UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number	Registrant, State of Incorporation or Organization, Address of Principal Executive Offices, Telephone Number, and IRS Employer Identification No.	Commission File Number	Registrant, State of Incorporation or Organization, Address of Principal Executive Offices, Telephone Number, and IRS Employer Identification No.
1-11299	ENTERGY CORPORATION (a Delaware corporation) 639 Loyola Avenue New Orleans, Louisiana 70113 Telephone (504) 576-4000 72-1229752	1-35747	ENTERGY NEW ORLEANS, LLC (a Texas limited liability company) 1600 Perdido Street New Orleans, Louisiana 70112 Telephone (504) 670-3702 82-2212934
1-10764	ENTERGY ARKANSAS, LLC (a Texas limited liability company) 425 West Capitol Avenue Little Rock, Arkansas 72201 Telephone (501) 377-4000 83-1918668	1-34360	ENTERGY TEXAS, INC. (a Texas corporation) 2107 Research Forest Drive The Woodlands, Texas 77380 Telephone (409) 981-2000 61-1435798
1-32718	ENTERGY LOUISIANA, LLC (a Texas limited liability company) 4809 Jefferson Highway Jefferson, Louisiana 70121 Telephone (504) 576-4000 47-4469646	1-09067	SYSTEM ENERGY RESOURCES, INC. (an Arkansas corporation) 1340 Echelon Parkway Jackson, Mississippi 39213 Telephone (601) 368-5000 72-0752777
1-31508	ENTERGY MISSISSIPPI, LLC (a Texas limited liability company) 308 East Pearl Street Jackson, Mississippi 39201 Telephone (601) 368-5000 83-1950019		

Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of Class	Trading Symbol	Name of Each Exchange on Which Registered
Entergy Corporation	Common Stock, $0.01 Par Value	ETR	New York Stock Exchange
	Common Stock, $0.01 Par Value	ETR	NYSE Texas
Entergy Arkansas, LLC	Mortgage Bonds, 4.875% Series due September 2066	EAI	New York Stock Exchange
Entergy Louisiana, LLC	Mortgage Bonds, 4.875% Series due September 2066	ELC	New York Stock Exchange
Entergy Mississippi, LLC	Mortgage Bonds, 4.90% Series due October 2066	EMP	New York Stock Exchange
Entergy New Orleans, LLC	Mortgage Bonds, 5.0% Series due December 2052	ENJ	New York Stock Exchange
	Mortgage Bonds, 5.50% Series due April 2066	ENO	New York Stock Exchange
Entergy Texas, Inc.	5.375% Series A Preferred Stock, Cumulative, No Par Value (Liquidation Value $25 Per Share)	ETI/PR	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Registrant	Title of Class
Entergy Texas, Inc.	Common Stock, no par value

Indicate by check mark if the registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.

	Yes	No
Entergy Corporation	✓	
Entergy Arkansas, LLC	✓	
Entergy Louisiana, LLC	✓	
Entergy Mississippi, LLC	✓	
Entergy New Orleans, LLC		✓
Entergy Texas, Inc.	✓	
System Energy Resources, Inc.		✓

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

	Yes	No
Entergy Corporation		✓
Entergy Arkansas, LLC		✓
Entergy Louisiana, LLC		✓
Entergy Mississippi, LLC		✓
Entergy New Orleans, LLC		✓
Entergy Texas, Inc.		✓
System Energy Resources, Inc.		✓

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit such files). Yes ☑ No ☐

Indicate by check mark whether each registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
Entergy Corporation	✓				
Entergy Arkansas, LLC			✓		
Entergy Louisiana, LLC			✓		
Entergy Mississippi, LLC			✓		
Entergy New Orleans, LLC			✓		
Entergy Texas, Inc.			✓		
System Energy Resources, Inc.			✓		

If an emerging growth company, indicate by check mark if the registrants have elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Entergy Corporation	✓
Entergy Arkansas, LLC	
Entergy Louisiana, LLC	
Entergy Mississippi, LLC	
Entergy New Orleans, LLC	
Entergy Texas, Inc.	
System Energy Resources, Inc.	

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrants included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrants' executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Act).
Yes ☐ No ☑

The aggregate market value of Entergy Corporation Common Stock, $0.01 Par Value, held by non-affiliates at June 30, 2025 was $37.1 billion. Entergy Corporation is the sole holder of the common stock of Entergy Texas, Inc. and System Energy Resources, Inc. Entergy Corporation is the direct and indirect holder of the common membership interests of Entergy Utility Holding Company, LLC, which is the sole holder of the common membership interests of Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, and Entergy New Orleans, LLC.

Common Stock Outstanding		**Outstanding at January 30, 2026**
Entergy Corporation	($0.01 par value)	452,989,837

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement of Entergy Corporation to be filed in connection with its Annual Meeting of Stockholders, to be held May 8, 2026, are incorporated by reference into Part III hereof.

System Energy Resources, Inc. meets the requirements set forth in General Instruction I(1) of Form 10-K and is therefore filing this Form 10-K with reduced disclosure as allowed in General Instruction I(2). System Energy Resources, Inc. is reducing its disclosure by not including Part III, Items 10 through 13 in its Form 10-K.

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This combined Form 10-K is separately filed by Entergy Corporation and its six Registrant Subsidiaries: Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc., and System Energy Resources, Inc. Information contained herein relating to any individual company is filed by such company on its own behalf. Each company makes representations only as to itself and makes no other representations whatsoever as to any other company.

The report should be read in its entirety as it pertains to each respective reporting company. No one section of the report deals with all aspects of the subject matter. Separate Item 7 and 8 sections are provided for each reporting company, except for the Notes to the financial statements. The Notes to the financial statements for all of the reporting companies are combined. All Items other than 7 and 8 are combined for the reporting companies.

FORWARD-LOOKING INFORMATION

In this combined report and from time to time, Entergy Corporation and the Registrant Subsidiaries each makes statements as a registrant concerning its expectations, beliefs, plans, objectives, goals, projections, strategies, and future events or performance. Such statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "could," "project," "believe," "anticipate," "intend," "goal," "commitment," "expect," "estimate," "continue," "potential," "plan," "predict," "forecast," and other similar words or expressions are intended to identify forward-looking statements but are not the only means to identify these statements. Although each of these registrants believes that these forward-looking statements and the underlying assumptions are reasonable, it cannot provide assurance that they will prove correct. Any forward-looking statement is based on information current as of the date of this combined report and speaks only as of the date on which such statement is made. Except to the extent required by the federal securities laws, each registrant undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Forward-looking statements involve a number of risks and uncertainties. There are factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including (a) those factors discussed or incorporated by reference in Item 1A. Risk Factors in this report, (b) those factors discussed or incorporated by reference in Management's Financial Discussion and Analysis in this report, and (c) the following factors (in addition to others described elsewhere in this combined report and in subsequent filings with the SEC):

- resolution of pending and future rate cases and related litigation, formula rate proceedings and related negotiations, including various performance-based rate discussions, Entergy's utility supply plan, and recovery of fuel and purchased power costs, as well as delays in cost recovery resulting from these proceedings;
- regulatory and operating challenges and uncertainties and economic risks associated with the Utility operating companies' participation in MISO, including the benefits of continued MISO participation, the effect of current or projected MISO market rules, market design and market and system conditions in the MISO markets, the allocation of MISO system transmission upgrade costs, delays in developing or interconnecting new generation or other resources or other adverse effects arising from the volume of requests in the MISO transmission interconnection queue, which delays or other adverse effects may be exacerbated by significant current and expected load growth, the MISO-wide base rate of return on equity allowed or any MISO-related charges and credits required by the FERC, and the effect of planning decisions that MISO makes with respect to future transmission investments by the Utility operating companies (including, in each case, as it relates to new generation or transmission projects designed to serve the increased load growth of new large-scale data centers and other large customers);
- changes in utility regulation, including, with respect to retail and wholesale competition and special rules supporting service to large-scale data centers, the ability to recover net utility assets and other potential stranded costs, including those capital investments associated with unrealized customer growth expectations (including data center customers), and the application of more stringent return on equity criteria, transmission reliability requirements, or market power criteria by the FERC or the U.S. Department of Justice;
- changes in the regulation or regulatory oversight of Entergy's nuclear generating facilities, nuclear materials and fuel, and the effects of new or existing safety or environmental concerns regarding nuclear power plants and fuel;
- resolution of pending or future applications, as well as regulatory proceedings, litigation or actions of governmental officials (including the presidential administration), relating to generation, transmission, or other facilities (including license modifications or other authorizations for nuclear generating facilities and applications relating to any facilities designed to serve large-scale data centers) and the effect of public and political opposition on these applications, regulatory proceedings, litigation, and actions, including without limitation opposition to the employment of technologies to capture, transport, and store carbon dioxide from gas plants, land use opposition to new solar facilities and transmission lines, and land use and other opposition to wind turbines;

FORWARD-LOOKING INFORMATION (Continued)

- the performance of and deliverability of power from Entergy's generation resources, including the capacity factors at Entergy's nuclear generating facilities;
- increases in costs and capital expenditures that could result from changing regulatory requirements, changing governmental policies, priorities, programs, and actions, including as a result of tariffs, shifts in international trade policies, and other measures, changing or volatile economic conditions, disruptions to pre-existing supply chains and vendor relations, and emerging operating and industry issues, such as anticipated growth in demand from large-scale data centers, and the risks related to recovery of these costs and capital expenditures from Entergy's customers (especially in an increasing cost environment);
- the commitment of substantial human and capital resources required for the safe and reliable operation and maintenance of Entergy's utility system, including its nuclear generating facilities;
- Entergy's ability to develop and execute on a point of view regarding future prices of electricity, natural gas, and other energy-related commodities;
- the prices and availability of fuel and power Entergy must purchase for its Utility customers, particularly given the recent and ongoing significant growth in liquified natural gas exports and the associated significantly increased demand for natural gas and resulting fluctuation in natural gas prices, increasing challenges with respect to natural gas transportation arrangements, and Entergy's ability to meet credit support requirements for fuel and power supply contracts;
- volatility and changes in markets for electricity, natural gas, uranium, emissions allowances, and other energy-related commodities, including as a result of trade-related governmental actions, such as tariffs and other measures, and the effect of those changes on Entergy and its customers;
- changes in environmental laws and regulations, agency positions, or associated litigation, including requirements for reduced emissions of sulfur dioxide, nitrogen oxide, greenhouse gases, mercury, particulate matter and other regulated air emissions, heat and other regulated discharges to water, waste management and disposal, remediation of contaminated sites, wetlands protection and permitting, and reporting, and changes in costs of compliance with environmental laws and regulations, as well as changes to federal, state, or local laws and regulations, including the One Big Beautiful Bill Act of 2025, and governmental policies incentivizing the development or utilization of alternative sources of generation;
- changes in laws and regulations, agency positions, or associated litigation related to protected species and associated critical habitat designations;
- the effects of changes in federal, state, or local laws and regulations, such as the One Big Beautiful Bill Act of 2025, and other governmental actions or policies, including changes in monetary, fiscal, tax, environmental, trade/tariff, domestic purchase requirements, or energy (including, among other things, data center energy use, efficiency standards, and sources of power) policies and related laws, regulations, and other governmental actions, including as a result of prolonged litigation over proposed legislation or regulatory actions;
- the effects of full or partial shutdowns of the federal government or delays in obtaining government or regulatory actions or decisions;
- uncertainty regarding the establishment of interim or permanent sites for spent nuclear fuel and nuclear waste storage and disposal and the level of spent fuel and nuclear waste disposal fees charged by the U.S. government or other providers related to such sites;
- variations in weather and the occurrence of hurricanes and other storms and disasters, including uncertainties associated with efforts to remediate the effects of hurricanes, ice storms, floods, wildfires, or other weather events and the recovery of costs associated with restoration, including the ability to access funded storm reserves, federal and local cost recovery mechanisms, securitization, and insurance, as well as any related unplanned outages;
- effects of climate change, including the potential for increases in the frequency or severity of extreme weather events, such as hurricanes, heat waves, floods, drought or wildfires, and rising sea levels or coastal land and wetland loss, and Entergy's ability to effectively prepare for such effects and events, including through accelerated resilience plans and projects, and any challenges in execution thereof and/or in obtaining any necessary regulatory approvals for appropriate scope and timing of such plans and projects now and in the future;

FORWARD-LOOKING INFORMATION (Continued)

