Genius Brands International, Inc.
Form 8-K
October 02, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

Current Report

Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 2, 2018

GENIUS BRANDS INTERNATIONAL, INC.

(Name of registrant as specified in its charter)

Nevada	**20-4118216**
(State or other jurisdiction of	*(I.R.S. Employer*
Incorporation or organization)	*Identification Number)*

000-54389
(Commission File Number)

131 S. Rodeo Drive, Suite 250	
Beverly Hills, CA	**90212**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: (310) 273-4222

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company.

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.07. Submission of Matters to a Vote of Security Holders.

(a) On October 2, 2018, Genius Brands International, Inc. (the "**Company**") held its 2018 Annual Meeting of Stockholders (the "**Annual Meeting**"). At the Annual Meeting, the holders of 5,887,281 shares of the Company's common stock were present in person or represented by proxy, which represents 65.78% of the total shares of outstanding common stock entitled to vote as of the record date of August 3, 2018.

(b) The following actions were taken in the Annual Meeting:

(1) The following eight nominees were elected to serve on the Company's Board of Directors until the Company's 2019 annual meeting of stockholders or until their respective successors have been elected and qualified, or until their earlier resignation or removal:

Name of Director Nominees	Votes For	Votes Withheld	Broker Non-Vote
Andy Heyward	2,477,356	738	3,409,187
Amy Moynihan Heyward	2,476,690	1,404	3,409,187
Joseph "Gray" Davis	2,474,828	3,266	3,409,187
Lynne Segall	2,477,539	555	3,409,187
P. Clark Hallren	2,453,513	24,581	3,409,187
Anthony Thomopoulos	2,453,763	24,331	3,409,187
Bernard Cahill	2,477,606	488	3,409,187
Margaret Loesch	2,477,606	488	3,409,187

(2) The amendment to the Company's 2015 Amended Incentive Plan, to increase the number of shares of common stock available for grant of awards under the 2015 Amended Incentive Plan from 1,666,667 to an aggregate of 2,666,667, was approved, based on the following votes:

Votes For	Votes Against	Abstentions	Broker Non-Vote
2,324,483	141,965	11,646	3,409,187

(3) The selection of Squar Milner LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2018, was ratified, based on the following votes:

Votes For	Votes Against	Abstentions	Broker Non-Vote
5,876,438	10,710	133	0

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	GENIUS BRANDS INTERNATIONAL, INC.
Date: October 2, 2018	By: /s/ Andy Heyward
	Name: Andy Heyward
	Title: Chief Executive Officer

#0)" width="6"> 752 665 87 13 Non-associated companies 34 50 (16) (32) Total 8,955 8,801 154 2 **Nine Months Ended Increase/ Description 2007 2006 (Decrease) % (Dollars In Millions)** Electric Operating Revenues: Residential $665 $610 $55 9 Commercial 437 396 41 10 Industrial 658 589 69 12 Governmental 32 30 2 7 Total retail 1,792 1,625 167 10 Sales for resale Associated companies 208 183 25 14 Non-associated companies 9 10 (1) (10) Other 67 47 20 43 Total $2,076 $1,865 $211 11 Billed Electric Energy Sales (GWh): Residential 6,721 6,642 79 1 Commercial 4,415 4,325 90 2 Industrial 9,898 9,422 476 5 Governmental 336 328 8 2 Total retail (1) 21,370 20,717 653 3 Sales for resale Associated companies 1,704 1,960 (256) (13) Non-associated companies 92 89 3 3 Total 23,166 22,766 400 2 (1) 2006 billed electric energy sales includes 96 GWh of billings related to 2005 deliveries that were billed in 2006 because of billing delays following Hurricane Katrina, which results in an increase of 666 GWh in 2007, or 5.3%.

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ENTERGY MISSISSIPPI, INC.

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Results of Operations

Net Income

Third Quarter 2007 Compared to Third Quarter 2006

Net income increased $4.9 million primarily due to lower other operation and maintenance expenses.

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Net income increased $6.6 million primarily due to higher net revenue and higher other income, partially offset by higher depreciation and amortization expenses.

Net Revenue

Third Quarter 2007 Compared to Third Quarter 2006

Net revenue consists of operating revenues net of: 1) fuel, fuel-related expenses, and gas purchased for resale, 2) purchased power expenses, and 3) other regulatory charges (credits). Following is an analysis of the change in net revenue comparing the third quarter 2007 to the third quarter 2006.

	Amount (In Millions)
2006 net revenue	$149.4
Various insignificant items	1.6
2007 net revenue	$151.0

Gross operating revenues and other regulatory charges (credits)

Gross operating revenues increased primarily due to an increase in gross wholesale revenue of $43.1 million primarily as a result of increased sales to affiliated systems and higher power management rider revenue of $10.9 million, partially offset by a decrease of $32.5 million in fuel cost recovery revenues due to lower fuel rates and decreased usage.

Other regulatory charges increased primarily due to the refunding in 2006, through the power management recovery rider, of gains recorded on gas hedging contracts in addition to the over-recovery in 2007, through the Grand Gulf rider, of Grand Gulf capacity charges. There is no material effect on net income due to quarterly adjustments to the power management recovery rider.

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Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Net revenue consists of operating revenues net of: 1) fuel, fuel-related expenses, and gas purchased for resale, 2) purchased power expenses, and 3) other regulatory charges (credits). Following is an analysis of the change in net revenue comparing the nine months ended September 30, 2007 to the nine months ended September 30, 2006.

	Amount (In Millions)
2006 net revenue	$364.5
Volume/weather	6.2
Transmission revenue	3.3
Transmission equalization	3.1
Attala costs	(10.2)
Other	4.0
2007 net revenue	$370.9

The volume/weather variance is primarily due to increased electricity usage primarily in the residential and commercial sectors, including increased usage primarily during the unbilled sales period. The increase in usage was substantially offset by decreased usage in the industrial sector. See Note 1 to the financial statements in the Form 10-K for a discussion of the accounting for unbilled revenues.

The transmission revenue variance is due to higher rates and the addition of new transmission customers in late-2006.

The transmission equalization variance is primarily due to a revision made in 2006 of transmission equalization receipts among Entergy companies.

The Attala costs variance is primarily due to a decline in the Attala costs that are recovered through the power management rider. The net income effect of this cost deferral is partially offset by Attala costs in other operation and maintenance expenses, depreciation expense, and taxes other than income taxes.

Gross operating revenues, fuel and purchased power expenses, and other regulatory charges (credits)

Gross operating revenues decreased primarily due to a decrease of $275.9 million in fuel cost recovery revenues due to lower fuel rates, partially offset by higher power management rider revenue of $77.5 million and an increase of $67.1 million in gross wholesale revenue as a result of increased sales to affiliated systems.

Fuel and purchased power expenses decreased primarily due to decreased recovery of deferred fuel costs from customers and an increase in demand, partially offset by an increase in the market price of natural gas.

Other regulatory charges increased primarily due to the refunding in 2006, through the power management recovery rider, of gains recorded on gas hedging contracts in addition to the over-recovery in 2007, through the Grand Gulf rider, of Grand Gulf capacity charges. The increase was partially offset by the decreased recovery of Attala costs, as discussed above. There is no material effect on net income due to quarterly adjustments to the power management recovery rider.

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Other Income Statement Variances

<u>Third Quarter 2007 Compared to Third Quarter 2006</u>

Other operation and maintenance expenses decreased primarily due to a decrease of $3.1 million in loss reserves for storm damage in 2007 and a decrease of $2.5 million in payroll and payroll-related costs.

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Depreciation and amortization expenses increased primarily due to an increase in plant in service.

Other income increased primarily due to the gain recorded on the sale of non-utility property and higher interest earned on money pool investments.

Income Taxes

The effective income tax rate was 35.4% for the third quarter 2007 and 33.6% for the nine months ended September 30, 2007. The difference in the effective income tax rate for the nine months ended September 30, 2007 versus the federal statutory rate of 35% is primarily due to the amortization of investment tax credits and excess deferred income taxes, a federal tax reserve adjustment and book and tax differences related to the allowance for equity funds used during construction, partially offset by state income taxes and book and tax differences related to utility plant items.

The effective income tax rate was 36.9% for the third quarter 2006 and 34.8% for the nine months ended September 30, 2006. The difference in the effective tax rate for the third quarter 2006 versus the federal statutory rate of 35.0% is primarily due to state income taxes.

Hurricane Katrina Storm Cost Recovery

In October 2006 the MPSC issued a financing order authorizing the issuance of state bonds to finance $8 million of Entergy Mississippi's certified Hurricane Katrina restoration costs and $40 million for an increase in Entergy Mississippi's storm damage reserve. $30 million of the storm damage reserve will be set aside in a restricted account. A Mississippi state entity issued the bonds in May 2007, and Entergy Mississippi received proceeds of $48 million. Entergy Mississippi will not report the bonds on its balance sheet because the bonds are the obligation of the state entity, and there is no recourse against Entergy Mississippi in the event of a bond default. To service the bonds, Entergy Mississippi will collect a system restoration charge on behalf of the state, and will remit the collections to the state. By analogy to and in accordance with Entergy's accounting policy for collection of sales taxes, Entergy Mississippi will not report the collections as revenue because it is merely acting as the billing and collection agent for the state.

