Pathway to Premier

Entergy Corporation
First quarter 2023 earnings call

April 26, 2023


Customer service


Resilient infrastructure


Clean energy


Industrial growth

Caution regarding forward-looking statements and Regulation G compliance

In this presentation, and from time to time, Entergy Corporation makes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, among other things, statements regarding Entergy’s 2023 earnings guidance; current financial and operational outlooks; industrial load growth outlooks; statements regarding its climate transition and resilience plans, goals, beliefs, or expectations; and other statements of Entergy’s plans, beliefs, or expectations included in this presentation. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. 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 are subject to a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements, including (a) those factors discussed elsewhere in this presentation and in Entergy’s most recent Annual Report on Form 10-K, any subsequent Quarterly Reports on Form 10-Q, and Entergy’s other reports and filings made under the Securities Exchange Act of 1934; (b) uncertainties associated with (1) rate proceedings, formula rate plans, and other cost recovery mechanisms, including the risk that costs may not be recoverable to the extent or on the timeline anticipated by the utilities and (2) implementation of the ratemaking effects of changes in law; (c) uncertainties associated with (1) realizing the benefits of its resilience plan, including impacts of the frequency and intensity of future storms and storm paths, as well as the pace of project completion and (2) efforts to remediate the effects of major storms and recover related restoration costs; (d) risks associated with operating nuclear facilities, including plant relicensing, operating, and regulatory costs and risks; (e) changes in decommissioning trust fund values or earnings or in the timing or cost of decommissioning Entergy’s nuclear plant sites; (f) legislative and regulatory actions and risks and uncertainties associated with claims or litigation by or against Entergy and its subsidiaries; (g) risks and uncertainties associated with executing on business strategies, including strategic transactions that Entergy or its subsidiaries may undertake and the risk that any such transaction may not be completed as and when expected and the risk that the anticipated benefits of the transaction may not be realized; (h) impacts from terrorist attacks, geopolitical conflicts, cybersecurity threats, data security breaches, or other attempts to disrupt Entergy’s business or operations, and/or other catastrophic events; (i) the direct and indirect impacts of the COVID-19 pandemic on Entergy and its customers; and (j) effects on Entergy or its customers of (1) changes in federal, state, or local laws and regulations and other governmental actions or policies, including changes in monetary, fiscal, tax, environmental, or energy policies; (2) the effects of changes in commodity markets, capital markets, or economic conditions; and (3) the effects of technological change, including the costs, pace of development, and commercialization of new and emerging technologies.

This presentation includes the non-GAAP financial measures of adjusted EPS; net liquidity, including storm escrows; adjusted ROE; and adjusted ROE, excluding affiliate preferred when describing Entergy’s results of operations and financial performance. We have prepared reconciliations of these financial measures to the most directly comparable GAAP measure, which can be found in this presentation. This presentation should be considered together with the Entergy earnings release to which this teleconference relates, which is posted on the company’s website at www.entergy.com and which contains further information on non-GAAP financial measures.

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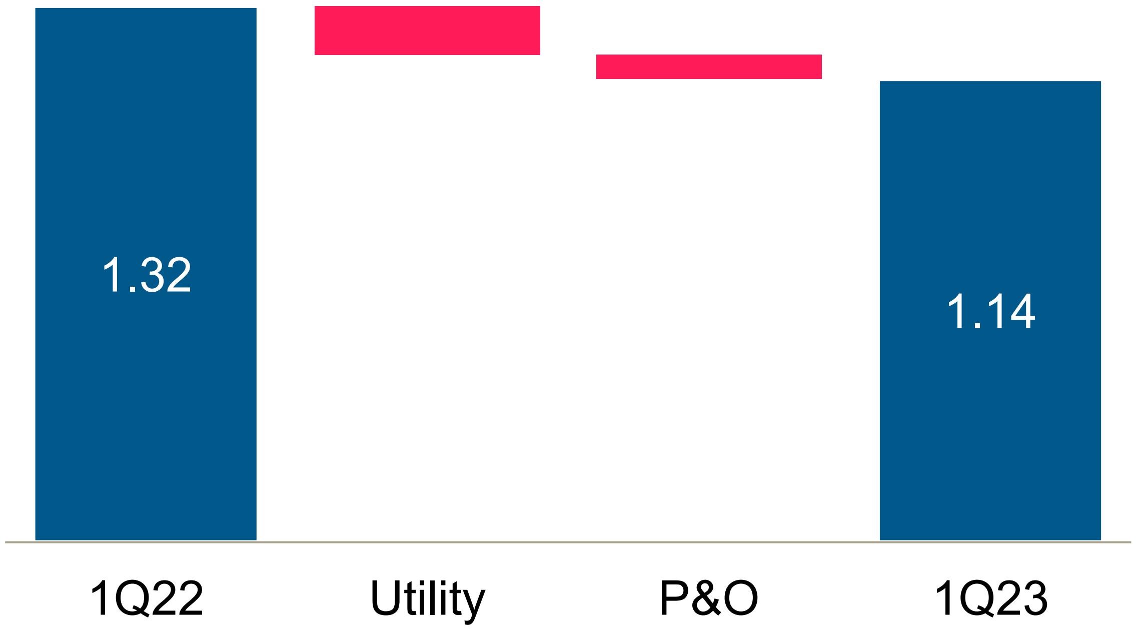
First quarter results

Entergy adjusted EPS; $



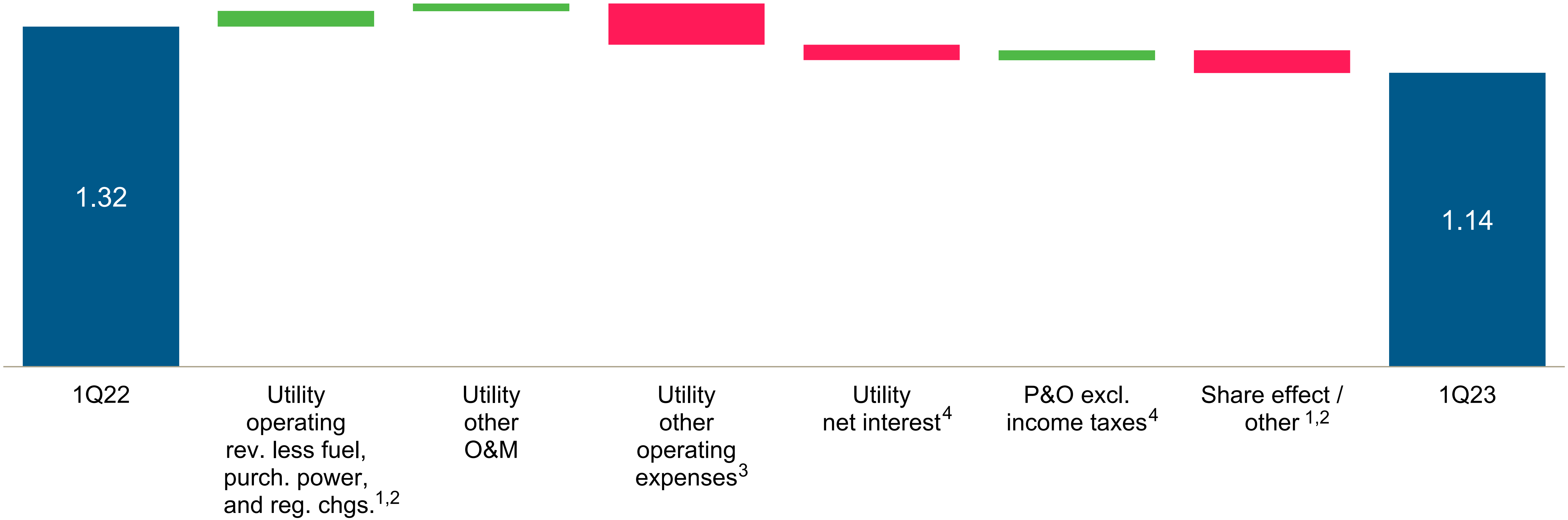
Key takeaways

- *Results reflect mild weather in 1Q23*
- *Flex levers help deliver steady, predictable results*
- *On track to achieve financial objectives; affirming 2023 guidance and longer-term outlooks*

See Financial summaries and Regulation G reconciliations section for earnings summary
212M and 204M diluted average number of common shares outstanding for 1Q23 and 1Q22, respectively

First quarter adjusted EPS

Entergy adjusted EPS; $



See Financial summaries and Regulation G reconciliations section for earnings summary
212M and 204M diluted average number of common shares outstanding for 1Q23 and 1Q22, respectively
1. Utility operating rev. / reg. charges and Utility income taxes exclude $3M in 1Q23 and $17M in 1Q22 for the return of unprotected excess ADIT to customers (net effect neutral to earnings)
2. Utility reg. charges and Utility noncontrolling interest exclude $3M in 1Q23 and $1M in 1Q22 for the effect of HLBV accounting and the approved deferral (net effect is neutral to earnings)
3. Other operating expenses include nuclear refueling outage expense, depreciation expense, taxes other than income taxes, and decommissioning expense
4. Excludes variances from affiliate preferred investments ($0.11 Utility net interest and $(0.12) P&O, largely earnings neutral)