- the risk that as a result of Entergy's membership in Nuclear Electric Insurance Limited (NEIL), an incident at a NEIL member-insured nuclear generation facility could lead to a significant retrospective assessment;
- the risk that an incident at a nuclear generation facility participating in a secondary financial protection system could lead to a significant retrospective insurance premium;
- changes in the quality and availability of water supplies and the related regulation of water use and diversion;
- Entergy's ability to manage and execute on its capital projects, including any capital projects to serve the growing demand for electricity driven in part by the anticipated development of large-scale data centers, and to complete such capital projects timely and within budget, to obtain the anticipated performance or other benefits of such capital projects, and to manage its capital and operation and maintenance costs;
- the effects of supply chain disruptions, including those driven by geopolitical developments or trade-related governmental actions, including tariffs and other measures, and labor pressures, including from increased demand in the electric sector, on Entergy's ability to complete its capital projects in a timely and cost-effective manner;
- Entergy's ability to purchase and sell assets at attractive prices and on other attractive terms;
- the economic climate, and particularly economic conditions in the Utility service area and events and circumstances that could influence economic conditions in those areas, including power prices and inflation, and the risk that anticipated load growth may not materialize;
- changes to or the repeal of federal income tax laws, regulations, and interpretive guidance and policies, including the One Big Beautiful Bill Act of 2025 and the continuing impact of the Inflation Reduction Act of 2022 and the Tax Cuts and Jobs Act of 2017, and any related intended or unintended consequences on financial results and future cash flows;
- the effects of Entergy's strategies to reduce tax payments;
- the effect of interest rate volatility and other changes in the financial markets, federal law, including the One Big Beautiful Bill Act of 2025, and regulatory requirements for the issuance of securities, particularly as they affect access to and cost of capital and Entergy's ability to refinance existing securities and fund investments and acquisitions;
- actions of rating agencies, including changes in the ratings of debt and preferred stock, changes in general corporate ratings, and changes in the rating agencies' ratings criteria;
- changes in inflation and interest rates and the impacts of inflation or a recession on Entergy's customers;
- the effects of government investigations, proceedings, or audits;
- changes in technology, including (i) Entergy's ability to effectively assess, acquire, implement, and manage new or emerging technologies, including its ability to maintain and protect personally identifiable information while doing so; (ii) the emergence of artificial intelligence (including machine learning), which may present increased electricity demand, as well as ethical, security, legal, operational, or regulatory challenges; (iii) advances in artificial intelligence (including machine learning) technologies that could reduce the expected electricity demand for these technologies and data centers; (iv) the impact of changes relating to new, developing, or alternative sources of generation such as distributed energy and energy storage, renewable energy, energy efficiency, demand side management, and other measures that reduce load and government policies impacting development or utilization of the foregoing; and (v) competition from other companies offering products and services to Entergy's customers based on new or emerging technologies or alternative sources of generation;
- Entergy's ability to effectively formulate and implement plans to reduce emissions of greenhouse gases associated with climate change and increase carbon-free energy generation capacity, including its goal to achieve net-zero carbon emissions by 2050, the potential impact on its business and financial condition of attempting to achieve such objectives, and Entergy's ability to make measurable progress toward any climate goals due to expected load growth or other factors;
- the effects, including increased security costs, of threatened or actual terrorism, cyber attacks or data security breaches, physical attacks on or other interference with facilities or infrastructure, natural or man-made electromagnetic pulses that affect transmission or generation infrastructure, accidents, and war or a catastrophic event such as a nuclear accident or a natural gas pipeline explosion;

FORWARD-LOOKING INFORMATION (Concluded)

- impacts of perceived or actual cybersecurity or data security threats or events on Entergy and its subsidiaries, its vendors, suppliers or other third parties interconnected through the grid, which could, among other things, result in disruptions to its operations, including but not limited to, the loss of operational control, temporary or extended outages, or loss of data, including but not limited to, sensitive customer, employee, financial or operations data;
- the effects of a catastrophe, pandemic (or other health-related event), or a global or geopolitical event such as escalating trade tensions between the United States and China or the military activities between Russia and Ukraine, or in the Middle East, including resultant economic and societal disruptions; fuel procurement disruptions; volatility in the capital markets (and any related increased cost of capital or any inability to access the capital markets or draw on available bank credit facilities); reduced demand for electricity, particularly from commercial and industrial customers; increased or unrecoverable costs; supply chain, vendor, and contractor disruptions, including as a result of trade-related sanctions; delays in completion of capital or other construction projects, maintenance, and other operations activities, including prolonged or delayed outages; impacts to Entergy's workforce availability, health, or safety; increased cybersecurity risks as a result of many employees telecommuting and/or working partially remotely; increased late or uncollectible customer payments; regulatory delays; executive orders affecting, or increased regulation of, Entergy's business; changes in credit ratings or outlooks as a result of any of the foregoing; or other adverse impacts on Entergy's ability to execute on its business strategies and initiatives or, more generally, on Entergy's results of operations, financial condition, and liquidity;
- Entergy's ability to attract and retain talented management, directors, and employees with specialized skills, institutional knowledge, capacity, and abilities, including the ability to effectively execute on Entergy's growth strategy;
- Entergy's ability to attract, retain, and manage an appropriately qualified and sufficiently staffed workforce;
- changes in accounting standards and corporate governance best practices;
- declines in the market prices of marketable securities and changes in interest rates and resulting pension and retiree welfare plan funding requirements and the effects on benefits costs for Entergy's defined benefit pension and other postretirement benefits plans;
- future wage and employee benefits costs, including changes in discount rates and returns on benefit plan assets and fluctuating costs to provide employee and retiree health benefits;
- changes in decommissioning trust fund values or earnings or in the timing of, requirements for, or cost to decommission Entergy's nuclear plant sites and the implementation of decommissioning of such sites following shutdown;
- the effectiveness of Entergy's risk management policies and procedures and the ability and willingness of its counterparties, such as lending, hedging, credit support, and major customer counterparties, including counterparties to data center electric service agreements, to satisfy their financial and performance commitments;
- reductions in the demand for electricity to power large-scale data centers and other large customers and the potential for stranded assets;
- concentration of business and credit risk with a small number of customers in an industry based on emerging technologies, including artificial intelligence and machine learning; and
- Entergy and its subsidiaries' ability to successfully execute on their business strategies, including their ability to complete strategic transactions that they may undertake, and their ability to meet the rapidly growing demand for electricity, including from large-scale data center and other large customers, and to manage the impacts of growth in demand for electricity on customers and Entergy's business.

DEFINITIONS

Certain abbreviations or acronyms used in the text and notes are defined below:

Abbreviation or Acronym	Term
AFUDC	Allowance for Funds Used During Construction
ALJ	Administrative Law Judge
ANO 1 and 2	Units 1 and 2 of Arkansas Nuclear One (nuclear), owned by Entergy Arkansas
APSC	Arkansas Public Service Commission
ASU	Accounting Standards Update issued by the FASB
Board	Board of Directors of Entergy Corporation
Cajun	Cajun Electric Power Cooperative, Inc.
capacity factor	Actual plant output divided by maximum potential plant output for the period
City Council	Council of the City of New Orleans, Louisiana
COVID-19	The novel coronavirus disease declared a pandemic by the World Health Organization and the Centers for Disease Control and Prevention in March 2020
D.C. Circuit	U.S. Court of Appeals for the District of Columbia Circuit
DOE	United States Department of Energy
Entergy	Entergy Corporation and its direct and indirect subsidiaries
Entergy Corporation	Entergy Corporation, a Delaware corporation
Entergy Gulf States, Inc.	Predecessor company for financial reporting purposes to Entergy Gulf States Louisiana that included the assets and business operations of both Entergy Gulf States Louisiana and Entergy Texas
Entergy Gulf States Louisiana	Entergy Gulf States Louisiana, L.L.C., a Louisiana limited liability company formally created as part of the jurisdictional separation of Entergy Gulf States, Inc. and the successor company to Entergy Gulf States, Inc. for financial reporting purposes. The term is also used to refer to the Louisiana jurisdictional business of Entergy Gulf States, Inc., as the context requires. Effective October 1, 2015, the business of Entergy Gulf States Louisiana was combined with Entergy Louisiana.
Entergy Louisiana	Entergy Louisiana, LLC, a Texas limited liability company formally created as part of the combination of Entergy Gulf States Louisiana and the company formerly known as Entergy Louisiana, LLC (Old Entergy Louisiana) into a single public utility company and the successor to Old Entergy Louisiana for financial reporting purposes
Entergy Texas	Entergy Texas, Inc., a Texas corporation formally created as part of the jurisdictional separation of Entergy Gulf States, Inc. The term is also used to refer to the Texas jurisdictional business of Entergy Gulf States, Inc., as the context requires.
Entergy Wholesale Commodities	Prior to January 1, 2023, one of Entergy's reportable business segments consisting of non-utility business activities primarily comprised of the ownership, operation, and decommissioning of nuclear power plants, the ownership of interests in non-nuclear power plants, and the sale of the electric power produced by its operating power plants to wholesale customers
EPA	United States Environmental Protection Agency
ERCOT	Electric Reliability Council of Texas
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles
Grand Gulf	Unit No. 1 of Grand Gulf Nuclear Station (nuclear), 90% owned or leased by System Energy
GWh	Gigawatt-hour(s), which equals one million kilowatt-hours
HLBV	Hypothetical liquidation at book value
Independence	Independence Steam Electric Station (coal), owned 16% by Entergy Arkansas, 25% by Entergy Mississippi, and 7% by Entergy Power, LLC

DEFINITIONS (Continued)

Abbreviation or Acronym	Term
Indian Point 2	Unit 2 of Indian Point Energy Center (nuclear), previously owned as part of Entergy's non-utility business, which ceased power production in April 2020 and was sold in May 2021
Indian Point 3	Unit 3 of Indian Point Energy Center (nuclear), previously owned as part of Entergy's non-utility business, which ceased power production in April 2021 and was sold in May 2021
IRS	Internal Revenue Service
ISO	Independent System Operator
kV	Kilovolt
kW	Kilowatt, which equals one thousand watts
kWh	Kilowatt-hour(s)
LDEQ	Louisiana Department of Environmental Quality
LPSC	Louisiana Public Service Commission
LURC	Louisiana Utilities Restoration Corporation
MISO	Midcontinent Independent System Operator, Inc., a regional transmission organization
MMBtu	One million British Thermal Units
MPSC	Mississippi Public Service Commission
MW	Megawatt(s), which equals one thousand kilowatts
MWh	Megawatt-hour(s)
Nelson Unit 6	Unit No. 6 (coal) of the Nelson Steam Electric Generating Station, 70% of which is co-owned by Entergy Louisiana (57.5%) and Entergy Texas (42.5%) and 10.9% of which is owned by EAM Nelson Holding, LLC
Net debt to net capital ratio	Gross debt less cash and cash equivalents divided by total capitalization less cash and cash equivalents, which is a non-GAAP measure
NRC	Nuclear Regulatory Commission
Palisades	Palisades Nuclear Plant (nuclear), previously owned as part of Entergy's non-utility business, which ceased power production in May 2022 and was sold in June 2022
Parent & Other	The portions of Entergy not included in the Utility segment, primarily consisting of the activities of the parent company, Entergy Corporation, and other business activity, including Entergy's non-utility operations business which owns interests in non-nuclear power plants that sell the electric power produced by those plants to wholesale customers and also provides decommissioning services to nuclear power plants owned by non-affiliated entities in the United States
PPA	Purchased power agreement or power purchase agreement
PRP	Potentially responsible party (a person or entity that may be responsible for remediation of environmental contamination)
PUCT	Public Utility Commission of Texas
Registrant Subsidiaries	Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc., and System Energy Resources, Inc.
River Bend	River Bend Station (nuclear), owned by Entergy Louisiana
RTO	Regional transmission organization
SEC	Securities and Exchange Commission
System Agreement	Agreement, effective January 1, 1983, as modified, among the Utility operating companies relating to the sharing of generating capacity and other power resources. The agreement terminated effective August 2016.
System Energy	System Energy Resources, Inc.

DEFINITIONS (Concluded)

Abbreviation or Acronym	Term
Unit Power Sales Agreement	Agreement, dated as of June 10, 1982, as amended and approved by the FERC, among Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy, relating to the sale of capacity and energy from System Energy's share of Grand Gulf
Utility	Entergy's reportable segment that generates, transmits, distributes, and sells electric power, and which included a small amount of natural gas distribution in portions of Louisiana through June 30, 2025
Utility operating companies	Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas
Vermont Yankee	Vermont Yankee Nuclear Power Station (nuclear), previously owned as part of Entergy's non-utility business, which ceased power production in December 2014 and was disposed of in January 2019
Waterford 3	Unit No. 3 (nuclear) of the Waterford Steam Electric Station, owned by Entergy Louisiana
weather-adjusted usage	Electric usage excluding the effects of deviations from normal weather
White Bluff	White Bluff Steam Electric Generating Station, 57% owned by Entergy Arkansas

ENTERGY CORPORATION AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Entergy operates primarily through a single reportable segment, Utility. The Utility segment includes the generation, transmission, distribution, and sale of electric power in portions of Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans; and included operation of a small natural gas distribution business in portions of Louisiana through June 30, 2025. See "**Dispositions - Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025. See Note 13 to the financial statements for discussion of and financial information regarding Entergy's reportable segment.

