

Advocate

POWER



SPRING 2008

Advocates, Entergy Employees Seek Increased Funding for LIHEAP

Entergy employees and low-income advocates from Arkansas, Louisiana, Mississippi and Texas traveled to Capitol Hill to ask their congressional delegations to support an increase in Low Income Home Energy Assistance Program (LIHEAP) funding.

One proposal would increase LIHEAP funding by \$800 million, half of which would go toward funding a formula to help warm-weather states. If Congress approves the amendment, the grant for Texas will increase to \$83 million while Louisiana's will expand to \$32 million, Mississippi to \$26 million and Arkansas to \$24 million.

The U.S. Senate has approved a budget resolution for \$5.1 billion in LIHEAP funding for the 2009 fiscal year, the first step in appropriating money for the program. LIHEAP has traditionally been under funded. Nationally, it reaches less than two out of every 10 homes eligible to receive LIHEAP.

"LIHEAP is one of the most efficient programs the federal government funds, but it only reaches a fraction of those it's meant to help.



Back row: Eunice Harris, Entergy; Dr. Clara Byes, Jefferson CAP; Congressman Rodney Alexander; Eva Pratt, NFFN Board of Directors; Wendy Hellinger, Catholic Services Front row: Beverly Trahan, Entergy; Sarah Sharp, Entergy; James Wayne, Capital Area Legal Services



Pictured from left are: U.S. Sen. Blanche Lincoln; Linda Barnes, low income manager for Entergy Corp.; Jamie Stringfellow, customer service manager with Entergy Arkansas, Inc.; Walker Nolan, employee with CenterPoint Energy; and Rose Adams, with the Arkansas Community Action Agency.

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Arkansas Shuts Down Predatory and Payday Lending

After an exhaustive fight on both legal and political fronts, Arkansas Attorney General Dustin McDaniel has officially ordered all payday lenders to shutdown their practices.

According to reports from The Center for Responsible Lending and the Arkansas Democrat-Gazette, these predatory

lenders must void all current and past due debts or risk litigation if they fail to comply with McDaniel's order.

Charging exorbitant interest rates by calling them fees, payday lenders have preyed on low-income

"Charging consumers interest in the range of 300 to 500 percent is unlawful and unconscionable..."

—Attorney General Dustin McDaniel

and elderly customers within the state since 1999. Arkansas has a constitutional interest rate limit of 17 percent, and McDaniel said a recent Arkansas Supreme Court ruling makes it clear that payday lenders are subject to the interest rate limit.

"These businesses have made a lot of money on the backs

of Arkansas consumers, mostly the working poor. Charging consumers interest in the range of 300 to 500 percent is unlawful and unconscionable, and it is time that it stops," McDaniel said.

Super Tax Day Nets Low-Income Louisianans \$1 Billion in Tax Credits

Working poor Louisiana citizens will get a boost this year thanks to Entergy and the Internal Revenue Service (IRS). As part of its Low-Income Solutions program, Entergy provided a grant to fund February's Super Tax Day in Baton Rouge and Lake Charles so eligible taxpayers could learn about and file for the Earned Income Tax Credit (EITC).

Entergy utilized a calling program to phone 2,801 eligible customers as well as distributed bill inserts informing recipients of free tax preparation services. The call center also provided training for new volunteers as part of the Volunteers in Tax Assistance (VITA) program, which worked with 268 people attending Super Tax Day.

Almost 17,000 returns were completed at VITA sites in Louisiana this year, which represents \$37,769,056 in reported income. The total EITC received by taxpayers in the state of Louisiana is \$1,080,773,174. The average family recipient will receive \$2,228, enough to pay for car repairs, catch up on past-due bills or begin a savings account.

EITC is a refundable credit for people who work but do not earn high incomes. EITC was created in 1975 and helps offset Social Security taxes as well as provides an incentive for work. Eligible taxpayers can lower their tax bill or receive refunds through the program.

EITC is the largest benefits program the federal

VITA SITE	FED AGI	EIC	REFUND
LDR - Headquarter	\$997,981	\$31,372	\$61,107
LDR - Baton Rouge Region	\$1,312,077	\$37,482	\$90,710
Southern University	\$201,797	\$5,092	\$11,751
City of Baton Rouge OSS	\$209,879	\$7,625	\$14,871
Internal Revenue Service	\$967,259	\$34,294	\$57,176
TOTAL	\$3,688,993	\$115,865	\$235,615

government provides for working families. As a result of EITC, approximately 22.4 million taxpayers received more than \$43.7 billion on their 2006 federal income tax returns. However, in spite of extensive awareness campaigns by the IRS and its partners such as Entergy, the agency estimates that thousands of eligible taxpayers neglect to file for this valuable credit.



