



Entergy Operations, Inc.  
1340 Echelon Parkway  
Jackson, MS 39213  
Tel 601-368-5573

Mandy K. Halter  
Director, Nuclear Licensing

10 CFR 50.75(f)(1)

CNRO-2019-00007

March 28, 2019

ATTN: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

SUBJECT: Decommissioning Funding Status Report – Entergy Operations, Inc

Arkansas Nuclear One, Units 1 & 2  
NRC Docket Nos. 50-313 & 50-368

River Bend Station  
NRC Docket No. 50-458

Grand Gulf Nuclear Station  
NRC Docket No. 50-416

Waterford 3 Steam Electric Station  
NRC Docket No. 50-382

- References:
- 1) NUREG-1307, "Report on Waste Burial Charges," Revision 17, dated February 2019.
  - 2) NRC Regulatory Issue Summary 2001-07, "10 CFR 50.75(f)(1) Reports on the Status of Decommissioning Funds (Due March 31, 2001)."

Dear Sir or Madam:

10 CFR 50.75(f)(1) requires each power reactor licensee to report to the NRC by March 31, 1999, and every two years thereafter, on the status of its decommissioning funding for each reactor, or share of a reactor, that it owns. On behalf of Entergy Arkansas, LLC for Arkansas Nuclear One (ANO), System Entergy Resources, Inc. (SERI) and Cooperative Energy (formerly South Mississippi Electric Power Association (SMEPA)) for Grand Gulf Nuclear Station (GGNS), Entergy Louisiana, LLC for River Bend Station (RBS) and Waterford 3 Steam Electric Station (WF3), Entergy Operations, Inc. hereby submits the information requested for power reactors operated by Entergy Operations, Inc.

The estimated minimum decommissioning fund values were determined using the NRC's methodology in NUREG-1307, Rev 17.

The 70 percent regulated interest of RBS contains funds accumulated for separate rate regulatory jurisdictions. There are not separate trust funds for the individual jurisdictions responsible for decommissioning of the 70 percent regulated share of RBS. Balances in the nuclear decommissioning trust for the 70 percent regulated share of RBS attributable to the

separate jurisdictions are accounted for by the Trustee, the Bank of New York Mellon. The following information provides the balances in the 70 percent regulated share trust attributable to each of the relevant jurisdictions as of December 31, 2018:

|           |               |
|-----------|---------------|
| Louisiana | \$182,696,235 |
| Texas     | \$212,747,177 |
| FERC      | \$ 11,361,349 |

The trust fund amounts reported for each facility in the responses to item 3 in the attachments represent the market value of decommissioning trust funds as of December 31, 2018 net of any material current income tax liability on realized gains, interest, dividends and other income of the trusts. Cooperative Energy is a not-for-profit electric cooperative, and is exempt from federal income tax. Accordingly, the amounts reported as of December 31, 2018 of funds separately accumulated by Cooperative Energy for GGNS decommissioning were after-tax amounts. The trusts for the following plants had balances on their 2018 tax liabilities (in thousands), not reflected in the trust fund balances, as follows (does not include Cooperative Energy):

|      |    |   |
|------|----|---|
| ANO  | \$ | 0 |
| GGNS | \$ | 0 |
| RBS  | \$ | 0 |
| WF3  | \$ | 0 |

In accordance with guidance provided by the NRC Staff in April 2014 requests for additional information (Accession No. ML14120A273) that “[f]uture 10 CFR 50.75(f) reports should clearly delineate estimated reactor and ISFSI decommissioning costs,” the information in Attachments 1-4 includes line item 2 identifying the ISFSI decommissioning obligation, from the most recent 10 CFR 72.30 filing. This obligation is also accounted for in the Excess/Shortfall calculations for each plant in Attachment 5.

The information provided in Attachments 1-4 is based on NRC Regulatory Issue Summary 2001-07. Consistent with your letter dated March 11, 2011 (Accession No. ML110280410), we are providing with this submittal or incorporating by reference certain agreements providing for original (not resale) nuclear plant power sales (that may, from time to time, include decommissioning collections) between Entergy operating companies that invoke Federal Energy Regulatory Commission (FERC) tariffs. Considering these agreements and the applicable NRC regulations, Entergy respectfully asserts that these rate-making tariffs should not be viewed as “contractual obligations” as that term is used within 10 CFR 50.75(e)(1)(v). These arrangements describe exchanges among regulated utilities that operate within the confines of a FERC-approved tariff, under the ratemaking jurisdiction of the FERC. As such, the various agreements are simply extensions of the FERC tariff and not the type of “contractual obligations” contemplated by 10 CFR 50.75(e)(1)(v), and Entergy’s decommissioning funding is still provided by the external sinking fund method in accordance with 10 CFR 50.75(e)(1)(ii). In an abundance of caution and in a spirit of cooperation, however, Entergy is providing or incorporating various tariff agreements for each affected plant.

Additionally, Attachment 5 includes Minimum Funding Assurance calculation worksheets (not required for this filing) derived from LIC-205 Revision 4 for the plants, provided for the convenience of the reviewer.

The aforementioned worksheets, using the December 31, 2018 trust fund balances, indicate that all of the plants covered by this submittal met or exceeded the NRC's funding requirements.

This submittal contains no new commitments. If you have any questions, please contact me at 601-368-5573.

Respectfully,

A handwritten signature in black ink that reads "Mandy K. Halter". The signature is written in a cursive, flowing style.

MKH/LJS/gpn

Attachments:

1. Entergy Arkansas, LLC – ANO 1 & 2 Status Reports
  - 1-A Entergy Arkansas, LLC – Calculation of Minimum Amount
  - 1-B Schedule of Remaining Principal Payments – ANO-2
  - 1-C ANO Purchase Power Agreements
2. SERI & Cooperative Energy - GGNS Status Report
  - 2-A SERI & Cooperative Energy – Calculation of Minimum Amount
3. Entergy Louisiana, LLC RBS Status Report – 70% Regulated
  - 3-A Entergy Louisiana, LLC – Calculation of Minimum Amount
  - 3-B Schedule of Remaining Principal Payments – RBS
  - 3-C Entergy Louisiana, LLC RBS Status Report – 30% Non-Regulated
  - 3-D River Bend 70% Purchase Power Agreement
  - 3-E River Bend 30% Purchase Power Agreement
4. Entergy Louisiana, LLC – Waterford 3 Status Report
  - 4-A Entergy Louisiana, LLC - Calculation of Minimum Amount
  - 4-B Schedule of Remaining Principal Payments – Waterford 3
  - 4-C Waterford 3 Purchase Power Agreement
5. Minimum Funding Assurance Calculation Worksheets

cc: USNRC Regional Administrator, Region IV

USNRC Project Manager, ANO  
USNRC Project Manager, GGN  
USNRC Project Manager, RBS  
USNRC Project Manager, WF3

USNRC Resident Inspector, ANO  
USNRC Resident Inspector, GGN  
USNRC Resident Inspector, RBS  
USNRC Resident Inspector, WF3

Arkansas Department of Health  
Mississippi Department of Health  
Louisiana Department of Environmental Quality

**ENTERGY ARKANSAS, LLC**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **Arkansas Nuclear One Unit 1 (ANO 1)**

- |  |  |
|--|--|
| 1. Minimum Financial Assurance (MFA)<br>Estimated per 10 CFR 50.75(b) and (c) (2018\$):  | \$472.4 million <sup>1</sup>                               |
| 2. ISFSI Obligation as of 12/31/18   | \$7.36 million <sup>2</sup>                                |
| 3. Decommissioning Trust Fund Total<br>As of 12/31/18:   | \$506.7 million  |
| 4. Annual amounts remaining to be collected:   | \$0 <sup>3</sup>   |
| 5. Assumptions used in determining rates of escalation<br>in decommissioning costs, rates of earnings on<br>decommissioning funds, and rates of other factors<br>used in funding projections | 2% annual real rate of return per<br>10 CFR 50.75(e)(1)(i) |
| 6. Contracts upon which licensee is relying<br>For Decommissioning Funding:  | See Footnote <sup>4</sup>                                  |
| 7. Modifications to Method of Financial<br>Assurance since Last Report:  | None   |
| 8. Material Changes to Trust Agreements:   | None   |

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<sup>1</sup> See Attachment 1-A

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491). The ISFSI obligation is shared equally between ANO 1 and ANO 2.

<sup>3</sup> Decommissioning funding has been suspended by the Arkansas Public Service Commission in Docket No. 87-166-TF. The NRC has granted license renewal to May 20, 2034.

<sup>4</sup> See the agreements in attachment 1-C for unit power purchase agreements under FERC tariffs for ANO. The licensee believes these contracts do not qualify as contractual obligations, but rather are simply cost of service recovery mechanisms as defined in 10 CFR §50.75(e)(1)(ii)(A). Out of an abundance of caution, the licensee identifies this information here. By FERC Order dated March 21, 2019, these agreements were modified to substitute Entergy Arkansas, LLC for Entergy Arkansas, Inc. As of the date of this filing, executed copies of the amended agreements were not available.

**ENTERGY ARKANSAS, LLC**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **Arkansas Nuclear One Unit 2 (ANO 2)**

- |  |   |
|--|---|
| 1. Minimum Financial Assurance (MFA)<br>Estimated per 10 CFR 50.75(b) and (c) (2018\$):  | \$491.9 million <sup>1</sup>                            |
| 2. ISFSI Obligation as of 12/31/18   | \$7.36 million <sup>2</sup>                             |
| 3. Decommissioning Fund Total<br>As of 12/31/18:   | \$405.3 million   |
| 4. Annual amounts remaining to be collected:   | See Attachment 1-B <sup>3</sup>                         |
| 5. Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections: | 2% annual real rate of return per 10 CFR 50.75(e)(1)(i) |
| 6. Contracts upon which licensee is relying For Decommissioning Funding:   | None  |
| 7. Modifications to Method of Financial Assurance since Last Report:   | None  |
| 8. Material Changes to Trust Agreements:   | None  |

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<sup>1</sup> See Attachment 1-A

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491). The ISFSI obligation is shared equally between ANO 1 and ANO 2.