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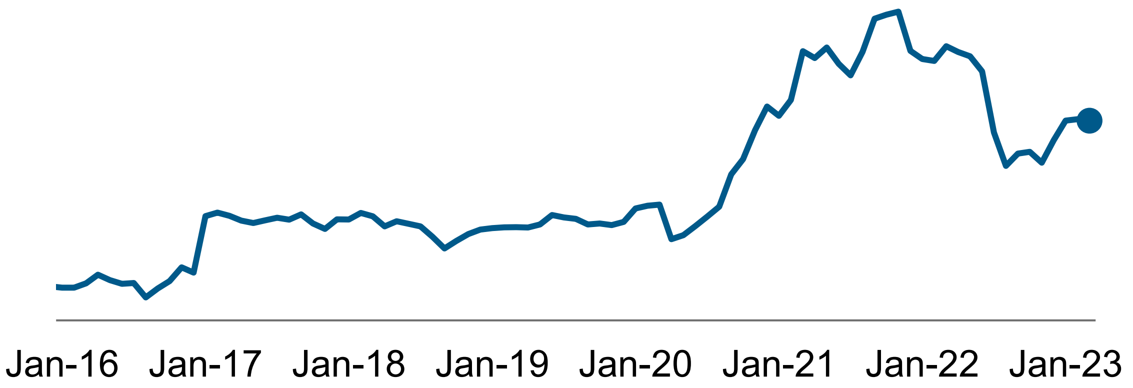
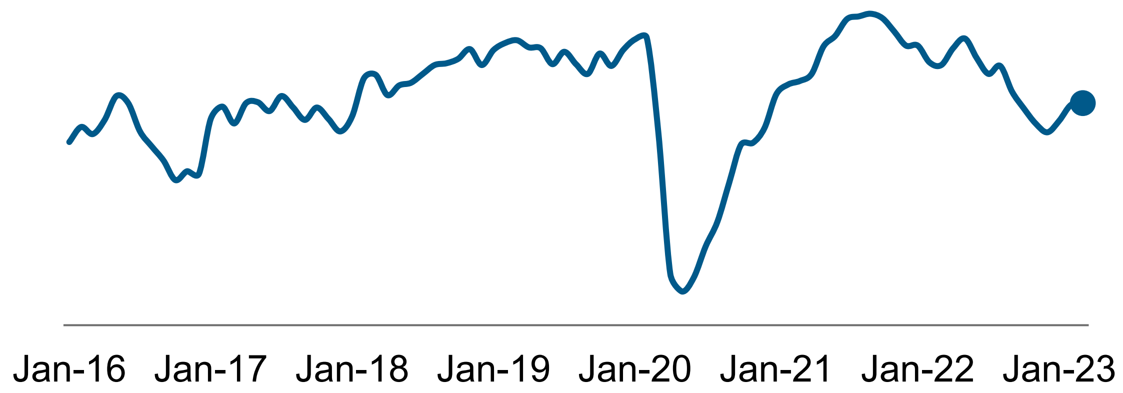
Industrial customer metrics remain supportive

Refining margins, Light Louisiana Sweet crude 321 crack spread

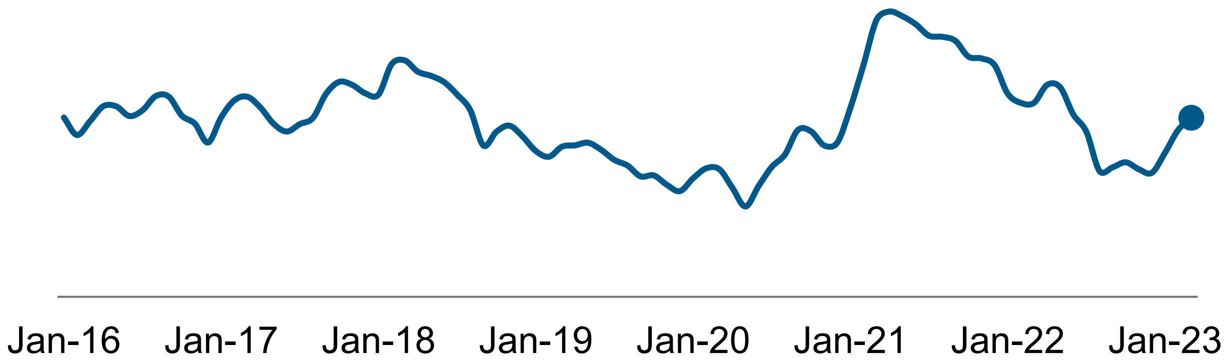
Chlor-alkali, polyvinyl chloride margins, $ per metric ton



Steel, capacity utilization



Petrochemicals, polyethylene margins, $ per metric ton



Sources: U.S. Energy Information Administration, American Iron and Steel Institute, Bloomberg, and internal analysis

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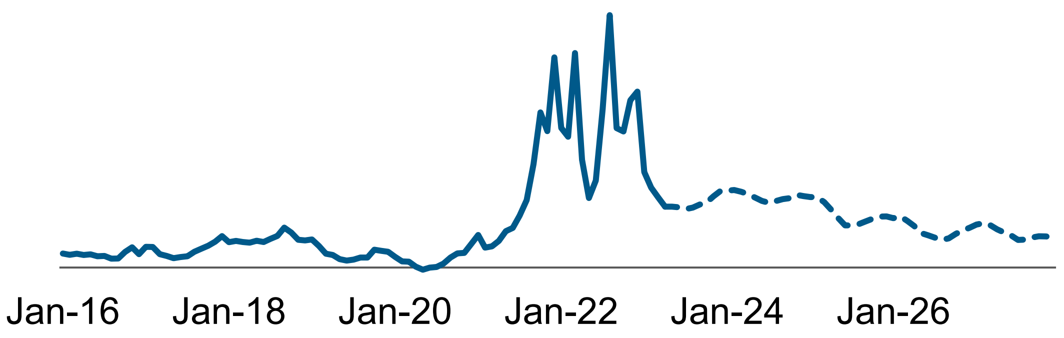
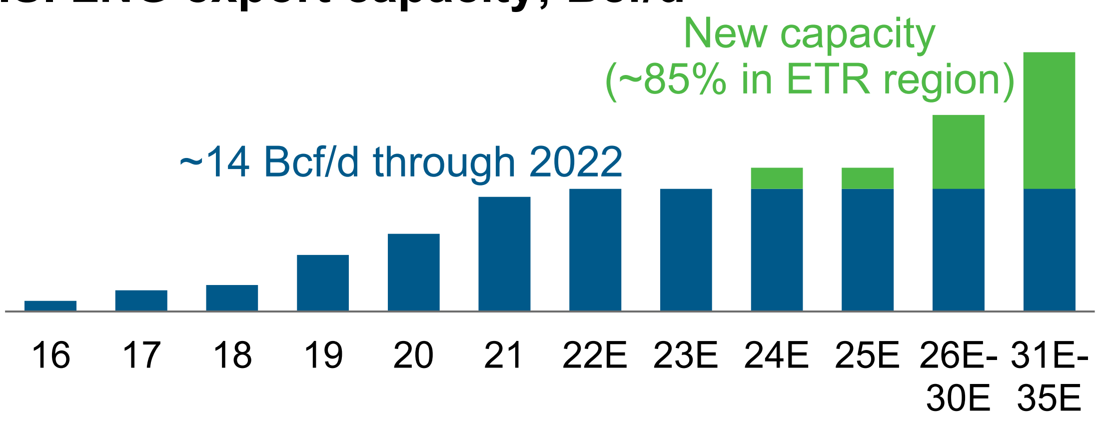
U.S. to European spreads driving LNG expansion

Ammonia exports benefiting; tight inventories support refining margins

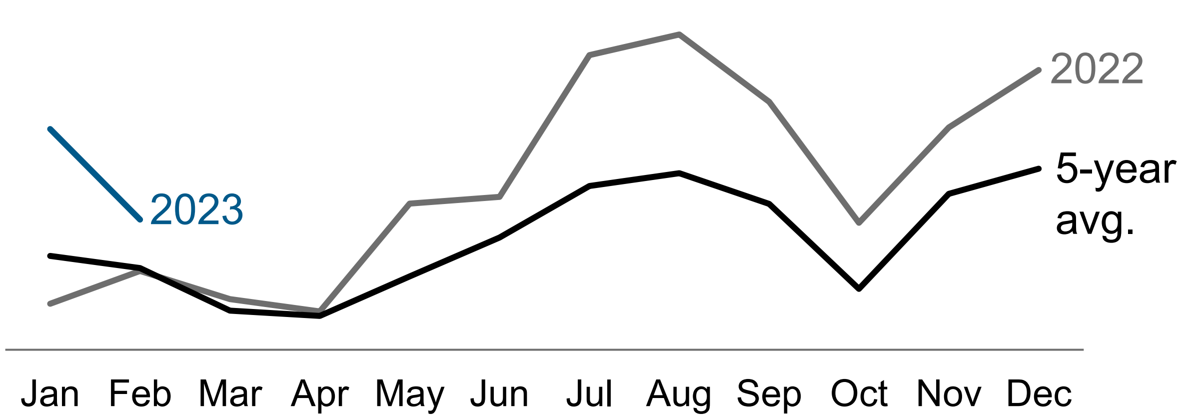
NBP to Henry Hub spread; $/MMbtu



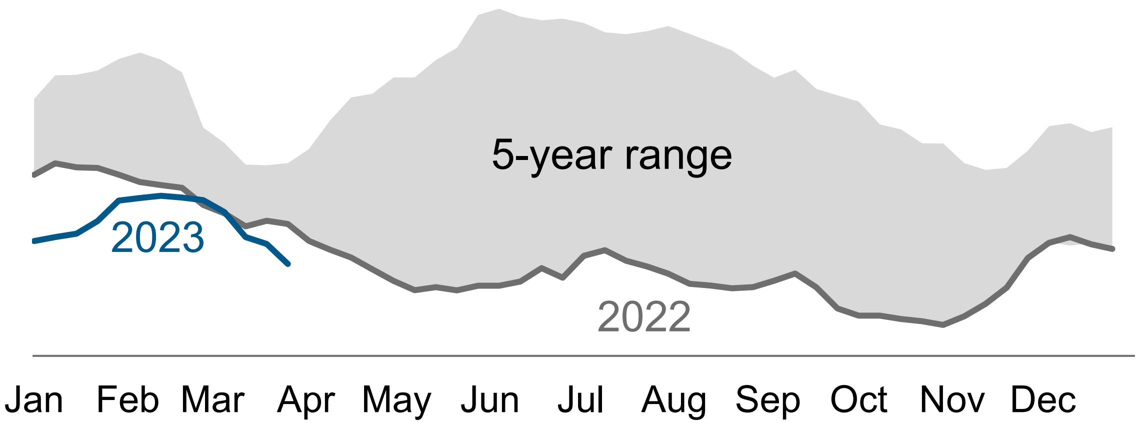
U.S. LNG export capacity; Bcf/d



U.S. ammonia exports; 000s tons



U.S. gasoline + distillate stocks; 000's bbl



Sources: U.S. Energy Information Administration, American Iron and Steel Institute, Bloomberg, and internal analysis

