

U.S. Department of Energy Pre-Congestion Study Regional Workshop for the 2012 National Electric Congestion Study

Entergy System December 8, 2011

DOE 2009 Congestion Study

- DOE Study notes that:
 - Several load pockets exist on the Entergy system—Acadiana, Amite South, WOTAB (West of the Atchafalaya Basin).
 - McAdams flowgate (the interface between Entergy and TVA) is congested.
 - There is limited transfer capability in the Ozarks between Entergy and SPP.
 - ICT is studying the need for upgrades.
- DOE Study has no cost data regarding the cost of congestion in the Entergy area.

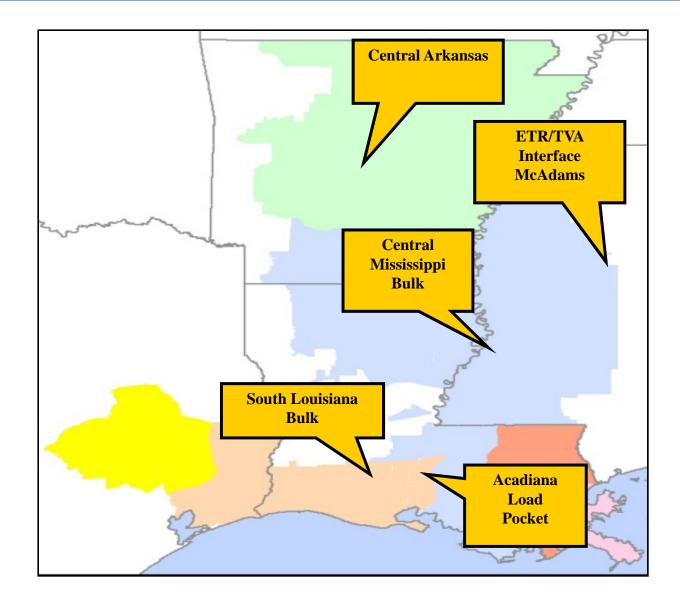
Congestion Was and Continues to Be Addressed

- Areas of congestion are continually identified through:
 - Entergy analysis of TLRs and operational issues.
 - ICT ISTEP Process
 - Customer Input
- In 2011, unusual events increased number of TLRs (i.e., TLRs not congestion-related):
 - Arkansas & Mississippi storms
 - Mississippi floods
 - Construction outages
- Entergy has identified and taken actions to remedy congestion, where economic to do so, in most of the areas mentioned in 2009 DOE Study.

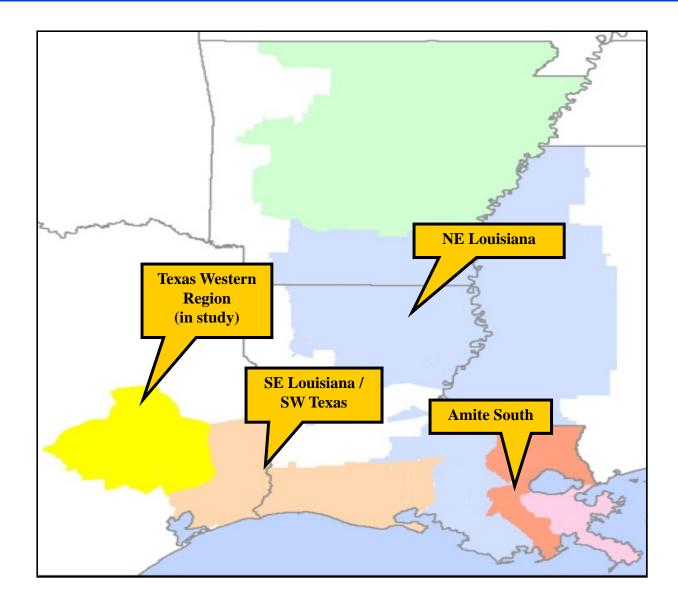
Congestion-Relieving Projects Are Subject to Cost-Benefit Analysis

- ICT and Entergy perform economic analyses of potentialcongestion reducing projects.
- Geographic/environmental constraints can make congestion relieving projects uneconomic.
- DOE Study Figure 4-20 identified 5 projects being studied by ICT;
 - Planning of Acadiana had largely been completed by Entergy before ICT Study.
 - 4 other projects all proved uneconomic.
- Many other congestion-relieving projects, however, have been found economic for same regions and construction or planning is underway.

