

ENTERGY NEW ORLEANS, INC.
ELECTRIC SERVICE

SCHEDULE PPS-2

Effective: June 1, 2003
Filed: March 19, 2003
Supersedes: PPS-1 Effective 11/29/83
Schedule Consists of: One Sheet

PURCHASED POWER SERVICE

I. AVAILABILITY

At all points throughout the territory served by the Company for purchases by the Company of energy generated by Qualified Small Power Production and Qualified Cogeneration Facilities which are determined to be qualified facilities by the Federal Energy Regulatory Commission pursuant to Sections 201 and 210 of the Public Utilities Regulatory Policies Act of 1978.

II. APPLICATION

Company will accept and pay for all net electric energy which is produced by the Qualified Facility and is offered by Producer subject to the provisions of an Agreement for Purchased Power.

III. TYPE OF SERVICE

Producer shall have responsibility for connecting its facilities and equipment to Company's system. The maximum quantity of kWh to be delivered hourly by Producer and a voltage at which such deliveries are to be made shall be as set forth in the Agreement for Purchased Power between Company and Producer.

IV. NET MONTHLY BILL

The payment for all net electric energy which is produced by the Qualified Facility and delivered into Company's system shall be the sum of calculations made under A and B below:

A. Facility Charge

The Producer shall make a non-refundable contribution to the Company in an amount equal to Company's actual cost of facilities as determined by Company in its sole judgment to be necessary to receive energy from Producer's Qualified Facility. In addition, the Producer will pay a monthly customer charge to defray the Company's billing, metering, maintenance, administrative, and other expenses necessary to support interconnection with the Producer's Qualified Facility.

B. Rate (Monthly kWh Payment by Company)

Energy delivered into Company's system adjusted for any transformation or interconnection losses, shall be recorded hour-by-hour during each calendar month. The price to be paid per kWh for such energy delivered each hour shall be an average of the fuel costs and/or purchased power costs per kWh which were not incurred on the Entergy System in the same hour because of deliveries of energy from Qualified Facilities. Payment by Company to Producer shall be made monthly and shall be the sum of the amounts calculated in accordance with the above for hourly energy deliveries by Producer.

V. PAYMENTS

The Net Monthly Payment is due and payable each month. If not paid within twenty (20) days from the date of billing, the Net Monthly Payment due either Producer or Company shall be increased by 2%. The Company reserves the right to credit purchase of power under this schedule against any other billings due and payable to the Company by Producer.

VI. CONTRACT PERIOD

The Contract Period shall be negotiated between the Producer and the Company. An Agreement for Purchased Power will be in effect for each service at each separate location.

Service hereunder is subject to the orders of regulatory bodies having jurisdiction and either the Company or the Producer may request lawful change in rate schedule in accordance with such jurisdiction.

VII. SUPPLEMENTARY POWER SERVICE

Supplementary power is electric energy or capacity supplied by the Company in addition to that power which the Producer ordinarily generates for its own use. Producer's electrical requirements for supplementary power service will be supplied by the Company through one separate metering installation at one point of delivery.

Supplementary Power Service hereunder will be billed in accordance with the Company's applicable rate schedule and rider schedules.

Service must conform with the Service Standards and Service Regulations of the Company.