the consolidated tax return.

Cash and Cash Equivalents

Entergy Services considers all unrestricted highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Fair Value Disclosures

Entergy Services considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments.

NOTE 2. INCOME TAXES

Deferred income tax assets (liabilities) are comprised of the following at December 31, 2004 and 2003 (in thousands):

	<u>2004</u>	<u>2003</u>
<u>Deferred Tax Assets:</u>		
Deferred compensation	\$25,171	\$23,888
Operating reserves	36,566	35,368
Pension related items	45,611	41,563
Other	1,165	19,404
Total	<u>108,513</u>	<u>120,223</u>
<u>Deferred Tax Liabilities:</u>		
Property	(20,080)	(16,681)
Stock options	(36,704)	-
Total	<u>(56,784)</u>	<u>(16,681)</u>
Net Deferred Tax Assets	<u>\$51,729</u>	<u>\$103,542</u>

The benefit associated with these deferred tax assets has been or will be utilized in the Entergy Corporation consolidated return. The ultimate realization of these deferred tax assets for Entergy Services is dependent upon the allocation of the tax benefit from the Entergy Corporation consolidated return.

Entergy Services' effective income tax rate was 100% in 2004 and 2003 compared to the current Federal statutory income tax rate of 35%. The primary reason for the difference between the effective and statutory income tax rates is that Entergy Services collects revenue adequate to fund its income tax expense. The provision for inter-company expense (benefit) in lieu of federal income taxes for the years ended December 31, 2004 and 2003 consisted of the following (in thousands):

	<u>2004</u>	<u>2003</u>
<u>Current:</u>		
Federal	(\$42,673)	\$36,702
State	(5,815)	4,296
Total	<u>(48,488)</u>	<u>40,998</u>
<u>Deferred:</u>		
Federal	43,032	(34,926)
State	6,384	(6,185)
Total	<u>49,416</u>	<u>(41,111)</u>
Total income tax expense	<u>\$928</u>	<u>(\$113)</u>

NOTE 3. LINES OF CREDIT AND RELATED SHORT-TERM BORROWINGS

Entergy Services has SEC authorization, through November 30, 2007, to effect short-term borrowings from Entergy Corporation in an aggregate amount outstanding at any one time of up to \$200 million through a borrowing arrangement with interest rates determined from time to time to be equal to Entergy's effective cost of short-term debt. This borrowing arrangement was not used during 2004. As of December 31, 2004, there was no outstanding balance under this loan. Entergy Services borrowed \$60 million under this borrowing arrangement during 2003.

Entergy Services participates with certain other Entergy companies in a System Money Pool (Money Pool) arrangement whereby those companies with available funds may invest in the Money Pool while certain other companies may borrow on a short-term basis from the Money Pool, thereby reducing the dependence on external short-term borrowings. As authorized by the SEC, the borrowings by Entergy Services from the Money Pool, combined with any external borrowings, may not exceed the amount of the unused portion of the borrowing arrangement discussed above.

The borrowings and applicable interest rates under the Money Pool arrangement were as follows (dollars in thousands):

	2004	2003
Average borrowing	\$66,312	\$32,138
Maximum borrowing at month end	\$136,687	\$91,769
Average effective interest rate:		
During the year	1.5%	1.2%
At end of year	2.3%	1.1%

At December 31, 2004 and 2003, Entergy Services' temporary borrowing position in the Money Pool was \$23.3 million and \$9.4 million, respectively.

NOTE 4. EMPLOYEE BENEFITS

Employee Benefit Plans

Entergy Services participates in two plans, the Equity Ownership Plan and the Equity Awards Plan, that grant stock options, equity awards, and incentive awards based on specified performance goals to certain key employees. The costs of the awards are charged to income over the period of the grant or the restricted period, as appropriate. Entergy Services recorded compensation expense of \$31.7 million in 2004 and \$33.1 million in 2003 for the costs of these awards. Effective May 9, 2003, the Entergy Board of Directors directed that no additional awards be issued under the Equity Awards Plan.

Employees of Entergy Services are also eligible to participate in the Savings Plan of Entergy Corporation and Subsidiaries (Savings Plan) upon meeting certain eligibility requirements. The Savings Plan is a defined contribution plan covering eligible employees of Entergy and its subsidiaries who have completed certain service requirements. Prior to February 2004, the Savings Plan provided that the employing Entergy subsidiary could make matching contributions to the plan in an amount equal to 75% of the participant's basic contribution (which may be up to 6% of their salary) in shares of Entergy Corporation common stock if the employee directs their company-matching contribution to the purchase of Entergy Corporation's common stock or make matching contributions in an amount equal to 50% of the employee's basic contribution (which may be up to 6% of their salary) if the employee directs their company-matching contribution to other investment funds. In 2004 and 2003, Entergy Services contributed \$6.8 million and \$7.1 million, respectively, to the Savings Plan.

Effective February 1, 2004, the employing Entergy subsidiary made matching contributions to the Savings Plan in an amount equal to 70% of the participants' basic contributions, up to 6% of their eligible earnings. The 70% match will be allocated to investments as directed by the employee.

Retirement and Other Postretirement Benefit Plans

Eligible employees of Entergy Services are provided pension and certain health care and life insurance benefits upon retirement. Substantially all employees may become eligible for these benefits if they reach retirement age while working for Entergy Services.

Eligible employees of Entergy Services participate in the Entergy Corporation Retirement Plan for Non-Bargaining Employees. This pension plan is noncontributory and provides pension benefits that are based on employees' credited service and compensation during the final years before retirement. Entergy Services funds pension costs in accordance with contribution guidelines established by the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts. As of December 31, 2004 and 2003, Entergy Services recognized an additional minimum pension liability for the excess of the accumulated benefit obligation over the fair market value of plan assets.

Total 2004 and 2003 pension and other postretirement costs for Entergy Services, including capitalized amounts, included the following components (in thousands):

	Pension		Other Postretirement Benefits	
	2004	2003	2004	2003
Service cost	\$15,468	\$14,119	\$4,578	\$5,945
Interest cost	23,193	21,616	8,637	7,895
Expected return on assets	(15,527)	(15,148)	-	-
Amortization of transition asset	(166)	(167)	-	410
Amortization of prior service cost	499	528	(2,990)	(1,249)
Recognized net (gain)/loss	4,985	-	5,087	3,521
Curtailment loss	-	4,651	-	7,347
Special termination benefits	-	6,844	-	716
Net pension costs	<u>\$28,452</u>	<u>\$32,443</u>	<u>\$15,312</u>	<u>\$24,585</u>

	Pension		Other Postretirement Benefits	
	2004	2003	2004	2003
Change in Projected Benefit Obligation (PBO)/Accumulated Postretirement Obligation (APBO)				
Balance at beginning of year	\$393,505	\$329,563	\$135,204	\$127,074
Service cost	15,468	14,119	4,578	5,945
Interest cost	23,193	21,616	8,637	7,895
Plan participant contributions	-	-	1,515	857
Actuarial (gain)/loss	(1,296)	23,855	21,408	19,178
Benefits paid	(9,532)	(6,976)	(10,056)	(7,186)
Change in plan provisions (a)	-	-	(7,482)	(26,981)
Curtailments	-	4,484	-	7,706
Special termination benefits	-	6,844	-	716
Balance at end of year	<u>\$421,338</u>	<u>\$393,505</u>	<u>\$153,804</u>	<u>\$135,204</u>
Change in Plan Assets				
Fair value of assets at beginning of year	\$180,459	\$149,210	\$-	\$-
Actual return on plan assets	17,694	38,225	-	-
Employer contributions	17,815	-	8,541	6,329
Benefits paid	(9,532)	(6,976)	(10,056)	(7,186)
Plan participant contributions	-	-	1,515	857
Fair value of assets at end of year	<u>\$206,436</u>	<u>\$180,459</u>	<u>\$-</u>	<u>\$-</u>
Funded status	(\$214,902)	(\$213,046)	(\$153,804)	(\$135,204)
Amounts not yet recognized in the balance sheet				
Unrecognized transition (asset)/obligation	(144)	(311)	-	-
Unrecognized prior service cost	3,059	3,558	(22,819)	(18,327)
Unrecognized net (gain)/loss	133,311	141,953	85,601	69,280
Net amount not recognized in the balance sheet	<u>(\$78,676)</u>	<u>(\$67,846)</u>	<u>(\$91,022)</u>	<u>(\$84,251)</u>
Amounts recognized in the balance sheet:				
Prepaid/(accrued) pension liability	(\$78,676)	(\$67,846)		
Additional minimum pension liability	(67,553)	(90,987)		
Intangible asset	4,668	12,313		
Accumulated other comprehensive income	12,767	15,358		
Regulatory asset	50,118	63,316		
Net amount recognized	<u>(\$78,676)</u>	<u>(\$67,846)</u>		

(a) Reflects other postretirement benefit plan design changes, including a change in the participants assumption for non-bargaining employees effective August 1, 2003.

