	2012	2011
	(In Thousands)	
Entergy Texas		
Mortgage Bonds:		
3.60% Series due June 2015	$200,000	$200,000
7.125% Series due February 2019	500,000	500,000
4.1% Series due September 2021	75,000	75,000
7.875% Series due June 2039	150,000	150,000
Total mortgage bonds	925,000	925,000
Securitization Bonds:		
5.51% Series Senior Secured, Series A due October 2013	-	18,494
2.12% Series Senior Secured due February 2016	93,436	132,005
5.79% Series Senior Secured, Series A due October 2018	119,341	121,600
3.65% Series Senior Secured due August 2019	144,800	144,800
5.93% Series Senior Secured, Series A due June 2022	114,400	114,400
4.38% Series Senior Secured due November 2023	218,600	218,600
Total securitization bonds	690,577	749,899
Other:		
Unamortized Premium and Discount - Net	(2,653)	(3,103)
Other	4,889	5,331
Total Long-Term Debt	1,617,813	1,677,127
Less Amount Due Within One Year	-	-
Long-Term Debt Excluding Amount Due Within One Year	$1,617,813	$1,677,127
Fair Value of Long-Term Debt (c)	$1,885,672	$1,906,081

	2012	2011
	(In Thousands)	
System Energy		
Mortgage Bonds:		
6.2% Series due October 2012	$-	$70,000
4.1% Series due April 2023	250,000	-
Total mortgage bonds	250,000	70,000
Governmental Bonds (a):		
5.875% Series due 2022, Mississippi Business Finance Corp.	216,000	216,000
5.9% Series due 2022, Mississippi Business Finance Corp.	-	102,975
6.2% Series due 2026, Claiborne County	-	50,000
Total governmental bonds	216,000	368,975
Variable Interest Entity Notes Payable (Note 4):		
6.29% Series F due September 2013	70,000	70,000
5.33% Series G due April 2015	60,000	60,000
4.02% Series H due February 2017	50,000	-
Total variable interest entity notes payable	180,000	130,000
Other:		
Grand Gulf Lease Obligation 5.13% (Note 10)	138,893	178,784
Unamortized Premium and Discount – Net	(1,096)	(714)
Other	2	3
Total Long-Term Debt	783,799	747,048
Less Amount Due Within One Year	111,854	110,163
Long-Term Debt Excluding Amount Due Within One Year	$671,945	$636,885
Fair Value of Long-Term Debt (c)	$664,670	$582,952

(a) Consists of pollution control revenue bonds and environmental revenue bonds.

(b) Pursuant to the Nuclear Waste Policy Act of 1982, Entergy's nuclear owner/licensee subsidiaries have contracts with the DOE for spent nuclear fuel disposal service. The contracts include a one-time fee for generation prior to April 7, 1983. Entergy Arkansas is the only Entergy company that generated electric power with nuclear fuel prior to that date and includes the one-time fee, plus accrued interest, in long-term debt.

(c) The fair value excludes lease obligations of $163 million at Entergy Louisiana and $139 million at System Energy and long-term DOE obligations of $181 million at Entergy Arkansas, and includes debt due within one year. Fair values are classified as Level 2 in the fair value hierarchy discussed in Note 16 to the financial statements and are based on prices derived from inputs such as benchmark yields and reported trades.

(d) The bonds are secured by a series of collateral first mortgage bonds.

The annual long-term debt maturities (excluding lease obligations and long-term DOE obligations) for debt outstanding as of December 31, 2012, for the next five years are as follows:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
2013	$330,000	$75,000	-	$100,000	$70,000	-	$70,000
2014	$70,000	-	$300,000	-	-	-	-
2015	-	$31,955	-	-	-	$200,000	$60,000
2016	$55,000	-	$20,000	$125,000	-	$93,436	-
2017	$114,700	$75,000	$25,000	-	-	-	$50,000

Entergy Arkansas Debt Issuances

In January 2013, Entergy Arkansas arranged for the issuance by (i) Independence County, Arkansas of $45 million of 2.375% Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 due January 2021, and (ii) Jefferson County, Arkansas of $54.7 million of 1.55% Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 due October 2017, each of which series is secured by a separate series of non-interest bearing first mortgage bonds of Entergy Arkansas. The proceeds of these issuances were applied to the refunding of outstanding series of pollution control revenue bonds previously issued by the respective issuers.

Entergy Arkansas Securitization Bonds

In June 2010, the APSC issued a financing order authorizing the issuance of bonds to recover Entergy Arkansas's January 2009 ice storm damage restoration costs, including carrying costs of $11.5 million and $4.6 million of up-front financing costs. In August 2010, Entergy Arkansas Restoration Funding, LLC, a company wholly-owned and consolidated by Entergy Arkansas, issued $124.1 million of storm cost recovery bonds. The bonds have a coupon of 2.30% and an expected maturity date of August 2021. Although the principal amount is not due until the date given above, Entergy Arkansas Restoration Funding expects to make principal payments on the bonds over the next five years in the amount of $12.6 million for 2013, $12.8 million for 2014, $13.2 million for 2015, $13.4 million for 2016, and $13.8 million for 2017. With the proceeds, Entergy Arkansas Restoration Funding purchased from Entergy Arkansas the storm recovery property, which is the right to recover from customers through a storm recovery charge amounts sufficient to service the securitization bonds. The storm recovery property is reflected as a regulatory asset on the consolidated Entergy Arkansas balance sheet. The creditors of Entergy Arkansas do not have recourse to the assets or revenues of Entergy Arkansas Restoration Funding, including the storm recovery property, and the creditors of Entergy Arkansas Restoration Funding do not have recourse to the assets or revenues of Entergy Arkansas. Entergy Arkansas has no payment obligations to Entergy Arkansas Restoration Funding except to remit storm recovery charge collections.

Entergy Louisiana Securitization Bonds – Little Gypsy

In August 2011, the LPSC issued a financing order authorizing the issuance of bonds to recover Entergy Louisiana's investment recovery costs associated with the cancelled Little Gypsy repowering project. In September 2011, Entergy Louisiana Investment Recovery Funding I, L.L.C., a company wholly-owned and consolidated by Entergy Louisiana, issued $207.2 million of senior secured investment recovery bonds. The bonds have an interest rate of 2.04% and an expected maturity date of June 2021. Although the principal amount is not due until the date given above, Entergy Louisiana Investment Recovery Funding expects to make principal payments on the bonds over the next five years in the amounts of $16.6 million for 2013, $21.9 million for 2014, $20.5 million for 2015, $21.6 million for 2016, and $21.7 million for 2017. With the proceeds, Entergy Louisiana Investment Recovery Funding purchased from Entergy Louisiana the investment recovery property, which is the right to recover from customers through an investment recovery charge amounts sufficient to service the bonds. In accordance with the financing order, Entergy Louisiana will apply the proceeds it received from the sale of the investment recovery property as a reimbursement for previously-incurred investment recovery costs. The investment recovery property is reflected as a regulatory asset on the consolidated Entergy Louisiana balance sheet. The creditors of Entergy Louisiana do not have recourse to the assets or revenues of Entergy Louisiana Investment Recovery Funding, including the investment recovery property, and the creditors of Entergy Louisiana Investment Recovery Funding do not have recourse to the assets or revenues of Entergy Louisiana. Entergy Louisiana has no payment obligations to Entergy Louisiana Investment Recovery Funding except to remit investment recovery charge collections.

Entergy Texas Securitization Bonds - Hurricane Rita

In April 2007, the PUCT issued a financing order authorizing the issuance of securitization bonds to recover $353 million of Entergy Texas's Hurricane Rita reconstruction costs and up to $6 million of transaction costs, offset by $32 million of related deferred income tax benefits. In June 2007, Entergy Gulf States Reconstruction Funding I, LLC, a company that is now wholly-owned and consolidated by Entergy Texas, issued $329.5 million of senior secured transition bonds (securitization bonds) as follows:

	Amount (In Thousands)
Senior Secured Transition Bonds, Series A:	
Tranche A-1 (5.51%) due October 2013	$93,500
Tranche A-2 (5.79%) due October 2018	121,600
Tranche A-3 (5.93%) due June 2022	114,400
Total senior secured transition bonds	$329,500

Although the principal amount of each tranche is not due until the dates given above, Entergy Gulf States Reconstruction Funding expects to make principal payments on the bonds over the next five years in the amounts of $21.9 million for 2013, $23.2 million for 2014, $24.6 million for 2015, $26.0 million for 2016, and $27.6 million for 2017. All of the scheduled principal payments for 2013-2016 are for Tranche A-2, $23.6 million of the scheduled principal payments for 2017 are for Tranche A-2, and $4 million of the scheduled principal payments for 2017 are for Tranche A-3.

With the proceeds, Entergy Gulf States Reconstruction Funding purchased from Entergy Texas the transition property, which is the right to recover from customers through a transition charge amounts sufficient to service the securitization bonds. The transition property is reflected as a regulatory asset on the consolidated Entergy Texas balance sheet. The creditors of Entergy Texas do not have recourse to the assets or revenues of Entergy Gulf States Reconstruction Funding, including the transition property, and the creditors of Entergy Gulf States Reconstruction Funding do not have recourse to the assets or revenues of Entergy Texas. Entergy Texas has no payment obligations to Entergy Gulf States Reconstruction Funding except to remit transition charge collections.

Entergy Texas Securitization Bonds - Hurricane Ike and Hurricane Gustav

In September 2009, the PUCT authorized the issuance of securitization bonds to recover $566.4 million of Entergy Texas's Hurricane Ike and Hurricane Gustav restoration costs, plus carrying costs and transaction costs, offset by insurance proceeds. In November 2009, Entergy Texas Restoration funding, LLC (Entergy Texas Restoration Funding), a company wholly-owned and consolidated by Entergy Texas, issued $545.9 million of senior secured transition bonds (securitization bonds), as follows:

	Amount (In Thousands)
Senior Secured Transition Bonds	
Tranche A-1 (2.12%) due February 2016	$182,500
Tranche A-2 (3.65%) due August 2019	144,800
Tranche A-3 (4.38%) due November 2023	218,600
Total senior secured transition bonds	$545,900

Although the principal amount of each tranche is not due until the dates given above, Entergy Texas Restoration Funding expects to make principal payments on the bonds over the next five years in the amount of $39.4 million for 2013, $40.2 million for 2014, $41.2 million for 2015, $42.6 million for 2016, and $44.1 million for 2017. All of the scheduled principal payments for 2013-2014 are for Tranche A-1, $13.8 million of the scheduled principal payments for 2015 are for Tranche A-1 and $27.4 million are for Tranche A-2, and all of the scheduled principal payments for 2016-2017 are for Tranche A-2.

With the proceeds, Entergy Texas Restoration Funding purchased from Entergy Texas the transition property, which is the right to recover from customers through a transition charge amounts sufficient to service the securitization bonds. The transition property is reflected as a regulatory asset on the consolidated Entergy Texas balance sheet. The creditors of Entergy Texas do not have recourse to the assets or revenues of Entergy Texas Restoration Funding, including the transition property, and the creditors of Entergy Texas Restoration Funding do not have recourse to the assets or revenues of Entergy Texas. Entergy Texas has no payment obligations to Entergy Texas Restoration Funding except to remit transition charge collections.

NOTE 6. PREFERRED EQUITY (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans)

The number of shares and units authorized and outstanding and dollar value of preferred stock, preferred membership interests, and non-controlling interest for Entergy Corporation subsidiaries as of December 31, 2012 and 2011 are presented below. All series of the Utility preferred stock are redeemable at the option of the related company.

	Shares/Units Authorized		Shares/Units Outstanding			
	2012	2011	2012	2011	2012	2011
					(Dollars in Thousands)	
Entergy Corporation						
Utility:						
Preferred Stock or Preferred Membership Interests without sinking fund:						
Entergy Arkansas, 4.32%-6.45% Series	3,413,500	3,413,500	3,413,500	3,413,500	$116,350	$116,350
Entergy Gulf States Louisiana, Series A 8.25 %	100,000	100,000	100,000	100,000	10,000	10,000
Entergy Louisiana, 6.95% Series (a)	1,000,000	1,000,000	840,000	840,000	84,000	84,000
Entergy Mississippi, 4.36%-6.25% Series	1,403,807	1,403,807	1,403,807	1,403,807	50,381	50,381
Entergy New Orleans, 4.36%-5.56% Series	197,798	197,798	197,798	197,798	19,780	19,780
Total Utility Preferred Stock or Preferred Membership Interests without sinking fund	6,115,105	6,115,105	5,955,105	5,955,105	280,511	280,511
Entergy Wholesale Commodities:						
Preferred Stock without sinking fund:						
Entergy Asset Management, 8.95% rate (b)	1,000,000	1,000,000	-	-	-	-
Total Subsidiaries' Preferred Stock without sinking fund	7,115,105	7,115,105	5,955,105	5,955,105	$280,511	$280,511

(a) In 2007, Entergy Louisiana Holdings, an Entergy subsidiary, purchased 160,000 of these shares from the holders.
(b) Upon the sale of Class B preferred shares in December 2009, Entergy Asset Management had issued and outstanding Class A and Class B preferred shares. On December 20, 2011, Entergy Asset Management purchased all of the outstanding Class B preferred shares from the holder thereof; currently, there are no outstanding Class B preferred shares. On December 20, 2011, Entergy Asset Management purchased all of the outstanding Class A preferred shares (278,905 shares) that were held by a third party; currently, there are 4,759 shares held by an Entergy affiliate.