Winter Storm Fern

In January 2026, portions of Entergy's service territory experienced the effects of Winter Storm Fern, including prolonged freezing temperatures, heavy ice accumulation, and wind, which caused severe damage to Entergy's infrastructure. Entergy's preliminary estimate for the cost of mobilizing crews and restoring power is approximately $460 million to $560 million, primarily at Entergy Louisiana and Entergy Mississippi, with the majority of the costs being capital. There are well-established mechanisms and precedent for addressing these catastrophic events and providing the process for regulatory review of storm costs for prudence and for recovery of prudently incurred storm costs in accordance with applicable regulatory and legal principles.

The severe weather event also affected the market for natural gas due to the effects of severe cold on the gas supply system and increased demand for gas to support electricity loads. Natural gas purchases for January 2026 for Entergy were $483 million, including $74 million for Entergy Arkansas, $256 million for Entergy Louisiana, $85 million for Entergy Mississippi, $20 million for Entergy New Orleans, and $48 million for Entergy Texas. This compares to natural gas purchases for January 2025 for Entergy of $207 million, including $25 million for Entergy Arkansas, $115 million for Entergy Louisiana, $28 million for Entergy Mississippi, $4 million for Entergy New Orleans, and $35 million for Entergy Texas. The Utility operating companies each have fuel recovery mechanisms in place to recover their natural gas costs. With the potential effect of the higher natural gas costs on customers, the Utility operating companies plan to work with their retail regulators to recover these costs in a manner that mitigates the effects on customer bills.

Results of Operations

2025 Compared to 2024

Following are income statement variances for Utility, Parent & Other, and Entergy comparing 2025 to 2024 showing how much the line item increased or (decreased) in comparison to the prior period.

	Utility	Parent & Other (a)	Entergy
		(In Thousands)	
2024 Net Income (Loss) Attributable to Entergy Corporation	$1,826,704	($771,114)	$1,055,590
Operating revenues	1,082,119	(15,086)	1,067,033
Fuel, fuel-related expenses, and gas purchased for resale	123,876	(21,347)	102,529
Purchased power	421,069	(19,307)	401,762
Other regulatory charges (credits) - net	(155,413)	—	(155,413)
Other operation and maintenance	161,835	(4,975)	156,860
Asset write-offs, impairments, and related charges (credits)	(118,980)	24,641	(94,339)
Taxes other than income taxes	65,496	220	65,716
Depreciation and amortization	64,309	215	64,524
Other income (deductions)	138,047	325,665	463,712
Interest expense	186,062	(231)	185,831
Other expenses	(25,970)	176	(25,794)
Income taxes	35,607	81,318	116,925
Preferred dividend requirements of subsidiaries and noncontrolling interests	9,462	—	9,462
2025 Net Income (Loss) Attributable to Entergy Corporation	$2,279,517	($521,245)	$1,758,272

(a) Parent & Other includes eliminations, which are primarily intersegment activity.

Results of operations for 2024 include: (1) a $320 million ($253 million net-of-tax) settlement charge, reflected in Parent & Other above, recognized as a result of a group annuity contract purchased in 2024 to settle certain pension liabilities; (2) expenses of $151 million ($112 million net-of-tax), recorded at Utility in second quarter 2024, primarily consisting of regulatory charges to reflect the effects of an agreement in principle between Entergy Louisiana and the LPSC staff and the intervenors in July 2024 to renew Entergy Louisiana's formula rate plan and resolve a number of other retail dockets and matters, including all formula rate plan test years prior to 2023; (3) a $132 million ($97 million net-of-tax) charge, recorded at Utility, to reflect the write-off of a previously recorded regulatory asset as a result of an adverse decision in the Entergy Arkansas opportunity sales proceeding in March 2024; and (4) a $78 million ($57 million net-of-tax) regulatory charge, recorded at Utility in first quarter 2024, primarily to reflect a settlement in principle between Entergy New Orleans and the City Council in April 2024 for additional sharing with customers of income tax benefits from the resolution of the 2016-2018 IRS audit. See Note 11 to the financial statements for discussion of the group annuity contract and settlement charge. See Note 2 to the financial statements for discussion of the Entergy Louisiana agreement in principle and the subsequently filed global stipulated settlement agreement. See Note 2 to the financial statements for discussion of the Entergy Arkansas opportunity sales proceeding. See Note 3 to the financial statements for discussion of the Entergy New Orleans April 2024 settlement in principle and discussion of the resolution of the 2016-2018 IRS audit.

Operating Revenues

Utility

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$11,806
Fuel, rider, and other revenues that do not significantly affect net income	620
Volume/weather	235
Retail electric price	164
Retail one-time bill credit	92
Return on construction work in progress for certain utility plant investments	48
Effect of sale of natural gas distribution businesses	(77)
2025 operating revenues	**$12,888**

The Utility operating companies' results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The volume/weather variance is primarily due to an increase in industrial usage and the effect of more favorable weather on residential sales. The increase in industrial usage is primarily due to an increase in demand from large industrial customers, primarily in the primary metals, petroleum refining, chlor-alkali, and technology industries.

The retail electric price variance is primarily due to:

- an increase in Entergy Arkansas's formula rate plan rates effective January 2025;
- a decrease in Entergy Louisiana's formula rate plan revenues for a two month period beginning in September 2025, resulting from earnings above the authorized return on common equity for the 2024 test year, partially offset by increases in Entergy Louisiana's formula rate plan revenues, including an increase in the distribution recovery mechanism, effective September 2024;
- increases in Entergy Mississippi's formula rate plan rates effective April 2024 and July 2024 and an increase in Entergy Mississippi's formula rate plan rates resulting from an increase in interim facilities rate adjustment revenues effective January 2025; and
- the implementation of the distribution cost recovery factor rider effective with the first billing cycle in October 2024 and increases in the distribution cost recovery factor rider effective in December 2024 and June 2025, each at Entergy Texas.

See Note 2 to the financial statements for further discussion of the regulatory proceedings discussed above.

The retail one-time bill credit variance represents the disbursement of settlement proceeds in the form of a one-time bill credit provided to Entergy Arkansas's retail customers during the August 2024 billing cycle through the Grand Gulf credit rider as a result of the System Energy settlement with the APSC. There is no effect on net income because Entergy previously recorded a regulatory liability at the time of the global black box settlement reached between System Energy and the MPSC in June 2022. See Note 2 to the financial statements for discussion

of the System Energy settlements with the APSC and the MPSC and discussion of Entergy Arkansas's Grand Gulf credit rider.

The return on construction work in progress for certain utility plant investments variance represents the revenue related to the amortization of certain customer advances designed to provide a return on investment in construction work in progress for certain utility plant investments, which is recognized as the related costs are incurred.

The effect of sale of natural gas distribution businesses variance represents the decrease in operating revenues resulting from the absence of natural gas revenues at Entergy Louisiana and Entergy New Orleans following the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

Total electric energy sales for Utility for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	37,177	36,039	3
Commercial	28,463	28,251	1
Industrial	60,882	57,081	7
Governmental	2,438	2,480	(2)
Total retail	128,960	123,851	4
Sales for resale	12,997	14,010	(7)
Total	141,957	137,861	3

See Note 19 to the financial statements for additional discussion of operating revenues.

Other Income Statement Items

Utility

Purchased power includes an increase in 2025 of $34 million in costs, at Entergy Texas, related to the procurement of capacity through MISO's annual planning resource auction, including the effect of a significant increase in MISO's seasonal auction clearing price, due in part to the implementation of a reliability-based demand curve, for capacity transactions during the summer months. Although Entergy Texas does not have the ability to recover its MISO capacity costs incurred to date beyond the level included in base rates, in June 2025, Texas legislation established a capacity cost recovery rider mechanism that would allow for the recovery of costs related to the procurement of capacity through MISO's annual planning resource auction outside of base rates, through a rider that is updated annually. Entergy Texas plans in second quarter 2026 to file for such a rider to recover future capacity procurement costs.

Other operation and maintenance expenses increased from $2,851 million for 2024 to $3,013 million for 2025 primarily due to:

- an increase of $76 million in power delivery expenses primarily due to higher vegetation maintenance costs;
- an increase of $33 million in loss provisions;
- an increase of $31 million in bad debt expense;
- an increase of $29 million in non-nuclear generation expenses primarily due to a higher scope of work performed during plant outages in 2025 as compared to 2024;

- an increase of $12 million in transmission costs allocated by MISO. See Note 2 to the financial statements for discussion of the recovery of these costs;
- the expensing of $11 million at Entergy Louisiana of project costs associated with the Bayou Power Station project following Entergy Louisiana's election in third quarter 2025 to cancel the project and evaluate an alternative transmission solution. See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources**" below for discussion of Entergy Louisiana's Bayou Power Station project; and
- several individually insignificant items.

The increase was partially offset by:

- contract costs of $47 million in 2024 related to operational performance, customer service, and organizational health initiatives;
- a $15 million gain resulting from the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025, which included the derecognition of $7 million of goodwill attributed to the businesses sold; and
- a decrease of $11 million in gas operation expenses resulting from the absence of expenses following the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

Asset write-offs, impairments, and related charges (credits) includes:

- a $132 million charge, recorded in first quarter 2024 at Entergy Arkansas, to reflect the write-off of a previously recorded regulatory asset as a result of an adverse decision in the Entergy Arkansas opportunity sales proceeding in March 2024. See Note 2 to the financial statements for discussion of the Entergy Arkansas opportunity sales proceeding; and
- a $13 million charge, recorded in third quarter 2025 at Entergy New Orleans, to reflect the write-off of retained natural gas plant assets that were not included in the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025, and which will not be recovered. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

Taxes other than income taxes increased primarily due to increases in ad valorem taxes resulting from higher assessments and millage rate increases and increases in local franchise fees as a result of higher retail revenues in 2025 as compared to 2024.

Depreciation and amortization expenses increased primarily due to additions to plant in service and increases in nuclear depreciation rates at Entergy Louisiana effective September 2024 and September 2025 in accordance with the global stipulated settlement agreement approved by the LPSC in August 2024. The increase was partially offset by the recognition of $28 million in depreciation expense in 2024 at Entergy Texas for the 2022 base rate case relate back period, effective over six months beginning January 2024. The recognition of depreciation expense for the relate back period was effective over the same period as collections from the relate back surcharge rider and resulted in no effect on net income. See Note 2 to the financial statements for discussion of the Entergy Louisiana global stipulated settlement agreement. See Note 2 to the financial statements for discussion of the 2022 base rate case at Entergy Texas.

Other regulatory charges (credits) - net includes:

- the reversal in third quarter 2024 of a $92 million regulatory liability recognized for Entergy Arkansas's obligation to return to customers the refund from the System Energy settlement with the APSC. The

reversal of the regulatory liability offsets a reduction in gross revenues from the retail one-time bill credits provided to customers in the August 2024 billing cycle through the Grand Gulf credit rider. See Note 2 to the financial statements for discussion of the System Energy settlement with the APSC and discussion of Entergy Arkansas's Grand Gulf credit rider;

- a regulatory credit of $16 million, recorded by Entergy Arkansas in fourth quarter 2024, to reflect the amount of the 2023 historical year netting adjustment to be collected from its customers during the 2025 rate effective period as included in the 2024 formula rate plan filing. See Note 2 to the financial statements for discussion of the Entergy Arkansas 2024 formula rate plan filing;
- a regulatory credit of $28 million, recorded by Entergy Arkansas in fourth quarter 2025, to reflect the amount of the 2024 historical year netting adjustment to be collected from its customers during the 2026 rate effective period as included in the 2025 formula rate plan filing. See Note 2 to the financial statements for discussion of the Entergy Arkansas 2025 formula rate plan filing;
- regulatory charges of $150 million, recorded by Entergy Louisiana in second quarter 2024, to reflect the effects of an agreement in principle between Entergy Louisiana and the LPSC staff and the intervenors in July 2024 to renew Entergy Louisiana's formula rate plan and resolve a number of other retail dockets and matters, including all formula rate plan test years prior to 2023. The customer rate credits agreed to in the global stipulated settlement began in September 2024. See Note 2 to the financial statements for discussion of the Entergy Louisiana agreement in principle and the subsequently filed global stipulated settlement agreement; and
- a regulatory charge of $78 million, recorded by Entergy New Orleans in first quarter 2024, primarily to reflect a settlement in principle between Entergy New Orleans and the City Council in April 2024 for additional sharing with customers of income tax benefits from the resolution of the 2016-2018 IRS audit. See Note 3 to the financial statements for discussion of the April 2024 settlement in principle and discussion of the resolution of the 2016-2018 IRS audit.

In addition, Entergy records a regulatory charge or credit for the difference between asset retirement obligation-related expenses and nuclear decommissioning trust earnings plus asset retirement obligation-related costs collected in revenue.