Pension and Other Postretirement Plans' Assets

Entergy's pension and postretirement plans weighted-average asset allocations by asset category at December 31, 2004 and 2003 are as follows:

	<u>Pension</u>		<u>Postretirement</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Domestic Equity Securities	46%	56%	38%	37%
International Equity Securities	21%	14%	14%	0%
Fixed-Income Securities	31%	28%	47%	60%
Other	2%	2%	1%	3%

Entergy's trust asset investment strategy is to invest the assets in a manner whereby long-term earnings on the assets (plus cash contributions) provide adequate funding for retiree benefit payments. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense.

In the optimization study, Entergy formulates assumptions (or hires a consultant to provide such analysis) about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes, and making adjustments to reflect future conditions expected to prevail over the study period.

The optimization analysis utilized in Entergy's latest study produced the following approved asset class target allocations.

	<u>Pension</u>	<u>Postretirement</u>
Domestic Equity Securities	45%	37%
International Equity Securities	20%	14%
Fixed-Income Securities	31%	49%
Other (Cash and GACs)	4%	0%

These allocation percentages combined with each asset class' expected investment return produced an aggregate return expectation for the five years following the study of 7.6% for pension assets, 5.4% for taxable postretirement assets, and 7.2% for non-taxable postretirement assets. These returns are not inconsistent with Entergy's disclosed expected pre-tax return on assets of 8.50% over the life of the respective liabilities.

Since precise allocation targets are inefficient to manage security investments, the following ranges were established to produce an acceptable economically efficient plan to manage to targets:

	<u>Pension</u>	<u>Postretirement</u>
Domestic Equity Securities	45% to 55%	32% to 42%
International Equity Securities	15% to 25%	9% to 19%
Fixed-Income Securities	25% to 35%	44% to 54%
Other	0% to 10%	0% to 5%

Accumulated Pension Benefit Obligation

The accumulated benefit obligation for Entergy Services as of December 31, 2004 and 2003 was \$357.9 million and \$335.5 million, respectively.

Estimated Future Benefit Payments

Based upon the assumptions used to measure the Entergy Services' pension and postretirement benefit obligation at December 31, 2004, and including pension and postretirement benefits attributable to estimated future employee service, Entergy Services expects that pension and other postretirement benefits to be paid over the next ten years are as follows (in thousands):

	Estimated Future Pension Benefits Payments	Estimated Future Other Postretirement Benefits Payments
Year(s)		
2005	\$ 9,314	\$ 9,754
2006	\$ 9,349	\$ 9,786
2007	\$ 9,421	\$10,092
2008	\$ 9,564	\$10,181
2009	\$ 9,800	\$10,171
2010 - 2014	\$56,057	\$51,449

Contributions

In 2005, Entergy Services expects to contribute \$74.4 million to the pension plans and \$9.8 million to the other postretirement plans.

Additional Information

The minimum pension liability decreased from \$91.0 million in 2003 to \$67.6 million in 2004. The regulatory asset decreased \$13.2 million, other comprehensive income decreased \$2.6 million, and the intangible asset decreased \$7.6 million.

Actuarial Assumptions

The assumed health care cost trend rate used in measuring the other postretirement benefits' APBO was 10.0% for 2005, gradually decreasing each successive year until it reaches 4.5% in 2011 and beyond. A one percentage-point increase in the assumed health care cost trend rate for 2004 would have increased the APBO by \$15.3 million and increased the sum of the service cost and interest cost by \$1.8 million. A one percentage-point decrease in the assumed health care cost trend rate for 2004 would have decreased the APBO by \$14.0 million and decreased the sum of the service cost and interest cost by \$1.5 million.

The significant actuarial assumptions used in determining the pension PBO and the SFAS 106 APBO for 2004, 2003, and 2002 were as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Weighted-average discount rate:			
Pension	6.00%	6.25%	6.75%
Other postretirement	6.00%	6.71%	6.75%
Weighted average rate of increase in future compensation levels	3.25%	3.25%	3.25%
Expected long-term rate of return on plan assets:			
Taxable assets	5.50%	5.50%	5.50%
Non-taxable assets	8.50%	8.75%	8.75%

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefit costs for 2004, 2003, and 2002 were as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Weighted-average discount rate:			
Pension	6.25%	6.75%	7.50%
Other postretirement	6.71%	6.71%	7.50%
Weighted average rate of increase in future compensation levels	3.25%	3.25%	4.60%
Expected long-term rate of return on plan assets:			
Taxable assets	5.50%	5.50%	5.50%
Non-taxable assets	8.75%	8.75%	9.00%

The remaining pension transition assets are being amortized over the greater of the remaining service period of active participants or 15 years ending in 2005, and its SFAS 106 transition obligations is fully amortized.

Voluntary Severance Program

During 2003, Entergy Services offered a voluntary severance program to certain groups of employees. As a result of this program, Entergy Services recorded additional pension and postretirement costs (including amounts capitalized) of \$19.6 million for special termination benefits and plan curtailment charges. These amounts are included in the net pension cost and net postretirement benefit cost for the year ended December 31, 2003.

Medicare Prescription Drug, Improvement and Modernization Act of 2003

In December 2003, the President signed the Medicare Prescription Drug, Improvement and Modernization Act of 2003 into law. The Act introduces a prescription drug benefit under Medicare (Part D), starting in 2006, as well as a federal subsidy to employers who provide a retiree prescription drug benefit that is at least actuarially equivalent to Medicare Part D. At December 2003, specific authoritative guidance on the accounting for the federal subsidy was pending. As allowed by Financial Accounting Standards Board Staff Position No. FAS 106-1, Entergy elected to record an estimate of the effects of the Act in accounting for its postretirement benefit plans at December 31, 2003, under SFAS 106 and in providing disclosures required by SFAS No. 132 (revised 2003), Employers' Disclosures about Pensions and Other Postretirement Benefits. At December 31, 2003, based on actuarial analysis of prescription drug benefits, estimated future Medicare subsidies were expected to reduce the December 31, 2003 Accumulated Postretirement Benefit Obligation for Entergy consolidated by \$56 million. For the year ended December 31, 2003 the impact of the Act on net postretirement benefit cost was immaterial, as it reflected only one month's impact of the Act.

In 2004, Entergy continued to record an estimate of the effects the Act in accounting for its postretirement benefit plans. In mid 2004, the Financial Accounting Standards Board issued Staff Position No. FAS 106-2, Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003, which was effective for Entergy's June 30, 2004 interim reporting.

In August 2004, the Centers for Medicare and Medicaid Services issued proposed regulations to implement the new Medicare law. A ruling from the Centers for Medicare and Medicaid Services was issued in late January 2005 with final guidance expected later this year.

The actuarially estimated effect of future Medicare subsidies for Entergy Services is projected to be as follows:

	Increase (Decrease) (In Thousands)
Impact on 12/31/2003 APBO	(\$6,189)
Impact on 12/31/2004 APBO	(\$23,656)
Impact on 2004 other postretirement benefit cost	(\$3,568)

NOTE 5. LEASES

At December 31, 2004, Entergy Services had noncancelable operating leases with minimum lease payments as follows (in thousands):

2005	\$18,871
2006	18,889
2007	15,872
2008	14,782
2009	13,761
Years thereafter	3,688
	<u>\$85,863</u>

Rent expense amounted to approximately \$44.7 million and \$42.6 million for 2004 and 2003, respectively.

NOTE 6. BULK POWER SYSTEM OPERATIONS

Entergy Services acts as agent for the coordination of joint bulk power system operations among the Entergy operating companies. All amounts receivable from the power purchasers or payable to the power suppliers as a result of the bulk power transactions are recorded in Entergy Services' accounts receivable or accounts payable balances, and have no effect on Entergy Services' income or expenses.