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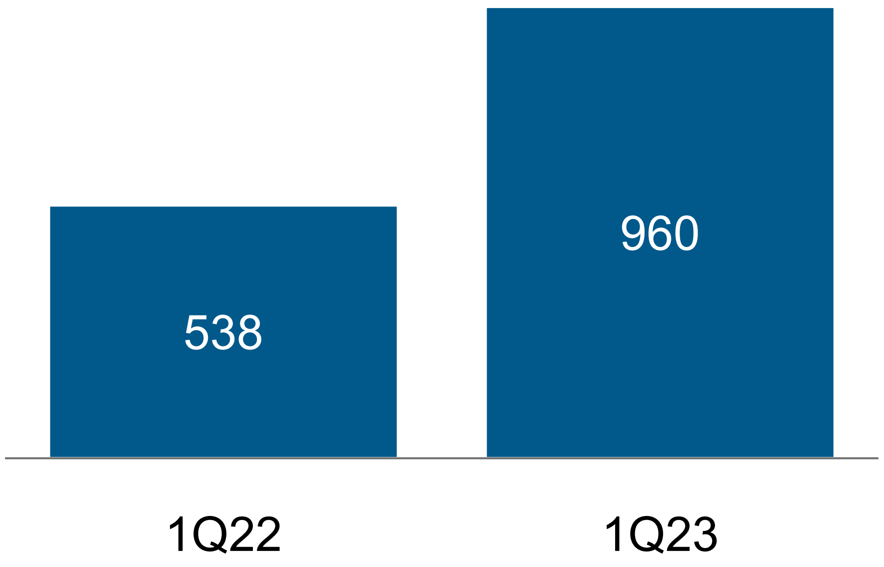
First quarter operating cash flow

Consolidated OCF; $M



Key drivers

(+) Higher Utility customer receipts

(+) Lower non-capital storm spending

(+) Lower pension contributions

(-) Wind down of EWC

(-) Higher Utility interest payments

Credit and liquidity

Credit ratings[1] (outlooks)

	E-AR	E-LA	E-MS	E-NO	E-TX	SERI	ETR
S&P	A (stable)	A (stable)	A (stable)	BBB (developing)	A (stable)	A (stable)	BBB+ (stable)
Moody's	A2 (positive)	A2 (negative)	A2 (positive)	Baa2 (negative)	A3 (stable)	Baa1 (negative)	Baa2 (negative)

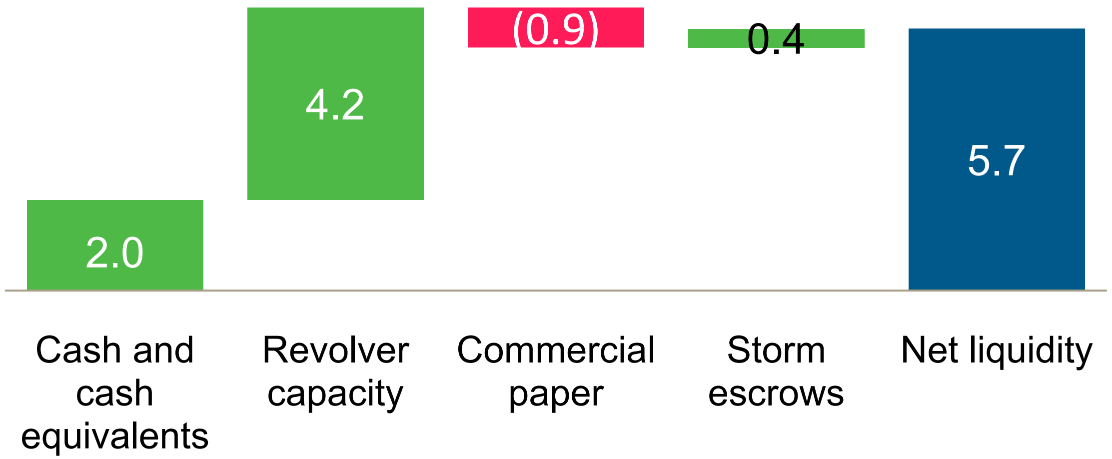
Key updates

- *E-LA received $1.5B securitization financing*
- *Deferred fuel balances declined more than $400M*

Key ETR credit metrics

	Agency expectation	Expected in range or better by 12/31/23
Moody's		
CFO pre-working capital to debt	>14%	✓
Parent debt to total debt	<25%	✓
Standard & Poor's		
FFO to debt	14% – 16%	✓

Net liquidity, incl. storm escrows; $B as of 3/31/23



Calculations may differ due to rounding
1. Senior secured ratings for the OpCos and SERI; corporate credit rating for ETR

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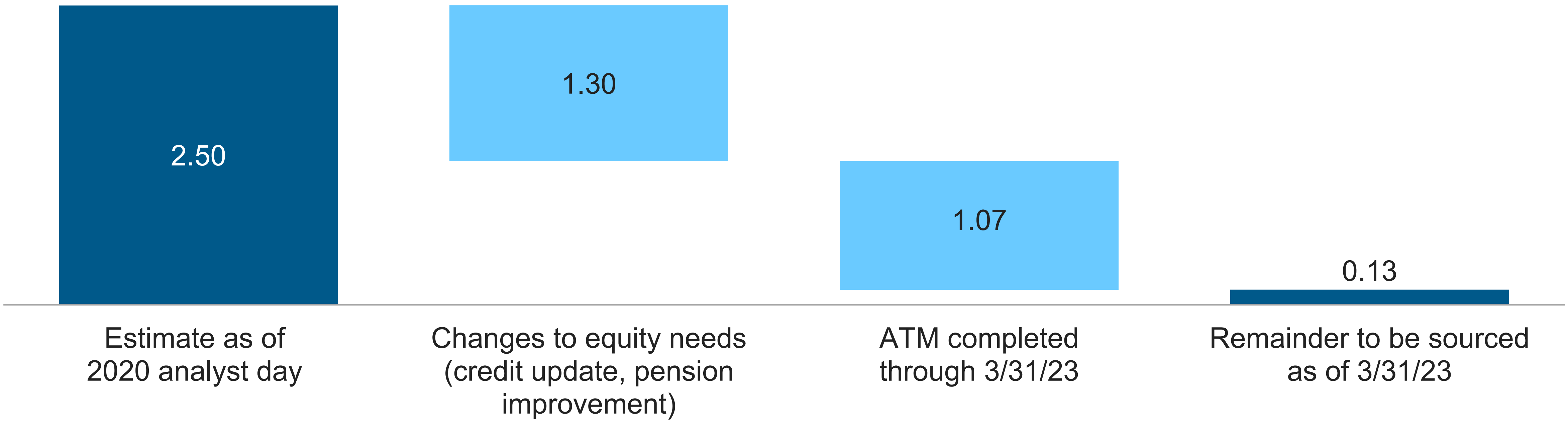
Equity needs through 2024

