Entergy's response to Hurricane Katrina...

and her evil twin, Rita.

Economic and human costs of Hurricane Katrina:

- More than 1,600 lives were lost.
- More than 2,000 missing.
- More than 300,000 homes destroyed.

Economic and human costs of Hurricane Katrina:

- More than 780,000 people displaced.
- More than 18,000 businesses shut down.
- 80 percent of New Orleans flooded.



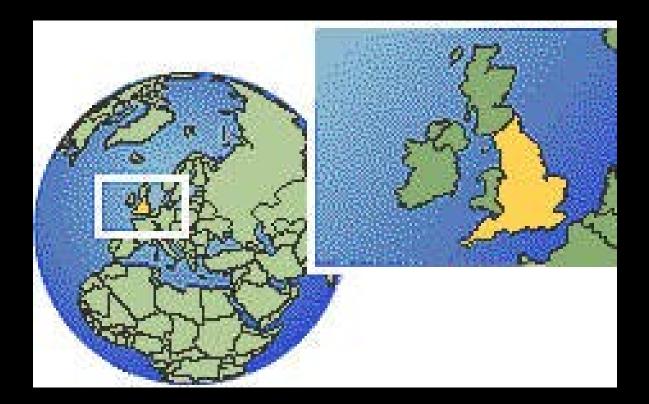
1.8 Million Entergy Customers Lost Power.





- More than 1,500 employees displaced.
- Friends and family scattered, many were missing.
- More than 500 employees lost homes.

Katrina/Rita's devastation zone totals 90,000 square miles -- more than Great Britain.

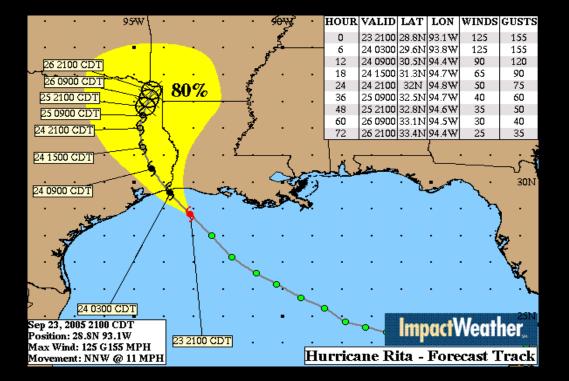


Katrina's unique challenges...

- Corporate HQ evacuated.
- Employees' homes destroyed.
- Resources pre-dedicated to Florida.
- Civil unrest in New Orleans.
- Flooded gas facilities.
- Severe flooding.
- Communications knocked out.
- Massive scale/logistics challenge.
- Gasoline/Diesel shortages.



...were followed by Rita.



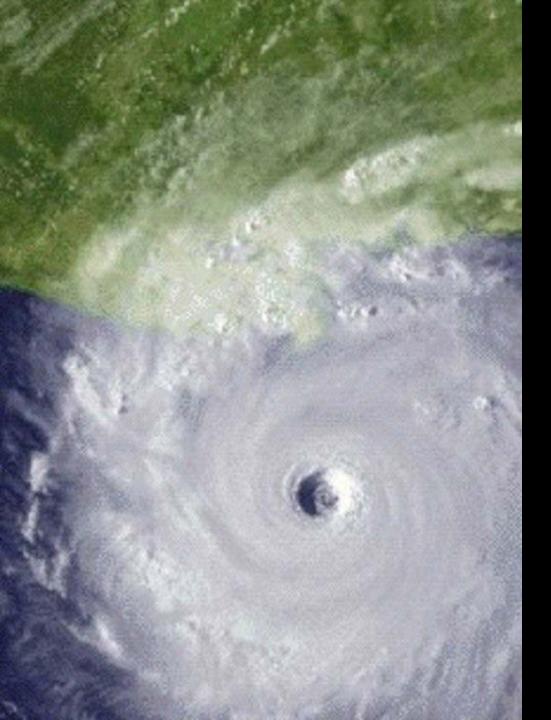
...and Rita's challenges.

- Second worst storm in company's history 800,000 outages.
- Massive damage to transmission system; generation plants damaged & isolated.
- Three days of rolling blackouts for 142,000 Texas customers.
- Exhausted workforce.
- Another huge logistical challenge.
- Material shortages following Katrina.



Restoration Results

- Repaired 75,000 miles of transmission and distribution lines.
- Handled more than 3 million calls.
- Coordinated, clothed, housed and fed more than 23,000 workers.
- Restored critical IT systems.
- Coordinated evacuation of corporate headquarters and 1,500 employees.



Responding to Low Income Customers





KATRINA: THE STORM WE'VE ALWAYS FEARED TO DESPERATION AND DESTRUCTION



Three days after Hurricane Katrina devastated the New Orleans area, the victims of the storm and those striving to help them are still reeling from the effects of the aftermath.

















It didn't have to be this way.

Child poverty rate in Pre-Katrina New Orleans was 2 times higher than national average.



- Louisiana ranks 48th out of 50 states in household income.
- Household income in New Orleans trails U.S. average by 30%.



New Orleans residents were 21% less likely to own their homes.



New Orleanians were 3 times less likely to own a vehicle than average Americans.



Entergy's Low Income Initiatives

- Launched in 1990.
- 20 30% customers live at or below poverty line.
- \$631 million dollars in annual revenue.





"The Most Important Customer"

Wayne Leonard CEO Entergy Corporation

Sept./October 2002

BEAR WITNESS TO ONE OF NATURE'S GREATEST FORCES. The power of hope.



Our hearts go out to them. Our thoughts are with them. But what they really need, is our donations. That's why Entergy has established a fund to help those who were impacted by Hurricane Katrina. The fund, called the Power of Hope, will be used to help disaster victims rebuild their lives in the aftermath of the storm. Entergy Corporation has started the fund with a corporate contribution of \$1 million.