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Liquidity and Capital Resources

Cash Flow

Cash flows for the nine months ended September 30, 2007 and 2006 were as follows:

	2007	2006
	(In Thousands)	
Cash and cash equivalents at beginning of period	$73,417	$4,523
Cash flow provided by (used in):		
Operating activities	106,474	297,417
Investing activities	(17,379)	(272,823)
Financing activities	(125,721)	8,180

Net increase (decrease) in cash and cash equivalents	(36,626)	32,774
Cash and cash equivalents at end of period	$36,791	$37,297

Operating Activities

Cash flow from operating activities decreased $190.9 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to decreased recovery of fuel costs and an income tax refund received in 2006, partially offset by securitization proceeds of $48 million and a decrease of $15.6 million in pension contributions.

Investing Activities

The decrease of $255.4 million in net cash used by investing activities for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 is primarily due to:

- the receipt of proceeds in 2007 from funds held in trust in 2006 that were used for the redemption in January 2007, prior to maturity, of its $100 million, 4.35% Series First Mortgage Bonds;
- money pool activity; and
- the purchase of the Attala plant for $88 million in January 2006.

The decrease was partially offset by the transfer of $30 million to a storm damage reserve escrow account.

Financing Activities

Entergy Mississippi's financing activities used $125.7 million for the nine months ended September 30, 2007 compared to providing $8.2 million for the nine months ended September 30, 2006 primarily due to the redemption, prior to maturity, of $100 million of First Mortgage Bonds in January 2007, the issuance of $100 million of long-term debt in 2006, and an increase of $18.8 million in common stock dividends paid in 2007, partially offset by money pool activity.

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Capital Structure

Entergy Mississippi's capitalization is balanced between equity and debt, as shown in the following table. The decrease in the debt to capital percentage as of September 30, 2007 is primarily due to the redemption of $100 million of First Mortgage Bonds in January 2007.

	September 30, 2007	December 31, 2006
Net debt to net capital	48.7%	51.9%
Effect of subtracting cash from debt	1.3%	2.4%
Debt to capital	50.0%	54.3%

Net debt consists of debt less cash and cash equivalents. Debt consists of notes payable, capital lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt and shareholders' equity. Net capital consists of capital less cash and cash equivalents. Entergy Mississippi uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Mississippi's financial condition.

Uses and Sources of Capital

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources**" in the Form 10-K for a discussion of Entergy Mississippi's uses and sources of capital. Following are updates to the information presented in the Form 10-K.

Entergy Mississippi's receivables from or (payables to) the money pool were as follows:

September 30, 2007	December 31, 2006	September 30, 2006	December 31, 2005
(In Thousands)			
$16,498	$39,573	$73,137	($84,066)

See Note 4 to the financial statements in the Form 10-K for a description of the money pool.

As discussed in the Form 10-K, Entergy Mississippi has two separate credit facilities in the aggregate amount of $50 million and renewed both facilities through May 2008. Borrowings under the credit facilities may be secured by a security interest in Entergy Mississippi's accounts receivable. No borrowings were outstanding under either facility as of September 30, 2007.

In January 2007, Entergy Mississippi redeemed, prior to maturity, its $100 million, 4.35% Series First Mortgage Bonds due April 2008.

Significant Factors and Known Trends

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Significant Factors and Known Trends**" in the Form 10-K for a discussion of state and local rate regulation, federal regulation, the Energy Policy Act of 2005, and utility restructuring. The following is an update to the information provided in the Form 10-K.

State and Local Rate Regulation

In March 2007, Entergy Mississippi made its annual scheduled formula rate plan filing for the 2006 test year with the MPSC. The filing showed that an increase of $12.9 million in annual electric revenues is warranted. In June 2007, the MPSC approved a joint stipulation between Entergy

Mississippi and the Mississippi Public Utilities staff that provides for a $10.5 million rate increase, which was effective beginning with July 2007 billings.

Federal Regulation

See "System Agreement Proceedings", "Independent Coordinator of Transmission", and "Available Flowgate Capacity Proceeding" in the "**Significant Factors and Known Trends**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for updates to the discussion in the Form 10-K.

Critical Accounting Estimates

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Critical Accounting Estimates**" in the Form 10-K for a discussion of the estimates and judgments necessary in Entergy Mississippi's accounting for unbilled revenue and qualified pension and other postretirement benefits.

New Accounting Pronouncements

See "**New Accounting Pronouncements**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of new accounting pronouncements.

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ENTERGY MISSISSIPPI, INC.
INCOME STATEMENTS
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	Three Months Ended		**Nine Months Ended**	
	2007	**2006**	**2007**	**2006**
	(In Thousands)		**(In Thousands)**	
OPERATING REVENUES				
Electric	$447,244	$429,460	$1,063,685	$1,190,543
OPERATING EXPENSES				
Operation and Maintenance:				
Fuel, fuel-related expenses, and gas purchased for resale	186,302	169,458	358,377	532,616
Purchased power	102,964	117,316	308,085	357,076
Other operation and maintenance	47,673	53,475	145,381	144,487
Taxes other than income taxes	15,147	17,080	47,037	49,303
Depreciation and amortization	20,218	19,698	60,429	55,768
Other regulatory charges (credits) - net	7,005	(6,717)	26,289	(63,625)
TOTAL	379,309	370,310	945,598	1,075,625
OPERATING INCOME	67,935	59,150	118,087	114,918
OTHER INCOME				
Allowance for equity funds used during construction	756	747	3,149	2,861
Interest and dividend income	1,458	1,979	4,099	2,934

Miscellaneous - net	(541)	(289)	1,652	(1,321)
TOTAL	1,673	2,437	8,900	4,474
INTEREST AND OTHER CHARGES				
Interest on long-term debt	10,682	11,474	31,501	34,081
Other interest - net	3,447	1,194	5,929	4,063
Allowance for borrowed funds used during construction	(485)	(499)	(2,065)	(1,896)
TOTAL	13,644	12,169	35,365	36,248
INCOME BEFORE INCOME TAXES	55,964	49,418	91,622	83,144
Income taxes	19,839	18,232	30,757	28,914
NET INCOME	36,125	31,186	60,865	54,230
Preferred dividend requirements and other	707	707	2,121	2,121
EARNINGS APPLICABLE TO COMMON STOCK	$35,418	$30,479	$58,744	$52,109

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, INC.
STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	2007	**2006**
	(In Thousands)	
OPERATING ACTIVITIES		
Net income	$60,865	$54,230
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Other regulatory charges (credits) - net	26,289	(63,625)
Depreciation and amortization	60,429	55,768
Deferred income taxes, investment tax credits, and non-current taxes accrued	(39,128)	79,589
Changes in working capital:		
Receivables	(82,111)	(18,458)

Fuel inventory	(236)	(3,033)
Accounts payable	24,156	(39,966)
Taxes accrued	36,677	6,654
Interest accrued	2,775	2,185
Deferred fuel costs	(63,150)	222,177
Other working capital accounts	14,449	17,470
Provision for estimated losses and reserves	39,907	(7)
Changes in other regulatory assets	31,292	(39,436)
Other	(5,740)	23,869
Net cash flow provided by operating activities	106,474	297,417
INVESTING ACTIVITIES		
Construction expenditures	(109,264)	(112,847)
Payment for purchase of plant	-	(88,199)
Allowance for equity funds used during construction	3,149	2,861
Changes in other temporary investments - net	100,000	(1,501)
Proceeds from sale of assets	2,616	-
Change in money pool receivable - net	16,474	(73,137)
Payment to storm reserve escrow account	(30,354)	-
Net cash flow used in investing activities	(17,379)	(272,823)
FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	-	99,167
Retirement of long-term debt	(100,000)	-
Change in money pool payable - net	-	(84,066)
Dividends paid:		
Common stock	(23,600)	(4,800)
Preferred stock	(2,121)	(2,121)
Net cash flow provided by (used in) financing activities	(125,721)	8,180
Net increase (decrease) in cash and cash equivalents	(36,626)	32,774
Cash and cash equivalents at beginning of period	73,417	4,523
Cash and cash equivalents at end of period	$36,791	$37,297
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid/(received) during the period for:		
Interest - net of amount capitalized	$32,768	$34,367
Income taxes	$8,290	($65,803)

See Notes to Financial Statements

ENTERGY MISSISSIPPI, INC.

BALANCE SHEETS
ASSETS
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	2006
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$756	$2,128
Temporary cash investment - at cost, which approximates market	36,035	71,289
Total cash and cash equivalents	36,791	73,417
Accounts receivable:		
Customer	105,208	61,216
Allowance for doubtful accounts	(985)	(616)
Associated companies	49,971	45,040
Other	9,824	9,032
Accrued unbilled revenues	41,231	32,550
Total accounts receivable	205,249	147,222
Accumulated deferred income taxes	5,035	-
Fuel inventory - at average cost	7,881	7,645
Materials and supplies - at average cost	30,686	28,607
Other special deposits	-	100,000
Prepayments and other	7,179	7,398
TOTAL	292,821	364,289
OTHER PROPERTY AND INVESTMENTS		
Investment in affiliates - at equity	5,531	5,531
Non-utility property - at cost (less accumulated depreciation)	5,174	6,061
Storm reserve escrow account	30,354	-
Note receivable - Entergy New Orleans	7,610	-
TOTAL	48,669	11,592
UTILITY PLANT		
Electric	2,806,011	2,692,971
Property under capital lease	9,432	17
Construction work in progress	62,574	79,950
TOTAL UTILITY PLANT	2,878,017	2,772,938
Less - accumulated depreciation and amortization	991,507	945,548
UTILITY PLANT - NET	1,886,510	1,827,390
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
SFAS 109 regulatory asset - net	32,027	26,378
Other regulatory assets	145,464	186,986
Long-term receivables	2,288	2,288
Other	22,614	21,968
TOTAL	202,393	237,620

TOTAL ASSETS	$2,430,393	$2,440,891

See Notes to Financial Statements.

