

2003 Holiday Schedule

(Bargaining employees should refer to their bargaining agreements regarding holidays.)

(If you are a Nuclear Northeast or a Nuclear South employee, please refer to your site specific holiday schedule.)

Actual Work Holiday

1. New Year's Day Wednesday, January 1
2. Mardi Gras: Tuesday, March 4
 Floating Holiday*: Tied to March 1 (all other locations)
3. Memorial Day: Monday, May 26
4. Independence Day: Friday, July 4
5. Labor Day: Monday, September 1
6. Thanksgiving Day: Thursday, November 27
7. Christmas Eve: Wednesday, December 24
8. Christmas Day: Thursday, December 25
9. Floating Holiday*: Tied to employee's birthday
10. Floating Holiday*: Tied to employee's employment anniversary

When a designated holiday falls on an Alternate Work Schedule day off, at the supervisor's discretion, non-exempt employees will receive an additional 8 hours of pay (at straight time) or may schedule another day off (8 hours). An exempt employee may schedule another day off (8 hours) on a day approved by his/her supervisor.

*Floating holidays may be observed any day during the year with supervisory approval. For more specific details, please refer to the Holiday policy.

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Title: MILITARY LEAVES OF ABSENCE		Effective Date: October 08, 2001
Subject Matter Expert:	Responsible Officer:	Approved by:
Roy Farrell	William Madison	Corporate Compliance Committee

I. POLICY SUMMARY

- This Policy sets forth (1) the eligibility and procedural requirements that must be met in order to obtain a Military Leave of Absence; (2) the pay status of an Eligible Employee during a Military Leave of Absence; (3) the status of Company-sponsored benefits during a Military Leave of Absence; and (4) reemployment rights of an Eligible Employee following a Military Leave of Absence.
- This Policy also prohibits discrimination in employment or retaliation against any individual on the basis of Service in the Uniformed Services of the United States or on the basis of affiliation with an individual who has performed Service in the Uniformed Services of the United States.
- All employees of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.
- Please refer to the following detailed Policy for specifics on eligibility and procedural requirements.

II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

The purpose of this Policy is to set forth the terms and conditions of Military Leaves of Absence and to prohibit discrimination in employment or retaliation against any individual on the basis of Service in the Uniformed Services of the United States or on the basis of affiliation with an individual who has performed Service in the Uniformed Services of the United States.

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THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED.

FOR EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT, THE APPLICABLE COLLECTIVE BARGAINING AGREEMENT WILL GOVERN TO THE EXTENT IT CONFLICTS WITH THIS POLICY.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY.

2.0 REFERENCES AND CROSS REFERENCES

2.1 Collective Bargaining Agreements - For Eligible Employees covered by a collective bargaining agreement, Military Leaves of Absence will be governed by the applicable union contract and by law.

2.2 Vacation Leave - For Eligible Employees wishing to use accrued vacation during a Military Leave of Absence, the amount of vacation to which they are entitled is governed by the Entergy System Vacation Policy.

2.3 Entergy System Policies & Procedures – Reporting Violations

3.0 DEFINITIONS

3.1 Benefit means any advantage, profit, privilege, gain, status, account, or interest (other than wages or salary for work performed) that accrues by reason of an employment contract or agreement or an employer policy, plan, or practice and includes rights and benefits under a pension plan, a health plan, an employee stock ownership plan, insurance coverage and awards, bonuses, severance pay,

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supplemental unemployment benefits, vacations, and the opportunity to select work hours or location of employment.

- 3.2 Brief or Nonrecurrent Position** means a position of employment that cannot reasonably be expected to continue indefinitely or for a significant period of time.
- 3.3 Eligible Employee** means a Full-Time or part-time employee of an Entergy System Company who (a) is absent from his/her position at an Entergy System Company on account of Service in the Uniformed Services; (b) is seeking Reemployment with an Entergy System Company following a Military Leave of Absence; or (c) has returned to work at an Entergy System Company following a Military Leave of Absence.
- 3.4 Employee Life Insurance** means the amount of life insurance coverage in place through a Company-sponsored group life insurance plan immediately prior to the commencement of an Eligible Employee's Military Leave of Absence.
- 3.5 Entergy, Entergy System Company, or Company** refers to Entergy Corporation and all of its subsidiaries and affiliates in which Entergy Corporation has a direct or indirect majority ownership in such subsidiary or affiliate.
- 3.6 Full-Time Employee** means an employee who is regularly scheduled to work an average of at least forty (40) hours per week for an Entergy System Company.
- 3.7 Health Plan** means any Company-sponsored insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or other arrangement under which health services are provided or the expenses of such services are paid. Examples of Health Plans include the BenefitsPlus Medical, Dental and Vision Care Plans.
- 3.8 Military Leave of Absence** means the time period in which an Eligible Employee is absent from work at an Entergy System Company as a result of Service in the Uniformed Services. The maximum cumulative duration of Military Leaves of Absence is set forth in Section 5.6 of this Policy.

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- 3.9 Military Pay** means the Regular Rate of Pay received by an Eligible Employee as compensation for Services in the Uniformed Services **plus** any supplemental pay or additional allowances (e.g., basic allowance for subsistence, incentive pay, hardship pay) provided to the Eligible Employee by the Uniformed Services while the Eligible Employee is performing Services in the Uniformed Services.
- 3.10 Pay Differential** means the difference between an Eligible Employee's annual Regular Rate of Pay from his/her System Company Employer at the time s/he begins a Military Leave of Absence and the Military Pay paid to the Eligible Employee by a branch of the Uniformed Services for duties performed by him/her while on a Military Leave of Absence.
- 3.11 Pay Differential Payment** means payments made by a System Company Employer to an Eligible Employee whose leave qualifies for Pay Differential Payments under Section 5.3 of this Policy. Pay Differential Payments are designed to supplement an Eligible Employee's Military Pay so that, for the period provided in Section 5.3.2 of this Policy, an Eligible Employee does not suffer a loss in the Regular Rate of Pay received from his/her System Company Employer while engaged in certain types of Service in the Uniformed Services.
- 3.12 Pension Plan** means any plan that provides retirement income to employees. Pension Plans include defined benefit plans, defined contribution plans, and profit sharing plans.
- 3.13 Policy** means this Military Leave of Absence Policy.
- 3.14 Reemployment or Reemployed** means the return to employment with an Entergy System Company by an Eligible Employee upon the expiration of an Eligible Employee's Military Leave of Absence. The right to Reemployment is subject to the terms and conditions set forth in Section 5.5 of this Policy.
- 3.15 Regular Rate of Pay** means an Eligible Employee's base monthly earnings, less any discretionary or non-discretionary bonuses, overtime compensation, or other type of supplemental pay.
- 3.16 Reimbursement Account** means any reimbursement account provided through a Company-sponsored cafeteria plan (e.g., BenefitsPlus Health Care and Dependent Day Care Accounts).

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3.17 Service or Service in the Uniformed Services means the performance of duty on a voluntary or involuntary basis in a Uniformed Service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform such duty, and a period of time for which a person is absent from employment for the purpose of performing funeral honors duty as authorized by 10 U.S.C. § 12503 and 32 U.S.C. § 115.

3.18 System Company Employer means the Entergy System Company that is the payroll employer of an Eligible Employee.

3.19 Uniformed Services means (a) the United States Army, the United States Navy, the United States Marine Corps, or the United States Air Force; (b) the United States Army Reserve, the United States Naval Reserve, the United States Marine Corps Reserve, the United States Air Force Reserve, or the United States Coast Guard Reserve; (c) the United States Army National Guard or the United States Air National Guard; (d) the Commissioned Corps of the United States Public Health Service; or (e) any other category designated by the President of the United States in time of war or emergency.

3.20 USERRA means the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301-33.

4.0 RESPONSIBILITIES

4.1 The Human Resources and Administration Senior Vice President must approve any deviations from this Policy.

4.2 The Human Resources Department is responsible for administering this Policy.

4.3 The Payroll Department is responsible for calculating and processing Pay Differential Payments under this Policy.

4.4 The Operating Group is responsible for approving Pay Differential Payments in situations not expressly covered by Section 5.3 of this Policy.

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4.5 **Supervisors** are responsible for forwarding Notice of Military Leaves of Absence Forms (Attachment 1) and accompanying documentation to the Human Resources Service Center. In the event an Eligible Employee gives verbal notice of a Military Leave of Absence, the supervisor is responsible for communicating that information to the Human Resources Service Center.

