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November 30, 2018

Via Electronic Mail

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Re: Entergy New Orleans, LLC Offer of Settlement

Dear Councilmembers:

Pursuant to Council Resolution R-18-474, today Entergy New Orleans LLC ("ENO" or the "Company") filed a response to the Council's Show Cause proceeding. As the Company has acknowledged, this a serious issue, and we understand that public discourse about important projects like the New Orleans Power Station should always be rooted in trust, integrity, and transparency. The Company remains committed to being a good corporate citizen and has implemented procedures to ensure that a situation like this does not reoccur.

The Company recognizes these unfortunate actions have been a drain on the Council's limited resources and are inconsistent with both our values and the values of those whom we serve. The Company also recognizes that a long and protracted legal proceeding resulting from the Show Cause proceeding would not be productive and would not advance the shared goal of moving forward in a constructive manner for the benefit of the citizens of New Orleans.

Accordingly, as a first step to renewing our relationship with the community and as an offer of settlement¹ to resolve this entire proceeding with the Council, the Company offers to donate a total of \$5 million to the City of New Orleans. The Company also offers to work with the Council regarding the programs to which these monies would be dedicated and the timing of the payment period. In addition, the Company commits that ENO's leadership (*i.e.*, its CEO and Vice President of Regulatory Affairs) will complete a third party business ethics course. With respect to the referenced code of conduct, the Company suggests that the Council implement a rulemaking to modify the existing Code of Conduct to address the practice of astroturfing, and any additional issues of concern to the Council regarding transparency in addressing the Council. The Company will cooperate fully in this rulemaking.

We look forward to discussing this offer with the Council in the hope that it will allow all parties to move forward in a constructive and mutually beneficial manner.

Sincerely,



Brian L. Guillot

cc: Council Utilities Regulatory Office: Attention Ms. Erin Spears
City Attorney: Sunni LeBeouf, Esq.
Clint A. Vince, Esq.
Roderick K. West
Karen H. Freese, Esq.
Cory Cahn, Esq.
Marcus V. Brown, Esq.

¹ This offer of settlement should not be interpreted as an admission of guilt or culpability. In fact, the Company specifically denies any guilt or culpability associated with the Council's Show Cause Proceeding initiated in Council Resolution R-18-474 and reiterates that the "penalties" proposed therein are unsupported by law. The Company has previously acknowledged, however, that it is ultimately responsible for the actions undertaken by others acting on its behalf.