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ENTERGY MISSISSIPPI, INC.
BALANCE SHEETS
LIABILITIES AND SHAREHOLDERS' EQUITY
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	**2006**
	(In Thousands)	
CURRENT LIABILITIES		
Accounts payable:		
Associated companies	$33,138	$59,696
Other	86,925	38,097
Customer deposits	54,809	51,568
Taxes accrued	82,364	45,687
Accumulated deferred income taxes	-	3,963
Interest accrued	15,838	13,063
Deferred fuel costs	32,086	95,236
System agreement cost equalization	17,391	-
Other	13,301	17,624
TOTAL	335,852	324,934
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	510,197	516,558
Accumulated deferred investment tax credits	10,073	11,047
Obligations under capital lease	8,140	-
Asset retirement cost liabilities	4,441	4,254
Accumulated provisions	49,943	10,036
Pension and other postretirement liabilities	64,655	64,604
Long-term debt	695,250	795,187
Other	48,680	46,253
TOTAL	1,391,379	1,447,939
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
Preferred stock without sinking fund	50,381	50,381
Common stock, no par value, authorized 15,000,000 shares; issued and outstanding 8,666,357 shares in 2007 and 2006	199,326	199,326
Capital stock expense and other	(690)	(690)
Retained earnings	454,145	419,001

TOTAL	703,162	668,018
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,430,393	$2,440,891

See Notes to Financial Statements.

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ENTERGY MISSISSIPPI, INC.
SELECTED OPERATING RESULTS
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

Description	**Three Months Ended 2007**	**2006**	**Increase/ (Decrease)**	**%**
	(Dollars In Millions)			
Electric Operating Revenues:				
Residential	$ 179	$ 189	($ 10)	(5)
Commercial	129	133	(4)	(3)
Industrial	49	56	(7)	(13)
Governmental	11	12	(1)	(8)
Total retail	368	390	(22)	(6)
Sales for resale				
Associated companies	56	13	43	331
Non-associated companies	11	12	(1)	(8)
Other	12	15	(3)	(20)
Total	$ 447	$ 430	$ 17	4
Billed Electric Energy Sales (GWh):				
Residential	1,898	1,905	(7)	-
Commercial	1,470	1,443	27	2
Industrial	724	768	(44)	(6)
Governmental	122	125	(3)	(2)
Total retail	4,214	4,241	(27)	(1)
Sales for resale				
Associated companies	444	143	301	210
Non-associated companies	167	161	6	4
Total	4,825	4,545	280	6

Description	**Nine Months Ended 2007**	**2006**	**Increase/ (Decrease)**	**%**
	(Dollars In Millions)			
Electric Operating Revenues:				
Residential	$ 393	$ 471	($ 78)	(17)

Commercial	323	391	(68)	(17)
Industrial	139	188	(49)	(26)
Governmental	30	37	(7)	(19)
Total retail	885	1,087	(202)	(19)
Sales for resale				
Associated companies	108	36	72	200
Non-associated companies	26	31	(5)	(16)
Other	45	37	8	22
Total	$ 1,064	$ 1,191	($ 127)	(11)
Billed Electric Energy Sales (GWh):				
Residential	4,291	4,235	56	1
Commercial	3,684	3,611	73	2
Industrial	2,072	2,189	(117)	(5)
Governmental	317	318	(1)	-
Total retail	10,364	10,353	11	-
Sales for resale				
Associated companies	893	397	496	125
Non-associated companies	370	342	28	8
Total	11,627	11,092	535	5

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ENTERGY NEW ORLEANS, INC.

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Hurricane Katrina

See the Form 10-K for a discussion of the effects of Hurricane Katrina, which in August 2005 caused catastrophic damage to Entergy New Orleans' service territory, including the effect of extensive flooding that resulted from levee breaks in and around the New Orleans area, and Entergy New Orleans' efforts to seek recovery of storm restoration costs.

In March 2007, the City Council certified that Entergy New Orleans has incurred $205 million in storm-related costs through December 2006 that are eligible for CDBG funding under the state action plan, and certified Entergy New Orleans' estimated costs of $465 million for its gas system rebuild. In April 2007, Entergy New Orleans executed an agreement with the Louisiana Office of Community Development under which $200 million of CDBG funds will be made available to Entergy New Orleans. Entergy New Orleans submitted the agreement to the bankruptcy court, which approved it on April 25, 2007. Entergy New Orleans has received $180.8 million of the funds thus far, and the remainder will be paid to Entergy New Orleans as it incurs and submits additional eligible costs.

Entergy reached an agreement with one of its excess insurers under which Entergy received $69.5 million in the second quarter 2007 in settlement of its Hurricane Katrina claim with that insurer. Entergy New Orleans was allocated

$53.8 million of the proceeds. Entergy New Orleans has received a total of $70.7 million as of September 30, 2007 on its Hurricane Katrina and Hurricane Rita insurance claims, including $60.4 million in 2007. In the third quarter 2007, Entergy filed a lawsuit in the U.S. District Court for the Eastern District of Louisiana against its other excess insurer on the Hurricane Katrina claim. At issue in the lawsuit is whether any policy exclusions limit the extent of coverage provided by that insurer. Refer to Note 8 to the financial statements in the Form 10-K for a further description of Entergy's Hurricane Katrina and Hurricane Rita insurance claims and the non-nuclear property insurance coverage in place at the time the claims occurred.

Bankruptcy Proceedings

See the Form 10-K for a discussion of the Entergy New Orleans bankruptcy proceeding. On May 7, 2007, the bankruptcy judge entered an order confirming Entergy New Orleans' plan of reorganization. With the receipt of CDBG funds, and the agreement on insurance recovery with one of its excess insurers, Entergy New Orleans waived the conditions precedent in its plan of reorganization, and the plan became effective on May 8, 2007. Following are significant terms in Entergy New Orleans' plan of reorganization:

- Entergy New Orleans paid in full, in cash, the allowed third-party prepetition accounts payable (approximately $29 million, including interest). Entergy New Orleans paid interest from September 23, 2005 at the Louisiana judicial rate of interest for 2005 (6%) and 2006 (8%), and at the Louisiana judicial rate of interest plus 1% for 2007 through the date of payment. The Louisiana judicial rate of interest for 2007 is 9.5%.
- Entergy New Orleans issued notes due in three years in satisfaction of its affiliate prepetition accounts payable (approximately $74 million, including interest), including its indebtedness to the Entergy System money pool. Entergy New Orleans included in the principal amount of the notes accrued interest from September 23, 2005 at the Louisiana judicial rate of interest for 2005 (6%) and 2006 (8%), and at the Louisiana judicial rate of interest plus 1% for 2007 through the date of issuance of the notes. The Louisiana judicial rate of interest is 9.5% for 2007. Entergy New Orleans will pay interest on the notes from their date of issuance at the Louisiana judicial rate of interest plus 1%.

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- Entergy New Orleans repaid to Entergy Corporation, in full, in cash, the outstanding borrowings under the debtor-in-possession (DIP) credit agreement (approximately $67 million).
- Entergy New Orleans' first mortgage bonds will remain outstanding with their current maturity dates and interest terms. Pursuant to an agreement with its first mortgage bondholders, Entergy New Orleans paid the first mortgage bondholders an amount equal to the one year of interest from the bankruptcy petition date that the bondholders had waived previously in the bankruptcy proceeding (approximately $12 million).
- Entergy New Orleans' preferred stock will remain outstanding on its current dividend terms, and Entergy New Orleans paid its unpaid preferred dividends in arrears (approximately $1 million).
- Litigation claims will generally be unaltered, and will generally proceed as if Entergy New Orleans had not filed for bankruptcy protection, with exceptions for certain claims.

Results of Operations

Net Income

Third Quarter 2007 Compared to Third Quarter 2006

Net income increased $2.2 million in the third quarter 2007 compared to the third quarter 2006 primarily due to higher net revenue and a lower effective income tax rate, substantially offset by higher other operation and maintenance expenses and higher interest charges.

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Net income increased slightly by $1.0 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to higher net revenue and a lower effective income tax rate, almost entirely offset by higher other operation and maintenance expenses and higher interest charges.

Net Revenue

Third Quarter 2007 Compared to Third Quarter 2006

Net revenue consists of operating revenues net of: 1) fuel, fuel-related expenses, and gas purchased for resale, 2) purchased power expenses, and 3) other regulatory charges. Following is an analysis of the changes in net revenue comparing the third quarter 2007 to the third quarter 2006.

