



Control Number: 34800



Item Number: 113

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SOAH DOCKET NO. 473-08-0334  
PUC DOCKET NO. 34800

APPLICATION OF ENTERGY  
GULF STATES, INC. FOR  
AUTHORITY TO CHANGE  
RATES AND RECONCILE  
FUEL COSTS

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§  
§

BEFORE THE  
STATE OFFICE OF ADMINISTRATIVE  
HEARINGS

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PUBLIC UTILITY COMMISSION  
FILING CLERK

**RESPONSE OF ENTERGY GULF STATES, INC.  
TO COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION**

Now comes, Entergy Gulf States, Inc. ("Entergy Gulf States" or "the Company") files its Response to Commission Staff of the Public Utility Commission of Texas ("Staff's") Third Request for Information. The responses to such requests are attached hereto and are numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

Entergy Gulf States believes the foregoing responses are correct and complete as of the time of the responses, but the Company will supplement, correct or complete the responses if it becomes aware that the responses are no longer true and complete, and the circumstances are such that failure to amend the answer is in substance misleading. The parties may treat these responses as if they were filed under oath.

Respectfully submitted,

**L. Richard Westerburg, Jr.**

L. Richard Westerburg, Jr.  
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Entergy Services, Inc.  
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**Attachments: STAFF AG 04: 3, 5, 8, 14, 15**

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Gulf States, Inc. to Commission Staff of the Public Utility Commission of Texas' Fourth Request for Information has been sent by either hand delivery, facsimile, overnight delivery, or U.S. Mail to all parties on the attached service list on this the 8th day of November, 2007.

L. Richard Westerburg, Jr.

L. Richard Westerburg, Jr.

EGSI 07 TX Rate Case  
Docket No 34800

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Texas ROSE

ENTERGY GULF STATES, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.  
to the Fourth Set of Data Requests  
of Requesting Party: Staff

Prepared By: Alyson Mount  
Sponsoring Witness: Jay Lewis  
Beginning Sequence No.  
Ending Sequence No.

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Question No.: Staff AG 4-3

Part No.:

Addendum:

Question:

With respect to the external audits of the Company's 2005 and 2006 financial audits, were there any adjustments that the Company chose not to make in spite of the auditor's recommendations? If so, please describe and provide details.

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Response:

The passed adjustments identified by Deloitte and Touche in connection with their audit of EGSI's December 31, 2006 financial statements are included in Schedule S-5 in the Company's rate case filing. These passed adjustments that were identified as part of the audit but not recorded by EGSI were considered immaterial both individually and in the aggregate, as evidenced by the unqualified opinion issued by Deloitte & Touche and included in the EGSI Form 10-K for the year ended December 31, 2006. A listing of the passed adjustments in connection with the audit of EGSI for the year ended December 31, 2005 has also previously been provided as a response to Staff request CR 15-2, in Docket 32907, which is attached.

Entergy Gulf States, Inc.  
Balance Sheets  
As of December 31, 2006  
(Dollars in thousands)

Appendix B

	As Reported 2006	Uncorrected Misstatements 2006 Increase (Decrease)	Adjusted Total
<b>CURRENT ASSETS</b>			
Cash and cash equivalents:			
Cash	\$ 2,923		\$ 2,923
Temporary cash investments	177,458		177,458
Total cash and cash equivalents	180,381	0	180,381
Other Temporary Investments			
Accounts receivable:			
Customer	146,144	\$ 2,363 <A>	148,507
Allowance for doubtful accounts	(1,618)		(1,618)
Associated companies	106,990	1,622 <B>	108,612
Other	50,811	4,484 <C>	55,295
Accrued unbilled revenues	79,538		79,538
Total receivables	381,865	8,469	390,334
Accumulated deferred income taxes	20,352		20,352
Fuel inventory - at average cost	69,211		69,211
Materials and supplies - at average cost	120,245	372 <D>	120,617
Deferred nuclear refueling outage costs	12,971		12,971
Prepayments and other	16,725		16,725
<b>TOTAL</b>	<b>801,750</b>	<b>8,841</b>	<b>810,591</b>
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Decommissioning trust funds	344,911		344,911
Non-utility property - at cost (less accumulated depreciation)	94,776	1,194 <E>	95,970
Other	25,218		25,218
<b>TOTAL</b>	<b>464,905</b>	<b>1,194</b>	<b>466,099</b>
<b>UTILITY PLANT</b>			
Electric	8,857,166	7,585 <F>	8,864,751
Natural gas	92,368		92,368
Construction work in progress	149,392	(9,189) <G>	140,203
Nuclear fuel under capital lease	73,422		73,422
Nuclear fuel	10,821		10,821
<b>TOTAL UTILITY PLANT</b>	<b>9,183,169</b>	<b>(1,604)</b>	<b>9,181,565</b>
Less - accumulated depreciation and amortization	4,263,307		4,263,307
<b>UTILITY PLANT - NET</b>	<b>4,919,862</b>	<b>(1,604)</b>	<b>4,918,258</b>
<b>DEFERRED DEBITS AND OTHER ASSETS</b>			
Regulatory assets:			
SFAS 109 regulatory asset - net	465,259		465,259
Other regulatory assets	1,001,016	5,998 <H>	1,007,014
Deferred fuel costs	100,124		100,124
Long-term receivables	9,833		9,833
Other	23,928	1,832 <I>	25,760
<b>TOTAL</b>	<b>1,600,160</b>	<b>7,830</b>	<b>1,607,990</b>
<b>TOTAL ASSETS</b>	<b>\$ 7,786,677</b>	<b>\$ 16,261</b>	<b>\$ 7,802,938</b>

Entergy Gulf States, Inc.  
Balance Sheets  
As of December 31, 2006  
(Dollars in thousands)

Appendix B

	As Reported 2006	Uncorrected Misstatements 2006	Adjusted Total
<b>CURRENT LIABILITIES</b>			
Accounts payable:			
Associated companies	\$ 79,584	\$ (2,390) <J>	\$ 77,194
Other	200,746	5,145 <K>	205,891
Customer deposits	68,844		68,844
Taxes accrued	27,781	(1,452) <L>	26,329
Interest accrued	34,483		34,483
Deferred fuel costs	26,262	2,327 <M>	28,589
Obligations under capital leases	24,769		24,769
Pension and other postretirement liabilities	7,662		7,662
Other	31,933		31,933
<b>TOTAL</b>	<b>502,064</b>	<b>3,630</b>	<b>505,694</b>
<b>NON-CURRENT LIABILITIES</b>			
Accumulated deferred income taxes and taxes accrued	1,803,461	944 <N>	1,804,405
Accumulated deferred investment tax credits	127,202		127,202
Obligations under capital leases	48,653		48,653
Other regulatory liabilities	53,648	(944) <O>	52,704
Decommissioning and retirement cost liabilities	191,036	5,516 <P>	196,552
Transition to competition	79,098		79,098
Regulatory reserves	219		219
Accumulated provisions	21,245	3,370 <Q>	24,615
Pension and other postretirement liabilities	141,834		141,834
Long-term debt	2,358,327		2,358,327
Preferred stock with sinking fund	10,500		10,500
Other	196,512	6,625 <R>	203,137
<b>TOTAL</b>	<b>5,031,735</b>	<b>15,511</b>	<b>5,047,246</b>
<b>SHAREHOLDERS' EQUITY</b>			
Preferred stock without sinking fund	47,327		47,327
Common stock	114,055		114,055
Paid-in capital	1,457,486		1,457,486
Retained earnings	653,924	(2,880) <S>	651,044
Accumulated other comprehensive income	(19,914)		(19,914)
<b>TOTAL</b>	<b>2,252,878</b>	<b>(2,880)</b>	<b>2,249,998</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 7,786,677</b>	<b>\$ 16,261</b>	<b>\$ 7,802,938</b>



Entergy Gulf States, Inc.  
Statement of Income  
For the Twelve Months Ended December 31, 2006  
(Dollars in thousands)

Appendix B

	As Reported 2006	Uncorrected Misstatements 2006 Increase (Decrease)		Adjusted Total
<b>OPERATING REVENUES</b>				
Domestic electric	\$ 3,595,343	\$ (1,222)	<T>	\$ 3,594,121
Natural gas	84,230			84,230
<b>TOTAL</b>	<b>3,679,573</b>	<b>(1,222)</b>		<b>3,678,351</b>
<b>OPERATING EXPENSES</b>				
Operating and Maintenance:				
Fuel, fuel-related expenses, and gas purchased for resale	1,110,987			1,110,987
Purchased power	1,288,137			1,288,137
Nuclear refueling outage expenses	16,653			16,653
Other operation and maintenance	510,876	1,741	<U>	512,617
Decommissioning	10,815			10,815
Taxes other than income taxes	136,734			136,734
Depreciation and amortization	206,736			206,736
Other regulatory charges (credits - net)	5,451	4,494	<V>	9,945
<b>TOTAL</b>	<b>3,286,389</b>	<b>6,235</b>		<b>3,292,624</b>
<b>OPERATING INCOME</b>	<b>393,184</b>	<b>(7,457)</b>		<b>301,497</b>
<b>OTHER INCOME</b>				
Allowance for equity funds used during construction	11,808			11,808
Interest and dividend income	53,922			53,922
Miscellaneous - net	2,933	460	<W>	3,393
<b>TOTAL</b>	<b>68,663</b>	<b>460</b>		<b>69,123</b>
<b>INTEREST AND OTHER CHARGES</b>				
Interest on long-term debt	137,938			137,938
Other interest - net	11,842	675	<X>	12,517
Allowance for borrowed funds used during construction	(6,988)			(6,988)
<b>TOTAL</b>	<b>142,792</b>	<b>675</b>		<b>143,467</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>319,055</b>	<b>(7,672)</b>		<b>311,383</b>
Income taxes	107,067	(2,570)	<Y>	104,497
<b>NET INCOME BEFORE EXTRAORDINARY INCOME</b>	<b>211,988</b>	<b>(5,102)</b>		<b>206,886</b>
<b>EXTRAORDINARY ITEM (net of taxes \$1,506)</b>	<b>0</b>	<b>2,988</b>	<Z>	<b>2,988</b>
<b>NET INCOME</b>	<b>211,988</b>	<b>(2,114)</b>		<b>209,874</b>
Preferred dividend requirements and other	3,966			3,966
<b>EARNINGS APPLICABLE TO COMMON STOCK</b>	<b>\$ 208,022</b>	<b>\$ (2,114)</b>		<b>\$ 205,908</b>

**Entergy Gulf States, Inc.**  
**Statement Cash Flows**  
**For the Twelve Months Ended December 31, 2006**  
**(Dollars in thousands)**

**Appendix B**

	As Reported 2006	Uncorrected Misstatements 2006	Adjusted Total
	Increase (Decrease)		
<b>OPERATING ACTIVITIES</b>			
Net income	\$ 211,988	\$ (2,114) <AA>	\$ 209,874
<b>Adjustments to reconcile net income to net cash flow provided by operating activities:</b>			
Reserve for regulatory adjustments	(9,157)		(9,157)
Other regulatory credits - net	5,451		5,451
Depreciation, amortization, and decommissioning	217,551		217,551
Deferred income taxes, investment tax credits, and non-current taxes acc	123,354		123,354
Changes in working capital:			
Receivables	154,778	(7,963) <BB>	146,815
Fuel inventory	(9,015)		(9,015)
Accounts payable	(69,624)	1,284 <CC>	(68,340)
Taxes accrued	27,781	(1,065) <DD>	26,716
Interest accrued	145	675 <EE>	820
Deferred fuel costs	264,153	2,328 <FF>	266,481
Other working capital accounts	14,178	(371) <GG>	13,807
Provision for estimated losses and reserves	(3,488)	3,370 <HH>	(118)
Changes in other regulatory assets	(138,461)	(5,998) <II>	(144,459)
Other	(7,531)	7,974 <JJ>	443
Net cash flow provided by operating activities	782,103	(1,880)	780,223
<b>INVESTING ACTIVITIES</b>			
Construction expenditures	(375,664)	1,880 <KK>	(373,784)
Allowance for equity funds used during construction	11,808		11,808
Nuclear fuel purchases	(40,738)		(40,738)
Proceeds from sale/leaseback of nuclear fuel	37,647		37,647
Proceeds from nuclear decom trust fund sales	60,053		60,053
Investment in nuclear decom trust funds	(73,450)		(73,450)
Change in money pool receivable-net	(11,037)		(11,037)
Changes in other investments - net	(1,466)		(1,466)
Other regulatory liabilities	(13,622)		(13,622)
Net cash flow used in investing activities	(406,469)	1,880	(404,589)
<b>FINANCING ACTIVITIES</b>			
Redemption of preferred stock	(3,450)		(3,450)
<b>Dividends paid:</b>			
Common stock	(213,200)		(213,200)
Preferred stock	(3,976)		(3,976)
Net cash flow used in financing activities	(220,626)	-	(220,626)
Net decrease in cash and cash equivalents	155,008	-	155,008
Cash and cash equivalents at beginning of period	25,373		25,373
Cash and cash equivalents at end of period	\$ 180,381	\$ -	\$ 180,381
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>			
Cash paid during the period for:			
Interest - net of amount capitalized	\$ 140,204		\$ 140,204
Income Taxes	(61,870)		(61,870)
Non-cash transactions:			
Decrease in accounts payable related to capital expenditures	\$ (1,470) <LL>		(1,470)