4.6 **Eligible Employees** are responsible for:

- (a) providing their immediate supervisor with advance written or verbal notice of the need to take a Military Leave of Absence in accordance with Section 6.1 of this Policy, unless giving notice is impossible, unreasonable, or precluded by military necessity;
- (b) in the event giving advance notice is precluded by one of the three exceptions mentioned above, providing notice of a Military Leave of Absence as soon as practicable;
- (c) providing timely notice of an intention to return to work in the manner specified in Section 6.7 of this Policy; and
- (d) complying with the provisions of this Policy.

4.7 **All Employees** of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.

5.0 **DETAILS**

5.1 **Prohibition on Discrimination and Retaliation:** All Entergy System Companies prohibit any form of discrimination or retaliation against any individual on account of his/her membership in, application for membership in, performance of, application for performance of, or obligation to perform Service in the Uniformed Services or on account of affiliation with an individual who has performed Service in the Uniformed Services of the United States.

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5.2 Providing Notice of Military Leaves of Absence: Eligible Employees shall provide advance notice of a Military Leave of Absence in accordance with Section 6.1 of this Policy, unless the provision of such notice is impossible, unreasonable, or precluded by military necessity.

5.3 Pay Differential Payments: Full-Time, Eligible Employees are entitled to receive Pay Differential Payments in the event they are either voluntarily or involuntarily called into active duty in support of war or national emergency or to provide for homeland defense. Pay Differential Payments may also be made to Full-Time, Eligible Employees providing other types of Service in the Uniformed Services at the discretion of the Operating Group. Any decision by the Operating Group to extend Pay Differential Payments in circumstances not expressly contemplated by this paragraph shall not be made on an individual employee basis but shall instead apply to all individuals called into Service in the Uniformed Services as a result of the occurrence of a particular circumstance. Employees seeking Pay Differential Payments shall comply with the procedures set forth in Section 6.2 of this Policy.

5.3.1 Amount of Pay Differential Payments: Pay Differential Payments will be paid to Eligible Employees in accordance with the provisions set forth in Section 6.2 of this Policy. Pay Differential Payments will be computed by subtracting the Eligible Employee's Military Pay from the Regular Rate of Pay received from his/her System Company Employer as of the day immediately preceding the commencement of a Military Leave of Absence.

5.3.2 Duration of Pay Differential Payments: Pay Differential Payments will end upon the expiration of six months or the last day of an Eligible Employee's Military Leave of Absence, whichever occurs first.

5.3.3 Responsibility for Tax Liability: Any tax liability resulting from Pay Differential Payments is the sole responsibility of the Eligible Employee receiving those payments.

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5.4 Status of Benefits during Military Leaves of Absence.

5.4.1 Health Care Benefits for Full-Time, Eligible Employees: Full-Time, Eligible Employees who are participants in one or more Company-sponsored Health Plans prior to the commencement of a Military Leave of Absence may, at their option, continue to participate in those plans at the then-current levels. If a Full-Time, Eligible Employee opts to continue coverage in a Company-sponsored Health Plan during a Military Leave of Absence, the Company will continue to subsidize the cost of coverage as if the employee were still an active employee, and coverage shall be at the levels in effect at the commencement of the Eligible Employee's Military Leave of Absence. Any Full-Time, Eligible Employee opting for continued coverage under this paragraph shall be responsible for any employee contributions necessary for such coverage. The maximum period for continued coverage under this provision shall be the lesser of (a) the 18-month period beginning on the date that the Eligible Employee's Military Leave of Absence begins or (b) the day after the date on which the Eligible Employee fails to apply for or return to a position of employment, as specified in Section 6.7 of this Policy. Full-Time, Eligible Employees seeking continued coverage under this provision shall comply with the procedures set forth in Section 6.3 of this Policy.

5.4.2 Health Care Benefits for Part-Time, Eligible Employees: Part-Time, Eligible Employees who are participants in one or more Company-sponsored Health Plans prior to the commencement of a Military Leave of Absence may, at their option, continue to participate in those plans by paying no more than 102% of the full premium associated for such coverage, except that, in the case of an employee who performs Service in the Uniform Services for less than 31 days, that employee must pay only his/her share for such coverage. The maximum period for coverage under this provision shall be the lesser of (a) the 18-month period beginning on the date that the Eligible Employee's Military Leave of Absence begins or (b) the day after the date on which the Eligible Employee fails to apply for or return to a position of employment, as specified in Section 6.7 of this Policy. Eligible Employees seeking continued coverage under this provision shall comply with the procedures set forth in Section 6.3 of this Policy.

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- 5.4.3 Health Care Benefits Upon Reemployment:** An Eligible Employee's participation in one or more Health Plans upon Reemployment following a Military Leave of Absence shall be governed by the provisions of the USERRA.
- 5.4.4 Pension Plan Benefits tied to Years of Service:** To the extent participation in or benefits available under any Pension Plan are tied to seniority or years of service, Eligible Employees who are Reemployed following a Military Leave of Absence will be treated as having no break in service for vesting and benefit accrual purposes. However, Eligible Employees who have been on a Military Leave of Absence in excess of 90 days must submit documentation that their separation from Service met the requirements set forth in Section 5.5 of this Policy before they will be treated as having no break in service for Pension Plan purposes. In the event an Eligible Employee does not seek Reemployment, his or her Pension Plan benefits shall be determined as of the last day of active employment with an Entergy System Company prior to commencement of the Military Leave of Absence.
- 5.4.5 Employee Contributions to Pension Plans:** An Eligible Employee who is Reemployed following a Military Leave of Absence is entitled to accrued benefits from employee contributions to Pension Plans if the Eligible Employee repays any missed employee contributions. These repayments may be made over a period of time that is three times the period of the Military Leave of Absence but no longer than five years. An Eligible Employee seeking to make up missed contributions to a Pension Plan pursuant to this paragraph shall comply with the procedures set forth in Section 6.8 of this Policy.
- 5.4.6 Vacation Pay:** Eligible Employees may, at their option, use vacation leave accrued prior to the commencement of a Military Leave of Absence during that Military Leave of Absence. An Eligible Employee who wishes to use his/her accrued vacation leave during a Military Leave of Absence shall comply with the procedures set forth in Section 6.5 of this Policy.

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- 5.4.7 Life Insurance:** Eligible Employees having Employee Life Insurance will continue to be covered up to 60 days following the commencement of a Military Leave of Absence. This coverage is subject to any and all exclusions contained in the underlying insurance contract. Eligible Employees may exercise any conversion rights provided by and in accordance with the underlying insurance contract after the expiration of the 60-day period. Eligible Employees wishing to exercise conversion rights shall comply with the procedures set forth in Section 6.4 of this Policy.
- 5.4.8 Long-term Disability Insurance:** An Eligible Employee who is covered under a Company-sponsored long-term disability plan prior to the commencement of a Military Leave of Absence will continue to be covered for 10 days after the commencement of a Military Leave of Absence, provided the Eligible Employee pays for the premium associated with this coverage. Coverage under any Company-sponsored long-term disability plan is subject to any and all exclusions contained in the underlying insurance contract. Eligible Employees wishing to continue coverage for this 10-day period shall comply with the procedures set forth in Section 6.3 of this Policy.
- 5.4.9 Reimbursement Accounts:** During a Military Leave of Absence, an Eligible Employee's before-tax contributions to any Reimbursement Account will be suspended for the duration of the Eligible Employee's Military Leave of Absence. However, an Eligible Employee may continued to participate in a Reimbursement Account by making monthly contributions on an after tax basis during the Military Leave of Absence. If an Eligible Employee chooses not to continue participation in a Reimbursement Account while on a Military Leave of Absence, expenses incurred during the Military Leave of Absence will not be reimbursable. Upon Reemployment, an Eligible Employee who has discontinued participation may reenroll in the Reimbursement Account(s) at the same contribution level for the remainder of the plan year. Eligible Employees wishing to continue coverage in any Reimbursement Account shall comply with the procedures set forth in Section 6.6 of this Policy.
- 5.4.10 Status of Other Benefits upon Reemployment:** Upon an Eligible Employee's Reemployment with an Entergy System Company, the status of his/her Benefits and all other issues regarding his/her Reemployment that are not specifically addressed in this Policy shall be governed by the provisions of the USERRA and any other applicable law.