	Amount (In Millions)
2006 net revenue	$58.0
Volume/weather	7.4
Storm reserve rider	2.9
Net gas revenue	2.0
Other	1.2
2007 net revenue	$71.5

The volume/weather variance is due to an increase in electricity usage primarily in the residential and governmental sectors in 2007 compared to the same period in 2006. Billed retail electricity usage increased a total of 146 GWh compared to the third quarter 2006, an increase of 12%.

The storm reserve rider variance is due to a storm rider effective March 2007 as a result of the City Council's approval of a settlement agreement in October 2006. The approved storm reserve will be created over a ten-year period through the rider and the funds will be held in a restricted escrow account. The settlement agreement is discussed in Note 2 to the financial statements in the Form 10-K.

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The net gas revenue variance is due to an increase of 6% in volume compared to the same period in 2006.

Gross operating revenues and fuel and purchased power expenses

Gross operating revenues increased primarily due to:

- an increase in fuel cost recovery revenues of $8.5 million as a result of higher usage;
- the increase in volume/weather of $7.4 million, discussed above; and
- an increase in wholesale revenues of $6 million due to increased sales to affiliated companies.

Fuel and purchased power expenses increased primarily due to an increase in volume as a result of increased demand and an increase in the average price of purchased power.

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Net revenue consists of operating revenues net of: 1) fuel, fuel-related expenses, and gas purchased for resale, 2) purchased power expenses, and 3) other regulatory charges. Following is an analysis of the changes in net revenue comparing the nine months ended September 30, 2007 to the nine months ended September 30, 2006.

	Amount (In Millions)
2006 net revenue	$149.6
Fuel recovery	42.6
Volume/weather	21.3
Storm reserve rider	6.2
Net wholesale revenue	(41.3)
Other	5.2
2007 net revenue	$183.6

The fuel recovery variance is due to the inclusion of Grand Gulf costs in fuel recoveries effective July 1, 2006. In June 2006, the City Council approved the recovery of Grand Gulf costs through the fuel adjustment clause, without a corresponding change in base rates (a significant portion of Grand Gulf costs was previously recovered through base rates).

The volume/weather variance is due to an increase in electricity usage in the service territory in 2007 compared to the same period in 2006. The first quarter 2006 was affected by customer losses following Hurricane Katrina. Billed retail electricity usage increased a total of 446 GWh compared to the same period in 2006, an increase of 16%.

The storm reserve rider variance is due to a storm rider effective March 2007 as a result of the City Council's approval of a settlement agreement in October 2006. The approved storm reserve will be created over a ten-year period through the rider and the funds will be held in a restricted escrow account. The settlement agreement is discussed in Note 2 to the financial statements in the Form 10-K.

The net wholesale revenue variance is due to more energy available for resale in 2006 due to the decrease in retail usage caused by customer losses following Hurricane Katrina. In addition, 2006 revenue includes the sales into the wholesale market of Entergy New Orleans' share of the output of Grand Gulf, pursuant to City Council approval of measures proposed by Entergy New Orleans to address the reduction in Entergy New Orleans' retail customer usage caused by Hurricane Katrina and to provide revenue support for the costs of Entergy New Orleans' share of Grand Gulf.

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Gross operating revenues and fuel and purchased power expenses

Gross operating revenues increased primarily due to:

- an increase in fuel cost recovery revenues of $27.9 million as a result of higher electricity usage and higher fuel rates;
- the volume/weather variance of $21.3 million, as discussed above; and
- an increase in gross gas revenues of $20.5 million primarily due to increased gas usage.

Fuel and purchased power expenses increased primarily due to an increase in volume as a result of increased demand and an increase in the average price of purchased power.

Other Income Statement Variances

Third Quarter 2007 Compared to Third Quarter 2006

Other operation and maintenance expenses increased primarily due to:

- an increase of $11 million due to a provision for storm-related bad debts; and
- an increase of $3.5 million as a result of the return to normal operations work in 2007 versus storm restoration activities in 2006 as a result of Hurricane Katrina.

Other income increased due to carrying costs related to the Hurricane Katrina storm costs regulatory asset and interest on temporary cash investments.

Interest and other charges increased primarily due to interest accruals on first mortgage bonds. On September 23, 2006, when the one-year interest moratorium agreed to by the bondholders expired, Entergy New Orleans resumed interest accruals on its outstanding first mortgage bonds. In addition, beginning May 8, 2007, Entergy New Orleans began accruing interest on third-party and affiliate accounts payable as a result of its plan of reorganization filed with the bankruptcy court, as discussed above.

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006

Other operation and maintenance expenses increased primarily due to:

- an increase of $12.7 million as a result of the return to normal operations work in 2007 versus storm restoration activities in 2006 as a result of Hurricane Katrina; and
- an increase of $11 million due to a provision for storm-related bad debts.

Other income increased due to carrying costs related to the Hurricane Katrina storm costs regulatory asset and interest on temporary cash investments.

Interest and other charges increased primarily due to interest accruals on first mortgage bonds. On September 23, 2006, when the one-year interest moratorium agreed to by the bondholders expired, Entergy New Orleans resumed interest accruals on its outstanding first mortgage bonds. In addition, beginning May 8, 2007, Entergy New Orleans began accruing interest on third-party and affiliate accounts payable as a result of its plan of reorganization filed with the bankruptcy court, as discussed above.

Income Taxes

The effective income tax rate was 33.4% for the third quarter 2007 and 37.8% for the nine months ended September 30, 2007. The effective tax rate for the third quarter 2007 is lower than the statutory rate of 35% primarily due to an adjustment of prior year's federal tax reserve partially offset by state income taxes and book and tax differences related to utility plant items. The effective income tax rate for the nine months

ended September 30, 2007 was higher than the federal statutory rate of 35% primarily due to state income taxes and book and tax differences related to utility plant items, partially offset by the amortization of deferred income taxes, book and tax differences related to the allowance for equity funds used during construction, and an adjustment of prior year's federal tax reserve.

The effective income tax rate was 40.9% for the third quarter 2006 and 39.1% for the nine months ended September 30, 2006. The effective income tax rate for the third quarter 2006 and the nine months ended September 30, 2006 is higher than the statutory rate of 35% primarily due to state income taxes and book and tax differences related to utility plant items, partially offset by book and tax differences related to the allowance for equity funds used during construction.

Liquidity and Capital Resources

Cash Flow

Cash flows for the nine months ended September 30, 2007 and 2006 were as follows:

	2007	2006
	(In Thousands)	
Cash and cash equivalents at beginning of period	$17,093	$48,056
Cash flow provided by (used in):		
Operating activities	163,563	96,197
Investing activities	8,910	(57,952)
Financing activities	(53,586)	(73,344)
Net increase (decrease) in cash and cash equivalents	118,887	(35,099)
Cash and cash equivalents at end of period	$135,980	$12,957

Operating Activities

Net cash provided by operating activities increased $67.4 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to the receipt of CDBG funds of $180.8 million. The increase was partially offset by:

- the receipt of an income tax refund of $59 million in 2006;
- pension contributions of $44 million in 2007;
- Entergy New Orleans' use of cash for the payment of prepetition accounts payable (approximately $29 million, including interest); and
- the resumption of interest payments on its first mortgage bonds, and other bankruptcy-related items.

Investing Activities

Entergy New Orleans investing activities used $58 million of cash for the nine months ended September 30, 2006 compared to providing $8.9 million of cash for the nine months ended September 30, 2007 primarily due to the receipt in the second quarter 2007 of insurance proceeds related to Hurricane Katrina. Entergy New Orleans also received proceeds of $10 million related to the sale in the first quarter 2007 of a power plant that had been out of service since 1984.

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Financing Activities

Net cash used in financing activities decreased $19.8 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to the repayment by setoff in 2006 of the $15 million credit facility.

Capital Structure

Entergy New Orleans' capitalization is shown in the following table. The decrease in the net debt to net capital ratio is primarily due to the increase in cash as a result of the receipt of CDBG funding and insurance proceeds.

	September 30, 2007	December 31, 2006
Net debt to net capital	46.0%	60.4%
Effect of subtracting cash from debt	14.6%	1.5%
Debt to capital	60.6%	61.9%

Net debt consists of debt less cash and cash equivalents. Debt consists of notes payable and long-term debt, including the currently maturing portion. Capital consists of debt and shareholders' equity. Net capital consists of capital less cash and cash equivalents. Entergy New Orleans uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy New Orleans' financial condition.

Uses and Sources of Capital

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - <u>Liquidity and Capital Resources</u>**" in the Form 10-K for a discussion of Entergy New Orleans' uses and sources of capital. The following are updates to the Form 10-K.

Entergy New Orleans' payables to the money pool were as follows:

September 30, 2007	December 31, 2006	September 30, 2006	December 31, 2005
	(In Thousands)		
$ -	($37,166)	($37,166)	($37,166)

See Note 4 to the financial statements in the Form 10-K for a description of the money pool. As discussed above in "**Bankruptcy Proceedings**", Entergy New Orleans issued notes due in three years in satisfaction of its affiliate prepetition accounts payable, including its indebtedness to the Entergy System money pool.

