

STATE OF NEW YORK

Public Service Commission

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PSC DETERMINES ENTERGY REVIEW PROCESS —Scope of Inquiry Focuses Solely on Corporate Reorganization —

Albany, NY — 5/21/08 — The New York State Public Service Commission (Commission) today adopted procedures for the examination of the petition by Entergy Corporation — the owner, through affiliates and subsidiaries, of three nuclear power plants in New York State — for a decision regarding a proposed corporate reorganization.

“The Commission has decided to establish a process to ensure a well-developed record is generated regarding Entergy’s petition,” said Commission Chairman Garry Brown. “We do this to ensure the Commission and other parties have an opportunity to examine specific aspects of this proposed transaction.”

Entergy is planning a corporate reorganization whereby a new holding company will assume ownership of the Indian Point nuclear facilities located in Westchester County and the Fitzpatrick nuclear facility located in Oswego County. The new holding company, which will be named Enexus Energy Corporation, will be owned by the existing shareholders of Entergy. Enexus plans to issue up to \$6.5 billion in debt in connection with this transaction.

The Commission previously determined that nuclear generators participating in wholesale markets may be regulated more closely than other types of lightly-regulated wholesale generators. These plants, constructed as base-load facilities that would be dispatched whenever available, are crucial to the adequacy of generation supply within New York. These plants are

also distinguished by their large size and unique operational characteristics. As a result, a more searching inquiry of issues is warranted.

Accordingly, the Commission's Order establishes a 60-day period for conducting discovery into the Entergy filing. An Administrative Law Judge will be assigned to preside over this proceeding, to resolve any discovery disputes, and at the conclusion of the discovery period, to establish further procedures as necessary to assure that the Commission is able to act promptly on the Entergy petition based on a well-developed record.

The scope of discovery is tightly bounded to the public interest inquiry relevant to this proceeding; namely, adequacy of decommissioning support and capital for continued operation and arrangements for managing, operating and maintaining the plants. Other matters, including questions properly the subject of proceedings on the re-licensing of these nuclear facilities that belong before the Nuclear Regulatory Commission, will not be litigated here.

The Commission will issue a written order reflecting today's action. That order, when available, may be obtained from the Commission's www.dps.state.ny.us Web site by accessing the Commission's File Room section of the homepage and referencing Case 08-E-0077. Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).