As Entergy continues the largest power restoration in our company's history, we are equally concerned about reaching out to help our neighbors restore their lives. Together, we can rebuild and put this storm behind us. Because the power of Katrina is no match for the power of hope.

Power of Hope Fund Launched.

Volunteer worker gives comfort and hope.



Tax-deductible contributions can be sent to:

The Power of Hope Fund Foundation for the Mid South 134 East Amite Street Jackson, MS 39201

Contributions will also be accepted at www.powerofhope.com

Power of Hope Fund

- Benefitted employees and customers.
- Focus was on helping rebuild.
- Partnered with the Foundation for the Mid South.
- 100% of all donations provided direct aid to victims.



Fund Raised \$4.2 million in Hurricane Recovery Aid.

- Entergy donated \$1.6 million.
- Donors included individuals, employees, shareholders, and vendors.



 Many utilities – TXU Corporation and the Federation of Japanese Electric Companies.

Power of Hope Fund

- Grants were awarded on the basis of need as funds were available.
- More than 30,000 applications received.
- Foundation for Mid South processed and reviewed all applications.





- 67 non-profits awarded \$618,500.
 - 4,000 families
 awarded grants
 totaling \$3.6
 million.
 - Grants rangedfrom \$500 to\$10,000.

Advocacy

- Lobbied for emergency LIHEAP funds.
- CEO Wayne Leonard sent personal appeal for release of funds.
- Pres. Bush released \$27.25 million for that purpose.

Advocacy

- Washington LIHEAP Action Day.
- \$1 billion in additional funding released.
- Working closely with LI advocates to make sure funds are spent.
- Educating customers to make sure they know funds are available.
- Automated outbound calling to LI households.

Customer Billing

- Payment deferment on balances due.
- Waived deposit fees.
- 1.6 million payment extensions.
- 2 month moratorium on disconnects.
- Moratorium in New Orleans remained in place for more than 10 months.

Open Communication

- Letters to 3,000 low income advocates.
- Summits/meetings: Arkansas, Baton Rouge, Beaumont.
- Survey of advocates' post Katrina needs.
- Information mailings to low income customers.

Holiday Direct Mailing

- \$154,000 raised.
- 43% increase in total donations over '04.
- 32% increase in the average gift.
- 40% increase in average response rate.

Partners

- AARP
- Consumer Federation of America
- Consumer's Union
- National Community Action Foundation
- National Consumer Law Center

Fast Forward 2016

First you make a roux...

- We knew that there would be no rebuild if we did not do a successful job in restoring the critical infrastructure that supported the city. That meant electricity, it meant gas, it meant water, it meant levees.
- But it also meant being willing to invest deeply in affordable housing, education, sustainability, and asset creation.

Katrina @10. The Power of Hope.



Affordable Housing



SBP HOUR BUILD

Entergy and its employees partnered with nonprofit organizations to help build or rebuild 1,300 singlefamily or multi-family homes destroyed in Hurricane Katrina.

Public School Transformation

- Entergy's investment > \$10 million.
- On-time high school graduation rates have increased 55% to 73%.
- College enrollment is up 37% to 59%.
- Student performance scores have doubled.
- ACT scores have increased by almost 2 pts.
- Number of failing high schools has gone from 38 percent to zero.

Sustainability



Entergy partnered with the City and Louisiana Public Health Institute to create 100 miles of new bike lanes and pedestrian walk ways. New Orleans is now in the top 10 cities for bicycle commuting.

Sustainability



- Entergy partnered with NIKE corporation to create the New Orleans Solar Schools Initiative.
 - 25 kW solar demonstration projects installed at Warren Eaton, Akili Academy, International School and Math and Sci High.

Building Assets/Creating Wealth

Entergy teamed up with United Way of Greater New Orleans to create a post-hurricane Individual Development Account program to provide matched savings accounts for low income families.

- More than 400 individuals opened IDA savings accounts.
- 183 families have become first time homeowners.
- 54 have purchased completed vehicle purchases.
- 191 have completed homebuyer training.
- 310 have completed financial literacy classes.
- The program has resulted in \$20 million in asset purchases.
- There have been zero foreclosures.

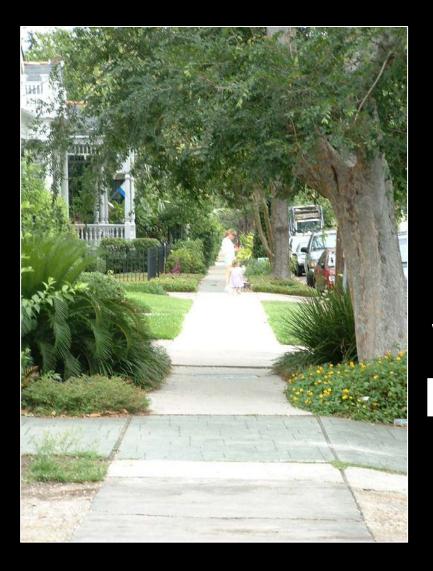
New Orleans Then: NEAUC Conference 2005

And now:

NEAUC Conference 2016

We Have An Unprecedented Opportunity...





To create a <u>new</u> New Orleans where neighborhoods are safe...



Where businesses can be successful...



Where schools can excel...

Where children will thrive...



Where families can realize the American Dream



of Home Ownership

Where the environment is respected...



Top 10 Lessons Learned

- Have a plan.
- Set expectations.
- Partner with others.
- Communication.
- Technology.

- Never be afraid to ask for what you want.
- Know your limits.
- Be flexible.
- Be patient.



Take care of your employees



#WePowerLife

— WE POWER LIFE[™]