<u>Significant Factors and Known Trends</u>

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - <u>Significant Factors and Known Trends</u>**" in the Form 10-K for a discussion of state and local rate regulation, federal regulation, the Energy Policy Act of 2005, environmental risks, and litigation risks.

Federal Regulation

See "<u>System Agreement Proceedings</u>", "<u>Independent Coordinator of Transmission</u>", and "<u>Available Flowgate Capacity Proceeding</u>" in the "**<u>Significant Factors and Known Trends</u>**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for updates to the discussion in the Form 10-K.

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Critical Accounting Estimates

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Critical Accounting Estimates**" in the Form 10-K for a discussion of the estimates and judgments necessary in Entergy New Orleans' accounting for unbilled revenue and qualified pension and other postretirement benefits.

New Accounting Pronouncements

See "**New Accounting Pronouncements**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of new accounting pronouncements.

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ENTERGY NEW ORLEANS, INC.
INCOME STATEMENTS
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2007	2006	2007	2006
	(In Thousands)		(In Thousands)	
OPERATING REVENUES				
Electric	$172,528	$146,105	$431,815	$363,181
Natural gas	18,335	15,538	91,178	70,678
TOTAL	190,863	161,643	522,993	433,859
OPERATING EXPENSES				
Operation and Maintenance:				
Fuel, fuel-related expenses, and gas purchased for resale	58,134	56,098	189,727	107,199
Purchased power	60,188	46,504	146,543	173,952
Other operation and maintenance	35,326	22,193	82,121	54,135
Taxes other than income taxes	10,537	9,164	29,339	25,853
Depreciation and amortization	8,117	8,775	24,227	24,747
Reorganization items	-	4,853	-	6,793
Other regulatory charges - net	1,031	1,040	3,096	3,120
TOTAL	173,333	148,627	475,053	395,799
OPERATING INCOME	17,530	13,016	47,940	38,060

OTHER INCOME				
Allowance for equity funds used during construction	133	540	1,592	2,528
Interest and dividend income	2,877	768	8,902	2,357
Miscellaneous - net	(202)	(123)	(569)	(255)
TOTAL	2,808	1,185	9,925	4,630
INTEREST AND OTHER CHARGES				
Interest on long-term debt	3,246	455	9,736	824
Other interest - net	2,663	1,603	9,398	4,741
Allowance for borrowed funds used during construction	(98)	(428)	(1,195)	(2,034)
TOTAL	5,811	1,630	17,939	3,531
INCOME BEFORE INCOME TAXES	14,527	12,571	39,926	39,159
Income taxes	4,848	5,141	15,079	15,312
NET INCOME	9,679	7,430	24,847	23,847
Preferred dividend requirements and other	402	93	884	185
EARNINGS APPLICABLE TO COMMON STOCK	$9,277	$7,337	$23,963	$23,662

See Notes to Financial Statements.

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ENTERGY NEW ORLEANS, INC.
STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	2007	**2006**
	(In Thousands)	
OPERATING ACTIVITIES		
Net income	$24,847	$23,847
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Other regulatory charges - net	3,096	3,120
Depreciation and amortization	24,227	24,747
Deferred income taxes and investment tax credits	18,591	64,659
Changes in working capital:		
Receivables	(673)	11,147

Fuel inventory	674	4,494
Accounts payable	(15,016)	(6,045)
Taxes accrued	(2,086)	4,808
Interest accrued	(14,583)	1,098
Deferred fuel costs	(11,789)	2,202
Other working capital accounts	(4,763)	(3,867)
Provision for estimated losses and reserves	3,811	98
Changes in pension liability	(45,759)	4,393
Changes in other regulatory assets	186,324	(45,320)
Other	(3,338)	6,816
Net cash flow provided by operating activities	163,563	96,197
INVESTING ACTIVITIES		
Construction expenditures	(55,526)	(60,480)
Allowance for equity funds used during construction	1,592	2,528
Insurance proceeds	55,973	-
Proceeds from the sale of assets	10,046	-
Changes in other investments - net	(3,175)	-
Net cash flow provided by (used in) investing activities	8,910	(57,952)
FINANCING ACTIVITIES		
Repayment on DIP credit facility	(51,934)	(58,159)
Changes in short-term borrowings	-	(15,000)
Dividends paid:		
Preferred stock	(1,652)	(185)
Net cash flow used in financing activities	(53,586)	(73,344)
Net increase (decrease) in cash and cash equivalents	118,887	(35,099)
Cash and cash equivalents at beginning of period	17,093	48,056
Cash and cash equivalents at end of period	$135,980	$12,957
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid/(received) during the period for:		
Interest - net of amount capitalized	$15,153	$3,914
Income taxes	$381	($59,062)

See Notes to Financial Statements.

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ENTERGY NEW ORLEANS, INC.
BALANCE SHEETS
ASSETS
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	**2006**

	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents		
Cash	$1,173	$3,886
Temporary cash investments - at cost		
which approximates market	134,807	13,207
Total cash and cash equivalents	135,980	17,093
Accounts receivable:		
Customer	56,246	58,999
Allowance for doubtful accounts	(6,018)	(10,563)
Associated companies	5,686	17,797
Other	9,391	8,428
Accrued unbilled revenues	33,787	23,758
Total accounts receivable	99,092	98,419
Deferred fuel costs	30,785	18,996
Fuel inventory - at average cost	4,367	5,041
Materials and supplies - at average cost	9,506	7,825
Prepayments and other	8,903	5,641
TOTAL	288,633	153,015
OTHER PROPERTY AND INVESTMENTS		
Investment in affiliates - at equity	3,259	3,259
Non-utility property at cost (less accumulated depreciation)	1,016	1,107
Other property and investments	3,175	-
TOTAL	7,450	4,366
UTILITY PLANT		
Electric	740,730	698,081
Natural gas	199,396	186,932
Construction work in progress	15,768	21,824
TOTAL UTILITY PLANT	955,894	906,837
Less - accumulated depreciation and amortization	506,564	446,673
UTILITY PLANT - NET	449,330	460,164
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	122,737	295,440
Long term receivables	936	936
Other	9,274	7,230
TOTAL	132,947	303,606
TOTAL ASSETS	$878,360	$921,151

See Notes to Financial Statements.

ENTERGY NEW ORLEANS, INC.
BALANCE SHEETS
LIABILITIES AND SHAREHOLDERS' EQUITY
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	2006
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$30,000	$ -
DIP credit facility	-	51,934
Accounts payable:		
Associated companies	34,953	94,686
Other	27,281	76,831
Customer deposits	17,010	14,808
Taxes accrued	-	2,086
Accumulated deferred income taxes	9,347	2,924
Interest accrued	3,421	18,004
Other	3,364	6,154
TOTAL CURRENT LIABILITIES	125,376	267,427
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	111,407	98,884
Accumulated deferred investment tax credits	2,895	3,157
SFAS 109 regulatory liability - net	71,673	71,870
Other regulatory liabilities	9,522	-
Retirement cost liability	2,726	2,591
Accumulated provisions	12,196	8,385
Pension and other postretirement liabilities	14,274	60,033
Long-term debt	274,084	229,875
Gas system rebuild insurance proceeds	41,412	-
Other	15,064	5,161
TOTAL NON-CURRENT LIABILITIES	555,253	479,956
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
Preferred stock without sinking fund	19,780	19,780
Common stock, $4 par value, authorized 10,000,000 shares; issued and outstanding 8,435,900 shares in 2007 and 2006	33,744	33,744
Paid-in capital	36,294	36,294
Retained earnings	107,913	83,950
TOTAL	197,731	173,768

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$878,360	$921,151

See Notes to Financial Statements.

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ENTERGY NEW ORLEANS, INC.
SELECTED OPERATING RESULTS
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

Description	**Three Months Ended 2007**	**2006**	**Increase/ (Decrease)**	**%**
	(Dollars In Millions)			
Electric Operating Revenues:				
Residential	$53	$41	$ 12	29
Commercial	54	51	3	6
Industrial	14	14	-	-
Governmental	21	16	5	31
Total retail	142	122	20	16
Sales for resale				
Associated companies	25	19	6	32
Non-associated companies	-	-	-	-
Other	6	5	1	20
Total	$173	$146	$ 27	18
Billed Electric Energy Sales (GWh):				
Residential	442	349	93	27
Commercial	515	501	14	3
Industrial	156	162	(6)	(4)
Governmental	211	166	45	27
Total retail	1,324	1,178	146	12
Sales for resale				
Associated companies	224	205	19	9
Non-associated companies	5	2	3	150
Total	1,553	1,385	168	12

Description	**Nine Months Ended 2007**	**2006**	**Increase/ (Decrease)**	**%**
	(Dollars In Millions)			
Electric Operating Revenues:				
Residential	$108	$80	$28	35
Commercial	134	123	11	9
Industrial	34	33	1	3

Governmental	53	40	13	33
Total retail	329	276	53	19
Sales for resale				
Associated companies	84	30	54	180
Non-associated companies	1	45	(44)	(98)
Other	18	12	6	50
Total	$432	$363	$69	19
Billed Electric Energy Sales (GWh):				
Residential	933	693	240	35
Commercial	1,330	1,263	67	5
Industrial	426	405	21	5
Governmental	551	433	118	27
Total retail	3,240	2,794	446	16
Sales for resale				
Associated companies	799	331	468	141
Non-associated companies	12	778	(766)	(98)
Total	4,051	3,903	148	4

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SYSTEM ENERGY RESOURCES, INC.