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5.5 Reemployment upon the Expiration of Military Leaves of Absence: An Eligible Employee seeking Reemployment with an Entergy System Company following a Military Leave of Absence must submit timely notice of his/her intent to return to work in accordance with the procedures set forth in Section 6.1 of this Policy and meet the following conditions:

- S/he must have held a position other than a Brief or Nonrecurrent Position with an Entergy System Company immediately prior to the commencement of the Military Leave of Absence;
- S/he must have given advance notice of the Military Leave of Absence in accordance with Section 6.1 of this Policy, unless such advance notice was impossible, unreasonable, or precluded by military necessity;
- The cumulative total of his/her Military Leaves of Absence must not have exceeded five (5) years, subject to the exemptions specified in Section 5.6 of this Policy; and
- S/he must present proof that his/her separation from the Uniformed Services (a) was not with a dishonorable or bad conduct discharge; (b) was not under less than honorable conditions; (c) was not a dismissal permitted under 10 U.S.C. § 1161(a); and (d) did not result from being dropped from the rolls pursuant to 10 U.S.C. § 1161(b), unless such proof is unavailable or does not exist.

5.6 Duration of Military Leaves of Absence: The cumulative length of an Eligible Employee's Military Leaves of Absence may not exceed five years, except that the following types of Service in the Uniformed Services are exempt from this calculation:

- Service required beyond five years to complete an initial period of obligation;

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- Service from which a person, through no fault of the person, is unable to obtain a release within the five year limit (e.g., members of the Navy or Marine Corps whose obligated service dates expire while they are at sea or service members who are involuntarily retained on active duty beyond the expiration of their obligated service date);
- Required training for reservists and National Guard members (e.g., two week annual training sessions and monthly weekend drills mandated by statute);
- Service under an involuntary order to, or to be retained on, active duty during domestic emergency or national security related situations;
- Service under an order to, or to remain on, active duty (other than for training) during a war or national emergency declared by the President of the United States or the United States Congress;
- Active duty (other than for training) by volunteers supporting operational missions for which selected reservists have been ordered to active duty without their consent;
- Service by volunteers who are ordered to active duty in support of a critical mission or requirement, as declared by one or more of the Secretaries of the various Uniformed Services, in times other than war or national emergency and when no involuntary call up is in effect; and
- Federal service by members of the National Guard called into action by the President of the United States to suppress an insurrection, repel an invasion, or to execute the laws of the United States.

5.7 Operation of Law: To the extent any of the provisions of this Policy conflict with existing law, those provisions shall be null and void and of no effect; however, the remaining provisions of this Policy shall remain unaffected.

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6.0 PROCEDURES

- 6.1 Providing Notice of Military Leave of Absence:** For administrative purposes, all System Company Employers request that, unless impossible, unreasonable, or precluded by military necessity, Eligible Employees provide advance written or verbal notice of a Military Leave of Absence prior to the commencement of the Military Leave of Absence. An Eligible Employee may provide this notice by verbally informing his/her immediate supervisor of the Military Leave of Absence or by completing the attached Notice of Military Leave of Absence Form (Attachment 1) and returning the completed form to his/her immediate supervisor. An Eligible Employee is not required to provide written notice of a Military Leave of Absence; however, if the Eligible Employee is requesting Pay Differential Payments, s/he must complete and return the Notice of Military Leave of Absence Form to his/her supervisor in order to receive Pay Differential Payments.
- 6.2 Requesting Pay Differential Payments:** An Eligible Employee requesting Pay Differential Payments shall complete the attached Notice of Military Leave of Absence Form (Attachment 1) and return it, along with the requested documentation, to his/her immediate supervisor. The supervisor will then forward these documents to the Human Resources Service Center. If the documentation needed to process Pay Differential Payments is not available until after the commencement of a Military Leave of Absence, an Eligible Employee may submit the documentation when it becomes available directly to the Human Resources Service Center in order to expedite Pay Differential Payments. Pay Differential Payments will not be made to an Eligible Employee until the documentation requested in the Notice of Military Leave of Absence Form is furnished. The Payroll Department will make every effort to process Pay Differential Payments within two weeks of receiving the information required to be provided by the Eligible Employee.

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- 6.3 Requesting Continuation of Health Plan and Long-Term Disability Benefits and Arranging Premium Payments:** An Eligible Employee wishing to continue participation any Health Plan shall contact the Human Resources Service Center (1-800-824-5588) within 31 days of the commencement of a Military Leave of Absence. An Eligible Employee wishing to continue long-term disability coverage in accordance with Section 5.4.8 of this Policy shall contact the Human Resources Service Center prior to the commencement of a Military Leave of Absence. If an Eligible Employee's premium payment is not received on a timely basis, coverage will be discontinued.
- 6.4 Exercising Employee Life Insurance Conversion Rights:** Eligible Employees may convert Employee Life Insurance to an individual policy customarily issued by the insurer (excluding term insurance policies) without a medical examination or other evidence of insurability. If an Eligible Employee wishes to convert his/her Employee Life Insurance, s/he must do so no later than 31 days following the termination of coverage, as set forth in Section 5.4.7 of this Policy. Eligible Employees wishing to convert Employee Life Insurance shall contact the HR Service Center (1-800-824-5588) to obtain a conversion form.
- 6.5 Requesting Use of Accrued Vacation:** An Eligible Employee wishing to use his/her accrued vacation during a Military Leave of Absence shall so note on the Notice of Military Leave of Absence Form (Attachment 1) and provide the completed Notice of Military Leave of Absence Form to his/her immediate supervisor. The Eligible Employee should complete and return the Notice of Military Leave of Absence Form prior to the commencement of his/her Military Leave of Absence, unless impossible, unreasonable, or precluded by military necessity. In the event an Eligible Employee wishing to use accrued vacation cannot complete and return the attached Notice of Military Leave of Absence Form before the commencement of his/her Military Leave of Absence, s/he should make arrangements to do so as soon as practicable.
- 6.6 Requesting Continued Participation in Reimbursement Accounts:** An Eligible Employee wishing to continue participation in Reimbursement Accounts shall contact the Human Resources Service Center (1-800-824-5588) within 31 days of the commencement of a Military Leave of Absence. If an Eligible Employee's contributions are not received on a timely basis, coverage will be discontinued.

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- 6.7 Requesting Reemployment:** An Eligible Employee returning from a Military Leave of Absence is entitled to Reemployment provided that the provisions set forth below and in Sections 5.5 and 5.6 of this Policy have been met. All Eligible Employees seeking Reemployment following a Military Leave of Absence shall provide documentation showing that his/her application for Reemployment is timely, his/her cumulative Military Leaves of Absence have not exceeded the five-year time limit set forth in Section 5.6 of this Policy, and his/her separation from Service was other than disqualifying under the provisions set forth in Section 5.5 of this Policy. In the event that an Eligible Employee cannot provide satisfactory documentation because it is not available or because it does not exist, the inability to provide that documentation will not disqualify him/her from Reemployment. However, if, after Reemployment, documentation becomes available showing that one or more of the requirements for Reemployment were not met, the System Company Employer may terminate the employment of the Eligible Employee, effective as of the date that the System Company Employer becomes aware that the Eligible Employee did not meet the requirements for Reemployment.

An Eligible Employee seeking Reemployment following a Military Leave of Absence shall do so in the manner and within the times provided below.

- 6.7.1 Military Leave of Absence of 1 to 30 days:** An Eligible Employee whose Military Leave of Absence lasted between 1 and 30 days must report to work with his/her System Company Employer within 8 hours of the end of the calendar day following completion of Service and a period for allowing for safe transportation of the Eligible Employee to his residence. (For example, if an Eligible Employee returned home from a Military Leave of Absence at 10:00 p.m. on Monday, March 1, then s/he would be required to report to work no earlier than 6:00 a.m. on Tuesday, March 2.) If, due to no fault of the Eligible Employee, reporting back to work within the time set forth herein is impossible or unreasonable, the Eligible Employee must report back to work as soon as possible.

- 6.7.2 Military Leave of Absence of 31 to 180 days:** An Eligible Employee whose Military Leave of Absence lasted between 31 and 180 days must complete and submit the attached Application for Reemployment following Military Leave of Absence ("Application for Reemployment") (Attachment 2) no later than 14 days after the completion of the Eligible Employee's

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Military Leave of Absence. For purposes of calculating this 14-day period, the first day to be counted is the day after the calendar day on which the Military Leave of Absence ended. If the 14th day falls on a day when the offices of his/her System Company Employer are not open, or there is otherwise no one available to accept the Application for Reemployment, the time for submitting the Application for Reemployment is extended until the next business day. If, due to no fault of the Eligible Employee, it is impossible for him/her to complete and submit the Application for Reemployment within the time set forth in this paragraph, the Eligible Employee must submit a completed Application for Reemployment as soon as possible.