At December 31, 2012 and 2011, Entergy Gulf States Louisiana had outstanding 100,000 units of no par value 8.25% Series Preferred Membership Interests that were initially issued by Entergy Gulf States, Inc. as preference stock. The preference shares were converted into the preferred units as part of the jurisdictional separation. The distributions are cumulative and payable quarterly beginning March 15, 2008. The preferred membership interests are redeemable on or after December 15, 2015, at Entergy Gulf States Louisiana's option, at the fixed redemption price of $100 per unit.

The number of shares and units authorized and outstanding and dollar value of preferred stock and membership interests for Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans as of December 31, 2012 and 2011 are presented below. All series of the Utility operating companies' preferred stock and membership interests are redeemable at the respective company's option at the call prices presented. Dividends and distributions paid on all of Entergy's preferred stock and membership interests series are eligible for the dividends received deduction. The dividends received deduction is limited by Internal Revenue Code section 244 for the following preferred stock series: Entergy Arkansas 4.72%, Entergy Mississippi 4.56%, and Entergy New Orleans 4.75%.

	Shares Authorized and Outstanding		Dollars (In Thousands)		Call Price per Share as of December 31,
	2012	2011	2012	2011	2012
Entergy Arkansas Preferred Stock					
Without sinking fund:					
Cumulative, $100 par value:					
4.32% Series	70,000	70,000	$7,000	$7,000	$103.65
4.72% Series	93,500	93,500	9,350	9,350	$107.00
4.56% Series	75,000	75,000	7,500	7,500	$102.83
4.56% 1965 Series	75,000	75,000	7,500	7,500	$102.50
6.08% Series	100,000	100,000	10,000	10,000	$102.83
Cumulative, $25 par value:					
6.45% Series (a)	3,000,000	3,000,000	75,000	75,000	$25
Total without sinking fund	3,413,500	3,413,500	$116,350	$116,350	

	Units Authorized and Outstanding		Dollars (In Thousands)		Call Price per Unit as of December 31,
	2012	2011	2012	2011	2012
Entergy Gulf States Louisiana Preferred Membership Interests					
Without sinking fund:					
Cumulative, $100 liquidation value:					
8.25% Series (b)	100,000	100,000	$10,000	$10,000	$-
Total without sinking fund	100,000	100,000	$10,000	$10,000	

	Units Authorized and Outstanding		Dollars (In Thousands)		Call Price per Unit as of December 31,
	2012	2011	2012	2011	2012
Entergy Louisiana Preferred Membership Interests					
Without sinking fund:					
Cumulative, $100 liquidation value:					
6.95% Series (a)	1,000,000	1,000,000	$100,000	$100,000	$100
Total without sinking fund	1,000,000	1,000,000	$100,000	$100,000	

	Shares Authorized and Outstanding		Dollars (In Thousands)		Call Price per Share as of December 31,
	2012	2011	2012	2011	2012
Entergy Mississippi Preferred Stock					
Without sinking fund:					
Cumulative, $100 par value:					
4.36% Series	59,920	59,920	$5,992	$5,992	$103.88
4.56% Series	43,887	43,887	4,389	4,389	$107.00
4.92% Series	100,000	100,000	10,000	10,000	$102.88
Cumulative, $25 par value					
6.25% Series (a)	1,200,000	1,200,000	30,000	30,000	$25
Total without sinking fund	1,403,807	1,403,807	$50,381	$50,381	

	Shares Authorized and Outstanding		Dollars (In Thousands)		Call Price per Share as of December 31,
	2012	2011	2012	2011	2012
Entergy New Orleans Preferred Stock					
Without sinking fund:					
Cumulative, $100 par value:					
4.36% Series	60,000	60,000	$6,000	$6,000	$104.58
4.75% Series	77,798	77,798	7,780	7,780	$105.00
5.56% Series	60,000	60,000	6,000	6,000	$102.59
Total without sinking fund	197,798	197,798	$19,780	$19,780	

(a) Series is callable at par.
(b) Series is callable at par on and after December 15, 2015.

NOTE 7. COMMON EQUITY (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Common Stock

Common stock and treasury stock shares activity for Entergy for 2012, 2011, and 2010 is as follows:

	2012		2011		2010	
	Common Shares Issued	Treasury Shares	Common Shares Issued	Treasury Shares	Common Shares Issued	Treasury Shares
Beginning Balance, January 1	254,752,788	78,396,988	254,752,788	76,006,920	254,752,788	65,634,580
Repurchases	-	-	-	3,475,000	-	11,490,551
Issuances:						
Employee Stock-Based Compensation Plans	-	(1,446,305)	-	(1,079,008)	-	(1,113,411)
Directors' Plan	-	(5,444)	-	(5,924)	-	(4,800)
Ending Balance, December 31	254,752,788	76,945,239	254,752,788	78,396,988	254,752,788	76,006,920

Entergy Corporation reissues treasury shares to meet the requirements of the Stock Plan for Outside Directors (Directors' Plan), two Equity Ownership Plans of Entergy Corporation and Subsidiaries, the Equity Awards Plan of Entergy Corporation and Subsidiaries, and certain other stock benefit plans. The Directors' Plan awards to non-employee directors a portion of their compensation in the form of a fixed number of shares of Entergy Corporation common stock.

In October 2009 the Board granted authority for a $750 million share repurchase program which was completed in the fourth quarter 2010. In October 2010 the Board granted authority for an additional $500 million share repurchase program. As of December 31, 2012, $350 million of authority remains under the $500 million share repurchase program.

Retained Earnings and Dividend Restrictions

Provisions within the articles of incorporation or pertinent indentures and various other agreements relating to the long-term debt and preferred stock of certain of Entergy Corporation's subsidiaries could restrict the payment of cash dividends or other distributions on their common and preferred equity. As of December 31, 2012, under provisions in their mortgage indentures, Entergy Arkansas and Entergy Mississippi had retained earnings unavailable for distribution to Entergy Corporation of $394.9 million and $68.5 million, respectively. Entergy Corporation received dividend payments from subsidiaries totaling $439 million in 2012, $595 million in 2011, and $580 million in 2010.

Comprehensive Income

Accumulated other comprehensive income (loss) is included in the equity section of the balance sheets of Entergy, Entergy Gulf States Louisiana, and Entergy Louisiana. Accumulated other comprehensive income (loss) in the balance sheets included the following components:

	Entergy		Entergy Gulf States Louisiana		Entergy Louisiana	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	(In Thousands)					
Cash flow hedges net unrealized gain	$79,905	$177,497	$-	$-	$-	$-
Pension and other postretirement liabilities	(590,712)	(499,556)	(65,229)	(69,610)	(46,132)	(39,507)
Net unrealized investment gains	214,547	150,939	-	-	-	-
Foreign currency translation	3,177	2,668	-	-	-	-
Total	($293,083)	($168,452)	($65,229)	($69,610)	($46,132)	($39,507)

Other comprehensive income and total comprehensive income for years ended December 31, 2012, 2011, and 2010 are presented in Entergy's, Entergy Gulf States Louisiana's, and Entergy Louisiana's Statements of Comprehensive Income.

NOTE 8. COMMITMENTS AND CONTINGENCIES (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Entergy and the Registrant Subsidiaries are involved in a number of legal, regulatory, and tax proceedings before various courts, regulatory commissions, and governmental agencies in the ordinary course of business. While management is unable to predict the outcome of such proceedings, management does not believe that the ultimate resolution of these matters will have a material effect on Entergy's results of operations, cash flows, or financial condition. Entergy discusses regulatory proceedings in Note 2 to the financial statements and discusses tax proceedings in Note 3 to the financial statements.

Vidalia Purchased Power Agreement

Entergy Louisiana has an agreement extending through the year 2031 to purchase energy generated by a hydroelectric facility known as the Vidalia project. Entergy Louisiana made payments under the contract of approximately $125.0 million in 2012, $185.6 million in 2011, and $216.5 million in 2010. If the maximum percentage (94%) of the energy is made available to Entergy Louisiana, current production projections would require estimated payments of approximately $174.9 million in 2013, and a total of $2.37 billion for the years 2014 through 2031. Entergy Louisiana currently recovers the costs of the purchased energy through its fuel adjustment clause.

In an LPSC-approved settlement related to tax benefits from the tax treatment of the Vidalia contract, Entergy Louisiana agreed to credit rates by $11 million each year for up to ten years, beginning in October 2002. In addition, in accordance with an LPSC settlement, Entergy Louisiana credited rates in August 2007 by $11.3 million (including interest) as a result of a settlement with the IRS of the 2001 tax treatment of the Vidalia contract. As discussed in more detail in Note 3 to the financial statements, in August 2011, Entergy agreed to a settlement with the

IRS regarding the mark-to-market income tax treatment of various wholesale electric power purchase and sale agreements, including the Vidalia agreement. In October 2011 the LPSC approved a final settlement under which Entergy Louisiana agreed to share the remaining benefits of this tax accounting election by crediting customers an additional $20.235 million per year for 15 years beginning January 2012. Entergy Louisiana recorded a $199 million regulatory charge and a corresponding net-of-tax regulatory liability to reflect this obligation. The provisions of the settlement also provide that the LPSC shall not recognize or use Entergy Louisiana's use of the cash benefits from the tax treatment in setting any of Entergy Louisiana's rates. Therefore, to the extent Entergy Louisiana's use of the proceeds would ordinarily have reduced its rate base, no change in rate base shall be reflected for ratemaking purposes.

Nuclear Insurance

Third Party Liability Insurance

The Price-Anderson Act requires that reactor licensees purchase insurance and participate in a secondary insurance pool that provides insurance coverage for the public in the event of a nuclear power plant accident. The costs of this insurance are borne by the nuclear power industry. Congress amended and renewed the Price-Anderson Act in 2005 for a term through 2025. The Price-Anderson Act requires nuclear power plants to show evidence of financial protection in the event of a nuclear accident. This protection must consist of two layers of coverage:

1. The primary level is private insurance underwritten by American Nuclear Insurers (ANI) and provides public liability insurance coverage of $375 million. If this amount is not sufficient to cover claims arising from an accident, the second level, Secondary Financial Protection, applies.
2. Within the Secondary Financial Protection level, each nuclear reactor has a contingent obligation to pay a retrospective premium, equal to its proportionate share of the loss in excess of the primary level, regardless of proximity to the incident or fault, up to a maximum of $117.5 million per reactor per incident (Entergy's maximum total contingent obligation per incident is $1.3 billion). This consists of a $111.9 million maximum retrospective premium plus a five percent surcharge, which equates to $117.5 million, that may be payable, if needed, at a rate that is currently set at $17.5 million per year per incident per nuclear power reactor.
3. In the event that one or more acts of terrorism cause a nuclear power plant accident, which results in third-party damages – off-site property and environmental damage, off-site bodily injury, and on-site third-party bodily injury (i.e. contractors); the primary level provided by ANI combined with the Secondary Financial Protection would provide $12.6 billion in coverage. The Terrorism Risk Insurance Reauthorization Act of 2007 created a government program that provides for up to $100 billion in coverage in excess of existing coverage for a terrorist event.

Currently, 104 nuclear reactors are participating in the Secondary Financial Protection program. The product of the maximum retrospective premium assessment to the nuclear power industry and the number of nuclear power reactors provides over $12.2 billion in secondary layer insurance coverage to compensate the public in the event of a nuclear power reactor accident. The Price-Anderson Act provides that all potential liability for a nuclear accident is limited to the amounts of insurance coverage available under the primary and secondary layers.

Entergy Arkansas has two licensed reactors and Entergy Gulf States Louisiana, Entergy Louisiana, and System Energy each have one licensed reactor (10% of Grand Gulf is owned by a non-affiliated company (SMEPA) that would share on a pro-rata basis in any retrospective premium assessment to System Energy under the Price-Anderson Act). The Entergy Wholesale Commodities segment includes the ownership and operation of six nuclear power reactors and the ownership of the shutdown Indian Point 1 reactor and Big Rock Point facility.

Property Insurance

Entergy's nuclear owner/licensee subsidiaries are members of Nuclear Electric Insurance Limited (NEIL), a mutual insurance company that provides property damage coverage, including decontamination and premature decommissioning expense, to the members' nuclear generating plants. Effective April 1, 2012, Entergy was insured against such losses per the following structures:

Utility Plants (ANO 1 and 2, Grand Gulf, River Bend, and Waterford 3)

- Primary Layer (per plant) - $500 million per occurrence
- Excess Layer (per plant) - $750 million per occurrence
- Blanket Layer (shared among the Utility plants) - $350 million per occurrence
- Total limit - $1.6 billion per occurrence
- Deductibles:
  - $2.5 million per occurrence - Turbine/generator damage
  - $2.5 million per occurrence - Other than turbine/generator damage
  - $10 million per occurrence plus 10% of amount above $10 million - Damage from a windstorm, flood, earthquake, or volcanic eruption

Note: ANO 1 and 2 share in the primary and excess layers with common policies because the policies are issued on a per site basis.