Entergy Gulf States, Inc.  
Proposed Adjustment Descriptions  
For the Twelve months ended December 31, 2006  
(Dollars in thousands)

Appendix B

	Increase (Decrease)	Reference of amounts to Each Other	Corrected in 2007?
<b>&lt;A&gt; Accounts receivable - Customer</b>			
Known Misstatements			
1. To reclass intercompany accounts payable from customer to accounts payable	\$ 2,363	17	No
<b>&lt;B&gt; Accounts receivable - Associated companies</b>			
Known Misstatements			
1. To eliminate intercompany balances	\$ (213)	1	Yes - corrected as of 3/31/07
2. To reclass miscellaneous accounts receivable to associated companies	1,835	9	Yes - corrected as of 3/31/07
<b><u>Total Misstatements - Accounts receivable - Associated companies</u></b>	<b><u>\$ 1,622</u></b>		
<b>&lt;C&gt; Accounts receivable - Other</b>			
Known Misstatements			
1. To reclass the Vinton-Jasper clearing account to accounts receivable	\$ 6,625	15	No
2. To appropriately state miscellaneous accounts receivables for improper billing	(4,410)	7 & 9	Yes - corrected as of 3/31/07
3. To reclass Entergy New Orleans pre-petition receivables from accounts payable	2,269	8	No
<b><u>Total Misstatements - Accounts receivable - Other</u></b>	<b><u>\$ 4,484</u></b>		
<b>&lt;D&gt; Materials and supplies - at average cost</b>			
Known Misstatements			
1. To record the known materials and supplies misstatements	\$ (16)	3	Yes - corrected as of 3/31/07
2. To reclass material issues to inventory and expense obsolete inventory	388	18	Yes - corrected as of 3/31/07
<b><u>Total Misstatements - Materials and supplies - at average cost</u></b>	<b><u>\$ 372</u></b>		
<b>&lt;E&gt; Non-utility property - at cost (less accumulated depreciation)</b>			
Known Misstatements			
1. To reclass non-utility property from utility to non-utility	\$ 1,194	10	No
<b>&lt;F&gt; Electric</b>			
Known Misstatements			
1. To reclass construction work in progress to utility plant	\$ 8,779	12	No
2. To reclass non-utility property from utility to non-utility	(1,194)	10	No
<b><u>Total Misstatements - Electric</u></b>	<b><u>\$ 7,585</u></b>		
<b>&lt;G&gt; Construction work in progress</b>			
Known Misstatements			
1. To reclass construction work in progress to utility plant	\$ (8,779)	12	No
2. To record the known materials and supplies misstatements	8	3	Yes - corrected as of 3/31/07
3. To reclass material issues to inventory and expense obsolete inventory	(418)	18	Yes - corrected as of 3/31/07
<b><u>Total Misstatements - Construction work in progress</u></b>	<b><u>\$ (9,189)</u></b>		
<b>&lt;H&gt; Other regulatory assets</b>			
Known Misstatements			
1. To adjust FIN 47 for removal costs of pipes, pipes, and transformers	\$ 5,516	16	No
2. To reclass storm costs to regulatory assets from other deferred debits	482	2	No
<b><u>Total Misstatements - Regulatory assets - Other regulatory assets</u></b>	<b><u>\$ 5,998</u></b>		
<b>&lt;I&gt; Deferred debits - Other</b>			
Known Misstatements			
1. To eliminate intercompany balances	\$ 150	1	Yes - corrected as of 3/31/07
2. To record the Board of Directors service recognition program	(625)	13	Yes - corrected as of 9/30/07
3. To reclass storm costs to regulatory assets from other deferred debits	(482)	2	No
4. To reclass insurance proceeds received for asbestos	417	5	Yes - corrected as of 3/31/07
5. To reclass a Cushman Wakefield payable from other deferred debits to accounts payable	513	6	Yes - corrected as of 3/31/07
6. To appropriately state miscellaneous accounts receivables for improper billing	1,859	7	Yes - corrected as of 3/31/07
<b><u>Total Misstatements - Deferred debits - Other</u></b>	<b><u>\$ 1,832</u></b>		
<b>&lt;J&gt; Account payable - Associated companies</b>			
Known Misstatements			
1. To eliminate intercompany balances	\$ (63)	1	Yes - corrected as of 3/31/07
2. To record intra-system billing corrections for the period of July 2004 - December 2006	(3,520)	4	No

	<b>Increase (Decrease)</b>	<b>Reference of amounts to Each Other</b>	<b>Corrected in 2007?</b>
3. To record ratepayer portion of the Arkansas Electric Cooperative Corporation estimate	1,193	11	No
<b><u>Total Misstatements - Accounts Payable - Associated companies</u></b>	<b><u>\$ (2,390)</u></b>		
<b>&lt;K&gt; Accounts payable - Other</b>			
Known Misstatements			
1. To reclass a Cushman Wakefield payable from other deferred debits to accounts payable	\$ 513	6	Yes - corrected as of 3/31/07
2. To reclass intercompany accounts payable from customer to accounts payable	2,363	17	No
3. To reclass Entergy New Orleans pre-petition receivables from accounts payable	2,269	8	No
<b><u>Total Misstatements - Accounts Payable - Other</u></b>	<b><u>\$ 5,145</u></b>		
<b>&lt;L&gt; Taxes accrued</b>			
Known Misstatements			
1. To record income tax effect of adjustments	\$ (1,452)	22	NA
<b>&lt;M&gt; Deferred fuel costs</b>			
Known Misstatements			
1. To record ratepayer portion of the Arkansas Electric Cooperative Corporation estimate	\$ (1,193)	11	No
2. To record intra-system billing corrections for the period of July 2004 - December 2006	3,520	4	No
<b><u>Total Misstatements - Deferred fuel costs</u></b>	<b><u>\$ 2,327</u></b>		
<b>&lt;N&gt; Accumulated deferred income taxes and taxes accrued</b>			
Known Misstatements			
1. To record the taxes on unrealized earnings in the qualified trust funds at the qualified rate	\$ 944	19	Yes - Corrected as of 9/30/07
<b>&lt;O&gt; Other regulatory liabilities</b>			
Known Misstatements			
1. To record the taxes on unrealized earnings in the qualified trust funds at the qualified rate	\$ (944)	19	Yes - Corrected as of 9/30/07
<b>&lt;P&gt; Decommissioning and retirement cost liabilities</b>			
Known Misstatements			
1. To adjust FIN 47 for removal costs of pipes, pipes, and transformers	\$ 5,516	16	No
<b>&lt;Q&gt; Accumulated provisions</b>			
Known Misstatements			
1. To reclass insurance proceeds received for asbestos	\$ 417	5	Yes - corrected as of 3/31/07
2. To record the type I subsequent event pertaining to attorney costs for a NEIL versus EGSI legal case	1,853	20	Yes - corrected as of 3/31/07
3. To record the type I subsequent event pertaining to the settlement of Jason St. Mary case	1,100	21	Yes - corrected as of 3/31/07
<b><u>Total Misstatements - Accumulated provisions</u></b>	<b><u>\$ 3,370</u></b>		
<b>&lt;R&gt; Non current liabilities - Other</b>			
Known Misstatements			
1. To reclass the Vinton-Jasper clearing account to accounts receivable	\$ 6,625	15	No
<b>&lt;S&gt; Retained earnings</b>			
Known Misstatements			
1. To record net effect of known misstatements	\$ (4,332)		NA
2. To record the income tax effect of adjustments	1,452	22	NA
<b><u>Total Misstatements - Retained earnings</u></b>	<b><u>\$ (2,880)</u></b>		
<b>&lt;T&gt; Domestic electric</b>			
Known Misstatements			
1. To appropriately state miscellaneous accounts receivables for improper billing	\$ (716)	9	Yes - corrected as of 3/31/07
Carryover Effects of Prior-Year Misstatements			
1. To record net effect of misstatements of the prior period	(506)		NA
<b><u>Total Misstatements - Domestic electric</u></b>	<b><u>\$ (1,222)</u></b>		
<b>&lt;U&gt; Other operation and maintenance</b>			
Known Misstatements			
1. To record the Board of Directors service recognition program	\$ 625	13	Yes - corrected as of 9/30/07
2. To record the known materials and supplies misstatements	8	3	Yes - corrected as of 3/31/07
3. To reclass material issues to inventory and expense obsolete inventory	30	18	Yes - corrected as of 3/31/07
4. To record the type I subsequent event pertaining to attorney costs for a NEIL versus EGSI legal case	1,853	20	Yes - corrected as of 3/31/07
3. To record the type I subsequent event pertaining to the settlement of Jason St. Mary case	1,100	21	Yes - corrected as of 3/31/07
Carryover Effects of Prior-Year Misstatements			
1. To record net effect of misstatements of the prior period	(1,875)		NA

	<u>Increase (Decrease)</u>	Reference of amounts to Each Other	<u>Corrected in 2007?</u>
<b><u>Total Misstatements - Other operation and maintenance</u></b>	<u>\$ 1,741</u>		
<b>&lt;V&gt; Other regulatory charges (credits - net)</b>			
Known Misstatements			
1. To record income relating EGS1 being subject to SFAS 71 as an extraordinary item	<u>\$ 4,494</u>	14	Yes - corrected as of 3/31/07
<b>&lt;W&gt; Miscellaneous - net</b>			
Carryover Effects of Prior-Year Misstatements			
1. To record net effect of misstatements of the prior period	<u>\$ 460</u>		NA
<b>&lt;X&gt; Other interest - net</b>			
Carryover Effects of Prior-Year Misstatements			
1. To record net effect of misstatements of the prior period	<u>\$ 675</u>		NA
<b>&lt;Y&gt; Income taxes</b>			
Known Misstatements			
1. To record income tax effect of adjustments	<u>\$ (1,451)</u>	22	No
2. To record income relating EGS1 being subject to SFAS 71 as an extraordinary item	<u>(1,506)</u>	14	Yes - corrected as of 3/31/07
Carryover Effects of Prior-Year Misstatements			
1. To record income tax effect of prior year misstatements	<u>387</u>		NA
<b><u>Total Misstatements - Income taxes</u></b>	<u>\$ (2,570)</u>		
<b>&lt;Z&gt; Extraordinary item</b>			
Known Misstatements			
1. To record income relating EGS1 being subject to SFAS 71 as an extraordinary item	<u>\$ 2,988</u>	14	Yes - corrected as of 3/31/07
<b>&lt;AA&gt; Net income</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ (2,114)</u>		NA
<b>&lt;BB&gt; Receivables</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ (7,963)</u>		NA
<b>&lt;CC&gt; Accounts payable</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 1,284</u>		NA
<b>&lt;DD&gt; Taxes accrued</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ (1,065)</u>		NA
<b>&lt;EE&gt; Interest accrued</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 675</u>		NA
<b>&lt;FF&gt; Deferred fuel costs</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 2,328</u>		NA
<b>&lt;GG&gt; Other working capital accounts</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ (371)</u>		NA
<b>&lt;HH&gt; Provision for estimated losses and reserves</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 3,370</u>		NA
<b>&lt;II&gt; Changes in other regulatory assets</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ (5,998)</u>		NA
<b>&lt;JJ&gt; Other - Operating activities</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 7,974</u>		NA
<b>&lt;KK&gt; Construction expenditures</b>			
Known/Likely Misstatements			
1. To record the net effect of known and carryover misstatements	<u>\$ 1,880</u>		NA
<b>&lt;LL&gt; Decrease in accounts payable related to capital expenditures</b>			
Known/Likely Misstatements			
1. To present non-cash capital accruals in proper cash flow category	<u>\$ (1,470)</u>		NA