Estimated 2021–2024 equity needs; $B

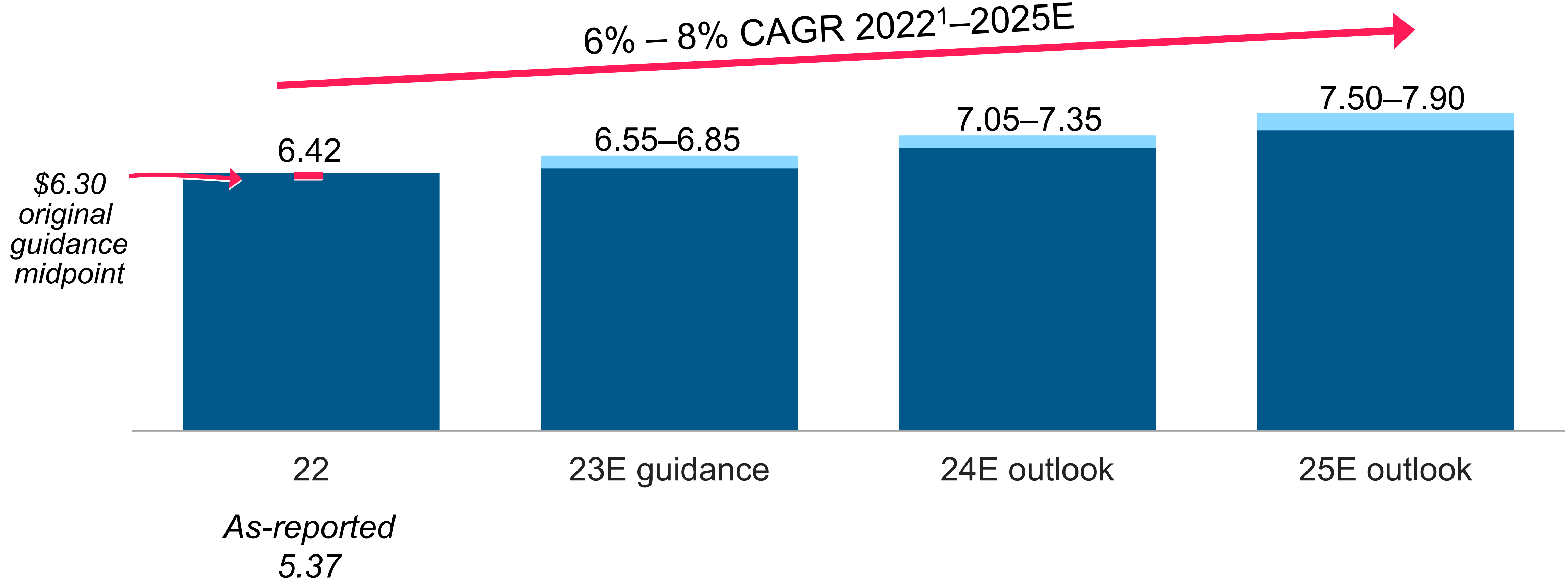


Calculations may differ due to rounding

Adjusted EPS guidance and outlooks

Targeting 60% – 65% dividend payout

Entergy adjusted EPS; $



1. Based on original 2022 guidance midpoint of $6.30

Appendix

A focus on sustainability leadership

Environmental stewardship

For a cleaner world

- Among the cleanest large-scale fleets in the U.S.
- Clear plans and commitments to continue decarbonizing our delivered energy
- Uniquely positioned to expand our positive impact by reducing industrial customers' Scope 1 and Scope 2 emissions

Social responsibility

Promoting safety, opportunity, and equity

- Developing and maintaining a workforce that reflects the diversity of our communities
- Commitment to improving educational, economic, and environmental outcomes in our communities

Robust governance

Managing risks and opportunities

- Diverse board with an effective mix of skills, experiences, backgrounds, and perspectives
- Aligning incentives with sustainability outcomes
- Strong corporate governance that emphasizes ethics, transparency, and accountability

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Integrated Report

TCFD-aligned Climate Report / 2022 Update

CDP Climate Change Questionnaire

CDP Water Security Questionnaire

Corporate Governance Guidelines

Code of Business Conduct and Ethics

Code of Entegrity

Stakeholder Engagement Principles

Public Policy and Advocacy Policy

Human Rights Statement

Climate Policy Priorities and Advocacy

Diversity, inclusion and belonging strategy

Performance data table

EEI's ESG quantitative template

EEI's ESG qualitative template

EEI's AGA / ESG gas quantitative template

Global Reporting Initiative Index

SASB Reporting Framework

U.N. Sustainable Development Goals Initiative

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2023 planned activities

1Q

- ✓ E-AR FRP rates effective
- ✓ Filing for E-AR 2021 renewable RFP selections
- ✓ Filing for E-LA 2021 renewable RFP selections
- ✓ Announcement of E-AR 2022 renewable RFP selections *(completed 2Q)*
- ✓ Announcement of E-LA 2022 renewable RFP selections
- ✓ E-MS annual FRP filing

2Q

- Filing for E-TX 2021 renewable RFP selections
- Announcement of E-TX 2022 renewable RFP selections
- Announcement of E-MS 2022 Fall renewable RFP selections
- ✓ E-LA Hurricane Ida securitization complete *(completed 1Q)*
- ✓ E-MS interim FRP rates effective[1]
- E-TX base rate case decision (PUCT)
- E-NO FRP filing
- E-LA FRP filing
- SERI UPSA formula rate complaint ALJ initial decision

3Q

- E-AR 2021 renewable RFP decision (APSC)
- E-MS 2022 renewable RFP decision (MPSC)
- E-TX initial accelerated resilience filing
- E-LA FRP rates effective
- E-NO FRP rates effective
- E-AR FRP filing
- E-TX TCRF filing
- E-LA FRP extension request and/or rate case filing

4Q

- MTEP 2023 approval
- E-LA renewable RFP decision (LPSC)
- E-LA accelerated resilience plan decision (LPSC)[2]
- E-NO accelerated resilience plan decision (CCNO)
- E-NO Hurricane Ida cost certification decision (CCNO)
- Annual dividend review

Estimated timing as of February 2023; regulatory activity or other factors could lead to changes

1. E-MS FRP interim rates (up to 2%) effective April 1; any rate change above 2% (up to 4%) would be effective the month following receipt of an MPSC order
2. Current procedural schedule does not support decision by year end, but if we are able to reach a settlement, we could receive a decision by year end

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Utility overview

E-AR

- Electric utility – 730,000 customers
- Authorized ROE: 9.15% – 10.15%
- Forward test year FRP

E-LA

- Electric and gas utility
  - 1,101,000 electric customers
  - 95,000 gas customers
- Authorized ROE: Electric 9.0% – 10.0% Gas 9.3% – 10.3%
- Electric FRP with riders (incl. capacity, transmission, and distribution), Gas RSP

E-MS

- Electric utility – 461,000 customers
- Authorized ROE: 9.68% – 11.82%
- FRP with forward-looking features

E-NO

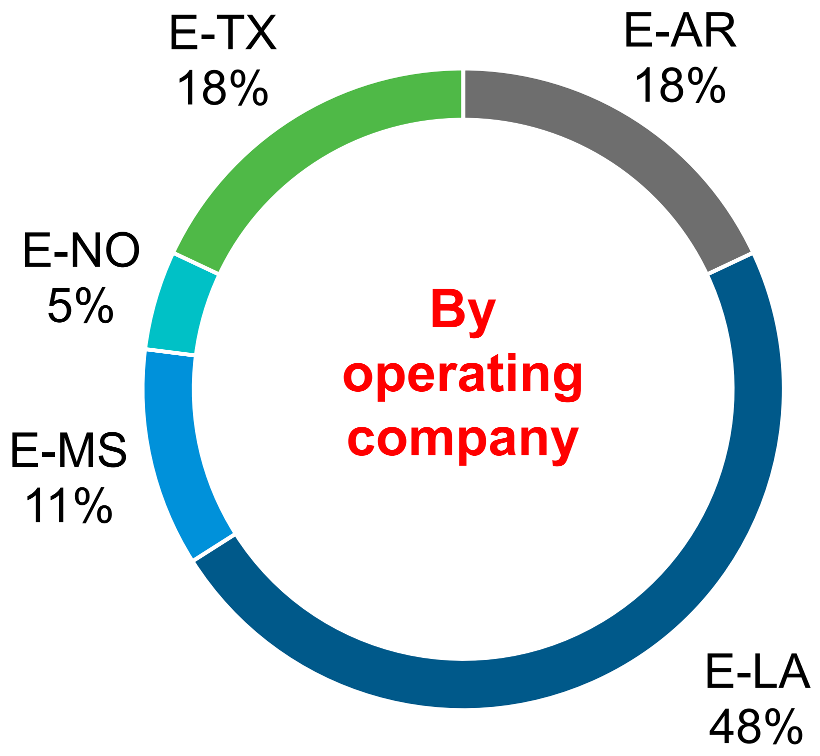
- Electric and gas utility
  - 211,000 electric customers
  - 109,000 gas customers
- Authorized ROE: 8.85% – 9.85%
- FRP with forward-looking features

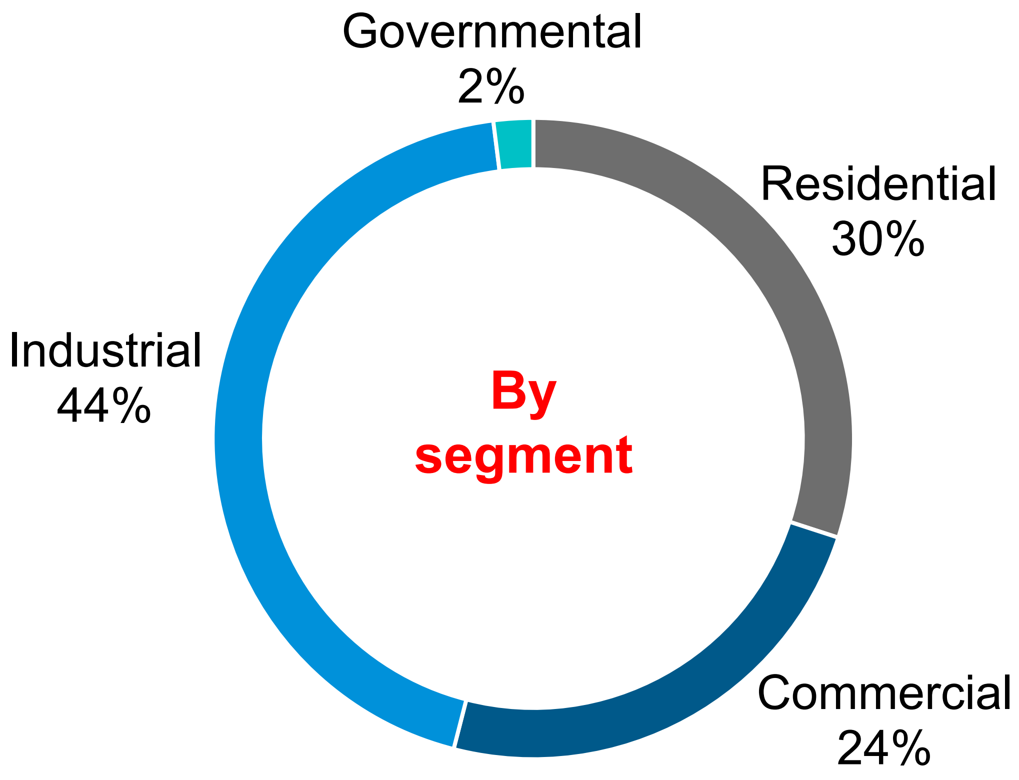
E-TX

- Electric utility – 499,000 customers
- Authorized ROE: 9.65%
- Rate case and cost recovery riders (transmission, distribution, and generation)