<sup>3</sup> Decommissioning funding has been allowed by the Arkansas Public Service Commission in Revised Attachment A to Rider NDCR in Order No. 66 in Docket No. 87-166-TF.

**ENTERGY ARKANSAS, LLC**  
**Calculation for Minimum Amount - ANO**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

**Entergy Arkansas, Inc.:** 100% ownership interest  
**Plant Location:** Russellville, Arkansas  
**Reactor Type:** Pressurized Water Reactor ("PWR")  
**ANO Unit 1 Power Level:** <3,400 MWt (2,568 MWt)  
**ANO Unit 1 PWR Base Year 1986\$:** \$97,598,400  
**ANO Unit 2 Power Level:** <3,400 MWt (3,026 MWt)  
**ANO Unit 2 PWR Base Year 1986\$:** \$101,628,800  
**Labor Region:** South  
**Waste Burial Facility:** Generic Disposal Site

**10CFR50.75(c)(2) Escalation Factor Formula:**

$$0.65(L) + 0.13(E) + 0.22(B)$$

|                             | <u>Factor</u>      |
|-----------------------------|--------------------|
| L=Labor (South)             | 2.62 <sup>1</sup>  |
| E=Energy (PWR)              | 2.37 <sup>2</sup>  |
| B=Waste Burial-Vendor (PWR) | 12.85 <sup>3</sup> |

**PWR Escalation Factor:**

$$0.65(L) + 0.13(E) + 0.22(B) = 4.84041$$

**1986 PWR Base Year \$ Escalated:**

$$\text{ANO1: } \$97,598,400 * \text{Factor} = \underline{\$472,416,347}$$

$$\text{ANO2: } \$101,628,800 * \text{Factor} = \underline{\$491,925,138}$$

<sup>1</sup> Bureau of Labor Statistics, Series Report ID: CIU2010000000220i (4<sup>th</sup> Quarter 2018)

<sup>2</sup> Bureau of Labor Statistics, Series Report ID: wpu0543 and wpu0573 (December 2018)

<sup>3</sup> Nuclear Regulatory Commission: NUREG-1307 Revision 17, Table 2.1 (2019)

**ENTERGY ARKANSAS, LLC**  
**Schedule of Remaining Principal Payments into ANO-2 Decommissioning Fund**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

|      | <u>ANO-2</u> | <u>Total</u> |
|------|--------------|--------------|
| 2019 | \$2,169      | \$3,160      |
| 2020 | \$2,169      | \$3,098      |
| 2021 | \$2,169      | \$3,037      |
| 2022 | \$2,169      | \$2,978      |
| 2023 | \$2,169      | \$2,919      |
| 2024 | \$2,169      | \$2,862      |
| 2025 | \$2,169      | \$2,806      |
| 2026 | \$2,169      | \$2,751      |
| 2027 | \$2,169      | \$2,697      |
| 2028 | \$2,169      | \$2,644      |
| 2029 | \$2,169      | \$2,592      |
| 2030 | \$2,169      | \$2,541      |
| 2031 | \$2,169      | \$2,491      |
| 2032 | \$2,169      | \$2,443      |
| 2033 | \$2,169      | \$2,395      |
| 2034 | \$2,169      | \$2,348      |
| 2035 | \$2,169      | \$2,302      |
| 2036 | \$2,169      | \$2,257      |
| 2037 | \$2,169      | \$2,212      |
| 2038 | \$2,169      | \$2,169      |

Note: Approved in Revised Attachment A to Rider NDCR in Order No. 66 in Docket No. 87-166-TF

**Attachment 1-C**

**CNRO-2019-00007**

**ANO Purchase Power Agreements**

(14 pages to follow)

## AGREEMENT

This Agreement is dated as of May 9, 2017 between Entergy Arkansas, Inc. (“EAI” or “Seller”), and Entergy Louisiana, LLC (“ELL” or “Buyer”).

WHEREAS, EAI has agreed to make a unit power sale from the designated units set forth on Attachment A (individually a “Designated Unit” and collectively “Designated Units”) to ELL; and

WHEREAS, the Agreement among EAI, the former Entergy Louisiana, LLC (“Entergy Louisiana”), Entergy New Orleans, Inc., Entergy Mississippi, Inc., and Entergy Services, Inc. (hereinafter referred to as the “System Agreement”), was filed with FERC on April 30, 1982, and became effective on January 1, 1983, and was amended in 1993 to incorporate Entergy Gulf States, Inc. and its successors Entergy Gulf States Louisiana, L.L.C. (“EGSL”) and Entergy Texas, Inc., in 2008, and EGSL’s and Entergy Louisiana’s successor, ELL, in 2015; and

WHEREAS, EAI withdrew from and terminated its participation in the System Agreement effective December 19, 2013; and

WHEREAS, the parties herein previously executed this Agreement to provide for a unit power purchase by ELL under System Agreement Service Schedule MSS-4 from the Designated Units; and

WHEREAS, as of December 19, 2013, the Parties have applied and shall apply the terms and conditions of the Unit Power Sales and Designated Power Purchases Tariff accepted by FERC in Docket No. ER13-1508 (“Sales and Purchases Tariff”), which was designed to replicate System Agreement Service Schedule MSS-4 as the umbrella tariff for this Agreement following EAI’s withdrawal from the System Agreement; and

WHEREAS, on October 1, 2015, EGSL and Entergy Louisiana completed a transaction

in which EGSL and Entergy Louisiana combined substantially all of their respective assets and liabilities into a single successor public utility operating company now known as ELL; and

WHEREAS, on October 30, 2015, ELL succeeded to the tariffs and rate schedules of EGSL and Entergy Louisiana; and

WHEREAS, the System Agreement terminated effective August 31, 2016 at 11:59:59 PM Central Daylight Time; THEREFORE, the parties agree as follows:

1. Designated Units. The designated generating units for purposes of this unit power purchase under the Sales and Purchases Tariff shall be those units set forth on Attachment A.

2. Unit Power Purchase. EAI agrees to sell and ELL agrees to purchase that quantity of generating capacity and associated energy from the Designated Units equivalent to the percentage (the “Allocated Percentage”) of EAI’s baseload capacity in each such Designated Unit set forth on Attachment A, with such sale and purchase to become effective as of May 9, 2017 and to continue thereafter until the retirement date of the Designated Units set forth on Attachment A, plus, for the Designated Units Arkansas Nuclear One (“ANO”) Units 1 and 2 listed on Attachment A, any time required to decommission ANO Units 1 and 2.

3. Pricing. The pricing of the capacity and energy to be sold and purchased pursuant to paragraph 2 above shall be as specified in the Sales and Purchases Tariff. Should the trust funds set aside for Buyer’s share of the responsibility for the decommissioning of ANO Units 1 and 2 be found to be insufficient to cover the aforesaid Buyer’s share of the cost for such decommissioning, Buyer will promptly pay to Seller such deficit. The Buyer will fully pay for the Buyer’s share of the decommissioning responsibility for ANO Units 1 and 2 notwithstanding the operational status of ANO Units 1 and 2 or any force majeure provisions. All proceeds from decommissioning collections under the Sales and Purchases Tariff pursuant to this Agreement

will be deposited to the external sinking fund(s) that collect(s) Buyer's decommissioning funding.

4. Energy Entitlement. ELL is entitled to receive on an hourly basis the Allocated Percentage of the energy generated by each of the Designated Units.

5. Termination. Neither party shall have the right to terminate the unit power purchase and sale required by this Agreement without the express written consent of the other party.

6. Condition Precedent. This contract shall be conditioned upon Buyer receiving all regulatory approvals required for this Agreement.

7. Notices. Unless specifically stated otherwise herein, any notice to be given hereunder shall be sent by Registered Mail, postage prepaid, to the party to be notified at the address set forth below, and shall be deemed given when so mailed.

To EAI:           Entergy Arkansas, Inc.  
425 West Capitol Avenue  
Little Rock, AR 72201  
ATTN: Chief Executive Officer

To ELL:           Entergy Louisiana, LLC  
4809 Jefferson Highway  
Jefferson, LA 70121  
ATTN: Chief Executive Officer

8. Nonwaiver. The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be considered as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.

9. Amendments. No waiver, alteration, amendment, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized

representative of both parties.

10. Entire Agreement. This Agreement, which is entered into in accordance with the authority of the Sales and Purchases Tariff, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof.

11. Severability. It is agreed that if any clause or provision of this Agreement is held by the courts to be illegal or void, the validity of the remaining portions and provisions of the Agreement shall not be affected, and the rights and obligations of the parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

WITNESS OUR SIGNATURES as of May 9, 2017.

WITNESS: Gina C. Green

ENTERGY ARKANSAS, INC.

BY: Richard C. Riley

TITLE: President & CEO

WITNESS: \_\_\_\_\_

ENTERGY LOUISIANA, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS OUR SIGNATURES as of May 9, 2017.

WITNESS: \_\_\_\_\_

ENTERGY ARKANSAS, INC.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS: Lauri Rini

ENTERGY LOUISIANA, LLC

BY: Mark J. May

TITLE: President & CEO

## ATTACHMENT A

## SALE OF CAPACITY AND ENERGY

## BY ENTERGY ARKANSAS, INC. TO ENTERGY LOUISIANA, LLC

This Attachment A is attached to and forms a part of the Agreement dated as of May 9, 2017, between Entergy Louisiana, LLC (“ELL” or “Buyer”) and Entergy Arkansas, Inc. (“EAI” or “Seller”) pursuant to the Unit Power Sales and Designated Power Purchases Tariff.

