



2014 Integrated Report

# Powering A New Day

How **Entergy** is creating brighter opportunities for our owners, customers, employees and communities





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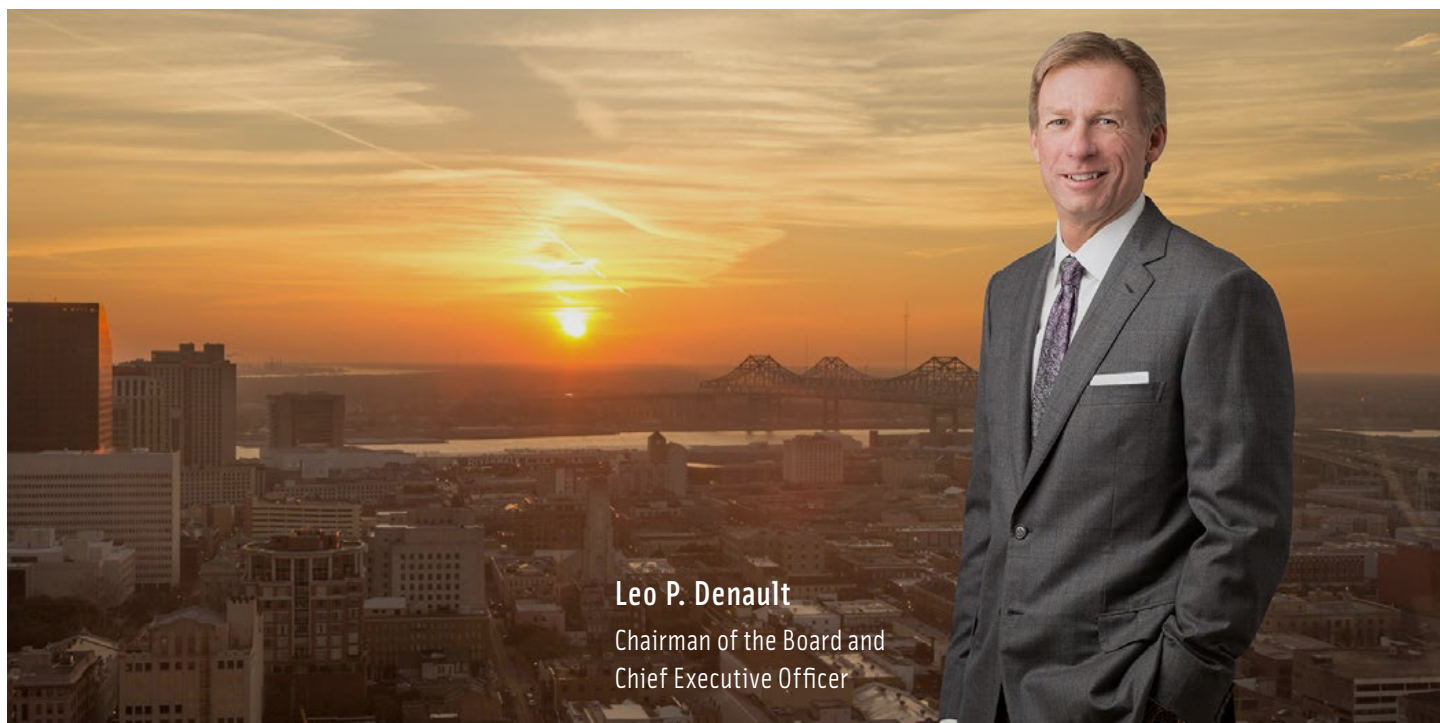
57 INVESTOR INFORMATION

The following icons in this report indicate an economic, environmental or social strategy or investment that helps drive our business performance.

 Economic

 Environmental

 Social

**Leo P. Denault**Chairman of the Board and  
Chief Executive Officer

## TO OUR STAKEHOLDERS

The theme of this year's integrated report is "Powering a New Day." When I talk to our stakeholders, most don't understand just how we do that. In fact, during many of these conversations, people are amazed at the true meaning of our vision statement: We Power Life. While they are familiar with us as the power and gas company, they don't realize how much more we do. We power job creation and economic growth in our communities. We promote and help to develop a skilled and educated workforce, not only for our company, but also for the communities we serve. And we take an active role in cleaner air and water and regional resiliency. On each of those dimensions, we delivered strong results in 2014 and took steps to enhance our long-term performance.

**You probably know we provide electricity and natural gas, but think what that means.** Whether you are one of our 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas, or you live in a community served by one of our Entergy Wholesale Commodities power plants, we provide the power that lets you talk on your smartphone or watch your TV, and we deliver natural gas to heat homes and run appliances. We power homes, businesses, neighborhoods, schools and hospitals. We power small towns and big cities.

Our customers expect power and natural gas to be available reliably and on demand. That means we must continually invest in and modernize our fleet, strengthen our reliability and comply with new regulatory requirements. In 2014, we delivered strong operational performance in both our utility and EWC businesses. We also took steps to strengthen our ability to deliver reliable power and natural gas over the long term.

"People are amazed at the true meaning of our vision statement: We Power Life."

In our utility business, we developed new long-range supply plans, and we are engaged with customers, communities and regulators on the details of those plans. In 2014, we placed Ninemile 6 in service ahead of schedule and under budget, and we announced an agreement to acquire Union Power Station. Both are clean, fuel-efficient natural gas-fired resources. We also announced several transmission projects in 2014 and early 2015 in Louisiana and Texas, including the Lake Charles transmission project. One of our largest projects ever, the Lake Charles project will move power efficiently and reliably into southern Louisiana, a region with the highest projected job growth in the state. We also developed an accelerated gas pipe replacement program to replace about 100 miles of pipe in Baton Rouge, La., over the next 10 years. In 2014, we restored power quickly and safely following major storms in Arkansas and Mississippi, a critical component of reliability. For the second year in a row, Entergy utilities were the top five performers in proactive outage communications, according to J.D. Power. And all our utilities improved by several points in the annual J.D. Power residential customer satisfaction survey in 2014.

In our EWC business, strong operational performance across our nuclear fleet in 2014 resulted in a 91 percent capacity factor, up from 89 percent in 2013. That means we were able to provide more power at a competitive cost to wholesale power markets in the Northeast and Midwest. We are engaged with key stakeholders to advance the license renewal process for Indian Point Energy Center, a nuclear plant that provides safe, low-cost and reliable power with on-site fuel while benefiting the environment. We expect license renewal to be a multi-year process during which we will continue to operate Indian Point safely, securely and reliably.

Workforce safety is critical to providing reliable power, and our long-standing goal is to achieve an accident-free work environment. After delivering a record year for employee safety in 2013, our safety performance fell short in 2014. When we recognized the downward performance trend during the year, we instituted hazard-recognition programs and reinforced the use of human performance tools. By year-end, accident rates dropped significantly. We'll continue these and other efforts because workforce safety is a fundamental driver of our business performance and always a top priority at Entergy.

**We also power life by helping our local economies to grow, creating thousands of new jobs in the process.** Our utilities provide power at low rates—about 20 percent below the national average across all classes—and that's an important consideration for companies selecting a new location for their operations. Continuing to manage costs is a priority for us, because that helps keep rates low. We completed our first year of operation in MISO, the Midcontinent Independent System Operator, Inc., and the MISO-driven customer savings are proving to be greater than we projected. We also work proactively with state and local leaders to attract new industries to the regions served by our utilities. We help identify potential sites, assist in permitting and provide online tools to streamline the development process. We do all this because economic growth builds our communities and drives sales growth for our utilities, which in turn helps us maintain rate stability, fund investments in our fleet and earn our authorized returns on our investments. We have been very successful in promoting economic development, and that success continued in 2014. We achieved

## Entergy delivered strong performance in 2014 and created value for our four stakeholder groups.

### Owners

We delivered total shareholder return of 44.8 percent, which ranked in the top quartile of our peer group.

### Customers

We provided reliable power at rates about 20 percent below the national average across all classes and we took steps to modernize our fleet to keep rates low.

### Employees

We invested in our organization to engage and empower our employees. We implemented plans and programs to improve employee safety, which fell short of our goals in 2014.

### Communities

We invested \$16 million in local education, poverty solutions and environmental programs, focus areas that align with and support our business objectives.



weather-adjusted retail sales growth of 2.3 percent, driven primarily by industrial sales growth of 5 percent. We believe the diverse industrial base in the Gulf South, including chemicals, primary metals, wood products and petrochemicals, will deliver significant utility sales growth through 2017.

**We always power life with an eye on the future. We engage with our regulators and stakeholders to ensure reliable and affordable power and natural gas will be readily available for years to come.** In our utility business, we engage with regulators to secure rate mechanisms, such as formula rate plans and specific recovery riders, which enable us to recover costs faster and more efficiently. That, in turn, helps us maintain investor confidence and access capital markets to fund investments to modernize our fleet and enhance our reliability. In 2014, the Mississippi Public Service Commission authorized a new formula rate plan as well as solar projects and economic development incentives, which meet customer and community needs while strengthening Entergy Mississippi's financial position. The Louisiana Public Service Commission approved rider recovery for Entergy Gulf States Louisiana's accelerated gas pipe replacement program. Entergy Gulf States Louisiana and Entergy Louisiana began the first year of their latest three-year formula rate plan, which includes a mechanism to bring investments like Ninemile 6 into rates upon completion. Entergy New Orleans promptly began rider recovery for costs associated with Ninemile 6. Entergy Texas completed a rate case and became the first utility in Texas to use a distribution rider to improve its financial position and flexibility. And the Arkansas Public Service Commission approved a modest increase in the Entergy Arkansas rate case rehearing.

In our wholesale generation business, we are engaged with regulators and stakeholders to address long-term market design issues in the Northeast that have the potential to produce greater price volatility, and in the extreme, a less reliable system. These issues have implications for the continued operation of critical generating resources in the region. At the end of 2014, Vermont Yankee employees removed Vermont Yankee Nuclear Power Station from the grid after 42 years of safe, secure and reliable operations. We retired the unit for economic reasons due in part to the market design flaws. We are advocates for market structures that fairly compensate existing generators for benefits they provide in terms of system reliability and economic and environmental sustainability.

**And we work to prepare for whatever the future may bring. We proactively manage all types of risk related to our business.** From short-term fluctuations in wholesale power prices to long-term risks posed by climate change and poverty, we have strategies in place to help mitigate risks that could adversely impact Entergy and our stakeholders. We hedge forward generation from our EWC fleet to mitigate wholesale power price volatility. In 2014, we captured significant upside through our hedging strategies and the close coordination of our commercial teams and plant operation teams, which ensured critical units were available when needed. We invest in clean generation like Ninemile 6 and the planned Union Power Station acquisition to help manage the risk of increased environmental regulation. We invest in wetlands restoration to mitigate risks associated with extreme weather events. In 2014, Entergy announced a \$500,000 grant to The Nature Conservancy to restore

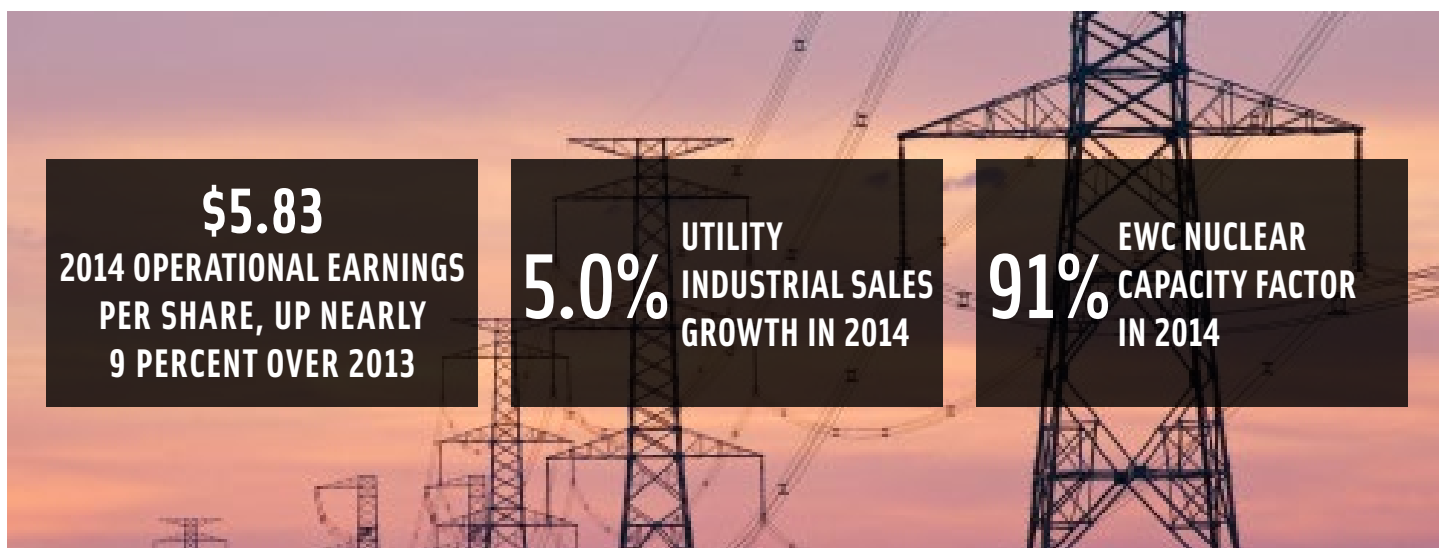
## 2014 KEY ACCOMPLISHMENTS

### Utility

- We placed Ninemile 6 in service ahead of schedule and under budget.
- We announced an agreement to acquire Union Power Station at an attractive price.
- We completed our first year of operation in MISO and expect customers to realize more MISO-driven savings than originally expected.
- All our utilities improved by several points in the annual J.D. Power residential customer satisfaction survey.

### EWC

- We achieved a 91 percent capacity factor at our nuclear fleet, up from 89 percent in 2013.
- We captured significant value for our owners through our hedging strategies when Northeast power prices spiked in early 2014.
- We successfully transitioned Vermont Yankee to a SAFSTOR organization after 42 years of safe, secure and reliable operations.
- We received a favorable ruling from a New York State appellate court related to license renewal for Indian Point.



forests and wetlands in Arkansas, Louisiana, Mississippi and Texas. We also share our analyses of climate change risks and potential responses with our utility customers to reduce the impact of extreme weather events on their businesses and ours. And we invest in poverty solutions to address the financial risk posed by the high number of people living in poverty in the four states served by Entergy utilities. Our Super Tax Day program, which was named the 2014 Best Economic Empowerment program by the U.S. Chamber of Commerce Foundation, helps low-income customers apply for the federal Earned Income Tax Credit and has resulted in \$100 million returned to 58,000 Entergy customers since 2009.

**We power life for our communities through our corporate giving because our sustained growth depends on healthy, vibrant communities.** In addition to poverty solutions and environmental programs, our corporate giving is focused on strengthening education. It's not just that every child deserves a good education. Communities need strong public education systems to attract economic growth and businesses like Entergy need an educated workforce to grow. Entergy has invested nearly \$41 million in education since 2005. In 2014, we provided grants to community colleges in Arkansas and Louisiana to help build a skilled workforce to fill the jobs created by industrial growth in the region. And we worked with Posse Scholars in New Orleans to help prepare selected high school students for college. Within Entergy, our talent management strategies support the development and education of our employees to ensure they have the ability to meet the goals they have for themselves and their families. And we have targeted strategies to support key demographic groups, such as actively participating in events to recruit men and women who have served our country in the military.

**While we power life for Entergy employees in many ways, our employees power life for our company and our stakeholders.** Entergy employees—the most dedicated, conscientious group of people I know—work diligently every day to keep the power on. And they do such a good job that most people rarely give it a thought. By ensuring the power is on every day and natural gas is delivered continuously, our employees drive our success as a company. In 2014, we continued to transform our organization because we need engaged, empowered employees to achieve our goals and compete in a very dynamic industry. We largely completed a

*"We see significant capacity for stakeholder value creation in powering life through our existing businesses."*

companywide restructuring to reduce costs and refocus resources in areas that support utility growth and the long-term value of our EWC fleet. We identified specific leadership and employee practices in 2014 that are hallmarks of healthy, successful organizations and we are instilling these practices throughout our company. Organization transformation takes time and effort, but we are confident it will strengthen our ability to provide sustainable value to our stakeholders over the long term.

**We power life for our owners by delivering attractive returns on the investments they make in our business.** We believe we must deliver industry-leading returns over the long term in order to attract the capital we need to invest in and grow our business. Short-term fluctuations in power prices affect our performance, but over the long term, consistent execution of our business strategies drives our ability to generate competitive returns to our owners. In 2014, Entergy delivered top-quartile total shareholder return, based on stock price performance and dividends, of 44.8 percent compared to a return of 28.9 percent for the Philadelphia Utility Index. We benefited from both favorable market conditions and strong execution of our business strategies.

**We see significant capacity for stakeholder value creation in powering life through our existing businesses.** Our utilities are located in the Gulf South, a region experiencing strong industrial development, and our EWC assets play a critical role in the regions they serve. We believe we can generate top-quartile returns for our owners by pursuing opportunities that advance our business strategies: grow the utility business and preserve optionality and manage risk at EWC. We continually look for ways to further our strategies, either through organic growth or transactions that offer attractive opportunities within our existing businesses. We set a standard that not only should transactions complement our strategies; they must also be executable and not distract us from the significant opportunities before us today. In addition to reinvesting in our utility and EWC businesses, our priority is to provide a dividend payout that is comparable to our industry peers. In 2014, our board established a target dividend payout range of 65 percent to 75 percent of earnings per share from the utility, parent and other segments. At the same time, we are committed to maintaining investment-grade ratings at our utilities and at Entergy Corporation. A strong financial and credit position gives us the financial flexibility to respond opportunistically to changing market conditions in ways that create sustainable value for our stakeholders.

**We power life. It's an awesome responsibility.** It energizes me every day. And when I talk to friends and neighbors, community leaders and investors, and employees throughout the company, it seems to energize them as well. When people learn more about Entergy—from me or another stakeholder—then they are in a better position to engage with us, support our strategies and help drive our success. So talking about Entergy and how we power life helps us succeed as an organization, and quite honestly, it makes me feel great about our company, our employees and all we do to create value for our stakeholders.

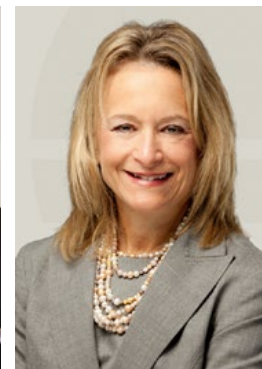
*"It defines the spirit and character of our company and the men and women who work here. That's the true meaning of We Power Life."*

I want to express my gratitude and thanks to our approximately 13,000 employees for the strong performance they delivered in 2014. I remain in awe of their spirit, determination and commitment to a job well done. I also want to thank our board of directors for their guidance, especially Stew Myers, who will retire from our board in 2015. Stew literally wrote the book, the finance textbook we all used in graduate school. We are all better for his time on the board. His knowledge and insights informed our plans and strategies and will help create value for our stakeholders for years to come. We also recently welcomed two new board members, Patrick Condon and Karen Puckett, who both joined the board in March. Pat's expertise in accounting and auditing and Karen's executive leadership experience at a company undergoing transformational change will enrich the board and provide valuable guidance for management as we pursue opportunities and challenges in the coming years. Under the direction of our board and the Entergy leadership team, our company continues to execute, anticipate and adapt in very dynamic market conditions. With their expertise and dedication, I believe the future of our company is in excellent hands.