NOTE 7. TRANSACTIONS WITH AFFILIATES

Various Entergy Corporation subsidiaries rent office facilities and provide certain general and administrative services to Entergy Services. These expenses amounted to approximately \$1.4 million and \$2.3 million in 2004 and 2003, respectively.

NOTE 8. OTHER DEFERRED CREDITS

Other deferred credits (Account 253) consist principally of accrued pension and postretirement benefit liabilities in both 2004 and 2003.

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule XV Statement of Income

(In Thousands)

Account	Description	Current Year	Prior Year
INCOME			
457	Services rendered to associate companies	\$646,400	\$783,690
458	Services rendered to nonassociate companies	859	586
	Total Income	\$647,259	\$784,276
EXPENSES - Income Statement			
403	Depreciation Expense	4,668	16,852
404	Amortization of Limited - Term Electric Plant	7,445	8,953
408.1	Taxes Other than Income - Utility Operations	16,124	19,445
409.1	Income Taxes - Utility Operating Income	(48,260)	41,283
409.2	Income Taxes - Operating Income & Deductions	(228)	(285)
410.1	Provision for Deferred Inc Tax - Utility Operating Income	49,868	(40,024)
411.1	Provision for Deferred Inc Tax - Operating Income & Deductions	(452)	(1,087)
416	Cost/Expense - Mdse, Job, Contract Work	(23)	-
417.1	Expenses - Nonutility Operations	13	-
421	Miscellaneous Non-Operating Income	124	(190)
426.1	Donations	2,497	1,360
426.3	Penalties	128	45
426.4	Expenditures - Civic, Political, and Related Activities	6,274	5,820
426.5	Other Deductions	3,755	3,494
430	Interest on Debt to Associate Companies	1,201	495
431	Other Interest Expense	165	2
500-557	Power Production	56,338	54,222
560-574	Transmission & Distribution	27,235	25,191
580-598	Distribution Expense	16,084	19,376
850-894	Gas Operations	1,382	1,608
901-905	Customer Accounts	49,308	48,656
906-910	Customer Service & Informational Expenses	4,316	5,226
911-917	Sales Expenses	7,047	3,517
920	Administration & General Salaries	104,801	123,337
921	Office Supplies and Expenses	17,297	20,152
923	Outside Services Employed	29,665	30,443
924	Property Insurance Expense	609	1,251
925	Injuries & Damages Expense	3,138	3,505
926	Employee Pension & Benefits	87,107	90,440
928	Regulatory Commission Expense	5,079	9,076
930.1	General Advertising Expenses	415	511
930.2	Miscellaneous General Expense	7,422	11,015
931	Rents	38,647	42,141
935	Maintenance of General Plant	7,251	13,217
	Total Expenses - Income Statement	\$506,440	\$559,047
EXPENSES - Balance Sheet			
107EXP	Capital Charges to Expense	112,693	190,783
184EXP	Other Balance Sheet Charges to Expense	28,126	34,446
	Total Expenses - Balance Sheet	\$140,819	\$225,229
	Net Income or (Loss)	\$-	\$-

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Analysis of Billing

Associate Companies - Account 457

(In Thousands)

Name of Associate Company	Direct Costs Charged	Indirect Costs Charged	Compensation For Use of Capital	Total Amount Billed
Entergy Arkansas, Inc.	\$104,999	\$16,864	\$-	\$121,863
Entergy Gulf States, Inc.	152,838	22,109	-	174,947
Entergy Louisiana, Inc.	114,524	19,102	-	133,626
Entergy Mississippi, Inc.	63,064	9,777	-	72,841
Entergy New Orleans, Inc.	37,807	6,207	-	44,014
Entergy Corporation	12,510	1,548	-	14,058
System Fuels, Inc.	693	120	-	813
Entergy Enterprises, Inc.	44,189	10,060	-	54,249
Entergy Operations, Inc.	11,946	6,340	-	18,286
Entergy Power, Inc.	324	56	-	380
Deferred	4,660	(1,675)	-	2,985
System Energy Resources, Inc.	7,700	638	-	8,338
TOTAL	\$555,254	\$91,146	\$-	\$646,400

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Analysis of Billing

Nonassociate Companies - Account 458

(In Thousands)

Instruction:

Provide a brief description of the services rendered to each non-associate company:

Name of Nonassociate Company	Direct Cost Charged	Indirect Cost Charged	Compensation For Use of Capital	Total Cost	Excess or Deficiency	Total Amount Billed
Rent:						
Cushman & Wakefield of TX, Inc.	\$587	\$-	\$-	\$587	\$-	\$587
Gulf South Pipeline Company, L.P.	7	-	-	7	-	7
Interstate FiberNet, Inc.	2	-	-	2	-	2
Orbis1, L.L.C.	8	-	-	8	-	8
SAIC	18	-	-	18	-	18
Other	237	-	-	237	-	237
TOTAL	\$859	\$-	\$-	\$859	\$-	\$859

ANNUAL REPORT OF ENTERGY SERVICES, INC.
For the Year Ended December 31, 2004
Schedule XVI - Analysis of Charges for Service - Associate and Nonassociate Companies
(In Thousands)

Instruction:

Total cost of service will equal for associate and nonassociate companies the total amount billed under their separate analysis of billing schedules.

Account	Description of Items	Associate Company Charges		Nonassociate Company Charges		Total Charges for Service	
		Direct Cost	Indirect Cost	Direct Cost	Indirect Cost	Direct Cost	Indirect Cost
403	EXPENSES - Income Statement						
404	Depreciation Expense	\$3,893	\$775	\$-	\$-	\$3,893	\$775
406.1	Amortization of Limited - Term Electric Plant	7,445	-	-	-	7,445	-
409.1	Taxes Other than Income - Utility Operations	15,522	602	-	-	15,522	602
409.2	Income Taxes - Utility Operating Income	-	(48,260)	-	(48,260)	-	(48,260)
410.1	Income Taxes - Operating Income & Deductions	-	(228)	-	(228)	-	(228)
411.1	Provision for Deferred Inc. Tax - Utility Operating Income	-	49,868	-	49,868	-	49,868
416	Provision for Deferred Inc. Tax - Operating Income & Deduct.	-	(452)	-	(452)	-	(452)
417.1	Cost/Expense - Misc. Job, Contract Work	(23)	-	-	-	(23)	-
421	Expenses - Nonutility Operations	13	-	-	-	13	-
426.1	Misc Nonoperating Income	124	-	-	-	124	-
426.3	Donations	2,497	-	-	-	2,497	-
426.4	Penalties	41	87	-	-	41	87
426.5	Expenditures - Civic, Political, and Related Activities	6,274	-	-	-	6,274	-
431	Other Deductions	3,755	-	-	-	3,755	-
500-557	Other Interest Expense	35	130	-	-	35	130
560-574	Power Production	53,920	2,418	-	-	53,920	2,418
580-598	Transmission & Distribution	25,852	1,383	-	-	25,852	1,383
850-894	Distribution Expense	15,146	938	-	-	15,146	938
901-905	Gas Operations	-	1,382	-	-	-	1,382
906-910	Customer Accounts	47,536	1,772	-	-	47,536	1,772
911-917	Customer Service & Informational Expenses	4,189	127	-	-	4,189	127
920	Sales Expenses	6,874	173	-	-	6,874	173
921	Administration & General Salaries	71,822	32,979	-	-	71,822	32,979
923	Office Supplies and Expenses	20,802	(3,505)	-	-	20,802	(3,505)
924	Outside Services Employed	31,023	(1,358)	-	-	31,023	(1,358)
925	Property Insurance Expense	556	53	-	-	556	53
926	Injuries & Damages Expense	2,321	817	-	-	2,321	817
928	Employee Pension & Benefits	37,789	49,318	-	-	37,789	49,318
930.1	Regulatory Commission Expense	5,074	5	-	-	5,074	5
930.2	General Advertising Expenses	415	-	-	-	415	-
931	Miscellaneous General Expense	7,415	7	-	-	7,415	7
935	Rents	38,377	270	-	-	38,377	270
	Maintenance of General Plant	7,249	2	-	-	7,249	2
	Total Expenses - Income Statement	\$417,318	\$87,921	\$-	\$-	\$417,318	\$87,921
107EXP	EXPENSES - Balance Sheet						
184EXP	Capital Charges to Expense	\$112,693	\$-	\$-	\$-	\$112,693	\$-
	Other Balance Sheet Charges to Expense	28,376	(250)	-	-	28,376	(250)
	Total Expenses - Balance Sheet	\$141,069	(\$250)	\$-	(\$250)	\$141,069	(\$250)
430	TOTAL EXPENSES	\$558,387	\$87,671	\$-	\$-	\$558,387	\$87,671
	Compensation for use of Equity Capital	-	-	-	-	-	-
	Interest on Debt to Associate Companies	-	1,201	-	-	-	1,201
	TOTAL COST OF SERVICE	\$558,387	\$88,872	\$-	\$-	\$558,387	\$88,872

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule XVII - Schedule of Expense Distribution by Department or Service Function

(In Thousands)

Instruction:

Indicate each department or service function. (See Instruction 01-3 General Structure of Accounting System: Uniform System of Accounts).