During the period, May 9, 2017 through the end of the term, the capacity and energy amount is as follows:

| <b>DESIGNATED UNIT</b> | <b>EAI's<br/>BASELOAD<br/>CAPACITY*</b> | <b>BUYER'S<br/>ALLOCATED<br/>CAPACITY*</b> | <b>BUYER'S<br/>ALLOCATED<br/>PERCENTAGE</b> |
|------------------------|---|--|---|
| ANO Unit 1             | 846.00                                  | 23.00                                      | 2.72%                                       |
| ANO Unit 2             | 998.00                                  | 27.00                                      | 2.71%                                       |
| White Bluff Unit 1     | 461.70                                  | 13.00                                      | 2.82%                                       |
| White Bluff Unit 2     | 461.70                                  | 12.00                                      | 2.60%                                       |
| Independence Unit 1    | 257.00                                  | 7.00                                       | 2.72%                                       |
| Grand Gulf - EAI       | 324.00                                  | 9.00                                       | 2.78%                                       |
| <b>TOTAL</b>           | <b>3,348.40</b>                         | <b>91.00</b>                               | <b>2.72%</b>                                |

\*Expressed in megawatts. To the extent EAI's Baseload Capacity increases or decreases, Buyer's Allocated Capacity shall adjust correspondingly based on Buyer's Allocated Percentage of EAI's Baseload Capacity.

## AGREEMENT

This Agreement is dated as of May 9, 2017 between Entergy Arkansas, Inc. (“EAI” or “Seller”), and Entergy New Orleans, Inc. (“ENO” or “Buyer”).

WHEREAS, EAI has agreed to make a unit power sale from the designated units set forth on Attachment A (individually a “Designated Unit” and collectively “Designated Units”) to ENO; and

WHEREAS, the Agreement among EAI, ENO, and the former Entergy Louisiana, LLC (“Entergy Louisiana”), Entergy Mississippi, Inc., and Entergy Services, Inc. (hereinafter referred to as the “System Agreement”), was filed with FERC on April 30, 1982, and became effective on January 1, 1983, and was amended in 1993 to incorporate Entergy Gulf States, Inc. and its successors Entergy Gulf States Louisiana, L.L.C. (“EGSL”) and Entergy Texas, Inc., in 2008, and EGSL’s and Entergy Louisiana’s successor, Entergy Louisiana, LLC, in 2015; and

WHEREAS, EAI withdrew from and terminated its participation in the System Agreement effective December 19, 2013; and

WHEREAS, the parties herein previously executed this Agreement to provide for a unit power purchase by ENO under System Agreement Service Schedule MSS-4 from the Designated Units; and

WHEREAS, as of December 19, 2013, the Parties have applied and shall apply the terms and conditions of the Unit Power Sales and Designated Power Purchases Tariff accepted by FERC in Docket No. ER13-1508 (“Sales and Purchases Tariff”), which was designed to replicate System Agreement Service Schedule MSS-4 as the umbrella tariff for this Agreement following EAI’s withdrawal from the System Agreement; and

WHEREAS, the System Agreement terminated effective August 31, 2016 at 11:59:59

PM Central Daylight Time;

THEREFORE, the parties agree as follows:

1. Designated Units. The designated generating units for purposes of this unit power purchase under the Sales and Purchases Tariff shall be those units set forth on Attachment A.

2. Unit Power Purchase. EAI agrees to sell and ENO agrees to purchase that quantity of generating capacity and associated energy from the Designated Units equivalent to the percentage (the “Allocated Percentage”) of EAI’s baseload capacity in each such Designated Unit set forth on Attachment A, with such sale and purchase to become effective as of May 9, 2017 and to continue thereafter until the retirement date of the Designated Units set forth on Attachment A, plus, for the Designated Units Arkansas Nuclear One (“ANO”) Units 1 and 2 listed on Attachment A, any time required to decommission ANO Units 1 and 2.

3. Pricing. The pricing of the capacity and energy to be sold and purchased pursuant to paragraph 2 above shall be as specified in the Sales and Purchases Tariff. Should the trust funds set aside for Buyer’s share of the responsibility for the decommissioning of ANO Units 1 and 2 be found to be insufficient to cover the aforesaid Buyer’s share of the cost for such decommissioning, Buyer will promptly pay to Seller such deficit. The Buyer will fully pay for the Buyer’s share of the decommissioning responsibility for ANO Units 1 and 2 notwithstanding the operational status of ANO Units 1 and 2 or any force majeure provisions. All proceeds from decommissioning collections under the Sales and Purchases Tariff pursuant to this Agreement will be deposited to the external sinking fund(s) that collect(s) Buyer’s decommissioning funding.

4. Energy Entitlement. ENO is entitled to receive on an hourly basis the Allocated

Percentage of the energy generated by each of the Designated Units.

5. Termination. Neither part shall have the right to terminate the unit power purchase and sale required by this Agreement without the express written consent of the other party.

6. Condition Precedent. This contract shall be conditioned upon Buyer receiving all regulatory approvals required for this Agreement.

7. Notices. Unless specifically stated otherwise herein, any notice to be given hereunder shall be sent by Registered Mail, postage prepaid, to the party to be notified at the address set forth below, and shall be deemed given when so mailed.

To EAI:       Entergy Arkansas, Inc.  
                  425 West Capitol Avenue  
                  Little Rock, AR 72201  
                  ATTN: Chief Executive Officer

To ENO:       Entergy New Orleans, Inc.  
                  1600 Perdido Street  
                  Building 505  
                  New Orleans, LA 70112  
                  ATTN: Chief Executive Officer

8. Nonwaiver. The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be considered as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.

9. Amendments. No waiver, alteration, amendment, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties.

10. Entire Agreement. This Agreement, which is entered into in accordance with the authority of the Sales and Purchases Tariff, constitutes the entire agreement between the parties

with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof.

11. Severability. It is agreed that if any clause or provision of this Agreement is held by the courts to be illegal or void, the validity of the remaining portions and provisions of the Agreement shall not be affected, and the rights and obligations of the parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

WITNESS OUR SIGNATURES as of May 9, 2017.

WITNESS: Gina C. Green

ENTERGY ARKANSAS, INC.

BY: Richard C. Riley

TITLE: President & CEO

WITNESS: \_\_\_\_\_

ENTERGY NEW ORLEANS, INC.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS OUR SIGNATURES as of May 9, 2017.

WITNESS: \_\_\_\_\_

ENTERGY ARKANSAS, INC.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS: Kim Mitchell

ENTERGY NEW ORLEANS, INC.

BY:  \_\_\_\_\_

TITLE: President & CEO

## ATTACHMENT A

## SALE OF CAPACITY AND ENERGY

## BY ENTERGY ARKANSAS, INC. TO ENTERGY NEW ORLEANS, INC.

This Attachment A is attached to and forms a part of the Agreement dated as of May 9, 2017, between Entergy New Orleans, Inc. (“ENO” or “Buyer”) and Entergy Arkansas, Inc. (“EAI” or “Seller”) pursuant to the Unit Power Sales and Designated Power Purchases Tariff.

During the period, May 9, 2017 through the end of the term, the capacity and energy amount is as follows:

|                        | EAI's<br>BASELOAD<br>CAPACITY* | BUYER'S<br>ALLOCATED<br>CAPACITY* | BUYER'S<br>ALLOCATED<br>PERCENTAGE |
|------------------------|--------------------------------|-----------------------------------|------------------------------------|
| <b>DESIGNATED UNIT</b> |                                |                                   |                                    |
| ANO Unit 1             | 846.00                         | 23.00                             | 2.72%                              |
| ANO Unit 2             | 998.00                         | 27.00                             | 2.71%                              |
| White Bluff Unit 1     | 461.70                         | 12.00                             | 2.60%                              |
| White Bluff Unit 2     | 461.70                         | 13.00                             | 2.82%                              |
| Independence Unit 1    | 257.00                         | 7.00                              | 2.72%                              |
| Grand Gulf - EAI       | 324.00                         | 9.00                              | 2.78%                              |
| <b>TOTAL</b>           | <b>3,348.40</b>                | <b>91.00</b>                      | <b>2.72%</b>                       |

\*Expressed in megawatts. To the extent EAI's Baseload Capacity increases or decreases, Buyer's Allocated Capacity shall adjust correspondingly based on Buyer's Allocated Percentage of EAI's Baseload Capacity.

**SYSTEM ENERGY RESOURCES, INC. and COOPERATIVE ENERGY**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **Grand Gulf Station (Owned & leased 90% by System Energy Resources, Inc (SERI) and 10% by Cooperative Energy)**

1. Minimum Financial Assurance (MFA)  
Estimated per 10 CFR 50.75(b) and (c) (2018\$):  
SERI (90% ownership share) \$603.7 million<sup>1</sup>  
Cooperative Energy (10% ownership share) \$67.1 million
2. ISFSI Obligation as of 12/31/18<sup>2</sup>  
SERI \$11.48 million  
Cooperative Energy \$1.28 million
3. Decommissioning Fund Total as of 12/31/18:  
SERI \$869.5 million  
Cooperative Energy \$75.5 million
4. Annual amounts remaining to be collected: None
5. Assumptions used:  
Rate of Escalation of Decommissioning Costs:  
SERI See item below  
Cooperative Energy 3.0%  
  
Rate of Earnings on Decommissioning Funds:  
SERI 2% real rate of return  
per 10 CFR 50.75(e)(1)(i)  
Cooperative Energy Approx. 2.91%<sup>3</sup>  
  
Authority for use of Real Earnings Over 2%:  
SERI N/A  
Cooperative Energy Cooperative Energy Board
6. Contracts upon which licensee is relying  
For Decommissioning Funding: See footnote<sup>4</sup>
7. Modifications to Method of Financial  
Assurance since Last Report: None
8. Material Changes to Trust Agreements:  
SERI None  
Cooperative Energy None

<sup>1</sup> See Attachment 2-A

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491).

<sup>3</sup> Established by Cooperative Energy board resolution. A copy of that resolution was previously provided in the licensee's March 27, 2015 decommissioning financial assurance filing as Attachment 2-C, Accession No. ML15092A183, and is incorporated herein by reference.

<sup>4</sup> See the Unit Power Sales Agreement and the Availability Agreement, FERC tariffs, previously provided in the licensee's March 27, 2015 decommissioning financial assurance filing as Attachment 2-D, Accession No. ML15092A183, incorporated herein by reference. It is the licensee's position that these agreements are not 10 CFR §50.75(e)(1)(v) "contractual obligations," but rather cost of service tariffs which may appropriately be used to fund the external sinking fund in accordance with 10 CFR §50.75(e)(1)(ii). Out of abundance of caution, the licensee identifies this information here.

