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# FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

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## NEWS RELEASE

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### FOR IMMEDIATE RELEASE

March 22, 2005  
Docket No. EL05-52-000

### COMMISSION ACCEPTS ENERGENCY PROPOSAL TO ESTABLISH INDEPENDENT COORDINATOR OF ITS TRANSMISSION SYSTEM

The Federal Energy Regulatory Commission today accepted a proposal from Entergy Corp. to establish an independent coordinator of transmission (ICT), an entity anticipated to realize hundreds of millions of dollars in customer savings through more efficient operation of the multistate utility's power grid.

Today's action comes after a series of extensive technical conferences the Commission held with Entergy, its customers and retail regulators regarding the company's proposal. The Commission noted that the ICT proposal is a "positive development" towards a more independent transmission system. It is a "step beyond" Entergy's Open Access Transmission Tariff (OATT) designed to provide open, non-discriminatory transmission services across Entergy's southeastern service territory.

The Commission limited Entergy's transmission pricing proposal to two years, and conditioned the ICT proposal to add monitoring and reporting conditions. The Commission directed Entergy to file additional tariff information specifying the responsibilities and duties of the ICT and to clearly state the ICT's authority regarding requests for transmission service. "The process for requesting transmission service on the Entergy system . . . must be transparent and understandable to market participants," the Commission order stated.

The Commission directed Entergy to provide additional information on its method for providing firm transmission rights to customers who pay for transmission upgrades.

The Commission's order stated the expectation that the Southwest Power Pool (SPP) would become Entergy's ICT. The Commission confirmed regional transmission operator (RTO) status on Arkansas-based SPP in 2004. Having SPP serve as the ICT will

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ensure ICT's independence from Entergy and give Entergy's market participants, retail regulators and FERC confidence in the ICT's independence, the Commission said.

In addition, the Commission encouraged Entergy and the ICT to remove rate pancaking for transmission between the two systems.

Entergy Services, headquartered in New Orleans, has five operating companies – Entergy Arkansas, Inc., Entergy Gulf States, Inc., Entergy Louisiana, Inc., Entergy Mississippi, Inc. and Entergy New Orleans, Inc. serving 2.7 million customers in parts of Arkansas, Louisiana, Mississippi, and Texas.

SPP operates in all, or parts of, Arkansas, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma and Texas.

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