Entergy Wholesale Commodities Plants (Indian Point, FitzPatrick, Pilgrim, Vermont Yankee, Palisades, and Big Rock Point)

- Primary Layer (per plant) - $500 million per occurrence
- Excess Layer - $615 million per occurrence
- Total limit - $1.115 billion per occurrence
- Deductibles:
  - $2.5 million per occurrence - Turbine/generator damage
  - $2.5 million per occurrence - Other than turbine/generator damage
  - $10 million per occurrence plus 10% of amount above $10 million - Damage from a windstorm, flood, earthquake, or volcanic eruption

Note: The Indian Point Units share in the primary and excess layers with common policies because the policies are issued on a per site basis. Big Rock Point has its own primary policy with no excess coverage.

In addition, Waterford 3, Grand Gulf, and the Entergy Wholesale Commodities plants are also covered under NEIL's Accidental Outage Coverage program. This coverage provides certain fixed indemnities in the event of an unplanned outage that results from a covered NEIL property damage loss, subject to a deductible period. The following summarizes this coverage effective April 1, 2012:

Waterford 3

- $2.95 million weekly indemnity
- $413 million maximum indemnity
- Deductible: 26 week deductible period

Grand Gulf

- $400,000 weekly indemnity (total for four policies)
- $56 million maximum indemnity (total for four policies)
- Deductible: 26 week deductible period

Indian Point 2, Indian Point 3, and Palisades

- $4.5 million weekly indemnity
- $490 million maximum indemnity
- Deductible: 12 week deductible period

FitzPatrick and Pilgrim

- $4.0 million weekly indemnity
- $490 million maximum indemnity
- Deductible: 12 week deductible period

Vermont Yankee

- $3.5 million weekly indemnity
- $435 million maximum indemnity
- Deductible: 12 week deductible period

Under the property damage and accidental outage insurance programs, all NEIL insured plants could be subject to assessments should losses exceed the accumulated funds available from NEIL. Effective April 1, 2012, the maximum amounts of such possible assessments per occurrence were as follows:

	Assessments (In Millions)
Utility:	
Entergy Arkansas	$21.9
Entergy Gulf States Louisiana	$18.9
Entergy Louisiana	$22.0
Entergy Mississippi	$0.07
Entergy New Orleans	$0.07
Entergy Texas	N/A
System Energy	$18.4
Entergy Wholesale Commodities	$-

Potential assessments for the Entergy Wholesale Commodities plants are covered by insurance obtained through NEIL's reinsurers.

Entergy maintains property insurance for its nuclear units in excess of the NRC's minimum requirement of $1.06 billion per site for nuclear power plant licensees. NRC regulations provide that the proceeds of this insurance must be used, first, to render the reactor safe and stable, and second, to complete decontamination operations. Only after proceeds are dedicated for such use and regulatory approval is secured would any remaining proceeds be made available for the benefit of plant owners or their creditors.

In the event that one or more acts of terrorism causes property damage under one or more or all nuclear insurance policies issued by NEIL (including, but not limited to, those described above) within 12 months from the date the first property damage occurs, the maximum recovery under all such nuclear insurance policies shall be an aggregate of $3.24 billion plus the additional amounts recovered for such losses from reinsurance, indemnity, and any other sources applicable to such losses. The Terrorism Risk Insurance Reauthorization Act of 2007 created a government program that provides for up to $100 billion in coverage in excess of existing coverage for a terrorist event.

Conventional Property Insurance

Entergy's conventional property insurance program provides coverage of up to $400 million on an Entergy system-wide basis for all operational perils (direct physical loss or damage due to machinery breakdown, electrical failure, fire, lightning, hail, or explosion) on an "each and every loss" basis; up to $400 million in coverage for certain natural perils (direct physical loss or damage due to earthquake, tsunami, and flood) on an annual aggregate basis; up to $125 million for certain other natural perils (direct physical loss or damage due to a named windstorm and associated storm surge) on an annual aggregate basis; and up to $400 million in coverage for all other natural perils not previously stated (direct physical loss or damage due to a tornado, ice storm, or any other natural peril except named windstorm and associated storm surge, earthquake, tsunami, and flood) on an "each and every loss" basis. The conventional property insurance program provides up to $50 million in coverage for the Entergy New Orleans gas distribution system on an "each and every loss" basis. This $50 million limit is subject to: the $400 million annual aggregate limit for the natural perils of earthquake, tsunami, and flood; the $125 million annual aggregate limit for the natural perils of named windstorm and associated storm surge; the $400 million per occurrence limit for all other natural perils not previously stated, which includes tornado and ice storm, but excludes named windstorm and associated storm surge, earthquake, tsunami, and flood; and the $400 million per occurrence limit for operational perils. The coverage is subject to a $40 million self-insured retention per occurrence for the natural perils of named windstorm and associated storm surge, earthquake, flood, and tsunami; and a $20 million self-insured retention per occurrence for operational perils and all other natural perils not previously stated, which includes tornado and ice storm, but excludes named windstorm and associated storm surge, earthquake, tsunami, and flood.

Covered property generally includes power plants, substations over $5 million in value, facilities, inventories, and gas distribution-related properties. Excluded property generally includes above-ground transmission and distribution lines, poles, and towers. This coverage is in place for Entergy Corporation, the Registrant Subsidiaries, and certain other Entergy subsidiaries, including the owners of the nuclear power plants in the Entergy Wholesale Commodities segment. Entergy also purchases $300 million in terrorism insurance coverage for its conventional property. The Terrorism Risk Insurance Reauthorization Act of 2007 created a government program that provides for up to $100 billion in coverage in excess of existing coverage for a terrorist event.

In addition to the conventional property insurance program, Entergy has purchased additional coverage ($20 million per occurrence) for some of its non-regulated, non-generation assets. This policy serves to buy-down the $20 million deductible and is placed on a scheduled location basis. The applicable deductibles are $100,000 to $250,000, except for properties that are damaged by flooding and properties whose values are greater than $20 million; these properties have a $500,000 deductible. Four nuclear locations have a $2.5 million deductible, which coincides with the nuclear property insurance deductible at each respective nuclear site.

Gas System Rebuild Insurance Proceeds (Entergy New Orleans)

Entergy New Orleans received insurance proceeds for future construction expenditures associated with rebuilding its gas system, and the October 2006 City Council resolution approving the settlement of Entergy New Orleans's rate and storm-cost recovery filings requires Entergy New Orleans to record those proceeds in a designated sub-account of other deferred credits until the proceeds are spent on the rebuild project. This other deferred credit is shown as "Gas system rebuild insurance proceeds" on Entergy New Orleans's balance sheet.

Employment and Labor-related Proceedings

The Registrant Subsidiaries and other Entergy subsidiaries are responding to various lawsuits in both state and federal courts and to other labor-related proceedings filed by current and former employees, recognized bargaining representatives, and third parties not selected for open positions or providing services directly or indirectly to one or more of the Registrant Subsidiaries and other Entergy subsidiaries. Generally, the amount of damages being sought is not specified in these proceedings. These actions include, but are not limited to, allegations of wrongful employment actions; wage disputes and other claims under the Fair Labor Standards Act or its state counterparts; claims of race, gender, age, and disability discrimination; disputes arising under collective bargaining agreements; unfair labor practice proceedings and other administrative proceedings before the National Labor Relations Board or concerning the National Labor Relations Act; claims of retaliation; and claims for or regarding benefits under various Entergy Corporation-sponsored plans. Entergy and the Registrant Subsidiaries are responding to these lawsuits and proceedings and deny liability to the claimants. Management believes that loss exposure has been and will continue to be handled so that the ultimate resolution of these matters will not be material, in the aggregate, to the financial position, results of operation, or cash flows of Entergy or the Utility operating companies.

Asbestos Litigation (Entergy Gulf States Louisiana, Entergy Louisiana, Entergy New Orleans, and Entergy Texas)

Numerous lawsuits have been filed in federal and state courts primarily in Texas and Louisiana, primarily by contractor employees who worked in the 1940-1980s timeframe, against Entergy Gulf States Louisiana and Entergy Texas, and to a lesser extent the other Utility operating companies, as premises owners of power plants, for damages caused by alleged exposure to asbestos. Many other defendants are named in these lawsuits as well. Currently, there are approximately 400 lawsuits involving approximately 5,000 claimants. Management believes that adequate provisions have been established to cover any exposure. Additionally, negotiations continue with insurers to recover reimbursements. Management believes that loss exposure has been and will continue to be handled so that the ultimate resolution of these matters will not be material, in the aggregate, to the financial position, results of operation, or cash flows of the Utility operating companies.

Grand Gulf-Related Agreements

Capital Funds Agreement (Entergy Corporation and System Energy)

System Energy has entered into agreements with Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans whereby they are obligated to purchase their respective entitlements of capacity and energy from System Energy's interest in Grand Gulf, and to make payments that, together with other available funds, are adequate to cover System Energy's operating expenses. System Energy would have to secure funds from other sources, including Entergy Corporation's obligations under the Capital Funds Agreement, to cover any shortfalls from payments received from Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans under these agreements.

Unit Power Sales Agreement (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

System Energy has agreed to sell all of its share of capacity and energy from Grand Gulf to Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans in accordance with specified percentages (Entergy Arkansas-36%, Entergy Louisiana-14%, Entergy Mississippi-33%, and Entergy New Orleans-17%) as ordered by the FERC. Charges under this agreement are paid in consideration for the purchasing companies' respective entitlement to receive capacity and energy and are payable irrespective of the quantity of energy delivered. The agreement will remain in effect until terminated by the parties and the termination is approved by the FERC, most likely upon Grand Gulf's retirement from service. Monthly obligations are based on actual capacity and energy costs. The average monthly payments for 2012 under the agreement are approximately $19.0 million for Entergy Arkansas, $7.6 million for Entergy Louisiana, $16.1 million for Entergy Mississippi, and $9.2 million for Entergy New Orleans.

Availability Agreement (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans are individually obligated to make payments or subordinated advances to System Energy in accordance with stated percentages (Entergy Arkansas-17.1%, Entergy Louisiana-26.9%, Entergy Mississippi-31.3%, and Entergy New Orleans-24.7%) in amounts that, when added to amounts received under the Unit Power Sales Agreement or otherwise, are adequate to cover all of System Energy's operating expenses as defined, including an amount sufficient to amortize the cost of Grand Gulf 2 over 27 years (See Reallocation Agreement terms below) and expenses incurred in connection with a permanent shutdown of Grand Gulf. System Energy has assigned its rights to payments and advances to certain creditors as security for certain obligations. Since commercial operation of Grand Gulf began, payments under the Unit Power Sales Agreement have exceeded the amounts payable under the Availability Agreement. Accordingly, no payments under the Availability Agreement have ever been required. If Entergy Arkansas or Entergy Mississippi fails to make its Unit Power Sales Agreement payments, and System Energy is unable to obtain funds from other sources, Entergy Louisiana and Entergy New Orleans could become subject to claims or demands by System Energy or its creditors for payments or advances under the Availability Agreement (or the assignments thereof) equal to the difference between their required Unit Power Sales Agreement payments and their required Availability Agreement payments.

Reallocation Agreement (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

System Energy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans entered into the Reallocation Agreement relating to the sale of capacity and energy from Grand Gulf and the related costs, in which Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans agreed to assume all of Entergy Arkansas's responsibilities and obligations with respect to Grand Gulf under the Availability Agreement. FERC's decision allocating a portion of Grand Gulf capacity and energy to Entergy Arkansas supersedes the Reallocation Agreement as it relates to Grand Gulf. Responsibility for any Grand Gulf 2 amortization amounts has been individually allocated (Entergy Louisiana-26.23%, Entergy Mississippi-43.97%, and Entergy New Orleans-29.80%) under the terms of the Reallocation Agreement. However, the Reallocation Agreement does not affect Entergy Arkansas's obligation to System Energy's lenders under the assignments referred to in the preceding paragraph. Entergy Arkansas would be liable for its share of such amounts if Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans were unable to meet their contractual obligations. No payments of any amortization amounts will be required so long as amounts paid to System Energy under the Unit Power Sales Agreement, including other funds available to System Energy, exceed amounts required under the Availability Agreement, which is expected to be the case for the foreseeable future.

Reimbursement Agreement (System Energy)

In December 1988, in two separate but substantially identical transactions, System Energy sold and leased back undivided ownership interests in Grand Gulf for the aggregate sum of $500 million. During the term of the leases, System Energy is required to maintain letters of credit for the equity investors to secure certain amounts payable to the equity investors under the transactions.

Under the provisions of the reimbursement agreement relating to the letters of credit, System Energy has agreed to a number of covenants regarding the maintenance of certain capitalization and fixed charge coverage ratios. System Energy agreed, during the term of the reimbursement agreement, to maintain a ratio of debt to total liabilities and equity less than or equal to 70%. In addition, System Energy must maintain, with respect to each fiscal quarter during the term of the reimbursement agreement, a ratio of adjusted net income to interest expense of at least 1.50 times earnings. As of December 31, 2012, System Energy was in compliance with these covenants.