**SYSTEM ENERGY RESOURCES, INC. and COOPERATIVE ENERGY**  
**Calculation for Minimum Amount**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

**System Energy Resources, Inc.:** 90% ownership/leasehold interest  
**Cooperative Energy:** 10% ownership interest  
**Plant Location:** Port Gibson, Mississippi  
**Reactor Type:** Boiling Water Reactor ("BWR")  
**Power Level:** >3,400 MWt  
**BWR Base Year 1986\$:** \$135,000,000  
**Labor Region:** South  
**Waste Burial Facility:** Generic Disposal Site

**10CFR50.75(c)(2) Escalation Factor Formula:**

$$0.65(L) + 0.13(E) + 0.22(B)$$

|                             | <u>Factor</u>       |
|-----------------------------|---------------------|
| L=Labor (South)             | 2.62 <sup>1</sup>   |
| E=Energy (BWR)              | 2.39 <sup>2</sup> + |
| B=Waste Burial-Vendor (BWR) | 13.422 <sup>3</sup> |

**BWR Escalation Factor:**

$$0.65(L) + 0.13(E) + 0.22(B) = 4.96883$$

**1986 BWR Base Year \$ Escalated:**

$$\$135,000,000 * \text{Factor} = \$670,792,452$$

|   |                                    |
|---|------------------------------------|
| <b>System Energy interest (90%):</b>      | <b>\$603,713,207</b>               |
| <b>Cooperative Energy interest (10%):</b> | <b><u>\$ 67,079,245</u></b>        |
| <b>Total</b>                              | <b><u><u>\$670,792,452</u></u></b> |

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<sup>1</sup> Bureau of Labor Statistics, Series Report ID: CIU2010000000220i (4<sup>th</sup> Quarter 2018)  
<sup>2</sup> Bureau of Labor Statistics, Series Report ID: wpu0543 and wpu0573 (December 2018)  
<sup>3</sup> Nuclear Regulatory Commission: NUREG-1307 Revision 17, Table 2.1 (2019)

**ENTERGY LOUISIANA, LLC.**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **River Bend Station (70% Regulated Interest)**

- |   |   |
|---|---|
| 1. Minimum Financial Assurance (MFA)            |   |
| Estimated per 10 CFR 50.75(b) and (c) (2018\$): | \$458.5 million <sup>1</sup>                        |
| 2. ISFSI Obligation as of 12/31/18              | \$7.31 million <sup>2</sup>                         |
| 3. Decommissioning Fund Total                   |   |
| As of 12/31/18:                                 | \$406.8 million                                     |
| 4. Annual amounts remaining to be collected:    | See Attachment 3-B                                  |
| 5. Assumptions used:                            |   |
| Rate of Escalation of Decommissioning Costs:    | See item below                                      |
| Rate of Earnings on Decommissioning Funds:      | 2% real rate of return<br>per 10 CFR 50.75(e)(1)(i) |
| Authority for use of Real Earnings Over 2%:     | N/A   |
| 6. Contracts upon which licensee is relying     |   |
| For Decommissioning Funding:                    | See footnote <sup>3</sup>                           |
| 7. Modifications to Method of Financial         |   |
| Assurance since Last Report:                    | None  |
| 8. Material Changes to Trust Agreements:        | None  |

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<sup>1</sup> See Attachment 3-A.

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491), 70% of River Bend value.

<sup>3</sup> See the agreement in attachment 3-D for a unit power purchase agreement under a FERC tariff for the Texas-jurisdictional share of the River Bend 70% share. The licensee believes this contract does not qualify as a contractual obligation, but rather is simply a cost of service recovery mechanism as defined in 10 CFR §50.75(e)(1)(ii)(A). Out of an abundance of caution, the licensee identifies this information here.

**ENTERGY LOUISIANA, LLC.**  
**Calculation for Minimum Amount**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

**Entergy Louisiana, LLC:** Factors below used for all of ownership interests

**Plant Location:** West Feliciana Parish, Louisiana

**Reactor Type:** Boiling Water Reactor ("BWR")

**Power Level:** <3,400 MWt (3,091MWt)

**BWR Base Year 1986\$:** \$131,819,000

**Labor Region:** South

**Waste Burial Facility:** Generic Disposal Site

**10CFR50.75(c)(2) Escalation Factor Formula:**

$$0.65(L) + 0.13(E) + 0.22(B)$$

|                             | <u>Factor</u>       |
|-----------------------------|---------------------|
| L=Labor (South)             | 2.62 <sup>1</sup>   |
| E=Energy (BWR)              | 2.39 <sup>2</sup>   |
| B=Waste Burial-Vendor (BWR) | 13.422 <sup>3</sup> |

**BWR Escalation Factor:**

$$0.65(L) + 0.13(E) + 0.22(B) = 4.96883$$

**1986 BWR Base Year \$ Escalated:**

$$\$131,819,000 * \text{Factor} = \$654,986,595$$

**River Bend 70% Regulated Interest:** \$458,490,616

**River Bend 30% Non-Regulated Interest:** \$196,495,978

**Total** \$654,986,595

<sup>1</sup> Bureau of Labor Statistics, Series Report ID: CIU2010000000220i (4<sup>th</sup> Quarter 2018)

<sup>2</sup> Bureau of Labor Statistics, Series Report ID: wpu0543 and wpu0573 (December 2018)

<sup>3</sup> Nuclear Regulatory Commission: NUREG-1307 Revision 17, Table 2.1 (2019)

**ENTERGY LOUISIANA, LLC.**  
**Schedule of Remaining Principal Payments into RBS (70%) Decommissioning Fund**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

| Year | LPSC     | PUCT     | FERC   | Total    |
|------|----------|----------|--------|----------|
| 2019 | \$ 8,996 | \$ 1,126 | \$ 113 | \$10,235 |
| 2020 | \$10,195 | \$ 1,126 | \$ 113 | \$11,434 |
| 2021 | \$10,195 | \$ 1,126 | \$ 113 | \$11,434 |
| 2022 | \$10,195 | \$ 1,126 | \$ 113 | \$11,434 |
| 2023 | \$10,195 | \$ 1,126 | \$ 113 | \$11,434 |
| 2024 | \$10,195 | \$ 1,126 | \$ 113 | \$11,434 |
| 2025 | \$11,693 | \$ 1,126 | \$ 113 | \$12,931 |
| 2026 | \$11,693 | \$ 1,126 | \$ 113 | \$12,932 |
| 2027 | \$11,693 | \$ 1,126 | \$ 113 | \$12,932 |
| 2028 | \$11,693 | \$ 1,126 | \$ 113 | \$12,932 |
| 2029 | \$11,693 | \$ 1,126 | \$ 113 | \$12,932 |
| 2030 | \$13,513 | \$ 1,126 | \$ 113 | \$14,752 |

Note: Approved in LPSC Docket No.U-31237; PUCT Order in Docket No. 39896; FERC Order in Docket Nos. ER86-558-002. Copies of those orders were previously provided in the licensee's March 27, 2015 decommissioning financial assurance filing as Attachments 3-D, 3-E and 3-F, respectively, Accession No. ML15092A183, and are incorporated herein by reference.

**ENTERGY LOUISIANA, LLC.**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **River Bend Station (30% Non-Regulated Interest)**

- |   |   |
|---|---|
| 1. Minimum Financial Assurance (MFA)            |   |
| Estimated per 10 CFR 50.75(b) and (c) (2018\$): | \$196.5 million <sup>1</sup>                        |
| 2. ISFSI Obligation as of 12/31/18              | \$3.13 million <sup>2</sup>                         |
| 3. Decommissioning Fund Total                   |   |
| As of 12/31/18:                                 | \$396.5 million                                     |
| 4. Annual amounts remaining to be collected:    | None  |
| 5. Assumptions used:                            |   |
| Rate of Escalation of Decommissioning Costs:    | See next item                                       |
| Rate of Earnings on Decommissioning Funds:      | 2% real rate of return<br>per 10 CFR 50.75(e)(1)(i) |
| Authority for use of Real Earnings Over 2%:     | N/A   |
| 6. Contracts upon which licensee is relying     |   |
| For Decommissioning Funding:                    | None <sup>3</sup>                                   |
| 7. Modifications to Method of Financial         |   |
| Assurance since Last Report:                    | None  |
| 8. Material Changes to Trust Agreements:        | None  |

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<sup>1</sup> See Attachment 3-A.

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491), 30% of River Bend value.

<sup>3</sup> The River Bend 30% share is sold under contract, but since the 30% share is fully funded with a pre-paid decommissioning fund, the licensee does not rely on this contract for decommissioning.

**Attachment 3-D**

**CNRO-2019-00007**

**River Bend 70% Purchase Power Agreement**

(7 pages to follow)

## **AGREEMENT**

This Agreement is dated as of September 1, 2016, between Entergy Texas, Inc. (“ETI” or “Buyer”), and Entergy Louisiana, LLC (“ELL” or “Seller”).