**Entergy Gulf States, Inc.**  
**Balance Sheets**  
**As of December 31, 2005**  
**De minimis threshold = \$220**  
**(Dollars in thousands)**

	As Reported 2005	Uncorrected Misstatements 2005 Increase (Decrease)	Adjusted Total
<b>CURRENT ASSETS</b>			
Cash and cash equivalents:			
Cash	\$ 7,341	10,358 <A>	\$ 17,699
Temporary cash investments- at cost, which approximates market	18,032		18,032
Total cash and cash equivalents	25,373	10,358	35,731
Accounts receivable:			
Customer	203,205	\$ (9,852) <B>	193,353
Allowance for doubtful accounts	(4,794)		(4,794)
Associated companies	90,223	(1,736) <C>	88,487
Other	50,445	18,312 <D>	68,757
Accrued unbilled revenues	186,527		186,527
Total receivables	525,606	6,724	532,330
Deferred fuel costs	254,950		254,950
Fuel inventory - at average cost	60,196		60,196
Materials and supplies - at average cost	112,544		112,544
Prepayments and other	36,996		36,996
<b>TOTAL</b>	<b>1,015,665</b>	<b>17,082</b>	<b>1,032,747</b>
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Decommissioning trust funds	310,779		310,779
Non-utility property - at cost (less accumulated depreciation)	91,589	1,731 <E>	93,320
Other	22,498		22,498
<b>TOTAL</b>	<b>424,866</b>	<b>1,731</b>	<b>426,597</b>
<b>UTILITY PLANT</b>			
Electric	8,569,073	10,991 <F>	8,580,064
Natural gas	86,375		86,375
Construction work in progress	526,017	(12,297) <G>	513,720
Nuclear fuel under capital lease	55,155		55,155
Nuclear fuel	11,338		11,338
<b>TOTAL UTILITY PLANT</b>	<b>9,247,958</b>	<b>(1,306)</b>	<b>9,246,652</b>
Less - accumulated depreciation and amortization	4,075,724	(208) <H>	4,075,516
<b>UTILITY PLANT - NET</b>	<b>5,172,234</b>	<b>(1,098)</b>	<b>5,171,136</b>
<b>DEFERRED DEBITS AND OTHER ASSETS</b>			
Regulatory assets:			
SFAS 109 regulatory asset - net	459,136		459,136
Other regulatory assets	604,419	(20,507) <I>	583,912
Deferred fuel costs	69,443		69,443
Long-term receivables	16,151		16,151
Other	41,195	(7,012) <J>	34,183
<b>TOTAL</b>	<b>1,190,344</b>	<b>(27,519)</b>	<b>1,162,825</b>
<b>TOTAL ASSETS</b>	<b>\$ 7,803,109</b>	<b>\$ (9,804)</b>	<b>\$ 7,793,305</b>

Entergy Gulf States, Inc.  
Balance Sheets  
As of December 31, 2005  
De minimis threshold = \$220  
(Dollars in thousands)

	As Reported 2005	Uncorrected Misstatements 2005	Adjusted Total
<b>CURRENT LIABILITIES</b>			
Accounts payable:			
Associated companies	\$ 100,313	\$ (1,736) <K>	\$ 98,577
Other	479,232	(7,448) <L>	471,784
Customer deposits	57,756		57,756
Taxes accrued	0	(9,403) <M>	(9,403)
Accumulated deferred income taxes	71,196		71,196
Nuclear refueling outage cost	15,548		15,548
Interest accrued	34,338	(675) <N>	33,663
Obligations under capital leases	33,516	9,496 <O>	43,012
Other	14,945		14,945
<b>TOTAL</b>	<b>806,844</b>	<b>(9,766)</b>	<b>797,078</b>
<b>NONCURRENT LIABILITIES</b>			
Accumulated deferred income taxes and taxes accrued	1,619,890		1,619,890
Accumulated deferred investment tax credits	132,909		132,909
Obligations under capital leases	20,724	(8,581) <O>	12,143
Other regulatory liabilities	37,482	5,994 <Q>	43,476
Decommissioning and retirement cost liabilities	175,480		175,480
Transition to competition	79,098		79,098
Regulatory reserves	16,153		16,153
Accumulated provisions	67,747		67,747
Long-term debt	2,358,130		2,358,130
Preferred stock with sinking fund	13,950		13,950
Other	203,665	17,891 <R>	221,556
<b>TOTAL</b>	<b>4,725,228</b>	<b>15,304</b>	<b>4,740,532</b>
Commitments and Contingencies			
<b>SHAREHOLDERS' EQUITY</b>			
Preferred stock without sinking fund	47,327		47,327
Common stock, no par value, authorized 200,000,000 shares; issued and outstanding in 2005 and 2004	114,055		114,055
Paid-in capital	1,457,486		1,457,486
Retained earnings	653,578	(4,545) <S>	649,033
Accumulated other comprehensive income	(1,409)	(10,797) <T>	(12,206)
<b>TOTAL</b>	<b>2,271,037</b>	<b>(15,342)</b>	<b>2,255,695</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 7,803,109</b>	<b>\$ (9,804)</b>	<b>\$ 7,793,305</b>

**Entergy Gulf States, Inc.**  
**Statement of Income**  
**For the Year Ended December 31, 2005**  
**De minimis threshold = \$220**  
**(Dollars in thousands)**

	As Reported 2005	Uncorrected Misstatements 2005 Increase (Decrease)		Adjusted Total
<b>OPERATING REVENUES</b>				
Domestic electric	\$ 3,289,511	\$ 506	<U>	\$ 3,290,017
Natural gas	77,660			77,660
<b>TOTAL</b>	<b>3,367,171</b>	<b>506</b>		<b>3,367,677</b>
<b>OPERATING EXPENSES</b>				
Operating and Maintenance:				
Fuel, fuel-related expenses, and gas purchased for resale	829,151			829,151
Purchased power	1,353,108			1,353,108
Nuclear refueling outage expenses	18,151			18,151
Other operation and maintenance	445,326	\$ 1,664	<V>	446,990
Decommissioning	9,483			9,483
Taxes other than income taxes	125,263			125,263
Depreciation and amortization	202,128			202,128
Other regulatory charges (credits - net)	(6,799)			(6,799)
<b>TOTAL</b>	<b>2,975,811</b>	<b>1,664</b>		<b>2,977,475</b>
<b>OPERATING INCOME</b>	<b>391,360</b>	<b>(1,158)</b>		<b>312,542</b>
<b>OTHER INCOME (DEDUCTIONS)</b>				
Allowance for equity funds used during construction	18,757			18,757
Interest and dividend income	21,375			21,375
Miscellaneous - net	910	(460)	<W>	450
<b>TOTAL</b>	<b>41,042</b>	<b>(460)</b>		<b>40,582</b>
<b>INTEREST AND OTHER CHARGES</b>				
Interest on long-term debt	116,633			116,633
Other interest - net	10,155	(675)	<X>	9,480
Allowance for borrowed funds used during construction	(11,153)			(11,153)
<b>TOTAL</b>	<b>115,635</b>	<b>(675)</b>		<b>114,960</b>
<b>INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT ON ACCOUNTING CHANGES</b>	<b>316,767</b>	<b>(943)</b>		<b>315,824</b>
Income taxes	110,270	(358)	<Y>	109,912
<b>NET INCOME</b>	<b>206,497</b>	<b>(585)</b>		<b>205,912</b>
Preferred dividend requirements and other	4,201			4,201
<b>EARNINGS APPLICABLE TO COMMON STOCK</b>	<b>\$ 202,296</b>	<b>\$ (585)</b>		<b>\$ 201,711</b>



**Entergy Gulf States, Inc.**  
**Statement Cash Flows**  
**For the Year Ended December 31, 2005**  
**De minimis threshold = \$220**  
**(Dollars in thousands)**

	As Reported 2005	Uncorrected Misstatements 2005	Adjusted Total
	Increase (Decrease)		
<b>OPERATING ACTIVITIES</b>			
Net income	\$ 206,497		\$ 206,497
<b>Adjustments to reconcile net income to net cash flow provided by operating activities:</b>			
Reserve for regulatory adjustments	(64,802)		(64,802)
Other regulatory credits - net	(6,799)		(6,799)
Depreciation, amortization, and decommissioning	211,611		211,611
Deferred income taxes and investment tax credits	404,793		404,793
Changes in working capital:			
Receivables	(147,085)		(147,085)
Fuel inventory	(10,538)		(10,538)
Accounts payable	99,581		99,581
Taxes accrued	(272,308)		(272,308)
Interest accrued	1,596		1,596
Deferred fuel costs	(87,594)		(87,594)
Other working capital accounts	8,142		8,142
Provision for estimated losses and reserves	(3,979)		(3,979)
Changes in other regulatory assets	(219,172)		(219,172)
Other	(57,950)	\$ 4,632	(53,318)
Net cash flow provided by operating activities	61,993	4,632	66,625
<b>INVESTING ACTIVITIES</b>			
Construction expenditures	(370,521)	(4,632)	(375,153)
Allowance for equity funds used during construction	18,757		18,757
Nuclear fuel purchases	(1,297)		(1,297)
Proceeds from sale/leaseback of nuclear fuel	491		491
Proceeds from nuclear decommissioning trust funds	38,070		38,070
Investment in nuclear decommissioning trust funds	(51,178)		(51,178)
Change in money pool receivable-net	(64,011)		(64,011)
Changes in other investments - net	4,343		4,343
Other regulatory investments	(152,513)		(152,513)
Net cash flow used in investing activities	(577,859)	(4,632)	(582,491)
<b>FINANCING ACTIVITIES</b>			
Proceeds from the issuance of long-term debt	929,782		929,782
Retirement of long-term debt	(566,229)		(566,229)
Proceeds from the capital contribution	300,000		300,000
Changes in money pool payable-net	(59,720)		(59,720)
Redemption of preferred stock	(3,450)		(3,450)
Dividends paid:			
Common stock	(61,900)		(61,900)
Preferred stock	(4,218)		(4,218)
Net cash flow provided by (used in) financing activities	534,265	0	534,265
Net increase (decrease) in cash and cash equivalents	18,399	0	18,399
Cash and cash equivalents at beginning of period	6,974		6,974
Cash and cash equivalents at end of period	\$ 25,373	\$ -	\$ 25,373
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>			
Cash paid during the period for:			
Interest - net of amount capitalized	\$ 117,075		\$ 26,465
Income taxes	14,450		

Entergy Gulf States, Inc.  
Proposed Adjustment Descriptions:  
For the Year Ended December 31, 2005  
(Dollars in thousands)