Customer counts at the end of period 12/31/22
See *Jurisdictional base rate filing frameworks* slide and operating company slides for additional details

Utility 2022 weather-adjusted electric retail sales





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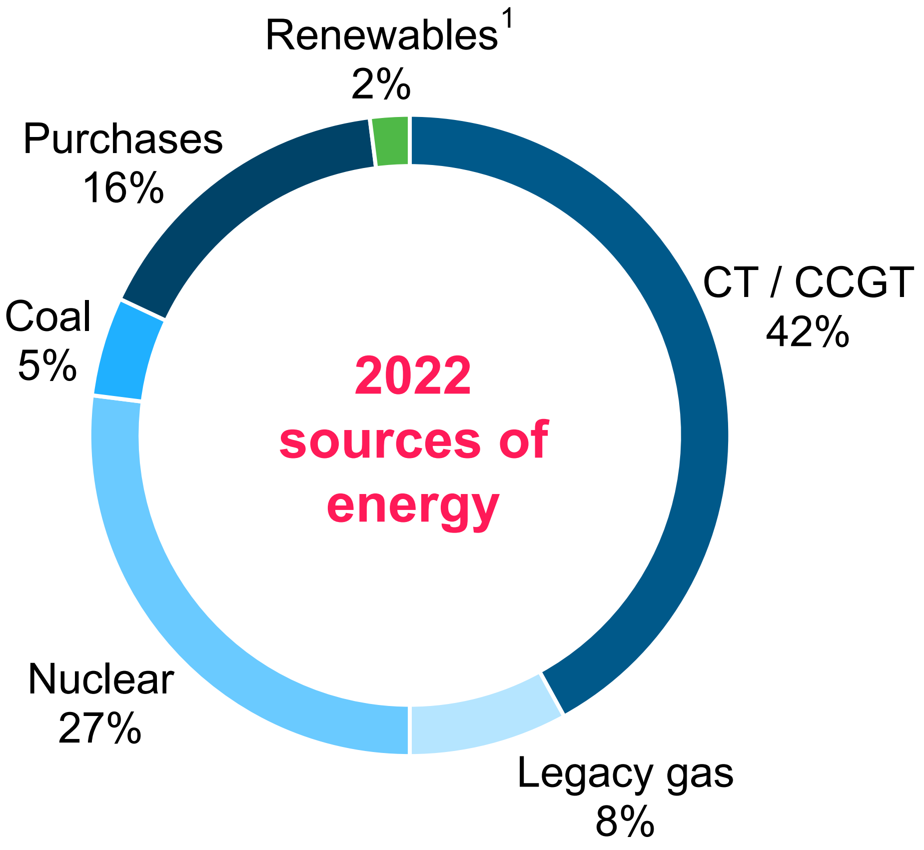
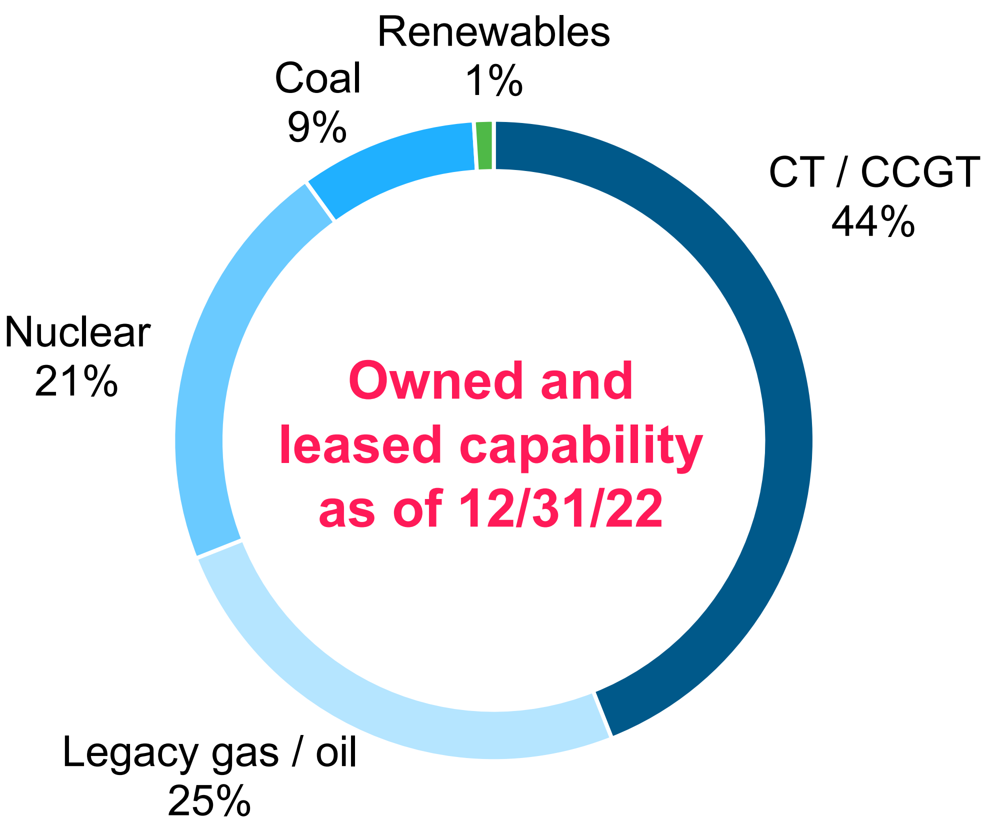
Utility generation overview





1. Includes generation from both owned and purchased power resources

Jurisdictional base rate filing frameworks

	E-AR	E-LA	E-MS	E-NO	E-TX[1]	SERI
Latest filing date	7/7/22 (FRP)	5/31/22 (FRP)	3/1/23 (FRP)	4/29/22 (FRP)	7/1/22 (rate case)	Monthly cost of service
Next filing date	7/7/23 (FRP)	By 5/31/23 (FRP)	By 3/1/24 (FRP)	By 4/30/23 (FRP)	2027[2] (rate case)	Every month
Rate effective date	January following filing	September following filing	April following filing[3]	September following filing	35 days after filing[4]	Immediate
Evaluation period	Forward test year ended 12/31	Historical test year ended 12/31 plus transmission and distribution closed to plant above baseline through 8/31 of filing year; rate adjustments permitted for certain generation additions	Historical test year ended 12/31 plus certain known and measurable changes through 12/31 of filing year	Historical test year ended 12/31 plus certain known and measurable changes through 12/31 of filing year	12-month historical test year with available updates	Actual current month expense and prior month-end balance sheet
FRP term / post FRP framework	Five years (2021–2025 filing years); rate case after extension period	Three years (2021–2023 filing years); could request FRP extension and/or file a rate case after FRP expiration	No specified termination; option to file rate case as needed	Three years (2021–2023 filing years); could request FRP extension and/or file a rate case after FRP expiration	n/a	Monthly cost of service continues until terminated by mutual agreement

See operating company slides for additional details
1. In addition to base rate case filings, E-TX can file for interim recovery through DCRF, TCRF, and GCRR riders
2. Required to file base rate case every four years (PUCT may extend if non-material change in rates would result); base rate case also required 18 months after GCRR is utilized
3. Interim rate change up to 2% effective April 1, any rate change above 2% (up to 4% cap) would be effective the month following the receipt of an MPSC order
4. May be suspended for an additional 150 days

Deferred fuel balances and recovery frameworks

Current deferred fuel balances for electric sales declined more than $400M

	Deferred fuel at 12/31/22, $M[1]	Deferred fuel at 3/31/23, $M[1]	Baseline recovery framework[2]
E-AR	140	52[3]	• Rates reset annually based on projected cost for the period and deferred fuel balance
E-LA	148	(22)	• Rates reset monthly based on fuel cost from two months prior and rolling 12-month recovery of deferred balance
E-MS	143	76	• Rates reset annually to collect expected cost for the collection period and 9/30 deferred fuel balance
E-NO	1	(4)	• Rates reset monthly based on fuel cost from two months prior and a rolling 12-month recovery of deferred balance
E-TX	258	151	• Rates reset semi-annually based on historical and projected costs; may file as needed to incorporate material deferred balances into rates

1. Current deferred fuel asset / (liability) balances for electric sales
2. Baseline recovery framework can be adjusted if certain criteria are met or if the OpCo and the regulatory commission agree to a change
3. E-AR reduced its deferred fuel balance by $42M using its portion of the SERI refund from the FERC December 2022 decision

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Actively expanding renewable footprint

In service

	MW
Owned	301
PPA	533
	834

Approved / in progress

Project	MW	Owned/ PPA	Est. in service[1]
Various solar projects (E-LA)	12	PPA	2023
Umbriel Solar (E-TX)	150	PPA	2023
Driver Solar (E-AR)	250	Owned	2024
West Memphis Solar (E-AR)	180	Owned	2024
Walnut Bend Solar (E-AR)	100	Owned	2024
Elizabeth Solar (E-LA)	125	PPA	2024
Sunlight Road Solar (E-LA)	50	PPA	2024
Vacherie Solar (E-LA)	150	PPA	2025
St. Jacques Solar (E-LA)	150	Owned	2025
	1,167		

Regulatory filings pending

Project	MW	Owned/ PPA	Est. in service[1]
Flat Fork Solar (E-AR)	200	PPA	2025
Forgeview Solar (E-AR)	200	PPA	2025
Iberville Solar (E-LA)	175	PPA	2025
Sterlington Solar (E-LA)	49	Owned	2025
Wildwood Solar (E-MS)	100	PPA	2026
Greer Solar (E-MS)	170	PPA	2026
Hinds Solar (E-MS)	150	PPA	2026
	1,044		