Account Number	Description of Items	Total Amount	DEPARTMENT OR SERVICE FUNCTION					Finance & Accounting
			Overhead	Human Resources & Administration	Legal	Public Relations & Affairs	Domestic Operations	
EXPENSES - Income Statement								
403	Depreciation Expense	\$4,668	\$1,446	\$-	\$1	\$-	\$-	\$3,181
404	Amortization of Limited -Term Electric Plant	7,445	561	-	-	-	-	6,884
408.1	Taxes Other than Income - Utility Operations	16,124	2,731	758	966	329	104	3,215
409.1	Income Taxes - Utility Operating Income	(48,260)	(48,260)	-	-	-	-	-
409.2	Income Taxes - Operating Income & Deductions	(228)	(228)	-	-	-	-	-
410.1	Provision for Deferred Inc. Tax - Utility Operating Income	49,868	49,868	-	-	-	-	-
411.1	Provision for Deferred Inc. Tax - Operating Inc. & Deduct.	(452)	(452)	-	-	-	-	-
416	Cost/Expense - M&dec, Job, Contract Work	(23)	-	-	-	-	-	-
417.1	Expenses - Nonutility Operations	13	2	-	-	-	-	-
421	Misc Nonoperating Income	124	23	157	-	-	-	-
426.1	Donations	2,497	(220)	218	1	613	1,839	4
426.3	Penalties	128	128	-	-	-	-	42
426.4	Expenditures - Civic, Political, and Related Activities	6,274	120	660	-	-	-	559
426.5	Other Deductions	3,755	(4)	697	33	3,797	-	57
430	Interest on Debt to Associate Companies	1,201	1,201	-	-	608	-	-
431	Other Interest Expense	165	158	8	-	-	-	(1)
500-557	Power Production	56,338	3,549	2,223	42	563	-	9,578
560-574	Transmission & Distribution	27,235	852	1,636	9	1	-	19
580-598	Distribution Expense	16,084	1,355	130	24	-	-	130
850-894	Gas Operations	1,382	43	-	-	-	-	9
901-905	Customer Accounts	49,308	3,153	(7)	-	-	-	107
906-910	Customer Service & Informational Expenses	4,316	219	-	-	1,785	-	-
911-917	Sales Expenses	7,047	388	-	-	-	-	-
920	Administration & General Salaries	104,801	421	38,226	12,660	3,345	2,048	31,685
921	Office Supplies and Expenses	17,297	540	8,218	1,445	753	608	3,444
923	Outside Services Employeed	29,665	16,338	2,729	1,592	702	145	2,350
924	Property Insurance Expense	609	11	-	-	-	-	598
925	Injuries & Damages Expense	3,138	80	-	-	9	580	1,207
926	Employee Pension & Benefits	87,107	20,218	27,758	3,024	1,261	142	9,672
928	Regulatory Commission Expense	5,079	119	4	267	31	-	1,209
930.1	General Advertising Expenses	415	24	2	-	184	-	2
930.2	Miscellaneous General Expense	7,422	3,564	292	76	362	-	1,226
931	Rents	38,647	571	22,432	286	7	178	2,698
935	Maintenance of General Plant	7,251	2,042	951	9	3	-	41
EXPENSES - Balance Sheet								
107EXP	Capital Charges to Expense	112,693	1,549	15,936	2,010	41	-	-
184EXP	Other Balance Sheet Charges to Expense	28,126	29	3,270	587	48	(250)	-
		\$647,239	\$62,139	\$126,298	\$23,032	\$14,442	\$5,394	\$108,060

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule XVII - Schedule of Expense Distribution by Department or Service Function

(In Thousands)

Instruction:

Indicate each department or service function. (See Instruction 01-3 General Structure of Accounting System: Uniform System of Accounts).

Account Number	Description of Items Income Statement	DEPARTMENT OR SERVICE FUNCTION				
		Information Technology	Supply Chain	Nuclear	Regulated Operations	Retail Services
EXPENSES - Income Statement						
403	Depreciation Expense	\$-	\$5	\$1	\$34	\$-
404	Amortization of Limited - Term Electric Plant	-	-	-	-	-
408.1	Taxes Other than Income - Utility Operations	414	257	708	6,641	1
409.1	Income Taxes - Utility Operating Income	-	-	-	-	-
409.2	Income Taxes - Operating Income & Deductions	-	-	-	-	-
410.1	Provision for Deferred Inc. Tax - Utility Operating Income	-	-	-	-	-
411.1	Provision for Deferred Inc. Tax - Operating Inc. & Deduct.	-	-	-	(23)	-
416	Cost/Expense - Mdsce, Job, Contract Work	-	-	-	10	-
417.1	Expenses - Nonutility Operations	1	-	-	(60)	-
421	Misc Nonoperating Income	-	-	-	4	-
426.1	Donations	-	-	-	-	-
426.3	Penalties	-	-	-	-	-
426.4	Expenditures - Civic, Political, and Related Activities	-	-	333	805	-
426.5	Other Deductions	-	-	3	2,361	-
430	Interest on Debt to Associate Companies	-	-	-	-	-
431	Other Interest Expense	-	-	-	-	-
500-557	Power Production	1,229	559	9,872	28,034	689
560-574	Transmission & Distribution	220	43	-	24,455	-
580-598	Distribution Expense	1,411	346	-	12,688	-
850-894	Gas Operations	-	-	-	1,330	-
901-905	Customer Accounts	752	-	-	45,422	(12)
906-910	Customer Service & Informational Expenses	-	-	-	2,205	(3)
911-917	Sales Expenses	-	-	-	6,662	35
920	Administration & General Salaries	3,492	2,079	250	10,560	(2)
921	Office Supplies and Expenses	396	339	4	1,550	-
923	Outside Services Employed	1,915	165	153	3,578	-
924	Property Insurance Expense	-	-	-	-	-
925	Injuries & Damages Expense	-	-	-	-	-
926	Employee Pension & Benefits	-	-	-	1,262	-
928	Regulatory Commission Expense	1,225	804	2,918	20,071	14
930.1	General Advertising Expenses	-	-	204	3,245	-
930.2	Miscellaneous General Expense	23	659	236	203	-
931	Rents	9,628	52	-	554	-
935	Maintenance of General Plant	4,172	-	-	2,795	-
EXPENSES - Balance Sheet						
107EXP	Capital Charges to Expense	9,536	1,932	960	68,905	-
184EXP	Other Balance Sheet Charges to Expense	636	6,204	1,759	6,003	-
		\$35,050	\$13,444	\$17,401	\$249,321	\$722

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Departmental Analysis of Salaries

(In Thousands)

Name of Department Indicate each department or service function	Departmental Salary Expense				Number of Personnel End of Year
	Total Amount	Included in Amounts Billed to			
		Parent Company	Other Associates	Non Associates	
Overhead	\$13,759	\$246	\$13,513	\$-	
Human Resources & Administration	43,794	601	43,193	-	135
Legal	13,876	1,191	12,685	-	113
Public Relations & Affairs	6,352	902	5,450	-	61
Domestic Operations	1,789	28	1,761	-	3
Finance & Accounting	53,389	1,982	51,407	-	477
Information Technology	7,572	11	7,561	-	71
Supply Chain	10,354	11	10,343	-	103
Nuclear	13,146	22	13,124	-	118
Regulated Operations	134,467	29	134,438	-	1,623
Retail Services	15	-	15	-	

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

Exhibit CEB-10
2005 TTC Cost Case
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Provide a breakdown by subaccount of outside services employed. If the aggregate amounts paid to any one payee and included with one subaccount is less than \$25,000, only the aggregate number and amount of all such payments included within the subaccount need be shown. Provide a subtotal to each service type.