6.7.3 Military Leave of Absence in excess of 180 days: An Eligible Employee whose Military Leave of Absence lasted over 180 days must complete and submit the attached Application for Reemployment (Attachment 2) no later than 90 days after the completion of the Eligible Employee's Military Leave of Absence. For purposes of calculating this 90-day period, the first day to be counted is the day after the calendar day on which the Military Leave of Absence ended. If the 90th day falls on a day when the offices of his/her System Company Employer are not open, or there is otherwise no one available to accept the Application for Reemployment, the time for submitting the Application for Reemployment is extended until the next business day. If, due to no fault of the Eligible Employee, it is impossible for him/her to complete and submit the Application for Reemployment within the time set forth in this paragraph, the Eligible Employee must submit a completed Application for Reemployment as soon as possible.

6.7.4 Extension of Deadlines in the Event of Disability: In the event that, due to a disability incurred or aggravated during Service in the Uniformed Services, an Eligible Employee is precluded from seeking Reemployment following a Military Leave of Absence within the deadlines set forth above, the deadlines will be extended for up to two years while the Eligible Employee is hospitalized for or convalescing because of such disability.

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- 6.8** **Arranging for Employee Contributions to Pension Plans:** An Eligible Employee who has been Reemployed following a Military Leave of Absence and who wishes to repay missed contributions to any Pension Plan should contact the Human Resources Department upon Reemployment. All repayments must be made within the time provided in the USERRA.

7.0 ATTACHMENTS

Attachment I - Notice of Military Leave of Absence

Attachment II - Application for Reemployment following Military Leave of Absence

NOTICE OF MILITARY LEAVE OF ABSENCE
(Entergy System Military Leaves of Absence Policy Attachment 1)

All Entergy System Company Employers request that, unless impossible, unreasonable, or precluded by military necessity, an Eligible Employee seeking a Military Leave of Absence provide advance notice of the leave. For administrative purposes, an Eligible Employee seeking a Military Leave of Absence is requested, but not required, to complete this form and return it to his/her immediate supervisor. Alternatively, an Eligible Employee seeking a Military Leave of Absence may provide verbal notice of the Military Leave of Absence to his/her immediate supervisor. However, any Eligible Employee seeking Pay Differential Payments pursuant to the Entergy System Military Leaves of Absence Policy must complete this form and return it and any accompanying documentation to his/her immediate supervisor.

PLEASE PROVIDE A COPY OF YOUR ORDERS WITH THIS FORM.

Name: _____

Home Address: _____

Social Security No.: _____

Branch of Military: _____

Date of Commencement of Leave: _____

Expected Duration of Leave (if known): _____

Reason for Leave (e.g., annual Reserve training, emergency call up): _____

Is Employee Requesting Pay Differential Payments: _____

If yes, please provide the following documentation: (1) a current Leave and Earnings Statement or other official record showing rank or grade and time-in-grade; and (2) after entry into active duty, a Leave and Earnings Statement showing rank or grade, time-in-grade, then-current pay scale, then-current pay, then-current allowances, and any other documentation or earnings statement reflecting any type of supplemental pay or additional allowances.

**APPLICATION FOR REEMPLOYMENT
FOLLOWING MILITARY LEAVE OF ABSENCE
(Entergy System Military Leaves of Absence Policy Attachment 2)**

Eligible Employees seeking Reemployment following a Military Leave of Absence in excess of 30 days shall complete this Application for Reemployment Following Military Leave of Absence, and return it and all available documentation to the Human Resources Department within the time set forth in Section 6.7 of the Entergy System Military Leaves of Absence Policy.

Name: _____

Social Security No.: _____

Home Address: _____

Position held at Commencement of Military Leave: _____

Branch of Military in which you Served: _____

Date of Commencement of Military Leave: _____

Date of Completion of Military Leave: _____

Was discharge honorable? _____

If no, please describe the circumstances surrounding your discharge. _____

Did you provide advance notice of your Military Leave of Absence to your System Company Employer?

If yes, how did you provide this notice? _____

If no, explain why you did not provide advance notice. _____

Please provide the cumulative total of and reasons for all Military Leaves of Absence taken by you while employed by a System Company Employer. _____

PLEASE PROVIDE A COPY OF YOUR ORDERS OR OTHER APPROPRIATE
DOCUMENTATION SUBSTANTIATING THE TERMS OF YOUR DISCHARGE, UNLESS SUCH
DOCUMENTATION IS UNAVAILABLE OR DOES NOT EXIST.

ENTERGY SYSTEM POLICIES & PROCEDURES

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Title: SHORT-TERM DISABILITY LEAVE		Effective Date: JANUARY 31, 2002
Subject Matter Expert:	Responsible Officer:	Approved By:
Roy Farrell	William Madison	Corporate Compliance Committee

I. POLICY SUMMARY

- This Policy defines short-term disability and discusses when employees are eligible for and may take short-term disability leave.
- Short-term disability leave pay benefits will be paid to eligible employees in accordance with the schedule in Section 5.1.1.
- Eligible employees must provide the required medical certification and satisfy the notification and reporting requirements to receive short-term disability leave pay benefits.
- All employees of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.
- Please refer to the following detailed Policy for further information.

ENTERGY SYSTEM POLICIES & PROCEDURES

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Title: SHORT-TERM DISABILITY LEAVE

Effective Date: January 31, 2002

II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

The purpose of this Policy is to define short-term disability and discuss the provisions for employees who are eligible for and take short-term disability leave.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED.

FOR EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT, THE APPLICABLE COLLECTIVE BARGAINING AGREEMENT WILL GOVERN TO THE EXTENT IT CONFLICTS WITH THIS POLICY.

NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY.

2.0 REFERENCES & CROSS REFERENCES

2.1 Collective Bargaining Agreements - For employees covered by collective bargaining agreements, short-term disability leave (sick leave) will be governed by their union contracts.

2.2 Leaves of Absence Policy - Provisions relating to the Family & Medical Leave Act of 1993 (FMLA) are covered in the Leaves of Absence Policy. Employees who are on short-term disability leave may also be on FMLA leave per Section 5.4 of this Policy.

2.3 Absenteeism Policy - Occasional absence due to illness and certain other absences are covered in the Absenteeism Policy.

ENTERGY SYSTEM POLICIES & PROCEDURES

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Title: SHORT-TERM DISABILITY LEAVE	Effective Date: January 31, 2002
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- 2.4 **Long-Term Disability (LTD)** - Benefits for employees who elect coverage for long-term disability are covered in the Long-Term Disability Plan as prescribed in the Summary Plan Description.
- 2.5 **Break in Service Policy** - Completed System Service (see Section 3.5) is defined per the provisions in this Policy.
- 2.6 **Reporting Violations Policy**

3.0 **DEFINITIONS**

- 3.1 **Eligible Employee** is defined as a regular full-time employee with at least six months of System service, per the Break in Service Policy.
- 3.2 **Short-Term Disability (STD)** is defined as a health condition that can be medically certified as requiring the employee's absence from work for a period that exceeds 40 consecutive work hours. The start date of the short-term disability leave is retroactive to the first consecutive day of the employee's absence.
- 3.3 **Short-Term Disability Leave (STD leave)** is defined as the period(s) of absence from work due to the employee's short-term disability.
- 3.4 **Occasional Absence Due to Illness** is defined as a health condition which requires an employee's absence from work for no more than 40 consecutive work hours. Provisions for an employee's occasional absence due to illness are covered in the Absenteeism Policy.
- 3.5 **Absenteeism in Excess of 60 Days (480 Hours)** is defined as the total of all absenteeism that exceeds 60 days, occurring within a calendar year, both consecutively and cumulatively, for whatever reason, and whether occurring under one or more of Entergy's leave policies or provisions.
- 3.6 **Completed System Service** is defined as the number of full calendar months of service the employee has completed during the first year of employment or the number of years of service the employee will have completed as of his/her anniversary date during that calendar year as per the Break in Service Policy.
- 3.7 **Entergy, Entergy System Company, or Company** – Entergy Corporation and all of its subsidiaries and affiliates in which Entergy Corporation has a direct or indirect majority ownership in such subsidiary or affiliate.