Other income (deductions) increased primarily due to:

- an increase of $65 million in the amortization of tax gross ups on customer advances, including customer advances for construction;
- an increase in the allowance for equity funds used during construction due to higher construction work in progress in 2025, including the Orange County Advanced Power Station project, the Legend Power Station project, and the Lone Star Power Station project, each at Entergy Texas;
- an increase of $22 million in interest earned on money pool investments; and
- a $17 million true-up of Entergy Louisiana's MISO cost recovery mechanism over-recovery balance to the 2024 formula rate plan filing, which was filed with the LPSC in May 2025. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing.

The increase was partially offset by a decrease of $17 million in intercompany dividend income from affiliated preferred membership interests related to storm cost securitizations. The intercompany dividend income on the affiliated preferred membership interests is eliminated for consolidation purposes and has no effect on net income since the investment is in another Entergy subsidiary. See Note 2 to the financial statements for discussion of Entergy Louisiana's storm cost securitizations.

Interest expense increased primarily due to:

- the issuance by Entergy Arkansas of $400 million of 5.45% Series mortgage bonds in May 2024 and an additional $300 million in a reopening of the same series in May 2025;
- the issuance by Entergy Louisiana of $700 million of 5.15% Series mortgage bonds in August 2024;

- the issuance by Entergy Louisiana of $750 million of 5.80% Series mortgage bonds in January 2025;
- the issuance by Entergy Mississippi of $600 million of 5.80% Series mortgage bonds in March 2025;
- the issuance by Entergy Texas of $350 million of 5.55% Series mortgage bonds in August 2024;
- the issuance by Entergy Texas of $500 million of 5.25% Series mortgage bonds in February 2025;
- the issuance by System Energy of $300 million of 5.30% Series mortgage bonds in December 2024 and an additional $240 million in a reopening of the same series in May 2025; and
- an increase of $51 million in carrying costs on customer advances, including customer advances for construction.

The increase was partially offset by an increase in the allowance for borrowed funds used during construction due to higher construction work in progress in 2025, including the Orange County Advanced Power Station project, the Legend Power Station project, and the Lone Star Power Station project, each at Entergy Texas.

See Note 5 to the financial statements for a discussion of long-term debt.

Other expenses decreased primarily due to decreased nuclear refueling outage expenses due to the amortization of lower costs associated with the most recent outages as compared to previous outages.

Parent and Other

Asset write-offs, impairments, and related charges (credits) includes the effects of recording a favorable final judgment of $20 million in fourth quarter 2024 to resolve claims in the Northstar Vermont Yankee, LLC (previously Entergy Nuclear Vermont Yankee) final round Vermont Yankee damages case against the DOE and the effects of recording a favorable final judgment of $7 million in fourth quarter 2024 to resolve claims in the Holtec Palisades, LLC (previously Entergy Nuclear Palisades) final round Palisades damages case against the DOE. See Note 8 to the financial statements for discussion of the spent nuclear fuel litigation.

Other income (deductions) increased primarily due to a $320 million ($253 million net-of-tax) non-cash settlement charge recognized as a result of a group annuity contract purchased in 2024 to settle certain pension liabilities. See Note 11 to the financial statements for discussion of the group annuity contract and settlement charge.

Income Taxes

The effective income tax rates were 21.9% for 2025 and 26.4% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Results of Operations**" in Item 7 of Entergy's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was enacted. The OBBBA is a wide ranging update to U.S. tax and spending policy. In particular, the OBBBA modified and extended various clean energy tax incentives relevant to electric utilities, preserving production tax credits under Internal Revenue Code section 45U for existing nuclear facilities through 2032 and generally maintaining the existing phase-out schedule for new nuclear and battery storage under Internal Revenue Code sections 45Y (clean electricity production credit) or Internal Revenue Code section 48E (clean electricity investment credit). In addition, the OBBBA preserved the tax

credits for carbon capture and sequestration facilities that meet the requirements of Internal Revenue Code section 45Q. The OBBBA also retained full transferability of all credits and preserved five-year modified accelerated cost recovery system treatment for eligible Internal Revenue Code section 45Y and 48E assets.

In contrast, the OBBBA significantly shortened the time period for solar and wind facilities to claim clean energy tax incentives. In general, solar and wind facilities must be placed in service by December 31, 2027 to qualify for the tax credits, unless construction begins by July 3, 2026, and certain safe harbor requirements are met.

In addition, the OBBBA adopted new foreign entity of concern (FEOC) rules designed to deny clean energy tax incentives to all clean energy projects beginning construction after December 31, 2025 that use equipment beyond statutory guidelines from prohibited foreign entities (entities with ties to China, Russia, Iran, or North Korea). The FEOC rules also deny these incentives to taxpayers that rely beyond certain thresholds on equity or debt held by or sold to specified foreign entities or that make payments to specified foreign entity counterparties under contracts or licensing agreements that give such counterparties "effective control" over an eligible project. These taxpayer FEOC rules will apply to taxpayers in their first taxable year following enactment of the OBBBA.

On July 7, 2025, an executive order was issued directing the U.S. Treasury to issue, among other things, new safe harbor guidance, particularly with respect to wind and solar facilities. On August 15, 2025, in response to the executive order, the U.S. Treasury released Notice 2025-42, which provides updated guidance regarding the beginning of construction requirements and termination of the wind and solar energy tax credits under sections 45Y and 48E. Notice 2025-42 provides additional guidance on these safe harbor provisions, clarifying the criteria for beginning construction and offering examples of equipment and contractual terms that will qualify a project for safe harbor treatment under the OBBBA. Notice 2025-42 states that the U.S. Treasury and the IRS are currently drafting additional guidance to address the FEOC rules.

The changes in law and federal energy policy reflected in the OBBBA could have a material effect on Entergy's current and future resource planning, including particularly solar and wind resources, and on its results of operations, cash flows, or financial condition. Entergy may not be able to realize the anticipated benefits of federal tax credits for certain of its planned solar and battery facilities to the extent that these projects do not meet the safe harbor requirements set forth in the OBBBA. In addition, as the policy changes reflected in the OBBBA and anticipated related guidance disfavor certain renewable resource development as compared to prior law, Entergy may not be successful in achieving current or future carbon emission goals. Provisions of the OBBBA may also affect customer decisions relating to major new projects in Entergy's service area, to the extent that project economics or the achievement of customer sustainability objectives are affected by the changes in the OBBBA.

The Inflation Reduction Act of 2022 (IRA), signed into law on August 16, 2022, significantly expanded federal tax incentives for clean energy production, including the extension of production tax credits to solar projects and certain qualified nuclear power facilities. Additionally, the IRA enacted a 1% excise tax on the buyback of public company stock and a new corporate alternative minimum tax (CAMT). Effective for tax years beginning after December 31, 2022, the CAMT imposes a 15% tax on the Adjusted Financial Statement Income (AFSI) on each corporation in a group of corporations that averages greater than $1 billion in AFSI over a three-year period. Taxpayers subject to the CAMT regime must pay the greater of 15% of AFSI or their regular federal tax liability. In September 2024 the IRS issued proposed regulations regarding the application of the CAMT. Entergy and the Registrant Subsidiaries are closely monitoring any potential impact associated with the expansion of federal tax incentives, the 1% excise tax, and CAMT. Based on current IRS guidance and internal forecasts, Entergy and the Registrant Subsidiaries may become subject to the CAMT beginning in the next one to three years. The U.S. Treasury is expected to issue further guidance that will clarify how the tax credit provisions and CAMT provisions will be interpreted and applied. This guidance will determine the amount of tax credits and incremental cash tax payments Entergy expects in the future as a result of the legislation. Prior to receiving this guidance, Entergy cannot adequately assess the expected future effects on its results of operations, financial position, and cash flows. Entergy is not able to predict the effects of any change to or repeal of the above tax legislation, including any

federal tax incentives or tax credits, on its or the Registrant Subsidiaries' results of operations, financial position, and cash flows.

In April 2023 the IRS issued Revenue Procedure 2023-15, which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve natural gas transmission and distribution property must be capitalized and provides procedures for taxpayers to obtain automatic consent to change their method of accounting. Entergy adopted this new method of income tax accounting beginning with the 2023 federal income tax return utilizing the safe harbor method in accordance with Revenue Procedure 2023-15. The additional temporary deductions taken using the new method resulted in the recognition of deferred tax liabilities of $14.2 million for Entergy, $7.6 million for Entergy Louisiana, and $6.6 million for Entergy New Orleans in 2024.

Liquidity and Capital Resources

This section discusses Entergy's capital structure, capital spending plans and other uses of capital, sources of capital, and the cash flow activity presented in the cash flow statement.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect Entergy's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

The Registrant Subsidiaries have incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on such Registrant Subsidiaries' capital spending plans. Entergy is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on such capital spending plans.

Capital Structure

Entergy's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	64.3%	65.3%
Effect of excluding securitization bonds	(0.2%)	(0.2%)
Debt to capital, excluding securitization bonds (non-GAAP) (a)	64.1%	65.1%
Effect of subtracting cash	(1.5%)	(0.7%)
Net debt to net capital, excluding securitization bonds (non-GAAP) (a)	62.6%	64.4%

(a) Calculation excludes the Texas securitization bonds, which are non-recourse to Entergy Texas.

As of December 31, 2025, 20.4% of the debt outstanding is at the parent company, Entergy Corporation, and 79.6% is at the Utility segment. Net debt consists of debt less cash and cash equivalents. Debt consists of notes payable and commercial paper, finance lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt, equity, and subsidiaries' preferred stock without sinking fund. Net capital consists of capital less cash and cash equivalents. The debt to capital ratio excluding securitization bonds and net debt to net capital ratio excluding securitization bonds are non-GAAP measures. Entergy uses the debt to capital ratios excluding securitization bonds in analyzing its financial condition and believes they provide useful information to its investors and creditors in evaluating Entergy's financial condition because the securitization bonds are non-recourse to Entergy, as more fully described in Note 5 to the financial statements. Entergy also uses the net debt to net capital ratio excluding securitization bonds in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy's financial condition because net debt indicates Entergy's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

The Utility operating companies and System Energy seek to optimize their capital structures in accordance with regulatory requirements and to control their cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that their operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a dividend to their parent, to the extent funds are legally available to do so, or both, in appropriate amounts to maintain the capital structure. To the extent that their operating cash flows are insufficient to support planned investments, the Utility operating companies and System Energy may issue incremental debt or reduce dividends, or both, to maintain their capital structures. In addition, Entergy may make equity contributions to the Utility operating companies and System Energy to maintain their capital structures in certain circumstances such as financing of large transactions or payments that would materially alter the capital structure if financed entirely with debt and reduced dividends.

Long-term debt, including the currently maturing portion, makes up most of Entergy's total debt outstanding. Following are Entergy's long-term debt principal maturities and estimated interest payments as of December 31, 2025. To estimate future interest payments for variable rate debt, Entergy used the rate as of December 31, 2025. The amounts below include payments on System Energy's Grand Gulf sale-leaseback transaction, which are included in long-term debt on the balance sheet.

Long-term debt maturities and estimated interest payments	2026	2027	2028	2029-2030	after 2030
			(In Millions)		
Utility	$2,670	$2,068	$2,426	$2,238	$33,106
Parent & Other	996	231	873	1,027	8,219
Total	$3,666	$2,299	$3,299	$3,265	$41,325

See Note 5 to the financial statements for further details of long-term debt.

Entergy Corporation has in place a credit facility that has a borrowing capacity of $3 billion and expires in June 2030. The facility includes fronting commitments for the issuance of letters of credit against $20 million of the total borrowing capacity of the credit facility. The commitment fee is currently 0.225% of the undrawn commitment amount. Commitment fees and interest rates on loans under the credit facility can fluctuate depending on the senior unsecured debt ratings of Entergy Corporation. Although there were no borrowings under the facility for the year ended December 31, 2025, the estimated interest rate for the year ended December 31, 2025 that would have been applied to outstanding borrowings under the facility was 5.32%. The following is a summary of the amounts outstanding and capacity available under the credit facility as of December 31, 2025:

Capacity	Borrowings	Letters of Credit	Capacity Available
	(In Millions)		
$3,000	$—	$3	$2,997

Entergy Corporation's credit facility includes a covenant requiring Entergy to maintain a consolidated debt ratio, as defined, of 65% or less of its total capitalization. The calculation of this debt ratio under Entergy Corporation's credit facility is different than the calculation of the debt to capital ratio above. Entergy is currently in compliance with the covenant and expects to remain in compliance with this covenant. If Entergy fails to meet this ratio, or if Entergy Corporation or one of the Registrant Subsidiaries (except Entergy New Orleans and System Energy) defaults on other indebtedness or is in bankruptcy or insolvency proceedings, an acceleration of the Entergy Corporation credit facility's maturity date may occur. See Note 4 to the financial statements for additional discussion of the Entergy Corporation credit facility and discussion of the Registrant Subsidiaries' credit facilities.

Entergy Corporation has a commercial paper program with a Board-approved program limit of $2 billion. As of December 31, 2025, Entergy Corporation had $637.8 million of commercial paper outstanding. The weighted-average interest rate for the year ended December 31, 2025 was 4.58%.