From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
OUTSIDE SERVICES - LEGAL		
Adams & Reese	NA	\$134
Baker & Botts L.L.P.	NA	26
Bracewell & Patterson L.L.P.	NA	1,799
Charles L. Katz	NA	89
Creel Garcia Cuellar Muggenburg	NA	76
Cronin & Vris L.L.P.	NA	368
Friday Eldredge & Clark	NA	46
Germer Gertz L.L.P.	NA	522
Gibson Dunn & Crutcher L.L.P.	NA	299
Gordon Arata McCollam Duplantis & Eaga	NA	369
Haynes & Boone L.L.P.	NA	243
International Management & Consultancy Assoc. Ltd.	NA	52
Jackson Walker L.L.P.	NA	29
John C. Denman, Jr.	NA	36
Jones Day	NA	730
Jones Walker Waechter	NA	116
Klett Lieber Rooney & Schorling	NA	45
Laurence M. Hamric JD	NA	171
Liskow & Lewis	NA	61
Locke Liddell & Sapp L.L.P.	NA	175
McDermott Will & Emery	NA	419
Morgan Lewis & Bockius L.L.P.	NA	1,939
Morrison & Foerster L.L.P.	NA	1,592
Phelps Dunbar L.L.P.	NA	118
Riverside Power, Inc.	NA	25
Sidley Austin Brown & Wood	NA	66
Skadden Arps Slate Meagher & Flom	NA	5,213
Slover & Loftus	NA	122
Stanley Flanagan & Reuter L.L.C.	NA	50
Steeg & O'Conner L.L.C.	NA	27
Steve Fogel	NA	37
Taylor Porter Brooks & Phillips	NA	74
Thelen Reid & Priest L.L.P.	NA	141
Warner Stevens & Doby L.L.P.	NA	27
Wise Carter Child & Caraway	NA	93
Wright Lindsey & Jennings	NA	29
Other (71)	NA	1,689
Total		\$17,047

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

Exhibit CEB-10
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From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
OUTSIDE SERVICE - PROFESSIONAL CONTRACT SERVICES		
3M Co.	NA	\$102
ABB Power T&D Co., Inc.	NA	103
Accelarus, Inc.	NA	77
Accelerated Development	NA	78
Accenture, L.L.P.	NA	4,385
Acme Business Consulting, Inc.	NA	81
AD Wynne Co., Inc.	NA	456
Adrian Escofet	NA	26
Advanced Information Services	NA	588
Air 2, L.L.C.	NA	41
Airade Solutions, L.L.C.	NA	109
Alliance Business Product	NA	60
Alliance for Competitive	NA	58
Alpha Sapience Consulting, Inc.	NA	353
Alstom ESCA	NA	550
American Interplex	NA	43
Analysis Group, Inc.	NA	722
Answerthink Consulting Group, Inc.	NA	54
Aon Consulting, Inc.	NA	884
Apogee Software Systems, Inc.	NA	105
Areva T&D Corporation	NA	902
Atest Consultants, Inc.	NA	177
Audio Visual Innovations	NA	100
Avpro, Inc.	NA	96
Ayco Co., L.P.	NA	198
Babcock & Wilcox Co.	NA	25
Ballard Spahr Andrews & Ingersoll	NA	89
BCP Technical Services, Inc.	NA	91
Bea Systems, Inc.	NA	159
Bearing Point	NA	3,812
Benoit Design, Inc.	NA	109
Bis Energy L.L.C.	NA	509
Blackwell Sanders Peper Martin	NA	76
Blue Source L.L.C.	NA	625
Bob Collins Corporate Writing & Communications	NA	27
Boh Bros. Construction Co., L.L.C.	NA	732
Bowne L.L.P.	NA	29
Business Information Solutions L.L.C.	NA	1,856
C. Lyle Barney Consulting	NA	54
CAAP, Inc.	NA	40
Cambar Software, Inc.	NA	241
Cambridge Energy Research Assoc.	NA	153
Camelot Communications, Inc.	NA	29
Capitol Hill Group	NA	215
Capitol Services, Inc.	NA	36
Carma International, Inc.	NA	44

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

Exhibit CEB-10
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From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
CEA Technologies	NA	\$85
Cetrom Consulting Engineering	NA	198
Charles River & Assoc.	NA	263
Charles Russell	NA	40
Chartier General Contractor L.L.C.	NA	29
Chasemillon Shareholder	NA	58
Citibank USA NA	NA	66
Cognos Corp.	NA	408
Comensura, Inc.	NA	2,178
Computer Assoc. International, Inc.	NA	59
Concerto Software, Inc.	NA	41
Concord Communications, Inc.	NA	35
Concours Group, Inc.	NA	376
Conway Consulting	NA	64
Copeland & Johns, Inc.	NA	108
Cornell University	NA	40
Corporate Executive Board	NA	139
CT Corp. System	NA	33
Daryl Owen Assoc., Inc.	NA	185
Dashiell Corp.	NA	979
Data Perfect	NA	103
Datec, Inc.	NA	36
David Sibley	NA	121
Day Forest Management	NA	28
DCC Services, L.L.C.	NA	597
DDA Computer Systems, Inc.	NA	41
DDA Computer Systems, Ltd.	NA	81
Delaune Security, Inc.	NA	41
Delinea Corp.	NA	150
Deloitte & Touche L.L.P.	NA	56
Deloitte & Touche Tax Tech L.L.P.	NA	63
Deloitte Consulting	NA	57
Demand Exchange, L.L.C.	NA	110
Deutsche Bank Securities, Inc.	NA	340
Diversified Computer	NA	183
Dow Jones & Co., Inc.	NA	64
Dreamlight, Inc.	NA	26
Eagle Refrigeration & Mech L.L.C.	NA	25
Econat, Inc.	NA	314
Economy Com	NA	96
Edison Electric Institute	NA	83
EI Dupont De Nemours & Co.	NA	122
Electrical Engineering Professional	NA	308
Electronic Data System Corp.	NA	392
Emergency Power Service	NA	28
Energy Velocity, L.L.C.	NA	91
Energy Ventures Analysis, Inc.	NA	36
Englobal Engineering, Inc.	NA	513
Environmental Management Services	NA	328
Environmental Measurements Corp.	NA	29
Environmental Synergy, Inc.	NA	375

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For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

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From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
Environmental Systems Corp.	NA	\$88
EPRI	NA	500
EPRI PEAC Corp.	NA	43
EPRI Solutions	NA	120
Equifax Credit Information Services	NA	61
ER Solutions, Inc.	NA	50
Ergonomic Accessories	NA	66
Ernst & Young L.L.P.	NA	193
Etalk Corp.	NA	271
Federal Trade Commission	NA	125
Fedex Corp.	NA	102
Financo, Inc.	NA	37
Fitness Expo	NA	44
Fittz & Shipman, Inc.	NA	139
Fluor Daniel, Inc.	NA	880
Flying Fish Creative Services, Inc.	NA	110
Framatome ANP, Inc.	NA	113
Friday Eldredge & Clark	NA	48
Fried Frank Harris Shriver & Jacobson	NA	86
Fuelman of New Orleans	NA	98
GA Tech Research Corp.	NA	155
Gallaher & Assoc., L.L.C.	NA	117
Gartner Group, Inc.	NA	339
General Physics Corp.	NA	381
Germer Gertz, L.L.P.	NA	32
Goldwest, L.L.C.	NA	97
Gulfstar Group II Ltd.	NA	98
Hadco International	NA	37
Hatfield & Dawson Consulting Engineers	NA	25
Health Fitness Corp.	NA	74
Henneman Design	NA	26
Henwood Energy Services, Inc.	NA	142
Herbert O'Donnell, Inc.	NA	468
Hewlett Packard Co.	NA	562
Hi Tech Measurement L.L.C.	NA	104
Hotard Coaches, Inc.	NA	93
Hunton & Williams	NA	41
HVAC Portable Systems, Inc.	NA	51
IA State University Foundation	NA	50
ICF Assoc., Inc.	NA	111
ICF Resources, Inc.	NA	28
IEEX Corp.	NA	42
IK Power System Solutions, Inc.	NA	148
Independent Project Analysis, Inc.	NA	128
IPC Information Systems, Inc.	NA	86
IQNavigator, Inc.	NA	250
ISR Institute	NA	287
Itron, Inc.	NA	1,006
J. Cai, Inc.	NA	62
J. Howard & Assoc., Inc.	NA	39
JHS Associated Ltd.	NA	60
Jim Rubin Associated, Inc.	NA	135
John Wilson Associates	NA	62
Johnson Controls, Inc.	NA	125
Keane, Inc.	NA	54
KPMG	NA	109

