

ENTERGY TEXAS AUG. 22, 2011 NEWS RELEASE TO MEDIA

Emergency Transmission Tie to Benefit Customers

After hurricanes Rita and Ike roared through Southeast Texas and did millions of dollars in damage to the region, Entergy's priority was restoring power to hundreds of thousands of customers safely and quickly. Restoration efforts for future storms should improve in part because of a transmission tie line planned for construction between Entergy Texas, Inc. and the City of College Station in the Electric Reliability Council of Texas.

The line, to be constructed near College Station, will normally be open and will be closed only during an emergency situation declared by the governor of Texas. The connection will allow a limited load transfer between Entergy's electrical grid and ERCOT.

Once complete, Entergy will have the ability to transfer about 170 megawatts of customer load to ERCOT, which will supply them with power. In a restoration emergency, the company can use those 170 megawatts to restore electricity to other Entergy customers.

It's also a two-way street, allowing ERCOT to transfer about 100 megawatts of customer load to Entergy Texas.

"It will make a difference in getting power back to communities such as Navasota, Caldwell, Madisonville and Calvert," said Carl Olson, resource planning manager for Entergy Texas.

An Entergy switching station is only about 500 ft. from a city-owned ERCOT switching station near College Station. Creating the transfer capability between the two grids comes with a price tag of approximately \$5.6 million.

On Aug. 19, the Public Utility Commission of Texas gave the green-light for the tie line, contingent on approval from the Federal Energy Regulatory Commission. The transmission interconnection between Entergy and College Station requires the city to make a filing before FERC, requesting it to approve the interconnection and confirming that its use will not result in additional FERC jurisdiction over ERCOT or its electric members.

The Coalition of Cities, which often intervenes in matters pertaining to Entergy Texas, is not opposed to the project.

Construction project began this week and is slated for completion before the start of the 2012 storm season.