RFPs

2021 E-LA solar[2,3]	600	TBD	2024
2021 E-TX solar[2]	400	TBD	2025
2021 E-AR solar and wind[2,3]	500	TBD	2025
2022 E-LA solar and wind	1,500	TBD	2025
2022 E-MS solar and wind[2,3]	500	TBD	2025–2026
2022 E-AR solar and wind	1,000	TBD	2025–2026
2022 E-TX solar and wind	2,000	TBD	2026–2027
2022 Fall E-MS solar and wind	500	TBD	2026–2027

Additional details on Entergy's renewables are available at entergy.com/renewable-energy; additional details on RFPs are available at spofossil.entergy.com

Note: Timing and/or cost of certain projects may be impacted by supply chain issues, including the U.S. Department of Commerce circumvention investigation

1. Date of COD or entry of contract
2. Resources have been selected; additional information will be provided after parties reach definitive agreements
3. Some selected resources have completed negotiations and are now pending regulatory review (see table above); other selected resources still in negotiations

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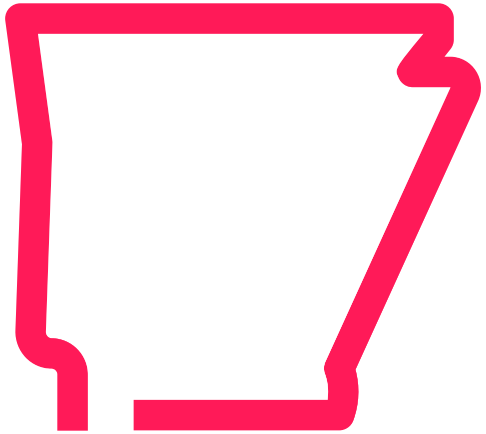
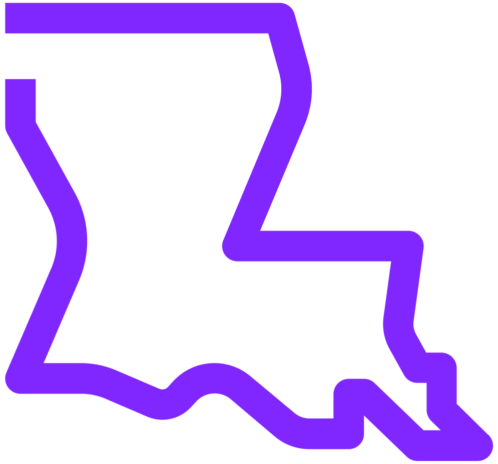
Entergy Arkansas



E-AR (currently in rates)

Metric	Detail
Authorized ROE	9.15% – 10.15%
Rate base	$9.2B retail rate base (2023 test year)
WACC (after-tax)	5.25%
Equity ratio	37.8% (47.0% excluding $1.9B ADIT at 0% cost rate)
Regulatory construct	Forward test year FRP; result outside authorized ROE range resets to midpoint; maximum rate change 4% of filing year total retail revenue (4% applies to the true-up of historical year result combined with the future projection)
Key rate changes in last 12 months	$80M FRP (1/3/23)
Riders	Fuel and purchased power, MISO, capacity, Grand Gulf, energy efficiency

Entergy Louisiana



E-LA (currently in rates)

Metric	Detail – electric[1]	Detail – gas
Authorized ROE	9.0% – 10.0%	9.3% – 10.3%
Rate base	$14.4B (12/31/21 test year)[2] + $0.4B for transmission rider + $0.2B for distribution rider - ($0.5B) for tax reform rider	$0.13B (9/30/21 test year)
WACC (after-tax)	6.62%	6.76%
Equity ratio	49.41%	49.03%
Regulatory construct	Base FRP[3] and riders	RSP[4]
Key rate changes in last 12 months	$65M base FRP, $40M transmission rider, $25M distribution rider, $(35M) MISO rider (offset in transmission revenue and other O&M), and $63M TRAM (largely offset in income tax expense) effective 9/1/22	$4.4M base RSP; $0.4M IIRR-G
Riders / specific recovery	Fuel, capacity, MISO, transmission, distribution[5]	Gas infrastructure

1. Pending finalization of the 2021 (docket U-36381), 2020 (docket U-36092), 2019 (docket U-35581), 2018 (docket U-35205), and 2017 (docket U-34951) test year filings
2. Includes $0.1B and $0.3B for amounts recovered through prior year transmission and distribution riders (respectively); those amounts are recovered using a 9.5% ROE
3. 2022 + 2023 base FRP rate change is capped at $70M ($65M utilized in 2022 rate change, $5M remaining)
4. 50 bps dead band, 51 bps–200 bps 50% sharing, >200 bps adjust to 200 bps plus 75 bps sharing; for infrastructure costs, 100% sharing above the band
5. Distribution rider subject to annual cap of $0.3B of additions to plant

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E-LA resilience and grid hardening filing

Resilience and grid hardening filing highlights (docket LPSC U-36625)

- Plan includes $9.6B investment over 10 years
- Phase I seeks approval of $5B of projects over the first five years
- Proposed recovery via forward-looking rider with semi-annual true-ups

Key dates

Date	Event
8/18/23	Staff engineer testimony
9/29/23	Staff and intervenor testimony
11/13/23	E-LA rebuttal testimony
4Q23	Targeted decision
1/8/24	Hearing (if settlement not reached)

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

E-LA Sterlington Solar filing

Project overview (docket U-36685)

Item	Details
MW	49
Location	Sterlington, LA
Targeted in-service date	4Q25
Proposed recovery mechanism	FRP, with deferral until costs can be reflected in rates if needed

Key dates

Date	Event
8/11/23	Staff and intervenors direct testimony
9/1/23	Staff and intervenors cross-answering testimony
10/20/23	E-LA rebuttal testimony
12/12/23	Hearing

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Entergy Mississippi

E-MS (currently in rates)[1]

Metric	Detail
Authorized ROE	10.75% performance-adjusted midpoint (10.40% + 0.35% performance factor); 9.68% – 11.82% range (annual redetermination based on formula)
Rate base	$4.18B (2023 forward test year)
WACC (after-tax)	7.03%
Equity ratio	46.76%
Regulatory construct	FRP with forward-looking features; performance-based bandwidth; subject to annual “look-back” evaluation; maximum rate increase 4% of test year retail revenue (increase above 4% requires base rate case)
Key rate changes in last 12 months	$28M FRP (April 2023)[2]; $(5M) vegetation rider (April 2023); $49M FRP (August 2022); $34M FRP 2021 lookback (July 2022 – June 2023, offset by amortization of reg. provision)
Riders	Fuel, Grand Gulf, MISO, unit power cost, storm damage, ad valorem tax adjustment, vegetation, grid modernization, restructuring credit, PMR

1. Pending finalization of the 2023 FRP filing (expected June 2023)
2. Interim rate change up to 2% effective April 1, any rate change above 2% (up to 4% cap) would be effective the month following the receipt of an MPSC order

E-MS annual FRP filing

Annual FRP (docket 2018-UN-205)

Filing highlights	2023 forward test year	2022 look-back
Allowed ROE midpoint, incl. performance factor	10.75%	10.29%
Allowed ROE range	9.68% – 11.82%	9.20% – 11.38%
Earned ROE	8.47%	8.92%
Rate base	$4.2B	$4.0B
WACC (after-tax)	7.03%	6.71%
Equity ratio	46.76%	45.90%
Revenue deficiency	$39.8M	$19.8M
Requested rate change	$39.8M[1]	$19.8M

Key dates

Date	Event
June 2023	Final order expected
July 2023	Final rates effective

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

1. Interim rate change up to 2% effective April 1, any rate change above 2% (up to 4% cap) would be effective the month following the receipt of an MPSC order

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Entergy New Orleans

E-NO (currently in rates)

Metric	Detail – electric	Detail – gas
Authorized ROE	8.85% – 9.85% (9.35% midpoint)	
Rate base	$1.2B (12/31/21 test year plus known and measurables through 12/31/22)	$0.2B (12/31/21 test year plus known and measurables through 12/31/22)
WACC (after-tax)	6.88%	
Equity ratio	51%	
Regulatory construct	FRP with forward-looking features	
Key rate changes in last 12 months	$22.9M FRP (9/1/22)	$1.8M FRP (9/1/22)
Riders / specific recovery	Fuel and purchased power, MISO, energy efficiency, environmental, capacity costs	Purchased gas

E-NO resilience and grid hardening filing

Resilience and grid hardening filing highlights (docket UD 21-03)

- Plan includes $1 billion[1] investment over 10 years
- Phase I seeks approval of $0.6B of projects over the first five years
- Proposed recovery via forward-looking rider

Proposed key dates (subject to CCNO approval)

Date	Event
7/21/23	Parties to file final comments on plan proposals
4Q23	Targeted decision

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

1. No longer includes $200M for microgrids included in original resilience filing; recommending CCNO open an independent docket to examine and consider the microgrids proposal

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E-NO Ida cost certification filing

$209M securitization financing completed December 2022

Storm cost review (docket UD-22-05)

Storm cost summary, $M

	Storm cost	Carrying costs	Total
Hurricane Ida	170	9[1]	179

Key dates

Date	Event
7/11/23	Intervenor direct testimony
8/15/23	Advisors direct testimony
8/29/23	Hearing officer to certify the record
4Q23	Expected CCNO decision

Calculations may differ due to rounding
See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs
1. Calculated through December 2022