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

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From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
KPMG L.L.P.	NA	\$630
Kronish Lieb Weiner & Hellman	NA	594
L&K International Training	NA	63
Leading Technology Services	NA	61
Legislative Demographic Service	NA	248
LEK Consulting	NA	163
Lexis Nexis	NA	65
Lion Consulting, Inc.	NA	31
Liskow & Lewis	NA	52
L.K. Harmon Architects	NA	26
Lodestar Corp.	NA	197
LSU Career Services	NA	30
LTS Wireless	NA	29
Mahl & Assoc., Inc.	NA	86
Mail Box, Inc.	NA	26
Malcolm Pirnie, Inc.	NA	34
Marion E. Council PE	NA	56
Market Strategies, Inc.	NA	583
Marketing Services, Inc.	NA	132
Marks Paper Co.	NA	147
Marsh USA, Inc.	NA	255
Martech Consulting L.L.C.	NA	103
Marvin Electric Service, Inc.	NA	70
Maxine Cormier	NA	41
McGlotten & Jarvis	NA	45
McGriff Seibels & Williams, Inc.	NA	35
McKee Nelson, L.L.P.	NA	309
McKinsey & Co., Inc.	NA	1,530
MCR Performance Solutions, L.L.C.	NA	464
Mellon HR Solutions	NA	342
Metavante Corp.	NA	27
Michael G. Thompson	NA	423
Miller & Chevalier	NA	97
Morgan Consulting, Inc.	NA	75
Morgan Stanley & Co., Inc.	NA	76
Motorola, Inc.	NA	1,005
MRO Software, Inc.	NA	110
MS Gerber & Assoc., Inc.	NA	52
Murr Engineering, L.L.C.	NA	158
MVRS, Inc.	NA	30
Nabholz Client Service	NA	126
Navigant Consulting, Inc.	NA	463
Ned Tannebaum & Partners	NA	114
Neptune Consulting Group, Inc.	NA	379
New Energy Association	NA	115
New Horizons Computer Learning	NA	66
New Persuasions Co., Inc.	NA	97
Nilsson & Associates	NA	34
Nobadeer Software Engineering	NA	747
NOLA Computer Services, Inc.	NA	56
Nortel Networks USA, Inc.	NA	116
Northbridge Group	NA	3,605
Nuclear Energy Institute	NA	29

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

Exhibit CEB-10
2005 TTC Cost Case
Page 39 of 58

From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
Old Hickory Consulting	NA	\$294
Opex Corporation	NA	260
PA Consulting Group	NA	1,025
PA Consulting Services, Inc.	NA	34
Pace Global Energy Service, L.L.C.	NA	109
Pantellos Group Limited	NA	332
Paul Ott Carruth	NA	32
PB Energy Storage Services, Inc.	NA	54
PBS&J	NA	47
PeopleSoft USA, Inc.	NA	758
Petroleum Industry Research Assoc.	NA	77
Platts	NA	128
PMCC, Inc.	NA	55
PMO Link, Inc.	NA	2,046
Power Engineers, Inc.	NA	85
Powergem, L.L.C.	NA	110
Powerplan Consultants, Inc.	NA	100
Powertree Carbon Co., L.L.C.	NA	52
Powerworld Corp.	NA	81
Precision Consulting, Inc.	NA	419
Press Association, Inc.	NA	38
Pricewaterhouse Coopers L.L.P.	NA	399
Promocom, Inc.	NA	275
Public Co. Accounting Oversight Board	NA	90
Quinn Gillespie & Assoc., L.L.C.	NA	101
Radey Thomas Yon & Clark PA	NA	28
Rexel Southern	NA	31
RGA Labs, Inc.	NA	64
RHR International Co.	NA	351
Richard Chais & Assoc.	NA	28
Ridgways, Inc.	NA	84
Roger A. Morin	NA	41
Roy A. Giangrosso	NA	107
SAIC Radeco	NA	33
Salespage Technologies, Inc.	NA	265
SAP America, Inc.	NA	314
Science Applications International Corp.	NA	232
Selectek Consulting, Inc.	NA	25
Siquoia Consulting Group, Inc.	NA	86
Setrans	NA	124
Shearman & Sterling	NA	776
Sir Speedy	NA	146
S.J. Berwin	NA	365
Smartsignal Corp.	NA	506
Sodexo Services, Inc.	NA	1,288
Software Systems Development	NA	72
Southern Media & Opinion	NA	51
Southern Tire Mart, L.L.C.	NA	30
Stone Pigman Walther Wittman	NA	29
Strategic Flooring Services	NA	257
Structure Consulting Group L.L.C.	NA	49
Sumitomo Electric USA, Inc.	NA	4,681
Sungard Recovery Services	NA	148
Sungard Availability Services	NA	229

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For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
Superior Power Solutions, Inc.	NA	\$83
Synaptis, Inc.	NA	136
System Management Software, Inc.	NA	85
Taboris Caramanis & Assoc.	NA	89
Tech Resources, Inc.	NA	84
Telvent	NA	35
Tegpro Professional Services, Inc.	NA	35
Thelen Reid & Priest, L.L.P.	NA	60
Thompson Group	NA	62
Thomson Financial Carson	NA	123
TNT Logistics North America, Inc.	NA	45
Todd Electric, Inc.	NA	65
Towers Perrin	NA	392
Trademark Construction & Remodel	NA	43
TRC Environmental Corp.	NA	65
Truepro Consulting Services	NA	205
Trust for Public Land	NA	750
Tucker Alan, Inc.	NA	31
TUI Consulting, Inc.	NA	347
Tulane University	NA	215
Unisys Corp.	NA	100
URS Corp.	NA	169
U.S. Fish & Wildlife Service	NA	75
Utilities International, Inc.	NA	365
Vaisala, Inc.	NA	56
Vanguard Communications Corp.	NA	53
Ventureforth, Inc.	NA	101
Vigilar	NA	41
Wachenhut Corp.	NA	454
Walkabout Computers, Inc.	NA	66
Washington Group International	NA	43
Watson Wyatt & Co.	NA	41
Weather Service International	NA	44
Wildlife Technical Services	NA	79
Williamson Printing Corp.	NA	151
Wilson Construction Company	NA	478
Wink Engineering	NA	604
Wipro Technologies	NA	177
Wire One Technologies, Inc.	NA	103
Xerox Business Corp.	NA	258
Other (898)	NA	3,175
Total		\$79,789

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Outside Services Employed

(In Thousands)

Exhibit CEB-10
2005 TTC Cost Case
Page 41 of 58

From Whom Purchased *	Relationship "A" - Associate "NA" - Non Associate	Amount
OUTSIDE SERVICE - CONTRACT/DESIGN ENGINEERING		
Electrical Engineering Professional	NA	\$88
Iepson Consulting Engineers	NA	206
IK Power System Solutions, Inc.	NA	166
PCS 2000 L.L.C.	NA	86
Science Applications International Corp.	NA	39
Other (12)	NA	76
Total		\$661
OUTSIDE SERVICE - TEMPORARY EMPLOYEE SERVICES		
Comensure, Inc.	NA	\$8,507
Data Perfect	NA	225
Other (13)	NA	(139)
Total		\$8,593
OUTSIDE SERVICE - OTHER		
CK Assoc., Inc.	NA	\$118
Comensure, Inc.	NA	104
EPRI Solutions	NA	104
FTN Assoc., Ltd.	NA	47
Metco Environmental, Inc.	NA	191
University of TX Austin	NA	25
Other (28)	NA	670
Total		\$1,259
GRAND TOTAL		\$107,349

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Employee Pensions and Benefits

(In Thousands)

Instructions:

Provide a listing of each pension plan and benefit program provided by the service company. Such listing should be limited to \$25,000.

Description	Amount
Medical & Other Benefits Under Flex Benefit Programs	\$28,214
Pension Plans	28,448
Post Retirement Plan Benefits	15,485
Executive Supplemental Pension	14,725
Savings Plan	6,790
Employee Meetings/Functions/Awards	3,456
Educational Reimbursement	628
Other	685
TOTAL	\$98,431

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

General Advertising Expenses - Account 930.1

(In Thousands)

Instructions:

Provide a listing of the amount included in Account 930.1, "General Advertising Expenses," classifying the items according to the nature of the advertising and as defined in the account definition. If a particular class includes an amount in excess of \$3,000 applicable to a single payee, show separately the name of the payee and the aggregate amount applicable thereto.