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Title: SHORT-TERM DISABILITY LEAVE

Effective Date: January 31, 2002

3.8 Policy – This Short-Term Disability Policy.

4.0 RESPONSIBILITY

4.1 All Supervisors and Above are responsible for ensuring that the provisions of this Policy are followed. All supervisors of employees who are absent due to a short-term disability are responsible for assuring that the necessary medical certification is received, for monitoring and tracking the absence, and for notifying Human Resources when the employee begins STD leave and returns from STD leave.

4.2 The Human Resources Director, Litigation Support is responsible for interpretation of this Policy.

4.3 The Human Resources Director, Litigation Support is responsible for the maintenance of this Policy.

4.4 The Human Resources and Administration Senior Vice President must approve any deviations from this Policy.

4.5 All Employees of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.

5.0 DETAILS

5.1 Short-Term Disability Leave Pay Benefits

5.1.1 STD Leave Pay Benefits Schedule - STD leave pay benefits will be paid to eligible employees for a maximum of 26 weeks (40 hours per week) in accordance with the following schedule (unless employment is terminated during the STD leave):

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Title: SHORT-TERM DISABILITY LEAVE

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Completed System Service	Short-Term Disability Benefit at 100% Pay Per Calendar Year	Short-Term Disability Benefit at 65% Pay Per Calendar Year
0-6 months	0 weeks	0 weeks
6 months	1 week	25 weeks
1 year	2 weeks	24 weeks
2 years	3 weeks	23 weeks
3 years	4 weeks	22 weeks
4 years	5 weeks	21 weeks
5 years	6 weeks	20 weeks
6 years	10 weeks	16 weeks
7 years	14 weeks	12 weeks
8 years	18 weeks	8 weeks
9 years	22 weeks	4 weeks
10 years	26 weeks	0 weeks

- 5.1.1.1** Anniversary Date - An employee moves to the next level of 100% pay on his/her employment anniversary date & only if he/she is not on STD leave on the anniversary date.
- 5.1.1.2** LP&L/NOPSI Provision - LP&L/NOPSI employees with Company service prior to 1/1/62 will retain the number of weeks of STD benefit at 100% pay which they had accrued as of 12/31/87.
- 5.1.1.3** AP&L Provision - An AP&L employee with less than seven years of service will receive STD benefit payments in accordance with the STD Leave Pay Benefits Schedule (per Section 5.1.1) OR the individual's sick leave bank, whichever is greater. Effective 1/1/95, all AP&L employees will cease to accumulate unused sick leave in their sick leave bank. An AP&L employee with seven or more years of service or hired subsequent to 1/1/95 will receive STD benefit payments in accordance with the STD Leave Pay Benefits Schedule (per Section 5.1.1).

5.1.2 Exclusions

- 5.1.2.1** STD leave pay benefits will not be provided to employees whose disability occurred as a result of other (secondary) employment or the commission of an illegal act.

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Title: SHORT-TERM DISABILITY LEAVE

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- 5.1.2.2** STD leave pay benefits will not be paid for any period of disability during which the employee is not under the direct care of a physician. While the employee has a free choice of physician, the Company has the right to have a physician designated by the Company examine any disabled employee when and as often as the Company may reasonably require.
- 5.1.3** STD Leave Pay Benefit Offsets - In those cases where the employee's STD leave is due to occupational injury, the STD leave pay benefits provided to the employee will reflect a reduction of an amount equal to the workers' compensation payments that the employee is currently receiving.
- 5.1.4** Multiple Disability Periods in a Calendar Year
- 5.1.4.1** Regardless of the number of disabilities an employee experiences during a calendar year, the maximum number of weeks paid at the 100% benefit are limited to the number of weeks noted on the schedule in Section 5.1.1, based on completed System service.
- 5.1.4.2** If the employee exhausts his/her 26 weeks of STD benefits, he/she will receive an extension and receive 65% benefit until LTD begins, only if the employee has elected LTD coverage and qualifies for LTD benefits. Otherwise, the employee will go on a no-pay status and employment may be terminated. If the LTD benefits are retroactive, the employee will be required to repay to the Company any overpayments made.
- 5.1.5** Limited Disability Situations
- 5.1.5.1** Intermittent/Reduced Leave - In some cases, an employee may be unable to perform all of the duties associated with his/her current position but may be able to work on a reduced or intermittent work schedule. In those cases where a medical certification supports the need for either a reduced work schedule or periods of intermittent absence, the STD leave pay benefits to which the employee is entitled will be provided during the periods of required absence according to the schedule of benefits outlined in Section 5.1.1. The supervisor should note the STD leave on the timesheet and coordinate this situation with his/her Human Resources Department and Payroll.

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5.1.5.2 Partial Disability - When an employee is unable to perform the essential functions of his/her position but is able to perform the duties of another position, the Company has the option of placing the employee in a different position until he/she is able to perform in the previous job, if a position is available.

5.1.6 STD Leave Pay Benefit Renewal - STD leave pay benefits are renewed on a calendar year basis for active employees who are not on STD leave. If on STD leave, they must return to work full-time for at least 20 consecutive work days to renew these benefits.

5.2 Other Benefit Effects for Employees on Paid STD Leave

5.2.1 Medical, Dental, Life & LTD - Medical, Dental, Life, and Long-Term Disability Insurance, if elected, remain in effect while the employee is on STD leave, and premiums continue to be deducted through payroll deduction.

5.2.2 Savings Plan - Savings Plan deductions continue through payroll deduction.

5.2.3 Holidays - Holidays allow a day off with pay for active employees. Employees who are on STD leave when a holiday occurs receive the same day off as part of their STD leave pay benefits at their STD pay level (as per Section 5.1.1). No additional holiday pay or time off will be granted, and a holiday does not extend the STD Leave Pay Benefits Schedule (Section 5.1.1).

5.2.4 Vacation - Unused vacation to which an employee is entitled will be paid at the expiration of the employee's STD benefits, provided the employee will not be returning to work. If an employee's STD leave carries into a new calendar year, the employee may carry over up to one week of unused vacation time into the new calendar year. Other unused vacation time will be forfeited. An employee on 65% pay may substitute vacation time and/or floating holiday time at 100% pay, and this will extend his/her STD leave pay benefits, but it will not extend the 26-week sick leave period.

5.3 Benefits Effects for Employees on No-Pay Status - When an employee with less than six months of System service becomes disabled, he/she is not entitled to any STD leave pay benefits (as per Section 5.1.1); therefore, the following applies:

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- 5.3.1 Medical & Dental** - The employee will be offered the right to continue medical and dental coverage to the extent permitted by COBRA unless the employee is eligible for FMLA leave per the Leaves of Absence Policy. The Employee Benefits Department will contact the employee to arrange payments.
- 5.3.2 Group Life Insurance** - This will be provided to employees as elected in their benefits selection for up to 10 workdays (80 hours), after which the life insurance will be canceled and reinstated upon return to active employment with the Company.
- 5.3.3 Holiday Pay** - An employee will not be entitled to holiday pay.
- 5.3.4 Notification** - Human Resources will notify Employee Benefits when an employee goes on no-pay status.
- 5.4 Family & Medical Leave Act Leave Coordination** - In relation to the Family & Medical Leave Act of 1993 (FMLA), an employee who is on STD leave will also be on FMLA leave for the first 12 workweeks of the STD leave in the calendar year or until the employee's FMLA leave is exhausted. Please refer to the Leaves of Absence Policy for further details. Employees should be provided with copies of the Policy or may obtain a copy from the cc:Mail Bulletin Board.
- 5.5 Notification, Certification, and Reporting Requirements**
- 5.5.1 Employee Notification Requirements** - An employee who is unable to report to work due to his/her health condition is required to contact the supervisor at the start of the work schedule to advise the supervisor of the absence and the expected time and/or date of return to work. In those cases where the absence is foreseeable, (for example, planned surgery or pregnancy) and will present a short-term disability situation, the employee should notify his/her supervisor as far in advance as possible.
- 5.5.2 Human Resources Notification** - Once an employee has been absent from work due to illness for 40 consecutive work hours, or earlier if the supervisor knows the employee will be absent 40 plus consecutive hours, the supervisor should immediately notify Human Resources.