WHEREAS, Seller has agreed to make a unit power sale from the designated units set forth on Attachment A (individually a “Designated Unit” and collectively “Designated Units”) to Buyer; and

WHEREAS, the agreement among the former Entergy Louisiana, LLC (“Entergy Louisiana”), Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Arkansas, Inc., (collectively the “Companies”), and Entergy Services, Inc. (“ESI”) was filed with FERC on April 30, 1982, and became effective on January 1, 1983, and amended to incorporate Entergy Gulf States, Inc. (“EGS”) in 1993 and its successor, Entergy Gulf States Louisiana, L.L.C. (“EGSL”), and ETI in 2008 (hereinafter referred to as the “System Agreement”); and

WHEREAS, on October 1, 2015, EGSL and Entergy Louisiana completed a transaction in which EGSL and Entergy Louisiana combined substantially all of their respective assets and liabilities into a single successor public utility operating company now known as ELL; and

WHEREAS, on October 30, 2015, ELL succeeded to the tariffs and rate schedules of EGSL and Entergy Louisiana; and

WHEREAS, pursuant to a Settlement Agreement approved by FERC in Docket Nos. ER14-75, et al., on December 29, 2015, the System Agreement will terminate effective August 31, 2016 at 11:59:59 PM Central Daylight Time; and

WHEREAS, the parties herein previously executed this Agreement to provide for a unit power purchase by Buyer under Service Schedule MSS-4 from the Designated Units; and

WHEREAS, upon termination of the System Agreement, the Parties intend to apply the terms and conditions of the Unit Power Sales and Designated Power Purchases Tariff accepted by FERC in Docket No. ER13-1508 (“Sales and Purchases Tariff”), which is designed to replicate System Agreement Service Schedule MSS-4 as the umbrella tariff for this Agreement;

THEREFORE, the parties agree as follows:

1. Designated Units. The designated generating units for purposes of this unit power sale under the Sales and Purchases Tariff shall be those units set forth on Attachment A.
2. Unit Power Purchase. Seller agrees to sell and Buyer agrees to purchase that quantity of generating capacity and associated energy from the Designated Units equivalent to the percentage (the “Allocated Percentage”) of Seller’s capacity in each such Designated Unit set forth on Attachment A.
3. Pricing. The pricing of the capacity and energy to be sold and purchased pursuant to paragraph 2 above shall be as specified in the Sales and Purchases Tariff; however, the input values for decommissioning, Generating Plant Accounts (DGUPTPLT), Accumulated Provision for Depreciation (DGUDR), Accumulated Deferred Income Taxes (DGUADIT), and Depreciation Expense (DGUDE) will reflect the ratemaking decisions of the Public Utility Commission of Texas. In addition, the Operations and Maintenance expenses will be reduced by the 30% portion allocable to the unregulated portion of River Bend Station, which is not in retail rate base. This 30% portion of River Bend Station was formerly owned by Cajun Electric Power Cooperative before it was owned by EGSL and now ELL.

Should the trust funds set aside for Buyer’s share of the responsibility

for River Bend Station decommissioning be found to be insufficient to cover the aforesaid Buyer's share of the cost for such decommissioning, Buyer will promptly pay to Seller such deficit. The Buyer will fully pay for the Buyer's share of the decommissioning responsibility for River Bend notwithstanding the operational status of River Bend or any force majeure provisions. All proceeds from decommissioning collections under the Sales and Purchases Tariff pursuant to this Agreement will be deposited to the external sinking fund(s) that collect(s) Buyer's decommissioning funding.

4. Energy Entitlement. Buyer is entitled to receive on an hourly basis the Allocated Percentage of the energy generated by each of the Designated Units.
5. Term. The term of this Agreement shall be the operating life of the Designated Units, plus any time required to decommission the Designated Units.
6. Termination. Neither party shall have the right to terminate the unit power purchase and sale required by this Agreement without the express written consent of the other party.
7. Assignment. This Agreement is not assignable by Buyer without the consent of Seller, and Seller must consent to any transfer or assignment to any new or restructured entity resulting from any restructuring or business combination of Buyer, the effect of which would cause a successor to become a party hereto. Any assignment approved by Seller shall be on terms as then agreed.
8. Condition Precedent. This contract shall be conditioned upon Buyer receiving all regulatory approvals required for this Agreement.
9. Notices. Unless specifically stated otherwise herein, any notice to be given hereunder shall be sent by Registered Mail, postage prepaid, to the party to be

notified at the address set forth below, and shall be deemed given when so mailed.

To ETI:                      Entergy Texas, Inc.  
                                    10055 Grogans Mill Road  
                                    The Woodlands, TX 77380  
                                    ATTN: Chief Executive Officer

To ELL:                      Entergy Louisiana, LLC  
                                    4809 Jefferson Hwy  
                                    Jefferson, LA 70121  
                                    ATTN: Chief Executive Officer

10.    Nonwaiver: The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be considered as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.
11.    Amendments. No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties.
12.    Entire Agreement. This Agreement, which is entered into in accordance with the authority of the Sales and Purchases Tariff, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof.
13.    Severability. It is agreed that if any clause or provision of this Agreement is held by the courts to be illegal or void, the validity of the remaining portions and provisions of the Agreement shall not be affected, and the rights and obligations of the parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

ENTERGY TEXAS, INC.

BY:

Valli TR

TITLE:

President & CEO

ENTERGY LOUISIANA, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

*Signature page to Power Purchase Agreement by and between  
ELL (Seller) and ETI (Buyer) for River Bend 70*

ENTERGY TEXAS, INC.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ENTERGY LOUISIANA, LLC

BY: Philip L. May

TITLE: President + CEO

ATTACHMENT A

SALE OF CAPACITY AND ENERGY

BY ENTERGY LOUISIANA, LLC TO ENTERGY TEXAS, INC.

This Attachment A is attached to and forms a part of the Agreement dated September 1, 2016, between Entergy Louisiana, LLC (“Seller”) and Entergy Texas, Inc. (“Buyer”) pursuant to the Unit Power Sales and Designated Power Purchases Tariff.

|                         | SELLER’S<br>CAPACITY* | BUYER’S<br>ALLOCATED<br>CAPACITY* | BUYER’S<br>ALLOCATED<br>PERCENTAGE |
|-------------------------|-----------------------|-----------------------------------|------------------------------------|
| <b>DESIGNATED UNITS</b> |                       |                                   |                                    |
| River Bend Station      | 689                   | 292.83                            | 42.5%                              |
| <b>TOTAL</b>            |                       |                                   |                                    |
|                         | 689                   | 292.83                            | 42.5%                              |

- \* Expressed in megawatts. To the extent Seller’s Capacity increases or decreases from time to time, Buyer’s Allocated Capacity shall adjust correspondingly based on Buyer’s Allocated Percentage of Seller’s Capacity.

**Attachment 3-E**

**CNRO-2019-00007**

**River Bend 30% Purchase Power Agreement**

(7 pages to follow)

## **AGREEMENT**

This Agreement is dated as of September 1, 2016 between Entergy Louisiana, LLC (“ELL” or “Seller”), and Entergy New Orleans, Inc. (“ENO” or “Buyer”).

WHEREAS, ELL has agreed to make a unit power sale from the designated unit set forth on Attachment A (“Designated Unit”) to ENO; and

WHEREAS, the Agreement among ENO, the former Entergy Louisiana, LLC (“Entergy Louisiana”), Entergy Mississippi, Inc. (“EMI”), Entergy Arkansas, Inc. (“EAI”) and Entergy Services, Inc. (“ESI”) (hereinafter referred to as the “System Agreement”), was filed with FERC on April 30, 1982, and became effective on January 1, 1983, and amended to incorporate Entergy Gulf States, Inc., the predecessor to Entergy Gulf States Louisiana, L.L.C. (“EGSL”) and Entergy Texas, Inc. (“ETI”), in 1993; and

WHEREAS, by Order dated July 20, 2007, FERC approved the addition of EGSL and ETI as parties to the System Agreement; and

WHEREAS, on October 1, 2015, EGSL and Entergy Louisiana completed a transaction in which EGSL and Entergy Louisiana combined substantially all of their respective assets and liabilities into a single successor public utility operating company now known as ELL; and

WHEREAS, on October 30, 2015, ELL succeeded to the tariffs and rate schedules of EGSL and Entergy Louisiana; and

WHEREAS, pursuant to a Settlement Agreement approved by FERC in Docket Nos. ER14-75, et al., on December 29, 2015, the System Agreement will terminate effective August 31, 2016 at 11:59:59 PM Central Daylight Time; and

WHEREAS, the parties herein previously executed this Agreement to provide for a unit power purchase by ENO under System Agreement Service Schedule MSS-4 from the Designated Unit; and

WHEREAS, upon termination of the System Agreement, the Parties intend to apply the terms and conditions of the Unit Power Sales and Designated Power Purchases Tariff accepted by FERC in Docket No. ER13-1508 (“Sales and Purchases Tariff”), which is designed to replicate System Agreement Service Schedule MSS-4 as the umbrella tariff for this Agreement;

THEREFORE, the parties agree as follows:

1. Designated Unit. The designated generating unit for purposes of this unit power purchase under the Sales and Purchases Tariff shall be the unit set forth on Attachment A.

2. Unit Power Purchase. ELL agrees to sell and ENO agrees to purchase that quantity of generating capacity and associated energy from the Designated Unit equivalent to the percentage (the “Allocated Percentage”) of ELL’s baseload capacity in such Designated Unit set forth on Attachment A, with such sale and purchase to become effective as of September 1, 2016 and to continue thereafter until the retirement date of the Designated Unit set forth on Attachment A, plus any time required to decommission the Designated Unit.

3. Pricing. The pricing of the capacity and energy to be sold and purchased pursuant to paragraph 2 above shall be as specified in the Sales and Purchases Tariff; however, the accounting treatment of this Agreement will deviate from the specific account references included in the Sales and Purchases Tariff. The Designated Unit is recorded by ELL as a non-utility investment because that portion of River Bend Station is a non-regulated investment and not in retail rate base. Consequently, the values for the plant investment calculation is as reported in Account 121 and plant accounts 310-346, and not in Account 101. Similarly, the

depreciation expense value is as reported in Account 417, and the depreciation reserve value is reported in Account 122, both of which are non-utility accounts, rather than Accounts 403, 404, and 108 as specified in the Sales and Purchases Tariff. In addition, because the Designated Unit is a non-regulated investment, it is not appropriate to allocate a portion of the regulated General and Intangible Plant; and, thus, those values are set to zero.

Should the trust funds set aside for Buyer's share of the responsibility for River Bend Station decommissioning be found to be insufficient to cover the aforesaid Buyer's share of the cost for such decommissioning, Buyer will promptly pay to Seller such deficit. The Buyer will fully pay for the Buyer's share of the decommissioning responsibility for River Bend notwithstanding the operational status of River Bend or any force majeure provisions. All proceeds from decommissioning collections under the Sales and Purchases Tariff pursuant to this Agreement will be deposited to the external sinking fund(s) that collect(s) Buyer's decommissioning funding.

