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News Release

Entergy Texas Investing in a Bright Future for Southeast Texas

Entergy Texas files plan to flow back more than \$200 million in tax savings to customers, support continued investment in Texas

THE WOODLANDS, Texas – On a path to a Bright Future for southeast Texas, Entergy Texas, Inc. filed a plan to keep rates low, while continuing to grow the economy by investing in new infrastructure to ensure reliable and cost effective electricity for customers. Entergy Texas is focused on developing a future with innovative technologies to provide energy solutions and assist customers in taking greater control over their electricity costs. As part of this plan, Entergy Texas is also passing substantial savings from federal tax reform directly to customers. These tax savings, along with investments in infrastructure to reduce outages and improve service, will result in more reliable and affordable energy to customers.

Following the passage of the Tax Cuts and Jobs Act, the federal corporate tax rate was lowered, and Entergy Texas will flow back more than \$200 million to customers over the next two years. This sum represents funds that Entergy Texas had collected from customers according to IRS rules to pay future taxes at the higher tax rate that is no longer in effect. Additionally, Entergy Texas' new rates will reflect the lower tax rate going forward.

“Tax reform provides Entergy Texas an opportunity to continue our investment to improve our service to customers, while minimizing the effect to customer bills,” said Sallie

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Rainer, president and CEO of Entergy Texas. “We are committed to creating a bright future where we offer more energy solutions tailored to our customers’ needs. Today’s filing puts the company on the path to deliver that vision for our customers.”

Since April 2013, Entergy Texas has invested \$1.4 billion in improvements to modernize its system to improve reliability and provide affordable energy to customers. Some of these major upgrades include improvements to power plant facilities, enhancing the Lewis Creek Dam, energizing \$235 million in new transmission/substation projects, upgrading distribution facilities and improving Entergy Texas’s customer service systems. Additionally, Entergy Texas’ filing addresses the cost associated with Hurricane Harvey, one of the most devastating storms to hit the communities that Entergy Texas serves in nearly 10 years.

Today’s plan filed by Entergy Texas would result in a \$2.36 increase per month on the average residential customer’s bill. This amount reflects the net effect to recover new investments in rates while also reducing total costs to consumers by accounting for tax savings. The plan will now be reviewed by the Public Utility Commission of Texas.

“As southeast Texas grows, Entergy Texas is investing now to power tomorrow with reliable and affordable energy,” said Sallie Rainer. “The investments we are making will help minimize disruptions from power outages, and help customers more easily save money on their electric bills and better manage their energy usage.”

In addition to the investment made to date, Entergy Texas plans to invest nearly \$2 billion over the next three years to improve how Entergy Texas serves customers. Some of Entergy Texas’ planned investments include:

- Construction of the [Montgomery County Power Station](#); the construction of this facility is estimated to provide nearly \$1 billion in economic activity across Texas.

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Additionally, the facility will provide a reliable and cost effective supply of electricity for a growing region, resulting in estimated savings of \$1.7 billion over 30 years for Entergy Texas' customers.

- Three major transmission projects that will drive economic growth and provide access to lower cost power.
- Replacing outdated equipment with new technology that improves reliability, including the [deployment of an advanced meter system](#) that puts more tools at customers' fingertips to help customers understand and manage their energy use more effectively, which can lead to lower bills.

Entergy Texas, Inc. provides electricity to approximately 450,000 customers in 27 counties. Entergy Corporation 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 nearly 9,000 megawatts of nuclear power. Entergy delivers electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of approximately \$11 billion and more than 13,000 employees.

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