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5.5.3 Medical Certification Requirements - Short-term disability benefits will only be paid to eligible employees who are absent from work as the result of a medically-certified health condition. Certification must be provided using the STD Leave Certification Form included as Attachment I. The employee is required to provide medical certification of his/her disability as soon as possible but no later than 15 calendar days after the first day of his/her absence from work. Subsequent medical opinions may be required at the Company's option. Failure to provide required certification will result in the employee being placed on a no-pay status. The statement of essential functions of a position (see Attachment I, #8) will be provided by Human Resources when requested.

5.5.4 Medical Recertification Requirements - The employee may be required to obtain subsequent medical recertifications of his/her disability at 30-day intervals. Recertification may be required more frequently if the situation warrants. The recertification may be requested by the supervisor or Human Resources; this should be coordinated. The Company has the

right to require the employee to be examined periodically at the Company's discretion and by a physician or consulting medical specialist of the Company's choice.

5.5.5 Reporting Requirements

5.5.5.1 An employee on STD leave will be required to advise his/her supervisor of his/her leave status and intention to return to work, at the supervisor's request.

5.5.5.2 Both the employee and the supervisor are responsible for reporting STD leave correctly on time sheets and/or time reporting systems. Time reported incorrectly which results in false payments or overpayment to an employee may subject both the employee and supervisor to disciplinary action up to and including discharge.

5.5.6 Return to Work Certification - An employee who is returning to work from STD leave must provide a statement from his/her health care provider certifying that he/she is able to perform the essential functions of his/her job. The employee will not be allowed to return to work until the certification is provided to the supervisor, and pay and benefits may be suspended until the certification is received.

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- 5.6 Alternate Work Schedule** - When an employee goes on an intermittent or reduced STD leave that will cover more than 30 calendar days, the supervisor has the option of temporarily suspending the employee's participation in the Alternate Work Schedule until the employee completes the STD leave. When an employee on the Alternate Work Schedule goes on full-time STD leave, time absent will be counted on a regular eight-hour/five- day schedule.
- 5.7 Employment Restoration** - When an employee is on STD leave lasting longer than 12 weeks, the Company may find it necessary to fill the employee's position. In such case, when the employee returns to work, the Company will make a reasonable effort to assign the employee to another job, if available, for which the employee is qualified and physically able to perform.
- 5.8 Vacation Renewal** - An employee on STD is not entitled to vacation in a new calendar year until he/she returns to work in that calendar year.
- 5.9 Comp Time** - Comp time (for employees who are allowed comp time by their management) cannot be used in place of STD leave.

6.0 PROCEDURES

- 6.1 Supervisor Notification** - An employee should immediately notify his/her supervisor of his/her illness as per Section 5.5.1.
- 6.2 Human Resources Notification** - When an employee has been absent for more than 40 consecutive work hours (or sooner if the supervisor knows in advance), the supervisor should immediately contact his/her Human Resources Department. The supervisor/manager should also prepare a memo addressed to his/her Employee Relations Manager to inform him/her of an employee's STD leave, noting the start date and anticipated end date. The STD Leave Certification Form (Attachment I) should be attached. The supervisor must also inform Human Resources of when the employee returns to work. Human Resources will work with the employee's department to ensure that Payroll is advised of the date when the employee's STD leave pay benefits should be reduced to the 65% level. Human Resources will also work with the employee's department to ensure that Payroll is advised of the date when the employee returns to work from STD leave. Once an employee has completed 13 weeks of cumulative STD leave, Human Resources will notify the Employee Benefits Department of the employee's status with sufficient time and information to prepare for a possible LTD situation. Human Resources will also notify Employee Benefits when an employee goes on no-pay STD leave status.

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Title: SHORT-TERM DISABILITY LEAVE

Effective Date: January 31, 2002

- 6.3 Medical Certification** - An eligible employee who is absent from work as the result of a short-term disability must provide the information required in the STD Leave Certification Form (Attachment I) to his/her supervisor per the applicable timeframe in Section 5.5.3.
- 6.4 Tracking/Recording STD Leave** - The employee is responsible for ensuring that any STD leave is noted as such on his/her time sheet. In the employee's absence, the employee's supervisor is responsible for verifying that the appropriate entries are made on the employee's time sheet. Supervisors are responsible for keeping track of all STD leave taken by their employees.
- 6.5 Returning to Work from STD Leave** - The certification required in Section 5.5.6 must be provided to the supervisor before the employee resumes work. The employee should not be allowed to return to work without this documentation. The supervisor should contact his/her local Employee Relations Manager immediately if he/she needs assistance.

7.0 ATTACHMENTS

Attachment I - Short-Term Disability Leave Certification Form

This form may be reproduced as needed.

Attachment I

SHORT-TERM
DISABILITY LEAVE*
CERTIFICATION FORM

CERTIFICATION OF PHYSICIAN OR PRACTITIONER

1. Patient's Name: _____
2. Diagnosis: _____

3. Date Condition Commenced: _____ 4. Probable Duration of Condition: _____
5. Regimen of treatment to be prescribed (Indicate number of visits, general nature and duration of treatment, including referral to other providers of health services. Include schedule of visits or treatment if it is medically necessary for the employee to be off work on an intermittent basis or to work less than the employee's normal schedule of hours per day or of days per week.):
- a. By Physician or Practitioner: _____

- b. By another provider of health services, if referred by Physician or Practitioner: _____

Check Yes or No in the boxes below, as appropriate.

- | | Yes | No | |
|-----|--|--------------------------|---|
| 6. | <input type="checkbox"/> | <input type="checkbox"/> | Is inpatient hospitalization of the employee required? |
| 7. | <input type="checkbox"/> | <input type="checkbox"/> | Is employee able to perform work of any kind? (If "No," skip Item 8) |
| 8. | <input type="checkbox"/> | <input type="checkbox"/> | Is employee able to perform the functions of employee's position? (Answer after reviewing statement from employer of essential functions of employee's position, or, if none provided, after discussing with employee.) |
| 9. | Signature of Physician: _____ | | |
| 10. | Date: _____ | | |
| 11. | Type of Practice (Field of Specialization, if any): _____
_____ | | |
| 12. | Signature of employee: _____ | | Date: _____ |

Routing: Supervisor routes to Human Resources with cover memo.

*The first 12 weeks of disability in a calendar year may also be Family & Medical Leave Act leave. HR2901
Please see the Leaves of Absence policy.

11/2/94

ENTERGY CORPORATION

ENTERGY SYSTEM POLICIES & PROCEDURES

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Title: VACATION		Effective Date: JULY 1, 1996
Subject Matter Expert:	Responsible Officer:	Approved By:
Roy Farrell	William Madison	Richard J. Landy

I. POLICY SUMMARY

- Eligible Entergy employees are allowed annual vacation according to the following schedule:

<u>Years of Service</u>	<u>Length of Vacation</u>
1 through 5	80 Hours
6 through 14	120 Hours
15 through 23	160 Hours
24 or more	200 Hours

- All employees of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.
- Please refer to the following detailed Policy for further information.

II. DETAILED POLICY

1.0 PURPOSE AND APPLICABILITY

The purpose of this Policy is to define employee eligibility and determine vacation allowance.

THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED.

FOR EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT, THE APPLICABLE COLLECTIVE BARGAINING AGREEMENT WILL GOVERN TO THE EXTENT IT CONFLICTS WITH THIS POLICY.

ENTERGY CORPORATION

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Title: VACATION

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NOTHING CONTAINED IN THIS POLICY SHOULD BE CONSTRUED TO SUGGEST THAT EMPLOYEES OF A PARTICULAR SUBSIDIARY OR AFFILIATE OF ENTERGY CORPORATION ARE ALSO EMPLOYEES OF ENTERGY CORPORATION OR ANY OTHER AFFILIATE OR SUBSIDIARY OF ENTERGY CORPORATION. MOREOVER, THIS POLICY DOES NOT CREATE ANY EMPLOYMENT RELATIONSHIP BETWEEN ANY PERSON AND ANY ENTERGY SYSTEM COMPANY.

2.0 REFERENCES & CROSS REFERENCES

2.1 Entergy System Policies & Procedures - Break in Service

2.2 Entergy System Policies & Procedures – Reporting Violations

3.0 DEFINITIONS

3.1 Eligible Employee is defined as a regular, full-time employee who has completed the required length of service as specified in Section 5.1.1.

3.2 Entergy, Entergy System Company, or Company refers to Entergy Corporation and all of its subsidiaries and affiliates in which Entergy Corporation has a direct or indirect majority ownership in such subsidiary or affiliate.