NOTE 9. ASSET RETIREMENT OBLIGATIONS (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Accounting standards require the recording of liabilities for all legal obligations associated with the retirement of long-lived assets that result from the normal operation of those assets. For Entergy, substantially all of its asset retirement obligations consist of its liability for decommissioning its nuclear power plants. In addition, an insignificant amount of removal costs associated with non-nuclear power plants is also included in the decommissioning line item on the balance sheets.

These liabilities are recorded at their fair values (which are the present values of the estimated future cash outflows) in the period in which they are incurred, with an accompanying addition to the recorded cost of the long-lived asset. The asset retirement obligation is accreted each year through a charge to expense, to reflect the time value of money for this present value obligation. The accretion will continue through the completion of the asset retirement activity. The amounts added to the carrying amounts of the long-lived assets will be depreciated over the useful lives of the assets. The application of accounting standards related to asset retirement obligations is earnings neutral to the rate-regulated business of the Registrant Subsidiaries.

In accordance with ratemaking treatment and as required by regulatory accounting standards, the depreciation provisions for the Registrant Subsidiaries include a component for removal costs that are not asset retirement obligations under accounting standards. In accordance with regulatory accounting principles, the Registrant Subsidiaries have recorded regulatory assets (liabilities) in the following amounts to reflect their estimates of the difference between estimated incurred removal costs and estimated removal costs recovered in rates:

	December 31,	
	2012	2011
	(In Millions)	
Entergy Arkansas	($12.2)	($16.4)
Entergy Gulf States Louisiana	($22.0)	($30.3)
Entergy Louisiana	($9.2)	($62.6)
Entergy Mississippi	$57.4	$48.5
Entergy New Orleans	$29.9	$16.3
Entergy Texas	$11.5	$4.5
System Energy	$56.8	$11.8

The cumulative decommissioning and retirement cost liabilities and expenses recorded in 2012 by Entergy were as follows:

	Liabilities as of December 31, 2011	Accretion	Change in Cash Flow Estimate	Spending	Liabilities as of December 31, 2012
			(In Millions)		
Utility:					
Entergy Arkansas	$640.2	$40.5	$-	$-	$680.7
Entergy Gulf States Louisiana	$359.8	$21.0	$-	$-	$380.8
Entergy Louisiana	$345.8	$23.4	$48.9	$-	$418.1
Entergy Mississippi	$5.7	$0.3	$-	$-	$6.0
Entergy New Orleans	$2.9	$0.2	$-	($0.9)	$2.2
Entergy Texas	$3.9	$0.2	$-	$-	$4.1
System Energy	$445.4	$33.0	$-	$-	$478.4
Entergy Wholesale Commodities	$1,492.9	$119.4	($58.5)	($10.5)	$1,543.3

The cumulative decommissioning and retirement cost liabilities and expenses recorded in 2011 by Entergy were as follows:

	Liabilities as of December 31, 2010	Accretion	Change in Cash Flow Estimate	Spending	Liabilities as of December 31, 2011
			(In Millions)		
Utility:					
Entergy Arkansas	$602.2	$38.0	$-	$-	$640.2
Entergy Gulf States Louisiana	$339.9	$19.9	$-	$-	$359.8
Entergy Louisiana	$321.2	$24.6	$-	$-	$345.8
Entergy Mississippi	$5.4	$0.3	$-	$-	$5.7
Entergy New Orleans	$3.4	$0.2	$-	($0.7)	$2.9
Entergy Texas	$3.6	$0.3	$-	$-	$3.9
System Energy	$452.8	$31.5	($38.9)	$-	$445.4
Entergy Wholesale Commodities	$1,420.0	$115.6	($34.1)	($8.6)	$1,492.9

Entergy periodically reviews and updates estimated decommissioning costs. The actual decommissioning costs may vary from the estimates because of regulatory requirements, changes in technology, and increased costs of labor, materials, and equipment. As described below, during 2012 and 2011 Entergy updated decommissioning cost estimates for certain nuclear power plants.

In the second quarter 2012, Entergy Louisiana recorded a revision to its estimated decommissioning cost liability for Waterford 3 as a result of a revised decommissioning cost study. The revised estimate resulted in a $48.9 million increase in its decommissioning cost liability, along with a corresponding increase in the related asset retirement costs asset that will be depreciated over the remaining life of the unit.

In the second quarter 2012, Entergy Wholesale Commodities recorded a reduction of $60.6 million in the estimated decommissioning cost liability for a plant as a result of a revised decommissioning cost study. The revised estimate resulted in a credit to decommissioning expense of $49 million, reflecting the excess of the reduction in the liability over the amount of the undepreciated asset retirement costs asset.

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

In the fourth quarter of 2011, Entergy Wholesale Commodities recorded a reduction of $34.1 million in the decommissioning cost liability for a plant as a result of a revised decommissioning cost study obtained to comply with a state regulatory requirement. The revised cost study resulted in a change in the undiscounted cash flows and a credit to decommissioning expense of $34.1 million, reflecting the excess of the reduction in the liability over the amount of undepreciated assets.

For the Indian Point 3 and FitzPatrick plants purchased in 2000, NYPA retained the decommissioning trusts and the decommissioning liabilities. NYPA and Entergy subsidiaries executed decommissioning agreements, which specify their decommissioning obligations. NYPA has the rights to require the Entergy subsidiaries to assume each of the decommissioning liabilities provided that it assigns the corresponding decommissioning trust, up to a specified level, to the Entergy subsidiaries. If the decommissioning liabilities are retained by NYPA, the Entergy subsidiaries will perform the decommissioning of the plants at a price equal to the lesser of a pre-specified level or the amount in the decommissioning trusts. Entergy recorded an asset, which is now $546.5 million as of December 31, 2012, representing its estimate of the present value of the difference between the stipulated contract amount for decommissioning the plants less the decommissioning costs estimated in independent decommissioning cost studies. The asset is increased by monthly accretion based on the applicable discount rate necessary to ultimately provide for the estimated future value of the decommissioning contract. The monthly accretion is recorded as interest income.

Entergy maintains decommissioning trust funds that are committed to meeting the costs of decommissioning the nuclear power plants. The fair values of the decommissioning trust funds and the related asset retirement obligation regulatory assets (liabilities) of Entergy as of December 31, 2012 are as follows:

	Decommissioning Trust Fair Values	Regulatory Asset (Liability)
	(In Millions)	
Utility:		
ANO 1 and ANO 2	$600.6	$204.0
River Bend	$477.4	($1.7)
Waterford 3	$287.4	$126.7
Grand Gulf	$490.6	$58.9
Entergy Wholesale Commodities	$2,334.1	$-

Entergy maintains decommissioning trust funds that are committed to meeting the costs of decommissioning the nuclear power plants. The fair values of the decommissioning trust funds and the related asset retirement obligation regulatory assets of Entergy as of December 31, 2011 are as follows:

	Decommissioning Trust Fair Values	Regulatory Asset
	(In Millions)	
Utility:		
ANO 1 and ANO 2	$541.7	$181.5
River Bend	$420.9	$5.5
Waterford 3	$254.0	$116.1
Grand Gulf	$423.4	$59.6
Entergy Wholesale Commodities	$2,148.0	$-

NOTE 10. LEASES (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

General

As of December 31, 2012, Entergy had capital leases and non-cancelable operating leases for equipment, buildings, vehicles, and fuel storage facilities (excluding nuclear fuel leases and the Grand Gulf and Waterford 3 sale and leaseback transactions) with minimum lease payments as follows:

Year	Operating Leases	Capital Leases
	(In Thousands)	
2013	$94,422	$6,494
2014	97,001	4,694
2015	80,172	4,615
2016	55,083	4,457
2017	38,771	4,457
Years thereafter	139,560	34,223
Minimum lease payments	505,009	58,940
Less: Amount representing interest	-	13,357
Present value of net minimum lease payments	$505,009	$45,583

Total rental expenses for all leases (excluding nuclear fuel leases and the Grand Gulf and Waterford 3 sale and leaseback transactions) amounted to $69.9 million in 2012, $75.3 million in 2011, and $80.8 million in 2010.

As of December 31, 2012, the Registrant Subsidiaries had capital leases and non-cancelable operating leases for equipment, buildings, vehicles, and fuel storage facilities (excluding nuclear fuel leases and the sale and leaseback transactions) with minimum lease payments as follows:

Capital Leases

Year	Entergy Arkansas	Entergy Mississippi
	(In Thousands)	
2013	$237	$3,370
2014	237	1,570
2015	158	1,570
2016	-	1,570
2017	-	1,570
Years thereafter	-	785
Minimum lease payments	632	10,435
Less: Amount representing interest	367	2,944
Present value of net minimum lease payments	$265	$7,491

Operating Leases

Year	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
2013	$27,967	$12,211	$10,776	$6,907	$2,068	$6,537
2014	26,703	19,311	9,820	6,515	1,898	5,491
2015	27,808	10,032	8,565	5,503	1,840	3,623
2016	13,074	9,457	4,967	3,797	1,467	2,475
2017	7,225	8,477	3,062	2,529	1,045	1,443
Years thereafter	4,132	44,264	4,097	5,570	2,192	1,866
Minimum lease payments	$106,909	$103,752	$41,287	$30,821	$10,510	$21,435

Rental Expenses

Year	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Millions)			
2012	$12.6	$11.9	$11.2	$5.5	$1.5	$6.4	$1.5
2011	$13.4	$12.2	$12.2	$5.2	$1.7	$8.4	$1.6
2010	$13.0	$12.5	$11.7	$5.5	$1.7	$7.4	$1.4

In addition to the above rental expense, railcar operating lease payments and oil tank facilities lease payments are recorded in fuel expense in accordance with regulatory treatment. Railcar operating lease payments were $8.5 million in 2012, $8.3 million in 2011, and $8.4 million in 2010 for Entergy Arkansas and $1.7 million in 2012, $2.0 million in 2011, and $2.3 million in 2010 for Entergy Gulf States Louisiana. Oil tank facilities lease payments for Entergy Mississippi were $3.4 million in 2012, $3.4 million in 2011, and $3.4 million in 2010.

Sale and Leaseback Transactions

Waterford 3 Lease Obligations

In 1989, in three separate but substantially identical transactions, Entergy Louisiana sold and leased back undivided interests in Waterford 3 for the aggregate sum of $353.6 million. The leases expire in July 2017. At the end of the lease terms, Entergy Louisiana has the option to repurchase the leased interests in Waterford 3 at fair market value or to renew the leases for either fair market value or, under certain conditions, a fixed rate. In the event that Entergy Louisiana does not renew or purchase the interests, Entergy Louisiana would surrender such interests and their associated entitlement of Waterford 3's capacity and energy.

Entergy Louisiana issued $208.2 million of non-interest bearing first mortgage bonds as collateral for the equity portion of certain amounts payable under the leases.

Upon the occurrence of certain events, Entergy Louisiana may be obligated to assume the outstanding bonds used to finance the purchase of the interests in the unit and to pay an amount sufficient to withdraw from the lease transaction. Such events include lease events of default, events of loss, deemed loss events, or certain adverse "Financial Events." "Financial Events" include, among other things, failure by Entergy Louisiana, following the expiration of any applicable grace or cure period, to maintain (i) total equity capital (including preferred membership interests) at least equal to 30% of adjusted capitalization, or (ii) a fixed charge coverage ratio of at least 1.50 computed on a rolling 12 month basis. As of December 31, 2012, Entergy Louisiana was in compliance with these provisions.

As of December 31, 2012, Entergy Louisiana had future minimum lease payments (reflecting an overall implicit rate of 7.45%) in connection with the Waterford 3 sale and leaseback transactions, which are recorded as long-term debt, as follows:

	Amount (In Thousands)
2013	$26,301
2014	31,036
2015	28,827
2016	16,938
2017	106,335
Years thereafter	-
Total	209,437
Less: Amount representing interest	46,488
Present value of net minimum lease payments	$162,949

Grand Gulf Lease Obligations

In 1988, in two separate but substantially identical transactions, System Energy sold and leased back undivided ownership interests in Grand Gulf for the aggregate sum of $500 million. The leases expire in July 2015. At the end of the lease terms, System Energy has the option to repurchase the leased interests in Grand Gulf at fair market value or to renew the leases for either fair market value or, under certain conditions, a fixed rate. In the event that System Energy does not renew or purchase the interests, System Energy would surrender such interests and their associated entitlement of Grand Gulf's capacity and energy.

System Energy is required to report the sale-leaseback as a financing transaction in its financial statements. For financial reporting purposes, System Energy expenses the interest portion of the lease obligation and the plant depreciation. However, operating revenues include the recovery of the lease payments because the transactions are accounted for as a sale and leaseback for ratemaking purposes. Consistent with a recommendation contained in a FERC audit report, System Energy initially recorded as a net regulatory asset the difference between the recovery of the lease payments and the amounts expensed for interest and depreciation and continues to record this difference as a regulatory asset or liability on an ongoing basis, resulting in a zero net balance for the regulatory asset at the end of the lease term. The amount was a net regulatory liability of $27.8 million and $2.0 million as of December 31, 2012 and 2011, respectively.