We power life in many ways because it makes good business sense for our company and creates value for our stakeholders. But it's about much more than dollars and cents. We power life in many ways because it's the right thing to do and our employees deserve to work at a company that holds that ideal. Most importantly, we power life because the customers we serve are our families, friends and neighbors, and the communities we serve are our homes. It is personal for us—it defines the spirit and character of our company and the men and women who work here. That is the true meaning of We Power Life, and yes, it is amazing.

**Leo P. Denault**

Chairman of the Board and Chief Executive Officer  
March 20, 2015



We recently welcomed two new board members, Patrick Condon and Karen Puckett, who both joined the Entergy board in March.



Stew Myers will retire from our board in 2015. His knowledge and insights have been invaluable.





(left to right) W. J. "Billy" Tauzin; Admiral Kirkland H. Donald, USN (Ret.); Donald C. Hintz; Blanche Lambert Lincoln; Gary W. Edwards; Leo P. Denault; Maureen Scannell Bateman; Stewart C. Myers; Alexis M. Herman; Stuart L. Levenick; Steven V. Wilkinson. Not pictured: Patrick J. Condon and Karen A. Puckett who both joined the board in March 2015.

## BOARD OF DIRECTORS

(age as of Dec. 31, 2014)

### MAUREEN SCANNELL BATEMAN

Attorney, Former Executive Vice President and General Counsel,  
State Street Corporation, New York, New York

An Entergy director since 2000. Age 71

### PATRICK J. CONDON

Retired Audit Partner, Deloitte & Touche LLP, Frankfort, Illinois

Joined the Entergy Board in 2015. Age 65

### LEO P. DENAULT

Chairman of the Board and Chief Executive Officer,  
Entergy Corporation, New Orleans, Louisiana

Chairman and Chief Executive Officer since 2013. Age 55

### ADMIRAL KIRKLAND H. DONALD, USN (RET.)

President and Chief Executive Officer, Systems Planning  
and Analysis, Inc., Alexandria, Virginia

An Entergy director since 2013. Age 61

### GARY W. EDWARDS

Former Senior Executive Vice President, Conoco Inc.,  
Houston, Texas

Lead director of Entergy. An Entergy director since 2005. Age 73

### ALEXIS M. HERMAN

Chair and Chief Executive Officer, New Ventures, LLC,  
McLean, Virginia

An Entergy director since 2003. Age 67

### DONALD C. HINTZ

Former President, Entergy Corporation and Entergy Services, Inc.,  
Punta Gorda, Florida

An Entergy director since 2004. Age 71

### STUART L. LEVENICK

Former Group President and Executive Office Member,  
Caterpillar Inc., Peoria, Illinois

An Entergy director since 2005. Age 61

### BLANCHE LAMBERT LINCOLN

Principal, Lincoln Policy Group, Arlington, Virginia

An Entergy director since 2011. Age 54

### STEWART C. MYERS\*

Robert C. Merton (1970) Professor of Financial Economics,  
MIT Sloan School of Management, Cambridge, Massachusetts

An Entergy director since 2009. Age 74

### KAREN A. PUCKETT

President-Global Markets, CenturyLink, Inc., Monroe, Louisiana

Joined the Entergy Board in 2015. Age 54

### W. J. "BILLY" TAUZIN

Owner, Tauzin Strategic Networks, Washington, D.C.

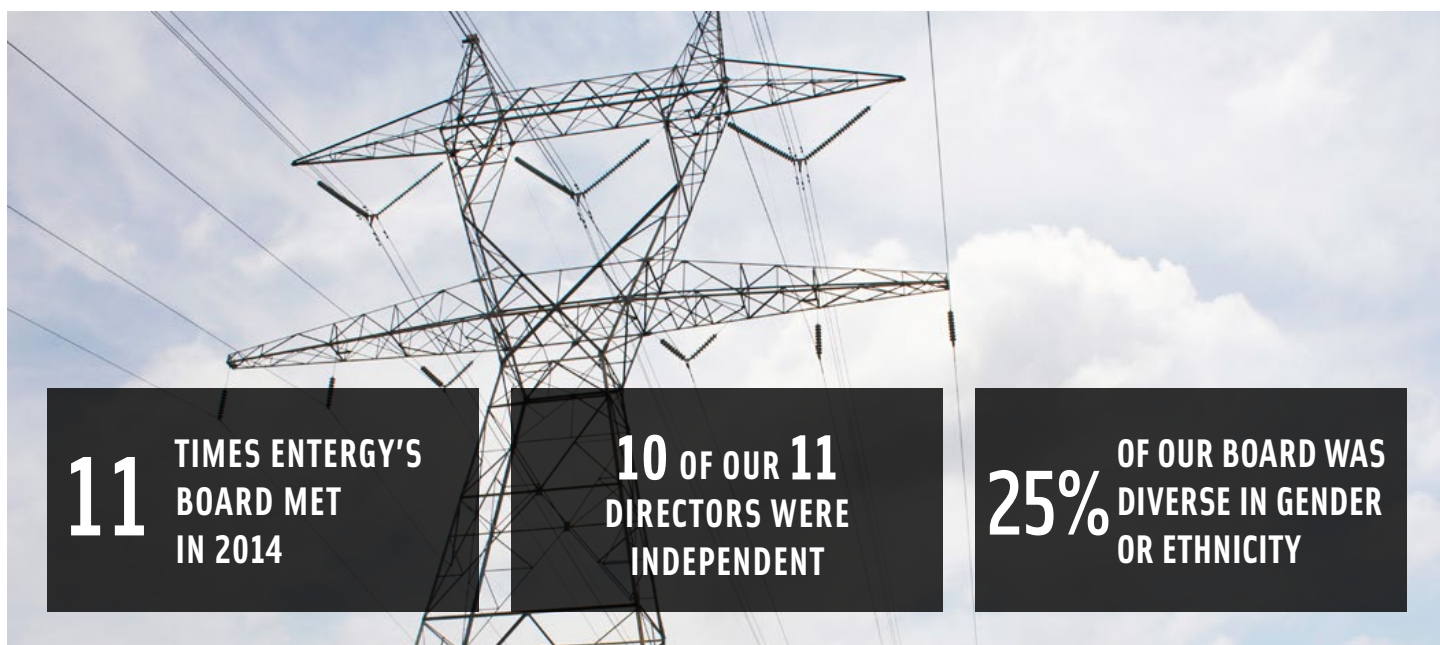
An Entergy director since 2005. Age 71

### STEVEN V. WILKINSON

Retired Audit Partner, Arthur Andersen LLP, Watersmeet, Michigan

An Entergy director since 2003. Age 73

\*Stewart C. Myers reached age 74 before Jan. 1, 2015, and pursuant to our Corporate Governance Guidelines will not stand for re-election at the 2015 Annual Meeting of Shareholders.



Entergy's board met 11 times in 2014. All members of the board attended at least 75 percent of the total number of meetings of the board and the committees on which he or she served. Board responsibility for sustainable economic, environmental and social practices is maintained by various committees as part of their charters. The board's six standing committees (and their meeting frequency in 2014) are: audit (13), corporate governance (7), personnel (9), finance (7), nuclear (7) and executive (0).

## BOARD COMMITTEES

as of Dec. 31, 2014

Name	Audit	Corporate Governance	Personnel	Finance	Nuclear	Executive
Maureen S. Bateman	✓		✓ <sup>(c)</sup>		✓	
Leo P. Denault						✓ <sup>(c)</sup>
Kirkland H. Donald				✓	✓	
Gary W. Edwards		✓	✓			✓
Alexis M. Herman		✓ <sup>(c)</sup>	✓			
Donald C. Hintz				✓	✓ <sup>(c)</sup>	✓
Stuart L. Levenick	✓			✓ <sup>(c)</sup>		✓
Blanche L. Lincoln	✓	✓				
Stewart C. Myers			✓	✓		
W. J. "Billy" Tauzin		✓		✓		
Steven V. Wilkinson	✓ <sup>(c)</sup>				✓	

<sup>(c)</sup> Chair



(left to right) Donald W. Vinci; Roderick K. West; Alyson M. Mount; Mark T. Savoff; Theodore H. Bunting, Jr.; Leo P. Denault; Andrew S. Marsh; William M. Mohl; Marcus V. Brown; Jeffrey S. Forbes

## EXECUTIVE OFFICERS

(age as of Dec. 31, 2014)

### LEO P. DENAULT

#### Chairman and Chief Executive Officer

Joined Entergy in 1999 as vice president of corporate development and strategic planning. Became chairman and chief executive officer in 2013, after serving as executive vice president and chief financial officer. Age 55

### THEODORE H. BUNTING, JR.

#### Group President, Utility Operations

Joined Entergy in 1983. Became group president, utility operations in 2012, after serving as senior vice president and chief accounting officer. Age 56

### WILLIAM M. MOHL

#### President, Entergy Wholesale Commodities

Joined Entergy in 2002. Became president of Entergy Wholesale Commodities in 2013, after serving as president and chief executive officer of Entergy Gulf States Louisiana and Entergy Louisiana. Age 55

### ANDREW S. MARSH

#### Executive Vice President and Chief Financial Officer

Joined Entergy in 1998. Became executive vice president and chief financial officer in 2013, after serving as vice president of system planning. Age 43

### MARK T. SAVOFF

#### Executive Vice President and Chief Operating Officer

Joined Entergy in 2003. Former executive vice president, operations. Age 58

### RODERICK K. WEST

#### Executive Vice President and Chief Administrative Officer

Joined Entergy in 1999. Former president and chief executive officer of Entergy New Orleans. Age 46

### JEFFREY S. FORBES

#### Executive Vice President, Nuclear Operations/Chief Nuclear Officer

Joined Entergy in 2003. Became executive vice president, nuclear operations/chief nuclear officer in 2013, after serving as senior vice president of nuclear operations. Age 58

### MARCUS V. BROWN

#### Executive Vice President and General Counsel

Joined Entergy in 1995. Became executive vice president and general counsel in 2013, after serving as senior vice president and general counsel. Age 53

### ALYSON M. MOUNT

#### Senior Vice President and Chief Accounting Officer

Joined Entergy in 2002. Became senior vice president and chief accounting officer in 2012, after serving as vice president and corporate controller. Age 44

### DONALD W. VINCI

#### Senior Vice President, Human Resources and Chief Diversity Officer

Joined Entergy in 1985. Became senior vice president, human resources and chief diversity officer in 2013, after serving as vice president, human capital management. Age 56



## achieving our mission

We exist to operate a world-class energy business that creates sustainable value for our four stakeholders – owners, customers, employees and the communities in which we operate. This is our mission. This is what powers us every day.

### OUR MISSION

We exist to operate a world-class energy business that creates sustainable value for our four stakeholders.

- For our **owners**, we create value by aspiring to provide top-quartile returns through the relentless pursuit of opportunities to optimize our business.
- For our **customers**, we create value by constantly striving for reasonable costs and providing safe and reliable products and services.
- For our **employees**, we create value by achieving top-quartile organizational health, providing a safe, rewarding, engaging, diverse and inclusive work environment, fair compensation and benefits, and opportunities to advance their careers.
- For our **communities**, we create value through economic development, philanthropy, volunteerism and advocacy, and by operating our business safely and in a socially and environmentally responsible way.

### OUR VISION

## WE POWER LIFE

MEMBER OF  
**Dow Jones  
Sustainability Indices**  
In Collaboration with RobecoSAM

Entergy was named to the DJSI World and North America Indices in 2014. We earned top scores in economic, environmental and social areas – validating our approach to creating sustainable value.

## OUR BUSINESS MODEL

Our business model is based on operational excellence and portfolio management. Our business strategy is driven by our views of material economic, environmental and social issues, which we analyze on an ongoing basis. Each year, we set clear areas of focus to align and empower our employees and inform other stakeholders.



## OUR 2014 MATERIAL ISSUES AND STRATEGIC IMPERATIVES

On an ongoing basis, we analyze material economic, environmental and social issues that impact our ability to create value for our stakeholders. We use stakeholder input to help identify the most material issues and guide our strategic imperatives. We engage in a variety of informal and formal communications with our key stakeholders and other important groups, including regulators, suppliers, nongovernmental and nonprofit organizations, and professionals in industry, government, labor and education.

Material economic issues are identified by monitoring developments in energy demand, energy supply including generation technologies, fuels and industry-specific, as well as general business regulation and economic conditions. Local, state, regional, national and global economic conditions all impact our business, and we monitor these conditions. Our material economic issues for 2014 were:

Issue	Why It Matters
Financial performance	Generating strong financial returns for our owners affords us ongoing access to capital needed to invest in our business and provide low-cost, reliable power for our customers, compensate employees and invest in our communities.
Economic development	Economic development generates energy demand growth and helps us maintain rate stability, fund investments to enhance reliability and serve new demand, strengthen our communities and earn authorized returns.
Energy affordability	Favorable power prices encourage energy demand growth and attract new economic development to our service areas. Low rates are particularly important in the states served by Entergy utilities where a high number of customers are living in poverty.
Energy reliability	Customers expect service to be available on demand, which requires robust supply solutions, up-to-date technologies and the ability to invest for the future.
Energy efficiency	Local and state regulators require Entergy to offer energy efficiency programs. Select amounts of cost-effective energy efficiency can free up capital for other productive investment while keeping rates low. Our financial performance depends on the amount of energy efficiency programs and on our ability to respond to the impact on load growth or obtain cost recovery mechanisms.
Fuel diversity	Fuel diversity supports price stability, energy affordability and reliability. Nuclear energy plays an important role in fuel diversity.
Customer satisfaction	Our ability to meet customers' expectations for affordability, reliability and in other areas, such as outage communications and storm restoration, is a key component of our mission and may affect approved rates of return and other regulations.
Security	Continuous business operations depend on our ability to maintain the safety and security of all Entergy assets and operations.

## Our 2014 Material Issues and Strategic Imperatives (continued)

Issue	Why It Matters
Cyber security	Our ability to protect data is critical to our stakeholders but goes beyond data privacy concerns of most enterprises. Entergy's complex, interconnected network of generation, transmission, distribution, control and communication technologies is part of a national critical infrastructure, demanding even greater vigilance against cyber attacks.
Regulatory policies	Our ability to comply with existing regulations and encourage development of constructive new regulations impacts numerous operational decisions, continued operation of nuclear plants and our financial results.
Commodity price risk	Financial performance is impacted by our ability to accurately identify and quantify underlying commodity price risk in our business, and mitigate it through effective hedging programs and strategies and advocacy for wholesale market design.

Material environmental issues are identified by monitoring developments in environmental legislation, regulation, case law, agency guidance and other actions. In addition, peer groups for air, water, waste and biodiversity facilitate the identification and transfer of information on material issues. Our material environmental issues for 2014 were:

Issue	Why It Matters
Climate resiliency	Climate change poses financial and physical risks, including increased operational costs due to carbon regulation, increased weather-driven volatility of business results and adaptation impacts to our facilities and to our customers.
Air emissions	Increased federal and state regulation of various air pollutants continues to be a driver of business decisions regarding fuel supply and design, location, retirement, purchase and construction of electric generating units.
Water quality	Increased federal and state regulation of water pollutant discharges, cooling water intake structures for electric generating units and other water regulations, including the proposed Waters of the United States rule, continues to be a driver of business decisions regarding fuel supply, design, location, purchase, construction of electric generating units, transmission and distribution projects, and regional economic development.

Material social issues are derived from monitoring trends and developments such as those among our employees, investors, regulators, communities and markets, as well as from our own activities in operations, financial, legal, compliance and supply chain. Our material social issues for 2014 were:

Issue	Why It Matters
Safety and health	Strong operational safety and top-tier workforce safety practices are fundamental drivers of our business performance.
Human resource management	We rely on an aligned, engaged and capable employee culture to meet our company objectives. Diverse cultural backgrounds and perspectives of employees and supply chain partners provide us with a strategic advantage.
Local communities	Sustained business growth for our rate-regulated utilities depends on healthy and vibrant communities. Entergy support of local communities through employment, tax base and community outreach is reciprocated by community support for ongoing Entergy operations. Community engagement in areas such as emergency planning is especially important in areas where we have nuclear generating facilities.

Material economic, environmental and social issues are integrated into Entergy's enterprise risk management processes. Our ERM processes identify, capture and mitigate risks that have the potential to impact Entergy's ability to meet our objectives. More information on ERM is available in the Managing Risk section of this report.



Each year we set clear areas of focus to align and empower our employees and inform other stakeholders. We use our analyses of material issues to define a limited number of strategic imperatives that we must accomplish, in addition to the fundamental daily operation of the business, in order to be successful over the long term.

Our three strategic imperatives for 2014 were:

Aggressively Grow the **Utility** Business

- Increase sales
- Develop supply solutions
- Invest and modernize
- Integrate external outreach

Preserve Optionality and Manage **EWC** Risk

- Manage fleet operations
- Ensure continued operation of Indian Point
- Decommission Vermont Yankee
- Manage price and other risks
- Advocate for constructive change in wholesale market structures

Transform the **Organization**

- Operate safely and effectively as an organization
- Drive organizational health
- Recruit, retain and develop a skilled workforce

## OPPORTUNITIES AND RISKS

We manage opportunities and risks inherent in our material issues through our strategies, management policies, procedures and processes and stakeholder engagement.

Opportunities and Risks	Entergy's Management Approach
Increase utility sales	Aggressively pursue economic development and customer sales growth opportunities at all levels of the organization. Helping lift customers out of poverty also supports economic growth in our region while minimizing utility write-offs.
Develop supply solutions to meet utility demand	Meet growing load needs with safe, reliable, efficient generation and transmission. Explore cogeneration and emerging technologies.
Invest and modernize our utility assets	Streamline processes and deliver long-term savings and customer satisfaction. Explore new technologies to modernize and digitize the business and further harden infrastructure.
Integrate external utility outreach	Engage with regulators and other stakeholders to secure effective constructs and competitive authorized returns.
Manage the risks associated with climate change and environmental regulation	Implement a comprehensive environmental strategy that includes partnering with communities and customers to implement adaptation measures and meeting our voluntary cumulative CO <sub>2</sub> stabilization commitment. Maintain industry-leading emergency response capabilities.
Manage EWC fleet operations	Continuously improve operations to achieve industry-leading results in operations, reliability and safety.
Ensure continued Indian Point operation	Aggressively pursue Indian Point's continued operation through all applicable regulatory, legal and governmental processes to preserve this critical asset's underlying value.
Decommission Vermont Yankee	Maintain safety as a top priority while following established NRC-approved SAFSTOR method for decommissioning Vermont Yankee.
Manage price and other EWC risks	Implement a dynamic hedging strategy based on an informed point of view on wholesale power prices. Engage with key stakeholders to achieve desired regulatory outcomes.
Advocate for wholesale market improvements	Utilize a principle-based approach to identify flaws or uncompetitive structures and practices in the wholesale markets in which we operate and champion constructive changes.

## Opportunities and Risks (continued)

Issue	Why It Matters
Operate effectively as an organization	Make long-term, fundamental improvements in the way we work to ensure efficient, cost-effective and sustainable practices, including end-to-end business processes that are aligned with strategic goals and customer needs.
Drive organizational health	Sustain a work culture that is aligned, adaptable, engaged and able to get the right things done.
Recruit, retain and develop a skilled, engaged workforce	Ensure our approach for training, developing and promoting employees is aligned to meet current and future business needs; develop human resource programs to recruit and retain a workforce that has the knowledge, skills and abilities to achieve our strategic imperatives.

