

# LOUISIANA PUBLIC SERVICE COMMISSION

## MEDIA RELEASE

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For Immediate Release

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### **LPSC Bond Deal Saves Entergy Customers Millions**

#### **Alternative Financing Structure Saves Ratepayers Millions of Dollars**

**BATON ROUGE, LA.-** In a transaction led and championed by the Louisiana Public Service Commission (LPSC), \$207 million of bonds were priced today. The weighted average interest rate of 2.043% for these Ratepayer-Backed Bonds is the lowest ever in this over \$40 billion asset class. The bond proceeds will be used to finance the costs associated with Entergy Louisiana's (ELL) Little Gypsy 3 Repowering Project. The savings to LPSC-jurisdictional ratepayers from this financing structure, as compared to conventional methods of financing is estimated to be in excess of \$80 million, net present value. ELL is a utility subsidiary of Entergy Corporation, which is headquartered in New Orleans, Louisiana.

All of the bonds were rated Aaa/AAA/AAA by Moody's, S&P and Fitch rating agencies, respectively. The 2.043% weighted average interest rate with respect to the bonds is fixed for the duration of the bonds, and is at a level far below the overall authorized return for ELL.

LPSC Commissioners praised the low cost financing.

"I am delighted that the bonds have sold at such a low interest rate," said LPSC Chairman Jimmy Field. "The Commission's progressive use of securitization and the capital markets' willingness to accept a 2.043% interest rate will result in Entergy Louisiana ratepayers saving over \$80 million in capital costs versus traditional utility financing."

Commissioner Eric Skrmetta of Metairie added, “Working to sell these bonds at the lowest possible rate saves tens of millions of dollars for Louisiana consumers. Through the use of these creative finance mechanisms we can continue to find better ways to save folks money.”

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