From left to right: Willie Martin, executive director of Mississippi Association of Community Action Agencies; Sherry Rainey, vice president of planning and development for Hinds County Human Resource Agency; Gloria Johnson, customer service director for Entergy Mississippi, Inc.; United States Senator Thad Cochran; Patricia Rucker, customer service manager for Entergy Mississippi, Inc., and Ann Becker, external affairs manager for Entergy Mississippi, Inc.



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Estimates are slightly more than 15 percent of households eligible for LIHEAP actually receive help, and the real value of the grants is decreasing,” said Linda Barnes, Entergy’s manager of low-income initiatives. “Depending upon how it is allocated, increased LIHEAP funding could ensure residents of warm-weather states receive their fair share.”

Studies have shown that extreme heat causes more deaths annually than any other weather-related phenomena. “Low-income residents and people living paycheck to paycheck should not be penalized simply because of where they live,” Barnes said. “Their needs are as real as residents of any other region, especially as more is known about the health effects of extreme summer heat.”

Henry Gernhauer, customer relations manager for Entergy Texas, Inc.; Paula Odom, customer service specialist for Entergy Texas, Inc.; U.S. Senator Kevin Brady, Mary Young, senior customer service specialist for Entergy Texas, Inc.

Gap between Rich and Poor Widening in Entergy Service Areas

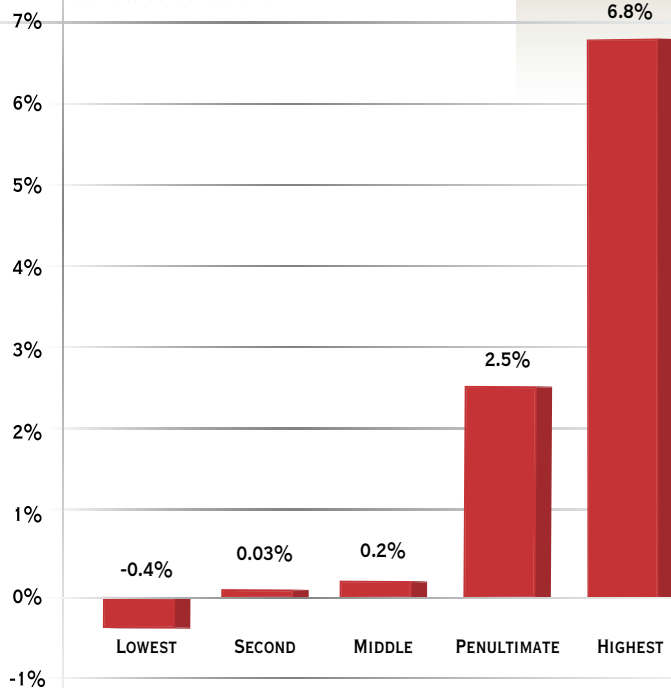
A recent study shows that poverty rates in Arkansas, Louisiana, Mississippi, New Orleans and Texas have been increasing since 2000. In fact, the report noted other poverty trends in Entergy’s service areas:

- **POVERTY RATES ARE INCREASING, SHARPLY IN SOME JURISDICTIONS;**
- **INCOMES OF THE BOTTOM 60 PERCENT OF WAGE-EARNERS HAVE BEEN FLAT SINCE 1998;**
- **INCOMES AT THE TOP, HOWEVER, HAVE INCREASED SO THE GAP BETWEEN RICH AND POOR IS WIDENING; AND**
- **AT THE VERY TOP—THE UPPER ONE PERCENT OF WAGE-EARNERS—INCOME CONCENTRATION IS THE GREATEST SINCE 1929.**