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas each had credit facilities available as of December 31, 2025 as follows:

Company	Expiration Date	Amount of Facility	Interest Rate (a)	Amount Drawn as of December 31, 2025	Letters of Credit Outstanding as of December 31, 2025
Entergy Arkansas	April 2026	$25 million (b)	5.67%	—	—
Entergy Arkansas	June 2030	$300 million (c)	4.94%	—	—
Entergy Louisiana	June 2030	$400 million (c)	5.07%	—	—
Entergy Mississippi	June 2030	$300 million (c)	4.94%	—	—
Entergy New Orleans	June 2027	$25 million (c)	5.44%	—	—
Entergy Texas	June 2030	$300 million (c)	5.07%	—	$1.1 million

(a) The interest rate is the estimated interest rate as of December 31, 2025 that would have been applied to outstanding borrowings under the facility.

(b) Borrowings under this Entergy Arkansas credit facility may be secured by a security interest in its accounts receivable at Entergy Arkansas's option.

(c) The credit facility includes fronting commitments for the issuance of letters of credit against a portion of the borrowing capacity of the facility as follows: $5 million for Entergy Arkansas; $15 million for Entergy Louisiana; $5 million for Entergy Mississippi; $10 million for Entergy New Orleans; and $25 million for Entergy Texas.

Each of the credit facilities requires the Registrant Subsidiary borrower to maintain a debt ratio, as defined, of 65% or less of its total capitalization. Each Registrant Subsidiary is in compliance with this covenant.

In addition, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas each has one or more uncommitted standby letter of credit facilities as a means to post collateral to support their obligations to MISO and for other purposes. The following is a summary of the uncommitted standby letter of credit facilities as of December 31, 2025:

Company	Amount of Uncommitted Facility	Letter of Credit Fee	Letters of Credit Issued as of December 31, 2025 (a)
Entergy Arkansas	$25 million	0.78%	$18.3 million
Entergy Arkansas	$75 million	0.50%	$75.0 million
Entergy Louisiana	$125 million	0.78%	$119.1 million
Entergy Louisiana	$45 million	0.50%	$45.0 million
Entergy Mississippi	$65 million	0.78%	$44.4 million (b)
Entergy Mississippi	$65 million	0.50%	$43.0 million
Entergy New Orleans	$1 million	1.625%	$0.5 million
Entergy Texas	$150 million	1.250%	$59.6 million
Entergy Texas	$160 million	1.05%	$—

(a) As of December 31, 2025, letters of credit posted with MISO covered financial transmission rights exposure of $0.1 million for Entergy Arkansas, $0.8 million for Entergy Louisiana, $0.8 million for Entergy Mississippi, and $0.1 million for Entergy Texas. See Note 15 to the financial statements for discussion of financial transmission rights.

(b) As of December 31, 2025, the letters of credit issued for Entergy Mississippi under this facility include $43.1 million in MISO letters of credit and $1.3 million in non-MISO letters of credit outstanding.

Finance lease obligations are a minimal part of Entergy's overall capital structure. Following are Entergy's payment obligations under those leases.

	2026	2027	2028	2029-2030	after 2030
			(In Millions)		
Finance lease payments	$25	$23	$20	$28	$53

Finance leases are discussed in Note 10 to the financial statements.

Operating Lease Obligations and Guarantees of Unconsolidated Obligations

Entergy has a minimal amount of operating lease obligations and guarantees in support of unconsolidated obligations. Entergy's guarantees in support of unconsolidated obligations are not likely to have a material effect on Entergy's financial condition, results of operations, or cash flows. Following are Entergy's payment obligations as of December 31, 2025 on non-cancelable operating leases with a term over one year:

	2026	2027	2028	2029-2030	after 2030
			(In Millions)		
Operating lease payments	$78	$66	$54	$63	$52

Operating leases are discussed in Note 10 to the financial statements.

Other Obligations

Entergy currently expects to contribute approximately $200 million to its qualified pension plans and approximately $40.9 million to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is

expected by April 1, 2026. See "**Critical Accounting Estimates - Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy has $808 million of unrecognized tax benefits net of unused tax attributes plus interest for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

See below for discussion of the Entergy Texas build-to-suit lease arrangement for the Legend Power Station.

In addition, the Registrant Subsidiaries enter into fuel and purchased power agreements that contain minimum purchase obligations. The Registrant Subsidiaries each have rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations.

Capital Expenditure Plans and Other Uses of Capital

Following are the amounts of Entergy's planned construction and other capital investments for 2026 through 2029.

Planned construction and capital investments	2026	2027	2028	2029
		(In Millions)		
Generation	$6,350	$8,010	$6,330	$4,215
Transmission	2,380	2,605	2,325	1,885
Distribution	2,555	2,055	1,710	1,845
Utility Support	330	295	290	290
Total	$11,615	$12,965	$10,655	$8,235

Planned construction and capital investments refer to amounts Entergy plans to spend on routine capital projects that are necessary to support reliability of its service, equipment, or systems and to support normal customer growth. In addition to routine capital projects, they also refer to amounts Entergy plans to spend on non-routine capital investments for which Entergy is either contractually obligated, has Board approval, or otherwise expects to make to satisfy regulatory or legal requirements. Amounts include the following types of construction and capital investments:

- investments in generation projects to modernize, decarbonize, expand, and diversify the Utility operating companies' portfolios, as well as to support customer growth, including Ironwood Power Station (formerly Lake Catherine Unit 5), Jefferson Power Station, Arkansas Cypress Solar, Segno Solar, Votaw Solar, Bogalusa West Solar, Cypress Harvest Solar, Franklin Farms Power Station Units 1 and 2, Waterford 5 Power Station, Cottonwood Power Station, Westlake Power Station, Delta Blues Advanced Power Station, Delta Solar, Penton Solar, Traceview Advanced Power Station, Vicksburg Advanced Power Station, Orange County Advanced Power Station, Lone Star Power Station, Legend Power Station, and potential construction of additional generation;
- investments in the Utility nuclear fleet;
- transmission spending to improve reliability and resilience while also supporting renewables expansion and customer growth; and
- distribution and Utility support spending to improve reliability, resilience, and customer experience through projects focused on asset renewals and enhancements and grid stability.

The Utility's owned and contracted generating capacity is planned on a long-term basis with an aim to enable the Utility operating companies to meet MISO target reserve requirements; however, MISO has implemented changes to its resource adequacy construct that generally move from an annual to a seasonal design and that changes the way that resources are assigned capacity credit. MISO has also recently obtained FERC approval to implement additional changes that further affect the assignment of capacity credit to resources. As a result of these changes, there may be seasonal variations in the capacity credit afforded to the Utility operating companies' resources by MISO, and some resource types generally may be assigned less capacity credit than they have historically. MISO continues to pursue market design changes related to its resource adequacy construct. The FERC recently approved a reliability-based demand curve that, along with a tighter balance of supply and demand, has had the effect of increasing the clearing prices in the MISO planning resource auction. MISO has also received approval from the FERC for changes to the market rules governing load modifying resources, which could affect the accreditation of these resources and, as a result, the capacity positions of the Utility operating companies. These market design changes may have an effect on both the Utility operating companies' liquidity and the capital investment needed for long-term resources. Entergy is monitoring the evolution and application of these rules, which may require the Utility operating companies to procure additional capacity credits from the MISO market and in the longer-term may impact the incremental additional supply resources needed. The Utility's supply plan initiative will continue to seek to transform its generation portfolio with new generation resources. Opportunities resulting from the supply plan initiative, including new projects or the exploration of alternative financing sources, could result in increases or decreases in the capital expenditure estimates given above. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of business restructuring, regulatory constraints and requirements, governmental actions, including trade-related governmental actions, such as tariffs and other measures, environmental regulations, business opportunities, market volatility, economic trends, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies. Entergy is not able to predict the effect of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Renewables

Entergy Arkansas Special Rate Contract and Arkansas Cypress Solar

In September 2025, Entergy Arkansas filed an application with the APSC seeking approval of a long-term special rate contract between Altitude, LLC, a subsidiary of Alphabet, Inc. (Google) and Entergy Arkansas for the sale of electricity to a new large-scale data center in West Memphis, Arkansas. In October 2025 the APSC general staff filed testimony finding that based on its evaluation of Entergy Arkansas's application and the results of the ratepayer impact measure test, the special rate contract meets the requirements of the APSC's promotional practice rules and is in the public interest. No other parties filed testimony. In December 2025 the APSC issued an order approving the special rate contract but denying the requested ratemaking treatment of Google's upfront payments and deferring a decision on the treatment under the contract pricing providing for the deferral and amortization of the investment tax credits from the Arkansas Cypress Solar facility (discussed below). Also in December 2025, Entergy Arkansas filed a petition with the APSC regarding these findings, noting that they would require renegotiation of the special rate contract. In January 2026 the APSC issued an order maintaining its position on the ratemaking treatment of Google's upfront payments but reversing itself on the treatment of the Arkansas Cypress Solar facility investment tax credits and allowing those to be used in the pricing of the Arkansas Cypress Solar facility to Google as provided for in the contract.

In September 2025, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of the Arkansas Cypress Solar facility, a planned 600 MW solar photovoltaic array with a 350 MW battery energy storage system and associated transmission facilities interconnecting at Entergy Arkansas's White Bluff substation. The estimated cost of the project is $1,602 million. Entergy Arkansas is seeking public interest and prudence findings from the APSC no later than 180 days from the filing, pursuant to Act 373 of 2025, to construct the Arkansas Cypress Solar facility in

support of its long-term special rate contract with Google. In October 2025 the APSC general staff and the Arkansas Attorney General filed responsive testimony opposing the project cost and seeking additional information. Subsequently, the APSC general staff submitted supplemental testimony to update its initial conclusion and recommendations, noting that the Arkansas Cypress Solar facility is a reasonable project and recommending the APSC approve the project under certain conditions. Entergy Arkansas proposes to recover the costs of constructing the Arkansas Cypress Solar facility through the Generating Arkansas Jobs Act rider. A hearing was held in December 2025, and an APSC decision is due in March 2026. Subject to receipt of required regulatory approval and other conditions, the facility is expected to be in service by the end of 2028. See "**Retail Rate Proceedings** – **Filings with the APSC (Entergy Arkansas)** – Retail Rates - Generating Arkansas Jobs Act Rider" in Note 2 to the financial statements for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Bogalusa West Solar

In July 2025, Entergy Louisiana filed an application seeking LPSC approval and certification of the Bogalusa West Solar facility, a 200 MW single axis tracking solar photovoltaic power facility in Washington Parish, Louisiana. In October 2025 the LPSC voted to grant Entergy Louisiana's application and approve the Bogalusa West Solar facility. The facility is expected to be in service by 2028.

Cypress Harvest Solar

In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification for the Cypress Harvest Solar facility, a 200 MW solar facility to be located in Iberville Parish. Entergy Louisiana requested that the LPSC consider the request at its April 2026 meeting.

Delta Solar

In December 2024 the Bolivar County Board of Supervisors approved Entergy Mississippi's plans to construct, own, and operate the Delta Solar facility, an 80 MW solar facility to be located in Bolivar County, Mississippi. The Delta Solar facility is estimated to cost $157.2 million, inclusive of estimated transmission interconnection costs. Construction of the Delta Solar facility qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the Delta Solar facility is expected to be in service by the end of 2027.

Penton Solar

In May 2025 the DeSoto County Board of Supervisors approved Entergy Mississippi's plans to construct, own, and operate the Penton Solar facility, a 190 MW solar facility to be located in DeSoto County, Mississippi. The Penton Solar facility is estimated to cost $327.2 million, inclusive of estimated transmission interconnection and upgrade costs. Construction of the Penton Solar facility qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the Penton Solar facility is expected to be in service by early 2028.

Segno Solar and Votaw Solar

In July 2024, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Segno Solar facility, a 170 MW solar facility to be located in Polk County, Texas, and the Votaw Solar facility, a 141 MW solar facility to be located in

Hardin County, Texas. In August 2025, Entergy Texas filed, and the ALJs with the State Office of Administrative Hearings granted, an unopposed motion to withdraw the application. In September 2025, Entergy Texas and Entergy Louisiana entered into assignment and assumption agreements pursuant to which Entergy Texas assigned, and Entergy Louisiana assumed, certain interests in the Segno Solar and Votaw Solar facilities, and the associated assets were transferred in third quarter 2025 from Entergy Texas to Entergy Louisiana for approximately $42.1 million, which included adjustments per the assignment and assumption agreements.