Description	Name of Payee Amount*	Amount
<u>Advertising in Newspapers, Periodicals,</u>	Henneman Design	\$28
<u>Billboards, Radio, etc.</u>	Modeltech International	22
	Citibank USA	19
	Faircount, L.L.C.	18
	Holiday Inn	16
	McGraw Hill, Inc.	16
	New Orleans Zephyrs	15
	AD Wynne Co., Inc.	11
	Rover Co.	10
	Louisiana Municipal Association	8
	Greater Baton Rouge Business	8
	Congressional Black Caucus	8
	LA Municipal Assoc. Black Caucus	8
	LA Chapter National Conference	6
	Public Affairs Group, Inc.	5
	Renard Communications, Inc.	5
	State of Louisiana	5
	Edison Electric Institute	5

ANNUAL REPORT OF ENTERGY SERVICES, INC.
For the Year Ended December 31, 2004
General Advertising Expenses - Account 930.1
(In Thousands)

Description	Name of Payee Amount*	Amount
	Edison Electric Institute	\$2
	100 Black Men of Baton Rouge	2
	Centerplate	2
	NAACP	2
	Moore Wallace North America, Inc.	2
	Grambling Univ. Natl. Alumni Assoc.	2
	Black Caucus Police Jury of Louisiana	2
	LSU Agricultural Center	2
<u>Fees and expenses of advertising agencies and commercial artists</u>	Pam Am Communications	31
	The Point Group	5
	Rose Gennaro	3
<u>Printing of Booklets, Dodgers, Bulletins, etc.</u>	Hederman Brothers	8
	Reni Publishing	5
<u>Employee Expenses</u>	Payroll/Employee Expenses	15
<u>Others</u>	Other (82)	119
	TOTAL	\$415

* The activity shown here may be duplicated in the Other Deductions - Account 426.5 schedule.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Miscellaneous General Expenses

(In Thousands)

Instructions:

Provide a listing of the amount included in "Miscellaneous General Expenses," classifying such expenses according to their nature. Payments and expenses permitted by Section 321(b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. SS441(b)(2)) shall be separately classified.

Description	Amount
Payroll	\$1,820
Contract services	310
Employee expenses	1,408
Industry association dues/corporate memberships	502
Other corporate expenses	7,396
TOTAL	\$11,436

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Rents

(In Thousands)

Instructions:

Provide a listing of the amount included "Rents," classifying such expenses by major groupings of property, as defined in the account definition of the Uniform System of Accounts.

Type of Property	Amount
Building & property	\$28,962
Equipment & facilities	5,548
Computer hardware	3,979
Computer software	8,720
Other	(2,525)
TOTAL	\$44,684

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Taxes Other Than Income Taxes

(In Thousands)

Instructions:

Provide an analysis of "Taxes Other Than Income Taxes." Separate the analysis into two groups: (1) other than U.S. Government taxes, and (2) U.S. Government taxes. Specify each of the various kinds of taxes and show the amounts thereof. Provide a subtotal for each class of tax.

Kind of Tax	Amount
<u>Taxes Other Than U.S. Government Taxes</u>	
Property taxes	\$2,244
Unemployment taxes	153
Other taxes	1,485
Total	\$3,882
<u>U.S. Government Taxes</u>	
FICA taxes	\$18,321
Unemployment taxes	189
Total	\$18,510
TOTAL	\$22,392

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Donations - Account 426.1

(In Thousands)

Instructions:

Provide a listing of the amount included in Account 426.1, "Donations," classifying such expenses by its purpose. The aggregate number and amount of all items of less than \$3,000 may be in lieu of details.

Name of Recipient	Purpose of Donation	Amount
National D Day Museum Foundation	Corporate Sponsorship	\$1,000
Democratic Leadership Council	501(C)(4) contribution	20
Boston 2004, Inc.	Corporate Sponsorship	10
Delgado Community College	Corporate Sponsorship	10
Foundation for Clean Air Progress	Corporate Sponsorship	10
TX State Society of Washington	Corporate Sponsorship	10
Radio & Television News Dir.	Corporate Sponsorship	6
National Press Foundation	Corporate Sponsorship	5
American Council on Science and Health	Corporate Sponsorship	5
Cancer Research Foundation of America	Corporate Sponsorship	5
Cleveland Development Foundation	Corporate Sponsorship	5
Edison Electric Institute	Corporate Sponsorship	5
Front Row Strategies, L.L.C.	Corporate Sponsorship	5
Institute for Public Relations	Corporate Sponsorship	5
Institute of Internal Auditors	Corporate Sponsorship	5
Others (14)		14
Employee Services:		
Manage Contributions		1,377
	TOTAL	\$2,497

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Other Deductions - Account 426.5

(In Thousands)

Instructions:

Provide a listing of the amount included in Account 426.5, "Other Deductions," classifying such expenses according to their nature.

Description	Name of Payee *	Amount
Restructuring Costs - Transition to Competition	Employee benefits	\$34
Perform Executive Functions	Employee expenses	315
	Miscellaneous income deduction	21
	Other	62
Manage Legal Affairs - Regulator	Employee benefits	1
	Other	1,854
	Payroll	3
	Payroll taxes	1
Coordinate Community Relations & Education	Miscellaneous income deduction	20
Coordinate Donation	Miscellaneous income deduction	451
Perform Lobbying Activities	Other	143
	Payroll	1
Manage Political Organizations	Employee expense	37
	Other	13
	Payroll expense	100
	Payroll taxes	7
Corporate Strategy and Analysis	Employee benefits	4
	Employee expense	322
	Miscellaneous income deduction	7
	Other	214
	Payroll expense	13
	Payroll taxes	1
Other Expenses	Various vendors	131
	TOTAL	\$3,755

* The activity shown here may be duplicated in the "Outside Services Employed" Schedule.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Schedule XVIII - Notes to Statement of Income

Instructions:

The space below is provided for important notes regarding the statement of income or any account thereof. Furnish particulars as to any significant increases in services rendered or expenses incurred during the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

See Notes to Financial Statements on Pages 14-A through 14-J.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Organization Charts

See page 30 - A

ANNUAL REPORT OF ENTERGY SERVICES, INC.

Methods of Allocation

See pages 30 – B thru 30 - E

ANNUAL REPORT OF ENTERGY SERVICES, INC.

Annual Statement of Compensation for Use of Capital Billed

- None -

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Organization Chart

Chairman

Corporate

Human Resources & Administration

Legal

Public Relations & Affairs

Domestic Operations

Finance

Finance and Accounting

Information Technology

Supply Chain

Retail Services

Nuclear

Regulated Operations

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Methods of Allocation

Note: Each allocation formula is based on data relevant to the participating Client Companies to whom the services are provided and the department providing the service.

Energy Sales

Based on total kilowatt-hours of energy sold to consumers.

Customers

Based on a twelve-month average of Residential, Commercial, Industrial, Government, and Municipal general business electric/gas customers.

Employees

Based on the number of full time employees at year-end.

Responsibility Ratio

The Responsibility Ratio of a company is the ratio of the company's load at time of system peak load. The peak load is the average of the twelve monthly highest clock-hour demands in kilowatts of the Company's interconnected system, occurring each month coincident with the System peak load, during the twelve-month period ending with the current month.

Transmission Line Miles

Based on the number of miles of transmission lines, weighted for design voltage. (Voltage < 400kv = 1, Voltage \geq 400kv = 2)

Substations

Distribution Substations is based on the number of high voltage substations weighted for voltage. (Voltage < 500kv = 1, Voltage \geq 500kv = 2)

Gas Consumption

Based on the volume of natural gas consumed annually by all gas fired generating units within the Entergy System.

Level of ESI Service

Based on Entergy Services' total billings to each System Company excluding corporate overhead.

System Capacity (Non-Nuclear)

Based on the power level, rated in kilowatts, that could be achieved if all generating non-nuclear units were operating at maximum capability simultaneously.

Labor Dollars Billed

Based on total labor dollars billed to each company.

Distribution Line Miles

Based on the number of miles of distribution lines of 34.5kv or less.

Coal Consumption

Based on the quantity of tons of coal delivered annually to each coal plant within the Entergy System.