3.3 Policy is defined as this Vacation Policy.

4.0 RESPONSIBILITY

4.1 Individual supervisors are responsible for monitoring the vacation time of their employees.

4.2 The Employee Relations Manager for each Business Unit is responsible for interpretation of this Policy.

4.3 The Executive Director, Human Resources is responsible for maintenance of this Policy.

4.4 The Human Resources and Administration Senior Vice President must approve any deviations from this Policy.

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Title: VACATION

Effective Date: JULY 1, 1996

4.5 All employees of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.

5.0 DETAILS

5.1 Vacation Allowance

5.1.1 Vacations will be allowed in each calendar year to every eligible employee who has completed one or more years of service. The amount of vacation allowed shall be based on the employee's length of service with the Company in accordance with the following schedule:

<u>Years of Service</u>	<u>Length of Vacation</u>
1 through 5	80 Hours
6 through 14	120 Hours
15 through 23	160 Hours
24 or more	200 Hours

80 hours - allowed after one year of service and on January 1 of each year thereafter through the fifth year.

120 hours - allowed on January 1 of the year in which the sixth year of service will be completed and on January 1 of each year thereafter through the fourteenth year.

160 hours - allowed on January 1 of the year in which the fifteenth year of service will be completed and on January 1 of each year thereafter through the twenty-third year.

200 hours - allowed on January 1 of the year in which the twenty-fourth year of service will be completed and on January 1 of each year thereafter until active employment with the Company ceases.

5.1.2 First Vacation - The first vacation is in the calendar year in which the first employment anniversary occurs, and can normally not be taken until the first employment anniversary date. However, with management approval, up to 40 hours of vacation may be taken after completion of a minimum of 6 months of employment. If any first vacation is taken before the first anniversary date, and the employee subsequently leaves the employment of the Company before the first anniversary date, the vacation days taken will be deducted from the final paycheck.

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Title: VACATION	Effective Date: JULY 1, 1996
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- 5.2 Unused Vacation Pay** - Upon discharge, resignation, layoff, retirement, or death of an employee who has completed at least one year of service, the Company will pay for any vacation not yet taken by the employee prior to the termination of employment.
- 5.3 Pay In Lieu of Vacation** - There will be no pay in lieu of vacation except for terminated employees as listed in Section 5.2.
- 5.4 Breaks In Service** - Calculations for breaks in service are defined per the System Break in Service Policy. Employees returning to the Company will not be eligible to take any vacation until after the reemployment anniversary date the following year.
- 5.5 Scheduling**
- 5.5.1** It is recommended that early each year, management arrange for scheduled vacation periods for employees in order that the Company and the employee may make appropriate plans. While individual preferences will be met whenever possible, all schedules shall be made within the limits of continuous efficient operation of each department.
- 5.5.2** Managers have the responsibility of monitoring each employee's vacation. Employees are expected to take vacation as scheduled, except in case of special circumstances, vacation may be rescheduled with the approval of their management.
- 5.6 Holiday During Vacation** - An employee shall be entitled to an additional 8 hours of vacation if the Company observes a holiday during the employee's vacation.
- 5.7 Carry-Over of Vacation**
- 5.7.1** Employees who are entitled to 80 hours or more of vacation may carry-over up to 40 hours of unused vacation to the following calendar year with supervisory approval. It is the employee's responsibility to notify his/her supervisor in writing that he/she wishes to carry-over into the following year up to 40 hours of vacation. **An employee with 80 hours of vacation may not carry-over any more than 40 hours of vacation to the following year.** If such time is not used in the carry-over calendar year, it shall be forfeited.

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5.7.2 Employees who are entitled to 120 hours or more of vacation may carry-over an additional 40 hours, for a total of 80 hours of unused vacation, to the following calendar year if the employee is unable to take vacation because of a management request for business support. Officer approval is required for the additional 40 hours. To carry-over any hours in excess of the 40 hours in Section 5.7.1, the employee's supervisor must submit a written business justification for the additional hours to an officer for approval. An employee with 120 hours of vacation may not carry-over any more than 80 hours of vacation to the following calendar year. If such time is not used in the carry-over calendar year, it shall be forfeited.

5.8 Rescheduling Vacation Because of Work Emergencies

5.8.1 In the event an employee is required by his/her supervisor to work during time scheduled for vacation, the schedule shall be changed and a later date arranged for the vacation.

5.8.2 If it is impossible for an employee to receive all of his/her vacation during a calendar year because of workload, the employee should make a request to his/her supervisor to carry-over up to 40 hours of unused vacation to the following year. The request should be made in writing prior to the end of the current year, and it should include reasons for the request. If an employee is entitled to 120 hours or more of vacation, and will exceed the 40-hour carry-over due to a management request of business support, refer to Section 5.7.2.

5.9 Employees Returning From Military or Disability Sick Leave - Employees returning from military and disability leaves of absence will be allowed to schedule vacation in the year of return, whenever practical. Such leave time will be included as length of service in computing the amount of vacation for which an employee is eligible.

5.10 All NOPSI employees hired prior to April 1, 1983, are eligible to be paid for unused vacation time and accrued vacation time upon retirement, resignation, or termination from the Company, or for the death of the employee.

ENTERGY CORPORATION

ENTERGY SYSTEM POLICIES & PROCEDURES

Page 6 of 6

Title: VACATION

Effective Date: JULY 1, 1996

- 5.11** AP&L non-bargaining employees who were employed prior to January 1, 1989, will be allowed to progress to their next level of vacation using the schedule as set forth below beginning January 1, 1989. Thereafter, vacation eligibility will be determined by the schedule in Section 5.1.1.

<u>Years of Service</u>	<u>Length of Vacation</u>
1 through 5	80 Hours
6 through 12	120 Hours
13 through 19	160 Hours
20 through 25	200 Hours
26 or more	240 Hours

- 5.12** The provisions of Sections 5.10 and 5.11 will follow eligible employees from Company to Company when being transferred within the Entergy System.

5.12.1 Employees are eligible for the NOPSI provision (per 5.10) if they were employed by NOPSI on March 31, 1983.

5.12.2 Non-bargaining employees are eligible for the AP&L provision (per 5.11) if they were employed by AP&L on December 31, 1988.

- 5.13** Employees must work one day in the new calendar year to be eligible to receive vacation benefits.

- 5.14** Employees who are discharged, laid off, or resign, cannot use vacation for their last day of employment.

6.0 PROCEDURES

None

7.0 ATTACHMENTS

None

DOCKET NO. _____

APPLICATION OF ENTERGY
GULF STATES, INC. FOR
RECOVERY OF TRANSITION
TO COMPETITION COSTS

§
§
§
§

PUBLIC UTILITY COMMISSION

OF TEXAS

DIRECT TESTIMONY

OF

J. KAY TROSTLE

ON BEHALF OF

ENTERGY GULF STATES, INC.

AUGUST 2005

SUMMARY OF DIRECT TESTIMONY OF J. KAY TROSTLE

J. Kay Trostle is a partner in the Austin, Texas law firm of Sifuentes, Drummond & Smith, L.L.P. Before entering private practice in 1997, Ms. Trostle was an Administrative Law Judge with the Commission's Hearings Division and the Director of the Utility Division of the State Office of Administrative Hearings.

Ms. Trostle testifies about the reasonableness and necessity of Entergy Gulf States, Inc.'s legal fees and expenses during the Transition to Competition cost period, June 1, 1999 through June 17, 2005. She reviews invoices from law firms, expert witnesses, and consulting experts who assisted Entergy Gulf States in the unbundling process and in preparing for retail open access in the Entergy Settlement Area in Texas. Based upon her review, she recommends that Entergy Gulf States recover \$17.35 million of reasonable and necessary legal fees and expenses.

DOCKET NO. _____

APPLICATION OF
ENTERGY GULF STATES, INC.
FOR RECOVERY OF
TRANSITION TO COMPETITION COSTS

DIRECT TESTIMONY OF J. KAY TROSTLE

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1 I. WITNESS INTRODUCTION AND QUALIFICATIONS

2 Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS
3 ADDRESS.

4 A. My name is J. Kay Trostle. My office address is 1002 West Avenue, Suite
5 200, Austin, Texas, 78701. I am a partner in the law firm of Sifuentes,
6 Drummond & Smith, L.L.P.