## OUR VALUE CREATION PROCESS





## MANAGING FINANCIAL PERFORMANCE

Generating strong financial returns allows us to provide reliable power to customers over the long term, compensate employees, invest in our communities and satisfy our owners. Our overarching financial goal is to deliver top-quartile returns to our owners, which enables us to attract the capital we need to serve customers and grow our business. We also strive to maintain investment-grade ratings at our utilities and Entergy Corporation. A strong financial and credit position gives us the financial flexibility to respond opportunistically to changing market conditions in ways that create sustainable value for our stakeholders. In addition to investing in our business, we also put a high priority on providing a dividend payout that is comparable to our industry peers while maintaining strong credit metrics. Our board sets our dividend-payout target and regularly reviews both the target level and our payout relative to the target.

Our finance organization, led by our chief financial officer and governed by the finance committee of the board of directors, oversees our financial performance using prudent policies, strategies, procedures and investment processes. We proactively manage our tax strategy to ensure we are in compliance with all laws and regulations.



Tax reform was a high-priority issue for Entergy in 2014, following broad-based tax reform discussions in 2013 and the proposal of the Tax Reform Act of 2014. Entergy supports a grand bargain approach to tax reform.



We recycle white paper, mixed paper, paperboard, cardboard, aluminum, steel and plastics at many Entergy offices. In 2014, we recycled 426,000 tons of fly ash for reuse in concrete and building materials, recycled 1.5 tons of rechargeable batteries, reused or recycled 240 tons of electronic equipment, and resold more than \$16 million of scrap wire, metal, equipment and vehicles. Recycling reduces landfilling, and as markets allow, provides revenues for our company.

### CR Magazine – 100 Best Corporate Citizens

Entergy earned a first-place ranking in corporate governance, validating the framework our corporate governance policies and practices provide for our business objectives.





## MANAGING RISK

We use an integrated risk management framework that extends from board oversight to risk identification and assessment at the business unit level. The framework ensures risks are consistently identified, thoroughly assessed and effectively managed throughout our business.

### Risk Responsibilities

Entergy promotes a risk management culture with responsibility for risk identification and assessment within the business units. Our CFO provides risk oversight and, if needed, quantification through the enterprise risk management process. We use our enterprise risk management process to manage business and financial risks. Within our businesses, we analyze and monitor a full range of economic, environmental and social risks. Our management provides regular reports to the board's audit committee on compliance, significant legal matters, insurance programs, environmental risks and credit and market risks. The audit committee has primary responsibility for risk management for Entergy.



Decisions on investments include consideration of costs and benefits of carbon regulation using our CO<sub>2</sub> projections. Internal teams of subject matter experts analyze and communicate regulatory, physical and other business risks posed by climate change to executive management and incorporate these risks into our multi-disciplinary risk management process. Additionally, increased environmental regulations related to air emissions and water quality are

drivers of business decisions related to our generation portfolio. Our utility portfolio transformation strategy makes use of long-term clean and efficient generation resources to meet long-term demand while helping to manage the risk of increased environmental regulations and reduce emissions and water discharges.



Sustained business growth for our rate-regulated utilities depends on healthy, vibrant communities. We created our low-income customer assistance initiatives to help our customers in need as well as to manage the financial risk posed by those customers. A high number of customers live in poverty in the states served by our utilities. The goals of these initiatives are to increase the flow of funds from all sources to help low-income customers achieve economic self-sufficiency, to educate low-income customers on managing their bills and to help low-income customers pay their bills. In addition to online resources to assist low-income families and the social agencies serving them, Entergy employees participate in volunteer activities to help low-income customers lower their utility bills.

### Managing Risk at Entergy Corporation, Our Utilities and EWC

We manage and respond to risks differently depending on whether they impact Entergy Corporation, our rate-regulated utilities or our EWC business. For example, each of Entergy's six rate-regulated utility operating companies reduces its individual regulatory risk through filings for adequate recovery, through the use of business processes that demonstrate costs have been prudently incurred,

as well as through stakeholder outreach campaigns that support constructive regulatory outcomes.

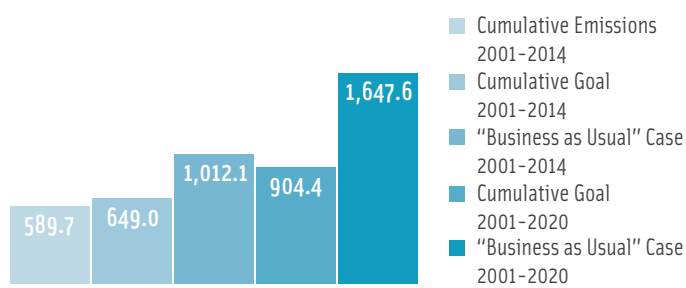
Entergy Wholesale Commodities retains outage risk related to the power plants that we own, which is mitigated with programs focused on reducing risk exposure and outage insurance. EWC also manages market and counterparty performance risk with hedging strategies, strict risk limits and reporting, options and risk management strategies.

Since 2001, Entergy has operated under voluntary commitments to stabilize our CO<sub>2</sub> emissions as part of our efforts to be environmentally responsible and to manage risks related to potential federal legislation of emissions. Our current commitment is to maintain CO<sub>2</sub> emissions from Entergy-owned power plants and controllable power purchases through 2020 at 20 percent below year 2000 levels. Through year-end 2014, our cumulative emissions from 2001 are 9.1 percent below our cumulative 2001–2014 target.

With the transfer of functional control of our transmission operation to MISO, controllable purchases (those for which we can calculate the emissions) decreased significantly as a percentage of total power generation in 2014 and were replaced largely by purchases from the MISO system for which we cannot calculate emissions. This makes it difficult to compare current-year emissions under our voluntary stabilization commitment with prior years. However, for purposes of comparison, emissions from owned generation have remained fairly stable the past five years even as generation volume has grown due to increased demand for power. On a per-kilowatt-hour generated basis, emissions from owned generation declined approximately 11 percent over the past 10 years, as a higher percentage of the power we generate has come from clean, efficient natural gas-fired generation and nuclear sources.

### Cumulative CO<sub>2</sub> Emissions From Entergy-Owned Plants and Controllable Purchases

Million Tons



Our 2014 greenhouse gas inventory is verified to the International Organization for Standardization 14064.1 Standard for GHG Inventory Development, Reporting and Verification. The inventory, reporting document and verification letter from ICF International are available at [americancarbonregistry.org](http://americancarbonregistry.org) and [entergy.com/environment](http://entergy.com/environment).



In 2014, the EPA proposed standards for the emission of CO<sub>2</sub> from existing power plants. While Entergy agrees that global climate change and the risks it poses are serious issues that must be addressed, the rule proposed by the EPA has significant legal, structural and technical flaws. More than a million public comments have been submitted to the EPA, the most ever. In December, we filed comments in coordination with the Edison Electric Institute, Nuclear Energy Institute and other industry groups. The EPA plans to finalize the rule in summer 2015 and Entergy will be actively engaged in this process.

Our comprehensive environmental strategy – Environment<sup>2020</sup> – and our environmental management system help enable our environmental compliance. Adopted in 2011, Environment<sup>2020</sup> covers six areas of environmental performance: managing risk, reducing our environmental footprint, adaptation, compliance, energy efficiency and stakeholder engagement. Our environmental management system connects company objectives to all operating sites through targets, assessments and risk mitigation recommendations appropriate to each asset. We validate the system and our performance through external reviews and reporting.



Entergy was named to the CDP S&P 500 Climate Performance Leadership Index and Climate Disclosure Leadership Index for our actions to mitigate the business risks of climate change. CDP, the world's only global environmental disclosure system, announced these achievements in the CDP S&P 500 Climate Change Report 2014, which presents new analysis linking CDP S&P 500 industry leaders with high financial performance.

We work to reduce the economic impact of extreme weather events through robust emergency response drills, business continuity planning and focused investments to harden generation, transmission and distribution assets.

### Business Continuity Planning

Business continuity plans set forth actions to be taken to ensure continuity and eventual full business restoration following a business disruption. Continuous operation of our business depends on our ability to maintain the safety and security of all Entergy assets, employees and operations. In particular, cyber



security is a high priority for Entergy. Cyber threats are increasing in sophistication and can cause disruptions in power generation and transmission flow and place sensitive business and customer information at risk.

Given the increased frequency of extreme weather events in the United States and their impact on our operations and stakeholders in the Northeast and Gulf Coast, our business continuity planning addresses key environmental risks, including the financial and physical risks posed by climate change. We account for risks related to greenhouse gas emissions in our business planning processes. We use projections of future carbon prices and compliance costs for other potential environmental requirements to test business planning decisions and evaluate optimal, lower-carbon energy resource investments. We address physical risks with a storm hardening process to prioritize investments to reduce business interruptions with a proven emergency preparedness and response process, a business continuity process and a stakeholder outreach process.

## DRIVING ETHICS AND COMPLIANCE

Our ethics and compliance culture is based on our core value of integrity and the application of laws and regulations relevant to our operations, an analysis of risks and the identification of measures to manage risks. We have a Code of Entegrity—guidelines for business ethics and compliance—for our employees and codes of business conduct for non-employees and suppliers.

We proactively manage compliance using preventive and detective measures, remediation, corrective action and continuous improvement. Executive management promotes a culture of integrity and encourages compliance by providing guidance, funds and resources for compliance programs. Our practices include addressing compliance issues as they arise and maintaining the Entergy Ethics line—a third-party, toll-free telephone line that enables anonymous reporting of any ethics violations or concerns.

## MANAGING OUR SUPPLY CHAIN


We purchase approximately \$3.1 billion annually in materials and services. A robust, sustainable supply chain is essential to our ability to serve our customers. We manage our supply chain using a defined supplier code of conduct, initiatives to build a more sustainable supply chain and a program for encouraging and facilitating greater supplier diversity and programs.



All suppliers are expected to conduct business in a manner consistent with our supplier code of conduct. We have incentive and non-incentive scorecards that target multiple performance indicators for the company and our key suppliers, including sustainability-related measures. Although specific scorecard measures differ based on the services and products provided, standard metrics used to align contractor performance with company objectives include safety, budget, radiation protection, schedule, reliability and human performance.





Our Entergy supplier diversity and development initiative is designed to ensure the inclusion of a diverse base of suppliers capable of meeting the company's various procurement needs. In 2014, our supplier diversity and development team hosted a series of diverse supplier forums in Arkansas, Louisiana, Mississippi and Texas to communicate what Entergy looks for in suppliers and reaffirm our commitment to local suppliers. Since its inception in 1987, Entergy's supplier diversity initiative has accounted for more than \$3 billion in contracts and purchase orders awarded to diverse suppliers.


 Entergy is helping connect entrepreneurs with opportunities to restore Louisiana's coast. Building a supply chain for coastal restoration helps increase community resilience in the face of future extreme weather events and it strengthens the local economy and drives revenue growth for our company.


 

## TAKING A STAND: ADVOCACY AND POLITICAL ACCOUNTABILITY

We are involved in a number of legislative and regulatory initiatives across a broad spectrum of policy areas that can immediately and dramatically affect our operations. We take positions on key economic, environmental, regulatory and social policy issues affecting our business, such as wholesale market structures, potential environmental regulations and poverty. We also participate in legislative and regulatory processes through trade organizations.


We encourage employee participation in the political process through the Entergy Corporation Political Action Committee. ENPAC contributions directly support state and federal political candidates. Entergy procedures ensure corporate political contributions are made in compliance with all applicable laws and will be reported in a timely manner. More than a third of Entergy's employees are members of EnPower, Entergy's grassroots advocacy effort. The organization educates members on issues of importance to the company and encourages members to get personally involved, including reaching out to public officials.

 Entergy is an active advocate for the federal Earned Income Tax Credit and the Low Income Home Energy Assistance Program. Both the EITC and LIHEAP provide funds to help low-income customers pay their bills, generating revenues for our company and helping our customers in need. Entergy-sponsored Volunteer Income Tax Assistance sites resulted in \$35 million in federal earned income tax credits in 2014, an increase of 40 percent over 2013. Entergy employees, nonprofit partners and representatives from like-minded firms visited 29 congressional offices for LIHEAP Action Day in 2014, supporting a LIHEAP funding level of \$4.7 billion for FY 2015.

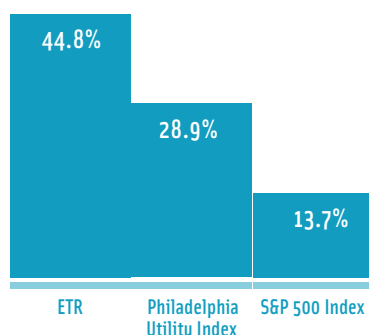


## SUMMARY OF 2014 FINANCIAL PERFORMANCE

In 2014, we delivered strong financial performance. Our operational earnings were \$5.83 per share, compared with \$5.36 per share in 2013 – an increase of nearly 9 percent. Our total shareholder return was 44.8 percent, which ranked in the top quartile of our peer group. Both our utility and Entergy Wholesale Commodities business achieved strong results due to excellent operational performance delivered by Entergy employees across all dimensions of the business – economic, environmental and social. Favorable market conditions also played a role in positive results. More information on the operational performance of our businesses can be found in the Utility, EWC and Workplace sections of this report.

 Generating strong financial returns for our owners affords us ongoing access to capital needed to invest in our business and to provide low-cost, reliable power for our customers, to compensate employees and to invest in our communities.

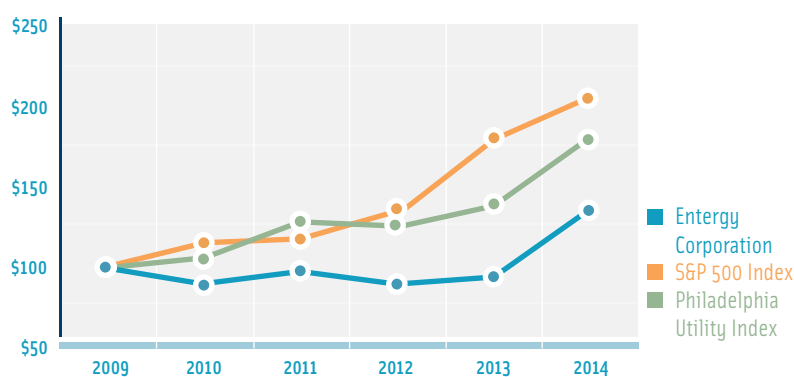
### Total Shareholder Return 2014



Source: Bloomberg

### Comparison of Five-Year Cumulative Return

The following graph compares the performance of the common stock of Entergy Corporation to the S&P 500 Index and the Philadelphia Utility Index (each of which includes Entergy Corporation) for the last five years ended December 31.



	2009	2010	2011	2012	2013	2014
Entergy Corporation	\$100.00	\$ 90.27	\$ 97.75	\$ 89.57	\$ 93.47	\$135.30
S&P 500 Index	\$100.00	\$115.06	\$117.48	\$136.27	\$180.39	\$205.07
Philadelphia Utility Index	\$100.00	\$105.70	\$126.04	\$125.32	\$139.08	\$179.33

Assumes \$100 invested at the closing price on Dec. 31, 2009, in Entergy Corporation common stock, the S&P 500 Index, and the Philadelphia Utility Index, and reinvestment of all dividends.

Source: Bloomberg

### Credit Ratings as of March 5, 2015

Entity	Standard & Poor's		Moody's	
	Rating	Outlook	Rating	Outlook
Entergy Arkansas <sup>1</sup>	A-	Stable	A3	Stable
Entergy Gulf States Louisiana <sup>1</sup>	A-	Stable	A2	Stable
Entergy Louisiana <sup>1</sup>	A-	Stable	A2	Stable
Entergy Mississippi <sup>1</sup>	A-	Stable	A3	Stable
Entergy New Orleans <sup>1</sup>	A-	Stable	Baa3	Positive
Entergy Texas <sup>1</sup>	A-	Stable	Baa1	Stable
System Energy Resources <sup>1</sup>	A-	Stable	Baa1	Stable
Entergy Corporation <sup>2</sup>	BBB	Stable	Baa3	Stable

<sup>1</sup> Senior secured ratings

<sup>2</sup> Corporate credit rating

## FIVE-YEAR SUMMARY OF SELECTED FINANCIAL AND OPERATING DATA

### SELECTED FINANCIAL DATA:

In Thousands, Except Percentages and Per Share Amounts

	2014	2013	2012	2011	2010
Operating revenues	\$ 12,494,921	\$ 11,390,947	\$ 10,302,079	\$ 11,229,073	\$ 11,487,577
Income from continuing operations	\$ 960,257	\$ 730,572	\$ 868,363	\$ 1,367,372	\$ 1,270,305
Earnings per share from continuing operations:					
Basic	\$ 5.24	\$ 3.99	\$ 4.77	\$ 7.59	\$ 6.72
Diluted	\$ 5.22	\$ 3.99	\$ 4.76	\$ 7.55	\$ 6.66
Dividends declared per share	\$ 3.32	\$ 3.32	\$ 3.32	\$ 3.32	\$ 3.24
Return on common equity	9.58%	7.56%	9.33%	15.43%	14.61%
Book value per share, year-end	\$ 55.83	\$ 54.00	\$ 51.72	\$ 50.81	\$ 47.53
Total assets	\$ 46,527,854	\$ 43,406,446	\$ 43,202,502	\$ 40,701,699	\$ 38,685,276
Long-term obligations <sup>(a)</sup>	\$ 12,740,579	\$ 12,382,127	\$ 12,141,370	\$ 10,268,645	\$ 11,575,973

### UTILITY ELECTRIC OPERATING REVENUES:

(IN MILLIONS)

Residential	\$ 3,555	\$ 3,396	\$ 3,022	\$ 3,369	\$ 3,375
Commercial	2,553	2,415	2,174	2,333	2,317
Industrial	2,623	2,405	2,034	2,307	2,207
Governmental	227	218	198	205	212
Total retail	\$ 8,958	\$ 8,434	\$ 7,428	\$ 8,214	\$ 8,111
Sales for resale	330	210	179	216	\$ 389
Other	304	298	264	244	241
Total	\$ 9,592	\$ 8,942	\$ 7,871	\$ 8,674	\$ 8,741

### UTILITY BILLED ELECTRIC ENERGY SALES (GWh):

Residential	35,932	35,169	34,664	36,684	37,465
Commercial	28,827	28,547	28,724	28,720	28,831
Industrial	43,723	41,653	41,181	40,810	38,751
Governmental	2,428	2,412	2,435	2,474	2,463
Total retail	110,910	107,781	107,004	108,688	107,510
Sales for resale	9,462	3,020	3,200	4,111	4,372
Total	120,372	110,801	110,204	112,799	111,882

### ENTERGY WHOLESALE COMMODITIES:

Operating revenues	\$ 2,719	\$ 2,313	\$ 2,326	\$ 2,414	\$ 2,566
Billed electric energy sales (GWh)	44,424	45,127	46,178	43,497	42,934

(a) Includes long-term debt (excluding currently maturing debt), noncurrent capital lease obligations, and subsidiary preferred stock without sinking fund that is not presented as equity on the balance sheet.