As of December 31, 2012, System Energy had future minimum lease payments (reflecting an implicit rate of 5.13%), which are recorded as long-term debt, as follows:

	Amount (In Thousands)
2013	$50,546
2014	51,637
2015	52,253
2016	-
2017	-
Years thereafter	-
Total	154,436
Less: Amount representing interest	15,543
Present value of net minimum lease payments	$138,893

NOTE 11. RETIREMENT, OTHER POSTRETIREMENT BENEFITS, AND DEFINED CONTRIBUTION PLANS (Entergy Corporation, Entergy Arkansas, Entergy Gulf States Louisiana, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Qualified Pension Plans

Entergy has seven qualified pension plans covering substantially all employees: "Entergy Corporation Retirement Plan for Non-Bargaining Employees," "Entergy Corporation Retirement Plan for Bargaining Employees," "Entergy Corporation Retirement Plan II for Non-Bargaining Employees," "Entergy Corporation Retirement Plan II for Bargaining Employees," "Entergy Corporation Retirement Plan III," "Entergy Corporation Retirement Plan IV for Non-Bargaining Employees," and "Entergy Corporation Retirement Plan IV for Bargaining Employees." The Registrant Subsidiaries participate in two of these plans: "Entergy Corporation Retirement Plan for Non-Bargaining Employees" and "Entergy Corporation Retirement Plan for Bargaining Employees." Except for the Entergy Corporation Retirement Plan III, the pension plans are noncontributory and provide pension benefits that are based on employees' credited service and compensation during the final years before retirement. The Entergy Corporation Retirement Plan III includes a mandatory employee contribution of 3% of earnings during the first 10 years of plan participation, and allows voluntary contributions from 1% to 10% of earnings for a limited group of employees.

The assets of the seven qualified pension plans are held in a master trust established by Entergy. Each pension plan has an undivided beneficial interest in each of the investment accounts of the master trust that is maintained by a trustee. Use of the master trust permits the commingling of the trust assets of the pension plans of Entergy Corporation and its Registrant Subsidiaries for investment and administrative purposes. Although assets are commingled in the master trust, the trustee maintains supporting records for the purpose of allocating the equity in net earnings (loss) and the administrative expenses of the investment accounts to the various participating pension plans. The fair value of the trust assets is determined by the trustee and certain investment managers. The trustee calculates a daily earnings factor, including realized and unrealized gains or losses, collected and accrued income, and administrative expenses, and allocates earnings to each plan in the master trust on a pro rata basis.

Further, within each pension plan, the record of each Registrant Subsidiary's beneficial interest in the plan assets is maintained by the plan's actuary and is updated quarterly. Assets for each Registrant Subsidiary are increased for investment income and contributions, and decreased for benefit payments. A plan's investment net income/(loss) (i.e. interest and dividends, realized gains and losses and expenses) is allocated to the Registrant Subsidiaries participating in that plan based on the value of assets for each Registrant Subsidiary at the beginning of the quarter adjusted for contributions and benefit payments made during the quarter.

Entergy Corporation and its subsidiaries fund pension costs in accordance with contribution guidelines established by the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts. The Registrant Subsidiaries' pension costs are recovered from customers as a component of cost of service in each of their respective jurisdictions.

Components of Qualified Net Pension Cost and Other Amounts Recognized as a Regulatory Asset and/or Accumulated Other Comprehensive Income (AOCI)

Entergy Corporation and its subsidiaries' total 2012, 2011, and 2010 qualified pension costs and amounts recognized as a regulatory asset and/or other comprehensive income, including amounts capitalized, included the following components:

	2012	2011	2010
		(In Thousands)	
Net periodic pension cost:			
Service cost - benefits earned during the period	$150,763	$121,961	$104,956
Interest cost on projected benefit obligation	260,929	236,992	231,206
Expected return on assets	(317,423)	(301,276)	(259,608)
Amortization of prior service cost	2,733	3,350	4,658
Recognized net loss	167,279	92,977	65,901
Net periodic pension costs	$264,281	$154,004	$147,113
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)			
Arising this period:			
Net loss	$552,303	$1,045,624	$232,279
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:			
Amortization of prior service cost	(2,733)	(3,350)	(4,658)
Amortization of net loss	(167,279)	(92,977)	(65,901)
Total	382,291	949,297	161,720
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	$646,572	$1,103,301	$308,833
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year			
Prior service cost	$2,268	$2,733	$3,350
Net loss	$219,805	$169,064	$92,977

The Registrant Subsidiaries' total 2012, 2011, and 2010 qualified pension costs and amounts recognized as a regulatory asset and/or other comprehensive income, including amounts capitalized, included the following components:

2012	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Net periodic pension cost:							
Service cost - benefits earned during the period	$22,169	$12,273	$14,675	$6,410	$2,824	$5,684	$5,920
Interest cost on projected benefit obligation	55,686	25,679	35,201	16,279	7,608	16,823	12,987
Expected return on assets	(65,763)	(34,370)	(40,836)	(20,945)	(8,860)	(22,325)	(16,436)
Amortization of prior service cost	200	19	208	30	7	15	13
Recognized net loss	40,772	16,173	28,197	10,532	6,878	10,179	9,001
Net pension cost	$53,064	$19,774	$37,445	$12,306	$8,457	$10,376	$11,485
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Net loss	$105,133	$77,207	$76,163	$27,106	$14,282	$28,745	$10,266
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of prior service cost	(200)	(19)	(208)	(30)	(7)	(15)	(13)
Amortization of net loss	(40,772)	(16,173)	(28,197)	(10,532)	(6,878)	(10,179)	(9,001)
Total	$64,161	$61,015	$47,758	$16,544	$7,397	$18,551	$1,252
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	$117,225	$80,789	$85,203	$28,850	$15,854	$28,927	$12,737
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Prior service cost	$23	$9	$83	$10	$2	$6	$10
Net loss	$50,175	$23,731	$34,906	$13,375	$8,046	$13,494	$9,717

2011	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Net periodic pension cost:							
Service cost - benefits earned during the period	$18,072	$9,848	$11,543	$5,308	$2,242	$4,788	$4,941
Interest cost on projected benefit obligation	51,965	23,713	32,636	15,637	7,050	15,971	11,758
Expected return on assets	(62,434)	(33,358)	(38,866)	(20,152)	(8,455)	(22,005)	(15,138)
Amortization of prior service cost	459	79	280	152	35	65	16
Recognized net loss	25,681	9,118	17,990	6,717	4,666	5,579	5,284
Net pension cost	$33,743	$9,400	$23,583	$7,662	$5,538	$4,398	$6,861
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Net loss	$217,989	$102,329	$137,100	$56,714	$29,297	$64,662	$52,876
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of prior service cost	(459)	(79)	(280)	(152)	(35)	(65)	(16)
Amortization of net loss	(25,681)	(9,118)	(17,990)	(6,717)	(4,666)	(5,579)	(5,284)
Total	$191,849	$93,132	$118,830	$49,845	$24,596	$59,018	$47,576
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	$225,592	$102,532	$142,413	$57,507	$30,134	$63,416	$54,437
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Prior service cost	$200	$19	$208	$30	$7	$15	$13
Net loss	$41,309	$16,295	$28,486	$10,667	$6,935	$10,261	$9,135

2010	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Net periodic pension cost:							
Service cost - benefits earned during the period	$15,775	$8,462	$9,770	$4,651	$2,063	$4,267	$4,132
Interest cost on projected benefit obligation	49,277	24,377	28,541	15,230	6,040	15,869	9,009
Expected return on assets	(50,635)	(30,752)	(32,775)	(17,252)	(7,236)	(20,549)	(11,808)
Amortization of prior service cost	782	302	474	318	177	237	34
Recognized net loss	16,506	7,622	8,604	4,361	2,544	3,208	523
Net pension cost	$31,705	$10,011	$14,614	$7,308	$3,588	$3,032	$1,890
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Net loss	$97,117	$4,748	$99,129	$21,801	$22,600	$17,316	$56,756
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of prior service cost	(782)	(302)	(474)	(318)	(177)	(237)	(34)
Amortization of net loss	(16,506)	(7,622)	(8,604)	(4,361)	(2,544)	(3,208)	(523)
Total	$79,829	($3,176)	$90,051	$17,122	$19,879	$13,871	$56,199
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	$111,534	$6,835	$104,665	$24,430	$23,467	$16,903	$58,089
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Prior service cost	$459	$79	$280	$152	$35	$65	$16
Net loss	$25,681	$9,118	$17,990	$6,717	$4,666	$5,579	$5,284

Qualified Pension Obligations, Plan Assets, Funded Status, Amounts Recognized in the Balance Sheet for Entergy Corporation and its Subsidiaries as of December 31, 2012 and 2011

	December 31, 2012	December 31, 2011
	(In Thousands)	
Change in Projected Benefit Obligation (PBO)		
Balance at beginning of year	$5,187,635	$4,301,218
Service cost	150,763	121,961
Interest cost	260,929	236,992
Actuarial loss	693,017	703,895
Employee contributions	789	828
Benefits paid	(196,494)	(177,259)
Balance at end of year	$6,096,639	$5,187,635
Change in Plan Assets		
Fair value of assets at beginning of year	$3,399,916	$3,216,268
Actual return on plan assets	458,137	(40,453)
Employer contributions	170,512	400,532
Employee contributions	789	828
Benefits paid	(196,494)	(177,259)
Fair value of assets at end of year	$3,832,860	$3,399,916
Funded status	($2,263,779)	($1,787,719)
Amount recognized in the balance sheet		
Non-current liabilities	($2,263,779)	($1,787,719)
Amount recognized as a regulatory asset		
Prior service cost	$308	$9,836
Net loss	2,352,234	2,048,743
	$2,352,542	$2,058,579
Amount recognized as AOCI (before tax)		
Prior service cost	$9,444	$2,648
Net loss	633,146	551,613
	$642,590	$554,261

Qualified Pension Obligations, Plan Assets, Funded Status, and Amounts Recognized in the Balance Sheet for the Registrant Subsidiaries as of December 31, 2012 and 2011

2012	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Change in Projected Benefit Obligation (PBO)							
Balance at beginning of year	$1,116,572	$512,432	$704,748	$326,377	$151,966	$337,669	$258,268
Service cost	22,169	12,273	14,675	6,410	2,824	5,684	5,920
Interest cost	55,686	25,679	35,201	16,279	7,608	16,823	12,987
Actuarial loss	134,691	92,275	93,817	36,329	18,000	38,328	13,691
Benefits paid	(54,232)	(19,591)	(30,696)	(15,543)	(5,813)	(16,328)	(8,025)
Balance at end of year	$1,274,886	$623,068	$817,745	$369,852	$174,585	$382,176	$282,841
Change in Plan Assets							
Fair value of assets at beginning of year	$707,275	$366,555	$432,418	$223,981	$94,202	$237,438	$147,091
Actual return on plan assets	95,321	49,438	58,489	30,169	12,578	31,909	19,860
Employer contributions	37,163	13,569	28,816	9,665	5,811	9,091	9,771
Benefits paid	(54,232)	(19,591)	(30,696)	(15,543)	(5,813)	(16,328)	(8,025)
Fair value of assets at end of year	$785,527	$409,971	$489,027	$248,272	$106,778	$262,110	$168,697
Funded status	($489,359)	($213,097)	($328,718)	($121,580)	($67,807)	($120,066)	($114,144)
Amounts recognized in the balance sheet (funded status)							
Non-current liabilities	($489,359)	($213,097)	($328,718)	($121,580)	($67,807)	($120,066)	($114,144)
Amounts recognized as regulatory asset							
Prior service cost	$23	$8	$83	$10	$2	$7	$6
Net loss	683,790	283,847	456,800	185,903	103,072	189,589	166,276
	$683,813	$283,855	$456,883	$185,913	$103,074	$189,596	$166,282
Amounts recognized as AOCI (before tax)							
Prior service cost	$-	$1	$-	$-	$-	$-	$-
Net loss	-	42,414	-	-	-	-	-
	$-	$42,415	$-	$-	$-	$-	$-

2011	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Change in Projected Benefit Obligation (PBO)							
Balance at beginning of year	$950,595	$431,870	$596,730	$286,179	$128,477	$292,551	$213,098
Service cost	18,072	9,848	11,543	5,308	2,242	4,788	4,941
Interest cost	51,965	23,713	32,636	15,637	7,050	15,971	11,758
Actuarial loss	146,514	65,000	93,175	33,865	19,695	40,122	35,775
Benefits paid	(50,574)	(17,999)	(29,336)	(14,612)	(5,498)	(15,763)	(7,304)
Balance at end of year	$1,116,572	$512,432	$704,748	$326,377	$151,966	$337,669	$258,268
Change in Plan Assets							
Fair value of assets at beginning of year	$646,491	$361,207	$406,216	$212,122	$88,688	$237,502	$128,007
Actual return on plan assets	(9,042)	(3,971)	(5,059)	(2,698)	(1,148)	(2,536)	(1,963)
Employer contributions	120,400	27,318	60,597	29,169	12,160	18,235	28,351
Benefits paid	(50,574)	(17,999)	(29,336)	(14,612)	(5,498)	(15,763)	(7,304)
Fair value of assets at end of year	$707,275	$366,555	$432,418	$223,981	$94,202	$237,438	$147,091
Funded status	($409,297)	($145,877)	($272,330)	($102,396)	($57,764)	($100,231)	($111,177)
Amounts recognized in the balance sheet (funded status)							
Non-current liabilities	($409,297)	($145,877)	($272,330)	($102,396)	($57,764)	($100,231)	($111,177)
Amounts recognized as regulatory asset							
Prior service cost	$223	$23	$291	$39	$10	$22	$19
Net loss	619,430	214,833	408,835	169,329	95,667	171,023	165,011
	$619,653	$214,856	$409,126	$169,368	$95,677	$171,045	$165,030
Amounts recognized as AOCI (before tax)							
Prior service cost	$-	$6	$-	$-	$-	$-	$-
Net loss	-	50,393	-	-	-	-	-
	$-	$50,399	$-	$-	$-	$-	$-

Other Postretirement Benefits

Entergy also currently provides health care and life insurance benefits for retired employees. Substantially all employees may become eligible for these benefits if they reach retirement age and meet certain eligibility requirements while still working for Entergy. Entergy uses a December 31 measurement date for its postretirement benefit plans.