7
8 Q. FOR WHOM ARE YOU TESTIFYING?

9 A. I am testifying on behalf of Entergy Gulf States, Inc. ("EGSI" or the
10 "Company").

11
12 Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.

13 A. I received both a Bachelor of Arts and a Juris Doctor degree from the
14 University of Texas. I was admitted to practice in Texas in 1979. Over the
15 past 26 years, the focus of my work has been in the area of administrative
16 law, and during the past 19 years, my practice has been almost
17 exclusively in the area of public utility law. My firm's website,
18 www.utilitylaw.com, describes our experience in utility law. Beginning in
19 1986, while a hearings examiner at what was then called the Texas Water
20 Commission, and subsequently, during my employment in the Hearings
21 Division of the Public Utility Commission of Texas ("Commission" or
22 "PUC") in various roles from Hearings Examiner, to Senior Administrative
23 Law Judge and Assistant Director of Hearings, between 1987 and 1995,

1 and then at the State Office of Administrative Hearings ("SOAH") where I
2 was the Director of the Utility Division from September 1995 through
3 January 1997, I presided over numerous utility rate proceedings as a
4 hearings examiner and subsequently as an administrative law judge.
5 Since entering private practice in February 1997, I have represented
6 clients in a number of major contested cases before the Public Utility
7 Commission, the Texas Commission on Environmental Quality and its
8 predecessor agencies, the Railroad Commission, and SOAH. The utility
9 cases in which I have been involved include major rate cases, complaint
10 cases, arbitrations, and Commission inquiries. My resume is provided as
11 Exhibit JKT-1 to this testimony.

12 As a public utility law practitioner, I am familiar with the nature and
13 complexity of utility issues in cases before this and other regulatory
14 bodies, including municipalities, the hourly rates charged by counsel who
15 practice in this area, the types of and hourly rates charged by consultants
16 who are often hired by utilities and other participants in proceedings
17 before the Commission, and the amount of time necessary to provide
18 services to clients in these types of cases.

19

20 Q. HAVE YOU PREVIOUSLY TESTIFIED AS AN EXPERT WITNESS ON
21 RATE CASE EXPENSES?

22 A. Yes. I testified before the Railroad Commission of Texas as an expert
23 witness on rate case expenses in Docket No. GUD 8976 on behalf of The

1 Aligned Cities Served by TXU Lone Star Pipeline and in Docket No. GUD
2 9465 on behalf of Texas Gas Services Company. I was also engaged by
3 the City of Dallas to examine that municipality's rate case expenses in
4 GUD Docket Nos. 9145-9151, which was an appeal brought by TXU Gas
5 Distribution from the rate-setting decisions of various cities, but due to a
6 settlement I did not testify in that proceeding. Most recently, I testified
7 before the Public Utility Commission in Docket No. 28813, SOAH No. 473-
8 04-3554, *Petition to Inquire into the Reasonableness of the Rates and*
9 *Services of Cap Rock Energy Corporation*, in support of Cap Rock
10 Electric's rate case expenses.

11

12 Q. WHAT IS THE PURPOSE AND SCOPE OF YOUR TESTIMONY?

13 A. I was engaged by Clark, Thomas & Winters on behalf of EGSi to review
14 invoices associated with various legal and consulting vendors that
15 assisted EGSi in its Transition to Competition ("TTC") efforts during the
16 TTC cost period, June 1, 1999 through June 17, 2005, and to provide
17 testimony in this proceeding. My testimony is organized by the type of
18 vendor whose invoices I reviewed. In Section III of my testimony, I
19 discuss the invoices of various law firms that provided services to EGSi
20 related to Senate Bill ("SB") 7 and implementing Chapter 39 of the Public
21 Utility Regulatory Act ("PURA"). There are three major vendors in that
22 group, including Clark, Thomas & Winters, P.C. ("CTW"), Bickerstaff,
23 Health, Smiley, Pollan, Kever & McDaniel, L.L.P. ("Bickerstaff"), and the

1 GSU Steering Committee, which is the group of Cities that routinely
2 intervene in EGSI's proceedings and whose costs of participation are
3 reimbursed by EGSI. In addition to these three major legal groups, I
4 reviewed invoices from numerous other law firms that have assisted EGSI
5 on TTC matters during the TTC cost period. In Section IV of my
6 testimony, I discuss the group of consultants, whose invoices I was
7 assigned to review, and most of whom are associated with proceedings at
8 the PUC. These consultants include individuals who appeared as
9 witnesses as well as non-testifying consultants. In Section V of my
10 testimony, I discuss the remaining group of vendors that EGSI asked me
11 to review, which I have labeled as "non-hourly billers," by which I mean to
12 indicate these are vendors engaged by EGSI to perform services that are
13 generally not billed on an hourly basis. This group includes everything
14 from couriers to mail processors.

15

16 Q. CAN YOU EXPLAIN HOW THE DOCUMENTS YOU REVIEWED ARE
17 ORGANIZED?

18 A. Yes. The invoices I reviewed were bates-stamped and presented in
19 alphabetical order by EGSI Accounting Code. I reviewed more than 5,000
20 pages of invoices and was provided a corresponding spreadsheet for each
21 accounting code, which informed me of the amount of expenditures which
22 the Company was seeking to recoup as part of this TTC proceeding. In
23 response to my questions, supplemental and new invoices were provided

1 by EGSi. Supplemental invoices bear bates numbers in the following
2 format: #####-S1. New invoices bear bates numbers in the following
3 format: #####-N1. The invoices which I reviewed are included in my
4 Workpaper WP/JKT-1. When referring to the bates numbers in this
5 testimony and the accompanying exhibits, I have deleted the leading
6 zeroes.

7
8 II. STANDARDS AND CRITERIA FOR REVIEW

9 Q. IS THE COMPANY ENTITLED TO REIMBURSEMENT OF EXPENSES
10 INCURRED IN ITS EFFORTS TO IMPLEMENT THE TRANSITION TO
11 COMPETITION UNDER THE REGULATORY SCHEME FOR RETAIL
12 OPEN ACCESS IN TEXAS, COMMONLY REFERRED TO AS SB 7?

13 A. Yes. During the 79th Legislative session, HB 1567 passed effective June
14 18, 2005. HB 1567 amended PURA by adding Chapter 39, Subchapter J,
15 which is applicable only to EGSi, because it is an investor-owned electric
16 utility operating outside of the Electric Reliability Council of Texas
17 ("ERCOT") in areas of Texas that were included in the Southeastern
18 Electric Reliability Council ("SERC") on January 1, 2005. PURA § 39.451.
19 Subchapter J added the following provision, which authorizes EGSi to
20 recoup costs associated with its efforts to implement the transition to
21 competition:

22 Sec. 39.454. RECOUPMENT OF TRANSITION TO
23 COMPETITION COSTS.

1 An electric utility subject to this subchapter is entitled to
2 recover, as provided by this section, all reasonable and
3 necessary expenditures made or incurred before the
4 effective date of this section to comply with this chapter, to
5 the extent the costs have not otherwise been recovered.
6 The electric utility may file with the commission an
7 application for recovery that gives details of the amounts
8 spent or incurred. After notice and hearing, the commission
9 shall review the amounts and, if the amounts are found to be
10 reasonable and necessary and not otherwise previously
11 recovered, approve a transition to competition retail rate
12 rider mechanism for the recovery of the approved transition
13 to competition costs. A rate proceeding under Chapter 36 is
14 not required to implement the rider. A rate rider
15 implemented to recover approved transition to competition
16 costs shall provide for recovery of those costs over a period
17 not to exceed 15 years, with appropriate carrying costs.

18

19 Q. WHAT STANDARD IS TO BE APPLIED TO DETERMINE THE LEVEL OF
20 RATE CASE EXPENSES EGSI MAY RECOVER UNDER THIS SECTION
21 OF PURA?

22 A. Section 39.454 states that EGSI is entitled to recover all reasonable and
23 necessary expenditures made or incurred by EGSI before June 18, 2005,
24 to comply with Chapter 39 of PURA, to the extent the costs have not
25 otherwise been recovered.

26

27 Q. GIVEN THAT THIS IS A NEW PROVISION OF THE UTILITIES CODE, IS
28 THERE ANY PRECEDENT TO GUIDE YOU AND THE COMMISSION IN
29 DETERMINING IF EGSI'S EXPENDITURES DURING THE TTC COST
30 PERIOD WERE REASONABLE AND NECESSARY?