## CONSOLIDATED INCOME STATEMENTS (UNAUDITED)

In Thousands, Except Share Data	For the Years Ended December 31,		
	2014	2013	2012
<b>OPERATING REVENUES</b>			
Electric	\$ 9,591,902	\$ 8,942,360	\$ 7,870,649
Natural gas	181,794	154,353	130,836
Competitive businesses	2,721,225	2,294,234	2,300,594
<b>TOTAL</b>	<b>12,494,921</b>	<b>11,390,947</b>	<b>10,302,079</b>
<b>OPERATING EXPENSES</b>			
Operating and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	2,632,558	2,445,818	2,036,835
Purchased power	1,915,414	1,554,332	1,255,800
Nuclear refueling outage expenses	267,679	256,801	245,600
Other operation and maintenance	3,310,536	3,331,934	3,045,392
Asset write-offs, impairments, and related charges	179,752	341,537	355,524
Decommissioning	272,621	242,104	184,760
Taxes other than income taxes	604,606	600,350	557,298
Depreciation and amortization	1,318,638	1,261,044	1,144,585
Other regulatory charges (credits) – net	(13,772)	45,597	175,104
<b>TOTAL</b>	<b>10,488,032</b>	<b>10,079,517</b>	<b>9,000,898</b>
Gain on sale of business	—	43,569	—
<b>OPERATING INCOME</b>	<b>2,006,889</b>	<b>1,354,999</b>	<b>1,301,181</b>
<b>OTHER INCOME</b>			
Allowance for equity funds used during construction	64,802	66,053	92,759
Interest and investment income	147,686	199,300	127,776
Miscellaneous – net	(42,016)	(59,762)	(53,214)
<b>TOTAL</b>	<b>170,472</b>	<b>205,591</b>	<b>167,321</b>
<b>INTEREST EXPENSE</b>			
Interest expense	661,083	629,537	606,596
Allowance for borrowed funds used during construction	(33,576)	(25,500)	(37,312)
<b>TOTAL</b>	<b>627,507</b>	<b>604,037</b>	<b>569,284</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>1,549,854</b>	<b>956,553</b>	<b>899,218</b>
Income taxes	589,597	225,981	30,855
<b>CONSOLIDATED NET INCOME</b>	<b>960,257</b>	<b>730,572</b>	<b>868,363</b>
Preferred dividend requirements of subsidiaries	19,536	18,670	21,690
<b>NET INCOME ATTRIBUTABLE TO ENTERGY CORPORATION</b>	<b>\$ 940,721</b>	<b>\$ 711,902</b>	<b>\$ 846,673</b>
Earnings per average common share:			
Basic	\$ 5.24	\$ 3.99	\$ 4.77
Diluted	\$ 5.22	\$ 3.99	\$ 4.76
Basic average number of common shares outstanding	179,506,151	178,211,192	177,324,813
Diluted average number of common shares outstanding	180,296,885	178,570,400	177,737,565



## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

In Thousands	For the Years Ended December 31,		
	2014	2013	2012
<b>NET INCOME</b>	<b>\$ 960,257</b>	<b>\$ 730,572</b>	<b>\$ 868,363</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Cash flow hedges net unrealized gain (loss)			
(net of tax expense (benefit) of \$96,141, (\$87,940), and (\$55,750))	179,895	(161,682)	(97,591)
Pension and other postretirement liabilities			
(net of tax expense (benefit) of \$(152,763), \$220,899, and (\$61,223))	(281,566)	302,489	(91,157)
Net unrealized investment gains			
(net of tax expense of \$66,594, \$118,878, and \$61,104)	89,439	122,709	63,609
Foreign currency translation (net of tax expense (benefit) of (\$404), \$131, and \$275)	(751)	243	508
Other comprehensive income (loss)	(12,983)	263,759	(124,631)
<b>COMPREHENSIVE INCOME</b>	<b>947,274</b>	<b>994,331</b>	<b>743,732</b>
Preferred dividend requirements of subsidiaries	19,536	18,670	21,690
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO ENTERGY CORPORATION</b>	<b>\$ 927,738</b>	<b>\$ 975,661</b>	<b>\$ 722,042</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

In Thousands	For the Years Ended December 31,		
	2014	2013	2012
<b>OPERATING ACTIVITIES</b>			
<b>Consolidated net income</b>	\$ 960,257	\$ 730,572	\$ 868,363
<b>Adjustments to reconcile consolidated net income to net cash flow provided by operating activities:</b>			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	2,127,892	2,012,076	1,771,649
Deferred income taxes, investment tax credits, and non-current taxes accrued	596,935	311,789	(26,479)
Asset write-offs, impairments, and related charges	123,527	341,537	355,524
Gain on sale of business	—	(43,569)	—
Changes in working capital:			
Receivables	98,493	(180,648)	(14,202)
Fuel inventory	3,524	4,873	(11,604)
Accounts payable	(12,996)	94,436	(6,779)
Prepaid taxes and taxes accrued	(62,985)	(142,626)	55,484
Interest accrued	25,013	(3,667)	1,152
Deferred fuel costs	(70,691)	(4,824)	(99,987)
Other working capital accounts	112,390	(66,330)	(151,989)
Changes in provisions for estimated losses	301,871	(248,205)	(24,808)
Changes in other regulatory assets	(1,061,537)	1,105,622	(398,428)
Changes in other regulatory liabilities	87,654	397,341	170,421
Changes in pensions and other postretirement liabilities	1,308,166	(1,433,663)	644,099
Other	(647,952)	314,505	(192,131)
<b>Net cash flow provided by operating activities</b>	<b>3,889,561</b>	<b>3,189,219</b>	<b>2,940,285</b>
<b>INVESTING ACTIVITIES</b>			
Construction/capital expenditures	(2,119,191)	(2,287,593)	(2,674,650)
Allowance for equity funds used during construction	68,375	69,689	96,131
Nuclear fuel purchases	(537,548)	(517,825)	(557,960)
Payment for purchase of plant	—	(17,300)	(456,356)
Proceeds from sale of assets and businesses	10,100	147,922	—
Insurance proceeds received for property damages	40,670	—	—
Changes in securitization account	1,511	155	4,265
NYPA value sharing payment	(72,000)	(71,736)	(72,000)
Payments to storm reserve escrow account	(276,057)	(7,716)	(8,957)
Receipts from storm reserve escrow account	—	260,279	27,884
Decrease (increase) in other investments	46,983	(82,955)	15,175
Litigation proceeds for reimbursement of spent nuclear fuel storage costs	—	21,034	109,105
Proceeds from nuclear decommissioning trust fund sales	1,872,115	2,031,552	2,074,055
Investment in nuclear decommissioning trust funds	(1,989,446)	(2,147,099)	(2,196,489)
<b>Net cash flow used in investing activities</b>	<b>(2,954,488)</b>	<b>(2,601,593)</b>	<b>(3,639,797)</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED)

In Thousands	For the Years Ended December 31,		
	2014	2013	2012
<b>FINANCING ACTIVITIES</b>			
<b>Proceeds from the issuance of:</b>			
Long-term debt	\$ 3,100,069	\$ 3,746,016	\$ 3,478,361
Preferred stock of subsidiary	—	24,249	—
Mandatorily redeemable preferred membership units of subsidiary	—	—	51,000
Treasury stock	194,866	24,527	62,886
Retirement of long-term debt	(2,323,313)	(3,814,666)	(3,130,233)
Repurchase of common stock	(183,271)	—	—
Changes in credit borrowings and commercial paper—net	(448,475)	250,889	687,675
Other	23,579	—	—
<b>Dividends paid:</b>			
Common stock	(596,117)	(593,037)	(589,209)
Preferred stock	(19,511)	(18,802)	(22,329)
<b>Net cash flow provided by (used in) financing activities</b>	<b>(252,173)</b>	<b>(380,824)</b>	<b>538,151</b>
<b>Effect of exchange rates on cash and cash equivalents</b>	<b>—</b>	<b>(245)</b>	<b>(508)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>682,900</b>	<b>206,557</b>	<b>(161,869)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>739,126</b>	<b>532,569</b>	<b>694,438</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 1,422,026</b>	<b>\$ 739,126</b>	<b>\$ 532,569</b>

### SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the period for:			
Interest—net of amount capitalized	\$ 611,376	\$ 570,212	\$ 546,125
Income taxes	\$ 77,799	\$ 127,735	\$ 49,214

## CONSOLIDATED BALANCE SHEETS ASSETS (UNAUDITED)

	December 31,	
In Thousands	2014	2013
<b>CURRENT ASSETS</b>		
Cash and cash equivalents:		
Cash	\$ 131,327	\$ 129,979
Temporary cash investments	1,290,699	609,147
Total cash and cash equivalents	1,422,026	739,126
Accounts receivable:		
Customer	596,917	670,641
Allowance for doubtful accounts	(35,663)	(34,311)
Other	220,342	195,028
Accrued unbilled revenues	321,659	340,828
Total accounts receivable	1,103,255	1,172,186
Deferred fuel costs	155,140	116,379
Accumulated deferred income taxes	27,783	175,073
Fuel inventory—at average cost	205,434	208,958
Materials and supplies—at average cost	918,584	915,006
Deferred nuclear refueling outage costs	214,188	192,474
Prepayments and other	343,223	410,489
<b>TOTAL</b>	<b>4,389,633</b>	<b>3,929,691</b>
<b>OTHER PROPERTY AND INVESTMENTS</b>		
Investment in affiliates—at equity	36,234	40,350
Decommissioning trust funds	5,370,932	4,903,144
Non-utility property—at cost (less accumulated depreciation)	213,791	199,375
Other	405,169	210,616
<b>TOTAL</b>	<b>6,026,126</b>	<b>5,353,485</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Electric	44,881,419	42,935,712
Property under capital lease	945,784	941,299
Natural gas	377,565	366,365
Construction work in progress	1,425,981	1,514,857
Nuclear fuel	1,542,055	1,566,904
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>49,172,804</b>	<b>47,325,137</b>
Less—accumulated depreciation and amortization	20,449,858	19,443,493
<b>PROPERTY, PLANT AND EQUIPMENT—NET</b>	<b>28,722,946</b>	<b>27,881,644</b>
<b>DEFERRED DEBITS AND OTHER ASSETS</b>		
Regulatory assets:		
Regulatory asset for income taxes—net	836,064	849,718
Other regulatory assets (includes securitization property of \$724,839 as of December 31, 2014 and \$822,218 as of December 31, 2013)	4,968,553	3,893,363
Deferred fuel costs	238,102	172,202
Goodwill	377,172	377,172
Accumulated deferred income taxes	48,351	62,011
Other	920,907	887,160
<b>TOTAL</b>	<b>7,389,149</b>	<b>6,241,626</b>
<b>TOTAL ASSETS</b>	<b>\$ 46,527,854</b>	<b>\$43,406,446</b>



## CONSOLIDATED BALANCE SHEETS LIABILITIES AND EQUITY (UNAUDITED)

	December 31,	
In Thousands	2014	2013
<b>CURRENT LIABILITIES</b>		
Currently maturing long-term debt	\$ 899,375	\$ 457,095
Notes payable and commercial paper	598,407	1,046,887
Accounts payable	1,166,431	1,173,313
Customer deposits	412,166	370,997
Taxes accrued	128,108	191,093
Accumulated deferred income taxes	38,039	28,307
Interest accrued	206,010	180,997
Deferred fuel costs	91,602	57,631
Obligations under capital leases	2,508	2,323
Pension and other postretirement liabilities	57,994	67,419
Other	248,251	484,510
<b>TOTAL</b>	<b>3,848,891</b>	<b>4,060,572</b>
<b>NON-CURRENT LIABILITIES</b>		
Accumulated deferred income taxes and taxes accrued	9,133,161	8,724,635
Accumulated deferred investment tax credits	247,521	263,765
Obligations under capital leases	29,710	32,218
Other regulatory liabilities	1,383,609	1,295,955
Decommissioning and asset retirement cost liabilities	4,458,296	3,933,416
Accumulated provisions	418,128	115,139
Pension and other postretirement liabilities	3,638,295	2,320,704
Long-term debt (includes securitization bonds of \$784,862 as of December 31, 2014 and \$883,013 as of December 31, 2013)	12,500,109	12,139,149
Other	557,649	583,667
<b>TOTAL</b>	<b>32,366,478</b>	<b>29,408,648</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
Subsidiaries' preferred stock without sinking fund	210,760	210,760
<b>EQUITY</b>		
Common Shareholders' Equity:		
Common stock, \$.01 par value, authorized 500,000,000 shares; issued 254,752,788 shares in 2014 and in 2013	2,548	2,548
Paid-in capital	5,375,353	5,368,131
Retained earnings	10,169,657	9,825,053
Accumulated other comprehensive loss	(42,307)	(29,324)
Less—treasury stock, at cost (75,512,079 shares in 2014 and 76,381,936 shares in 2013)	5,497,526	5,533,942
Total common shareholders' equity	10,007,725	9,632,466
Subsidiaries' preferred stock without sinking fund	94,000	94,000
<b>TOTAL</b>	<b>10,101,725</b>	<b>9,726,466</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 46,527,854</b>	<b>\$ 43,406,446</b>

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the Years Ended December 31, 2014, 2013, and 2012 In Thousands	Common Shareholders' Equity					Accumulated Other Comprehensive Income (Loss)	Total
	Subsidiaries' Preferred Stock	Common Stock	Treasury Stock	Paid-in Capital	Retained Earnings		
<b>BALANCE AT DECEMBER 31, 2011</b>	\$ 94,000	\$ 2,548	\$ (5,680,468)	\$ 5,360,682	\$ 9,446,960	\$ (168,452)	\$ 9,055,270
Consolidated net income <sup>(a)</sup>	21,690	—	—	—	846,673	—	868,363
Other comprehensive loss	—	—	—	—	—	(124,631)	(124,631)
Common stock issuances related to stock plans	—	—	105,649	(2,830)	—	—	102,819
Common stock dividends declared	—	—	—	—	(589,042)	—	(589,042)
Preferred dividend requirements of subsidiaries <sup>(a)</sup>	(21,690)	—	—	—	—	—	(21,690)
<b>BALANCE AT DECEMBER 31, 2012</b>	\$ 94,000	\$ 2,548	\$ (5,574,819)	\$ 5,357,852	\$ 9,704,591	\$ (293,083)	\$ 9,291,089
Consolidated net income <sup>(a)</sup>	18,670	—	—	—	711,902	—	730,572
Other comprehensive income	—	—	—	—	—	263,759	263,759
Common stock issuances related to stock plans	—	—	\$ 40,877	10,279	—	—	51,156
Common stock dividends declared	—	—	—	—	(591,440)	—	(591,440)
Preferred dividend requirements of subsidiaries <sup>(a)</sup>	(18,670)	—	—	—	—	—	(18,670)
<b>BALANCE AT DECEMBER 31, 2013</b>	\$ 94,000	\$ 2,548	\$ (5,533,942)	\$ 5,368,131	\$ 9,825,053	\$ (29,324)	\$ 9,726,466
Consolidated net income <sup>(a)</sup>	19,536	—	—	—	940,721	—	960,257
Other comprehensive loss	—	—	—	—	—	(12,983)	(12,983)
Common stock repurchases	—	—	(183,271)	—	—	—	(183,271)
Common stock issuances related to stock plans	—	—	\$ 219,687	7,222	—	—	226,909
Common stock dividends declared	—	—	—	—	(596,117)	—	(596,117)
Preferred dividend requirements of subsidiaries <sup>(a)</sup>	(19,536)	—	—	—	—	—	(19,536)
<b>BALANCE AT DECEMBER 31, 2014</b>	<b>\$ 94,000</b>	<b>\$ 2,548</b>	<b>\$ (5,497,526)</b>	<b>\$ 5,375,353</b>	<b>\$ 10,169,657</b>	<b>\$ (42,307)</b>	<b>\$ 10,101,725</b>

(a) Consolidated net income and preferred dividend requirements of subsidiaries for 2014, 2013, and 2012 include \$12.9 million, \$12.0 million, and \$15.0 million, respectively, of preferred dividends on subsidiaries' preferred stock without sinking fund that is not presented as equity.



## utility

Our utilities power a new day every day for families and businesses, towns and cities in Arkansas, Louisiana, Mississippi and Texas—a region experiencing an exciting industrial renaissance and the promise of economic prosperity.

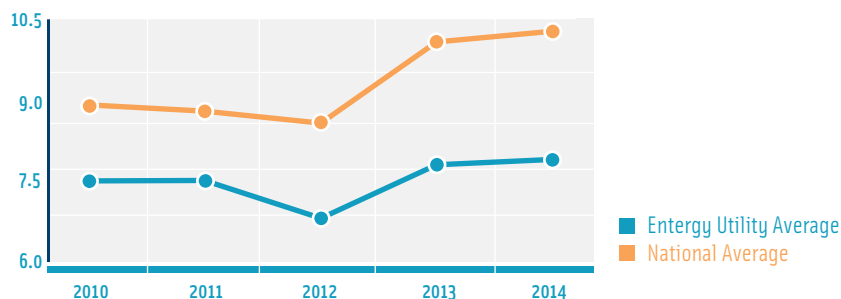
## PROMOTING ECONOMIC GROWTH

An exciting industrial renaissance is driving economic development along the Gulf Coast, from Beaumont, Texas, to Lake Charles, La., and from New Orleans to Baton Rouge. The chemical, petroleum refining, and pulp and paper industries drove significant industrial growth in Louisiana and Texas in 2014. Mississippi and Arkansas are experiencing growth in manufacturing, steel, automotive and biomass. It's a growth story that is unique in our industry and it offers significant potential benefits to our stakeholders. Economic development generates demand for power and helps us maintain rate stability, fund investments to modernize our infrastructure to enhance reliability and better serve our customers, earn our authorized returns on our investments and strengthen our communities by bringing in new jobs and boosting the local economy. We are promoting economic growth by maintaining low rates and reliable service, investing in our local communities and actively engaging with stakeholders.

Our utilities provide reliable, clean power safely and securely at rates that are about 20 percent below the national average across all classes. Favorable power prices encourage energy demand growth and attract new economic development to our service areas.

### Entergy Utility Average Electric Rates

Cents per kWh



## STRATEGY

Our utility strategy—in a word—is grow. Our utilities focus on promoting economic growth, operating with excellence while exploring new technologies and actively engaging with stakeholders.



Entergy was named one of the nation's Top 10 utilities in economic development by *Site Selection* magazine for our 2013 efforts to help attract nearly \$21 billion in projects that could result in as many as 9,200 jobs across our four-state service territory. It was the seventh straight year Entergy was named to the magazine's list.



*Big River Steel broke ground in 2014 on a \$1.3 billion steel mill and recycling facility in Osceola, Ark., which is expected to come online in 2016.*





*Cameron LNG unit began construction on its liquefaction project in Hackberry, La.; operations are expected to commence in 2018.*





*Sasol made the final investment decision to proceed with an ethane cracker and derivatives project in Westlake, La., with operation targeted for 2017.*


We work actively with local and state leaders, existing and prospective customers and regulators to help drive economic development, and we have been very successful. The vast majority of our anticipated new or expanding large industrial customers through 2017 have passed their final investment decisions or have already begun construction. We expect new industrial demand, along with associated residential and commercial demand growth, to drive significant load growth for our utilities well into the future.

 Entergy Texas teams trained dozens of local leaders from Orange County on the online Texas site selection center, Entergy's tool that offers a wealth of information to help drive economic development. Held in September at Lamar State College, the event also enabled local leaders to ensure that all available land tracts and buildings are on the website, which can help attract new retail and industrial projects to the region.

 We are seeking regulatory approval to combine Entergy Gulf States Louisiana and Entergy Louisiana into one utility, which we expect will generate up to \$128 million in customer benefits, including \$97 million in guaranteed savings the first nine years after closing, and help us efficiently invest more than \$5 billion in the state's electric infrastructure by 2019 to support economic growth.