Effective January 1, 1993, Entergy adopted an accounting standard requiring a change from a cash method to an accrual method of accounting for postretirement benefits other than pensions. At January 1, 1993, the actuarially determined accumulated postretirement benefit obligation (APBO) earned by retirees and active employees was estimated to be approximately $241.4 million for Entergy (other than the former Entergy Gulf States) and $128 million for the former Entergy Gulf States (now split into Entergy Gulf States Louisiana and Entergy Texas). Such obligations are being amortized over a 20-year period that began in 1993 and ended in 2012. For the most part, the Registrant Subsidiaries recover accrued other postretirement benefit costs from customers and are required to contribute the other postretirement benefits collected in rates to an external trust.

Entergy Arkansas, Entergy Mississippi, Entergy New Orleans, and Entergy Texas have received regulatory approval to recover accrued other postretirement benefit costs through rates. Entergy Arkansas began recovery in 1998, pursuant to an APSC order. This order also allowed Entergy Arkansas to amortize a regulatory asset (representing the difference between other postretirement benefit costs and cash expenditures for other postretirement benefits incurred from 1993 through 1997) over a 15-year period that began in January 1998 and ended in December 2012.

The LPSC ordered Entergy Gulf States Louisiana and Entergy Louisiana to continue the use of the pay-as-you-go method for ratemaking purposes for postretirement benefits other than pensions. However, the LPSC retains the flexibility to examine individual companies' accounting for other postretirement benefits to determine if special exceptions to this order are warranted.

Pursuant to regulatory directives, Entergy Arkansas, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy contribute the other postretirement benefit costs collected in rates into external trusts. System Energy is funding, on behalf of Entergy Operations, other postretirement benefits associated with Grand Gulf.

Trust assets contributed by participating Registrant Subsidiaries are in bank-administered master trusts, established by Entergy Corporation and maintained by a trustee. Each participating Registrant Subsidiary holds a beneficial interest in the trusts' assets. The assets in the master trusts are commingled for investment and administrative purposes. Although assets are commingled, supporting records are maintained for the purpose of allocating the beneficial interest in net earnings/(losses) and the administrative expenses of the investment accounts to the various participating plans and participating Registrant Subsidiaries. Beneficial interest in an investment account's net income/(loss) is comprised of interest and dividends, realized and unrealized gains and losses, and expenses. Beneficial interest from these investments is allocated to the plans and participating Registrant Subsidiary based on their portion of net assets in the pooled accounts.

Components of Net Other Postretirement Benefit Cost and Other Amounts Recognized as a Regulatory Asset and/or AOCI

Entergy Corporation's and its subsidiaries' total 2012, 2011, and 2010 other postretirement benefit costs, including amounts capitalized and amounts recognized as a regulatory asset and/or other comprehensive income, included the following components:

	2012	2011	2010
	(In Thousands)		
Other post retirement costs:			
Service cost - benefits earned during the period	$68,883	$59,340	$52,313
Interest cost on APBO	82,561	74,522	76,078
Expected return on assets	(34,503)	(29,477)	(26,213)
Amortization of transition obligation	3,177	3,183	3,728
Amortization of prior service credit	(18,163)	(14,070)	(12,060)
Recognized net loss	36,448	21,192	17,270
Net other postretirement benefit cost	$138,403	$114,690	$111,116
Other changes in plan assets and benefit obligations recognized as a regulatory asset and /or AOCI (before tax)			
Arising this period:			
Prior service credit for period	$-	($29,507)	($50,548)
Net loss	92,584	236,594	82,189
Amounts reclassified from regulatory asset and /or AOCI to net periodic benefit cost in the current year:			
Amortization of transition obligation	(3,177)	(3,183)	(3,728)
Amortization of prior service credit	18,163	14,070	12,060
Amortization of net loss	(36,448)	(21,192)	(17,270)
Total	$71,122	$196,782	$22,703
Total recognized as net periodic benefit cost, regulatory asset, and/or AOCI (before tax)	$209,525	$311,472	$133,819
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic benefit cost in the following year			
Transition obligation	$-	$3,177	$3,183
Prior service credit	($13,336)	($18,163)	($14,070)
Net loss	$45,217	$43,127	$21,192

Total 2012, 2011, and 2010 other postretirement benefit costs of the Registrant Subsidiaries, including amounts capitalized and deferred, included the following components:

2012	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Other post retirement costs:							
Service cost - benefits earned during the period	$9,089	$7,521	$7,796	$3,093	$1,689	$3,651	$3,293
Interest cost on APBO	14,452	9,590	9,781	4,716	3,422	6,650	3,028
Expected return on assets	(14,029)	-	-	(4,521)	(3,711)	(8,415)	(2,601)
Amortization of transition obligation	820	238	382	351	1,189	187	8
Amortization of prior service cost/(credit)	(530)	(824)	(247)	(139)	38	(428)	(63)
Recognized net loss	8,305	4,737	4,359	2,920	1,559	4,320	1,970
Net other postretirement benefit cost	$18,107	$21,262	$22,071	$6,420	$4,186	$5,965	$5,635
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Net loss	$9,066	$5,818	$16,215	$271	$2,260	$191	$2,043
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of transition obligation	(820)	(238)	(382)	(351)	(1,189)	(187)	(8)
Amortization of prior service cost/(credit)	530	824	247	139	(38)	428	63
Amortization of net loss	(8,305)	(4,737)	(4,359)	(2,920)	(1,559)	(4,320)	(1,970)
Total	$471	$1,667	$11,721	($2,861)	($526)	($3,888)	$128
Total recognized as net periodic other postretirement cost, regulatory asset, and/or AOCI (before tax)	$18,578	$22,929	$33,792	$3,559	$3,660	$2,077	$5,763
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Prior service cost/(credit)	($530)	($824)	($247)	($139)	$38	($428)	($62)
Net loss	$8,163	$4,693	$5,149	$2,650	$1,587	$3,905	$1,915

2011	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Other post retirement costs:							
Service cost - benefits earned during the period	$8,053	$6,158	$6,540	$2,632	$1,448	$3,074	$2,642
Interest cost on APBO	13,742	8,298	8,767	4,370	3,225	5,945	2,666
Expected return on assets	(11,528)	-	-	(3,906)	(3,200)	(7,496)	(2,115)
Amortization of transition obligation	821	239	383	352	1,190	187	9
Amortization of prior service cost/(credit)	(530)	(824)	(247)	(139)	38	(428)	(589)
Recognized net loss	6,436	2,896	2,793	2,160	968	2,803	1,477
Net other postretirement benefit cost	$16,994	$16,767	$18,236	$5,469	$3,669	$4,085	$4,090
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Net loss	$32,241	$28,721	$24,837	$12,598	$8,946	$23,125	$8,499
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of transition obligation	(821)	(239)	(383)	(352)	(1,190)	(187)	(9)
Amortization of prior service cost/(credit)	530	824	247	139	(38)	428	589
Amortization of net loss	(6,436)	(2,896)	(2,793)	(2,160)	(968)	(2,803)	(1,477)
Total	$25,514	$26,410	$21,908	$10,225	$6,750	$20,563	$7,602
Total recognized as net periodic other postretirement cost, regulatory asset, and/or AOCI (before tax)	$42,508	$43,177	$40,144	$15,694	$10,419	$24,648	$11,692
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Transition obligation	$820	$238	$382	$351	$1,189	$187	$8
Prior service cost/(credit)	($530)	($824)	($247)	($139)	$38	($428)	($63)
Net loss	$8,365	$4,778	$4,398	$2,926	$1,562	$4,329	$1,994

2010	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Other post retirement costs:							
Service cost - benefits earned during the period	$7,372	$5,481	$5,483	$2,200	$1,389	$2,789	$2,251
Interest cost on APBO	14,515	8,574	9,075	4,370	3,598	6,326	2,562
Expected return on assets	(9,780)	-	-	(3,551)	(2,899)	(6,872)	(1,870)
Amortization of transition obligation	821	238	382	351	1,661	265	8
Amortization of prior service cost/(credit)	(786)	(306)	467	(246)	361	76	(763)
Recognized net loss	6,758	2,653	2,440	1,903	1,095	3,008	1,301
Net other postretirement benefit cost	$18,900	$16,640	$17,847	$5,027	$5,205	$5,592	$3,489
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)							
Arising this period:							
Prior service credit for period	($5,023)	($3,109)	($3,204)	($1,529)	($1,587)	($2,871)	($519)
Net (gain)/loss	4,032	6,583	7,734	5,765	(478)	922	4,067
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:							
Amortization of transition obligation	(821)	(238)	(382)	(351)	(1,661)	(265)	(8)
Amortization of prior service cost/(credit)	786	306	(467)	246	(361)	(76)	763
Amortization of net loss	(6,758)	(2,653)	(2,440)	(1,903)	(1,095)	(3,008)	(1,301)
Total	($7,784)	$889	$1,241	$2,228	($5,182)	($5,298)	$3,002
Total recognized as net periodic other postretirement cost, regulatory asset, and/or AOCI (before tax)	$11,116	$17,529	$19,088	$7,255	$23	$294	$6,491
Estimated amortization amounts from regulatory asset and/or AOCI to net periodic cost in the following year							
Transition obligation	$821	$239	$383	$352	$1,190	$187	$9
Prior service cost/(credit)	($530)	($824)	($247)	($139)	$38	($428)	($589)
Net loss	$6,436	$2,896	$2,793	$2,160	$968	$2,803	$1,477

Other Postretirement Benefit Obligations, Plan Assets, Funded Status, and Amounts Not Yet Recognized and Recognized in the Balance Sheet of Entergy Corporation and its Subsidiaries as of December 31, 2012 and 2011

	December 31, 2012	December 31, 2011
	(In Thousands)	
Change in APBO		
Balance at beginning of year	$1,652,369	$1,386,370
Service cost	68,883	59,340
Interest cost	82,561	74,522
Plan amendments	-	(29,507)
Plan participant contributions	18,102	14,650
Actuarial loss	102,833	216,549
Benefits paid	(83,825)	(77,454)
Medicare Part D subsidy received	5,999	4,551
Early Retiree Reinsurance Program proceeds	-	3,348
Balance at end of year	$1,846,922	$1,652,369
Change in Plan Assets		
Fair value of assets at beginning of year	$427,172	$404,430
Actual return on plan assets	44,752	9,432
Employer contributions	82,247	76,114
Plan participant contributions	18,102	14,650
Early Retiree Reinsurance Program proceeds	-	-
Benefits paid	(83,825)	(77,454)
Fair value of assets at end of year	$488,448	$427,172
Funded status	($1,358,474)	($1,225,197)
Amounts recognized in the balance sheet		
Current liabilities	($33,813)	($32,832)
Non-current liabilities	(1,324,661)	(1,192,365)
Total funded status	($1,358,474)	($1,225,197)
Amounts recognized as a regulatory asset		
Transition obligation	$-	$2,557
Prior service credit	(5,307)	(6,628)
Net loss	367,519	353,905
	$362,212	$349,834
Amounts recognized as AOCI (before tax)		
Transition obligation	$-	$620
Prior service credit	(49,335)	(66,176)
Net loss	355,900	313,379
	$306,565	$247,823

Other Postretirement Benefit Obligations, Plan Assets, Funded Status, and Amounts Not Yet Recognized and Recognized in the Balance Sheets of the Registrant Subsidiaries as of December 31, 2012 and 2011