Appendix B

	Increase (Decrease)	Reference of Amounts to Each Other	Corrected as of March 31, 2006 Yes or No	Is the Proposed Journal Entry storm related/related to HB 163?	Support or Explanation if not recorded as of March 31, 2006 (or additional description, if needed)
<b>&lt;A&gt; Cash</b> Known Misstatements 1. To record wire transfers not recorded	\$ 10,358	3	Yes	No	
<b>&lt;B&gt; Accounts receivable - Customer</b> Known Misstatements 1. To record wire transfers not recorded 2. To write-off the difference between subsidiary ledger and GL <u>Total Misstatements - Accounts receivable - Customer</u>	\$ (10,358) 506 \$ (9,852)	3 15	Yes No	No No	Company in process of resolving nature of difference. Immaterial impact to financial statements.
<b>&lt;C&gt; Accounts receivable - Associated companies</b> Known Misstatements 1. To eliminate intercompany balances	\$ (1,736)	1	No	No	Immaterial balance sheet only impact and still in process of being identified/resolved.
<b>&lt;D&gt; Accounts receivable - Other</b> Known Misstatements 1. To reclass the Vinton-Jasper clearing account to accounts receivable 2. To record the purchase of nuclear fuel from the River Fuel Trust <u>Total Misstatements - Accounts receivable - Other</u>	\$ 17,397 915 \$ 18,312	8 6	No Yes	No No	Balance sheet only impact therefore not recorded
<b>&lt;E&gt; Non-utility property - at cost (less accumulated depreciation)</b> Known Misstatements 1. To reclass land held for future use to non-utility property 2. To adjust FIN 47 for poles and PCB transformers <u>Total Misstatements - Non-utility property - at cost (less accumulated depreciation)</u>	\$ 1,685 46 \$ 1,731	4 17	Yes Yes	No No	
<b>&lt;F&gt; Utility plant - Electric</b> Known Misstatements 1. To reclass land held for future use to non-utility property  2. To reclass construction work in progress to utility plant 3. To adjust FIN 47 for poles and PCB transformers <u>Total Misstatements - Utility plant - Electric</u>	\$ (1,685)  12,297 379 \$ 10,991	4  2 17	Yes  No Yes	No  No No	Awaiting information from the field to close project to plant in service in property accounting system; however AFUDC was appropriately suspended on project when closed to further charges in system but not yet transferred to plant in service.
<b>&lt;G&gt; Construction work in progress</b> Known Misstatements 1. To reclass construction work in progress to utility plant	\$ (12,297)	2	No	No	See note above for entry F
<b>&lt;H&gt; Accumulated depreciation and amortization</b> Known Misstatements 1. To adjust FIN 47 for poles and PCB transformers	\$ (208)	17	Yes	No	
<b>&lt;I&gt; Regulatory assets - Other regulatory assets</b> Known Misstatements  1. To record costs for storm reserve  2. To record EGSI-TX's minimum pension liability 3. To adjust FIN 47 for poles and PCB transformers 4. To record OIL exit obligation  5. To adjust FIN 47 for removal costs of pipes <u>Total Misstatements - Regulatory assets - Other regulatory assets</u>	  \$ (8,488)  (17,415) 1,375 494  3,527 \$ (20,507)	  16  13 17 9  7	  No  No Yes Yes  No	  Yes  No No No  No	Reflects proposed adjustments to company's estimate of the company's incurred storm costs. The company's estimate was reversed and actuals recorded in the first quarter of 2006 and so majority of this adjustment (\$7,448) corrected in first quarter of 2006. Remaining amount reflects costs that company believes meet SFAS 71 criteria for recording as a regulatory asset and so not adjusted by the company. Balance sheet reclassification only. Related to additional minimum pension liability required to be reported under SFAS 87 as other comprehensive income. Company recorded offset to regulatory asset in accordance with company interpretation of SFAS 71. Immaterial balance sheet only item. Company and Deloitte did not agree on application of FIN 47 as it relates to this issue which was agreed to be immaterial to financial statements.
<b>&lt;J&gt; Deferred debits - Other</b> Known Misstatement  1. To record the Board of Directors service recognition program Likely Misstatements 1. To properly account for the EGSI-TX rate case costs <u>Total Misstatements - Deferred debits - Other</u>	  \$ (1,875)  (5,137) \$ (7,012)	  10  12	  Yes  Yes	  No  No	Company recorded an adjustment in 2005 to correct a liability accrual and reflect the appropriate balance sheet amount. Because this was a true up adjustment that did relate to prior period activity, Deloitte included on the 12/31/05 list of proposed adjustments as an out of period adjustment. The balance sheet is correct at 12/31/05 and this adjustment does not recur in 2006.
<b>&lt;K&gt; Accounts payable - Associated companies</b> Known Misstatements 1. To eliminate intercompany balance	\$ (1,736)	1	No	No	See note under C above
<b>&lt;L&gt; Accounts payable - Other</b> Known Misstatements 1. To record costs for storm reserve	\$ (7,448)	16	Yes	Yes	See note under I (1) above
<b>&lt;M&gt; Taxes accrued</b> Known Misstatements					

				Is the Proposed Journal Entry related/related to HB 163?	Support or Explanation if not recorded as of March 31, 2006 (or additional description, if needed)
	Increase (Decrease)	Reference of Amounts to Each Other	Corrected as of March 31, 2006 Yes or No		
1 To record income tax effect of current year proposed adjustments	\$ (2,785)	16	N/A	N/A	Reflects estimated tax impacts of all proposed entries. See other entries for disposition of proposed adjustment.
2 To record the income tax effect of OCI adjustments	(6,618)	14	N/A	N/A	Reflects net impacts of all proposed entries to other comprehensive income. See other entries for disposition of proposed adjustments.
<b>Total Misstatements - Taxes accrued</b>	<b>\$ (9,403)</b>				
<N> Interest accrued					
Known Misstatements					
1 To correct the over accrual of interest on customer deposit	\$ (675)	11	Yes	No	
<O> Obligations under capital leases - Current					
Known Misstatements					
1 To record the purchase of nuclear fuel from the River Fuel Trust	\$ 915	6	Yes	No	
2 To reclass the noncurrent nuclear fuel lease obligation to current	8,581	5	Yes	No	
<b>Total Misstatements - Obligations under capital leases - Current</b>	<b>\$ 9,496</b>				
<P> Obligations under capital leases - noncurrent					
Known Misstatements					
2 To reclass the noncurrent nuclear fuel lease obligation to current	\$ (8,581)	5	Yes	No	
<Q> Other regulatory liabilities					
Known Misstatements					
1 To adjust FIN 47 for poles and PCB transformers removal costs	\$ 2,467	17	Yes	No	
2 To adjust FIN 47 for removal costs of pipes	3,527	7	No	No	See note at I (5) above.
<b>Total Misstatements - Other regulatory liabilities</b>	<b>\$ 5,994</b>				
<R> Deferred credits - Other					
Known Misstatements					
1 To record exit obligation related to OIL	\$ 494	9	Yes	No	See note at I (4) above
2 To reclass the Vinton-Jasper clearing account to accounts receivable	17,397	8	No	No	See note at D above.
<b>Total Misstatements - Deferred credits - Other</b>	<b>\$ 17,891</b>				
<S> Retained earnings					
Known Misstatements					
1 To record net effect of known misstatements	\$ (7,330)		N/A	N/A	Reflects net impact to retained earnings of all proposed adjustments above.
2 To record the income tax effect of adjustments	2,785	18	N/A	N/A	See note at M above.
<b>Total Misstatements - Retained earnings</b>	<b>\$ (4,545)</b>				
<T> Accumulated other comprehensive income					
Known Misstatements					
1 To record EGS-TX's minimum pension liability	\$ (17,415)	13	No	No	See note at I above.
2 To record the income tax effect of OCI adjustments	6,618	14	No	No	See note at M above.
<b>Total Misstatements - Accumulated other comprehensive income</b>	<b>\$ (10,797)</b>				
<U> Domestic electric					
Known Misstatements					
1 To write-off the difference between subsidiary ledger and GI	\$ 506	15	No	No	See note at B above
<V> Other operation and maintenance					
Known Misstatements					
1 To record the Board of Directors service recognition program	\$ 1,875	10	Yes	No	See note at J above
2 To record costs for storm reserve	1,039	16	No	Yes	See note at I (1) above.
Likely Misstatements					
1 To properly account for the EGS-TX rate case costs	5,137	12	Yes	No	
Carryover Effects of Prior-Year Misstatements					
1 To record net effect of misstatements of the prior period	(6,387)		N/A	N/A	This is presented by Deloitte for presentation purposes. Prior year proposed entries offset the current year proposed entries.
<b>Total Misstatements - Other operation and maintenance</b>	<b>\$ 1,664</b>				
<W> Miscellaneous - net					
Known Misstatements					
1 To adjust FIN 47 for poles and PCB transformer:	\$ (460)	17	Yes	No	
<X> Other interest - net					
Known Misstatements					
1 To correct the over accrual of interest on customer deposit	\$ (675)	11	Yes	No	
<Y> Income tax expense					
Known Misstatements					
1 To record income tax effect of "out of period" adjustments (see J (1) above)	\$ (358)		N/A	N/A	Estimated tax impacts for the current year and carryover effects of prior year misstatements
<b>CASH FLOW ENTRIES - PRESENTATION PURPOSE ENTRIES VS. BALANCE SHEET/INCOME STATEMENT PROPOSED ADJUSTMENTS</b>					
<Z> Operating activities - Other					
Known Misstatements					
1 To present non-cash capital accruals in proper cash flow category	\$ 4,632		No	No	
<AA> Construction/capital expenditures					
Known Misstatements					
1 To present non-cash capital accruals in proper cash flow category	\$ (4,632)		No	No	

ENTERGY GULF STATES, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.  
to the Fourth Set of Data Requests  
of Requesting Party: Staff

Prepared By: Patrick Gernon  
Sponsoring Witness: Jay A. Lewis  
Beginning Sequence No.  
Ending Sequence No.

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Question No.: Staff AG 4-5

Part No.:

Addendum:

Question:

Please provide the Company's procurement card policies.

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Response:

See attached.

**ENTERGY SYSTEM  
POLICIES & PROCEDURES**

Page 1 of 16

Title: CORPORATE PURCHASING CARD		Last Updated: August 18, 2006
Subject Matter Expert: Mark Chapman	Responsible Officer: Mark Savoff	Approved By: Corporate Compliance Committee Approval Date: July 26, 2005

## **I. POLICY SUMMARY**

- The Corporate Purchasing Card ("CPC") is a critical payment device that will help Entergy reduce costs by eliminating many high-volume, low-dollar purchases, which typically account for a large portion of Accounts Payable invoices. Additionally, the CPC allows Cardholders to reduce the amount of time and paperwork associated with many current purchases.
- Employees are generally required to use the CPC to make all purchases of non-inventoried goods costing less than \$5,000 and non-contracted services costing less than \$5,000. A higher dollar limit may be permitted in instances where an agreement exists between Entergy and the Vendor/Supplier that would permit CPC transactions of \$5,000 or greater. These limits are consistent with Entergy's Procurement Policy, which should be referenced if there are any questions.
- Prospective Cardholders must complete an application, obtain proper approval and submit the completed request to the CPC Administrator. To authorize a request for a CPC, the Manager must have at least a \$100,000 approval authority. Entergy's Approval Authority Policy will govern monthly spending limit requests in excess of \$100,000.
- The CPC is issued exclusively to the Cardholder. No other person is authorized to use that card for purchases, except where otherwise specified in this Policy. Although the card is issued in the individual Cardholder's name, it remains Company property.
- When making purchases with the CPC it is imperative to adhere to this Policy as well as Entergy's Procurement, Reimbursement of Business Expenses, Approval Authority, and Transportation Policies.
- Failure to comply with the requirements of this Policy could result in revocation of CPC privileges and disciplinary action up to and including discharge and/or civil and criminal penalties in the event of fraudulent use.

## ENTERGY SYSTEM POLICIES & PROCEDURES

Page 2 of 16

Title: CORPORATE PURCHASING CARD	Effective Date: August 18, 2006
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- A Cardholder will have designated spending limitations that have been set by his or her Manager during the application process. These limitations include the dollar amount per transaction, dollar amount per month, and the types of Vendors/Suppliers from which items may be purchased. When the cost of an item exceeds the per-transaction limit, Cardholders must not split the charges in order to circumvent these established limits.
- An employee may not approve his/her own CPC charges.
- When paying for services with the CPC, the Cardholder must verify that the vendor has insurance papers on file with Entergy.
- All employees, agents and contractors of Entergy shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy. Entergy Ethics Line: 1-888-257-ETHIC (3844).
- **Please refer to the following detailed Policy for further information.**

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## **II. DETAILED POLICY**

### **1.0 PURPOSE AND APPLICABILITY**

This Policy establishes guidelines for use of the Corporate Purchasing Card (CPC) throughout the Entergy System.

