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International Accounting Standards Board  
30 Cannon St.  
London, EC4M 6XH  
United Kingdom

January 31, 2011

Dear Sir/Madam:

Discussion Paper: Effective Dates and Transition Methods

Overview of the Company

Entergy Corporation ("Entergy" or the "Company") is submitting this letter to the Financial Accounting Standards Board (FASB) and International Accounting Standards Board (IASB) (collectively, the "Boards") to provide comments on the discussion paper titled Effective Dates and Transition Methods (the "discussion paper"). The following represents our answers to certain of the questions posed by the Boards in the discussion paper.

Entergy is a U.S. corporation whose common stock and debt securities are registered with the SEC. The Company has seven subsidiaries which are also SEC registrants. Entergy is an integrated energy company engaged primarily in electric power production and retail electric distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, and Entergy is the second-largest nuclear power generator in the United States. Entergy delivers electricity to 2.7 million utility customers in Arkansas, Louisiana, Mississippi, and Texas. Entergy generated annual revenues of $10.7 billion, $13.1 billion, and $11.5 billion in 2009, 2008, and 2007, respectively, and had approximately 15,000 employees as of December 31, 2009. Entergy's financial statements are currently prepared in accordance with U.S. GAAP.

Expected Impact of Proposed Changes

Of the proposals which are the subject of this paper, Entergy believes we will be most impacted by the changes in accounting for leases, financial instruments and revenue recognition. The impact of these proposed changes will include the following:
• Increased time and costs to train and educate existing personnel, in order to properly adopt the new standards.
• Increased costs for the services of external experts that will assist the Company in its adoption of the new standards.
• Increased costs in the acquisition and implementation of new software systems specifically designed to process the information required by the new standards (primarily for changes to lease accounting).
• Increased time and costs to design and implement new or revised policies, processes and controls which will be affected by the changes in accounting policy.
• Increased time and costs from members of the finance, treasury, stockholders’ relations, legal and other groups who will be responsible for communicating the effects of the accounting changes with outside parties (i.e. creditors, analysts, debt rating agencies, regulators, taxing authorities, etc.).
• Increased external audit fees, as they will incur additional hours in auditing our adoption of the new standards, and the effectiveness of the new controls that will be implemented.
• Increased time and costs associated with tracking additional differences between regulatory reporting and financial reporting, as our regulators are likely to continue to favor a historical cost model for their reporting purposes.

Quantifying the amount of time and costs that will be necessary to adopt the proposed new standards is difficult. However, Entergy expects that the costs will be significant to the Company, and the efforts involved will take several years. The magnitude of the impacts described above will depend on the effective dates and transition methods required. For instance, the amount of costs that will be incurred for the services of external experts will depend on the timeframe for adopting the accounting changes. That is, the more compact the timeframe, the less likely it is that the Company will have the capacity to handle the transition using only our existing internal personnel. Therefore, the effective dates and transition methods that will be chosen by the Boards is an important issue for the Company.

We feel that, given the amount and significance of the accounting changes that are proposed for the near future, the most appropriate transition methods will depend on the scheduling of the effective dates. Based on this, we propose the following for the exposure drafts and discussion papers for which comments were requested.

Retrospective vs. Prospective Transition Methods
Entergy believes that changes to accounting standards that impact presentation only (i.e. the proposed changes to the presentation of other comprehensive income, financial statement presentation¹) should generally be implemented using a retrospective method.

¹ Entergy considers the financial statement presentation discussion paper to involve more than simply the rearrangement or reformatting of existing information. In particular, we feel this applies to the proposed requirement for the inclusion of a direct method cash flow statement. However, due to the nature of the changes proposed by the financial statement presentation discussion paper, a retrospective transition
Since application of such changes only involves rearranging, or reformatting existing information, a retrospective transition can usually be implemented without significant changes in accounting systems and processes. However, for new standards involving changes in accounting methods or principles (i.e., financial instruments, revenue recognition, leases, insurance contracts) a retrospective transition method often involves significant time and expense to make the necessary changes. Retrospective application may require accounting data and estimates which were not necessary under prior standards, and therefore were not recorded or retained.

When multiple new standards must be implemented within a relatively short period of time, the issues caused by retrospective transitions may be compounded. That is, prior periods may be restated in one year in connection with a retrospective transition to a new standard, and then be restated again in the following year for another new standard. Multiple changes to the financial statements in successive or different years may be difficult to understand and may mislead users of the financial statements.

Changes in accounting standards can require significant costs and efforts on the part of accounting and management groups. These include the need for additional training, the implementation of new processes and accounting systems, and other changes. Retrospective transitions multiply these costs and efforts by requiring the re-examination of prior accounting periods. When multiple changes in accounting principles are implemented within a relatively short timeframe using retrospective transition methods, the demands placed on companies may significantly increase the risk of material errors.