 In 2014, Entergy Arkansas initiated a program aimed at encouraging commercial customers to electrify agricultural irrigation pumps previously powered by diesel, which resulted in 681 wells being converted. Benefits include helping customers save money on fuel and pump maintenance and adding to our electric load while reducing air emissions from diesel motors.

 The new IdleAir facility in Pearl, Miss., made possible through Entergy's Environmental Initiatives Fund, reduces harmful air emissions while boosting the local economy with new jobs and reduced transportation costs. In its first month of operation last fall, the Pearl facility saved more than 1,300 gallons of diesel fuel and related emissions.


 Quality public education is a key driver of economic progress. That's why Entergy has invested nearly \$41 million since 2005 in education transformation programs. For example, our grants at the University of Arkansas Community College in Morrilton and Louisiana Delta Community College in Monroe support workforce training initiatives, including a 16-week fast track program to certify technicians in process technology, a high-demand, high-wage job. Education represents 31 percent of our corporate giving and, along with poverty solutions and environmental programs, is one of our focus areas for philanthropy.

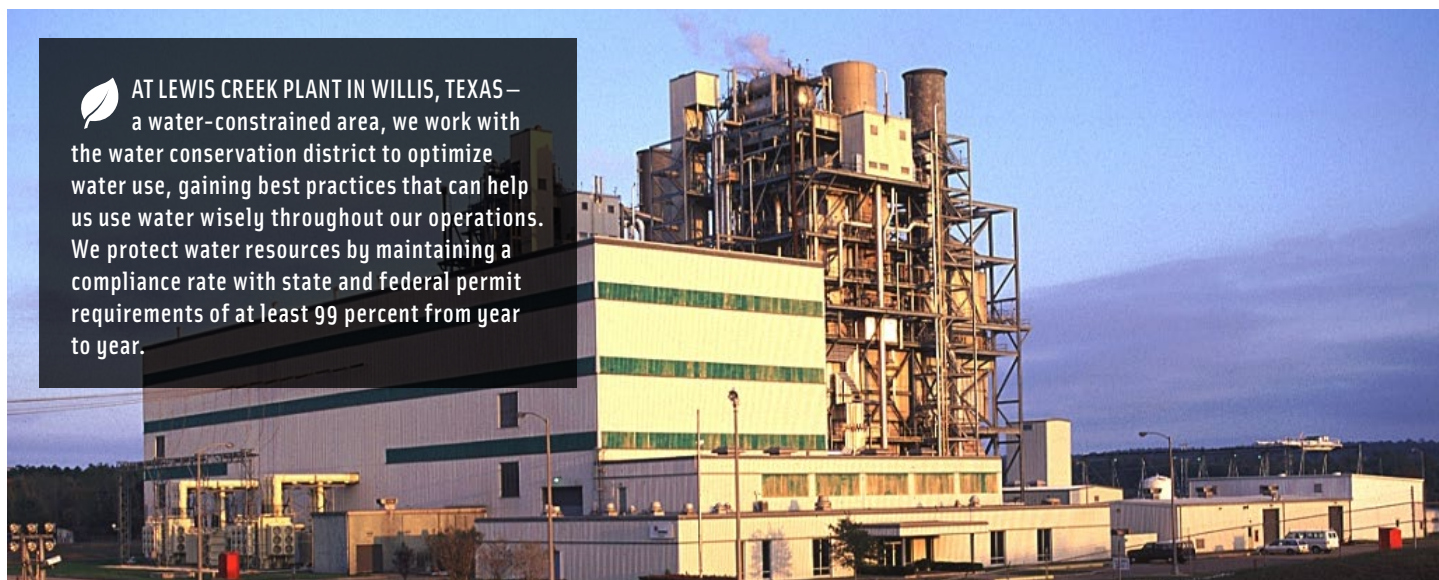
## 2014 Philanthropy



- 8% Arts & Culture
- 31% Community Improvement
- 31% Education/Literacy
- 2% Environmental
- 28% Poverty Solutions/Social Services



 AT LEWIS CREEK PLANT IN WILLIS, TEXAS — a water-constrained area, we work with the water conservation district to optimize water use, gaining best practices that can help us use water wisely throughout our operations. We protect water resources by maintaining a compliance rate with state and federal permit requirements of at least 99 percent from year to year.



## OPERATING WITH EXCELLENCE

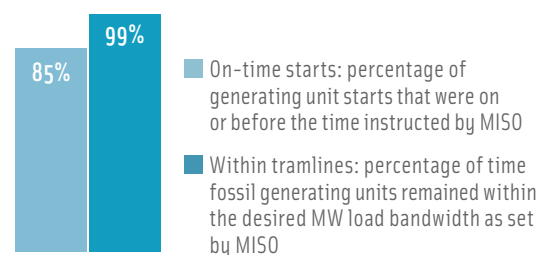
Our customers expect service to be available on demand, which requires robust supply solutions, up-to-date technologies and the ability to invest for the future. We served existing demand reliably and efficiently in 2014, thanks to our employees and their commitment to operational excellence. We also continued to develop and implement supply solutions for generation, transmission and distribution to serve future demand.

### Generation

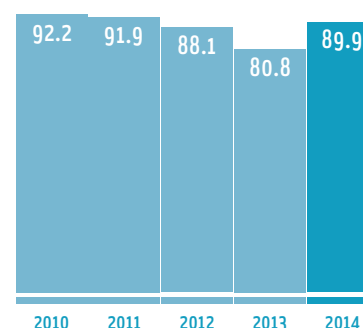
We invest in long-term generation resources to meet customer demand through our portfolio transformation strategy, which has been in place since 2002. Through acquisitions, long-term power purchases and self-build options, we are developing a more diverse, modern and efficient generation portfolio capable of providing reliable, cost-effective and attractively priced power. Our generation investment decisions are informed by carbon regulation scenarios, renewable portfolio standards and increased energy efficiency and demand-side management programs. Over the past 12 years, we have added approximately 3,345 megawatts of clean, highly efficient natural gas generation and 394 megawatts of non-emitting nuclear generation through capacity increases of existing plants. We took action again in 2014 to enhance our generation fleet.

- Ninemile Point Unit 6, a newly built 560-megawatt natural gas unit in Westwego, La., was placed in service in December 2014, ahead of schedule and under budget. The unit's combined-cycle technology uses 30 percent less fuel than older natural gas-fired units, which helps us keep customer prices and emissions low. Ninemile 6 also employs modern pollution controls, which helps us lower our costs of compliance with increasing environmental regulation.
- We announced an agreement to acquire Union Power Station near El Dorado, Ark., an efficient, natural gas-fired 1,980-megawatt generating facility, a significant step in the ongoing modernization of our fleet and its ability to meet increased demand at prices favorable to our customers and with low emission rates.

### 2014 MISO Performance



### Utility Nuclear Plant Capability Factor



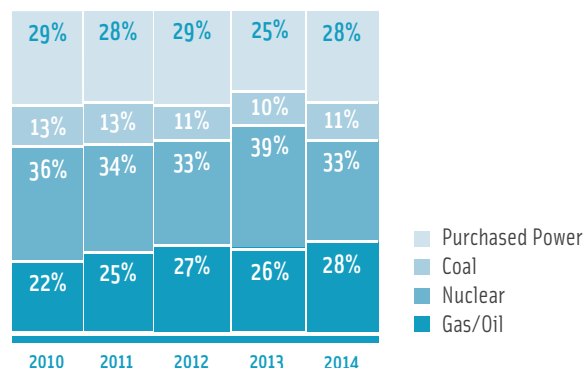
Capability factor: percentage of the maximum energy generation a plant is capable of supplying to the grid, limited only by factors within control of plant management

## WHAT'S THE POINT OF HAVING POWER AVAILABLE IF THERE IS NO ONE ABLE TO TAKE IT?

We are engaged with customers, community leaders and other stakeholders to promote resilience beyond utility infrastructure to minimize economic losses from extreme weather events in the future. Near-term actions include improved building codes, wetland restoration and stronger levee systems. The Gulf Coast Adaptation Study we sponsored with America's WETLAND Foundation identified \$50 billion in investments over the next 20 years that will cost-effectively avert \$135 billion in losses over the lifetime of the measures. Entergy continues to work with numerous federal agencies to advance community planning for resilience and lead discussions about the importance of understanding how complex systems interact in order to effectively plan for adaptation measures that manage physical risks from climate change.

- Entergy Mississippi received approval from the Mississippi Public Service Commission to install thin-film solar panels on three five-acre sites in a pilot program to study solar energy in the utility's fuel-source mix. The panels should be operating by year-end 2015, generating up to 500 kilowatts of electricity per site. We will be taking additional steps at several of our utilities in 2015 to assess the potential cost and performance of renewable energy sources.
- At the end of 2014, employees at Waterford 3 Steam Electric Station, a 1,164-megawatt nuclear unit in Killona, La., had worked 723 days without a recordable accident, a record for the site.

## Generation Sources Used to Meet Utility Demand



## Transmission

We are pursuing investments to expand and improve our transmission infrastructure.

- We completed our first full year of operation in MISO, and it's becoming clear that our projections that customers would realize savings were correct, validating our decision to make that move and our regulators' decisions to approve it. Although the numbers are still estimates, it now appears that customers across all our utilities will in fact realize significantly more MISO-driven savings than we had originally expected.
- We announced plans for the estimated \$187 million, including contingency, Lake Charles transmission project, one of the largest single transmission projects in Entergy history. It includes construction of two new substations, expansion of a third and the addition of about 25 total miles of high-voltage transmission lines to move electricity reliably and efficiently into a region with the highest projected job growth in Louisiana. In Texas, we also had two transmission line certificates of convenience and necessity approved and filed another, for a total investment of approximately \$166 million.

- More than half of the energy we supply to meet utility demand comes from efficient natural gas-fired generation and clean nuclear generation. Investing in a diverse generation fuel portfolio enables us to provide power reliably at favorable prices, which is important to customers and helps us manage risk related to increasing environmental regulations.
- Renewable energy and clean energy incentives and mandates are a high-priority issue for our company. Entergy does not support forcing specific technologies and advocates instead for resource decisions to be based on economics, regional fuel availability, regional renewable energy potential and similar drivers viewed in context with long-term environmental needs.



#### WHAT DOES WETLANDS RESTORATION HAVE TO DO WITH EMERGENCY PREPAREDNESS?

Quite a lot. Entergy deploys multiple lines of defense to reduce economic losses from extreme storms and flooding. The first line of defense involves working with our communities and customers to restore and maintain barrier islands and coastal wetlands that serve as natural protection in severe weather situations. Entergy awarded a \$500,000 grant to The Nature Conservancy to support efforts related to wetland restoration, which can help minimize physical impacts and economic disruption of extreme weather, both of which help our business performance.

- We broke ground on new transmission operations centers in Jackson, Miss., and Little Rock, Ark. We are replacing six older centers with two weather-hardened facilities that will have sophisticated communications technology to monitor and manage our transmission system.



We use integrated mapping systems to link data on habitats, threatened and endangered species, avian impacts and wetlands with all transmission and distribution projects, which helps us limit our operational impact on biodiversity. Biodiversity risks are assessed using Entergy's avian protection plan and avian and wildlife protection standard, approved by the U.S. Fish & Wildlife Service in 2011. As a result of this standard, baseline surveys and protection measures are incorporated into management and operating procedures for exploration, site development and construction of projects.

### Distribution

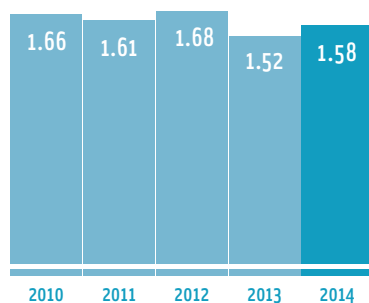
We regularly inspect and maintain our distribution assets to improve reliability of service to our customers. We also invest in hardening assets to manage the risk of loss due to extreme weather events.

- Entergy was named a 2014 Tree Line USA utility by the Arbor Day Foundation, which, in part, promotes the dual goals of delivering safe, reliable electricity while maintaining healthy community forests.
- We follow a preventive maintenance plan to inspect more than 250,000 of our 3.2 million wooden utility poles each year.
- We are evaluating new distribution technologies to meet evolving customer needs and expectations.

### Customer Service

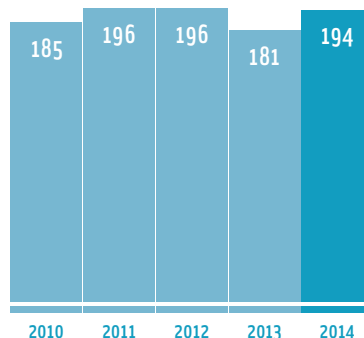
An important part of operational excellence is providing best-in-class customer service. Our ability to meet or exceed our customers' expectations for affordability, reliability and in other areas such

### Outage Frequency



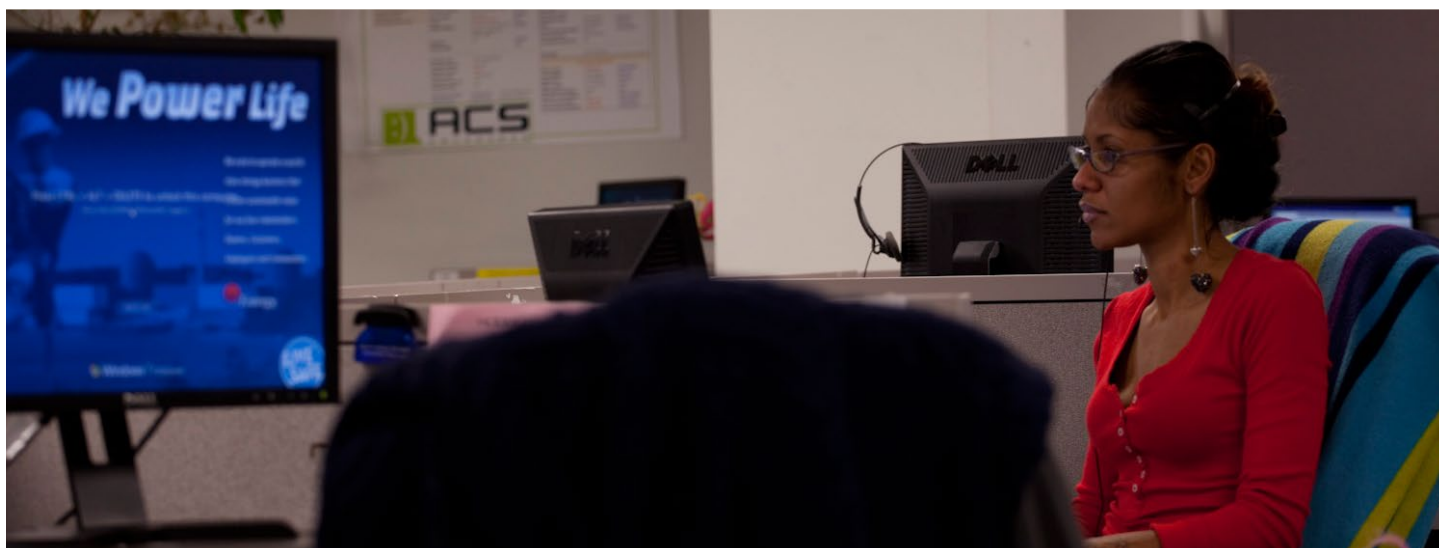
System average interruption frequency index: average number per customer per year, excluding the impact of major storm activity

### Outage Duration




System average interruption duration index: average minutes per customer per year, excluding the impact of major storm activity





as outage communications impacts approved rate of return and other regulations. In 2014, all of our utilities improved by several points in the annual J.D. Power residential customer satisfaction survey. For the second year in a row, Entergy utilities ranked as the top five performers in proactive outage communications.

Local and state regulators require Entergy to offer energy efficiency programs, and our financial performance depends on our ability to respond to the impact on load growth or obtain cost recovery mechanisms. We offer Save Me Money online customer tools that include information on energy efficiency, bill management and assistance programs. In 2014, we promoted the online tools through television advertising and social media. Entergy also launched new programs in 2014 in Louisiana and Mississippi to help customers improve energy efficiency and save money on their bills. For example, Entergy Mississippi's free residential audit and direct install program, or READI, includes home inspections, installation of energy-efficient products and information on Entergy programs that can create greater energy efficiencies.

 We raised \$2.3 million in customer bill payment assistance funds from customers, employees and shareholders, which help our low-income customers pay their energy bills and protect our revenue stream.

We offer tools to business customers to help them save energy and money, which helps us manage peak power usage more effectively. For example, Entergy will install new meters and remote control hardware on irrigation pumps at no charge to agricultural producers who agree to allow Entergy to power off participating wells during peak demand months for limited time periods. Producers save money by using less energy, and they gain the year-round ability to remotely control their irrigation from a computer or mobile device. Entergy gains the ability to better manage our load during peak times, which helps us improve reliability and maintain stable prices.

We view emergency preparedness and response as a key component of reliability and customer service. In 2014, we safely and quickly restored power following spring storms in Arkansas and Mississippi, including an EF4 tornado in Arkansas that was the deadliest single tornado to hit the state since 1968. Our response to this event garnered a special Southeastern Electric Exchange Chairman's Award for industry excellence.

We prepare for extreme weather events year-round. For example, in May, we conducted a weeklong storm drill that simulated a Category 3 hurricane and its potential impact on the Entergy service territory. The drill involved customer service teams, field crews, plant operators, communications teams and others.

At Entergy, we work to build our communities' capacity to plan for, prevent and recover as quickly as possible from the impact of extreme weather events by using three keys to resilience:

- We **prepare** by employing robust emergency response drills and business continuity planning to ensure effective responses to extreme weather events. Mother Nature gives us plenty of practice, but we're also good because we tie continuous improvement into our plans.



- We **harden** our systems to better stand up to extreme weather. We'll never eliminate all business interruption losses, but we can and do continually look for investments that reduce the time it takes to get the system and our customers back in service.
- We **engage** with our communities and customers to prioritize our investments and complement what others are doing. By working together, we are most effective at minimizing business interruption losses.

## PROACTIVELY ENGAGING WITH STAKEHOLDERS

We engage often with our stakeholders to provide clear communication of our strategies and plans, gather valuable feedback and gain support to help us achieve our goals. Our outreach efforts help us manage and influence regulatory policies, which can impact numerous operational decisions and our financial results. Part of our regulatory outreach in all jurisdictions includes securing rate mechanisms, such as formula rate plans and specific recovery riders, which enable us to recover our costs faster and

more efficiently. That in turn helps us maintain investor confidence and access capital markets to fund investments to modernize our fleet and enhance reliability. We also work with our retail regulators to secure mechanisms that give us the opportunity to earn returns commensurate with investments of comparable risk. We then work diligently to earn our authorized returns so that we can meet our investors' expectations and maintain access to capital at reasonable rates.

And we host stakeholder events such as the Power Lunch in Rankin County, Miss., last August that brought together local mayors, county supervisors and other elected officials, as well as industrial customers and other stakeholders for an update and discussion of relevant Entergy Mississippi initiatives.

We introduced a new e-newsletter for community advocates in 2014, which provides news on the Low Income Home Energy Assistance Program, the earned income tax credit and other programs that provide assistance to low-income customers and lower our financial risk of non-payment.

## entergy wholesale commodities

Our EWC generation fleet supplies wholesale customers with reliable power that is economically and environmentally sustainable. Our nuclear assets play an especially vital role in the power generation mix for Massachusetts, Michigan and New York, and help enrich local communities through employee volunteerism, taxes and charitable contributions.