In December 2025, Entergy Louisiana filed an application with the LPSC seeking approval and certification to construct the Segno Solar facility and Votaw Solar facility. The application asks that the LPSC approve, subject to certain ongoing discussions, allocation of the two facilities to a designated renewable resources subscription to Entergy Louisiana's Rider Geaux Zero, and further asserts that the two solar resources fall below certain breakeven parameters established in connection with the LPSC's order allowing Entergy Louisiana to procure up to 3 GW of solar resources, thus supporting that the resources should be certified as being in the public interest. The application requests consideration by the LPSC at or before its August 2026 meeting. A procedural schedule has been set with a hearing scheduled for July 2026. The Segno Solar facility and the Votaw Solar facility are expected to be in service by 2029.

Other Generation and Transmission

Ironwood Power Station

In November 2024, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of Ironwood Power Station (formerly Lake Catherine Unit 5), a 446 MW simple cycle natural gas combustion turbine facility to be located at the existing Lake Catherine facility site in Hot Spring County, Arkansas. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. In December 2024 other parties, including the APSC general staff, filed testimony opposing the resource, although the APSC general staff recognized the capacity need for the resource. Entergy Arkansas filed testimony in January 2025 further supporting its application, and in February 2025 the opposing parties filed responsive rebuttal testimony continuing to dispute the estimated costs and to dispute that Entergy Arkansas performed a market solicitation sufficient to demonstrate that this resource is the most reasonable option for customers. Also in February 2025, Entergy Arkansas filed surrebuttal testimony responding to the opposing parties' testimony. A hearing was held in March 2025, and in April 2025 the APSC issued an order approving certification of the facility. The order also provided a presumption of prudence finding with respect to a benchmark project cost. In May 2025, Entergy Arkansas filed a motion for clarification concerning the appropriate calculation of the benchmark that was below the estimated cost of Ironwood Power Station and was based upon older technology and dated pricing. Entergy Arkansas will have the opportunity to present later all actual costs to the APSC for review and a prudence determination of final costs, including costs incremental to the benchmark. In June 2025, Entergy Arkansas filed its independent monitor proposal with the APSC and is awaiting direction on the proposal and the motion for clarification. Entergy Arkansas proposes to recover the costs of constructing Ironwood Power Station through the Generating Arkansas Jobs Act rider. The facility is expected to be in service by the end of 2028. See "**Retail Rate Proceedings** – **Filings with the APSC (Entergy Arkansas)** – Retail Rates - Generating Arkansas Jobs Act Rider" in Note 2 to the financial statements for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Jefferson Power Station

In August 2025, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of Jefferson Power Station, an approximately 754 MW natural gas-fired combined cycle combustion turbine facility to be located in Jefferson County, Arkansas. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The estimated cost of the project is $1,602

million. In September 2025 other parties, including the APSC general staff, filed testimony opposing the resource pending further information, although the APSC general staff recognized the capacity need for the resource and that Entergy Arkansas had satisfied the statutory requirements for a certificate of environmental compatibility and public need. Much of the opposition focused on the fact that the resource was not identified through a competitive solicitation. Entergy Arkansas filed testimony further supporting its application in September and October 2025. A hearing was held in October 2025 and November 2025. In January 2026 the APSC issued its order finding that Entergy Arkansas had demonstrated a need for the resource but had not met its burden with respect to supporting the prudence of the costs to construct the resource. The APSC acknowledged that the costs would be greater if Entergy Arkansas waited to pursue the resource. The APSC authorized Entergy Arkansas to proceed with Jefferson Power Station as a strategic investment with estimated costs set at a benchmark, which the APSC erroneously believed reflected the current cost estimate but is, in fact, $90 million below the cost presented. Entergy Arkansas is evaluating whether to make a request for rehearing to correct the benchmark. Additionally, the APSC found that Entergy Arkansas should conduct all-source competitive solicitations moving forward with a limited exception for certain resources associated with customer growth projects. Entergy Arkansas proposes to recover the costs of constructing Jefferson Power Station through the Generating Arkansas Jobs Act rider. Subject to receipt of required regulatory approval and other conditions, the facility is expected to be in service by the end of 2029. See "**Retail Rate Proceedings** – **Filings with the APSC (Entergy Arkansas)** – Retail Rates - Generating Arkansas Jobs Act Rider" in Note 2 to the financial statements for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Bayou Power Station

In March 2024, Entergy Louisiana filed an application seeking LPSC approval and certification that the public convenience and necessity would be served by the construction of the Bayou Power Station, a 112 MW aggregated capacity floating natural gas power station with black-start capability in Leeville, Louisiana and an associated microgrid that would serve nearby areas, including Port Fourchon, Golden Meadow, Leeville, and Grand Isle. In its application, Entergy Louisiana noted that the estimated cost of the Bayou Power Station was $411 million, including estimated costs of transmission interconnection and other related costs. In October 2024, Entergy Louisiana filed a motion to suspend the procedural schedule in this proceeding in order to evaluate certain recent developments related to the project including potential changes to the estimated cost of the project. In October 2025, Entergy Louisiana filed with the LPSC a motion to dismiss its application without prejudice, noting that this project has been canceled and that Entergy Louisiana is evaluating an alternative transmission solution. In November 2025 the LPSC granted the motion and dismissed the application, without prejudice. In third quarter 2025, Entergy Louisiana expensed $10.8 million of project costs related to the Bayou Power Station project.

Entergy Louisiana Additional Generation and Transmission Resources

In October 2024, Entergy Louisiana filed an application with the LPSC seeking approval of a variety of generation and transmission resources proposed in connection with establishing service to a new data center to be developed by a subsidiary of Meta Platforms, Inc. in north Louisiana, for which an electric service agreement has been executed. The filing requested LPSC certification of three new combined cycle combustion turbine generation resources totaling 2,262 MW, each of which will be enabled for future carbon capture and storage, a new 500 kV transmission line, and 500 kV substation upgrades. Two of the new combined cycle combustion turbine generation resources are to be located at Franklin Farms in north Louisiana (Franklin Farms Power Station Units 1 and 2). The application also requested approval to implement a corporate sustainability rider applicable to the new customer. The corporate sustainability rider contemplates the new customer contributing to the costs of the future addition of 1,500 MW of new solar and energy storage resources, agreements involving carbon capture and storage at Entergy Louisiana's existing Lake Charles Power Station, and potential future wind and nuclear resources. The combined cost of Franklin Farms Power Station Units 1 and 2 is estimated to be approximately $2,387 million. In testimony filed with its application, Entergy Louisiana noted that the third new generation resource, Waterford 5 Power Station, is expected to have an estimated cost similar to the cost of each of Franklin Farms Power Station Units 1 and 2. Also in its testimony, Entergy Louisiana noted that the cost of the new 500 kV transmission line is estimated

to be $546 million. Entergy Louisiana anticipates funding the incremental cost to serve the customer through direct financial contributions from the customer and the revenues it expects to earn under the electric service agreement. The electric service agreement also contains provisions for termination payments that will help ensure that there is no harm to Entergy Louisiana and its customers in the event of early termination. A directive was issued at the LPSC's November 2024 meeting for the matter to be decided by October 2025. In February 2025 intervenors filed a motion asking the LPSC to deny Entergy Louisiana's requested exemption from the LPSC's order addressing competitive solicitation procedures and further asking the LPSC to dismiss the application. The ALJ issued an order denying the motion to dismiss the application and deferring the LPSC's consideration of the motion regarding the competitive solicitation procedures until the hearing. In March 2025 the same intervenors filed a motion requesting the LPSC to require the customer and its parent company to be joined as parties to the proceeding or dismiss the application. In April 2025 the ALJ issued an order denying the March 2025 motion, and the moving parties filed a motion asking the LPSC to review and reverse the ALJ's decision.

In February 2025, Entergy Louisiana filed supplemental testimony with the LPSC stating that the third combined cycle combustion turbine resource presented in the October 2024 application (Waterford 5 Power Station) would be sited at Entergy Louisiana's Waterford site in Killona, Louisiana, alongside existing Entergy Louisiana generation resources. The testimony also notes that Entergy Louisiana is negotiating with the customer in response to the customer's request to increase the load associated with its project in north Louisiana. The testimony indicates further that the additional load can be served without additional generation capacity beyond what was presented in the October 2024 application, but that additional transmission facilities, which will be funded directly by the customer, are needed to serve this additional load.

In April 2025 and May 2025 the LPSC staff and certain intervenors each filed their direct testimony and cross-answering testimony, respectively. The LPSC staff's testimony discussed the significant projected benefits associated with the data center project; however, both the LPSC staff and such intervenors also identified purported risks associated with constructing the requested resources based on the terms and conditions under which the customer would be taking service. Both the LPSC staff and such intervenors also recommended that the LPSC impose certain conditions on its approval which, if adopted, would support approval of Entergy Louisiana's application. The LPSC staff's recommendations included a condition that would require, under specified circumstances, certain sharing of net revenues from service to the project with Entergy Louisiana's other customers. The LPSC staff also recommended that the LPSC deny approval of the corporate sustainability rider terms providing for the customer to supply funding toward the cost of installing carbon capture and storage infrastructure at Entergy Louisiana's Lake Charles Power Station. The Louisiana Energy Users Group and other intervenors recommended that the LPSC require various changes to the terms of the electric service agreement with the customer that would shift additional risk and cost to the customer rather than Entergy Louisiana's broader customer base. Certain intervenors also challenged approval on the basis that Entergy Louisiana did not conduct a request for proposals to procure the proposed generation resources to serve the customer's project; these intervenors also advocated that Entergy Louisiana be required to procure more renewable generation and evaluate transmission alternatives rather than proceeding with development of all of the proposed new generation resources. In May 2025, Entergy Louisiana filed its rebuttal testimony responding to the direct and cross-answering testimony of the LPSC staff and intervenors. The rebuttal testimony expressed support for or no opposition to the LPSC's adoption of certain of the proposed recommendations and identified why other proposed recommendations should not be adopted. In addition, the rebuttal testimony stated that the negotiations related to the increase in the load amount for the customer's project had concluded and that a rider to the electric service agreement reflecting this increase had been executed. In advance of the July 2025 hearing, Entergy Louisiana reached a settlement agreement with the LPSC staff and three separate intervenors. In August 2025 the LPSC issued an order accepting the settlement agreement. Franklin Farms Power Station Units 1 and 2 are expected to be in service in 2028, and Waterford 5 Power Station is expected to be in service in 2029. In January 2026, several months after the LPSC order became final, certain intervenors filed a motion asking the LPSC to investigate the financing arrangements that the customer implemented for its data center project and to initiate a prudence review. The motion questions whether the credit protections for the customer's obligations under the electric service agreement are adversely affected by the change in the customer's financial structure and asks the LPSC to initiate a review of whether Entergy Louisiana withheld

relevant information from the LPSC at the time of the LPSC's order. Entergy Louisiana filed its opposition to the motion in February 2026.

Amite South Transmission Projects

In March 2024, Entergy Louisiana filed an application seeking an exemption determination, or alternatively, a certificate of public convenience and necessity, for a transmission project that includes a new 500 kV/230 kV Commodore substation and an approximately 60-mile 230 kV line connecting the new Commodore substation to the Waterford substation. The project, which was approved by MISO in the 2023 MISO Transmission Expansion Plan, also includes certain common elements with, and right-of-way acquisition for, a future transmission project in the same area consisting of 500 kV elements. The estimated cost of the project is $498.8 million. In February 2025, Entergy Louisiana and the LPSC staff jointly filed, for consideration by the LPSC, an uncontested stipulated settlement agreement resolving all issues in the proceeding. In the motion requesting approval of the uncontested stipulated settlement agreement, the parties requested a settlement hearing in March 2025. The LPSC approved the uncontested stipulated settlement agreement in March 2025 and thereby granted certification of the project.

In December 2024, Entergy Louisiana filed an application with the LPSC seeking a certificate of public convenience and necessity for a 500 kV transmission project that includes the construction of a new 84-mile Commodore to Churchill 500 kV transmission line, the expansion of the Waterford 500 kV substation, the construction of a new Churchill 500 kV substation and improvements to the Churchill 230 kV substation, and the conversion of the existing 230 kV Waterford to Churchill transmission line to 500 kV, forming a 500 kV loop into the Downstream of Gypsy load pocket. The project, which was approved by MISO in the 2023 MISO Transmission Expansion Plan, shares common elements with a future transmission project in the same area consisting of 230 kV elements. The estimated cost of the project is $954.7 million. In April 2025 the LPSC staff and the Louisiana Energy Users Group, an intervenor, filed direct testimony. The LPSC staff's testimony recommends LPSC approval of the project. The Louisiana Energy Users Group's testimony opines that Entergy Louisiana has shown that there is a need for additional transmission investment in the West Bank area of Amite South but recommends that the LPSC withhold approval pending further analysis, including analysis of potential lower cost alternatives to the proposed project, and also pending Entergy Louisiana demonstrating that it has contributions in aid of construction from the customers whose block load additions would be enabled by the proposed transmission project in amounts sufficient to substantially, if not fully, cover the revenue requirement of the proposed project. In June 2025, Entergy Louisiana filed rebuttal testimony. A hearing was held in August 2025. In November 2025 the presiding ALJ issued a proposed recommendation granting the application and the requested certification. The Louisiana Energy Users Group filed exceptions to the proposed recommendation, and the LPSC staff and Entergy Louisiana filed responses in opposition to those exceptions. In December 2025 the ALJ issued a final recommendation granting the application and the requested certification. In December 2025 the LPSC issued an order adopting the final recommendation granting the application and the requested certification.