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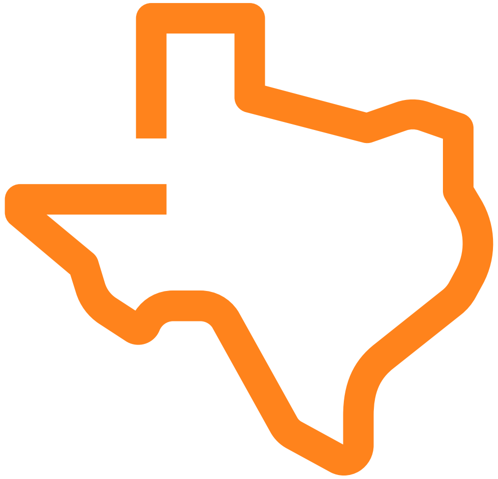
Entergy Texas



E-TX (currently in rates)

Metric	Detail
Authorized ROE	9.65%
Rate base	$2.4B (12/31/17 test year) + $1.7B in cost recovery riders
WACC (after-tax)	7.73%
Equity ratio	50.9%
Regulatory construct	Rate case and cost recovery riders (distribution, transmission, and generation)
Key rate changes in last 12 months	n/a
Riders	Fuel, capacity, cost recovery riders (DCRF, TCRF, and GCRR), rate case expenses, AMI surcharge, tax reform, among others

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E-TX base rate case filing

Filing highlights (docket 53719)

- Proposed ROE: 10.8%
- Rate base: $4.4B
- Proposed cost of debt: 3.47%
- WACC (after-tax): 7.24%
- Equity ratio: 51.21%
- Preferred stock ratio: 0.81%

Key dates

Date	Event
5/12/23	Settlement update
5/25/23	Jurisdictional deadline for decision[2]

Major drivers of proposed rate change

Category	Annual $M
New rate base	200
Change in ROE	42
Cost of debt	(78)
Change in capacity costs	(26)
Depreciation of new assets	53
Higher depreciation rates[1]	84
A&G and O&M expenses[1]	85
Amortization of intangibles[1]	21
Recovery of regulatory assets[1]	17
Sales growth	(55)
Other	(13)
Base rate change	**329**
Riders into base rates	198
Net base rate change	**131**

Calculations may differ due to rounding
See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs
1. If approved, the revenue requirement will be accompanied by an increase in expense as follows: depreciation $84M, O&M $12M, amortization of intangibles $11M, and amortization of regulatory assets $12M
2. Rates will be retroactive to 12/3/22

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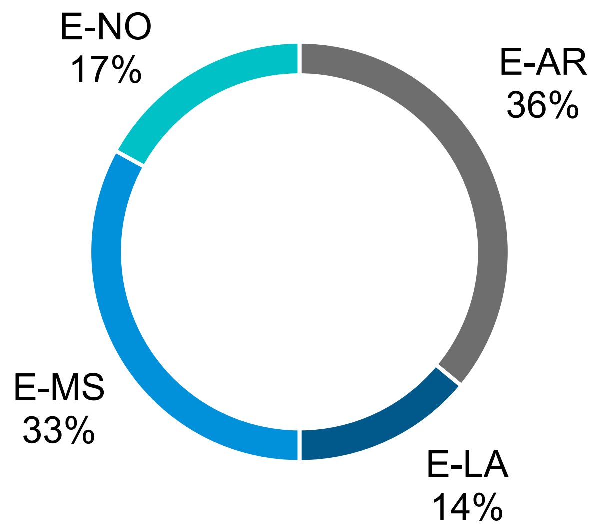
System Energy Resources

Grand Gulf Nuclear Station

Energy and capacity allocation[1]



SERI (most recent monthly bill)[2]

Metric	Detail
Principal asset	An ownership and leasehold interest in Grand Gulf Nuclear Station
Authorized ROE	10.94%[3]
Last calculated rate base	$1.76B
WACC (after-tax)	8.16%
Equity ratio	63%[3,4]
Regulatory construct	Monthly cost of service

1. Percentages under SERI's UPSA
2. In accordance with SERI's settlement agreement with the MPSC (see slide 33), effective with the July 2022 service month, E-MS's UPSA bill is being adjusted to reflect a 9.65% ROE, a 52% equity ratio, a rate base reduction for the advance collection of sale-leaseback rental costs, and the exclusion of certain long-term incentive plan performance unit costs from rates (subject to FERC approval)
3. Ongoing proceeding at FERC challenging SERI's authorized ROE and equity component (see slide 35)
4. For SERI ratemaking, the sale-leaseback obligation is excluded from the capital structure

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SERI settlement with MPSC

Settlement approved and refunds have been made

Highlights of SERI / MPSC global settlement

- In Nov. 2022, SERI refunded $235 million to E-MS resolving all disputes between SERI and the MPSC in FERC dockets described on slides that follow (the settlement also specified an ROE of 9.65% and a capital structure not to exceed 52% equity to be used in UPSA billings to E-MS effective 7/1/22 for a four-year period)
- The total black box refund amount that SERI offered in the settlement was $588 million (including E-MS's portion of $235 million)

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

SERI FERC cases

LPSC complaint regarding GGNS sale-leaseback renewal and uncertain tax position (docket EL18-152)

- Complaint alleging (1) SERI double-recovering costs by including lease payments and capital additions in UPSA billings and (2) SERI incorrectly excluded FIN 48 liabilities associated with uncertain tax position from UPSA billings
- 12/23/22, FERC issued an order requiring SERI to calculate and provide refunds (1) for sale-leaseback renewal costs (retroactive to July 2015); (2) to correct a depreciation rate error; and (3) for previously-uncertain tax positions that have now been resolved
- 1/10/23, SERI paid $104 million in refunds[1]: (1) $90M for sale-leaseback issue; (2) $14M for depreciation issue; and (3) $0 in additional refunds for uncertain tax position issue (SERI previously paid $43M for the uncertain tax position issue ($25M for rate base adjustment plus $18M for excess ADIT), with a commitment to additional future rate reductions (~$68M through 2044))
- 1/11/23, SERI filed a compliance refund report providing the calculations of refunds paid on 1/10/23
- 1/23/23, SERI filed a request for rehearing and confirmation of FERC's order
- 1/23/23, retail regulators filed a request for confirmation that additional refunds are due
- 2/1/23, parties filed a protest on compliance refund report
- 2/23/23, FERC denied SERI's rehearing request by operation of law but indicated that it intends to issue a substantive rehearing order in the future
- 3/6/23, SERI filed a petition in the 5th Circuit for review of FERC's 12/23/22 order; the appeal is being held in abeyance pending FERC substantive rehearing order and order on motions for confirmation

Next steps

Date	FERC	5th Circuit or DC Circuit
TBD	FERC ruling on compliance refund report/motions for confirmation/substantive rehearing order	
TBD		Procedural schedule for appeal

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

1. Refunds were paid to E-AR, E-LA, and E-NO; SERI owes no additional refunds to Entergy Mississippi as a result of the Mississippi settlement described on slide 33

SERI FERC cases

ROE complaints and equity complaint (consolidated dockets EL17-41, EL18-142, EL18-204)

- APSC, MPSC, and LPSC filed ROE complaints; LPSC also alleged that SERI's equity component was unjust and unreasonable (complaints now consolidated)
- ALJ initial decision issued 3/24/21

Next steps

Date	Event
TBD	FERC ruling on initial decision

UPSA formula rate complaint (docket EL20-72)

- In Sept. 2020, the LPSC, APSC, MPSC, and CCNO filed a complaint alleging two categories of UPSA rate issues:
  1. violations of the filed rate that require refunds for prior periods, and
  2. elements of the UPSA that the retail regulators contend are unjust and unreasonable that require refunds for the 15-month refund period and changes to the UPSA prospectively
- In May 2021, FERC issued an order setting the complaint for hearing, establishing a refund effective date of September 2020
- Hearing held 9/13/22 – 12/16/22
- Partial settlement filed 11/15/22 and approved by FERC on 4/4/2023

Next steps

Date	Event
5/12/23	ALJ initial decision

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

SERI FERC cases

Prudence complaint (docket EL21-56)

- In March 2021, the LPSC, APSC, and CCNO filed a complaint alleging operational prudence claims, primarily:
    1. based on the plant's capacity factor and alleged safety performance, SERI imprudently operated Grand Gulf during the period 2016–2020, and
    2. the performance and/or management of the 2012 extended power uprate of Grand Gulf was imprudent
- In April 2021, SERI filed an answer disputing the allegations and requesting FERC to dismiss the complaint
- In May 2021, the complainants filed an answer in response to SERI's motion to dismiss
- In November 2022, FERC issued an order setting the prudence complaint for settlement and hearing, and settlement procedures are ongoing

Next steps

Date	Event
TBD	Commencement of hearing

See discussion of Rate and Regulatory Matters in the most recent Form 10-K and/or any subsequent Form 10-Qs

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Financial disclosures

Progress against guidance

Driver	Guidance assumption[1]	YTD Result[1]	Full-year comments
ETR adjusted EPS	6.55–6.85	1.14	Guidance affirmed
Weather-adjusted retail sales volume	~1%	1%	Now expect ~$0.05 favorable to guidance due to 1Q23 sales mix
Estimated weather in sales	Normal	(0.22)	
Utility refueling outage expense	(0.05)	(0.02)	
Utility other O&M	0.60	0.03	Now expect ~$0.70 YoY due primarily to flexible spending and continuous improvement
Utility taxes other than income taxes	(0.05)	(0.05)	
Utility depreciation expense	(0.50)	(0.08)	
Utility other income	0.15[2]	0.12	Now expect to be slightly favorable to guidance assumption
Utility interest expense	(0.20)	(0.07)	Now expect to be slightly favorable to guidance assumption
Parent & Other excluding income tax rate, share effect, and affiliate preferred	0.25[2]	0.04	Now expect ~$0.20 YoY, drivers include parent interest and residual EWC, partially offset by timing of charitable contributions
Effective income tax rate[3]	~24%	~24%	
Fully diluted average shares	~213M	212M	