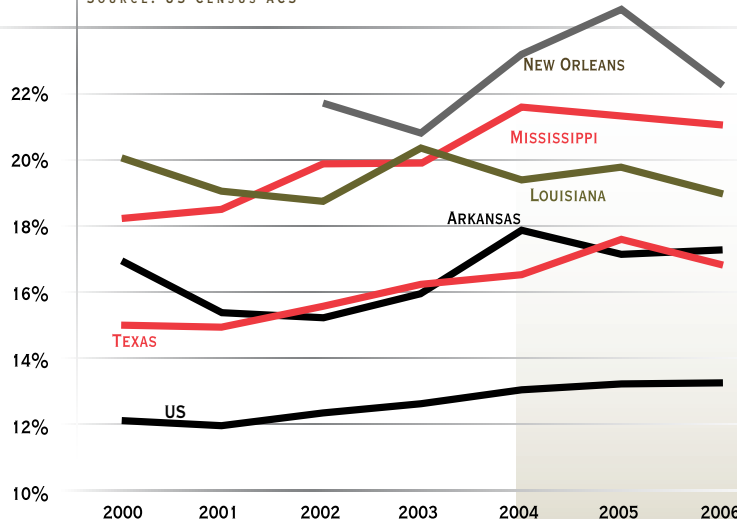
Compiled for Entergy by Jerrold Oppenheim and Theo MacGregor, the report details that current poverty rates in Entergy’s service area states are higher than in 2006—by as much as 16 percent—with the exception of Louisiana where the poverty rate is down by one point, or 5 percent, a drop likely attributable to the displacement caused by Hurricane Katrina. However, there was growth at every income level over the past two decades. While incomes in the upper 20 percent increased more than half—59 percent—the bottom 60 percent also increased by about 20 percent.

Although the disparity between people in need and those who want for nothing broadens yearly, advocates for low-income families have resources available through Entergy to assist neighbors in need. For information, research materials or reference materials on low-income customer initiatives, access http://www.entergy.com/our_community/low_income.aspx.

INCOME CHANGES BY QUINTILES, 2006 vs 1998
SOURCE: US CENSUS OPS



POVERTY RATES, U.S. AND ENTERGY TERRITORIES
SOURCE: US CENSUS ACS



Entergy Texas Helps Nonprofits Access More Funding Opportunities

Charities typically work hard to find the funds they need for the good works they do. To help them identify potential funding sources, Entergy Texas, Inc., contributed 30 one-year memberships to GrantStation, a computer-based grant search program.

Entergy's Corporate Contributions divided the memberships equally between the East and West areas of Entergy Texas' service area and presented them to the approved agencies last year. Cindy Adams, the president and CEO of GrantStation, trained the recipients on using the site and how to maximize their searches for funding sources. The value of the 30 memberships was about \$18,000.

"The biggest problem community organizations face is the lack of time to do thorough grant research, which limits their access to all the

funding opportunities. At Entergy we believe with all the right resources, local organizations can tremendously impact their communities, and this pilot will prove to be a forerunner in those efforts," said Patty Riddlebarger, director of corporate social responsibility for Entergy.

Entergy Texas is planning to contribute more GrantStation memberships in 2008.

GrantStation, an interactive Web site allowing grant seekers to identify potential funding sources, provides access to a searchable database of grant-makers who are actively accepting proposals from a variety of organizations, federal grant deadlines updated twice a week, and links to the funding agencies in your state. The site also will provide advice to members during the grant-seeking process.

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Patty Riddlebarger

— director of corporate social responsibility for Entergy



How GrantStation Works

- Searchable by funding areas of interest as well as type of support needed.
- Provides pre-screened, targeted profiles of active funders who give more than \$50,000 annually.
- Detailed guidelines included in funder profiles.
- Many funder profiles include inside information based on personal conversations with funders as well as a link to the grant-maker's IRS 990 form.
- Updated regularly, funder profiles contain an "Update" date so the researcher knows if the information is timely.
- Funder database includes more than 4,000 funding sources with more added daily, including foundations, corporations and many state and federal government sources with access to the Federal Register.

Entergy and Foundation for the Mid South Recognize Five Years of Economic Independence

*IDA
Anniversary
Celebrates
Homeowners,
Business
Owners
and College
Graduates*

Helping low-income residents achieve their economic goals is the mission of the roughly 60 Individual Development Account (IDA) programs created since the Foundation for the Mid South (FMS) began its IDA initiative with financial help from Entergy in 2002. Entergy and FMS are celebrating the fifth anniversary of the Mid South IDA initiative, the nation's first multi-state IDA initiative.

"The foundation put together an ambitious plan, and thankfully we have been able to carry it out to everyone's benefit," Necole Irvin, IDA program director at the foundation, said. "The Mid South IDA initiative has been so successful it serves as a model for other groups looking to start or revamp their asset-building programs."