Accounts Payable Transactions

Based on the number of accounts payable transactions processed annually for each Entergy System company.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Methods of Allocation

Square Footage

Based on square footage occupied by Entergy Services functional business units.

Insurance Premiums (Non-Nuclear)

Based on non-nuclear insurance premiums.

Asset Locations

Based on the number of asset locations at period end.

Average Outstanding Capital Expenditure Authorizations (CEAs) and Storm Job Orders (SJOs)

Based on a twelve-month average of outstanding CEAs and SJOs.

Total Assets

Based on total assets at period end.

Bank Accounts

Based on the number of bank accounts at period end.

Server and Mainframe Usage Composite

Based on the use of historical expenditures of mainframe and Unix servers and related database information.

General Ledger Transactions

Based on the number of general ledger transactions for the period.

Fiber

Based on capacity and use of the Entergy System's fiber optic network.

Paychecks

Based on the number of paychecks issued to each business unit at period end.

Transition to Competition

Based on a twelve-month average of Residential, Commercial, Industrial, Government, and Municipal general business of gas and/or electric.

Telephones

Based on the number of telephones within each business unit at period end.

Nuclear Units/Nuclear Sites

Based on the number of nuclear units/sites managed and operated by each Entergy System company.

Call Centers

Based on the number of customer calls for each business unit at period end.

Accounts Receivable Invoices

Based on the number of accounts receivable invoices processed annually for each Entergy System company.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Methods of Allocation

Property and Liability Paid Losses

Based on a five-year annual average of the property and liability losses paid by the System companies.

Composite – Supply Chain (Number of Transactions, Stockroom Count, and Procurement Total Spending)

Based on three components with weighting to each: number of transactions (37.5%), stockroom count (37.5%), and procurement total spending (25%).

Supply Chain – Inventory Management Fossil, Transmission, and Distribution Issues/Transfers and Returns

Based on the number of issues, transfers, and return transactions for each business unit at period end.

Supply Chain – Procurement Total Spending

Based on the dollar amount of procurement spending within each business unit at period end.

Remote Access Services (RAS) Ids

Based on the number of RAS Ids within each business unit at period end.

Vehicles

Based on the number of vehicles owned by each business unit at period end.

Distribution Substation Transformers

Based on the number of distribution substations at period end.

Managed Accounts

Based on the number of industrial and commercial managed accounts, excluding non-regulated Texas.

Supply Chain Labor Dollars

Based on the labor dollars for the transformer, meter, and light shops.

Supply Chain Materials

Based on the number of supply chain materials transactions for each business unit.

Radio Usage

Based on usage on Entergy's two-way radio system.

Total Information Technology Spend

Based on total dollars spent on the Information Technology plan.

Average Number of Capital Expenditures Authorization Project for Information Technology, Customer Service, Distribution, and Transmission

Based on a twelve-month average of outstanding Capital Expenditure Authorizations for the Information Technology, Customer Service, Distribution, and Transmission organizations.

Section 263A Tax Benefits

Based on Section 263A tax benefits for each business unit.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Methods of Allocation

Unit Power Sales Agreement

Based on Entergy's Unit Power Sales Agreement. This agreement allocates capacity, energy, and the related costs from Entergy's 90% ownership and leasehold interests in Grand Gulf 1.

Records Management

Based on the number of full and part-time employees at period end, excluding the nuclear function.

Open Workers' Compensation Claims

Based on the open number of workers' compensation claims at year-end.

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ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Appendix

Information in Compliance With Item 4 of SEC Letter Dated December 29, 1986

(In Thousands)

Cost of services charged to project codes established to track cost of functions performed by System Fuels, Inc. (SFI) personnel transferred to Entergy Services, Inc. (Entergy Services).

	<u>Amount</u>
Direct Cost:	
Labor and related cost	\$82
Other direct cost	29
Indirect Cost	<u>18</u>
Total	129
Cost of services charged to work orders not related to the transfer of SFI personnel	<u>682</u>
Total cost of services performed by Entergy Services and billed to SFI	<u>\$811</u>

Amounts billed to Operating Companies for Fuel Oil Program*	\$493
Deferred cost/services	-
Charged to nuclear fuel inventory	318
Charged to Gas and Oil Development and Production Program	<u>-</u>
Total	<u>\$811</u>

- * Amounts charged to the Fuel Oil Program as a component of period cost. For 2004, based on monthly averages, period costs were allocated 10% to Entergy Arkansas, Inc. (EAI), 50% to Entergy Louisiana, Inc. (ELI), 29% to Entergy Mississippi, Inc. (EMI), and 11% to Entergy New Orleans, Inc. (ENOI).

ANNUAL REPORT OF ENTERGY SERVICES, INC.

For the Year Ended December 31, 2004

Appendix

Information in Compliance With Item 4 of SEC Letter Dated December 29, 1986

Allocation of Indirect Cost

Indirect cost is comprised of labor loading and variable overhead. The labor loading and variable overhead are allocated to project codes on the basis of labor dollars charged to each project code.

Fuel Department Cost

The labor costs of Entergy Services personnel performing work for SFI are recorded by a process similar to all other costs incurred by Entergy Services. Various Project Codes have been established at Entergy Services to track the cost of functions performed by Entergy Services personnel for SFI matters which are billed 100% to SFI.

Services Provided

The Finance Operations Center provides accounting services to SFI in the following areas: financial and operating information services, accounting services relative to SFI's owned and leased properties, fuel oil inventory accounting, nuclear fuel inventory accounting, billing of fuels and services provided to the Operating Companies, assist in the coordination and preparation of budgets and forecasts for SFI, provides data required by various regulatory and other agencies, and provides accounts payable services.

Changes in Organization

As previously reported, the System's fuel planning and procurement administration was reorganized during 1988, which redefined the fuels management roles and placed the responsibility for most fuel procurement decisions with the Entergy Corporation System Executives.

In general, the Operating Companies execute and administer power plant gas and coal contracts under an acquisition and administration policy. Financing nuclear fuel inventory and fuel oil inventory and facilities, and accounting functions related to these continuing activities are still performed by Entergy Services personnel.

ANNUAL REPORT OF ENTERGY SERVICES, INC.

Signature Clause

Pursuant to the requirements of the Public Utility Holding Company Act of 1935 and the rules and regulations of the Securities and Exchange Commission issued thereunder, the undersigned company has duly caused this report to be signed on its behalf by the undersigned officer thereunto duly authorized.

Entergy Services, Inc.
(Name of Reporting Company)

By: Nathan E. Langston
(Signature of Signing Officer)

Nathan E. Langston
Senior Vice President and Chief Accounting Officer
(Printed Name and Title of Signing Officer)

Date: April 22, 2005

Definition of Terms
Direct, Indirect, Allocated, and Overhead

Term	As Defined By:		
	ESI	SEC	Service Agreement
Direct	Costs incurred exclusively for the benefit of one affiliate and billed 100% to that affiliate.	Costs incurred for a specific purpose, and performed for one associated company or group of companies. These costs may be billed directly (100% to receiving company) if performed for a single company, or allocated if performed for more than one company.	Costs incurred for a specific purpose, and performed for one company or group of companies. These costs may be billed directly (100% to receiving company) if performed by a single company, or allocated if performed for more than one company. The term has the same meaning as the SEC definition of "direct."
Indirect	Term not commonly used by ESI.	Costs not attributable to any one project or service. These costs are always allocated, and are equivalent to ESI's use of the term "overhead."	Labor costs that are not attributable to any one project or service. These costs are allocated using billing method 40 or are distributed through the shared services loader process based on labor dollars billed to affiliates.

Definition of Terms
Direct, Indirect, Allocated, and Overhead

Term	As Defined By:		
	ESI	SEC	Service Agreement
Allocated	Costs incurred for the benefit of more than one affiliate and allocated using an allocation formula.	Term not commonly used by the SEC	The Service Agreements also use the term "outside services," which has its ordinary meaning and may be billed on a direct or allocated basis, depending on the number of companies for which costs for outside services are incurred.
Overhead	Labor costs that are not attributable to any one project or service. These costs are allocated using billing method 40 or are distributed through the shared services loader process based on labor dollars billed to affiliates.	Term not commonly used by the SEC.	Non-labor costs incurred by ESI as a whole that are not attributable to any one project or service, but are necessary for ESI's corporate existence. These costs are allocated using billing method 14.