**THIS POLICY APPLIES TO ANY AND ALL EMPLOYEES OF ANY ENTERGY SYSTEM COMPANY, UNLESS OTHERWISE EXPRESSLY EXCLUDED, AS WELL AS AGENTS AND CONTRACTORS OF ANY ENTERGY SYSTEM COMPANY.**

**THE EXTENT TO WHICH ANY SPECIFIC PROVISION IN THIS POLICY COVERS EMPLOYEES WHO ARE REPRESENTED BY A UNION MAY DEPEND ON NEGOTIATIONS WITH AND/OR A COLLECTIVE BARGAINING AGREEMENT WITH THAT UNION.**

**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, NOR DOES THIS POLICY CONFER ANY CONTRACTUAL RIGHT TO ANY PERSON TO BECOME OR REMAIN AN EMPLOYEE OF ANY ENTERGY SYSTEM COMPANY.**

### **2.0 REFERENCES AND CROSS REFERENCES**

**2.1 Entergy System Policies - Approval Authority**

**2.2 Entergy System Policies - Procurement**

**2.3 Entergy System Policies - Reimbursement of Business Expenses**

**2.4 Entergy System Policies - Reporting Violations**

**2.5 Entergy System Policies - Transportation**

**2.6 Corporate Purchasing Card Request Website - [http://www.prod.entergy.com:90/eprocweb/CPC/CPC\\_Request.asp](http://www.prod.entergy.com:90/eprocweb/CPC/CPC_Request.asp) - includes information and instructions for the CPC application process.**

### **3.0 DEFINITIONS**



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- 3.1 **Approver** – An Entergy employee having the authority to approve monthly CPC purchases. The Approver must have an approval authority greater than the total amount of monthly purchases made on an individual CPC. An Approver may be (but is not required to be) the same person as the Cardholder's Manager.
- 3.2 **Authorized Buyer** – An individual who is not an Entergy employee, but a contracted service person who is authorized to make purchases using a CPC in the absence of a practical alternative.
- 3.3 **Bank** - The entity that provides a credit card for Entergy's CPC Program.
- 3.4 **Cardholder** – A designated Entergy employee who has been provided a CPC.
- 3.5 **Cardholder Statement** - The monthly statement provided to Cardholders to assist in verification of purchases.
- 3.6 **Commodity/Supplier Account** – An account issued with a specific Vendor/Supplier allowing purchases by designated individuals (primarily used in the storeroom environment).
- 3.7 **Corporate Purchasing Card (CPC)** - A charge card that provides designated Entergy employees or Authorized Buyers with a preferred method of procuring materials, services and supplies within the stated guidelines. This card is not for business travel, entertainment purposes or personal expenses.
- 3.8 **CPC Administrator** - An Entergy employee designated to administer the CPC Program.
- 3.9 **CPC Analyst** – An Entergy employee designated to review Cardholder documentation and transactions to ensure compliance with this Policy.
- 3.10 **CPC Application/Change Form** - The form used for approval of initial CPC issuance, accounting distribution changes, MCC changes, expenditure limit changes, Reconciliation Coordinator assignments and cancellations. Refer to the CPC Website/link included at Section 2.6 for information on how to access and complete the CPC Application/Change Form.
- 3.11 **Entergy System Company, Entergy, 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.
- 3.12 **Manager** - An Entergy employee having the authority to approve CPC requests, establish transaction limits and the monthly expenditure limits, approve requests to increase these program limits within the guidelines of this Policy, and approve

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monthly purchases. The Manager must have the authority of \$100,000 or greater per the Approval Authority Policy as referenced in Section 2.1.

**3.13 Merchant Category Code (MCC)** - A four digit numeric identifier of merchant business types. Assigned to a CPC, the MCC is used to allow or restrict the types of vendors from which purchases can be made.

**3.14 Policy** – This Corporate Purchasing Card Policy.

**3.15 Reconciliation Coordinator ("Coordinator")** - An Entergy employee who has been designated by a Manager to perform monthly account reconciliation activities on behalf of designated Cardholder(s). Cardholders are encouraged to do their own monthly reconciliations. Therefore a valid reason why the Cardholder cannot perform these duties must accompany the request from a Manager to assign a Coordinator.

**3.16 Vendor/Supplier** - Manufacturer, contractor, consultant, or supplier providing materials, supplies or services to Entergy.

**4.0 RESPONSIBILITIES**

**4.1 The Vice President and Chief Procurement Officer and his designees** are responsible for the interpretation and administration of this Policy.

**4.2 Cardholder's Approver** is responsible for:

- Identifying Cardholder for each CPC;
- Assisting the Manager in determination of applicants' CPC spending limits;
- Ensuring that the CPC is being used in accordance with this Policy and reprimanding/disciplining violators;
- Reviewing monthly, on-line Cardholder Statement(s) and itemized original receipts to ensure transactions are appropriate and for legitimate business purposes;
- Electronically approving monthly, on-line Cardholder Statement(s);
- Ensuring that receipt packets are faxed to Accounts Payable for imaging;
- Completing required CPC training through WebTAP;
- Noting any Policy violations on the associated receipt for the purpose of informing the CPC Analyst;
- Assisting CPC Administrator with keeping CPC account numbers secure in documentation, including e-mails; and
- Reporting any irregularities in accordance with Entergy's Reporting Violations Policy as referenced in Section 2.4.

**4.3 Cardholder's Manager** is responsible for:

- Identifying Cardholder for each CPC;
- Approving CPC requests;

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- Establishing transaction limits and monthly expenditure limits;
- Approving requests in excess of program limits;
- Establishing the accounting profile (accounting code block) for each CPC;
- Ensuring that the accounting profiles are accurate;
- Contacting the CPC Administrator to make changes to profiles as necessary;
- Following the cancellation process when a Company employee who is a cardholder, relocates or leaves the Company;
- Ensuring that the CPC is being used in accordance with this Policy and reprimanding/disciplining violators;
- Completing required CPC training through WebTAP;
- Assist CPC Administrator with monitoring usage of CPC; low-usage cards should be considered for cancellation;
- Assisting CPC Administrator with keeping CPC account numbers secure in documentation, including emails; and
- Reporting any irregularities in accordance with Entergy's Reporting Violations Policy as referenced in Section 2.4.

#### 4.4 **Cardholder** is responsible for:

- Ensuring that the CPC is being used in accordance with this Policy;
- Completing required CPC training through WebTAP;
- Maintaining security of the CPC and account number;
- Maintaining for 60 days, original CPC transaction receipts, which should contain a detailed listing of items purchased;
- Adhering to processes related to employment changes as outlined in Section 6.7;
- Ensuring that the accounting code block is accurate;
- Ensuring that all Vendors/Suppliers correctly charge applicable sales/use taxes;
- Electronically reconciling Cardholder Statements;
- Creating receipt packet (fax cover sheet, receipts) and forwarding it to Approver;
- Documenting business purpose and listing attendees at all business functions involving catering for meetings, storm crew duty and plant outage meals. This documentation must accompany receipts to meet IRS requirements;
- Notifying Bank and the CPC Administrator when a CPC is lost or stolen; and
- Keeping CPC account numbers secure in documentation, including emails.

#### 4.5 **CPC Administrator** is responsible for:

- Receiving, reviewing for completeness, and processing CPC Application/Change Form (refer to Section 2.6);

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- Maintaining a Cardholder database and reconciling the database to Bank records monthly;
- Suspending or revoking individual CPC privileges for CPC sharing, inappropriate use of the CPC, failure to maintain appropriate documentation, or failure to reconcile Cardholder Statements timely;
- Retaining appropriate documentation regarding Cardholder applications, designation forms, training records, change requests, etc.;
- Monitoring usage of CPC through quarterly reporting; low-usage cards should be considered for cancellation;
- Maintaining security over documentation, including emails, with CPC account numbers;
- Developing/maintaining reporting statistics on CPC usage and dollars spent for monitoring CPC activity and trend analysis;
- Validating the monthly Statement Billing File (SBF) from Bank;
- Providing a key oversight function to support the automated payment processing function;
- Maintaining Merchant Category Code restrictions to block usage of CPC with certain Vendor/Supplier types; and
- Performing other tasks as required by desktop procedures.

**4.6 Supply Chain** is responsible for:

- Managing preferred Vendor/Supplier relationships;
- Analyzing spending activity and establishing partnering agreements or other economically beneficial arrangements;
- Processing of Candidate Supplier Forms (Attachment IV);
- Managing edits to the acceptable MCC list;
- Reviewing periodically a list of Cardholders and spending limits; and
- Informing Accounting of any changes to the CPC program so that resources and processes can be evaluated and revised.

**4.7 Coordinator** (*reference 3.15 for definition*) is responsible for:

- Completing required CPC training through WebTAP;
- Maintaining security of the CPC and account number;
- Maintaining for 60 days from the 10<sup>th</sup> of each month, original CPC transaction receipts, which should contain a detailed listing of items purchased;
- Ensuring that the accounting code block is accurate;
- Ensuring all Vendors/Suppliers charge applicable sales/use taxes on each purchase;
- Electronically reconciling assigned Cardholder Statements;
- Creating receipt packet (fax cover sheet, receipts) to forward to Approver; and
- Documenting business purpose and listing attendees at all business functions involving catering for meetings, storm crew duty and plant

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outage meals. This documentation must accompany receipts to meet IRS requirements.

**4.8 Bank** is responsible for:

- Taking appropriate CPC actions as requested by the CPC Administrator;
- Assisting in resolving disputes between the Cardholder and Vendor/Supplier;
- Resolving questions concerning Cardholder Statements;
- Providing transaction data, monthly Cardholder Statements, billing, and reports as required;
- Providing Vendors/Suppliers with verification that each transaction is within the pre-approved limits for the CPC;
- Providing Vendor/Supplier information for 1099 reporting;
- Limiting CPC charges to prescribed levels and to specific types of supplies; and
- Complying with the terms of its agreement with Entergy.

**4.9 CPC Analyst** is responsible for:

- Reviewing Cardholder Statements and receipts from Cardholders on a monthly basis;
- Performing monthly attribute testing audits for compliance with this Policy;
- Performing on-going continuous monitoring reviews, including trend analysis and identification of potential misuse of the CPC;
- Communicating audit results to the appropriate parties (CPC Administrator, Cardholder, Manager, Approver, Coordinator, Internal Audit Services); and
- Maintaining measures/metrics for errors noted during audit process.

**4.10 Internal Audit Services** is responsible for auditing employee use of the CPC and adherence to this Policy.

**4.11 All employees, agents and contractors** 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 Employee's Use of CPC**

**5.1.1** Employees shall follow the procedures in Section 6.0 in the acquisition and use of a CPC. All CPC purchases must be consistent with Entergy's Procurement Policy.

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- 5.1.2** Except where otherwise indicated in this Policy, employees are required to use a CPC to make all purchases for non-inventoried goods costing less than \$5,000 and non-contracted services costing less than \$5,000.
- 5.1.2.1** A dollar limit of \$5,000 or greater may be permitted in instances where an agreement exists between Entergy and the Vendor/Supplier that would permit individual CPC transactions of \$5,000 or greater. Dollar limits specified in this Policy are consistent with Entergy's Procurement Policy, which should be referenced if there are any questions.
- 5.1.2.2** Examples of purchases that generally require use of a CPC are found at Attachment I.
- 5.1.3** A CPC shall **not** be used for the following described purchases or situations.
- 5.1.3.1** Nonqualifying purchases specified in the table included at Attachment I. An alternative payment method shall be used for such purchases.
- 5.1.3.2** Situations where the Approver would be approving his/her own charges (for example, a seminar for a manager may not be charged to his/her assistant's card if the manager is the designated Approver for his/her assistant). In such situations, an alternative payment method may be used or the person to whom the charge applies may use his/her own CPC.
- 5.1.4** The use of each CPC is restricted by a per-transaction and monthly expenditure limit. These expenditure limits include all taxes, shipping, handling, and other surcharges. Cardholders shall not "split" the charges if the cost of that item exceeds the per-transaction limit.
- 5.1.5** These expenditure limits must also be applied in accordance with purchasing guidelines covered in the Procurement Policy as referenced in Section 2.2. That is, any purchase of goods greater than \$5,000 should be placed on a Purchase Order and services greater than \$5,000 should be placed on a Contract Order, unless an agreement exists between Entergy and the applicable Vendor/Supplier that would allow transactions in excess of these limits to occur or expenditure limits have been increased with the completion and approval of the CPC Application/Change Form (See Section 2.6).
- 5.1.6** When paying for onsite services with the CPC, the Cardholder must verify that the vendor has insurance papers on file with Entergy.
- 5.1.7** Failure to comply with the requirements of this Policy could result in revocation of CPC privileges and disciplinary action up to and including termination and/or civil and criminal penalties for fraudulent use. The

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employee is liable to Entergy for any and all charges, made by the individual, which do not comply with this Policy.

### 5.2 **Contracted Service Personnel's Use of CPC (Authorized Buyer)**

**5.2.1 Process** - A Manager, or someone in a supervisory role who oversees Authorized Buyers, may acquire a CPC and establish accounts with specific Vendors/Suppliers to allow purchases by specified Authorized Buyers that provide contracted services to Entergy. **Note:** This option should only be used in rare instances where the work group's staffing situation precludes issuing a CPC to a regular employee or using an equally acceptable purchasing method.

**5.2.2 Requirements** - The requirements for allowing contracted service personnel to make purchases for Entergy are:

- The Authorized Buyer must obtain appropriate training on the CPC program;
- The Manager of the Authorized Buyer obtains a CPC in the Manager's name with the Authorized Buyer's name listed on the CPC Application/Change Form (refer to Section 2.6); and
- As to such contracted service personnel, they may make purchases only from specified Vendors/Suppliers.