4. Energy Entitlement. ENO is entitled to receive on an hourly basis the Allocated Percentage of the energy generated by the Designated Unit.

5. Termination. Neither party shall have the right to terminate the unit power purchase and sale required by this Agreement without the express written consent of the other party.

6. Condition Precedent. This contract shall be conditioned upon Buyer receiving all regulatory approvals required for this Agreement.

7. Notices. Unless specifically stated otherwise herein, any notice to be given hereunder shall be sent by Registered Mail, postage prepaid, to the party to be notified at the address set forth below, and shall be deemed given when so mailed.

To ELL: Entergy Louisiana, LLC  
4809 Jefferson Highway  
Jefferson, LA 70121  
ATTN: Chief Executive Officer

To ENO: Entergy New Orleans, Inc.  
1600 Perdido Street  
Building 505  
New Orleans, LA 70112  
ATTN: Chief Executive Officer

8. Nonwaiver. The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be considered as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.

9. Amendments. No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties.

10. Entire Agreement. This Agreement, which is entered into in accordance with the authority of the Sales and Purchases Tariff, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof.

11. Severability. It is agreed that if any clause or provision of this Agreement is held by the courts to be illegal or void, the validity of the remaining portions and provisions of the Agreement shall not be affected, and the rights and obligations of the parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

ENTERGY LOUISIANA, LLC

BY: Philip R. May

TITLE: President & CEO

ENTERGY NEW ORLEANS, INC.

BY: \_\_\_\_\_

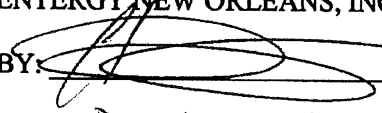
TITLE: \_\_\_\_\_

ENTERGY LOUISIANA, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ENTERGY NEW ORLEANS, INC.

BY:  \_\_\_\_\_

TITLE: President + CEO

***Signature page to Power Purchase Agreement by and between  
ELL (Seller) and ENO (Buyer) for River Bend 30***

## ATTACHMENT A

### SALE OF CAPACITY AND ENERGY

BY ENTERGY LOUISIANA, LLC TO ENTERGY NEW ORLEANS, INC.

During the period September 1, 2016 and to continue thereafter until the retirement date of the Designated Unit, the capacity and energy amount is as follows:

| DESIGNATED UNIT | ELL'S<br>BASELOAD<br>CAPACITY* | BUYER'S<br>ALLOCATED<br>CAPACITY* | BUYER'S<br>ALLOCATED<br>PERCENTAGE |
|-----------------|--------------------------------|-----------------------------------|------------------------------------|
| RB30            | 300.00                         | 100.00                            | 33.33%                             |

\* Expressed in megawatts. To the extent ELL's Baseload Capacity increases or decreases, Buyer's Allocated Capacity shall adjust correspondingly based on Buyer's Allocated Percentage of ELL's Baseload Capacity.

**ENTERGY LOUISIANA, LLC.**  
**Status Report of Decommissioning Funding**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

Plant Name: **Waterford 3 Steam Electric Station**

- |   |   |
|---|---|
| 1. Minimum Financial Assurance (MFA)<br>Estimated per 10 CFR 50.75(b) and (c) (2018\$): | \$508.2 million <sup>1</sup>                        |
| 2. ISFSI Obligation as of 12/31/18  | \$9.04 million <sup>2</sup>                         |
| 3. Decommissioning Fund Total<br>As of 12/31/18:  | \$481.6 million                                     |
| 4. Annual amounts remaining to be collected:  | See Attachment 4-B                                  |
| 5. Assumptions used:  |   |
| Rate of Escalation of Decommissioning Costs:  | See item below                                      |
| Rate of Earnings on Decommissioning Funds:  | 2% real rate of return<br>per 10 CFR 50.75(e)(1)(i) |
| Authority for use of Real Earnings Over 2%:   | N/A   |
| 6. Contracts upon which licensee is relying<br>For Decommissioning Funding:             | See Footnote <sup>3</sup>                           |
| 7. Modifications to Method of Financial<br>Assurance since Last Report:                 | None  |
| 8. Material Changes to Trust Agreements:  | None  |

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<sup>1</sup> See Attachment 4-A.

<sup>2</sup> From Entergy's ISFSI Decommissioning Funding Plans Pursuant to 10 CFR 72.30, December 17, 2018 (Accession No. ML18351A491).

<sup>3</sup> See the agreements in attachment 4-C for a unit power purchase agreement under FERC tariffs for Waterford 3. The licensee believes this contract does not qualify as a contractual obligation, but rather is simply a cost of service recovery mechanism as defined in 10 CFR §50.75(e)(1)(ii)(A). Out of an abundance of caution, the licensee identifies this information here.

**ENTERGY LOUISIANA, LLC.**  
**Calculation for Minimum Amount**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

**Entergy Louisiana, LLC:** 100% ownership interest  
**Plant Location:** Taft, Louisiana  
**Reactor Type:** Pressurized Water Reactor ("PWR")  
**Power Level:** >3,400 MWt  
**PWR Base Year 1986\$:** \$105,000,000  
**Labor Region:** South  
**Waste Burial Facility:** Generic Disposal Site

**10CFR50.75(c)(2) Escalation Factor Formula:**

$$0.65(L) + 0.13(E) + 0.22(B)$$

|                             | <u>Factor</u>       |
|-----------------------------|---------------------|
| L=Labor (South)             | 2.62 <sup>1</sup>   |
| E=Energy (PWR)              | 2.37 <sup>2</sup>   |
| B=Waste Burial-Vendor (PWR) | 12.853 <sup>3</sup> |

**PWR Escalation Factor:**

$$0.65(L) + 0.13(E) + 0.22(B) = 4.84041$$

**1986 PWR Base Year \$ Escalated:**

$$\$105,000,000 * \text{Factor} = \underline{\underline{\$508,243,131}}$$

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<sup>1</sup> Bureau of Labor Statistics, Series Report ID: CIU2010000000220i (4<sup>th</sup> Quarter 2018)  
<sup>2</sup> Bureau of Labor Statistics, Series Report ID: wpu0543 and wpu0573 (December 2018)  
<sup>3</sup> Nuclear Regulatory Commission: NUREG-1307 Revision 17, Table 2.1 (2019)

**ENTERGY LOUISIANA, LLC.**  
**Schedule of Remaining Principal Payments into WF3 Decommissioning Fund**  
**For Year Ending December 31, 2018 - 10 CFR 50.75(f)(1)**

| Year | LPSC     | City of New Orleans | Total    |
|------|----------|---------------------|----------|
| 2019 | \$6,688  | \$133               | \$6,821  |
| 2020 | \$7,580  | \$151               | \$7,731  |
| 2021 | \$7,580  | \$151               | \$7,731  |
| 2022 | \$7,580  | \$151               | \$7,731  |
| 2023 | \$7,580  | \$151               | \$7,731  |
| 2024 | \$7,580  | \$151               | \$7,731  |
| 2025 | \$8,867  |                     | \$8,867  |
| 2026 | \$8,867  |                     | \$8,867  |
| 2027 | \$8,867  |                     | \$8,867  |
| 2028 | \$8,867  |                     | \$8,867  |
| 2029 | \$8,867  |                     | \$8,867  |
| 2030 | \$10,246 |                     | \$10,246 |

Note: Approved in LPSC Docket No. U-31237, CNO Resolution R-95-1081 in Docket UD-95-1, and CNO Resolution R-14-494 in Docket UD-13-01. Copies of those orders were previously provided in the licensee's March 27, 2015 decommissioning financial assurance filing as Attachments 4-C, 4-D, and 4-E, respectively, Accession No. ML15092A183, and are incorporated herein by reference.

**Attachment 4-C**

**CNRO 2019-00007**

**Waterford 3 Purchase Power Agreement**

(7 pages to follow)

## **AGREEMENT**

This Agreement is dated as of September 1, 2016, between Entergy Louisiana, LLC (“ELL” or “Seller”) and Entergy New Orleans, Inc. (“ENO” or “Buyer,” and together with the Seller, the “Parties”).

WHEREAS, the former Entergy Louisiana, LLC (“Entergy Louisiana”) transferred to ENO certain Entergy Louisiana assets (and related liabilities) that are necessary to provide electric service to customers in the Fifteenth Ward of the City of New Orleans, commonly referred to as Algiers (the “Algiers Transaction”); and

WHEREAS, as part of the Algiers Transaction, Entergy Louisiana agreed to make a unit power sale from the designated units set forth on Attachment A (“Designated Units”) to ENO; and

WHEREAS, the Agreement among Entergy Louisiana, ENO, Entergy Mississippi, Inc. and Entergy Services, Inc. (hereinafter referred to as the “System Agreement”), was filed with FERC on April 30, 1982, and became effective on January 1, 1983, and was amended in 1993 to incorporate Entergy Gulf States, Inc., and its successors Entergy Gulf States Louisiana, L.L.C. (“EGSL”) and Entergy Texas, Inc., in 2008; and

WHEREAS, on October 1, 2015, EGSL and Entergy Louisiana completed a transaction in which EGSL and Entergy Louisiana combined substantially all of their respective assets and liabilities into a single successor public utility operating company now known as ELL; and

WHEREAS, on October 30, 2015, ELL succeeded to the tariffs and rate schedules of EGSL and Entergy Louisiana; and

WHEREAS, pursuant to a Settlement Agreement approved by FERC in Docket Nos. ER14-75, et al., on December 29, 2015, the System Agreement will terminate effective August 31, 2016 at 11:59:59 Central Daylight Time; and

WHEREAS, the Parties previously executed this Agreement to provide for a unit power purchase by Buyer under System Agreement Service Schedule MSS-4 from the Designated Units; and

WHEREAS, the Entergy Operating Committee previously considered and approved the terms of this Agreement; and

WHEREAS, upon termination of the System Agreement, the Parties intend to apply the terms and conditions of the Unit Power Sales and Designated Power Purchases Tariff accepted by FERC in Docket No. ER13-1508 (“Sales and Purchases Tariff”), which is designed to replicate System Agreement Service Schedule MSS-4 as the umbrella tariff for this Agreement;

THEREFORE, the Parties agree as follows:

1. Unit Power Purchase. Subject to the other terms of this Agreement, Seller agrees to sell and Buyer agrees to purchase that quantity of generating capacity and associated energy from the Designated Units on a life-of-unit basis under the Sales and Purchases Tariff, as described herein, equivalent to the Buyer’s Allocated Percentage of Seller’s Unit Capacity of the Designated Units, all as set forth on Attachment A. Buyer’s Allocated Percentage will remain fixed as specified on Attachment A for the entire term of this Agreement.
2. Designated Units. The designated generating units for purposes of this unit power purchase under the Sales and Purchases Tariff shall be the units set forth on Attachment A.
3. Pricing. The pricing of the capacity and energy to be sold and purchased pursuant to paragraph 2 above shall be as specified in the Sales and Purchases Tariff. Should the trust

funds set aside for Buyer's share of the responsibility for Waterford Unit 3 decommissioning be found to be insufficient to cover the aforesaid Buyer's share of the cost for such decommissioning, Buyer will promptly pay to Seller such deficit. The Buyer will fully pay for the Buyer's share of the decommissioning responsibility for Waterford Unit 3 notwithstanding the operational status of Waterford Unit 3 or any force majeure provisions. All proceeds from decommissioning collections under the Sales and Purchases Tariff pursuant to this Agreement will be deposited to the external sinking fund(s) that collect(s) Buyer's decommissioning funding.