Cottonwood Power Station

In December 2025, Entergy Louisiana filed an application seeking LPSC approval and a certificate of convenience and necessity to acquire the Cottonwood combined cycle combustion turbine facility, a 1,263 MW combined cycle facility in Deweyville, Texas that was originally placed in commercial service in 2003. The filing seeks findings from the LPSC that the costs of the acquisition, including the approximately $1.5 billion purchase price and $309.3 million in capital upgrades and maintenance items needed to bring Cottonwood into alignment with Entergy Louisiana's fleet standards with respect to operations and safety, are eligible for recovery in customer rates. The application requests an LPSC decision by October 2026. A procedural schedule has been set with a hearing scheduled for September 2026. The acquisition is currently targeted to occur in January 2027.

Babel - Webre 500 kV Transmission Project

In December 2025, Entergy Louisiana filed an application with the LPSC seeking a certificate of public convenience and necessity for a 500 kV transmission project that includes the construction of a new 147-mile Babel to Webre 500 kV transmission line, the reconstruction of the Webre 500 kV switching station in Louisiana, and coordination with Entergy Texas of the construction of an approximately 4-mile 500 kV transmission line in Texas. The project was approved by MISO in the 2025 MISO Transmission Expansion Plan and has an estimated cost of $1,238 million and an estimated in-service date of August 2029. The application requests an LPSC decision by June 2026.

Waterford 6 Power Station and Westlake Power Station

In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification to construct two 754 MW combined cycle combustion turbine generators, the Waterford 6 Power Station and the Westlake Power Station, to be located at Entergy Louisiana's existing Waterford site near Killona, Louisiana and existing Roy S. Nelson site in Westlake, Louisiana, respectively. In its application, Entergy Louisiana noted the estimated costs are approximately $2,027 million for the Waterford 6 Power Station and $2,091 million for the Westlake Power Station. Entergy Louisiana asked that the LPSC consider the requests in the application at or before its December 2026 meeting. The estimated in-service dates for the Waterford 6 Power Station and Westlake Power Station are July 2030 and October 2030, respectively.

Entergy Mississippi Additional Generation and Transmission Resources

In March 2024, Entergy Mississippi executed a large customer supply and service agreement to serve two data center campuses located in Madison County, Mississippi in which Amazon Web Services is investing. In February 2025, Entergy Mississippi also executed a large customer supply and service agreement to serve a data center campus located in Warren County, Mississippi in which Amazon Web Services is investing. Entergy Mississippi will need generation and transmission resources to reliably serve all Entergy Mississippi customers, including the data centers. The large customer supply and service agreements also contain provisions which cover Entergy Mississippi's incremental investment costs in the event of early termination. Entergy Mississippi anticipates recovering the incremental cost to serve the customer through the revenues it is collecting under the large customer supply and service agreements.

In May 2024 the MPSC approved Entergy Mississippi's revisions to its formula rate plan to comply with state legislation passed in January 2024 allowing Entergy Mississippi to make interim rate adjustments, including the collection of a return on construction work in progress on a cash basis, to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data processing center projects as specified in the legislation.

Delta Blues Advanced Power Station

In September 2024, Entergy Mississippi announced plans to construct, own, and operate the Delta Blues Advanced Power Station, a 754 MW combined cycle combustion turbine facility, to be located in Washington County, Mississippi. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The Delta Blues Advanced Power Station is estimated to cost $1.2 billion. Construction of the Delta Blues Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi began recovery of certain costs of construction of the Delta Blues Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed

for prudence by the MPSC following the completion of construction. Construction is in progress, and the facility is expected to be in service by May 2028.

Traceview Advanced Power Station

Entergy Mississippi is constructing a 754 MW combined cycle combustion turbine facility located in the City of Ridgeland, Madison County, Mississippi. The facility will be powered primarily by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The project is estimated to cost in excess of $1 billion. Construction of the Traceview Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi will begin recovery of certain costs of construction of the Traceview Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed for prudence by the MPSC following the completion of construction. The facility is expected to be in service in 2029.

Vicksburg Advanced Power Station

In October 2025, Entergy Mississippi announced plans to construct, own, and operate the Vicksburg Advanced Power Station, a 754 MW combined cycle combustion turbine facility, to be located in the City of Vicksburg, Warren County, Mississippi. The facility will be powered primarily by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The Vicksburg Advanced Power Station is estimated to cost $1.2 billion. Construction of the Vicksburg Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi will begin recovery of certain costs of construction of the Vicksburg Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the facility is expected to be in service in August 2028.

Orange County Advanced Power Station

In September 2021, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Orange County Advanced Power Station, a new 1,215 MW combined cycle combustion turbine facility to be located in Bridge City, Texas at an initially-estimated expected total cost of $1.2 billion inclusive of the estimated costs of the generation facilities, transmission upgrades, contingency, an allowance for funds used during construction, and necessary regulatory expenses, among others. The project includes combustion turbine technology with dual fuel capability, able to co-fire up to 30% hydrogen by volume upon commercial operation and upgradable to support 100% hydrogen operations in the future. In December 2021 the PUCT referred the proceeding to the State Office of Administrative Hearings. In March 2022 certain intervenors filed testimony opposing the hydrogen co-firing component of the proposed project and others filed testimony opposing the project outright. Also in March 2022 the PUCT staff filed testimony opposing the hydrogen co-firing component of the proposed project, but otherwise taking no specific position on the merits of the project. The PUCT staff also proposed that the PUCT establish a maximum amount that Entergy Texas may recover in rates attributable to the project. In April 2022, Entergy Texas filed rebuttal testimony addressing and rebutting these various arguments. The hearing on the merits was held in June 2022, and post-hearing briefs were submitted in July 2022. In September 2022 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application for certification of Orange

County Advanced Power Station subject to certain conditions, including a cap on cost recovery at $1.37 billion, the exclusion of investment associated with co-firing hydrogen, weatherization requirements, and customer receipt of any contractual benefits associated with the facility's guaranteed heat rate. In October 2022 the parties in the proceeding filed exceptions and replies to exceptions to the proposal for decision. Also in October 2022, Entergy Texas filed with the PUCT information regarding a new fixed pricing option for an estimated project cost of approximately $1.55 billion associated with Entergy Texas's issuance of limited notice to proceed by mid-November 2022. In November 2022 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Orange County Advanced Power Station without the investment associated with hydrogen co-firing capability, without a cap on cost recovery, and subject to certain conditions, including weatherization requirements and customer receipt of any contractual benefits associated with the facility's guaranteed heat rate.

In December 2022, Texas Industrial Energy Consumers and Sierra Club filed motions for rehearing of the PUCT's final order alleging the PUCT erred in granting the certification of the Orange County Advanced Power Station, in not imposing a cost cap, in including certain findings related to the reasonableness of Entergy Texas's request for proposals from which the Orange County Advanced Power Station was selected, and in other regards. Also in December 2022, Entergy Texas filed a response to the motions for rehearing refuting the points raised therein. In January 2023 the PUCT issued letters noting that it voted to consider Texas Industrial Energy Consumers' motion for rehearing at its upcoming January 2023 open meeting and voted not to consider Sierra Club's motion for rehearing at an open meeting. At the January 2023 open meeting, the PUCT voted to grant Texas Industrial Energy Consumers' motion for rehearing for the limited purpose of issuing an order on rehearing that excludes three findings related to Entergy Texas's request for proposals. The order on rehearing does not change the PUCT's certification of the Orange County Advanced Power Station or the conditions placed thereon in the PUCT's November 2022 final order. Construction is in progress, and subject to receipt of required permits, the facility is expected to be in service by mid-2026.

Legend Power Station and Lone Star Power Station

In June 2024, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Legend Power Station, a 754 MW combined cycle combustion turbine facility, which will be enabled for future carbon capture and storage and for hydrogen co-firing optionality, to be located in Jefferson County, Texas, and the Lone Star Power Station, a 453 MW simple cycle combustion turbine facility, which will be enabled with hydrogen co-firing optionality, to be located in Liberty County, Texas. In its application, Entergy Texas noted that the Legend Power Station was expected to cost an estimated $1.46 billion and the Lone Star Power Station was expected to cost an estimated $735.3 million, in each case inclusive of the estimated costs of the generation facilities, interconnection costs, transmission network upgrades, and an allowance for funds used during construction. In July 2024 the PUCT referred the proceeding to the State Office of Administrative Hearings and, also in July 2024, the ALJ with the State Office of Administrative Hearings adopted a procedural schedule, with a hearing on the merits scheduled to begin in October 2024. In September 2024, Entergy Texas filed, and the ALJ with the State Office of Administrative Hearings granted, a motion to extend the procedural schedule in this proceeding in order to address certain developments relating to the cost and scope of the Legend Power Station and the Lone Star Power Station. In December 2024, Entergy Texas filed supplemental testimony and exhibits addressing the cost and scope developments associated with the Legend Power Station and the Lone Star Power Station in further support of its application. The cost and scope developments include cost estimate increases of $139 million for Legend Power Station and $63.7 million for Lone Star Power Station and the consideration of an alternate site for Lone Star Power Station, which would reduce the estimated cost increase of the Lone Star Power Station to $36.2 million. In March 2025, Entergy Texas filed testimony explaining that Entergy Texas planned to move forward with building the Lone Star Power Station on a more cost-effective alternative site in San Jacinto County, Texas. A hearing on the merits was held in April 2025. Also in April 2025, Entergy Texas, intervenors, and the PUCT staff filed initial briefs. In its initial brief, the PUCT staff recommended denial of Entergy Texas's application or, in the alternative, approval subject to conditions that include a prudence review by an external consultant if actual project costs exceed

estimated costs by more than 10%, transmission cost reporting, and weatherization of both the Legend Power Station and the Lone Star Power Station. Certain intervenors requested that the PUCT impose various conditions upon the approval of the resources, including, among others, cost recovery limitations, a direction that Entergy Texas initiate a competitive tariff proceeding to facilitate industrial sleeving, a requirement for additional regulatory approvals related to hydrogen or carbon capture and storage implementation, limits on the recovery of supplemental filing costs, and calculation of AFUDC based on an adjusted weighted average cost of capital. Reply briefs were filed in May 2025. In June 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision, in which they recommended rejection of Entergy Texas's application to construct the Legend Power Station and the Lone Star Power Station based upon their finding that Entergy Texas did not demonstrate the resources to be cost-effective alternatives to address the uncontested need for additional generation. In the alternative, the ALJs recommended that if the PUCT approves the resources, that conditions be imposed, including a deferral of the finding that the resources were prudently selected until Entergy Texas's next rate case, a prudence review by an external consultant if actual project costs exceed estimated costs by more than 10%, weatherization requirements, and a requirement that Entergy Texas obtain additional regulatory approvals prior to implementing hydrogen co-firing or carbon capture and storage. The ALJs' proposal for decision was an interim step in the certification process and was not binding upon the PUCT. Entergy Texas filed exceptions in July 2025. In September 2025 the PUCT issued a decision granting the application, subject to conditions that include a cost cap at Entergy Texas's previously-filed modified estimated costs of $1.6 billion for the Legend Power Station and $799 million for the Lone Star Power Station, weatherization requirements, environmental compliance requirements, and a requirement to request additional authorization prior to implementing hydrogen co-firing or carbon capture and storage. In October 2025 an intervenor filed a motion for rehearing requesting that the PUCT modify the Lone Star Power Station cost cap to reflect the estimated project costs associated with a new project site, clarify that the cost cap is inclusive of transmission upgrades, and reconsider the intervenor's prior proposal for a "soft cost cap" below the estimated project costs, and that Entergy Texas be directed to initiate a competitive tariff proceeding to facilitate industrial sleeving of purchased power. Entergy Texas filed a response to the motion for rehearing in October 2025. In December 2025 the PUCT issued an order on rehearing modifying the Lone Star Power Station cost cap to $771.5 million to reflect the estimated project costs associated with a new project site and clarifying that the cost cap is inclusive of transmission upgrades, but denying the other relief requested in the motion for rehearing. See Note 8 to the financial statements for discussion of the build-to-suit lease arrangement for the Legend Power Station. Construction is underway, and subject to receipt of required permits and other conditions, both facilities are expected to be in service by mid-2028.