**5.2.3 Responsibility** - The Manager or designated Coordinator is responsible for reconciling Cardholder Statements and ensuring all appropriate records are maintained and faxed to Accounts Payable for retention. In essence, the Manager is the Cardholder and should adhere to the Cardholder responsibilities as outlined in Section 4.3 above. The Manager's designated Approver will be responsible for reviewing and approving the monthly charges.

### 5.3 **Commodity/Supplier Accounts**

**5.3.1 Process** – A Manager of Purchasing, or his or her designee, may establish a Commodity/Supplier Account with a specific Vendor/Supplier to allow purchases by specified individuals. There is one CPC issued to the Purchasing Manager for this type of account and the CPC should be used to make purchases with only the designated Vendor/Supplier. The Purchasing Manager, (the primary Cardholder) provides the Vendor/Supplier with the account number and a list of individuals authorized to make charges to the account. The primary Cardholder is responsible for all of the duties of a regular Cardholder (i.e. receipt retention, reconciliation, etc.) The purchase dollar limits are generally much greater for a Commodity Account than for an individual Cardholder account. **Note:** A Commodity/Supplier Account should only be established

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in limited situations where it is warranted by business need (e.g., storeroom environment).

**5.3.2 Approval** - A Commodity/Supplier Account must be approved by a Manager of Purchasing or higher level of authority.

**5.3.3 Need for Contract** - Commodity/Supplier Accounts may only be established with Vendors/Suppliers as part of a contractual agreement containing:

- Product and service pricing
- Commodity card ordering process
- List of individuals authorized to make purchases
- Details of Vendor/Supplier responsibilities regarding sales to only authorized individuals
- Terms and conditions
- Vendor/Supplier reporting requirements
- Entergy account manager (contract manager) assigned

**5.3.4 Responsibility** - Commodity/Supplier Account reconciliation is assigned to a contract manager.

## 6.0 PROCEDURES

### 6.1 Obtaining the CPC

**6.1.1** Prospective Cardholders, with input from their Approver and Manager, determine the need for a CPC.

**6.1.2** Once the need has been established, the prospective Cardholder must complete required training. Training is available through WebTAP.

**6.1.3** Prospective Cardholder completes training and the application form electronically, (Corporate Purchasing Card Application/Change Form. The form is submitted to the appropriate Manager. Refer to Website referenced at Section 2.6 for application process instructions.

**6.1.4** The Manager reviews the form for completeness and accuracy then submits the form as evidence of his/her approval, to the CPC Administrator. Refer to Website referenced at Section 2.6 for application process instructions.

**6.1.5** No prospective Cardholder may approve his/her own request for a CPC.

**6.1.6** The CPC Administrator reviews the Corporate Purchasing Card Application/Change Form (refer to Section 2.6) for completeness and proper approval(s) and requests direct CPC issuance from Bank.



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**6.1.7** Bank mails CPC to Cardholder's work address.

**6.1.8** Upon receipt of the CPC the Cardholder must follow the instructions enclosed with the card and phone Bank to activate the card.

**6.1.9** Bank will provide a weekly report to the CPC Administrator indicating those cards that have been issued but not yet activated. Cards that have not been activated within three (3) calendar weeks of the date of issuance will be cancelled.

**6.1.10** No employee should request a CPC unless the prospective Cardholder will be in the office to receive and activate the card within the allotted 3 weeks.

**6.2 Using the CPC**

**6.2.1** The Cardholder determines that the desired material or service is appropriate for the CPC in accordance with this Policy, and verifies that such material (even like-for-like material) is not inventoried in existing warehouse stock.

**6.2.2** The Cardholder makes direct contact with participating Vendor/Supplier to place an order.

**6.2.3** When placing an order, the Cardholder provides the CPC number and expiration date, and a full description of required material or service.

**6.2.4** In the case of material orders purchased with the CPC, the Cardholder must ensure all parts ordered are used upon receipt or are scrapped/returned to the Vendor/Supplier for credit.

**6.2.5** If the Cardholder has a need to modify existing expenditure limits, the Cardholder must complete the applicable sections of the Corporate Purchasing Card Application/Change Form (refer to Section 2.6), obtain approval, and forward the form to the CPC Administrator.

**6.3 Merchant Category Code**

**6.3.1** Bank assigns a Vendor/Supplier to a MCC when the Vendor/Supplier signs up to be part of the Bank's corporate purchasing card program. (Reference Attachment II for a complete list of MCC Codes.)

**6.3.2** The prospective Cardholder's Manager is responsible for requesting that the CPC be set up with the appropriate MCC(s), and any changes

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thereafter, to coincide with the prospective Cardholder's purchasing needs.

**6.3.3** Entergy has created templates, (MCC groupings), to assist in the setup process. (Reference Attachment III for a complete list of Entergy authorized Merchant Category Code templates.)

**6.3.4** Lodging facilities, such as hotels and resorts, do not fall under the listing of Entergy approved Merchant Category Codes. In order to use the CPC to make a "within-Policy" purchase (banquets, meetings, etc.) at this type of Vendor/Supplier the Cardholder's assigned Approver must contact the CPC Administrator to set up a one-time, CPC Administrator-forced transaction.

### **6.4 Monthly Account Processing**

**6.4.1** Within five (5) working days of receipt of Cardholder Statement, the Cardholder (or Coordinator, if applicable) and the Approver **must** log-on to the CPC system to reconcile and approve their assigned monthly statements.

**6.4.2** Once reconciliation is complete, the statement will be electronically forwarded to the Approver. The Cardholder or Coordinator must also give the receipt packet (fax cover sheet and receipts) to the Approver at that time.

**6.4.3** Approvers will log on to the CPC system to review and approve the Cardholder Statement, in conjunction with the review of the receipt packet to ensure charges are appropriate and for legitimate business purposes, and that they have been coded to the proper accounts.

**6.4.4** Any items that were ordered but missed the Bank billing cycle should appear on the next Cardholder Statement.

**6.4.5** Once approved, a receipt packet (fax header and purchase documentation) must be faxed to the Accounts Payable team for document retention purposes. This must be done by the 10<sup>th</sup> of each month.

**6.4.6** Cardholders (or Coordinators, if applicable) should retain the original receipts for 60 days from the 10<sup>th</sup> of each month. When discarding receipts over 60 days old, Cardholders should be sure to take appropriate actions to ensure that **card numbers are not legible, including shredding receipts if necessary.**

### **6.5 Resolving Errors and Disputes**

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- 6.5.1** In case of a reconciliation discrepancy between the Cardholder Statement and the retained receipts, the Cardholder should first contact the Vendor/Supplier. If the discrepancy cannot be resolved with the Vendor/Supplier, the Cardholder should contact the Bank for assistance.
- 6.5.2** If there is a disagreement with other charges on the Cardholder Statement, the Cardholder should contact Bank to resolve the dispute.
- 6.5.3** In a situation where a Vendor/Supplier owes money to Entergy, (i.e. merchandise returns) as a result of a transaction in which a CPC was used, the Vendor/Supplier should credit the amount to the CPC. Cardholders must always request that a credit be issued to the CPC.
- 6.5.4** Cardholders must check their next statement to ensure that any adjustments were properly recorded.

**6.6 CPC Security**

- 6.6.1** Cardholders must immediately report lost or stolen cards to:
- Bank;
  - CPC Administrator; and
  - Site Security (if appropriate).
- 6.6.2** The Cardholder must maintain strict personal control of the CPC and any documents, including electronic communications, containing the CPC account number.
- 6.6.3** Only the assigned Cardholders (or Authorized Buyer when applicable) may make purchases, except where otherwise specified in this Policy. Cardholders must not loan their CPC or share their account number with anyone, including other Entergy employees.
- 6.6.4** Ordering items through secure web-sites or over the phone are an acceptable use of the CPC, provided that the Cardholder is the person placing the order.

**6.7 Cardholder Employment Changes**

- 6.7.1** In the event that a Cardholder does have any type of employment event, the Manager must complete the following steps:
- 6.7.1.1** Complete the Corporate Purchasing Card Application/Change Form with the relevant information and submit it to the CPC Administrator following procedures available via the Website referenced at Section 2.6.

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**6.7.1.2** For a CPC cancellation, take possession of the relevant CPC, cut it in half, and discard.

**6.7.2** Human Resources must notify the CPC Administrator in the event that a Cardholder is terminated, changes managers or legal entities, or takes an extended leave of absence. The CPC Administrator will review the information from Human Resources daily and perform the following steps based on the event:

**6.7.2.1** For organizational changes between legal entities, send an e-mail to the Cardholder and Manager notifying them of the need to submit the Corporate Purchasing Card Application/Change Form (refer to Section 2.6).

**6.7.2.2** For terminations, immediately cancel the card with Bank and notify the Manager via e-mail.

**6.8** **Request for New Vendors/Suppliers** - Cardholders can request that new Vendors/Suppliers be signed up to accept the Bank purchasing card. The Cardholder completes a copy of a Candidate Supplier Form (Attachment IV) and forwards it to his/her support Purchasing organization for approval.

**7.0** **ATTACHMENTS**

Attachment I – Appropriate/Non-Qualifying CPC Purchases

Attachment II – MCC Codes

Attachment III – MCC Code Templates

Attachment IV – CPC Candidate Supplier Form

## Attachment I

# APPROPRIATE/NON-QUALIFYING CPC PURCHASES

Except where otherwise indicated in this Policy, employees are required to use the CPC to make all purchases for non-inventoried goods costing less than \$5,000 and non-contracted services costing less than \$5,000. There are some overriding principles for CPC purchases, including:

- ◆ For services, purchases must be from vendors with insurance papers on file with Entergy; and
- ◆ All purchases must be consistent with Entergy's Procurement Policy.

The table below lists purchases that do and do not qualify for CPC use:

Examples of Purchases Generally Requiring CPC Use	Purchases that do not Qualify for CPC Use
<ul style="list-style-type: none"> <li>◆ Books</li> <li>◆ On-site catering</li> <li>◆ Small maintenance/ repair items</li> <li>◆ Advertising specialties</li> <li>◆ Uniforms</li> <li>◆ Photo supplies and processing</li> <li>◆ Software approved by IT group</li> <li>◆ Computer peripherals approved by IT group</li> <li>◆ Environmental cleanup supplies</li> <li>◆ Professional organization fees &amp; dues</li> <li>◆ Professional seminars, conferences &amp; workshops</li> <li>◆ Professional subscriptions</li> <li>◆ Flowers &amp; Memorials</li> <li>◆ Overtime meals for emergencies / outages</li> <li>◆ Meals for storm restoration crews</li> <li>◆ Postage &amp; FedEx/UPS (if local agreement not available)</li> <li>◆ Expedited Freight</li> <li>◆ Forms</li> <li>◆ Office Supplies (EntergyBuyer)</li> <li>◆ Bulk Fuel (pre-approved agreements only)</li> <li>◆ Non-contracted services, with an insured vendor under \$5,000</li> <li>◆ Telecommunications (e.g. cell phone, blackberry, etc.)</li> <li>◆ Equipment Rental</li> <li>◆ Company vehicle-related expenses where regular payment method is unavailable (<u>Note</u>: appropriate receipt documentation must be sent to Transportation shop)</li> </ul>	<ul style="list-style-type: none"> <li>◆ Personal purchases</li> <li>◆ Travel &amp; Entertainment items (air, lodging, business meals, etc)</li> <li>◆ Alcohol (except for company events authorized per Drugs, Alcohol, Firearms, and Weapons Policy)</li> <li>◆ Donations/ Charitable Contributions (see Corporate Contributions Policy)</li> <li>◆ Cash advances</li> <li>◆ Gift certificates &amp; gift cards</li> <li>◆ Inventory items</li> <li>◆ Environmental cleanup services</li> <li>◆ Safety-related materials or services</li> <li>◆ Chemicals (not on negotiated agreements)</li> <li>◆ Lease Payments</li> <li>◆ Computers</li> <li>◆ Permanent Plant Equipment</li> <li>◆ Company vehicle-related expenses where regular payment mechanism is available</li> </ul>

## Attachment II

### MERCHANT CATEGORY CODES

Assigned to a CPC, the MCC is used to allow or restrict the types of vendors from which purchases can be made. An "X" in the INCLUDED fields notes that Entergy has approved the MCC code for CPC use.