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Results of Operations

System Energy's principal asset consists of a 90% ownership and leasehold interest in Grand Gulf. The capacity and energy from its 90% interest is sold under the Unit Power Sales Agreement to its only four customers, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans. System Energy's operating revenues are derived from the allocation of the capacity, energy, and related costs associated with its 90% interest in Grand Gulf pursuant to the Unit Power Sales Agreement. Payments under the Unit Power Sales Agreement are System Energy's only source of operating revenues.

Net income increased by $0.7 million for the third quarter 2007 compared to the third quarter 2006 primarily due to higher interest income offset by a decrease in rate base in the third quarter 2007 resulting in lower operating income. Net income decreased by $5.4 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to a decrease in rate base in 2007 resulting in lower operating income partially offset by higher interest income. The higher interest income for the third quarter 2007 and nine months ended September 30, 2007 compared to the same periods in 2006 resulted from interest income of $2.5 million recorded on an IRS audit settlement and higher interest income earned on decommissioning trust funds and money pool investments.

Liquidity and Capital Resources

Cash Flow

Cash flows for the nine months ended September 30, 2007 and 2006 were as follows:

	2007	2006
	(In Thousands)	
Cash and cash equivalents at beginning of period	$135,012	$75,704
Cash flow provided by (used in):		
Operating activities	174,409	14,387
Investing activities	(97,414)	91,895
Financing activities	(29,155)	(129,889)
Net increase (decrease) in cash and cash equivalents	47,840	(23,607)
Cash and cash equivalents at end of period	$182,852	$52,097

Operating Activities

Net cash flow provided by operating activities increased $160 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to a decrease of $180.2 million in income tax payments.

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Investing Activities

Investing activities used $97.4 million in cash for the nine months ended September 30, 2007 compared to providing $91.9 million for the nine months ended September 30, 2006 primarily due to money pool activity as well as initial development spending on potential new nuclear development at the Grand Gulf and River Bend sites, as discussed in the Form 10-K and in "**Uses and Sources of Capital**" below.

Financing Activities

Net cash flow used in financing activities decreased $100.7 million for the nine months ended September 30, 2007 compared to the nine months ended September 30, 2006 primarily due to the issuance of $70 million of First Mortgage Bonds in September 2007, as discussed below, and a decrease of $31.6 million in common stock dividends.

Capital Structure

System Energy's capitalization is balanced between equity and debt, as shown in the following table. The increase in the debt to capital percentage as of September 30, 2007 is primarily due to the issuance of $70 million of First Mortgage Bonds in September 2007.

	September 30, 2007	December 31, 2006

Net debt to net capital	47.4%	46.4%
Effect of subtracting cash from debt	5.3%	4.2%
Debt to capital	52.7%	50.6%

Net debt consists of debt less cash and cash equivalents. Debt consists of notes payable, capital lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt and common shareholder's equity. Net capital consists of capital less cash and cash equivalents. System Energy uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating System Energy's financial condition.

Uses and Sources of Capital

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources**" in the Form 10-K for a discussion of System Energy's uses and sources of capital. The following are updates to the Form 10-K.

See the table in the Form 10-K under "**Uses of Capital**" which sets forth the amounts of System Energy's planned construction and other capital investments for 2007 through 2009, and the accompanying discussion. System Energy now expects to spend $73 million more through 2008 than the amount included in the Form 10-K planned capital investment estimate for initial development costs for potential new nuclear development at the Grand Gulf and River Bend sites, including licensing and design activities.

System Energy's receivables from the money pool were as follows:

September 30, 2007	December 31, 2006	September 30, 2006	December 31, 2005
(In Thousands)			
$83,418	$88,231	$147,349	$277,287

See Note 4 to the financial statements in the Form 10-K for a description of the money pool.

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In September 2007, System Energy issued $70 million of 6.20% Series First Mortgage Bonds due October 2012. System Energy used the proceeds to redeem, at maturity, $70 million of 4.875% Series First Mortgage Bonds in October 2007.

Significant Factors and Known Trends

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Significant Factors and Known Trends**" in the Form 10-K for a discussion of the Energy Policy Act of 2005, nuclear matters, litigation risks, and environmental risks.

Critical Accounting Estimates

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Critical Accounting Estimates**" in the Form 10-K for a discussion of the estimates and judgments necessary in System Energy's accounting for nuclear decommissioning costs and qualified pension and other postretirement benefits.

New Accounting Pronouncements

See "**New Accounting Pronouncements**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of new accounting pronouncements.

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SYSTEM ENERGY RESOURCES, INC.
INCOME STATEMENTS
For the Three and Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2007	2006	2007	2006
	(In Thousands)		(In Thousands)	
OPERATING REVENUES				
Electric	$144,383	$146,577	$400,011	$407,407
OPERATING EXPENSES				
Operation and Maintenance:				
Fuel, fuel-related expenses, and gas purchased for resale	10,560	11,400	29,281	32,781
Nuclear refueling outage expenses	4,177	4,548	12,403	12,083
Other operation and maintenance	30,831	29,535	83,372	79,350
Decommissioning	6,486	6,032	19,110	17,776
Taxes other than income taxes	6,520	5,938	19,525	17,944
Depreciation and amortization	35,244	33,561	85,232	83,049
Other regulatory credits - net	(2,500)	(3,073)	(7,110)	(8,819)
TOTAL	91,318	87,941	241,813	234,164
OPERATING INCOME	53,065	58,636	158,198	173,243
OTHER INCOME				
Allowance for equity funds used during construction	1,437	462	2,217	1,920
Interest and dividend income	7,869	3,533	18,454	13,433
Miscellaneous - net	(87)	(98)	491	(296)
TOTAL	9,219	3,897	21,162	15,057
INTEREST AND OTHER CHARGES				
Interest on long-term debt	16,444	17,144	40,133	41,673
Other interest - net	51	22	103	76
Allowance for borrowed funds used during construction	(475)	(146)	(730)	(605)

TOTAL	16,020	17,020	39,506	41,144
INCOME BEFORE INCOME TAXES	46,264	45,513	139,854	147,156
Income taxes	18,832	18,816	58,161	60,103
NET INCOME	$27,432	$26,697	$81,693	$87,053

See Notes to Financial Statements.

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SYSTEM ENERGY RESOURCES, INC.
STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2007 and 2006
(Unaudited)

	2007	**2006**
	(In Thousands)	
OPERATING ACTIVITIES		
Net income	$81,693	$87,053
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Other regulatory credits - net	(7,110)	(8,819)
Depreciation, amortization, and decommissioning	104,342	100,825
Deferred income taxes, investment tax credits, and non-current taxes accrued	68,879	55,981
Changes in working capital:		
Receivables	437	(378)
Accounts payable	3,134	4,232
Taxes accrued	(29,265)	(218,150)
Interest accrued	(15,762)	(15,414)
Other working capital accounts	(19,861)	3,027
Provision for estimated losses and reserves	81	10
Changes in other regulatory assets	17,868	(1,607)
Other	(30,027)	7,627
Net cash flow provided by operating activities	174,409	14,387
INVESTING ACTIVITIES		
Construction expenditures	(61,562)	(20,994)
Allowance for equity funds used during construction	2,217	1,920
Nuclear fuel purchases	(56,260)	(370)
Proceeds from sale/leaseback of nuclear fuel	56,580	370
Proceeds from nuclear decommissioning trust fund sales	53,810	59,342
Investment in nuclear decommissioning trust funds	(74,484)	(78,311)
Changes in money pool receivable - net	(17,715)	129,938
Net cash flow provided by (used in) investing activities	(97,414)	91,895

FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	69,480	-
Retirement of long-term debt	(23,335)	(22,989)
Dividends paid:		
Common stock	(75,300)	(106,900)
Net cash flow used in financing activities	(29,155)	(129,889)
Net increase (decrease) in cash and cash equivalents	47,840	(23,607)
Cash and cash equivalents at beginning of period	135,012	75,704
Cash and cash equivalents at end of period	$182,852	$52,097
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest - net of amount capitalized	$51,861	$52,804
Income taxes	$35,897	$216,134

See Notes to Financial Statements.

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SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
ASSETS
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	2006
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$328	$56
Temporary cash investments - at cost, which approximates market	182,524	134,956
Total cash and cash equivalents	182,852	135,012
Accounts receivable:		
Associated companies	133,699	142,121
Other	3,441	3,301
Total accounts receivable	137,140	145,422
Materials and supplies - at average cost	65,911	61,097
Deferred nuclear refueling outage costs	18,178	5,060
Prepayments and other	3,409	1,480
TOTAL	407,490	348,071
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	314,243	281,430

Note receivable - Entergy New Orleans	25,560	-
TOTAL	339,803	281,430
UTILITY PLANT		
Electric	3,261,365	3,248,582
Property under capital lease	471,933	471,933
Construction work in progress	75,791	38,088
Nuclear fuel under capital lease	90,971	55,280
Nuclear fuel	8,495	10,222
TOTAL UTILITY PLANT	3,908,555	3,824,105
Less - accumulated depreciation and amortization	2,068,673	2,000,320
UTILITY PLANT - NET	1,839,882	1,823,785
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
SFAS 109 regulatory asset - net	79,627	92,600
Other regulatory assets	285,875	293,292
Other	12,789	14,062
TOTAL	378,291	399,954
TOTAL ASSETS	$2,965,466	$2,853,240

See Notes to Financial Statements.