When the initiative started with \$1.2 million in funding from Entergy, there were only six IDA programs in Arkansas and Louisiana and none in Mississippi. Over the last five years, the concept has flourished in the Mid South with the establishment of more than 60 asset-building programs, an expansion into southeastern

Texas and the total number of IDA accounts in the region doubling.

Typically, IDAs are matched savings accounts created for low-income residents to save for an asset such as a home, a small business or a college education. To help them maximize their effort for long-term stability, participants agree to complete financial education classes, credit counseling and asset-specific training as part of the program.

There is no shortage of potential participants in the region. Louisiana, Mississippi, Texas and Arkansas routinely rank among the most poverty-ridden states in the country. The states also have the lowest number of household bank accounts in the country.

"Poverty ensnares generations of families, and there is no single answer to breaking that cycle," Patty Riddlebarger, director of corporate social responsibility at Entergy, said. "However, IDAs are highly effective in helping families build up their financial assets."



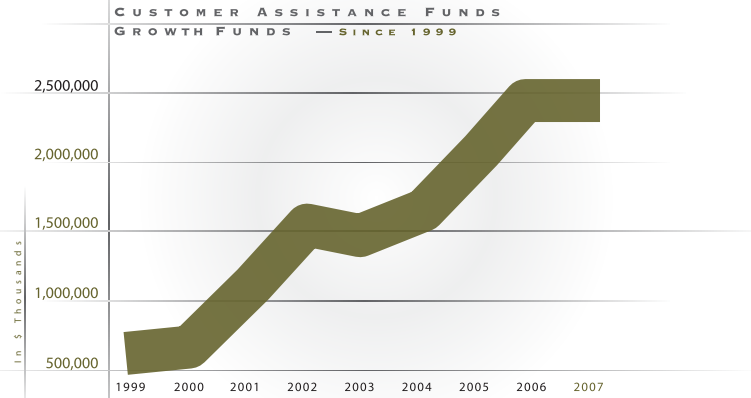
Customer Assistance Funds Mark Silver Anniversary

Entergy Contributors Provide 25 Years of Emergency Financial Assistance to Low-Income Elderly, Disabled Customers

Entergy’s employees, customers and shareholders have distributed millions to help its neediest customers pay their energy costs over the last 25 years.

Entergy developed customer assistance funds (CAFs) in 1983 to assist low-income elderly and disabled customers who sometimes find themselves choosing between keeping the lights on and paying for other critical needs, like groceries and medicine. Helping create the program were community outreach agencies such as the Salvation Army, New Orleans Council on Aging, Project CARE Trust at Bank One and Capital One, and Louisiana Councils on Aging.

Today, CAFs have helped millions of needy customers pay their utility bills. Because the CAFs are administered by partner nonprofit organizations at no cost



to the program, 100 percent of all donations help offset utility costs to those struggling to pay for basic needs.

Entergy customers contribute to the CAF in their area by agreeing to donate \$1 or more to their monthly utility bill. Entergy shareholders match 100 percent of employee contributions and also match new customer contributions up to \$500,000 annually.

Nonprofits Unite to Improve, Transform Southeast Texas

The Southeast Texas Nonprofit Development Center has established the Nonprofit Resource Center in Beaumont, Texas, to nurture a community of strong nonprofits that improves the quality of life in Southeast Texas.

The goal of the Nonprofit Resource Center is to provide quality support services to nonprofits and funders so they can effectively serve the community. In 2004, a group of funding agencies began to meet to discuss common problems related to seeking funds, and the most common issue was lack of resources to assist nonprofits in financial and strategic planning, board selection and training, fundraising and grant management.

As a result, a series of meetings were conducted within a three-county region. Overwhelmingly, nonprofit feedback was the lack of resources to hire consultants to

help advance their particular missions.

Now more than ever, nonprofits need assistance in fundraising, management and strategic planning, and the Nonprofit Resource Center provides them the tools and access to training resources across Texas. The goal is to have a strong group of nonprofits providing a unique mix of services in the most effective and efficient manner possible, reaching the greatest number of residents.

“I am proud that Entergy was involved in helping start the Nonprofit Development Center of Southeast Texas,” said Vernon Pierce, a board member of the Nonprofit Resource Center and director of customer service for Entergy Texas, Inc. “This center will help nonprofit organizations in our service territory to be more successful, which in turn will support the citizens in our area.”