MCC CODES	DESCRIPTION	INCLUDE
763	AGRICULTURAL CO-OPS	X
780	HORTICULTURAL AND LANDSCAPING SERVICES	X
1520	GENERAL CONTRACTORS	X
1711	AIR CONDITIONING, PLUMBING/HEATING CONTRACTORS	X
1731	ELECTRICAL CONTRACTORS	X
1740	INSULATION, MASONRY CONTRACTORS	X
1750	CARPENTRY	X
1761	ROOFING AND SIDING/SHEET METAL CONTRACTOR	X
1771	CONTRACTORS, CONCRETE	X
1799	CONTRACTOR, SPECIAL TRADE	X
2741	MISCELLANEOUS PRINTING AND PUBLISHING	X
2791	TYPE SETTING AND RELATED SERVICES	X
2842	POLISHING, SANITATION PREPARATIONS	X
4214	MOTOR FREIGHT CARRIERS	X
4215	COURIER SERVICES	X
4225	PUBLIC WAREHOUSES	X
4511	AIR CARRIERS NOT SPECIFIED	X
4789	TRANSPORTATION SERVICES, NOT SPECIFIED	X
4812	TELECOMMUNICATIONS EQUIPMENT	X
4813	SPECIAL TELECOM MERCHANTS	X
4814	TELECOMMUNICATION SERVICE	X
4815	MASTERPHONE-TELEPHONE SERVICE	X
4816	COMPUTER NETWORK/INFORMATION SERVICES	X
4821	TELEGRAPH SERVICES	X
4900	UTILITIES, ELECTRIC, GAS, SANITARY, WATER	X
5013	MOTOR VEHICLE SUPPLIES AND NEW PARTS	X
5021	COMMERCIAL FURNITURE	X
5039	CONSTRUCTION MATERIALS NOT CLASSIFIED	X
5044	OFFICE, MICROFILM EQUIPMENT	X
5045	COMPUTERS, COMPUTER PERIPHERAL EQUIPMENT	X
5046	COMMERCIAL EQUIPMENT NOT CLASSIFIED	X
5047	DENTAL, HOSPITAL, LAB EQUIPMENT AND SUPPLIES	X
5051	METAL SERVICE CENTERS	X
5065	ELECTRICAL PARTS AND EQUIPMENT	X
5072	HARDWARE EQUIPMENT AND SUPPLIES	X
5074	PLUMBING AND HEATING EQUIPMENT	X
5085	INDUSTRIAL SUPPLIES, NOT CLASSIFIED	X
5099	DURABLE GOODS, NOT ELSEWHERE CLASSIFIED	X
5111	OFFICE SUPPLIES, PRINTING, STATIONERY	X
5122	DRUG, DRUGGISTS SUNDRIES	X
5131	NOTIONS, PIECE GOODS, AND OTHER DRY GOODS	X
5137	UNIFORMS AND COMMERCIAL CLOTHING	X
5139	COMMERCIAL FOOTWEAR	X

## Attachment II

### MERCHANT CATEGORY CODES

5169	CHEMICALS AND ALLIED PRODUCTS	X
5172	PETROLEUM AND PETROLEUM PRODUCTS	X
5192	BOOKS, NEWSPAPERS, PERIODICALS	X
5193	FLORISTS SUPPLIES, NURSERY STOCK	X
5198	PAINTS AND SUPPLIES	X
5199	NON-DURABLE GOODS NOT ELSEWHERE CLASSIFIED	X
5200	HOME SUPPLY WAREHOUSE STORES	X
5211	BUILDING, MATERIALS, LUMBER STORES	X
5231	GLASS, PAINT, WALLPAPER STORES	X
5251	HARDWARE STORES	X
5261	LAWN AND GARDEN STORES	X
5300	WHOLESALE CLUBS	X
5309	DUTY FREE STORES	X
5310	DISCOUNT STORES	X
5331	VARIETY STORES	X
5399	MISCELLANEOUS GENERAL MERCHANDISE	X
5411	GROCERY STORES, SUPERMARKETS	X
5441	CANDY, NUT, CONFECTIONERY STORES	X
5451	DAIRY PRODUCTS STORES	X
5462	BAKERIES	X
5499	MISCELLANEOUS FOOD STORES, MARKETS	X
5511	AUTOMOBILE TRUCK DEALERS, SALES, SERVICE	X
5521	AUTOMOBILE TRUCK DEALERS, USED ONLY	X
5531	AUTO STORES, HOME SUPPLY STORES	X
5532	AUTOMOTIVE TIRE STORES	X
5533	AUTOMOTIVE PARTS, ACCESSORIES	X
5541	SERVICE STATIONS (W/WITHOUT SERVICES)	X
5542	FUEL DISPENSER, AUTOMATED	X
5551	BOAT DEALERS	X
5561	CAMPER DEALERS, UTILITY TRAILERS	X
5571	MOTORCYCLE DEALERS	X
5599	MISCELLANEOUS AUTOMOTIVE DEALERS	X
5655	SPORTS APPAREL	X
5661	SHOE STORES	X
5712	EQUIPMENT, FURNITURE STORES	X
5713	FLOOR COVERING STORES	X
5714	DRAPERY, UPHOLSTERY STORES	X
5718	FIREPLACE, AND ACCESSORIES STORE	X
5719	MISCELLANEOUS HOUSE FURNISHING STORES	X
5722	HOUSEHOLD APPLIANCE STORES	X
5732	RADIO, STEREO, AND TV STORES	X
5734	COMPUTER SOFTWARE STORES	X
5811	CATERERS	X
5812	EATING PLACES, RESTAURANTS	X
5814	QUICK PAYMENT - FAST FOOD RESTAURANTS	X
5912	DRUG STORES	X
5921	PACKAGE STORES	X
5941	SPORTING GOODS STORES	X
5942	BOOK STORES	X

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**Attachment II**

**MERCHANT CATEGORY CODES**

5943	OFFICE SUPPLY STORES	X
5946	CAMERA AND PHOTOGRAPHIC STORES	X
5947	CARD, GIFT AND NOVELTY STORES	X
5961	MAIL ORDER	X
5963	DIRECT SELLING ESTABLISHMENTS	X
5964	CATALOG MERCHANTS	X
5965	CATALOG AND RETAIL MERCHANTS	X
5966	TELEMARKETING OUTBOUND	X
5967	INBOUND TELESERVICES	X
5968	CONTINUITY/SUBSCRIPTION MERCHANTS	X
5969	DIRECT MARKETERS - OTHER	X
5970	ARTIST SUPPLY STORES	X
5978	TYPEWRITER STORES	X
5983	FUEL DEALERS	X
5992	FLORISTS	X
5994	NEWSDEALERS, NEWSSTANDS	X
5998	TENT AND AWNING SHOPS	X
5999	MISCELLANEOUS AND SPECIALTY RETAIL STORES	X
7210	CLEANING, GARMENT, AND LAUNDRY SERVICES	X
7211	LAUNDRY SERVICES - FAMILY AND COMMERCIAL	X
7216	DRY CLEANERS	X
7217	CARPET AND UPHOLSTERY CLEANERS	X
7221	PHOTOGRAPHIC SUPPLIES	X
7296	COSTUMES, UNIFORMS - CLOTHING RENTAL	X
7311	ADVERTISING SERVICES	X
7332	BLUEPRINT AND PHOTOCOPYING SERVICES	X
7333	COMMERCIAL ART, GRAPHICS, PHOTOGRAPHY	X
7338	COPY - QUICK COPY AND REPRODUCTION SERVICE	X
7339	STENOGRAPHIC SERVICES	X
7341	WINDOW CLEANING SERVICES	X
7342	EXTERMINATING AND DISINFECTING SERVICES	X
7349	CLEANING AND MAINTENANCE, JANITORIAL SERVICE	X
7361	EMPLOYMENT AGENCIES, TEMPORARY HELP AGENCY	X
7372	COMPUTER PROGRAMMING, DP SERVICES	X
7375	INFORMATION RETRIEVAL SERVICES	X
7379	COMPUTER MAINTENANCE, REPAIR AND SERVICES	X
7392	CONSULTING, MANAGEMENT AND PR SERVICES	X
7393	DETECTIVE AGENCIES, SECURITY SERVICES	X
7394	EQUIPMENT RENTALS, FURNITURE RENTAL	X
7395	PHOTO DEVELOPING, PHOTOFINISHING	X
7399	BUSINESS SERVICES, OTHER	X
7531	AUTOMOTIVE BODY REPAIR SHOPS	X
7534	TIRE RETREADING AND REPAIR SHOPS	X
7535	AUTOMOTIVE PAINT SHOPS	X
7538	AUTOMOTIVE SERVICES SHOPS (NON-DEALER)	X
7542	CAR WASHES	X
7622	RADIO, STEREO, AND TV REPAIR SHOPS	X
7623	AIR CONDITIONING AND REFRIGERATION SHOPS	X
7629	APPLIANCE REPAIR SHOPS, ELECTRICAL	X



**Attachment II**

**MERCHANT CATEGORY CODES**

7641	FURNITURE - REPAIR REFINISHING	X
7692	WELDING	X
7699	MISCELLANEOUS REPAIR SHOPS AND SERVICES	X
7829	MOTION PICTURE AND VIDEO TAPE PRODUCTION	X
8071	DENTAL AND MEDICAL LABORATORIES	X
8249	SCHOOLS, TRADE, VOCATIONAL	X
8299	SCHOOLS AND EDUCATIONAL SERVICES	X
8699	ORGANIZATIONS, MEMBERSHIPS, OTHER	X
8734	TESTING LABORATORIES, NON-MEDICAL	X
8911	ARCHITECTURAL, ENGINEERING SERVICES	X
8931	ACCOUNTING, AUDITING AND BOOKKEEPING SERVICE	X
8999	PROFESSIONAL SERVICES-OTHER	X
4119	AMBULANCE SERVICES	X
4457	BOAT LEASES AND RENTALS	X
5940	BICYCLE SHOPS, SERVICE	X
5995	PET SHOPS, PET FOOD SUPPLIERS	X
5996	SWIMMING POOLS - SALES AND SERVICE	X
5997	ELECTRIC RAZOR STORES - SALES AND SERVICE	X
5311	DEPARTMENT STORES	X
4819	TELECOMMUNICATIONS	X
4899	CABLE AND OTHER PAY TELEVISION SERVICES	X
4900	UTILITIES, ELECTRIC, GAS, SANITARY, WATER	X
7513	TRUCK AND TRAILER RENTALS	X
4668	MARINAS, MARINE SERVICES	X
4784	BRIDGE AND ROAD FEES, TOLLS	X
7299	OTHER SERVICES (NOT ELSEWHERE CLASSIFIED)	X
8043	OPTICIANS, OPTICAL GOODS AND EYEGLASSES	X
8220	COLLEGES, UNIVERSITIES, PROFESSIONAL SCHOOLS	X
8244	SCHOOLS, BUSINESS AND SECRETARIAL	X
8398	ORGANIZATIONS, CHARITABLE AND SOCIAL	X
8641	ASSOCIATIONS, CIVIC, SOCIAL AND FRATERNAL	X
9399	GOVERNMENT SERVICES - OTHER	X
9402	POSTAGE STAMPS	X
742	VETERINARY SERVICES	
4011	RAILROADS -- FREIGHT HOME SUPPLY	
4111	TRANSPORTATION - SUBURBAN, LOCAL COMMUTER	
4112	PASSENGER RAILWAYS	
4119	AMBULANCE SERVICES	
4121	LIMOUSINES AND TAXICABS	
4131	BUS LINES, CHARTERS, TOUR BUSES	
4411	CRUISE LINES	
4457	BOAT LEASES AND RENTALS	
4468	MARINAS, MARINE SERVICES	
4582	AIRPORTS, AIRPORT TERMINALS, FLYING FIELDS	
4722	TRAVEL AGENCIES	
4723	PACKAGE TOUR OPERATORS	
4761	TELEMARKETING OF TRAVEL RELATED SERVICES AND V	
4784	BRIDGE AND ROAD FEES, TOLLS	
4829	MONEY TRANSFER - MERCHANT	

