

ENERGY MISSISSIPPI, INC.

Availability: At any point on Company's existing Distribution
Lines of Adequate Capacity and Suitable Voltage

Date to be Effective: December 29, 2000

Docket No. 2000-UN-884

MISSISSIPPI PUBLIC SERVICE COMMISSION

P.S.C. Schedule No. I-27.2

Revised Page No. I-27.2, Date: December 29, 2000

Superseded Page No. I-27.2, Date: March 24, 1997

Schedule Consists of: Two Pages and Attachments A, B and C

Kind and Class of Service: Electric

ENERGY COST RECOVERY RIDER SCHEDULE ECR-2**1. RECOVERY OF ENERGY COSTS**

This Energy Cost Recovery Rider Schedule ECR-2 ("Rider ECR-2") defines the procedure by which Entergy Mississippi, Inc. ("Entergy Mississippi" or "Company") shall recover its net fuel and purchased energy costs, as those costs are defined in this Rider ECR-2 ("Energy Cost").

2. ENERGY COST FACTOR

The factor for recovery of the Energy Cost ("Energy Cost Factor") is set forth in Attachment A to this Rider ECR-2. The Energy Cost Factor shall be redetermined quarterly in accordance with the provisions of Paragraph 3.1 of this Rider ECR-2. The Energy Cost Factor shall be applied in accordance with the provisions set out in Attachment A to this Rider ECR-2.

3. QUARTERLY REDETERMINATION**3.1 REVIEW PERIOD**

On or before the 45th day of each calendar quarter, the Company shall provide the Mississippi Public Utilities Staff ("MPUS") an Attachment A containing a redetermined Energy Cost Factor. The Energy Cost Factor, as set out in Attachment A, shall be redetermined by application of the Energy Cost Factor Formula set out in Attachment B to this Rider ECR-2.

The Energy Cost Factor shall reflect the projected Energy Cost for the calendar quarter immediately following the submission of each quarter's Energy Cost Factor redetermination ("Projected Quarter Energy Cost Period") together with a true-up adjustment reflecting the over-recovery or under-recovery of Energy Costs as of the quarter immediately preceding each calendar quarter submission ("Prior Quarter Energy Cost Period"). The Company shall provide the MPUS workpapers supporting the data and calculations utilized in redetermining the Energy Cost Factor in each such quarterly submission.

The MPUS shall have twenty (20) days ("Twenty-Day Period") to review the redetermined Energy Cost Factor and may request clarification and additional data, if necessary. Any revision(s) that the MPUS feels should be made shall be communicated in writing to the Commission and the Company on or before the end of the Twenty-Day Period. Similarly, if the Company should determine that revisions are necessary subsequent to the submission of any redetermined Energy Cost Factor, it shall notify the Commission and the MPUS in writing within the the Twenty-Day Period. All revisions communicated by either the MPUS or the Company shall include workpapers supporting the proposed revision(s). The Company shall then have seven (7) days to provide the MPUS a revised Attachment A containing a revised Energy Cost Factor.

Except where there is an unresolved dispute, which shall be addressed as described in Paragraph 3.2 below, the redetermined Energy Cost Factor initially provided hereunder, or such revised Energy Cost Factor as may be determined pursuant to the terms of this Paragraph 3.1, shall become effective for bills rendered on and after the first billing cycle for the immediately following calendar quarter and shall remain in effect for three billing months ("Rider Cycle") unless superseded under the provisions of this Rider ECR-2.

3.2 RESOLUTION OF DISPUTES

In the event that there is an unresolved dispute regarding any Energy Cost Factor redetermination, the Company and the MPUS shall work together in good faith to resolve it. If the Company and the MPUS are unable to resolve the dispute prior to the first billing cycle of the then coming Rider Cycle, the undisputed portion of the Energy Cost Factor, as initially provided, or as revised by the Company, shall become effective as provided for in Paragraph 3.1 above. Disputed issues shall then be submitted to the Commission, which shall issue a ruling no later than ninety (90) days after submission.

If the Commission's order resolving the dispute requires changes to the Energy Cost Factor implemented under the provisions of Paragraph 3.1 above, the Company, shall provide a revised Attachment A containing an Energy Cost Factor complying with the Commission's order ("Final Energy Cost Factor") as soon as practicable after receiving such order. In addition to reflecting the Commission's ruling on the disputed issues, the Final Energy Cost Factor shall also reflect the adjustments necessary to recover or credit the estimated revenue increase, or decrease, that would have resulted had the Commission's findings on the disputed issues been reflected in the Energy Cost Factor initially implemented. Such Final Energy Cost Factor shall then become effective at the end of five days after submission.

4. INTERIM ADJUSTMENT

Should a cumulative over-recovery or under-recovery balance arise during any Rider Cycle which exceeds ten (10) percent of the Energy Cost determined for the Projected Quarter Energy Cost Period included in the most recent Energy Cost Factor redetermination provided under this Rider ECR-2, then either the MPUS or the Company may propose an interim revision to the then currently effective Energy Cost Factor. After review and approval by the Commission, such Interim Energy Cost Factor shall apply during the remainder of the then current Rider Cycle.

5. TERM

This Rider ECR-2 shall remain in effect until modified or terminated in accordance with applicable regulations or laws. Nothing herein shall prevent the Commission or the Company from proposing elimination of this Rider ECR-2 at any time in the manner provided by law.