### CONTINUOUSLY IMPROVING OPERATIONS

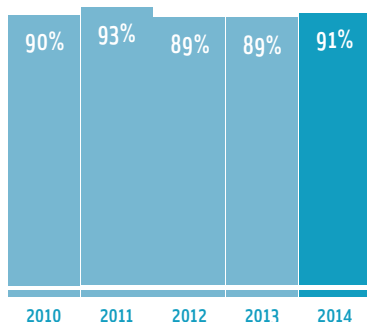
We help meet regional demand for electricity through the safe, secure and reliable operation of our EWC generation fleet. Our EWC nuclear team delivered excellent operational performance in 2014, which resulted in 662 gigawatts of incremental generation over 2013. The Indian Point team completed the shortest refueling outage ever, 24 days, at Indian Point Unit 2 in early 2014. The James A. FitzPatrick Nuclear Power Plant team completed its 2014 refueling and maintenance outage on time and under budget.

We made significant plant modifications in 2014 to both FitzPatrick and Palisades Power Plant, which drove improved performance. Following the modifications through year-end, we achieved a capacity factor of 99 percent at FitzPatrick and 98 percent at Palisades.

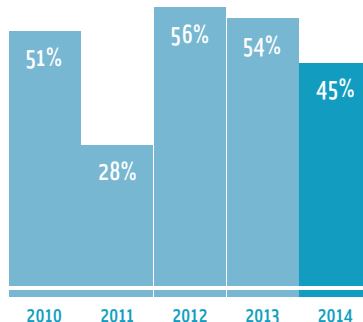
### STRATEGY

Our strategy is to position EWC for future growth by continuously improving operations, ensuring continued operation of Indian Point Energy Center, managing price risk and engaging with stakeholders to champion improvements in wholesale market structure and to create value for our communities.

#### EWC Nuclear Fleet Capacity Factor



#### EWC Non-Nuclear Fleet Capacity Factor



Capacity factor: normalized percentage of the period that the nuclear plants generate power





Entergy and the Entergy Charitable Foundation invested nearly \$2 million in EWC communities to boost education, expand environmental programs and help create poverty solutions, including a \$30,000 grant to support education initiatives and other programs of African-American Men of Westchester in New York. Education initiatives help ensure a skilled workforce will be available in the future to operate our assets and help us achieve our business goals.

An important aspect of operating with excellence in 2014 was the commitment of our Vermont Yankee Nuclear Power Station employees to “finish strong” in their operating performance, even as they began preparations for initial steps in safely decommissioning the plant. The plant ended operations on Dec. 29 with two consecutive breaker-to-breaker runs, and the fourth breaker-to-breaker run in its history. Vermont Yankee employees removed the unit from the grid after 42 years of safe, secure and reliable operations, transitioning to a SAFSTOR organization, the first in our company's history.

Safety and security are always our top priority. Our nuclear teams have emergency response plans that are tested regularly and severe accident management guidelines that address extreme events such as those experienced at Fukushima. Post-Fukushima regulations and response are a high priority for our company. Our three-year capital plan includes \$270 million for post-Fukushima requirements for both our EWC and utility nuclear plants. The March 2011 earthquake and tsunami at Japan's Fukushima Daiichi nuclear power station impacted the nuclear industry worldwide. Since that event, the U.S. nuclear industry has implemented measures to make our nation's plants even safer and has taken actions to satisfy additional requirements of the Nuclear Regulatory Commission. On an ongoing basis, our nuclear teams conduct programs that are evaluated by the NRC and include risk analyses, design enhancements and extensive operator training.

The fleet, like Entergy as a whole, continues to focus on sustaining a culture where employees hold themselves and each other accountable to high standards of safety excellence, as well as safe, reliable and efficient plant operations. Employees apply sound fundamentals to daily work preparation and execution. Entergy continues to support industry efforts to assess cumulative impacts on workload of mandated industry processes and practices, and the relative value of that added work.



We operate one of the cleanest generation portfolios in the country. According to the latest Benchmarking Air Emissions report, Entergy produces fewer CO<sub>2</sub> emissions than 80 of the top 100 power producers, even though we produce the seventh-largest amount of electricity. Operating a clean generation portfolio supports our Environment<sup>2020</sup> commitment aimed at protecting our natural resources and reducing our business risk against increasing regulatory requirements. See [nrdc.org/air/pollution/benchmarking/](http://nrdc.org/air/pollution/benchmarking/).

## ENSURE CONTINUED OPERATION OF INDIAN POINT

We have applied for renewal of the federal operating licenses for Indian Point Units 2 and 3, and are working constructively with federal and state regulators to gain approval. Indian Point is integral to the power generation mix for New York in terms of reliability and environmental and economic sustainability, according to the New York Independent System Operator. On average, Indian Point supplies 25 percent of the power for New York City and the Westchester County area. We expect the license renewal process to run through at least 2018, during which time both units can continue to operate under NRC regulation regarding extended periods of operation.



On Dec. 11, 2014, the Appellate Division, Third Department of the New York State Supreme Court issued a unanimous decision declaring Indian Point Units 2 and 3 are exempt from New York's Coastal Management Program. The decision reversed an earlier decision by a lower court that had reached the opposite conclusion. This decision, if upheld, resolves the Coastal Zone Management Act requirement for Indian Point license renewal.

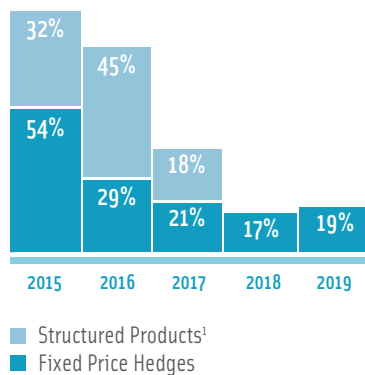


**\$** The Polar Vortex hit the Northeast in early 2014, causing wholesale power prices to spike. Our hedging strategy enabled us to capture benefits of higher prices while maintaining downside price-risk protection. And our plants operated extremely well at a 97 percent capacity factor. As a result, we captured an incremental \$0.90 per share in the first quarter.

**👤** Indian Point received its first-ever rating of excellence compared to industry peers. This is an accomplishment that reflects our employees' years of hard work and commitment.

**👤** Indian Point employs approximately 1,000 workers and 150 on-site contractors. In addition to significant personal and property taxes paid by individual Entergy employees, Indian Point pays more than \$28 million to local and state governments.

### EWC Nuclear Energy Under Contract (as of Dec. 31, 2014)



## MANAGING PRICE RISK

We effectively manage risk, particularly price risk, using sophisticated market analyses and a dynamic hedging strategy. We maintain an informed outlook on wholesale power prices, analyzing natural gas supply and natural gas and power infrastructure in detail on an ongoing basis in the wholesale power markets in which we participate. This informed outlook and analysis provides the basis for developing our point of view on future prices. Our point of view remains dynamic and evolving. We are currently moderately bullish on long-term wholesale power prices, particularly in the Northeast. We continue to pursue our ongoing hedging program that layers in downside price risk protective hedges over time. We strive to optimize hedge products and timing against our point of view, product costs and availability.

**\$** Infrastructure constraints in the Northeast are expected to continue to challenge the region for the foreseeable future. Reserve margins are expected to tighten toward target reserve margin levels over the next several years. Capacity markets have improved to better reflect zonal resource needs, and EWC's assets are situated in higher-value capacity zones.



## PROACTIVELY ENGAGING WITH STAKEHOLDERS

We engage regularly with state, regional and federal regulators and other stakeholders on material issues and other concerns. In particular, the competitive focus of wholesale energy markets is a high-priority issue for our company. Since wholesale markets in the Northeast became competitive around 2000, changes have occurred that were not contemplated in the original market design, creating a less-than-level playing field for existing generation or baseload capacity. In addition, with existing nuclear generation making up 63 percent of virtually emission-free generation in the United States, preserving our existing nuclear fleet with appropriate market design is vitally important for cost effectively meeting carbon reduction goals.

In 2014, we continued to encourage constructive discussions with key stakeholders on market design issues, and we made some progress. We believe market structures should allow all generators to be fairly compensated for the value these assets provide in terms of system reliability and environmental and economic sustainability. Energy price formation is an important issue to consider in

designing effective market structures. Some Independent System Operator market rules and algorithms in effect suppress prices by not reflecting the full cost of the marginal unit in the market clearing price. Long term, this can lead to unwarranted plant retirements, higher costs, price volatility and a less reliable system.

In Vermont, extensive stakeholder engagement during Vermont Yankee's final year of operation included naming two members of Entergy management to Vermont's Nuclear Decommissioning Citizens Advisory Panel, which the state commissioned in the fall.



Nuclear generation provides significant environmental value. It avoids emissions of almost 590 million metric tons of carbon dioxide, almost half a million short tons of nitrogen oxide and nearly 1 million short tons of sulfur dioxide annually in the United States.



Entergy engages regularly with community stakeholders affected by our operations, especially our nuclear generation facilities, through face-to-face meetings, social media, direct mail, websites and advertising.



## workplace

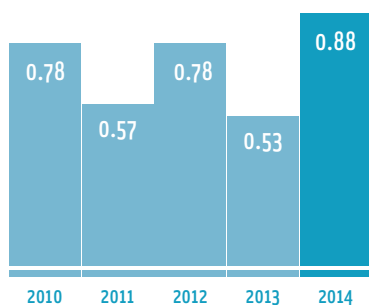
By ensuring power is on every day,  
our employees drive our success as a company.  
We are building a safe, efficient and effective  
workplace to engage and empower employees  
to achieve company goals.

### SUSTAINING WORKFORCE SAFETY AND WELLNESS

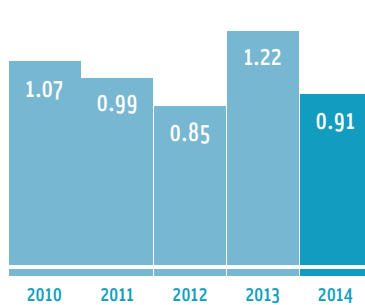
Strong operational safety and top-tier workforce safety practices are fundamental drivers of our business performance. After achieving best-ever employee safety performance in 2013, our performance in 2014 fell short. Entergy employees had 120 recordable accidents, up from 79 in 2013. There were no fatalities.

All business units reported an increase in employee accidents in 2014, with the primary cause being slips, trips and falls. Fifty percent of these accidents occurred as employees moved to and from their work activities. When we recognized the downward performance trend during the year, we instituted hazard recognition programs and reinforced the use of human performance tools, specifically the self-checking STAR tool, which instructs employees to stop, think, act and review in conducting their work. By year-end, accident rates dropped significantly, with

Employee Year-Ending Recordable  
Accident Index



Contractor Year-Ending Recordable  
Accident Index



Recordable accident index: number of accidents per 100 employees

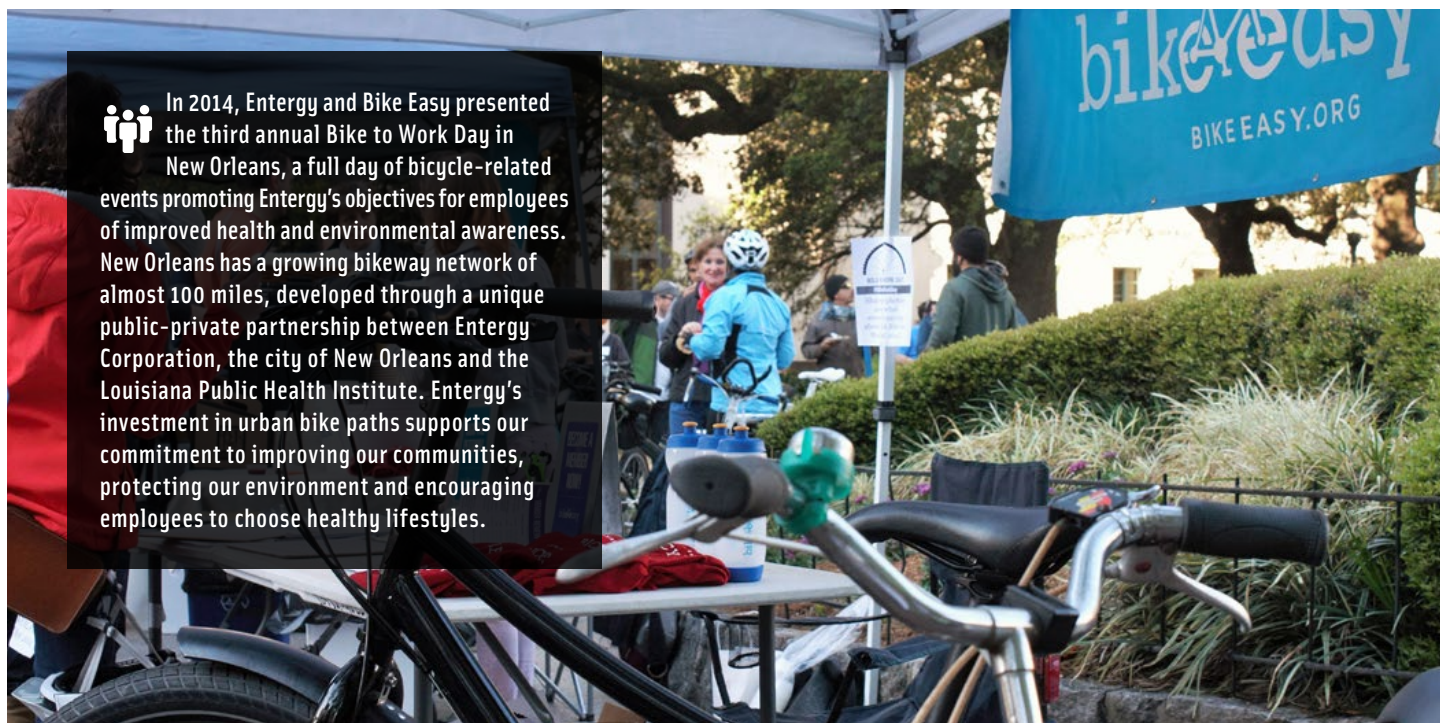
Recordable accidents include fatalities, lost-time accidents, restricted duty accidents and medical attentions

### STRATEGY

We are investing in our organization to forge a healthy organizational culture. We are making fundamental changes in structure and work processes to improve efficiency and effectiveness. Our workplace strategies focus on sustaining workforce safety and wellness; driving organizational health; and recruiting, developing and retaining our workforce.

### RANKED IN THE SECOND QUARTILE

Entergy's 2014 employee safety performance ranked in the second quartile of the Southeastern Electric Exchange benchmarking survey of investor-owned utilities.



In 2014, Entergy and Bike Easy presented the third annual Bike to Work Day in New Orleans, a full day of bicycle-related events promoting Entergy's objectives for employees of improved health and environmental awareness. New Orleans has a growing bikeway network of almost 100 miles, developed through a unique public-private partnership between Entergy Corporation, the city of New Orleans and the Louisiana Public Health Institute. Entergy's investment in urban bike paths supports our commitment to improving our communities, protecting our environment and encouraging employees to choose healthy lifestyles.

four accidents in November and six in December. In 2015, we will continue to emphasize safe behaviors and human performance and hazard recognition programs for all Entergy employees.

For Entergy contractors, 2014 was the second safest year on record. Entergy contractors had 88 recordable accidents, down from 103 in 2013, and there were no fatalities. We held our inaugural contractor safety summit in June, bringing more than 70 participants together in New Orleans to share best practices.

Improving workforce wellness benefits our employees and helps Entergy better control health care costs. Through our HealthStrides long-term health care strategy, Entergy has reduced annual medical plan cost increases to less than the national average. Employees continue to take advantage of a number of company exercise facilities as well as preventive care screenings. We offer Entergy employees free annual onsite health screenings for cholesterol, glucose and blood pressure; we offer body composition and body mass analysis through ENSHAPE, Entergy's wellness program. Employees participating in ENSHAPE programs since they were introduced in 2006 have significantly reduced their health-risk factors in certain areas such as blood pressure. Annual ENSHAPE reporting reveals that 54 percent of all Entergy employees accessed at least one wellness activity over the course of 2014.





Entergy and the Entergy Charitable Foundation enhance quality of life for employees by providing grants to environmental programs that help communities become cleaner, greener and more resilient to climate change. Environmentally safe communities with abundant natural resources help us recruit and retain employees, reducing costs associated with high turnover. Communities that have adapted effectively to manage the impacts of climate change suffer fewer economic losses related to extreme weather events.


## DRIVING ORGANIZATIONAL HEALTH

We rely on an aligned, engaged employee culture to meet our company objectives. In 2014, we identified leadership practices and employee practices – behaviors that define engaged, successful organizations – and rolled them out across the company. Extensive sessions were held by executives with employees at all levels of the organization to explore ideas and suggestions on how to include the practices in daily work.



 We largely completed a companywide restructuring in 2013, which is expected to result in ongoing estimated savings of \$200 million to \$250 million by 2016. While restructuring from that effort is complete, our commitment to cost consciousness and efficiency is ongoing.

 We conducted a comprehensive organizational health survey early in 2014. In September, an organizational health pulse survey allowed us to trend improvements. The pulse survey revealed significant positive changes across the organization in leading with clear direction and an open and trusting environment. The survey also highlighted areas for improvement. One practice for improvement, role clarity, was the focus of several initiatives in 2014 aimed at improving structures and processes for maximum efficiency and effectiveness.

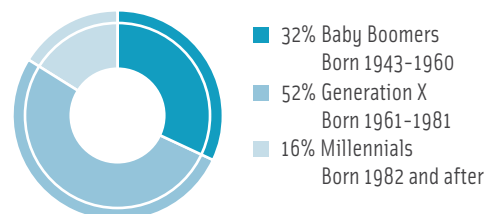
 Entergy employees can earn grants for their favorite nonprofit organization by volunteering 20 hours of their time through our Community Connectors program. In 2014, employees and retirees logged 65,000 hours of volunteer service valued at more than \$1.5 million.

## RECRUITING, DEVELOPING AND RETAINING OUR WORKFORCE

Our business is only as good as our people, and at Entergy, we are fortunate to work with the best in the business. Our talent and performance management practices are closely aligned with our business strategy and are designed to recruit and retain a skilled workforce and to train, develop and promote individuals to achieve our business objectives. Talent and performance management supports organizational health improvement by emphasizing key leadership and employee practices. We have an integrated talent management system that helps manage recruiting, onboarding, performance management and succession planning. We use performance and talent management processes to help employees develop their capabilities, achieve career goals and contribute to the company's goals and objectives. Our employee development strategy includes training and a variety of other resources to support developmental opportunities. We also engage with external partners to supplement employee development.