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## Attachment II

### MERCHANT CATEGORY CODES

4899	CABLE AND OTHER PAY TELEVISION SERVICES	
5094	WATCHES AND JEWELRY	
5271	MOBILE HOME DEALERS	
5311	DEPARTMENT STORES	
5407	SECURITY CREDIT	
5422	FREEZER, LOCKER, MEAT PROVISIONS	
5592	MOTOR HOME DEALERS	
5598	SNOWMOBILE DEALERS	
5611	MEN AND BOY'S CLOTHING AND ACCESSORIES STORES	
5621	WOMEN'S READY TO WEAR	
5631	WOMEN'S ACCESSORY STORES	
5641	CHILDREN'S AND INFANTS WEAR	
5651	FAMILY CLOTHING STORES	
5681	FURRIERS AND FUR SHOPS	
5691	MEN & WOMEN'S CLOTHING	
5697	ALTERATIONS, MENDING, TAILORS	
5698	WIG AND TOUPEE SHOPS	
5699	ACCESSORY AND APPAREL STORES	
5733	MUSIC STORES	
5735	RECORD STORES	
5813	BARS, LOUNGES	
5931	SECOND HAND STORES	
5932	ANTIQUE STORES	
5933	PAWN SHOPS	
5935	SALVAGE AND WRECKING YARDS	
5937	ANTIQUE REPRODUCTIONS STORES	
5940	BICYCLE SHOPS, SERVICE	
5944	CLOCK, JEWELRY, WATCH STORES	
5945	GAME, TOY, AND HOBBY STORES	
5948	LEATHER GOODS AND LUGGAGE STORES	
5949	FABRIC, NEEDLEWORK, AND SEWING STORES	
5950	CRYSTAL AND GLASSWARE STORES	
5960	DIRECT MARKETING INSURANCE SERVICES	
5962	TELEMARKETING, TRAVEL RELATED	
5971	ART DEALERS	
5972	STAMP AND COIN DEALERS	
5973	RELIGIOUS GOODS STORES	
5974	NO LONGER USED - VISA	
5975	HEARING AIDS, SALES, SERVICE	
5976	ORTHOPEDIC GOODS	
5977	COSMETIC STORES	
5993	CIGAR STORES	
5995	PET SHOPS, PET FOOD SUPPLIERS	
5996	SWIMMING POOLS - SALES AND SERVICE	
5997	ELECTRIC RAZOR STORES - SALES AND SERVICE	
6010	MEMBER FINANCIAL INSTITUTION -- MANUAL CASH DISBURSEMENTS	
6011	MEMBER FINANCIAL INSTITUTION - AUTOMATED CASH DISBURSEMENTS	
6012	MEMBER FINANCIAL INSTITUTION - MERCHANDISE AND SERVICES	
6050	QUASI CASH - MEMBER FINANCIAL INSTITUTION	

## Attachment II

### MERCHANT CATEGORY CODES

6051	QUASI CASH - MERCHANT	
6211	SECURITY BROKERS/DEALERS	
6300	INSURANCE-SALES & UNDERWRITING	
6381	INSURANCE-PREMIUMS	
6399	INSURANCE-NOT ELSEWHERE CLASSIFIED	
6529	REMOTE STORED VALUE LOAD--MEMBER FINANCIAL INST-MC	
6530	REMOTE STORED VALUE LOAD--MERCHANT - MC	
6531	PAYMENT SERVICE PROVIDER - MONEY TRANSFER FOR A PURCHASE	
6532	PAYMENT SERVICE PROVIDER - MEMBER FINANCIAL INST. - PYMT TRANS.	
6533	PAYMENT SERVICE PROVIDER - MERCHANT - PAYMENT TRANSACTION	
6534	MONEY TRANSFER - MEMBER FINANCIAL INSTITUTION	
6611	OVERPAYMENTS	
6760	SAVINGS BONDS	
7011	LODGING NOT SPECIFIED	
7012	TIMESHARES	
7032	SPORTING AND RECREATIONAL CAMPS - BOY'S AND GI	
7033	TRAILER PARKS AND CAMPGROUNDS	
7230	BARBER AND BEAUTY SHOPS	
7251	HAT CLEANING, SHOE REPAIR AND SHOE SHINE	
7261	FUNERAL SERVICES AND CREMATORIES	
7273	DATING, ESCORT SERVICES	
7276	TAX PREPARATION SERVICES	
7277	DEBT, MARRIAGE, PERSONAL COUNSELING	
7278	BUYING/SHOPPING CLUBS, SERVICES	
7280	NO LONGER USED - VISA	
7295	NO LONGER USED - VISA	
7297	MASSAGE PARLORS	
7298	HEALTH AND BEAUTY SPAS	
7299	MISCELLANEOUS PERSONAL SERVICES	
7321	CONSUMER CREDIT REPORTING AGENCIES	
7322	DEBT COLLECTION AGENCIES	
7511	TRUCK STOP TRANSACTIONS	
7512	AUTOMOBILE RENTAL	
7513	TRUCK AND TRAILER RENTALS	
7519	MOTOR HOME AND RV RENTALS	
7523	AUTOMOBILE PARKING LOTS AND GARAGES	
7524	EXPRESS PAYMENT SERVICE MERCHANTS--PARKING LOT	
7549	TOWING SERVICES	
7631	CLOCK, JEWELRY AND WATCH REPAIR	
7832	MOTION PICTURE THEATERS	
7833	EXPRESS PAYMENT SERVICE MERCHANTS--MOTION PICT	
7841	VIDEO TAPE RENTALS	
7911	DANCE HALLS, SCHOOLS, STUDIOS	
7922	THEATRICAL PRODUCERS, TICKET AGENCIES	
7929	BANDS, ENTERTAINMENT, ORCHESTRAS	
7932	POOL AND BILLIARD ESTABLISHMENTS	
7933	BOWLING ALLEYS	
7941	ATHLETIC FIELDS, COMMERCIAL SPORTS	
7991	TOURISTS ATTRACTIONS	

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**Attachment II**

**MERCHANT CATEGORY CODES**

7992	GOLF COURSES	
7993	VIDEO AMUSEMENT GAME SUPPLIERS	
7994	VIDEO GAME ARCADES	
7995	GAMBLING TRANSACTIONS	
7996	AMUSEMENT PARKS	
7997	COUNTRY CLUBS	
7998	AQUARIUMS	
7999	AMUSEMENT AND RECREATION SERVICES	
8011	DOCTORS, PHYSICIANS	
8021	DENTISTS, ORTHODONTISTS	
8031	OSTEOPATHIC PHYSICIANS	
8041	CHIROPRACTORS	
8042	OPTOMETRISTS	
8043	OPTICIANS	
8044	OPTICAL GOODS AND EYEGLASSES	
8049	CHIROPODISTS, PODIATRISTS	
8050	NURSING AND PERSONAL CARE FACILITIES	
8062	HOSPITALS	
8099	HEALTH PRACTITIONERS, MEDICAL SERVICES	
8111	ATTORNEYS, LEGAL SERVICES	
8211	SCHOOLS, ELEMENTARY AND SECONDARY	
8220	COLLEGES AND UNIVERSITIES	
8241	SCHOOLS, CORRESPONDENCE	
8244	SCHOOLS, BUSINESS AND SECRETARIAL	
8351	CHILD CARE SERVICES	
8398	ORGANIZATIONS, CHARITABLE AND SOCIAL	
8641	ASSOCIATIONS, CIVIC, SOCIAL AND FRATERNAL	
8651	ASSOCIATIONS, POLITICAL	
8661	ORGANIZATIONS, RELIGIOUS	
8675	ASSOCIATIONS, AUTOMOBILE	
9211	COURT COSTS, INCLUDING CHILD SUPPORT	
9222	FINES	
9223	BAIL AND BOND PAYMENTS	
9311	TAX PAYMENTS	
9399	GOVERNMENT SERVICES - OTHER	
9401	I-PURCHASING PILOT - INTERNAL TO MASTER CARD	
9402	POSTAGE STAMPS	
9405	INTRA-GOVERNMENT PURCHASES	
9411	GOVERNMENT LOAN PAYMENTS	
9700	AUTOMATED REFERRAL SERVICE	
9701	VISA CREDENTIAL SERVER	
9702	GCAS EMERGENCY SERVICES (VISA ONLY)	
9751	U.K. SUPERMARKETS, ELECTRONIC HOT FILE	
9752	U.K. PETROL STATIONS, ELECTRONIC HOT FILE	
9753	INTRA-COMPANY PURCHASES	
9950	INTRA-COMPANY PURCHASES	

## Attachment III

### MCC Templates

The Approver of the CPC application is responsible for requesting the appropriate MCC setup to coincide with the prospective Cardholder's purchasing needs. Following are the templates available to assist with this process:

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#### ENTERGY

Description: ALL ENTERGY APPROVED MCC CODES

MCC Codes: (reference Attachment II for a complete list)

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#### ENTERGY 3

Description: OFFICE SUPPLIES

MCC Codes: 5044, 5045, 5111, 5943, 5965

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#### ENTERGY 4

Description: INDUSTRIAL SUPPLIES (DRAGO SUPPLY)

MCC Codes: 5085, 5099, 5169, 5969

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#### ENTERGY 5

Description: CHEMICAL DIST

MCC Codes: 4214, 5169, 5969

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#### ENTERGY 6

Description: OIL

MCC Codes: 5172

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#### ENTERGY 8

Description: CATERING

MCC Codes: 5811, 5812, 5199

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**ENTERGY 9**

Description: ELECTRICAL WHOLESALE

MCC Code: 5065

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**ENTERGY 10**

Description: DISCOUNT AND GROCERY STORES

MCC Codes: 5310, 5411

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**ENTERGY 11**

Description: HARDWARE

MCC Codes: 5072, 5200, 5211, 5251

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**ENTERGY 12**

Description: PAINT

MCC Codes: 5198, 5231

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**ENTERGY 13**

Description: BLUE PRINT

MCC Codes: 5946, 7332, 7333, 7338,

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**ENTERGY 14**

Description: GAS STATIONS

MCC Codes: 5331, 5541, 5542

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**ENTERGY 15**

Description: UTILITIES

MCC Code: 4900

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**ENTERGY 18**

Description: HEWLETT PACKARD

MCC Codes: 5964, 5969, 5999

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**ENTERGY 19**

Description: DURABLE GOODS

MCC Code: 5099

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**ENTERGY 21**

Description: MISC. & SPECIALTY RETAIL STORES

MCC Code: 5999

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**ENTERGY 24**

Description: BOC GAS

MCC Code: 5085

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Attachment IV

CORPORATE PURCHASING CARD  
CANDIDATE SUPPLIER FORM

SUPPLIER NAME:

SUPPLIER CONTACT NAME: \_\_\_\_\_  
(Must be in a position to obligate company)

PHYSICAL ADDRESS: \_\_\_\_\_  
(No PO Box)

\_\_\_\_\_  
\_\_\_\_\_

PHONE NO. \_\_\_\_\_  
(Supplier Contact)

PURCHASING LOCATION: \_\_\_\_\_  
(If different from above)

\_\_\_\_\_  
\_\_\_\_\_

ESTIMATED NUMBER OF TRANSACTIONS/YEAR: \_\_\_\_\_

ESTIMATED ANNUAL DOLLAR PURCHASES: \$ \_\_\_\_\_

FORM COMPLETED BY: \_\_\_\_\_  
(Enter employee name)

PHONE NO. (\_\_\_\_\_) \_\_\_\_\_ LOCATION: \_\_\_\_\_

(Forward to support Purchasing Dept.)



ENTERGY GULF STATES, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.  
to the Fourth Set of Data Requests  
of Requesting Party: Staff

Prepared By: Steve Bridges  
Sponsoring Witness: J. David Wright  
Beginning Sequence No.  
Ending Sequence No.

---

Question No.: Staff AG 4-8

Part No.:

Addendum:

Question:

Reference the direct testimony of Richard Ferguson. Given the statement that the costs for paid time off are subsumed within base pay on page 45, please describe EGSI's process for accruing compensated absences.

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Response:

Please see the Company's response to Staff AG 4-9.

ENTERGY GULF STATES, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.  
to the Fourth Set of Data Requests  
of Requesting Party: Staff

Prepared By: Roy Austin  
Sponsoring Witness: Patricia A. Galbraith  
Beginning Sequence No.  
Ending Sequence No.

---

Question No.: Staff AG 4-14

Part No.:

Addendum:

Question:

Reference page 53 of the direct testimony of Patricia Galbraith. Quantify the amount of time that was spent on special sessions of the Texas Legislature that the Company is seeking in its cost of service. Please provide this information by FERC account.

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Response:

During the test period, the Texas legislature met in special session from April 17, 2006 to May 16, 2006. The Tax Services group spent approximately 238 hours on analyzing special session legislation and determining the impact on the Company. Work that was done includes modeling and forecasting both corporate franchise and property taxes under the various proposals, quantifying any potential financial statement impact and evaluating the ability of our current financial systems to properly capture the data required to meet the new filing requirements for the franchise tax. The salary impact of this time is coded to FERC account 920.