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News Release

Entergy, ITC Discontinue Pursuit of Transmission Spin/Merger *Utility Focus Remains on Growth*

New Orleans, La. – Entergy Corporation (NYSE: ETR) and ITC Holdings Corp. (NYSE: ITC) announced today that the companies have mutually agreed to end their pursuit of a spin/merger of Entergy's transmission business with ITC. The companies formally terminated the merger agreement this morning and filed pleadings to withdraw the remaining transaction approval applications with Entergy's retail regulators, as well as the Missouri Public Service Commission and the Federal Energy Regulatory Commission.

The companies originally announced the deal on Dec. 5, 2011, and have spent the past two years working to obtain the necessary approvals to complete the transaction. The agreement called for Entergy to spin off its electric transmission business to a newly formed entity and merge it with a subsidiary of ITC.

"While we strongly believe that the transaction would be in the best interest of our customers and all stakeholders, it is clear we don't have the necessary regulatory support to close the transaction," Leo Denault, Entergy's chairman and chief executive officer, said. "We sincerely thank all of our regulators, their staffs and participating parties for their hard work and diligent review of the transaction, and we look forward to working with them in the near future on how best to maintain and expand the transmission system going forward."

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Entergy's transmission business consists of approximately 15,400 miles of interconnected transmission lines at voltages of 69kV and above and associated substations across its Utility service territory in the Mid-South. The company's preliminary 2014 – 2016 capital plan includes \$1.7 billion for transmission investment. Additionally, the company is on track to transfer functional control of its transmission systems to the Midcontinent Independent System Operator, Inc., which Entergy estimates will save customers approximately \$1.4 billion over the next decade.

"We have operated our transmission system for 100 years, and we're ready and excited about continuing to do so well into the future," said Denault. "We believe it will be an integral part of the significant growth opportunities in the Utility and the backbone of reliable service at reasonable cost to our customers.

"Our service territory is primed for a historic level of economic development with over \$50 billion of capital investment announced by third parties in the last 12 to 18 months that have the potential to add more than 2,000 megawatts of load."

In addition, predictions for this surge of investment indicate it could potentially create approximately 24,000 jobs, further increasing economic activity in Entergy's region. Driven by this industrial expansion, Entergy currently forecasts 2 to 2.25 percent compound average sales growth for the Utility overall in the next three years, and with the potential to be higher if additional opportunities come to fruition and the Utility operating companies serve the new load.

"This economic development is part of our broader Utility growth strategy to bring value to our customers, employees, owners and communities," said Denault. "This strategy builds off the regional advantages from some of the lowest electricity rates in the nation and a favorable environmental profile, as well as cost management and investment to meet the needs of our customers. That has not changed. We remain focused on execution of these opportunities."

Entergy affirmed its 5 to 7 percent Utility net income compound average growth rate outlook through 2016, off 2013 base, driven by superior load growth, productive capital investment and cost-saving initiatives.

“We will work hard to ensure our grid safely and reliably meets the needs of our growing communities as we help position our region as a great place to do business,” Denault said.

“I would like to personally thank our employees for their relentless pursuit of this transaction. I know they will be just as diligent as we work together to grow our Utility and provide safe, reliable service at reasonable cost to our customers. And thanks to the employees of ITC for partnering with us in this worthwhile endeavor.”

Entergy Corporation, which celebrates its 100th birthday this year, 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 more than 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 \$10 billion and approximately 15,000 employees.

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In this news release, and from time to time, Entergy Corporation makes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. 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 in this news release and in: (i) Entergy’s most recent Annual Report on Form 10-K, any subsequent Quarterly Reports on Form 10-Q and (ii) Entergy’s other reports and filings made under the Securities Exchange Act of 1934; (b) uncertainties associated with rate proceedings, formula rate plans and other cost recovery mechanisms; (c) uncertainties associated with efforts to remediate the effects of major storms and recover related restoration costs; (d) nuclear plant relicensing, operating and regulatory risks, including any changes resulting from the nuclear crisis in Japan following its catastrophic earthquake and tsunami; (e) legislative and regulatory actions and risks and uncertainties associated with claims or litigation by or against Entergy and its subsidiaries; and (f) economic conditions and conditions in commodity and capital markets during the periods covered by the forward-looking statements, in addition to other factors described elsewhere in this release and subsequent securities filings.