



News for our Mississippi Customers

## Entergy Mississippi Bills Going Down Again

Lower fuel costs result in additional savings for customers

Electricity costs for Entergy Mississippi customers are going down significantly.

For the second consecutive quarter, Entergy is reporting lower rates due to a reduction in the price of fuels such as natural gas and oil used to generate electricity.

The 12 percent reduction, which follows a 5.5 percent decrease last quarter, will be in effect during the third quarter that runs from July through September.

"This means that an average residential bill will decrease from about \$121 for every thousand kilowatt-hours used to about \$107," said Carolyn Shanks, president and chief executive officer of Entergy Mississippi.

"Entergy does not make or lose money on the fuel it purchases to generate electricity," she said. "When our fuel costs go down, we pass the savings on to the customer."

Utilities across the nation saw the first indications that demand for natural gas was exceeding production when prices begin to rise in 2001. Last year, natural gas prices doubled, with high prices pushing even higher when hurricanes Katrina and Rita damaged 75 percent of the natural gas wells in the Gulf.

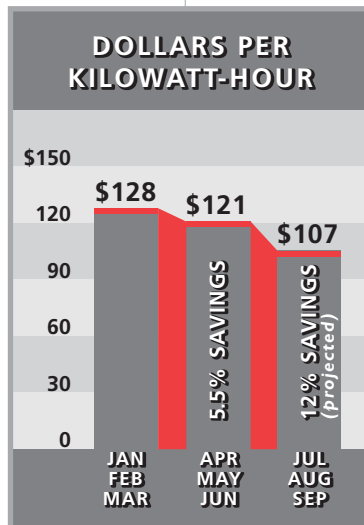
Entergy Mississippi reacted quickly to the situation to mitigate the impact of higher fuel costs. Where possible, the company switched from natural gas to less expensive fuels to power its generating plants, saving customers more than \$30 million in fuel costs last year. A hedging program designed to lock in low rates

on natural gas saved millions more.

Entergy also launched a public awareness campaign that includes seminars featuring weatherization techniques to help customers manage electricity costs.

"We are always looking for ways to reduce our costs," said Shanks. "When the price of natural gas began to rise, we worked very hard to lessen the impact on our customers."

"Because Entergy uses a diverse fuel mix to generate electricity, we were able to take advantage of that ability to hold the line on costs," she said. "And, by getting the message out to customers and offering energy awareness tips, we helped them manage their electricity costs as well."



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## Entergy Mississippi Launches "Hot Shots"

Concentrated effort targets improved service reliability

A new initiative aimed at reducing power outages and improving Entergy Mississippi's service reliability is underway in western Mississippi.

Through its "Operation Hot Shots," Entergy expects to complete repairs on 55 trouble spots in 11 communities this summer, including Jackson, Madison, Brandon, Clinton, Vicksburg, Natchez, Brookhaven, Southaven, Senatobia, Cleveland and Greenville.

"We're taking steps now to ensure that our customers have the power they need, when they need it."

"This is an intense effort to improve reliability on targeted devices by performing several months' worth of work over the June through August time frame," said Dennis Dawsey, director of distribution operations for Entergy Mississippi. "Improvements can be anything from installing animal guards and tree trimming to replacing power lines and poles."

Operation Hot Shots troubleshoots poor performing circuits before they become bigger problems.

CONTINUED

## Entergy Launches Energy Awareness Initiative

### High energy costs spur Simple Steps message

Entergy is urging customers to take a few simple steps that can make a big difference this summer.

"In the past, we have used this time of year to distribute tips to help customers manage their electricity usage during the hottest months when usage tends to be significantly higher," said Carolyn Shanks, president of Entergy Mississippi. "With rising energy costs confronting us at every level this summer, we are furthering these efforts by suggesting lifestyle changes that work."

In addition to escalated prices at the gasoline pump, natural gas prices have increased significantly in the past year. That means

companies like Entergy, which depend on natural gas to generate electricity, are paying significantly more for the fuel that's needed to power homes and businesses.

Though natural gas prices are slowly dropping, Entergy is encouraging customers to make wise energy choices while the market remains volatile. Through its Simple Steps initiative, Entergy is asking customers to make such small adjustments as keeping thermostats set at 78 degrees, waiting to use appliances such as the clothes dryer in the cooler evening hours, and using ceiling or box fans to circulate cool air.



By taking Simple Steps to use energy wisely this summer, we can manage through this challenging situation.

Entergy is working hard to reduce the impact of high energy costs on customers through several measures that include hedging on natural gas prices and

employing a diverse fuel mix to generate electricity. These steps have saved customers millions of dollars.

In addition, Entergy is encouraging customers to enjoy traditional summer activities that require minimal electricity. Such activities include sitting on a porch beneath a ceiling fan, visiting an outdoor recreational area, or participating in community picnics and neighborhood get-togethers.

"Entergy and its customers have faced similar challenges before," said Shanks. "In the energy crisis of the Seventies, we all made adjustments, like carpooling and driving

at a reduced speed limit. By taking simple steps to use energy wisely this summer, we can manage through this challenging situation as well."

### "Hot Shots" CONTINUED

"The old saying is true — an ounce of prevention is worth a pound of cure," Dawsey said. "We're taking steps now to ensure that our customers have the power they need, when they need it."

Improvements include lightning outage mitigation work in the Delta and Senatobia areas as well as improved circuit sectionalizing in Rankin, Madison, Hinds, Warren, Lincoln, Pike and DeSoto Counties.

The "Hot Shot" team concept is a new addition to Entergy Mississippi's maintenance operations. The company has been implementing a comprehensive service and reliability plan since 1998, when Entergy re-focused on its core business of providing safe, reliable electric service.



"We are going to spend more than \$9.74 million on distribution-related service and reliability improvements this year," said Dawsey. "This total includes dollars spent this year on all types of maintenance — everything from replacing transformers and trimming trees to new circuit additions. In addition, \$12.8 million will be spent on improvements to our substations and transmission lines, which are important links between our power plants and our customers."

This type of maintenance is not easy or glamorous, noted Dawsey. "Summer heat, insects, and vegetation can pose challenges for our 'Hot Shot' teams," he said. "But improving reliability for our customers is worth it."

## Entergy **Currents**

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