If this Rider ECR-2 is terminated, the Energy Cost Factor then in effect shall continue to be applied until the Commission approves an alternative mechanism by which the Company can recover its Energy Cost. At that time, any cumulative over-recovery or under-recovery resulting from application of that Energy Cost Factor shall be applied to customer billings over the twelve (12) month billing period beginning on the first billing cycle of the second month following the termination of Rider ECR-2 in a manner to be prescribed by the Commission.

Nothing contained in this Rider ECR-2 shall limit the right of any party to file an appeal as provided by law.

Energy Cost Factor

For billing purposes the following (Net) Energy Cost Factor will be added to the energy component of the Net Monthly Rates or Net Seasonal Rates set forth in EMI's rate schedules that form the basis for such billing, but not including special contracts entered into pursuant to Miss. Code Ann. Sec. 77-3-35(1) that do not specifically and explicitly incorporate this Rider ECR-2 or its predecessor (Fuel Adjustment Rider FA-3), into the contract. The (Net) Energy Cost Factor shall be effective for bills rendered on and after December 31, 2009:

Energy Cost Factor	\$0.017421/kWh
Less: Interim Fuel Credit Factor (1)	<u>\$0.033328/kWh</u>
Net Energy Cost Factor	(\$0.015907)/kWh

ENERGY COST FACTOR FORMULA

ECR = ENERGY COST FACTOR (\$/kWh)

$$\text{ECR} = \frac{\text{PEC} + \text{TUA}}{\text{PES}}$$

WHERE,

PEC = PROJECTED QUARTER ENERGY COST FOR THE PROJECTED QUARTER ENERGY COST PERIOD (1)(2)

TUA = TRUE-UP ADJUSTMENT FOR THE PRIOR QUARTER ENERGY COST PERIOD (3)

$$\text{TUA} = \sum_{j=1}^3 (\text{EC}_j - \text{RR}_j + \text{PTU}_j)$$

WHERE,

EC_j = ENERGY COST FOR MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD

$$\text{EC}_j = \text{FE}_j - \text{EFC}_j + \text{PE}_j - \text{FR}_j$$

WHERE,

FE_j = FUEL EXPENSE CHARGED TO ACCOUNTS 501, 518, AND 547 IN MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD

EFC_j = COSTS INCLUDED IN VARIABLE FE_j ABOVE WHICH ARE EXCLUDED FROM RECOVERY UNDER RIDER ECR-2 PURSUANT TO COMMISSION RULE 7.D(4)

PE_j = PURCHASED ENERGY EXPENSE CHARGED TO ACCOUNT 555 IN MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD

FR_j = THE COMPONENT OF REVENUE FROM ENTERGY POWER POOL SALES AND SYSTEM SALES TO OTHER UTILITIES UNDER SCHEDULES MSS-3 AND MSS-5 (OR ANY SUPERSEDING SCHEDULES) OF THE ENTERGY SYSTEM AGREEMENT, RESPECTIVELY, THAT IS ASSOCIATED WITH THE RECOVERY OF FUEL AND PURCHASED ENERGY COSTS IN MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD

ENERGY COST FACTOR FORMULA (CONT'D)

- RR_j = REVENUE BILLED UNDER RIDER ECR-2 PLUS THE FUEL COST RECOVERY PORTION OF REVENUE BILLED UNDER ANY OTHER RATE SCHEDULE OR SPECIAL RATE CONTRACT WHICH PROVIDES FOR RECOVERY OF AVERAGE ENERGY COSTS, FOR MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD (4)
- PTU_j = PRIOR PERIOD TRUE-UP ADJUSTMENT APPLICABLE FOR MONTH j OF THE PRIOR QUARTER ENERGY COST PERIOD (5)
- PES = PROJECTED SALES (kWh) FOR THE PROJECTED QUARTER ENERGY COST PERIOD

NOTE:

- 1) The Projected Quarter Energy Cost (PEC) is to be determined in a manner consistent with the determination of the actual energy cost, as defined by variable EC_j .
- 2) The Projected Quarter Energy Cost Period is the calendar quarter immediately following the submission of the quarterly Energy Cost Factor redetermination.
- 3) The Prior Quarter Energy Cost Period is the calendar quarter period immediately preceding the submission of the quarterly Energy Cost Factor redetermination.
- 4) Fixed rate contracts, if any, shall be assumed to recover the average Energy Cost. Fuel Revenue under any such fixed rate contracts, unless and to the extent that the Commission directs otherwise, shall be imputed for each month based on the quarterly Energy Cost Factor applicable for that same month.
- 5) The value of PTU_j for month j of the Prior Quarter Energy Cost Period shall be equal to one-third of the True-up Adjustment (TUA) previously determined under the provisions of this Rider ECR-2 for the immediately preceding Prior Quarter Energy Cost Period for $j=1,3$.

FOURTH REVISED ATTACHMENT C

**SCHEDULE FOR TREATMENT OF THIRD QUARTER 2004 OVERRECOVERY
INCURRED UNDER THE OPERATION OF ENTERGY MISSISSIPPI RIDER
SCHEDULE ECR-2**

Forty-five percent (45%) of the Third Quarter 2004 overrecovery incurred under the operation of the Entergy Mississippi Rider Schedule ECR-2 shall be included in the calculation of the Energy Cost Factor and Net Energy Cost Factor to be billed during the Second Quarter 2005, and the remaining fifty-five percent (55%) of such Third Quarter 2004 overrecovery shall be included in the calculation of the Energy Cost Factor and Net Energy Cost Factor to be billed during the Third Quarter 2005.