Entergy Region: 5 Congested Areas Identified by Entergy, and All have been Addressed



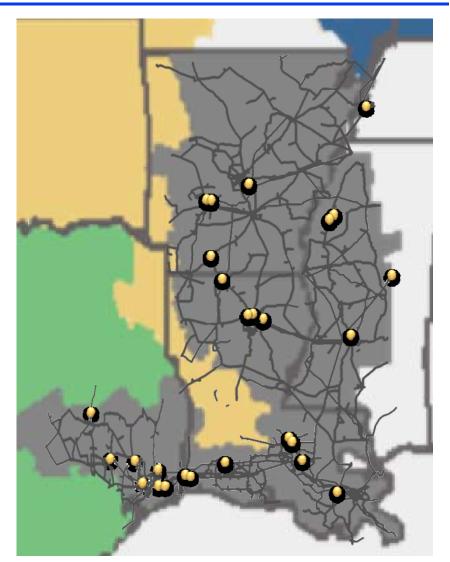
Entergy Region: 4 Congested Areas Identified by Entergy, and are being Addressed or in Study



	(\$MM)
<u>O&M Expense</u>	
Transmission	653.9
Distribution Substation	52.8
Total	706.7
Capital Additions	
Transmission	886.4
Distribution Substation	271.6
IPP (Reimbursement CIAC)	2.6
Total	1,160.6
Total Transmission Business (O&M + Capital)	1,867.3

Entergy transmission system enables the free flow of extensive amounts of energy

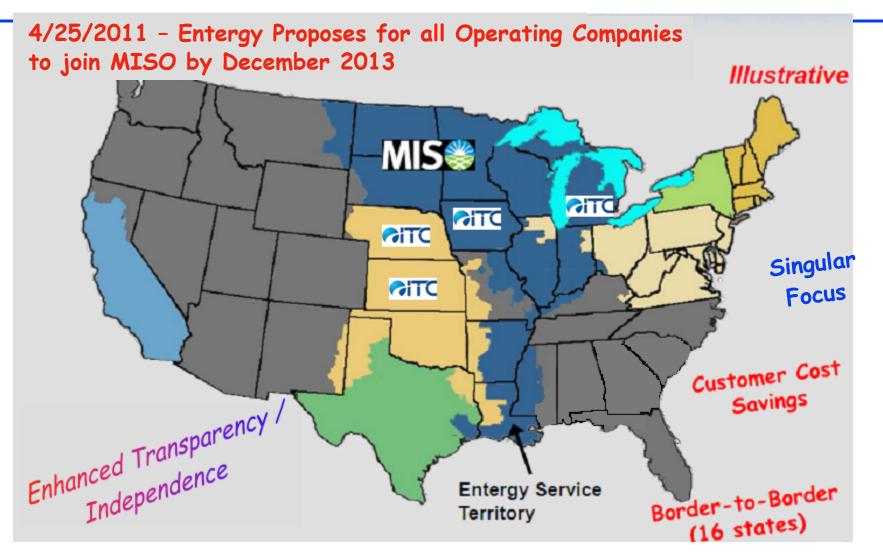
- 16,402 MW of new generation in the Entergy footprint
- 70% of energy from new generators has firm service in 2009-2011 timeframe
- 62% of energy from new generators has firm service in 2007-2025 timeframe



144 projects, including:

- 14 autotransformers
- 25 new transmission lines
- -41 line upgrades
- 1 line conversion to 230 kV
- 10 new substations
- 20 capacitor banks
- 1 SVC
- 32 substation expansion, reconfiguration or equipment addition/upgrade projects

MISO / Transco Proposal



12/5/2011 – Entergy Proposes to Transfer of Transmission Assets to ITC 10