2012	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Change in APBO							
Balance at beginning of year	$290,613	$191,877	$196,352	$94,570	$69,316	$133,602	$60,526
Service cost	9,089	7,521	7,796	3,093	1,689	3,651	3,293
Interest cost	14,452	9,590	9,781	4,716	3,422	6,650	3,028
Plan participant contributions	4,440	1,945	2,725	1,269	742	1,526	820
Actuarial (gain)/loss	13,256	5,818	16,215	1,625	3,240	2,645	2,861
Benefits paid	(17,873)	(9,543)	(13,760)	(5,199)	(4,605)	(6,604)	(2,764)
Medicare Part D subsidy received	1,331	779	908	434	396	644	170
Balance at end of year	$315,308	$207,987	$220,017	$100,508	$74,200	$142,114	$67,934
Change in Plan Assets							
Fair value of assets at beginning of year	$164,846	$-	$-	$54,452	$53,418	$105,181	$32,012
Actual return on plan assets	18,219	-	-	5,874	4,691	10,869	3,419
Employer contributions	24,386	7,598	11,035	6,555	4,405	4,852	5,987
Plan participant contributions	4,440	1,945	2,725	1,269	742	1,526	820
Benefits paid	(17,873)	(9,543)	(13,760)	(5,199)	(4,605)	(6,604)	(2,764)
Fair value of assets at end of year	$194,018	$-	$-	$62,951	$58,651	$115,824	$39,474
Funded status	($121,290)	($207,987)	($220,017)	($37,557)	($15,549)	($26,290)	($28,460)
Amounts recognized in the balance sheet							
Current liabilities	$-	($7,546)	($9,152)	$-	$-	$-	$-
Non-current liabilities	(121,290)	(200,441)	(210,865)	(37,557)	(15,549)	(26,290)	(28,460)
Total funded status	($121,290)	($207,987)	($220,017)	($37,557)	($15,549)	($26,290)	($28,460)
Amounts recognized in regulatory asset							
Prior service cost/(credit)	($2,146)	$-	$-	($566)	$114	($1,709)	($246)
Net loss	129,484	-	-	41,855	26,502	61,077	29,773
	$127,338	$-	$-	$41,289	$26,616	$59,368	$29,527
Amounts recognized in AOCI (before tax)							
Prior service credit	$-	($2,687)	($1,095)	$-	$-	$-	$-
Net loss	-	77,113	83,795	-	-	-	-
	$-	$74,426	$82,700	$-	$-	$-	$-

2011	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Change in APBO							
Balance at beginning of year	$256,859	$154,466	$163,720	$81,464	$60,735	$111,106	$49,501
Service cost	8,053	6,158	6,540	2,632	1,448	3,074	2,642
Interest cost	13,742	8,298	8,767	4,370	3,225	5,945	2,666
Plan participant contributions	3,680	1,525	2,218	994	615	1,222	687
Actuarial (gain)/loss	23,394	28,721	24,837	9,695	7,974	17,994	7,144
Benefits paid	(16,850)	(8,359)	(10,883)	(4,986)	(5,074)	(6,326)	(2,513)
Medicare Part D subsidy received	1,025	585	683	336	358	489	116
Early Retiree Reinsurance Program Proceeds	710	483	470	65	35	98	283
Balance at end of year	$290,613	$191,877	$196,352	$94,570	$69,316	$133,602	$60,526
Change in Plan Assets							
Fair value of assets at beginning of year	$148,622	$-	$-	$52,064	$52,005	$103,214	$29,347
Actual return on plan assets	2,681	-	-	1,003	2,228	2,365	760
Employer contributions	26,713	6,834	8,665	5,377	3,644	4,706	3,731
Plan participant contributions	3,680	1,525	2,218	994	615	1,222	687
Benefits paid	(16,850)	(8,359)	(10,883)	(4,986)	(5,074)	(6,326)	(2,513)
Fair value of assets at end of year	$164,846	$-	$-	$54,452	$53,418	$105,181	$32,012
Funded status	($125,767)	($191,877)	($196,352)	($40,118)	($15,898)	($28,421)	($28,514)
Amounts recognized in the balance sheet							
Current liabilities	$-	($7,651)	($9,143)	$-	$-	$-	$-
Non-current liabilities	(125,767)	(184,226)	(187,209)	(40,118)	(15,898)	(28,421)	(28,514)
Total funded status	($125,767)	($191,877)	($196,352)	($40,118)	($15,898)	($28,421)	($28,514)
Amounts recognized in regulatory asset							
Transition obligation	$820	$-	$-	$351	$1,189	$187	$8
Prior service cost/(credit)	(2,676)	-	-	(705)	152	(2,137)	(309)
Net loss	128,723	-	-	44,504	25,801	65,206	29,700
	$126,867	$-	$-	$44,150	$27,142	$63,256	$29,399
Amounts recognized in AOCI (before tax)							
Transition obligation	$-	$238	$382	$-	$-	$-	$-
Prior service credit	-	(3,511)	(1,342)	-	-	-	-
Net loss	-	76,032	71,939	-	-	-	-
	$-	$72,759	$70,979	$-	$-	$-	$-

Non-Qualified Pension Plans

Entergy also sponsors non-qualified, non-contributory defined benefit pension plans that provide benefits to certain key employees. Entergy recognized net periodic pension cost related to these plans of $26.5 million in 2012, $24 million in 2011, and $27.2 million in 2010. In 2012, 2011, and 2010 Entergy recognized $6.3 million, $4.6 million, and $9.3 million, respectively in settlement charges related to the payment of lump sum benefits out of the plan that is included in the non-qualified pension plan cost above. The projected benefit obligation was $199.3 million and $164.4 million as of December 31, 2012 and 2011, respectively. The accumulated benefit obligation was $180.6 million and $146.5 million as of December 31, 2012 and 2011, respectively.

Entergy's non-qualified, non-current pension liability at December 31, 2012 and 2011 was $137.2 million and $153.2 million, respectively; and its current liability was $62.1 million and $11.2 million, respectively. The unamortized transition asset, prior service cost and net loss are recognized in regulatory assets ($81.2 million at December 31, 2012 and $58.9 million at December 31, 2011) and accumulated other comprehensive income before taxes ($32.5 million at December 31, 2012 and $27.2 million at December 31, 2011).

The Registrant Subsidiaries (except System Energy) participate in Entergy's non-qualified, non-contributory defined benefit pension plans that provide benefits to certain key employees. The net periodic pension cost for the non-qualified plans for 2012, 2011, and 2010, was as follows:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
2012	$464	$158	$12	$183	$79	$648
2011	$498	$167	$14	$190	$65	$763
2010	$501	$162	$102	$206	$26	$683

Included in the 2012 net periodic pension cost above are settlement charges of $38 thousand for Entergy Arkansas related to the lump sum benefits paid out of the plan. Included in the 2011 net periodic pension cost above are settlement charges of $41 thousand for Entergy Arkansas related to the lump sum benefits paid out of the plan. Included in the 2010 net periodic pension cost above are settlement charges of $86 thousand for Entergy Arkansas, $80 thousand for Entergy Louisiana, and $5 thousand for Entergy Texas related to the lump sum benefits paid out of the plan.

The projected benefit obligation for the non-qualified plans as of December 31, 2012 and 2011 was as follows:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
2012	$4,323	$2,909	$116	$1,841	$457	$9,732
2011	$4,153	$2,781	$118	$1,682	$376	$10,103

The accumulated benefit obligation for the non-qualified plans as of December 31, 2012 and 2011 was as follows:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
2012	$3,856	$2,899	$116	$1,590	$427	$9,127
2011	$3,755	$2,768	$118	$1,460	$345	$10,030

The following amounts were recorded on the balance sheet as of December 31, 2012 and 2011:

2012	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
Current liabilities	($209)	($257)	($17)	($118)	($25)	($853)
Non-current liabilities	(4,114)	(2,652)	(99)	(1,723)	(432)	(8,879)
Total Funded Status	($4,323)	($2,909)	($116)	($1,841)	($457)	($9,732)
Regulatory Asset	$2,359	$679	($29)	$800	$88	($465)
Accumulated other comprehensive income (before taxes)	$-	$102	$-	$-	$-	$-

2011	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
Current liabilities	($272)	($260)	($18)	($114)	($25)	($1,029)
Non-current liabilities	(3,881)	(2,521)	(100)	(1,568)	(351)	(9,074)
Total Funded Status	($4,153)	($2,781)	($118)	($1,682)	($376)	($10,103)
Regulatory Asset	$2,385	$445	($36)	$703	$78	($292)
Accumulated other comprehensive income (before taxes)	$-	$104	$-	$-	$-	$-

Accounting for Pension and Other Postretirement Benefits

Accounting standards require an employer to recognize in its balance sheet the funded status of its benefit plans. This is measured as the difference between plan assets at fair value and the benefit obligation. Entergy uses a December 31 measurement date for its pension and other postretirement plans. Employers are to record previously unrecognized gains and losses, prior service costs, and any remaining transition asset or obligation (that resulted from adopting prior pension and other postretirement benefits accounting standards) as comprehensive income and/or as a regulatory asset reflective of the recovery mechanism for pension and other postretirement benefit costs in the Registrant Subsidiaries' respective regulatory jurisdictions. For the portion of Entergy Gulf States Louisiana that is not regulated, the unrecognized prior service cost, gains and losses, and transition asset/obligation for its pension and other postretirement benefit obligations are recorded as other comprehensive income. Entergy Gulf States Louisiana and Entergy Louisiana recover other postretirement benefit costs on a pay as you go basis and record the unrecognized prior service cost, gains and losses, and transition obligation for its other postretirement benefit obligation as other comprehensive income. Accounting standards also requires that changes in the funded status be recorded as other comprehensive income and/or a regulatory asset in the period in which the changes occur.

With regard to pension and other postretirement costs, Entergy calculates the expected return on pension and other postretirement benefit plan assets by multiplying the long-term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy determines the MRV of pension plan assets by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For other postretirement benefit plan assets Entergy uses fair value when determining MRV.

Qualified Pension and Other Postretirement Plans' Assets

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

In the optimization studies, the Plan Administrator formulates assumptions about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes, and making adjustments to reflect future conditions expected to prevail over the study period. Target asset allocations adjust dynamically based on the funded status of the pension plans. The following targets and ranges were established to produce an acceptable, economically efficient plan to manage around the targets. The target asset allocation range below for pension shows the ranges within which the allocation may adjust based on funded status, with the expectation that the allocation to fixed income securities will increase as the pension funded status increases. The target and range asset allocation for postretirement assets reflects changes made in 2012 as recommended in the latest optimization study

Entergy's qualified pension and postretirement weighted-average asset allocations by asset category at December 31, 2012 and 2011 and the target asset allocation and ranges are as follows:

Pension Asset Allocation	Target	Range	Actual 2012	Actual 2011
Domestic Equity Securities	45%	34% to 53%	44%	44%
International Equity Securities	20%	16% to 24%	20%	18%
Fixed Income Securities	35%	31% to 41%	35%	37%
Other	0%	0% to 10%	1%	1%

Postretirement Asset Allocation	Non-Taxable				Taxable			
	Target	Range	2012	2011	Target	Range	2012	2011
Domestic Equity Securities	39%	34% to 44%	38%	39%	39%	34% to 44%	39%	35%
International Equity Securities	26%	21% to 31%	28%	15%	26%	21% to 31%	27%	0%
Fixed Income Securities	35%	30% to 40%	34%	46%	35%	30% to 40%	34%	64%
Other	0%	0% to 5%	0%	0%	0%	0% to 5%	0%	1%

In determining its expected long-term rate of return on plan assets used in the calculation of benefit plan costs, Entergy reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and investment managers.

The expected long-term rate of return for the qualified pension plans' assets is based primarily on the geometric average of the historical annual performance of a representative portfolio weighted by the target asset allocation defined in the table above, along with other indications of expected return on current assets and expected return available for reinvestment. The time period reflected is a long dated period spanning several decades.

The expected long-term rate of return for the non-taxable postretirement trust assets is determined using the same methodology described above for pension assets, but the asset allocation specific to the non-taxable postretirement assets is used.

For the taxable postretirement trust assets, the investment allocation includes tax-exempt fixed income securities. This asset allocation in combination with the same methodology employed to determine the expected return for other trust assets (as described above), with a modification to reflect applicable taxes, is used to produce the expected long-term rate of return for taxable postretirement trust assets.

Concentrations of Credit Risk

Entergy's investment guidelines mandate the avoidance of risk concentrations. Types of concentrations specified to be avoided include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, geographic area and individual security issuance. As of December 31, 2012 all investment managers and assets were materially in compliance with the approved investment guidelines, therefore there were no significant concentrations (defined as greater than 10 percent of plan assets) of risk in Entergy's pension and other postretirement benefit plan assets.

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

Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 - Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by an independent party that uses inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden if it is believed such would be more reflective of fair value. Level 2 inputs include the following:

    - quoted prices for similar assets or liabilities in active markets;
    - quoted prices for identical assets or liabilities in inactive markets;
    - inputs other than quoted prices that are observable for the asset or liability; or
    - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If an asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Level 3 refers to securities valued based on significant unobservable inputs.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy, measured at fair value on a recurring basis at December 31, 2012, and December 31, 2011, a summary of the investments held in the master trusts for Entergy's qualified pension and other postretirement plans in which the Registrant Subsidiaries participate.