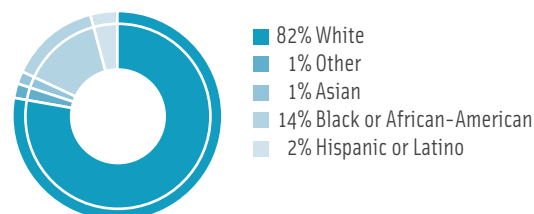
### 2014 Entergy Workforce

Age



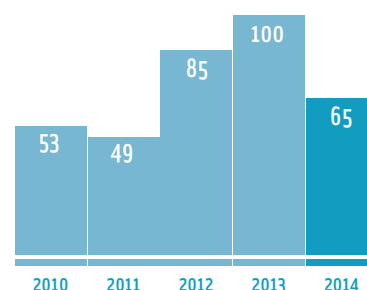
### 2014 Entergy Workforce

Ethnicity



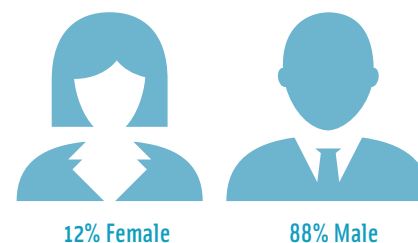
### Employee and Retiree Volunteerism

Hours in Thousands



### 2014 Entergy Management Workforce

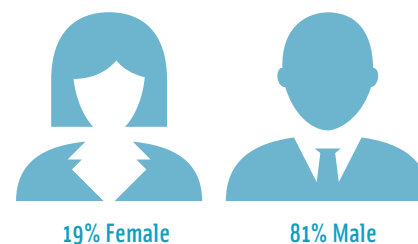
Gender




Based on EEQ-1 code

### 2014 Entergy Workforce

Gender



U.S. Bureau of Labor Statistics  
2014 average for U.S. utilities: Female 24%/Male 76%




Career development opportunities and community support often go hand in hand, as employees are encouraged to apply and enhance their skills in service to nonprofits and professional organizations. For example, Propeller, a New Orleans-based nonprofit organization, is an incubator of socially minded business ventures that pairs employees with a wide range of professional backgrounds with business owners needing guidance in accounting, legal, public relations and other aspects of keeping their businesses viable. Entergy volunteers pledge 10 to 15 hours over 10 months in support of these growing businesses.

Competitive total compensation programs are also important to recruiting and retaining employees. Our comprehensive Total Rewards package gives eligible employees access to a defined contribution savings plan, with company matching and numerous investment options. Retirement plans allow employees to plan for their future, while health and welfare benefits include medical, dental and vision coverage options, as well as employee assistance, including work-life balance programs. In line with market trends in 2014, we introduced an enhanced 401(k) savings plan matching contribution and a new cash balance pension benefit for new employees. Through our annual incentive pay plan, we reinforce high levels of individual and company performance with bonuses to eligible employees, in addition to annual merit pay increases.


Part of our strategy to hire, develop and retain the best talent includes a focus on diversity and inclusion. We value diversity and inclusion as a strategic advantage for our business and implement numerous programs and initiatives to promote a diverse and inclusive culture internally and in our supply chain. We do this because in an evolving business environment, we know that Entergy cannot succeed without embracing diversity of thought and perspective. For us, diversity and inclusion are strategic business priorities within our company and in our supply chain.

In 2014 we continued efforts to strengthen the foundational components of our diversity and inclusion program. Our overall D&I governance structure was also formalized and communicated to all employees outlining why diversity and inclusion are critical to our business. We organized three employee resource groups: ethnically diverse/women, veterans and generational. These resource groups will assist with increasing employee engagement by integrating input from key demographic groups into programs such as recruiting, onboarding, retention, work/life balance and leadership development. We've also greatly expanded our D&I performance metrics in order to be accountable to our executive D&I council, executive officers and board of directors.

While we are continuously improving our D&I programs, we were pleased to receive external recognition. Entergy was recently recognized by *Black Enterprise Magazine* as one of the 40 Best Companies for Diversity, and our lesbian, gay, bisexual and transgender workplace equality policies and practices were ranked in the top quartile for energy and utility companies in the Human Rights Campaign Foundation's Corporate Equality Index.



Since 2005, Entergy has invested nearly \$20 million in Southeast Louisiana public education transformation to drive improvements in student scores and school performance, which helps ensure that a skilled workforce will be available to implement our future plans and help us achieve our goals. For example, our support for Teach for America touches nearly 40,000 local students. Particularly in the decade since Hurricane Katrina, our support to schools such as KIPP New Orleans Schools has helped Orleans Parish become a state leader in graduation rates, with nearly 75 percent of students now graduating from high school on time, compared with about 50 percent 10 years ago.



During 2014 Entergy employees participated in more than 275 company-sponsored group volunteer events in communities served by Entergy. Activities ranged from Entergy's signature Super Tax Day events to coastal restoration/marsh planting to food drives to weatherization projects and robotics fairs. Through our FIRST Robotics sponsorship, we encourage students to pursue education and careers in science, technology, engineering and math, disciplines we need in our workforce to sustain our business.

## OUR VALUES



Create and Sustain a  
Safe and Healthy Life



Cultivate a Diverse and  
Inclusive Work Culture



Possess a  
Winning Spirit



Focus on  
Our Customers



Grow the  
Business



Be Active  
Team Players



Treat People  
with Respect



Aggressively Look for  
Better Ways



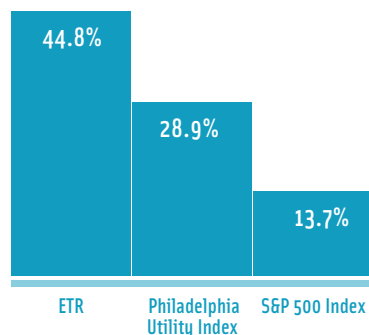
Take Actions  
to Achieve Results

## ABOVE ALL, ACT WITH INTEGRITY

*In 2014, we renewed the Entergy values that guide employee behaviors, adding a value, "cultivate a diverse and inclusive work culture," and expanding our safety value to incorporate wellness, "create and sustain a safe and healthy life."*

## ECONOMIC/OPERATIONAL

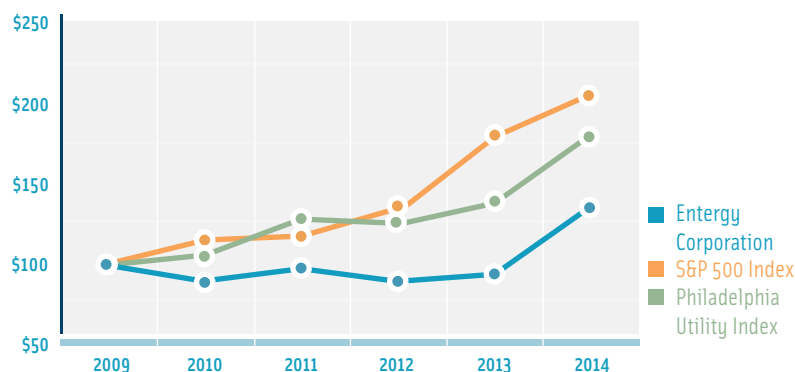
### Total Shareholder Return 2014



Source: Bloomberg

### Comparison of Five-Year Cumulative Return

The following graph compares the performance of the common stock of Entergy Corporation to the S&P 500 Index and the Philadelphia Utility Index (each of which includes Entergy Corporation) for the last five years ended December 31.



	2009	2010	2011	2012	2013	2014
Entergy Corporation	\$ 100.00	\$ 90.27	\$ 97.75	\$ 89.57	\$ 93.47	\$135.30
S&P 500 Index	\$ 100.00	\$115.06	\$ 117.48	\$136.27	\$180.39	\$205.07
Philadelphia Utility Index	\$ 100.00	\$105.70	\$126.04	\$125.32	\$139.08	\$179.33

Assumes \$100 invested at the closing price on Dec. 31, 2009, in Entergy Corporation common stock, the S&P 500 Index, and the Philadelphia Utility Index, and reinvestment of all dividends.

Source: Bloomberg

### Credit Ratings as of March 5, 2015

Entity	Standard & Poor's		Moody's	
	Rating	Outlook	Rating	Outlook
Entergy Arkansas <sup>1</sup>	A-	Stable	A3	Stable
Entergy Gulf States Louisiana <sup>1</sup>	A-	Stable	A2	Stable
Entergy Louisiana <sup>1</sup>	A-	Stable	A2	Stable
Entergy Mississippi <sup>1</sup>	A-	Stable	A3	Stable
Entergy New Orleans <sup>1</sup>	A-	Stable	Baa3	Positive
Entergy Texas <sup>1</sup>	A-	Stable	Baa1	Stable
System Energy Resources <sup>1</sup>	A-	Stable	Baa1	Stable
Entergy Corporation <sup>2</sup>	BBB	Stable	Baa3	Stable

<sup>1</sup> Senior secured ratings

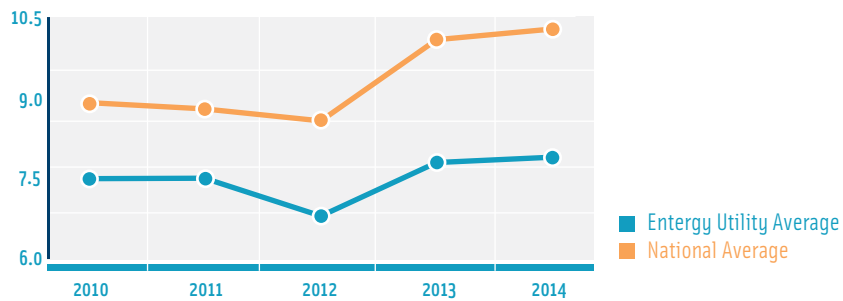
<sup>2</sup> Corporate credit rating



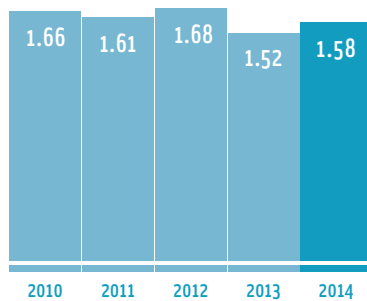
## ECONOMIC/OPERATIONAL (CONTINUED)

### Entergy Utility Average Electric Rates

Cents per kWh

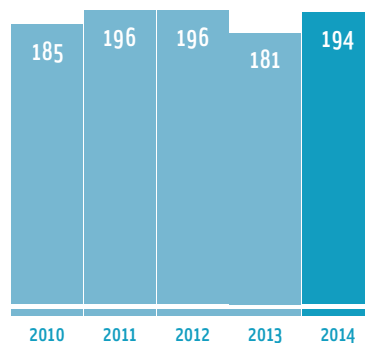


### Outage Frequency



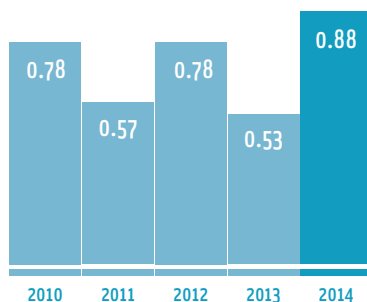
System average interruption frequency index: average number per customer per year, excluding the impact of major storm activity

### Outage Duration



System average interruption duration index: average minutes per customer per year, excluding the impact of major storm activity

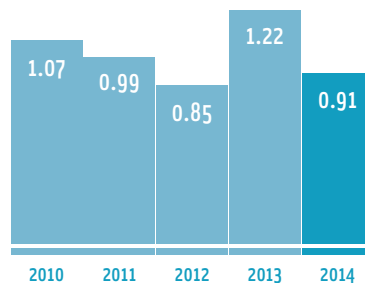
### Employee Year-Ending Recordable Accident Index



Recordable accident index: number of accidents per 100 employees

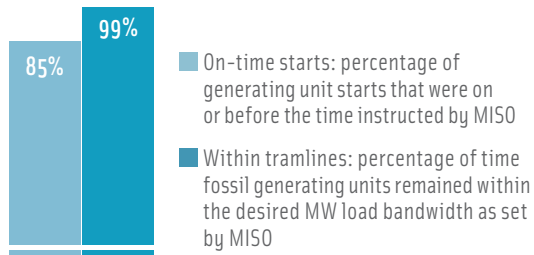
Recordable accidents include fatalities, lost-time accidents, restricted duty accidents and medical attentions

### Contractor Year-Ending Recordable Accident Index

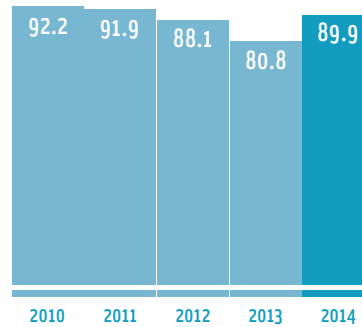


## ECONOMIC/OPERATIONAL (CONTINUED)

### 2014 MISO Performance

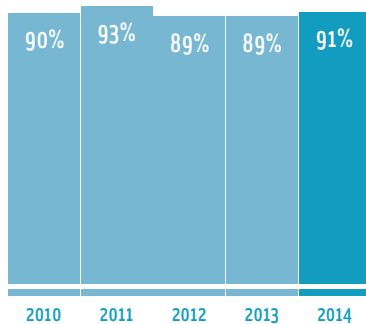


### Utility Nuclear Plant Capability Factor

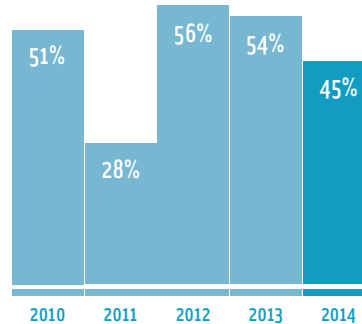


*Capability factor: percentage of the maximum energy generation a plant is capable of supplying to the grid, limited only by factors within control of plant management*

### EWC Nuclear Fleet Capacity Factor

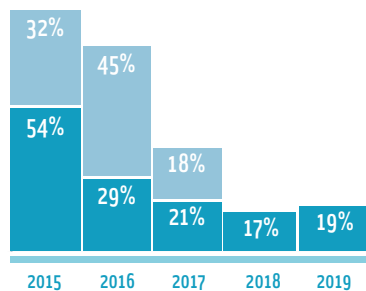


### EWC Non-Nuclear Fleet Capacity Factor



*Capacity factor: normalized percentage of the period that the nuclear plants generate power*

### EWC Nuclear Energy Under Contract (as of Dec. 31, 2014)



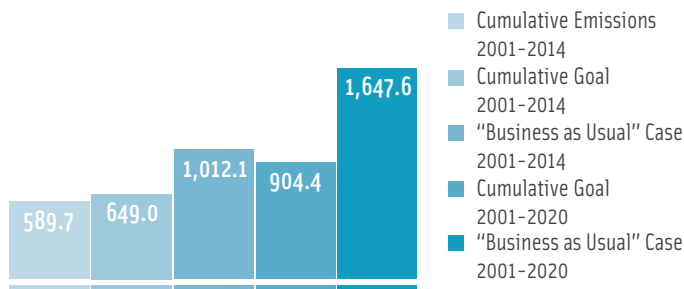
■ Structured Products<sup>1</sup>  
■ Fixed Price Hedges

<sup>1</sup>Includes products hedged to delivery and options with advance exercise

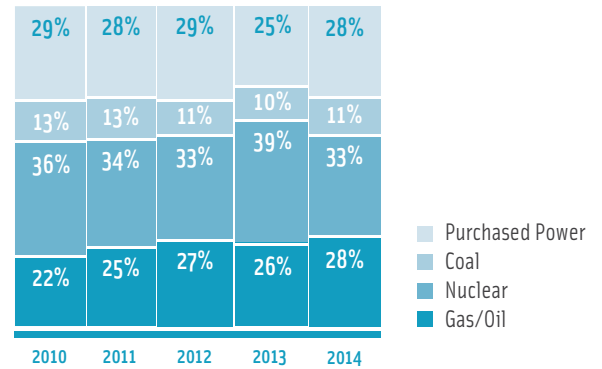
## ENVIRONMENTAL

### Cumulative CO<sub>2</sub> Emissions from Entergy-Owned Plants and Controllable Purchases

Million Tons



### Generation Sources Used to Meet Utility Demand



## SOCIAL

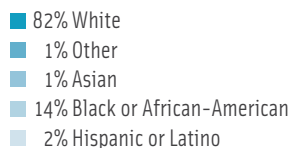
### 2014 Philanthropy

Invested More than \$16 Million



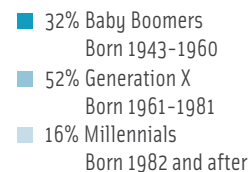
### 2014 Entergy Workforce

Ethnicity



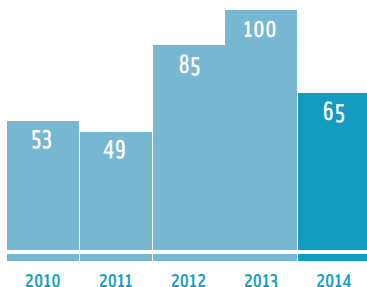
### 2014 Entergy Workforce

Age



### Employee and Retiree Volunteerism

Hours in Thousands



### 2014 Entergy Management Workforce

Gender



12% Female



88% Male

### 2014 Entergy Workforce

Gender



19% Female



81% Male

Based on EEQ-1 code

U.S. Bureau of Labor Statistics  
2014 average for U.S. utilities: Female 24%/Male 76%

## ABOUT ENTERGY

Entergy Corporation (NYSE: ETR) is an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, including nearly 10,000 megawatts of nuclear power, making it one of the nation's leading nuclear generators. Entergy delivers electricity to 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of more than \$12 billion and approximately 13,000 employees.

### Utility:

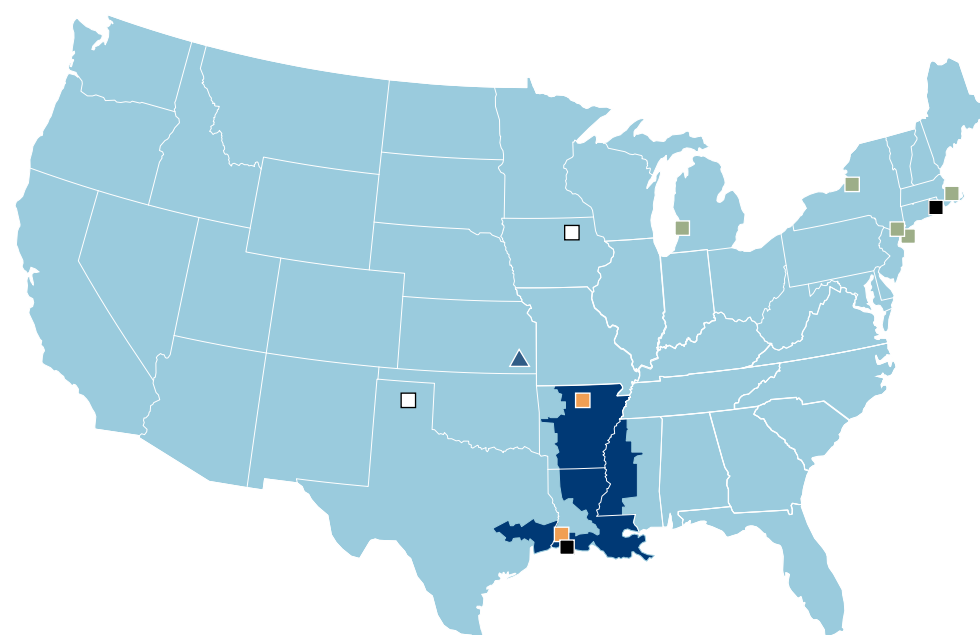
Entergy provides retail and wholesale power to customers in four states through six utility operating companies: Entergy Arkansas, Inc.; Entergy Gulf States Louisiana, L.L.C.; Entergy Louisiana, LLC; Entergy Mississippi, Inc.; Entergy New Orleans, Inc.; and Entergy Texas, Inc. We also deliver natural gas services to 198,000 customers in or around New Orleans and Baton Rouge, La., through two of our utility companies.

### Wholesale Generation:

Entergy provides power to wholesale customers from five nuclear units located in the northern United States and from several fossil and wind power plants through our EWC business. This business also provides services to other nuclear power plant owners.