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SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
LIABILITIES AND SHAREHOLDER'S EQUITY
September 30, 2007 and December 31, 2006
(Unaudited)

	2007	**2006**
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$96,701	$93,335
Accounts payable:		
Associated companies	5,782	1,634
Other	25,622	26,636
Taxes accrued	18,723	47,988
Accumulated deferred income taxes	7,003	1,828
Interest accrued	30,373	46,135
Obligations under capital leases	33,142	33,142
TOTAL	217,346	250,698
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	328,268	304,691
Accumulated deferred investment tax credits	66,053	68,660
Obligations under capital leases	57,829	22,138

Other regulatory liabilities	265,878	242,029
Decommissioning	361,956	342,846
Accumulated provisions	2,503	2,422
Pension and other postretirement liabilities	28,606	32,060
Long-term debt	773,248	729,914
Other	-	396
TOTAL	1,884,341	1,745,156
Commitments and Contingencies		
SHAREHOLDER'S EQUITY		
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 789,350 shares in 2007 and 2006	789,350	789,350
Retained earnings	74,429	68,036
TOTAL	863,779	857,386
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$2,965,466	$2,853,240

See Notes to Financial Statements.

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ENTERGY CORPORATION AND SUBSIDIARIES

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

See "**PART I, Item 1, Litigation**" in the Form 10-K for a discussion of legal, administrative, and other regulatory proceedings affecting Entergy. Following is an update to that discussion.

Ratepayer Lawsuits

Texas Power Price Lawsuit

See the Form 10-K for a discussion of the lawsuit that was filed in the district court of Chambers County, Texas by Texas residents on behalf of a purported class apparently of the Texas retail customers of Entergy Gulf States who were billed and paid for electric power since January 1, 1994. In August 2007 the Texas Supreme Court denied Entergy's request for reconsideration of the court's order denying Entergy's petition for review. Entergy expects to file a petition for a writ of certiorari with the United States Supreme Court for review of the decision.

Item 1A. Risk Factors

There have been no material changes to the risk factors discussed in "**PART I, Item 1A, Risk Factors**" in the Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities (1)

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan	Maximum $ Amount of Shares that May Yet be Purchased Under a Plan (2)
7/01/2007-7/31/2007	400,000	$107.49	400,000	$779,787,895
8/01/2007-8/31/2007	1,550,000	$100.47	1,550,000	$631,387,624
9/01/2007-9/30/2007	-	-	-	$631,387,624
Total	1,950,000	$101.91	1,950,000	

(1) In accordance with Entergy's stock-based compensation plans, Entergy periodically grants stock options to key employees, which may be exercised to obtain shares of Entergy's common stock. According to the plans, these shares can be newly issued shares, treasury stock, or shares purchased on the open market. Entergy's management has been authorized by the Board to repurchase on the open market shares up to an amount sufficient to fund the exercise of grants under the plans. In addition to this authority, on January 29, 2007, the Board approved a repurchase program under which Entergy is authorized to repurchase up to $1.5 billion of its common stock. The program does not have an expiration date, but Entergy expects to complete it over two years. See Note 12 to the financial statements in the Form 10-K for additional discussion of the stock-based compensation plans.

(2) Maximum amount of shares that may yet be repurchased relates only to the $1.5 billion plan and does not include an estimate of the amount of shares that may be purchased to fund the exercise of grants under the stock-based compensation plans.

Item 5. Other Information

Other Generation Resources

On April 5, 2007 the FERC issued an Opinion and Order on Rehearing and Clarification (Opinion) in the proceeding involving Entergy Louisiana and Entergy New Orleans' three long-term contracts to procure power from affiliates that are discussed in Part 1, Item 1 of the Form 10-K. In its Opinion, the FERC rejects the Utility operating companies and the LPSC's request to allow Entergy New Orleans and Entergy Louisiana to purchase the Independence plant capacity and energy for a term extending for the life-of-the-unit, as originally proposed, as opposed to the ten-year term ordered by the FERC in its initial opinion. The Opinion also clarifies that while the Utility operating companies' use of bid information obtained from the 2002 request for proposal to develop the Entergy Arkansas base load purchase power agreements was improper, the record does not establish that the communications constituted a violation of the Utility operating companies' code of conduct. The Opinion further clarified that the retained share of Grand Gulf that is purchased by Entergy Louisiana and Entergy New Orleans from Entergy Arkansas should be priced at cost, and not at the below-cost price of $46/MWh specified in the original opinion. Additionally, the Opinion rejects: (1) the

LPSC's argument that one-month capacity sales by Entergy Arkansas to third parties triggered a right-of-first refusal on behalf of the other Utility operating companies related to Entergy Arkansas' base load capacity; and (2) the LPSC's argument that Entergy Gulf States was entitled to a portion of the River Bend purchased power agreement (rather than just Entergy Louisiana and Entergy New Orleans) and the LPSC's jurisdictional arguments related thereto.

The LPSC has appealed this decision to the D.C. Circuit Court of Appeals. The Utility operating companies, the City Council, and the APSC have intervened in the appeal.

Environmental Regulation and Proceedings

Clean Air Act and Subsequent Amendments

New Source Review (NSR)

In April 2007 the U.S. Supreme Court ruled that the applicability of Clean Air Act NSR requirements are not limited only to modifications that create an increase in hourly emission rates, but also can apply to modifications that create an increase in annual emission rates (*Environmental Defense v. Duke Energy*). This holding reversed a Fourth Circuit Court of Appeals decision limiting the applicability of NSR. This Supreme Court decision may result in a renewed effort by the EPA to bring enforcement actions against electric generating units for major non-permitted facility modifications. As discussed in the Form 10-K, Entergy has an established process for identifying modifications requiring additional Clean Air Act permitting approval and has not been the subject of EPA or state enforcement action regarding NSR.

Future Legislative and Regulatory Developments

In April 2007 the U.S. Supreme Court held that the EPA is authorized by the current provisions of the Clean Air Act to regulate emissions of CO_2 and other "greenhouse gases" as "pollutants" (*Massachusetts v. EPA*) and that the EPA is required to regulate these emissions from motor vehicles if the emissions are anticipated to endanger public health or welfare. The Supreme Court directed the EPA to make further findings in this regard. The decision is expected to affect a similar case pending in the U.S. Court of Appeals for the D.C. Circuit (*Coke Oven Environmental Task Force v. EPA*) considering the same question under a similar Clean Air Act provision in the context of CO_2 emissions from electric generating units. Although Entergy cannot predict how the D.C. Circuit or the EPA will react to the Supreme Court decision, one outcome could be a decision to regulate, under the Clean Air Act, emissions of CO_2 and other "greenhouse gases" from motor vehicles or from power plants. Entergy is participating as a friend of the court in both of these cases in support of reasonable market-based regulation of CO_2 as a pollutant under the Clean Air Act.

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Regional Haze

In June 2005, the EPA issued final Best Available Retrofit Control Technology (BART) regulations, which could potentially result in a requirement to install SO2 pollution control technology on certain of Entergy's coal and oil generation units. The rule leaves certain BART determinations to the states. The Arkansas Department of Environmental Quality (ADEQ) has completed its State Implementation Plan for Arkansas facilities to implement its obligations under the Clean Air Visibility Rule. The ADEQ has determined that Entergy Arkansas' White Bluff power plant affects Class I Area visibility and will be subject to the EPA's presumptive BART requirements to install scrubbers and low NOx burners by 2013. Entergy Arkansas owns 57% of White Bluff Units 1 and 2 and estimates that its share of the cost of this project will be approximately $350 million. The installation of scrubbers at an existing facility is a major construction project, and Entergy Arkansas expects selection of the primary architect-engineer by the end of 2008. The scrubbers must be online by the end of 2012.

Other Environmental Matters

Entergy New Orleans

As discussed in the Form 10-K, in March 2004 agents of the United States Fish and Wildlife Service conducted an inspection of Entergy New Orleans' Michoud power plant and found a number of dead brown pelicans near the facility's water intake structure and fish-return trough. Brown pelicans are an endangered species in Louisiana. Pursuant to its plan of reorganization that became effective in May 2007, Entergy New Orleans made donations of $150,000 to the Louisiana Wildlife and Fisheries Foundation and $100,000 to the United States Fish and Wildlife Service as part of a settlement of the matter. The donations are to be used to protect the eastern brown pelican species and other species of migratory birds. Also as part of the settlement, Entergy New Orleans shall maintain the water intake cell cover that it constructed in order to protect the pelicans. The United States has agreed to take no further action in the matter after Entergy New Orleans has maintained the cover for one additional year or has otherwise successfully petitioned for this probationary period to end.