1. All values in $/share except where noted
2. Excludes YoY variance from change in affiliate preferred interest (expected to be ~$0.50 Utility and $(0.50) P&O, largely earnings neutral)
3. Excludes the effects of the return of unprotected excess ADIT to customers and HLBV accounting and the approved deferral

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E-LA received $1.5B securitization proceeds

	Assets			Liabilities and equity		Inc. stmt.
	Cash	Investment in affiliates	Reg. asset	Debt	Equity	Interest
E-LA						
Receive securitization proceeds	$1.5B		$(1.5B)			
Affiliate preferred investment[1]	$(1.5B)	$1.5B				7.5%
Equity infusion from parent	$1.5B				$1.5B	
Reduce debt[2]	$(1.5B)			$(1.5B)		
Parent & Other						
Affiliate preferred investment[1]	$1.5B	$(1.5B)				7.5%
Equity infusion into E-LA	$(1.5B)	$1.5B				

Offset between Utility and Parent & Other and neutral at Entergy Consolidated

1. To be redeemed semi-annually over 15 years using the effective interest method; not taxed
2. E-LA debt reduction will occur as debt becomes due; in the interim, funds will be invested in the money pool which will be available to other operating companies

Income on affiliate preferred investment

Estimated earnings impact, $M[1]

	1Q22	2Q22	3Q22	4Q22	2022
E-LA	32	43	55	55	185
P&O	(32)	(43)	(55)	(55)	(186)
ETR[2]	-	(1)	(1)	(1)	(1)
	1Q23	**2Q23E**	**3Q23E**	**4Q23E**	**2023E**
E-LA	55	82	82	82	301
P&O	(55)	(83)	(83)	(83)	(304)
ETR[2]	(1)	(1)	(1)	(1)	(3)
	1Q24E	**2Q24E**	**3Q24E**	**4Q24E**	**2024E**
E-LA	79	79	79	79	316
P&O	(80)	(80)	(80)	(80)	(319)
ETR[2]	(1)	(1)	(1)	(1)	(3)

Calculations may differ due to rounding
1. Income from affiliate preferred is not taxed (e.g., pre-tax and after-tax amounts are the same)
2. Net impact from LURC 1% noncontrolling interest (to be recorded as Preferred dividend requirements of subsidiaries and noncontrolling interest)

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2023 ETR adjusted EPS sensitivities

Variable	Description of sensitivity	Estimated annual EPS impact
Utility		
Retail sales growth	1% change in residential MWh sold 1% change in commercial MWh sold 1% change in industrial MWh sold	+/- 0.09 +/- 0.05 +/- 0.02
Other O&M	1% change in expense	+/- 0.10
Rate base	$100 million change in rate base in rates	+/- 0.02
ROE	25 basis point change in allowed ROE	+/- 0.20
Entergy Consolidated		
Interest expense	1% change in interest rate on $1 billion debt	+/- 0.04
Pension and OPEB	25 bps change in discount rate	+/- 0.02
Effective tax rate	1% change in effective tax rate	+/- 0.09

As of February 2023

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Financial summaries
and
Regulation G reconciliations

Earnings summary

Table 1: First quarter earnings summary

	$ in millions		Per share in $	
	1Q23	1Q22	1Q23	1Q22
As-reported (after-tax)				
Utility	397	340	1.87	1.67
Parent & Other				
2022 EWC	-	7	-	0.04
All other	(86)	(71)	(0.41)	(0.35)
Total Parent & Other	(86)	(64)	(0.41)	(0.31)
Consolidated	**311**	**276**	**1.47**	**1.36**
Less adjustments				
Utility	69	-	0.32	-
Parent & Other				
2022 EWC	-	7	-	0.04
All other	-	-	-	-
Total Parent & Other	-	7	-	0.04
Consolidated	**69**	**7**	**0.32**	**0.04**
Adjusted (non-GAAP)				
Utility	329	340	1.55	1.67
Parent & Other				
2022 EWC	-	-	-	-
All other	(86)	(71)	(0.41)	(0.35)
Total Parent & Other	(86)	(71)	(0.41)	(0.35)
Consolidated	**242**	**269**	**1.14**	**1.32**

Calculations may differ due to rounding
212M and 204M diluted average common shares outstanding for 1Q23 and 1Q22, respectively
For additional details, see Appendix A in the earnings release

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Utility book ROEs

Table 2: Utility book ROE summary
LTM ending March 31, 2023
($ in millions)

		E-AR	E-LA	E-MS	E-NO	E-TX	Utility[1]
As-reported earnings available to common stock	(a)	291	947	190	59	293	1,463
Less adjustments:							
SERI depreciation adjustment		-	-	-	-	-	24
SERI sale-leaseback reg. liability / DTA turnaround		-	-	-	-	-	(13)
E-LA and E-TX true-up for the equity component of carrying costs for 2020 storms (prior year portion)			23			13	36
E-LA true-up for carrying costs for Ida storms (prior year portion)			31				31
E-LA contribution to the LURC related to securitization			(46)				(46)
E-LA tax benefit related to securitization, net of customer-sharing			184				170
SERI litigation settlement		-	-	-	-	-	(413)
Total adjustments	(b)	-	191	-	-	13	(211)
Adjusted earnings available to common stock (non-GAAP)	(c) = (a) - (b)	291	756	190	59	279	1,674
Average common equity	(d)	3,672	9,604	1,959	683	2,588	20,350
Adjustment for E-LA affiliate preferred (offset at P&O)							
Preferred investment, net of noncontrolling interest (beginning / ending average)	(e)		2,937				
Estimated equity financing for preferred investment (beginning / ending average)	(f)		2,067				
Equity ratio in last rate proceedings	(g) = (f) ÷ (e)		70.4%				
Interest and dividend income from affiliate preferred, net of noncontrolling interest	(h)		207				
Estimated debt financing for preferred investment	(i)		870				
Average cost of debt (after-tax)	(j)		2.83%				
After-tax cost of debt financing for preferred investment	(k) = (i) x (j)		25				
Estimated earnings impact from affiliate preferred	(l) = (h) – (k)		183				
As-reported ROE	(a) / (d)	7.9%	9.9%	9.7%	8.7%	11.3%	7.2%
Adjusted ROE (non-GAAP)	(c) / (d)	7.9%	7.9%	9.7%	8.7%	10.8%	8.2%
Adjusted ROE, excluding average affiliate preferred (non-GAAP)	(c-k) / (d-f)		7.6%				

Calculations may differ due to rounding

1. Utility does not equal the sum of the operating companies due primarily to SERI (as-reported earnings ~$(280M), adjusted earnings ~$121M, and average common equity ~$1,050M) and Entergy Utility Holding Co.

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Regulation G reconciliations

Table 3: ETR adjusted earnings
Reconciliation of GAAP to non-GAAP measures

	1Q23	1Q22
(Pre-tax, $ in millions)		
Net income (loss) attributable to ETR Corp.	311	276
Less adjustments:		
Utility - E-LA true-up for carrying costs on storm expenditures	31	-
Utility - E-LA contribution to the LURC related to securitization	(15)	-
Utility - E-LA customer-sharing of securitization benefit	(103)	-
Utility - income tax effect on Utility adjustments above	27	-
Utility - E-LA tax benefit resulting from securitization	129	-
P&O - 2022 EWC earnings	-	7
ETR adjusted earnings (non-GAAP)	242	269
Diluted average number of common shares outstanding (in millions)	212	204
(After-tax, per share in $)		
Net income (loss) attributable to ETR Corp.	1.47	1.36
Less adjustments:		
Utility - E-LA true-up for carrying costs on storm expenditures	0.14	-
Utility - E-LA contribution to the LURC related to securitization	(0.07)	-
Utility - E-LA customer-sharing of securitization benefit	(0.36)	-
Utility - E-LA tax benefit resulting from securitization	0.61	-
P&O - 2022 EWC earnings	-	0.04
ETR adjusted earnings (non-GAAP)	1.14	1.32

Calculations may differ due to rounding

Regulation G reconciliations

Table 3: ETR adjusted earnings
Reconciliation of GAAP to non-GAAP measures

	2022
(Pre-tax, $ in millions)	1,103
Net income (loss) attributable to ETR Corp.	
Less adjustments:	
Utility - E-LA and E-TX true-up for the equity component of carrying costs for 2020 storms (prior year portion)	41
Utility - E-LA contribution to the LURC related to securitization	(32)
Utility - E-LA customer-sharing of securitization benefit	(224)
Utility - SERI litigation settlement regulatory charge	(551)
Utility - SERI depreciation adjustment	33
Utility - income tax effect on Utility adjustments above	183
Utility - E-LA tax benefit resulting from securitization	283
Utility - SERI sale-leaseback reg. liability / DTA turnaround	(13)
EWC	63
ETR adjusted earnings (non-GAAP)	1,320
Diluted average number of common shares outstanding (in millions)	206
(After-tax, per share in $)	
Net income (loss) attributable to ETR Corp.	5.37
Less adjustments:	
Utility - E-LA and E-TX true-up for the equity component of carrying costs for 2020 storms (prior year portion)	0.17
Utility - E-LA contribution to the LURC related to securitization	(0.15)
Utility - E-LA customer-sharing of securitization benefit	(0.81)
Utility - E-LA tax benefit resulting from securitization	1.38
Utility - SERI litigation settlement regulatory charge	(2.01)
Utility - SERI depreciation adjustment	0.12
Utility - SERI sale-leaseback reg. liability / DTA turnaround	(0.06)
EWC	0.31
ETR adjusted earnings (non-GAAP)	6.42

Calculations may differ due to rounding

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