## Entergy by the Numbers in 2014

GAAP Revenues	\$12.5 billion
GAAP Net Income	\$960 million
GAAP Earnings Per Share	\$5.22
Total Assets	\$46.5 billion
Employees at Year-end	13,393
Utility Retail Electric Customers	2.8 million
Utility Billed Retail Electric Energy Sales	120,372 GWh
Interconnected High-Voltage Transmission Lines	15,500 circuit miles
EWC Billed Electric Energy Sales	44,424 GWh
Total Owned and Leased Generating Capacity By Fuel Source in Megawatts	
Nuclear	9,631
Gas/Oil	15,357
Coal	2,425
Hydro	73
Wind	80



### Utility

- 6 electric utilities in 4 contiguous states
- 2.8 million utility customers
- 22,000 MW generating capacity
- 15,500 miles of transmission lines

### Entergy Wholesale Commodities

- Nuclear units\* (4,406 MW)
- CCGT plants (796 MW)
- Wind facilities (80 MW)
- Coal facilities (181 MW)
- ▲ Nuclear plant managed (800 MW)

*\*On Dec. 29, 2014, Entergy Wholesale Commodities' Vermont Yankee nuclear plant was removed from the grid, marking the end of 42 years of safe, secure and reliable operations.*

*Navy indicates our utility service territory.*



## ABOUT THIS REPORT

In our second integrated report, we have streamlined, clarified and better integrated reporting of our financial, environmental and social performance for 2014. Environmental and community performance highlights are presented within the context of our corporate, utility, Entergy Wholesale Commodities and workplace performance. This approach reflects our belief that our four stakeholders—owners, customers, employees and communities—are inextricably linked and that Entergy's success is in creating value for all stakeholders.

Entergy is in the process of applying for GRI 3.1 level A confirmatory approval. Results of the application check, when received from GRI, will be available at [entergy.com/sustainability](http://entergy.com/sustainability). This report includes 2014 data from Entergy's two primary business segments: utility and Entergy Wholesale Commodities, both of which operate entirely within the United States. Assurance of financial data in this report comes from our internal controls over financial reporting, which Entergy management assesses annually using criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework. Deloitte & Touche LLP has issued an attestation report on the effectiveness of Entergy's internal control over financial reporting as of Dec. 31, 2014.

Our 2014 environmental data and greenhouse gas inventory were verified by an independent, third party in accordance with international standards (ISO 14064.1) in early 2015. The GHG inventory is available at [americancarbonregistry.org](http://americancarbonregistry.org) and [entergy.com/environment](http://entergy.com/environment). In addition, environmental disclosures contained in this 2014 report and in Entergy's 2014 GRI index are undergoing external verification review. Results of that verification process will be updated at [entergy.com/sustainability](http://entergy.com/sustainability) in second quarter 2015.

We invite you to engage with us by visiting [entergy.com/integratedcontact](http://entergy.com/integratedcontact). We welcome your feedback and suggestions to help us continue to improve our reporting.

## AWARDS AND RECOGNITION

Entergy's work to create value for our owners, customers, employees and communities was recognized with a wide array of industry awards.

### Arbor Day Foundation – Tree Line USA Utility

The Arbor Day Foundation named Entergy Corporation a Tree Line USA utility for the ninth consecutive year. Tree Line USA, a partnership between the Foundation and the National Association of State Foresters, recognizes public and private utilities for pursuing practices that protect and enhance America's urban trees.

### Black Enterprise Magazine – Best Companies for Diversity

Entergy was selected for inclusion on the *Black Enterprise Magazine* "Best Companies for Diversity" list. Companies that made the list outperformed their peers through demonstrated best practices in four key areas: supplier diversity, senior management, board of directors and employee base.

### CDP S&P 500 Climate Performance Leadership Index and Climate Disclosure Leadership Index

Entergy was recognized as a leader among S&P 500 companies by CDP for our actions to reduce carbon emissions and mitigate the business risks of climate change. This was the second consecutive year Entergy was named to CDP's S&P 500 Climate Performance Leadership Index and the 10th time in 11 years the company was named to CDP's S&P 500 Climate Disclosure Leadership Index.

### Corporate Responsibility Magazine – 100 Best Corporate Citizens

*Corporate Responsibility Magazine* named Entergy one of the country's 100 best corporate citizens. The publication's 100 Best Corporate Citizens List is the result of an annual assessment of nearly 300 performance indicators of public companies across the United States. Entergy's top rankings included the areas of climate change and philanthropy, with a first-place ranking in corporate governance. This is the fifth year Entergy has been named to the list.

### DiversityComm, Inc. – Best of the Best Awards

Entergy was named a Top Energy, Oil and Utility Company in the 2014 Best of the Best Awards by DiversityComm, Inc., publisher of diversity magazines, in relation to outreach and accessibility to the African American, Hispanic/Latino, female and veteran populations. The award recognizes policies that support equal access, advancement and inclusion of all individuals regardless of race, color, creed, religion, national origin, age, marital status, disability, public assistance status, veteran status or sexual orientation.

### Dow Jones Sustainability World and North America Indices

Entergy was named to the Dow Jones Sustainability World and North America Indices, one of 14 electric utility companies worldwide designated a sustainability leader on the World Index. This is the 13th consecutive year the Dow Jones Sustainability Index has included Entergy on either its World or North America index or both. Entergy earned top scores in four of the 25 evaluated areas: scorecards/measurement systems, biodiversity, water-related risks and corporate citizenship/philanthropy.

### Edison Electric Institute – Emergency Recovery and Emergency Assistance Awards

The Edison Electric Institute honored Entergy with the EEI Emergency Recovery Award, recognizing our restoration efforts in response to five different storm events over the course of last year. This is the 17th consecutive year Entergy has received an EEI storm restoration award. Including this year's honor, Entergy has received 22 awards from EEI for our restoration and mutual assistance work, and we are the only utility in the country to be recognized every year since the awards' inception.

### Electric Power Research Institute – Environment Sector Technology Transfer Award

The Electric Power Research Institute awarded Entergy an Environment Sector Technology Transfer Award for its participation on a team aimed at determining how changes in technology, fuels and policy could impact future energy supply and demand, environmental regulations and generation resources.

### EPA – ENERGY STAR® Partner of the Year – Sustained Excellence Award

The U.S. Environmental Protection Agency recognized Entergy Texas, Inc. with a 2014 ENERGY STAR Partner of the Year—Sustained Excellence Award for continued leadership in protecting our environment through superior energy efficiency.

### EPA – ENERGY STAR® Partner of the Year

The U.S. Environmental Protection Agency named Entergy New Orleans, Inc. a 2014 ENERGY STAR Partner of the Year Award recipient for outstanding contributions to reducing greenhouse gas emissions by providing energy efficiency education and programs to its customers.

### RobecoSAM Sustainability Yearbook – Bronze Class Sustainability Award 2015

As one of the top-scoring companies in the electric utilities industry in the RobecoSAM Corporate Sustainability Assessment, Entergy Corporation qualified for inclusion in the 2015 Sustainability Yearbook, receiving the Bronze Class distinction for excellent sustainability performance. Entergy was the only U.S. electric utility to receive a Bronze Class or higher award in the 2015 Sustainability Yearbook, the world's most comprehensive publication on corporate sustainability.

### Site Selection magazine – Top 10 Utilities in Economic Development

Entergy was named one of the nation's Top 10 utilities in economic development by *Site Selection* magazine for our 2013 efforts to help attract nearly \$21 billion in projects that could result in as many as 9,200 jobs across its four-state service territory. It was the seventh straight year Entergy's utilities were named to the magazine's list.

### The Southeastern Electric Exchange – Chairman's Award

The Southeastern Electric Exchange presented its special Chairman's Award to Entergy in recognition of industry excellence for our restoration of the Mayflower, Ark., substation, which sustained a direct hit from a powerful EF4 tornado in April 2014. After roughly 70 percent of the substation was destroyed, a temporary solution was energized ahead of schedule in June. The permanent solution will incorporate planned reliability and environmental enhancements.

### U.S. Chamber of Commerce Foundation – Corporate Citizenship Awards

Entergy was recognized by the U.S. Chamber of Commerce Foundation for helping low-income customers along the path to economic self-sufficiency through the company's Super Tax Day program. The initiative, which has resulted in \$100 million in federal Earned Income Tax Credits returned to approximately 58,000 customers since 2009, was named as the 2014 Best Economic Empowerment program.

### Women's Business Enterprise National Council – Top Corporation for Women-Owned Businesses

Entergy was named one of the top corporations for women-owned businesses by the Women's Business Enterprises National Council. This is the only national award honoring corporations with world-class supplier diversity programs that create level playing fields for women's business enterprises. The list of top corporations is designed to recognize organizations that are choosing to integrate policies and programs across the corporation to enable growth and reduce barriers for women-owned businesses; increasing opportunity in new markets—both domestic and internationally; fueling innovation; and empowering communities through economic growth and job creation.

## FORWARD-LOOKING INFORMATION AND REGULATION & COMPLIANCE

In this report and from time to time, Entergy Corporation makes statements as a registrant concerning its expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. Such statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "could," "project," "believe," "anticipate," "intend," "expect," "estimate," "continue," "potential," "plan," "predict," "forecast," and other similar words or expressions are intended to identify forward-looking statements but are not the only means to identify these statements. Although Entergy believes that these forward-looking statements and the underlying assumptions are reasonable, it cannot provide assurance that they will prove correct. Any forward-looking statement is based on information current as of the date of this report and speaks only as of the date on which such statement is made. Except to the extent required by the federal securities laws, Entergy undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Forward-looking statements involve a number of risks and uncertainties. There are factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including (a) those factors discussed or incorporated by reference in Item 1A. Risk Factors contained in the Form 10-K for the year ended Dec. 31, 2014; (b) those factors discussed or incorporated by reference in Management's Financial Discussion and Analysis contained in the Form 10-K for the year ended Dec. 31, 2014; and (c) the following factors (in addition to others described elsewhere in this combined report and in subsequent securities filings):

- resolution of pending and future rate cases and negotiations, including various performance-based rate discussions, Entergy's utility supply plan, and recovery of fuel and purchased power costs;
- the termination of Entergy Arkansas's participation in the System Agreement, which occurred in December 2013, the termination of Entergy Mississippi's participation in the System Agreement in November 2015, the termination of Entergy Texas's, Entergy Gulf States Louisiana's, and Entergy Louisiana's participation in the System Agreement after expiration of the proposed 60-month notice period or such other period as approved by the FERC;
- regulatory and operating challenges and uncertainties and economic risks associated with the Utility operating companies' move to MISO, which occurred in December 2013, including the

effect of current or projected MISO market rules and system conditions in the MISO markets, the allocation of MISO system transmission upgrade costs, and the effect of planning decisions that MISO makes with respect to future transmission investments by the Utility operating companies;

- changes in utility regulation, including the beginning or end of retail and wholesale competition, the ability to recover net utility assets and other potential stranded costs, and the application of more stringent transmission reliability requirements or market power criteria by the FERC;
- changes in the regulation or regulatory oversight of Entergy's nuclear generating facilities and nuclear materials and fuel, including with respect to the planned or potential shutdown of nuclear generating facilities owned or operated by Entergy Wholesale Commodities, and the effects of new or existing safety or environmental concerns regarding nuclear power plants and nuclear fuel;
- resolution of pending or future applications, and related regulatory proceedings and litigation, for license renewals or modifications or other authorizations required of nuclear generating facilities;
- the performance of and deliverability of power from Entergy's generation resources, including the capacity factors at its nuclear generating facilities;
- Entergy's ability to develop and execute on a point of view regarding future prices of electricity, natural gas, and other energy-related commodities;
- prices for power generated by Entergy's merchant generating facilities and the ability to hedge, meet credit support requirements for hedges, sell power forward or otherwise reduce the market price risk associated with those facilities, including the Entergy Wholesale Commodities nuclear plants;
- the prices and availability of fuel and power Entergy must purchase for its Utility customers, and Entergy's ability to meet credit support requirements for fuel and power supply contracts;
- volatility and changes in markets for electricity, natural gas, uranium, emissions allowances, and other energy-related commodities, and the effect of those changes on Entergy and its customers;
- changes in law resulting from federal or state energy legislation or legislation subjecting energy derivatives used in hedging and risk management transactions to governmental regulation;



## FORWARD-LOOKING INFORMATION AND REGULATION G COMPLIANCE (CONTINUED)

- changes in environmental, tax, and other laws, including requirements for reduced emissions of sulfur dioxide, nitrogen oxide, greenhouse gases, mercury, and other regulated air and water emissions, and changes in costs of compliance with environmental and other laws and regulations;
- uncertainty regarding the establishment of interim or permanent sites for spent nuclear fuel and nuclear waste storage and disposal and the level of spent fuel disposal fees charged by the U.S. government related to such sites;
- variations in weather and the occurrence of hurricanes and other storms and disasters, including uncertainties associated with efforts to remediate the effects of hurricanes, ice storms, or other weather events and the recovery of costs associated with restoration, including accessing funded storm reserves, federal and local cost recovery mechanisms, securitization, and insurance;
- effects of climate change;
- changes in the quality and availability of water supplies and the related regulation of water use and diversion;
- Entergy's ability to manage its capital projects and operation and maintenance costs;
- Entergy's ability to purchase and sell assets at attractive prices and on other attractive terms;
- the economic climate, and particularly economic conditions in Entergy's Utility service area and the Northeast United States and events and circumstances that could influence economic conditions in those areas, and the risk that anticipated load growth may not materialize;
- the effects of Entergy's strategies to reduce tax payments;
- changes in the financial markets, particularly those affecting the availability of capital and Entergy's ability to refinance existing debt, execute share repurchase programs, and fund investments and acquisitions;
- actions of rating agencies, including changes in the ratings of debt and preferred stock, changes in general corporate ratings, and changes in the rating agencies' ratings criteria;
- changes in inflation and interest rates;
- the effect of litigation and government investigations or proceedings;
- changes in technology, including with respect to new, developing, or alternative sources of generation;
- the potential effects of threatened or actual terrorism, cyber-attacks or data security breaches, including increased security costs, and war or a catastrophic event such as a nuclear accident or a natural gas pipeline explosion;
- Entergy's ability to attract and retain talented management and directors;
- changes in accounting standards and corporate governance;
- declines in the market prices of marketable securities and resulting funding requirements for Entergy's defined benefit pension and other postretirement benefit plans;
- future wage and employee benefit costs, including changes in discount rates and returns on benefit plan assets;
- changes in decommissioning trust fund values or earnings or in the timing of or cost to decommission nuclear plant sites;
- the implementation of the shutdown of Vermont Yankee and the related decommissioning of Vermont Yankee;
- the effectiveness of Entergy's risk management policies and procedures and the ability and willingness of its counterparties to satisfy their financial and performance commitments;
- factors that could lead to impairment of long-lived assets; and
- the ability to successfully complete merger, acquisition, or divestiture plans, regulatory or other limitations imposed as a result of merger, acquisition, or divestiture, and the success of the business following a merger, acquisition, or divestiture.

### Regulation G

This report includes the non-GAAP financial measure of operational earnings per share. The reconciliation of this measure to the most directly comparable GAAP measure is below.

#### GAAP to Non-GAAP Reconciliation

Earnings Per Share	2014	2013
As-Reported	\$ 5.22	\$ 3.99
Less Special Items:		
Transmission business spin-merge expenses	—	\$ (0.02)
HCM implementation expenses	\$ (0.05)	\$ (0.20)
Decision to close Vermont Yankee	\$ (0.56)	\$ (1.15)
Total Special Items	\$ (0.61)	\$ (1.37)
Operational	\$ 5.83	\$ 5.36

## INVESTOR INFORMATION

### Shareholder News

Entergy's quarterly earnings results, dividend action and other news and information of investor interest may be obtained by calling Entergy's investor relations information line at 1-888-ENTERGY (368-3749). In addition to hearing recorded announcements, you can request information to be sent via fax or mail.

Visit our investor relations website at [entergy.com/investor](http://entergy.com/investor) for earnings reports, financial releases, SEC filings and other investor information, including Entergy's Corporate Governance Guidelines, Board Committee Charters for the Audit, Corporate Governance and Personnel Committees and Entergy's Code of Conduct. You can also request and receive information via email. Printed copies of the above are also available without charge by calling 1-888-ENTERGY or writing to:

#### Entergy Corporation

Investor Relations  
P.O. Box 61000  
New Orleans, LA 70161

Investor Relations materials are also available on the Entergy Investor Relations mobile web app. The app provides a convenient way to access the company's latest financial news and information, including financial releases, presentations and SEC filings, as well as the ETR stock quote. The mobile web app is available at [entergy.ir](http://entergy.ir).

### Institutional Investor Inquiries

Securities analysts and representatives of financial institutions may contact Paula Waters, vice president, investor relations, at 504-576-4380 or [pwaters1@entergy.com](mailto:pwaters1@entergy.com).

### Shareholder Account Information

Wells Fargo Shareowner Services is Entergy's transfer agent, registrar, dividend disbursing agent and dividend reinvestment and stock purchase plan agent. Shareholders of record with questions about lost certificates, lost or missing dividend checks, or notifications of change of address should contact:

#### Wells Fargo Shareowner Services

P.O. Box 64874  
St. Paul, MN 55164-0874  
Phone: 1-855-854-1360  
Internet: [www.shareholderonline.com](http://www.shareholderonline.com)

### Common Stock Information

The company's common stock is listed on the New York and Chicago exchanges under the symbol "ETR." The Entergy share price is reported daily in the financial press under "Entergy" in most listings of New York Stock Exchange securities. Entergy common stock is a component of the following indices: S&P 500, S&P Utilities Index, Philadelphia Utility Index and the NYSE Composite Index, among others.

As of Jan. 30, 2015, there were 179,697,449 shares of Entergy common stock outstanding. Shareholders of record totaled 30,762, and approximately 153,511 investors held Entergy stock in "street name" through a broker.

### Certifications

In May 2014, Entergy's chief executive officer certified to the New York Stock Exchange that he was not aware of any violation of the NYSE corporate governance listing standards. Also, Entergy filed certifications regarding the quality of the company's public disclosure, required by Section 302 of the Sarbanes-Oxley Act of 2002, as exhibits to our Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2014.

### Dividend Payments

All of Entergy's 2014 distributions were taxable as dividend distributions. The board of directors declares dividends quarterly and sets the record and payment dates. Subject to board discretion, those dates for 2015 are:

Declaration Date	Record Date	Payment Date
January 30	February 12	March 2
April 1	May 14	June 1
July 30	August 13	September 1
October 30	November 12	December 1

### Quarterly dividend payments (in cents-per-share):

Quarter	2015	2014	2013	2012	2011
1	83	83	83	83	83
2		83	83	83	83
3		83	83	83	83
4		83	83	83	83

### Dividend Reinvestment/Stock Purchase

Entergy offers an automatic Dividend Reinvestment and Stock Purchase Plan administered by Wells Fargo Shareowner Services. The plan is designed to provide Entergy shareholders and other investors with a convenient and economical method to purchase shares of the company's common stock. The plan also accommodates payments of up to \$10,000 per month for the purchase of Entergy common shares. First-time investors may make an initial minimum purchase of \$250. Contact Wells Fargo Shareowner Services by telephone or internet for information and an enrollment form.

### Direct Registration System

Entergy has elected to participate in a Direct Registration System that provides investors with an alternative method for holding shares. DRS will permit investors to move shares between the company's records and the broker/dealer of their choice.

### Entergy Common Stock Prices

The high and low trading prices for each quarterly period in 2014 and 2013 were as follows (in dollars):

Quarter	2014		2013	
	High	Low	High	Low
1	67.02	60.40	65.39	61.09
2	82.30	66.41	72.10	63.12
3	82.48	70.70	72.60	61.66
4	92.02	76.51	68.63	60.22



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