Entergy Mississippi, Entergy Gulf States, Entergy New Orleans, and Entergy Louisiana

EPA has notified Entergy Mississippi, Entergy Gulf States, and Entergy New Orleans that the EPA believes those entities are PRPs concerning contamination of an area known as "Devil's Swamp Lake" near the Port of Baton Rouge, Louisiana. The area allegedly was contaminated by the operations of Rollins Environmental (LA), Inc, which operated a disposal facility to which many companies contributed waste. Documents provided by the EPA indicate that Entergy Louisiana may also be a PRP.

Entergy is in the process of gathering information regarding its use of the facility and any share of liability for remediation that the Entergy companies may bear.

Indian Point Emergency Notification System

Pursuant to federal law and an NRC order, Non-Utility Nuclear's Indian Point Energy Center located in Buchanan, New York is required to install a new siren emergency notification system with certain back up power capabilities. Due to the complexity of the technology employed in this system, among other things, Entergy Nuclear Operations, Inc., the operator of Non-Utility Nuclear's power plants, was unable to meet the April 15, 2007 operability date previously approved by the NRC. Based on this delay, the NRC fined Entergy Nuclear Operations $130,000; but, nonetheless, the NRC acknowledged in its notice of violation that the current siren emergency notification system is capable of notifying the public in the event of an emergency. Entergy Nuclear Operations was also unable to meet a subsequent committed operability date of August 24, 2007 due to certain testing, review, and operability requirements of the Federal Emergency Management Agency, which has been authorized by the NRC to assess the new system and its readiness for full implementation. Although the NRC has not issued any additional fines to date, the delay in implementation of the new siren system beyond August 24, 2007 may result in Entergy Nuclear Operations being subject to additional fines in the future. The Indian Point Energy Center will continue to operate and maintain its existing siren emergency notification system until the new system is placed into service.

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Nuclear Waste Policy Act of 1982

See Part I of the Form 10-K for a discussion of the Nuclear Waste Policy Act of 1982, under which the DOE is required, for a specified fee, to construct storage facilities for, and to dispose of, all spent nuclear fuel and other high-level radioactive waste generated by domestic nuclear power reactors. As a result of the DOE's failure to begin disposal of spent nuclear fuel in 1998 pursuant to the Nuclear Waste Policy Act of 1982 and contracts with Entergy's nuclear operating companies, Entergy's nuclear owner/licensee subsidiaries have incurred and will continue to incur damages. These subsidiaries in November 2003 began litigation to recover the damages caused by the DOE's delay in performance. In two separate decisions in October 2007, the U.S. Court of Federal Claims awarded System Fuels, System Energy, and SMEPA $10.0 million, and awarded System Fuels and Entergy Arkansas $48.7 million, in damages related to the DOE's breach of its obligations. Both decisions are subject to appeal by the DOE. Management cannot predict the timing or amount of any potential, additional recoveries on Entergy's other claims, and cannot predict the timing of any eventual receipt from the DOE of the U.S. Court of Federal Claims damage awards.

Earnings Ratios

(Entergy Arkansas, Entergy Gulf States, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

The Registrant Subsidiaries have calculated ratios of earnings to fixed charges and ratios of earnings to combined fixed charges and preferred dividends/distributions pursuant to Item 503 of Regulation S-K of the SEC as follows:

	Ratios of Earnings to Fixed Charges Twelve Months Ended					
	December 31,					September 30,
	2002	2003	2004	2005	2006	2007
Entergy Arkansas	2.79	3.17	3.37	3.75	3.37	3.28
Entergy Gulf States	2.49	1.51	3.04	3.34	3.01	2.89
Entergy Louisiana	3.14	3.93	3.60	3.50	3.23	3.07
Entergy Mississippi	2.48	3.06	3.41	3.16	2.54	2.71
Entergy New Orleans	(a)	1.73	3.60	1.22	1.52	1.34
System Energy	3.25	3.66	3.95	3.85	4.05	3.99

	Ratios of Earnings to Combined Fixed Charges and Preferred Dividends/Distributions Twelve Months Ended					
	December 31,					September 30,
	2002	2003	2004	2005	2006	2007
Entergy Arkansas	2.53	2.79	2.98	3.34	3.06	2.97
Entergy Gulf States	2.40	1.45	2.90	3.18	2.90	2.79
Entergy Louisiana	-	-	-	-	2.90	2.78
Entergy Mississippi	2.27	2.77	3.07	2.83	2.34	2.51
Entergy New Orleans	(a)	1.59	3.31	1.12	1.35	1.20

(a) Earnings for the twelve months ended December 31, 2002, for Entergy New Orleans were not adequate to cover fixed charges and combined fixed charges and preferred dividends by $0.7 million and $3.4 million, respectively.

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Item 6. Exhibits *

4(a) -	Agreement of Resignation, Appointment and Acceptance dated as of October 3, 2007, among Entergy Gulf States, Inc., JPMorgan Chase Bank, National Association, as resigning trustee, and The Bank of New York, as successor trustee, under the Entergy Gulf States, Inc. Indenture of Mortgage, as supplemented and modified.
4(b) -	Twenty-third Supplemental Indenture, dated as of September 1, 2007, to Mortgage and Deed of Trust, dated as of June 15, 1977, by and among System Energy Resources, Inc., The Bank of New York (Successor to United States Trust Company Of New York) and Douglas J. Macinnes (Successor to Gerard F. Ganey and Malcolm J. Hood), Trustees.
12(a) -	Entergy Arkansas' Computation of Ratios of Earnings to Fixed Charges and of Earnings to Combined Fixed Charges and Preferred Dividends, as defined.
12(b) -	Entergy Gulf States' Computation of Ratios of Earnings to Fixed Charges and of Earnings to Combined Fixed Charges and Preferred Dividends, as defined.
12(c) -	Entergy Louisiana's Computation of Ratios of Earnings to Fixed Charges and of Earnings to Combined Fixed Charges and Preferred Distributions, as defined.
12(d) -	Entergy Mississippi's Computation of Ratios of Earnings to Fixed Charges and of Earnings to Combined Fixed Charges and Preferred Dividends, as defined.
12(e) -	Entergy New Orleans' Computation of Ratios of Earnings to Fixed Charges and of Earnings to Combined Fixed Charges and Preferred Dividends, as defined.
12(f) -	System Energy's Computation of Ratios of Earnings to Fixed Charges, as defined.
31(a) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Corporation.
31(b) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Corporation.
31(c) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Arkansas.
31(d) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Arkansas.

31(e) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Gulf States.
31(f) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Gulf States.
31(g) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Gulf States.
31(h) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Louisiana.
31(i) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Louisiana.
31(j) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Mississippi.
31(k) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy Mississippi.
31(l) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy New Orleans.
31(m) -	Rule 13a-14(a)/15d-14(a) Certification for Entergy New Orleans.
31(n) -	Rule 13a-14(a)/15d-14(a) Certification for System Energy.

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31(o) -	Rule 13a-14(a)/15d-14(a) Certification for System Energy.
32(a) -	Section 1350 Certification for Entergy Corporation.
32(b) -	Section 1350 Certification for Entergy Corporation.
32(c) -	Section 1350 Certification for Entergy Arkansas.
32(d) -	Section 1350 Certification for Entergy Arkansas.
32(e) -	Section 1350 Certification for Entergy Gulf States.
32(f) -	Section 1350 Certification for Entergy Gulf States.
32(g) -	Section 1350 Certification for Entergy Gulf States.
32(h) -	Section 1350 Certification for Entergy Louisiana.
32(i) -	Section 1350 Certification for Entergy Louisiana.

32(j) -	Section 1350 Certification for Entergy Mississippi.
32(k) -	Section 1350 Certification for Entergy Mississippi.
32(l) -	Section 1350 Certification for Entergy New Orleans.
32(m) -	Section 1350 Certification for Entergy New Orleans.
32(n) -	Section 1350 Certification for System Energy.
32(o) -	Section 1350 Certification for System Energy.

+Management contracts or compensatory plans or arrangements.

Pursuant to Item 601(b)(4)(iii) of Regulation S-K, Entergy Corporation agrees to furnish to the Commission upon request any instrument with respect to long-term debt that is not registered or listed herein as an Exhibit because the total amount of securities authorized under such agreement does not exceed ten percent of the total assets of Entergy Corporation and its subsidiaries on a consolidated basis.

* Reference is made to a duplicate list of exhibits being filed as a part of this report on Form 10-Q for the quarter ended September 30, 2007, which list, prepared in accordance with Item 102 of Regulation S-T of the SEC, immediately precedes the exhibits being filed with this report on Form 10-Q for the quarter ended September 30, 2007.

** Incorporated herein by reference as indicated.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized. The signature for each undersigned company shall be deemed to relate only to matters having reference to such company or its subsidiaries.

ENTERGY CORPORATION
ENTERGY ARKANSAS, INC.
ENTERGY GULF STATES, INC.
ENTERGY LOUISIANA, LLC
ENTERGY MISSISSIPPI, INC.
ENTERGY NEW ORLEANS, INC.
SYSTEM ENERGY RESOURCES, INC.

/s/ Theodore H. Bunting, Jr.

Theodore H. Bunting, Jr.
Senior Vice President and Chief Accounting Officer
(For each Registrant and for each as
Principal Accounting Officer)

Date: November 8, 2007

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