

ENTERGY NEW ORLEANS, INC.
ELECTRIC SERVICE

SCHEDULE SMS-2

Effective: December 31, 2007
Filed: November 6, 2006
Supersedes: SMS Effective 6/1/03
Schedule Consist of: Two Sheets

STANDBY AND MAINTENANCE SERVICE

I. AVAILABILITY

At all points throughout the territory served by the Company where facilities of adequate capacity and suitable phase and voltage are adjacent to the premises to be served, and service is taken according to the Service Standards and Service Regulations of the Company. Where facilities of adequate capacity and suitable phase and voltage are not adjacent to the premises to be served, Company may, at its option, require a contribution, higher minimum bill, facilities charge, or other compensation to make service available.

The obligations of the Company in regard to service under this Schedule SMS are dependent upon its securing and retaining all necessary right-of-ways, privileges, franchises, and permits for such service and the Company shall not be liable to any customer or applicant for service in the event the Customer is delayed in, or is prevented from, purchasing power by reason of the Company's failure to secure and retain such right-of-ways, rights, privileges, franchises, and permits.

II. APPLICATION

This Schedule is applicable to customers who own generation equipment and who contract for Standby and Maintenance Service from the Company.

Service under this Schedule SMS is solely for backup and maintenance power supplied during an unscheduled or a scheduled outage of a customer's generation facility to replace electric energy or capacity ordinarily generated by such facility. All service is supplied through one metering installation at one point of delivery. Lighting and incidental service supplied through other meters will be billed at the schedule applicable to such service. Service hereunder is subject to any of the Company's rider schedules that may be applicable. Service under this Schedule SMS shall not be resold, submetered, used for supplemental service, seasonal service or shared with others.

Service under this Schedule SMS shall be furnished solely to the individual contracting Customer in a single enterprise, located entirely on a single premise. Service hereunder shall be restricted to a maximum of the production capacity of the Customer's generating facility, which may be operated in parallel with the Company's system. Service necessary to supply the Customer's total load requirements placed on the Company's system by the Customer shall be billed on the applicable schedule(s) of the Company, and power delivered under this Schedule SMS shall not offset or be substituted for power contracted for or which may be contracted for under any other schedule of the Company, except at the option of the Company under special terms and conditions expressed in writing in the contract with the Customer.

This Schedule SMS is subject to all provisions of the Company's standard rate schedules and rider schedules, which it is used in conjunction with, except those provisions specifically modified herein.

Service under this Schedule SMS will not be made available for more than ten (10) applications, nor during more than sixty (60) calendar days of a contract year.

Any usage of this Schedule SMS during any part of a calendar day will be counted as one (1) entire calendar day's use toward the maximum allowable sixty (60) calendar day use.

III. DEFINITIONS

A. Contracted Standby Demand

Contracted Standby Demand is the maximum Standby Demand kW that the Customer has requested the Company to provide as stated in the application for service. The amount of Contracted Standby Demand may be increased by mutual agreement, and may be decreased by mutual agreement, by substituting one kW of demand to be taken as Supplemental Power for each kW of Contracted Standby Demand so decreased. In no event shall the Contracted Standby Demand exceed the maximum generating capacity of the Customer's generating facility.

B. Maximum Demand

The highest fifteen-minute (15-minute) interval kW established in the Standby Period, and also in the non-Standby Period.

C. Supplemental Power

Supplemental Power is electric energy or capacity regularly supplied by the Company, for which the Customer has contracted to meet the Customer's requirements that exceed the requirements supplied by the Customer's generating facility.

D. Standby Period

A Standby Period is a period of time during which the Customer has taken electric energy (Standby Energy) and capacity (Standby Demand) supplied by the Company during an outage of the Customer's generating facility for any reason, including maintenance, subject to the limitations described herein. A Customer contracting for both Supplemental Power and service under this Schedule SMS must declare a Standby Period by notifying the Company within 24 hours of the beginning of a generating facility outage. The Customer must again notify the Company within 24 hours when such outage is over. If the Company is not so notified, the Customer may forfeit its right to the rates under this Schedule SMS and all power and energy supplied shall be supplied and billed as Supplemental Power.