Qualified Pension Trust

2012	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Corporate stocks:						
Preferred	$861	(b)	$5,906	(a)	$-	$6,767
Common	787,132	(b)	-		-	787,132
Common collective trusts	-		1,620,315	(c)	-	1,620,315
Fixed income securities:						
U.S. Government securities	161,593	(b)	150,068	(a)	-	311,661
Corporate debt instruments:	-		429,813	(a)	-	429,813
Registered investment companies	50,029	(d)	483,509	(e)	-	533,538
Other	-		111,001	(f)	-	111,001
Other:						
Insurance company general account (unallocated contracts)	-		36,252	(g)	-	36,252
Total investments	$999,615		$2,836,864		$-	$3,836,479

Cash	571
Other pending transactions	4,594
Less: Other postretirement assets included in total investments	(8,784)
Total fair value of qualified pension assets	$3,832,860

2011	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Corporate stocks:						
Preferred	$3,738	(b)	$8,014	(a)	$-	$11,752
Common	1,010,491	(b)	-		-	1,010,491
Common collective trusts	-		1,074,178	(c)	-	1,074,178
Fixed income securities:						
U.S. Government securities	142,509	(b)	157,737	(a)	-	300,246
Corporate debt instruments:	-		380,558	(a)	-	380,558
Registered investment companies	53,323	(d)	444,275	(e)	-	497,598
Other	-		101,674	(f)	-	101,674
Other:						
Insurance company general account (unallocated contracts)	-		34,696	(g)	-	34,696
Total investments	$1,210,061		$2,201,132		$-	$3,411,193
Cash						75
Other pending transactions						(9,238)
Less: Other postretirement assets included in total investments						(2,114)
Total fair value of qualified pension assets						$3,399,916

Other Postretirement Trusts

2012	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Common collective trust	$-		$314,478	(c)	$-	$314,478
Fixed income securities:						
U.S. Government securities	36,392	(b)	43,398	(a)	-	79,790
Corporate debt instruments	-		42,163	(a)	-	42,163
Registered investment companies	3,229	(d)	-		-	3,229
Other	-		39,846	(f)	-	39,846
Total investments	$39,621		$439,885		$-	$479,506
Other pending transactions						158
Plus: Other postretirement assets included in the investments of the qualified pension trust						8,784
Total fair value of other postretirement assets						$488,448

2011	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Common collective trust	$-		$208,812	(c)	$-	$208,812
Fixed income securities:						
U.S. Government securities	42,577	(b)	57,151	(a)	-	99,728
Corporate debt instruments	-		42,807	(a)	-	42,807
Registered investment companies	4,659	(d)	-		-	4,659
Other	-		69,287	(f)	-	69,287
Total investments	$47,236		$378,057		$-	$425,293
Other pending transactions						(235)
Plus: Other postretirement assets included in the investments of the qualified pension trust						2,114
Total fair value of other postretirement assets						$427,172

(a) Certain preferred stocks and fixed income debt securities (corporate, government, and securitized) are stated at fair value as determined by broker quotes.

(b) Common stocks, treasury notes and bonds, and certain preferred stocks and fixed income debt securities are stated at fair value determined by quoted market prices.

(c) The common collective trusts hold investments in accordance with stated objectives. The investment strategy of the trusts is to capture the growth potential of equity markets by replicating the performance of a specified index. Net asset value per share of the common collective trusts estimate fair value.

(d) The registered investment company is a money market mutual fund with a stable net asset value of one dollar per share.

(e) The registered investment company holds investments in domestic and international bond markets and estimates fair value using net asset value per share.
(f) The other remaining assets are U.S. municipal and foreign government bonds stated at fair value as determined by broker quotes.
(g) The unallocated insurance contract investments are recorded at contract value, which approximates fair value. The contract value represents contributions made under the contract, plus interest, less funds used to pay benefits and contract expenses, and less distributions to the master trust.

Accumulated Pension Benefit Obligation

The accumulated benefit obligation for Entergy's qualified pension plans was $5.4 billion and $4.6 billion at December 31, 2012 and 2011, respectively.

The qualified pension accumulated benefit obligation for each of the Registrant Subsidiaries as of December 31, 2012 and 2011 was as follows:

	December 31,	
	2012	2011
	(In Thousands)	
Entergy Arkansas	$1,161,448	$1,013,605
Entergy Gulf States Louisiana	$559,190	$459,037
Entergy Louisiana	$735,376	$632,759
Entergy Mississippi	$336,099	$296,259
Entergy New Orleans	$157,233	$136,390
Entergy Texas	$350,351	$308,628
System Energy	$251,378	$227,617

Estimated Future Benefit Payments

Based upon the assumptions used to measure Entergy's qualified pension and other postretirement benefit obligations at December 31, 2012, and including pension and other postretirement benefits attributable to estimated future employee service, Entergy expects that benefits to be paid and the Medicare Part D subsidies to be received over the next ten years for Entergy Corporation and its subsidiaries will be as follows:

	Estimated Future Benefits Payments			
	Qualified Pension	Non-Qualified Pension	Other Postretirement (before Medicare Subsidy)	Estimated Future Medicare Subsidy Receipts
	(In Thousands)			
Year(s)				
2013	$195,907	$62,087	$74,981	$7,875
2014	$209,807	$12,440	$79,073	$8,641
2015	$224,922	$13,412	$83,788	$9,476
2016	$242,186	$10,174	$88,458	$10,358
2017	$261,448	$12,248	$94,340	$11,314
2018 - 2022	$1,648,774	$67,055	$566,249	$72,926

Based upon the same assumptions, Entergy expects that benefits to be paid and the Medicare Part D subsidies to be received over the next ten years for the Registrant Subsidiaries will be as follows:

Estimated Future Qualified Pension Benefits Payments	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Year(s)							
2013	$53,108	$19,664	$31,021	$15,356	$5,906	$16,341	$8,067
2014	$54,438	$20,964	$32,216	$16,248	$6,221	$17,067	$8,571
2015	$56,495	$22,611	$33,392	$17,148	$6,660	$17,906	$9,083
2016	$58,770	$24,361	$34,867	$18,170	$7,125	$18,777	$9,772
2017	$61,203	$26,293	$36,648	$19,171	$7,691	$19,778	$10,393
2018 - 2022	$357,927	$166,599	$216,903	$110,145	$48,039	$114,345	$70,026

Estimated Future Non-Qualified Pension Benefits Payments	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)			
Year(s)						
2013	$208	$257	$18	$118	$25	$853
2014	$357	$267	$16	$114	$24	$789
2015	$335	$247	$15	$110	$24	$756
2016	$289	$239	$13	$103	$23	$891
2017	$288	$284	$12	$100	$23	$766
2018 - 2022	$1,846	$1,004	$41	$601	$196	$3,304

Estimated Future Other Postretirement Benefits Payments (before Medicare Part D Subsidy)	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Year(s)							
2013	$16,034	$8,381	$10,174	$4,624	$4,859	$6,942	$2,423
2014	$16,442	$8,867	$10,588	$4,901	$4,937	$7,218	$2,563
2015	$17,094	$9,499	$10,980	$5,194	$5,025	$7,536	$2,755
2016	$17,650	$10,087	$11,440	$5,482	$5,097	$7,894	$2,894
2017	$18,334	$10,745	$11,978	$5,811	$5,196	$8,331	$3,136
2018 - 2022	$101,723	$64,193	$69,660	$33,712	$26,592	$47,415	$19,435

Estimated Future Medicare Part D Subsidy	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Year(s)							
2013	$1,889	$835	$1,022	$584	$478	$722	$265
2014	$2,027	$910	$1,101	$639	$497	$770	$297
2015	$2,180	$992	$1,186	$691	$515	$821	$331
2016	$2,335	$1,079	$1,274	$747	$533	$874	$368
2017	$2,500	$1,172	$1,370	$805	$551	$928	$408
2018 - 2022	$15,201	$7,446	$8,492	$4,912	$2,991	$5,463	$2,797

Contributions

Entergy currently expects to contribute approximately $163.3 million to its qualified pension plans and approximately $82.5 million to other postretirement plans in 2013. The expected 2013 pension and other postretirement plan contributions of the Registrant Subsidiaries are shown below. The required pension contributions will not be known with more certainty until the January 1, 2013 valuations are completed by April 1, 2013.

The Registrant Subsidiaries expect to contribute approximately the following to the qualified pension and other postretirement plans in 2013:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
Pension Contributions	$34,945	$11,198	$20,731	$7,969	$3,959	$6,666	$7,621
Other Postretirement Contributions	$26,675	$8,381	$10,173	$5,469	$3,669	$5,153	$4,090

Actuarial Assumptions

The significant actuarial assumptions used in determining the pension PBO and the other postretirement benefit APBO as of December 31, 2012, and 2011 were as follows:

	2012	2011
Weighted-average discount rate:		
Qualified pension	4.31% - 4.50%	5.10% - 5.20%
Other postretirement	4.36%	5.10%
Non-qualified pension	3.37%	4.40%
Weighted-average rate of increase in future compensation levels	4.23%	4.23%

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefit costs for 2012, 2011, and 2010 were as follows:

	2012	2011	2010
Weighted-average discount rate:			
Qualified pension	5.10% - 5.20%	5.60% - 5.70%	6.10% - 6.30%
Other postretirement	5.10%	5.50%	6.10%
Non-qualified pension	4.40%	4.90%	5.40%
Weighted-average rate of increase in future compensation levels	4.23%	4.23%	4.23%
Expected long-term rate of return on plan assets:			
Pension assets	8.50%	8.50%	8.50%
Other postretirement non-taxable assets	8.50%	7.75%	7.75%
Other postretirement taxable assets	6.50%	5.50%	5.50%

Entergy's other postretirement benefit transition obligations were amortized over 20 years ending in 2012.

The assumed health care cost trend rate used in measuring Entergy's December 31, 2012 APBO was 7.50% for pre-65 retirees and 7.25% for post-65 retirees for 2013, gradually decreasing each successive year until it reaches 4.75% in 2022 and beyond for both pre-65 and post-65 retirees. The assumed health care cost trend rate used in measuring Entergy's 2012 Net Other Postretirement Benefit Cost was 7.75% for pre-65 retirees and 7.50% for post-65 retirees for 2012, gradually decreasing each successive year until it reaches 4.75% in 2022 and beyond for pre-65 retirees and 4.75% in 2022 and beyond for post-65 retirees. A one percentage point change in the assumed health care cost trend rate for 2012 would have the following effects:

	1 Percentage Point Increase		**1 Percentage Point Decrease**	
2012	**Impact on the APBO**	**Impact on the sum of service costs and interest cost**	**Impact on the APBO**	**Impact on the sum of service costs and interest cost**
		Increase /(Decrease) (In Thousands)		
Entergy Corporation and its subsidiaries	$274,059	$28,455	($220,654)	($22,210)

A one percentage point change in the assumed health care cost trend rate for 2012 would have the following effects for the Registrant Subsidiaries:

2012	1 Percentage Point Increase: Impact on the APBO	1 Percentage Point Increase: Impact on the sum of service costs and interest cost	1 Percentage Point Decrease: Impact on the APBO	1 Percentage Point Decrease: Impact on the sum of service costs and interest cost
	Increase/(Decrease) (In Thousands)			
Entergy Arkansas	$41,816	$3,994	($33,880)	($3,138)
Entergy Gulf States Louisiana	$31,702	$3,287	($25,554)	($2,568)
Entergy Louisiana	$30,780	$3,237	($24,858)	($2,528)
Entergy Mississippi	$13,728	$1,346	($11,139)	($1,057)
Entergy New Orleans	$8,410	$779	($6,924)	($619)
Entergy Texas	$19,647	$1,799	($16,034)	($1,421)
System Energy	$11,304	$1,279	($9,027)	($994)

Medicare Prescription Drug, Improvement and Modernization Act of 2003

In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 became law. The Act introduces a prescription drug benefit cost under Medicare (Part D), which started in 2006, as well as a federal subsidy to employers who provide a retiree prescription drug benefit that is at least actuarially equivalent to Medicare Part D.

The actuarially estimated effect of future Medicare subsidies reduced the December 31, 2012 and 2011 Accumulated Postretirement Benefit Obligation by $316.6 million and $274 million, respectively, and reduced the 2012, 2011, and 2010 other postretirement benefit cost by $31.2 million, $33.0 million, and $26.6 million, respectively. In 2012, Entergy received $6 million in Medicare subsidies for prescription drug claims.

The actuarially estimated effect of future Medicare subsidies and the actual subsidies received for the Registrant Subsidiaries was as follows:

	Entergy Arkansas	Entergy Gulf States Louisiana	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
	Increase/(Decrease) In Thousands						
Impact on 12/31/2012 APBO	($62,877)	($32,055)	($36,015)	($19,507)	($10,902)	($21,164)	($13,586)
Impact on 12/31/2011 APBO	($55,684)	($27,834)	($31,693)	($17,687)	($10,500)	($19,346)	($11,036)
Impact on 2012 other postretirement benefit cost	($5,791)	($3,660)	($3,643)	($1,799)	($995)	($1,321)	($1.400)
Impact on 2011 other postretirement benefit cost	($6,309)	($3,923)	($3,889)	($2,016)	($1,170)	($1,528)	($1,403)
Impact on 2010 other postretirement benefit cost	($5,254)	($3,401)	($3,143)	($1,649)	($1,070)	($1,109)	($1,068)
Medicare subsidies received in 2012	$1,331	$779	$908	$434	$396	$644	$170