4. Energy Entitlement. Buyer is entitled to receive on an hourly basis Buyer's Allocated Percentage (set forth in Attachment A) of the energy generated by the Designated Units.

5. Term. The term of this Agreement shall be the operating life of the Designated Units, plus any time required to decommission the Designated Units.

6. Termination. Neither party shall have the right to terminate the unit power purchase and sale required by this Agreement without the express written consent of the other party.

7. Condition Precedent. This contract shall be conditioned upon Buyer and Seller receiving all regulatory approvals required for this Agreement.

8. Notices. Unless specifically stated otherwise herein, any notice to be given hereunder shall be sent by Registered Mail, postage prepaid, to the party to be notified at the address set forth below, and shall be deemed given when so mailed.

To ELL: Entergy Louisiana, LLC  
4809 Jefferson Highway  
Jefferson, LA 70121  
ATTN: Chief Executive Officer

To ENO:       Entergy New Orleans, Inc.  
                  1600 Perdido Street, Bldg. No. 505  
                  New Orleans, LA 70112  
                  ATTN: Chief Executive Officer

9.     Nonwaiver. The failure of either party to insist upon or enforce, in any instance, strict performance by the other of any of the terms of this Agreement or to exercise any rights herein conferred shall not be considered as a waiver or relinquishment to any extent of its rights to assert or rely upon any such terms or rights on any future occasion.

10.    Amendments. No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both Parties.

11.    Entire Agreement. This Agreement, which is entered into in accordance with the authority of the Sales and Purchases Tariff, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous and collateral agreements or understandings with respect to the subject matter hereof.

12.    Severability. It is agreed that if any clause or provision of this Agreement is held by the courts to be illegal or void, the validity of the remaining portions and provisions of the Agreement shall not be affected, and the rights and obligations of the Parties shall be enforced as if the Agreement did not contain such illegal or void clauses or provisions.

WITNESS OUR SIGNATURES as of September 1, 2016.

WITNESS: Laurie Ruvie

ENTERGY LOUISIANA, LLC

BY: Phillip R. May

NAME: Phillip R. May, Jr.  
TITLE: President and Chief  
Executive Officer

WITNESS: \_\_\_\_\_

ENTERGY NEW ORLEANS, INC.

BY: \_\_\_\_\_

NAME: Charles L. Rice, Jr.  
TITLE: President and Chief  
Executive Officer

WITNESS OUR SIGNATURES as of September 1, 2016.

WITNESS: \_\_\_\_\_

ENTERGY LOUISIANA, LLC

BY: \_\_\_\_\_

NAME: Phillip R. May, Jr.  
TITLE: President and Chief  
Executive Officer

WITNESS: Kim Mitchell

ENTERGY NEW ORLEANS, INC.

BY: \_\_\_\_\_

NAME: Charles L. Rice, Jr.  
TITLE: President and Chief  
Executive Officer

# ATTACHMENT A

## SALE OF CAPACITY AND ENERGY

BY ENTERGY LOUISIANA, LLC TO ENTERGY NEW ORLEANS, INC.

This Attachment A is attached to and forms a part of the Agreement, dated as of September 1, 2016, between Entergy New Orleans, Inc. (“ENO” or “Buyer”) and Entergy Louisiana, LLC (“ELL” or “Seller”) pursuant to the Unit Power Sales and Designated Power Purchases Tariff.

During the term of this Agreement, Buyer’s Allocated Percentage of capacity and associated energy will be determined as follows:

| DESIGNATED UNIT               | SELLER’S<br>UNIT<br>CAPACITY* | BUYER’S<br>ALLOCATED<br>CAPACITY* | BUYER’S<br>ALLOCATED<br>PERCENTAGE |
|-------------------------------|-------------------------------|-----------------------------------|------------------------------------|
| Waterford Unit 3              | 1,156.4                       | 21.3                              | 1.84%                              |
| Ninemile Point Unit 5         | 716.9                         | 13.2                              | 1.84%                              |
| Ninemile Point Unit 4         | 699.0                         | 12.9                              | 1.84%                              |
| Little Gypsy Unit 3           | 520.3                         | 9.6                               | 1.84%                              |
| Oxy-Taft                      | 480.0                         | 8.8                               | 1.84%                              |
| Waterford Unit 1              | 410.9                         | 7.6                               | 1.84%                              |
| Waterford Unit 2              | 410.8                         | 7.6                               | 1.84%                              |
| Little Gypsy Unit 2           | 410.7                         | 7.6                               | 1.84%                              |
| Acadia Power Block 2          | 363.6                         | 6.7                               | 1.84%                              |
| Ninemile Unit 6               | 308.0                         | 5.7                               | 1.84%                              |
| River Bend 30                 | 194.5                         | 3.6                               | 1.84%                              |
| Grand Gulf ELMP               | 178.1                         | 3.3                               | 1.84%                              |
| Perryville Unit 1             | 132.5                         | 2.4                               | 1.84%                              |
| Sterlington Unit 7            | 125.7                         | 2.3                               | 1.84%                              |
| Vidalia                       | 105.3                         | 1.9                               | 1.84%                              |
| Ninemile Point Unit 3         | 103.2                         | 1.9                               | 1.84%                              |
| Perryville Unit 2             | 36.5                          | 0.7                               | 1.84%                              |
| Waterford Unit 4              | 33.4                          | 0.6                               | 1.84%                              |
| Grand Gulf EAMP               | 30.9                          | 0.6                               | 1.84%                              |
| Arkansas Nuclear One - Unit 2 | 26.7                          | 0.5                               | 1.84%                              |
| Arkansas Nuclear One - Unit 1 | 22.7                          | 0.4                               | 1.84%                              |
| White Bluff Unit 1            | 13.1                          | 0.2                               | 1.84%                              |
| White Bluff Unit 2            | 12.2                          | 0.2                               | 1.84%                              |
| Buras 8                       | 12.0                          | 0.2                               | 1.84%                              |
| Toledo Bend Unit 1            | 9.9                           | 0.2                               | 1.84%                              |
| Toledo Bend Unit 2            | 9.9                           | 0.2                               | 1.84%                              |
| Independence Unit 1           | 7.2                           | 0.1                               | 1.84%                              |
| Montauk                       | 3.2                           | 0.1                               | 1.84%                              |
| TOTAL**                       | 6,533.5                       | 120.2                             | 1.84%                              |

\* Expressed in megawatts. To the extent Seller’s Unit Capacity in any Designated Unit increases or decreases, Buyer’s Allocated Capacity with respect to such Designated Unit shall adjust so that it equals the product of Seller’s Unit Capacity and Buyer’s Allocated Percentage. Buyer’s Allocated Percentage will remain fixed for the entire Term of the Agreement.

\*\* Total may not add due to rounding.



## **Minimum Funding Assurance Calculation Worksheets**

**Plant name:**

## Arkansas Nuclear One, Unit 2

Month

## Day

Year

**Year of Biennial:**

12

31

2018

### Termination of Operation:

7

17

2038

|     | <u>MWth</u> | <u>1986\$</u> | ECI   | Base Lx | <u>Lx</u> | Px   | Fx    | <u>Ex</u> | <u>Bx</u> |      |        |
|-----|-------------|---------------|-------|---------|-----------|------|-------|-----------|-----------|------|--------|
| PWR | 3026        | \$101,628,800 | 132.5 | 1.98    | 0.65      | 2.62 | 2.103 | 2.727     | 0.13      | 0.22 | 12.853 |

**NRC Minimum:**

**\$491,925,138**

**Site Specific:**

| Licensees: | % Owned: | Amount of NRC Minimum/Site Specific: | Amount in Trust Fund: |
|------------|----------|--------------------------------------|-----------------------|
| Entergy    | 100.00%  | \$491,925,138                        | \$405,329,792         |

### Step 1:

**Earnings Credit:**

| Trust Fund Balance:  | Real Rate of Return per | Years Left in License | Total Real Rate of Return: | Total Earnings: |
|--|-------------------------|-----------------------|----------------------------|-----------------|
| \$405,329,792  | 2%                      | 19.54                 | 1.47262                    | \$596,896,025   |
| Total Earnings = Trust Fund balance x (1+RRR) <sup>n</sup> Years left in license |                         |                       |                            |                 |

### Step 2:

**Accumulation:**

|                           |                         |                       |                |
|---------------------------|-------------------------|-----------------------|----------------|
| Value of Annuity per year | Real Rate of Return per | Years of Annuity:     | Total Annuity: |
| See Annuity Sheet         | 2%                      |                       |                |
|                           |                         | 21                    | \$52,700,995   |
|                           |                         |                       |                |
|                           |                         | Total Step 2          |                |
|                           |                         | \$52,700,995          |                |
|                           |                         |                       |                |
|                           |                         | Total Step 1 + Step 2 |                |
|                           |                         |                       | \$649,597,020  |