E. Standby Demand

If Customer has not contracted with Company for Supplemental Power, Standby Demand shall be the Maximum Demand established in the month.

If Customer has contracted with Company for Supplemental Power, Standby Demand shall be established as follows for any month during which a Standby Period occurs. In any month in which the Standby Period is less than the entire month, Standby Demand shall be the difference between the Maximum Demand established during the Standby Period and the Maximum Demand established the rest of the month. In any month in which the Standby Period covers the entire month, Standby Demand shall be the difference between the Maximum Demand established in such month and the Maximum Demand established during the twenty-four (24) hour period immediately preceding the Standby Period.

In no event shall the amount of Standby Demand billed under this Schedule SMS exceed the amount of Contracted Standby Demand.

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SCHEDULE SMS-2 (Cont.)

STANDBY AND MAINTENANCE SERVICE

F. Standby Energy

Standby Energy shall be the sum of the kilowatt-hours consumed during the period when Standby Demand is being provided less, for those customers who purchase Supplemental Power, the energy used under Supplemental Power in each hour of the Standby period. The Supplemental Power in each hour of the Standby Period is defined as the average energy used under the supplemental rate for the twenty-four hours prior to the beginning of the Standby Period.

IV. TYPE OF SERVICE

Service provided under this Schedule SMS will be three phase, 60 cycle alternating current at a primary distribution line voltage as may be available.

V. NET MONTHLY BILL

A. Rate

Demand Charge:

Contracted Standby Demand per kW, plus	\$1.11
Standby Demand per kW:	\$3.33

Energy Charge:

Standby Energy kWh per kWh:	\$0.00178
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B. Minimum Bill

The monthly minimum bill shall be the Demand Charge calculated for all kW of Contracted Standby Demand as stated in the Electric Service Agreement for Standby Service, plus all applicable adjustments.

C. Adjustments

First – Plus or minus the applicable proportionate part of any directly allocable tax, impost or assessment imposed or reduced by any governmental authority after the effective date of this Schedule SMS, which is assessed or levied against the Company or directly affects the Company's cost of operation and which the Company is legally obligated to pay on the basis of meters, customers, or rates of, or revenue from electric power and energy or service sold, or on the volume of energy generated, transmitted, purchased for sale, or sold, or on any other basis where direct allocation is possible.

Second – Plus the fuel adjustment to be calculated based upon the total kWh included in the monthly bill times the adjustment per kWh for the current month calculated in accordance with Rate Schedule FAC.

Third – When service is metered at a voltage lower than the available primary distribution line voltage, all meter readings shall be adjusted for transformation losses by adding 1.0%. When service is metered at a voltage higher than the available primary distribution line voltage, all meter readings shall be adjusted for transformation losses by subtracting 1.0%.

Fourth – When service is taken at a transmission voltage of 115,000 volts or higher and Customer furnishes and maintains the transmission substation and all associated electric facilities, a credit of \$0.38 per Contracted Standby Demand kW of the monthly demand billed will be allowed.

VI. METERING

The Company shall install, own and maintain the metering facilities necessary to provide service under this Schedule SMS. The Customer shall pay the Company for the installed cost of such metering facilities.

If Company is also providing Supplemental Power, the customer will pay the Company for the difference in the current installation cost of required metering for Supplemental Power and the required metering cost for Schedule SMS.

VII. POWER FACTOR

The Customer shall maintain a power factor as near as 100% as practicable, but such power factor shall not be leading unless agreed upon by the Company.

VIII. PAYMENT

The Net Monthly Bill is due and payable each month. The Gross Monthly Bill, which is the Net Monthly Bill plus 2%, becomes due after the Gross Due Date shown on the bill, which shall not be less than twenty (20) days from the date of billing.

IX. CONTRACT PERIOD

The contract shall be for a minimum period of five years and, at Company's option, may be longer to justify the investment in generation, transmission and distribution facilities. Service hereunder is subject to the orders of regulatory bodies having jurisdiction and either the Company or the Customer may request lawful change in this Schedule SMS in accordance with such jurisdiction.