**Prospective Transition Method**
Based on the above, Entergy believes that the prospective transition method (with a cumulative effect adjustment to beginning retained earnings, if necessary) should be adopted for each of the proposed new standards which involve changes in accounting principles. The effective dates for these new standards should be sequentially ordered over a period of four to six years beginning in 2013. However, we have not devised a specific order or schedule for these effective dates, as we believe the specific order is less critical than the use of the prospective transition method, and spreading out the effective dates over a reasonable period of time.

This proposed timing of effective dates is based on the assumption that final standards for the priority projects (financial instruments, revenue recognition, leases, fair value and presentation of other comprehensive income) will be issued by the second quarter of 2011. We believe there should be at least one year between the issuance of the final standards and the effective dates for each new standard to ensure adequate time to prepare for the transition and implementation. In addition, we believe the effective date should be as of the beginning of the fiscal year of adoption (as opposed to adoption as of the end of the fiscal year of adoption). This will allow companies, and their independent auditors, time to interpret and implement new guidance, avoids adding an additional burden to year-end closing and financial reporting processes, and alleviates possible
comparability issues among the previously filed quarterly financial statements and the annual financial statements.

We believe the use of prospective transition methods in the manner proposed above will allow financial statement preparers adequate time to train and prepare their personnel, as well as to adjust any of their systems and processes to accommodate the accounting changes. We believe this approach will reduce the substantial costs involved with implementing multiple new standards by allowing companies the ability to more efficiently use internal resources to implement the new standards rather than having to use external resources. Disclosures of the impact of the implementation of new standards could be enhanced to aid financial statements users in comparing current and prior periods.

Retrospective Transition Method
If the Boards conclude that the benefits of using retrospective transition methods outweigh the costs and impacts, then we propose that a single effective date for all new standards be used, allowing adequate time for companies to prepare for the adoption. We propose that this single effective date would be no sooner than 2016. We would also strongly recommend the use of a limited retrospective transition method, similar to that which is currently proposed in the leases exposure draft.

The use of a single date would prevent the multiple re-statements of prior periods that could result from sequential adoption of new standards using a retrospective transition method, as described above. In addition, this single effective date with an extended adoption window would aid in the implementation of new accounting systems and processes, which may overlap. Companies could take all changes in standards into account in implementing any new accounting systems and processes, rather than making multiple, incremental changes with the adoption of each new standard.

While Entergy prefers the use of prospective transition methods, we believe the implementation of retrospective transition methods in the manner described above would mitigate the costs and challenges it would present.

Financial Statements Presentation Project
Regardless of which transition methods are selected, we feel the effective date for the financial statement presentation project should be at least one year subsequent to the effective dates for all of the other new standards for which the discussion paper asks for comments. Due to the pervasive impact this new standard will have on the presentation of financial statements, we believe it is appropriate that it be adopted after the others. This would apply even if a single effective date were selected for all of the other proposed new standards.

Coordination Between Multiple Rule-Making Bodies
Entergy notes the discussion paper asked respondents to disregard the possibility of the SEC’s incorporation of IFRS into the U.S. reporting system. We have done so in providing the comments above. However, we would like to stress how important we
believe it is that the FASB, IASB and SEC coordinate their efforts with respect to the timing of the issuance and effective dates of new and/or changes to accounting standards. Given the significant impact their decisions have on the financial reporting and operations of publicly-traded corporations, conflicting or uncoordinated rulings could be costly to these entities, and could disrupt the functioning of international capital markets. With unprecedented changes to accounting standards on the horizon, we feel it is critical the FASB, IASB and SEC work together to reduce the uncertainty and inconsistency inherent in being subject to multiple rule-making bodies.

Summary and Conclusion
Given the cost and effort involved in implementing the proposed new accounting standards addressed in the discussion paper, Entergy feels a prospective transition method is most appropriate, with the effective dates sequentially ordered over the next four to six years. However, if the Boards decide to require retrospective transition methods for some or all of the new standards, then we believe that a single effective date no earlier than 2016 would be the most effective and appropriate timeframe. Regardless of the types of transition methods required, we believe the Boards should incorporate the following into the implementation of the new standards:

- Allow adequate time (at least one year) between the issuance of the final standard and its effective date.
- Require all new standards to be implemented as of the beginning of the preparer’s fiscal year in the year of adoption.
- Assign an effective date to the financial statements presentation project which is at least one year subsequent to the last effective date for the other new standards.
- Coordinate the issuance and effective dates of all new and/or changes to accounting standards among the FASB, IASB and SEC.

We thank the boards for this opportunity to comment on this critical topic. If there are any questions regarding this letter, please do not hesitate to contact me to discuss.

Sincerely,

[Signature]
Theodore Bunting
Senior Vice President and Chief Accounting Officer
Entergy Corporation