### Step 3:

Decom Period:

|                 |                         |                           |                            |   |
|-----------------|-------------------------|---------------------------|----------------------------|---|
| Total Earnings: | Real Rate of Return per | Decom                     | Total Real Rate of Return: | Total Earnings for Decom:                         |
| \$649,597,020   | 2%                      | Period:                   | 0.14869                    | \$48,292,883                                      |
|                 |                         | 7                         |                            |   |
|                 |                         | Accumulation during Decom |                            |   |
|                 |                         |                           | Total of Steps 1 - 3:      |   |
|                 |                         |                           |                            | \$697,889,904                                     |
|                 |                         |                           |                            | Total = Total Earnings + Total Earnings for Decom |

|                    |    |             |                                  |
|--------------------|----|-------------|----------------------------------|
| Excess (Shortfall) | \$ | 205,964,765 | to NRC minimum                   |
|                    | \$ | (7,360,500) | Less ISFSI                       |
|                    | \$ | -           | Parent Co Guaranty               |
|                    | \$ | 198,604,265 | Total Excess Financial Assurance |

Minimum Funding Assurance Calculation Worksheets

**Plant name:** **ANO-2**

**Termination of Operations:** 2038

| Year          | Annuity:    | Real<br>Rate of | Total<br>Accumulation |   |
|---------------|-------------|-----------------|-----------------------|---|
| 2019          | \$2,169,000 | 2.00%           | \$3,159,823           | <b>Total Accumulation = Annuity x (1+RRR)<sup>n</sup> Years left from<br/>Accum</b> |
| 2020          | \$2,169,000 | 2.00%           | \$3,097,866           |   |
| 2021          | \$2,169,000 | 2.00%           | \$3,037,124           |   |
| 2022          | \$2,169,000 | 2.00%           | \$2,977,572           |   |
| 2023          | \$2,169,000 | 2.00%           | \$2,919,188           |   |
| 2024          | \$2,169,000 | 2.00%           | \$2,861,949           |   |
| 2025          | \$2,169,000 | 2.00%           | \$2,805,833           |   |
| 2026          | \$2,169,000 | 2.00%           | \$2,750,816           |   |
| 2027          | \$2,169,000 | 2.00%           | \$2,696,879           |   |
| 2028          | \$2,169,000 | 2.00%           | \$2,643,999           |   |
| 2029          | \$2,169,000 | 2.00%           | \$2,592,156           |   |
| 2030          | \$2,169,000 | 2.00%           | \$2,541,329           |   |
| 2031          | \$2,169,000 | 2.00%           | \$2,491,499           |   |
| 2032          | \$2,169,000 | 2.00%           | \$2,442,646           |   |
| 2033          | \$2,169,000 | 2.00%           | \$2,394,751           |   |
| 2034          | \$2,169,000 | 2.00%           | \$2,347,795           |   |
| 2035          | \$2,169,000 | 2.00%           | \$2,301,760           |   |
| 2036          | \$2,169,000 | 2.00%           | \$2,256,628           |   |
| 2037          | \$2,169,000 | 2.00%           | \$2,212,380           |   |
| 2038          | \$2,169,000 | 2.00%           | \$2,169,000           |   |
| <b>Total:</b> |             |                 | <b>\$52,700,995</b>   |   |





**River Bend (Regulated 70%)**

Day Year

31 2018

29 2045

**Site Specific:**

**Site Specific:**

|                       |               |
|-----------------------|---------------|
| Amount in Trust Fund: | \$406,804,761 |
|-----------------------|---------------|

**Step 1:**  
**Earnings Credit:**

|                 |   |
|-----------------|---|
| Total Earnings: |   |
| \$689,726,348   | Total Earnings = Trust Fund balance x (1+RRR)^Years left in license |

**Step 2:**

**Accumulation:**

|                       |  |
|-----------------------|--|
| Total Annuity:        |  |
| \$85,150,688          |  |
| Total Step 2          |  |
| \$85,150,688          |  |
| Total Step 1 + Step 2 |  |
| <b>\$774,877,036</b>  |  |

**Step 3:**  
**Decom Period:**

|   |  |
|---|--|
| Earnings for Decom:   |  |
| \$57,606,555  |  |
| <b>Total Earnings for Decom = (1/2) x Total Earnings x [(1+RRR)<sup>n</sup> Decom period - 1]</b> |  |
|   |  |
| Total of Steps 1 - 3:   |  |
| \$898,963,161   |  |
| <b>Total = Total Earnings + Total Earnings for Decom</b>  |  |

|             |                                  |
|-------------|----------------------------------|
| 440,472,545 | to NRC minimum                   |
| (7,308,700) | Less ISFSI                       |
| -           | Parent Co Guaranty               |
| 433,163,845 | Total Excess Financial Assurance |

Minimum Funding Assurance Calculation Worksheets

**Plant name:** **River Bend Station (Regulated 70%)**

| Assumed Termination of Operations:               |              |             |           |              |              | 2025                |
|--|--------------|-------------|-----------|--------------|--------------|---------------------|
| Year   | LPSC         | PUCT        | FERC      | Annuity:     | Real Rate of | Total Accumulation  |
| 2019   | \$8,996,000  | \$1,126,000 | \$112,914 | \$10,234,914 | 2.0%         | \$11,526,176        |
| 2020   | \$10,195,000 | \$1,126,000 | \$112,914 | \$11,433,914 | 2.0%         | \$12,623,965        |
| 2021   | \$10,195,000 | \$1,126,000 | \$112,914 | \$11,433,914 | 2.0%         | \$12,376,436        |
| 2022   | \$10,195,000 | \$1,126,000 | \$112,914 | \$11,433,914 | 2.0%         | \$12,133,761        |
| 2023   | \$10,195,000 | \$1,126,000 | \$112,914 | \$11,433,914 | 2.0%         | \$11,895,844        |
| 2024   | \$10,195,000 | \$1,126,000 | \$112,914 | \$11,433,914 | 2.0%         | \$11,662,592        |
| 2025   | \$11,693,000 | \$1,126,000 | \$112,914 | \$12,931,914 | 2.0%         | \$12,931,914        |
| <b>Total:</b>                                    |              |             |           |              |              | <b>\$85,150,688</b> |
| <b>Accumulation During Assumed Decomm Period</b> |              |             |           |              |              |                     |
| 2026   | \$11,693,000 | \$1,126,000 | \$112,914 | \$12,931,914 |              | \$12,931,914        |
| 2027   | \$11,693,000 | \$1,126,000 | \$112,914 | \$12,931,914 |              | \$12,931,914        |
| 2028   | \$11,693,000 | \$1,126,000 | \$112,914 | \$12,931,914 |              | \$12,931,914        |
| 2029   | \$11,693,000 | \$1,126,000 | \$112,914 | \$12,931,914 |              | \$12,931,914        |
| 2030   | \$13,513,000 | \$1,126,000 | \$112,914 | \$14,751,914 |              | \$14,751,914        |
| 2031   | \$0          | \$0         | \$0       | \$0          |              | \$0                 |
| 2032   | \$0          | \$0         | \$0       | \$0          |              | \$0                 |
| 2033   | \$0          | \$0         | \$0       | \$0          |              | \$0                 |
| 2034   | \$0          | \$0         | \$0       | \$0          |              | \$0                 |
| <b>Total:</b>                                    |              |             |           |              |              | <b>\$66,479,570</b> |

**Total Accumulation = Annuity x (1+RRR)^Years left from Accum**

\* Decommissioning collections based on original license termination of plant assumed when orders implementing collections were issued. Collections are subject to change in the future.



## **Minimum Funding Assurance Calculation Worksheets**

**Plant name:**

## Waterford 3

|                           | Month | Day | Year |
|---------------------------|-------|-----|------|
| Year of Biennial:         | 12    | 31  | 2018 |
| Termination of Operation: | 12    | 18  | 2044 |

Minimum Funding Assurance Calculation Worksheets

**Plant name: Waterford Generating Station, Unit 3**

**Assumed Termination of Operations:**

2025

| Year          | LPSC        | CNO       | Annuity:    | Real<br>Rate of | Total<br>Accumulatio |
|---------------|-------------|-----------|-------------|-----------------|----------------------|
| 2019          | \$6,688,000 | \$133,000 | \$6,821,000 | 2.00%           | \$7,681,554          |
| 2020          | \$7,580,000 | \$151,000 | \$7,731,000 | 2.00%           | \$8,535,649          |
| 2021          | \$7,580,000 | \$151,000 | \$7,731,000 | 2.00%           | \$8,368,283          |
| 2022          | \$7,580,000 | \$151,000 | \$7,731,000 | 2.00%           | \$8,204,199          |
| 2023          | \$7,580,000 | \$151,000 | \$7,731,000 | 2.00%           | \$8,043,332          |
| 2024          | \$7,580,000 | \$151,000 | \$7,731,000 | 2.00%           | \$7,885,620          |
| <b>Total:</b> |             |           |             |                 | <b>\$48,718,637</b>  |

**Total Accumulation = Annuity x (1+RRR)^ Years left from  
Accum**

**Accumulation During Assumed Decomm Period**

|               |              |     |                     |
|---------------|--------------|-----|---------------------|
| 2025          | \$8,867,000  | \$0 | \$8,867,000         |
| 2026          | \$8,867,000  | \$0 | \$8,867,000         |
| 2027          | \$8,867,000  | \$0 | \$8,867,000         |
| 2028          | \$8,867,000  | \$0 | \$8,867,000         |
| 2029          | \$8,867,000  | \$0 | \$8,867,000         |
| 2030          | \$10,246,000 | \$0 | \$10,246,000        |
| 2031          | 0            | \$0 | \$0                 |
| <b>Total:</b> |              |     | <b>\$54,581,000</b> |

\* Decommissioning collections based on original license termination of plant assumed when orders implementing collections were issued. Collections are subject to change in the future.