Southeast Texas Area Reliability Project (SETEX)

In February 2025, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate a new single-circuit 500 kV transmission line and associated stations and 138/230 kV facilities. The transmission line is expected to be approximately 131 to 160 miles in length and the estimated cost of the project ranges from $1.3 billion to $1.5 billion, depending upon the route ultimately approved by the PUCT. Also in February 2025 the PUCT referred the proceeding to the State Office of Administrative Hearings. A hearing on the merits was held in May 2025. In July 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application to construct SETEX and recommending the PUCT's approval include selection of a specific route with an estimated cost of $1.4 billion. In October 2025 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the new single-circuit 500 kV transmission line and associated stations and 138/230 kV facilities, and selecting the final route for the project, which has an estimated cost of $1.36 billion. In November 2025, multiple parties filed motions for rehearing primarily challenging the routing of the transmission line. In December 2025 the PUCT issued an order on rehearing reaffirming and providing additional support for its initial decision. Subject to receipt of required permits and other conditions, the facility is expected to be in service by the end of 2029.

Cypress to Legend 500 kV Transmission Line

In May 2025, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate a new single-circuit 500 kV transmission line. The transmission line is expected to be approximately 40 to 49 miles in length and the estimated cost of the project ranges from $392.7 million to $436.2 million, depending on the route ultimately approved by the PUCT. In June 2025 the PUCT referred the proceeding to the State Office of Administrative Hearings and a hearing on the merits was held in August 2025. In October 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application to construct the transmission line and recommending the PUCT's approval include selection of a specific route with an estimated cost of $398.7 million. In December 2025 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the new single-circuit 500 kV transmission line, and selecting the final route previously recommended. In February 2026, landowners not party to the PUCT proceeding filed in the 345th District Court of Travis County, Texas a petition for declaratory relief and temporary and permanent injunction against the PUCT's final order. The petition, which names the PUCT, its commissioners, and Entergy Texas as defendants, challenges Entergy Texas's notice, the application of the PUCT's notice rule, and the PUCT order's approval of a route the petitioner's assert was not adequately noticed. Entergy Texas expects to file an answer disputing all aspects of the petition by the applicable deadline. Subject to receipt of required permits and other conditions, the facility is expected to be in service by the end of 2028.

Resilience and Grid Hardening

Entergy Louisiana

In December 2022, Entergy Louisiana filed an application with the LPSC seeking a public interest finding regarding Phase I of Entergy Louisiana's Future Ready resilience plan and approval of a rider mechanism to recover the program's costs. Phase I in the December 2022 application reflected the first five years of a ten-year resilience plan and included investment of approximately $5 billion, including hardening investment, transmission dead-end structures, enhanced vegetation management, and telecommunications improvement. In April 2024 the LPSC approved a framework which includes an initial five-year resilience plan providing for an investment of approximately $1.9 billion with cost recovery via a forward-looking rider with semi-annual true-ups. The plan is subject to specified reporting requirements and includes a performance review of the hardened assets. The LPSC order approving the framework does not include any restrictions on Entergy Louisiana's ability to file applications for approval of additional investments in resilience.

The LPSC had previously opened a formal rulemaking proceeding in December 2021 to investigate efforts to improve resilience of electric utility infrastructure. In April 2023 the LPSC staff issued a draft rule in the rulemaking proceeding related to a requirement to file a grid resilience plan. The procedural schedule entered in the rulemaking proceeding contemplated adoption of a final rule in October 2023, but this did not occur, and a new date has not been set.

The LPSC also has pending rulemakings addressing issues related to pole viability and grid maintenance practices. In December 2023, in those rulemakings, the LPSC staff issued a report and recommendation proposing to impose significant new reporting and compliance obligations related to jurisdictional utilities' distribution and transmission operations, including new obligations related to grid hardening plans, pole inspections, pole replacement, vegetation management, storm restoration plans, new reliability metrics, software for handling customer complaints and complaint resolution, required use of drone technology, and new penalties and incentives for reliability performance and for compliance with the new obligations. In February 2024, Entergy Louisiana and other parties filed comments on the LPSC staff's report. These rulemakings were formally closed in August 2025 without the adoption of any rules or obligations being promulgated by the LPSC.

Entergy New Orleans

In October 2021 the City Council passed a resolution and order establishing a docket and procedural schedule with respect to system resiliency and storm hardening. In July 2022, Entergy New Orleans filed with the City Council a response identifying a preliminary plan for storm hardening and resiliency projects, including microgrids, to be implemented over ten years at an approximate cost of $1.5 billion. In February 2023 the City Council approved a revised procedural schedule requiring Entergy New Orleans to make a filing in April 2023 containing a narrowed list of proposed hardening projects. In April 2023, Entergy New Orleans filed the required application and supporting testimony seeking City Council approval of the first phase (five years and $559 million) of a ten-year infrastructure hardening plan totaling approximately $1 billion. Entergy New Orleans also sought, among other relief, City Council approval of a resilience and storm hardening cost recovery rider to recover from customers the costs of the infrastructure hardening plan. In February 2024 the City Council approved a resolution authorizing Entergy New Orleans to implement a resilience project to be partially funded by $55 million of matching funding through the DOE's Grid Resilience and Innovation Partnerships program. The resolution also required Entergy New Orleans to submit, no later than July 2024, a revised resilience plan consisting of projects over a three-year period. In March 2024, Entergy New Orleans filed with the City Council for approval the requested three-year resilience plan, which included $168 million in hardening projects. The three-year resilience plan was to be in addition to the previously authorized resilience project to be partially funded by the DOE's Grid Resilience and Innovation Partnerships program. In October 2024 the City Council approved a resolution authorizing a two-year resilience plan totaling $100 million and approved the requested resilience and storm hardening cost recovery rider. In December 2024, Entergy New Orleans notified the City Council of the subset of hardening projects from the revised three-year resilience plan to be included in the two-year resilience plan. Entergy New Orleans implemented the approved resilience and storm hardening cost recovery rider effective with the first billing cycle of January 2025. In December 2025, the City Council issued a resolution establishing certain metrics and reporting requirements for the approved hardening projects. Also in December 2025, Entergy New Orleans filed an application and supporting testimony seeking the City Council's approval of the second phase of its infrastructure hardening plan totaling approximately $400 million over a five-year period (2027 to 2031). Entergy New Orleans also sought, among other relief, the City Council's approval to continue to use the resilience and storm hardening cost recovery rider to recover from customers the costs of the plan. Entergy New Orleans requested the City Council approve the application by October 2026.

Entergy Texas

In June 2024, Entergy Texas filed an application with the PUCT requesting approval of Phase I of its Texas Future Ready Resiliency Plan, a set of measures to begin accelerating the resiliency of Entergy Texas's transmission and distribution system. Phase I is comprised of projects totaling approximately $335.1 million, including approximately $137 million of projects to be funded by Entergy Texas and approximately $198 million of projects contingent upon Entergy Texas's receipt of grant funds in that amount from the Texas Energy Fund. The projects in Phase I include distribution and transmission hardening and modernization projects and targeted vegetation management projects to mitigate the risk of wildfire. These projects are expected to be implemented within approximately three years of PUCT approval. In January 2025 the PUCT unanimously approved Phase I of Entergy Texas's Texas Future Ready Resiliency Plan, including the approximately $137 million of projects to be funded by Entergy Texas and application of performance metrics consistent with the unopposed settlement. The PUCT clarified that, while not part of Entergy Texas's Phase I plan, Entergy Texas is permitted to pursue the remaining $198 million of identified projects and Texas Energy Fund grant funding for those projects. In February 2025 the PUCT issued an order adopting a new rule establishing the procedures for application to the grant fund. In July 2025, Entergy Texas submitted an application for approximately $200 million in grant funding from the Texas Energy Fund to implement the resilience projects originally included in its Texas Future Ready Resiliency Plan. In October 2025 the PUCT voted to approve the approximately $200 million grant request in full. The portion of the projects funded by Entergy Texas will be eligible for recovery through Entergy Texas's transmission or distribution cost recovery factor riders, as applicable.

Dividends and Stock Repurchases

Declarations of dividends on Entergy Corporation common stock are made at the discretion of the Board. Among other things, the Board evaluates the level of Entergy Corporation common stock dividends based upon earnings per share from the Utility segment and the Parent and Other portion of the business, financial strength, and future investment opportunities. In January 2026 the Board declared a dividend of $0.64 per share. Entergy paid $1,074 million in 2025, $982 million in 2024, and $918 million in 2023 in cash dividends on its common stock.

In accordance with Entergy's stock-based compensation plans, Entergy periodically grants stock options, restricted stock, performance units, and restricted stock units to key employees, which may be exercised to obtain shares of Entergy Corporation common stock. According to the plans, these shares can be newly issued shares, treasury stock, or shares purchased on the open market. Entergy's management has been authorized by the Board to repurchase on the open market shares up to an amount sufficient to fund the exercise of grants under the plans.

In addition to the authority to fund grant exercises, the Board has authorized share repurchase programs to enable opportunistic purchases in response to market conditions. In October 2010 the Board granted authority for a $500 million share repurchase program. As of December 31, 2025, $350 million of authority remains under the $500 million share repurchase program. The amount of repurchases may vary as a result of material changes in business results or capital spending or new investment opportunities, or if limitations in the credit markets continue for a prolonged period.

Sources of Capital

Entergy's sources to meet its capital requirements and to fund potential investments include:

- internally generated funds;
- cash on hand ($1,929 million as of December 31, 2025);
- storm reserve escrow accounts;
- debt and equity issuances in the capital markets, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- bank financing under new or existing facilities or commercial paper; and
- sales of assets.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, the Registrant Subsidiaries expect to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

Provisions within the organizational documents relating to preferred stock or membership interests of certain of Entergy Corporation's subsidiaries could restrict the payment of cash dividends or other distributions on their common and preferred equity. All debt and preferred equity issuances by the Registrant Subsidiaries require prior regulatory approval and their debt issuances are also subject to requirements set forth in bond indentures and other agreements. Entergy believes that the Registrant Subsidiaries have sufficient capacity under these tests to meet foreseeable capital needs for the next twelve months and beyond.

The FERC has jurisdiction over securities issuances by the Utility operating companies and System Energy. The City Council has concurrent jurisdiction over Entergy New Orleans's securities issuances with maturities longer than one year. The APSC has concurrent jurisdiction over Entergy Arkansas's issuances of securities secured by Arkansas property, including first mortgage bond issuances. No regulatory approvals are necessary for Entergy Corporation to issue securities. The current FERC-authorized short-term borrowing limits and long-term financing authorization for Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy

are effective through January 2027. The current FERC-authorized short-term borrowing limit and long-term financing authorization for Entergy Arkansas is effective through February 2028. Entergy Arkansas has obtained first mortgage bond/secured financing authorization from the APSC that extends through December 2027. Entergy New Orleans also has obtained long-term financing authorization from the City Council that extends through December 2027. Entergy Louisiana and System Energy each has obtained long-term financing authorization from the FERC that extends through January 2027 for issuances by the nuclear fuel company variable interest entities. Entergy Arkansas has obtained long-term financing authorization from the FERC that extends through February 2028 for issuances by its nuclear fuel company variable interest entity. In addition to borrowings from commercial banks, the Registrant Subsidiaries may also borrow from the Entergy system money pool and from other internal short-term borrowing arrangements. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and the other internal borrowing arrangements are designed to reduce Entergy's subsidiaries' dependence on external short-term borrowings. Borrowings from internal and external short-term borrowings combined may not exceed the FERC-authorized limits. See Notes 4 and 5 to the financial statements for further discussion of Entergy's borrowing limits, authorizations, and amounts outstanding.

Equity Issuances and Equity Distribution Program

In January 2021, Entergy Corporation entered into an equity distribution sales agreement with several counterparties establishing an at the market equity distribution program, pursuant to which Entergy Corporation may offer and sell from time to time shares of its common stock. The sales agreement provides that, in addition to the issuance and sale of shares of Entergy Corporation common stock, Entergy Corporation may enter into forward sale agreements for the sale of its common stock. The aggregate number of shares of common stock sold under this sales agreement and under any forward sale agreement may not exceed an aggregate gross sales price of $4.5 billion. As of December 31, 2025, Entergy Corporation has utilized the equity distribution program either to sell or to enter into forward sale agreements with respect to shares of common stock with an aggregate gross sales price of approximately $2.8 billion, of which approximately $2.6 billion of aggregate gross sales price was the subject of forward sale agreements, subject to adjustment pursuant to the forward sale agreements. Entergy Corporation settled certain of its then-outstanding forward sale agreements for cash proceeds of $131 million in 2023 and $1,138 million in 2025. There were no settlements of forward sale agreements for the year ended December 31, 2024.

In March 2025, Entergy Corporation marketed an equity offering of 17.8 million shares of Entergy Corporation common stock. In lieu of issuing equity at the time of the offering, Entergy Corporation entered into forward sale agreements with several forward counterparties. The forward sale agreements require Entergy Corporation to, at its election on or prior to September 30, 2026, either (1) physically settle the transactions by issuing the total of 17.8 million shares of its common stock to the forward counterparties in exchange for net proceeds at the then-applicable forward sale price specified by the agreements (initially $81.87 per share) or (2) net settle the transactions in whole or in part through the delivery or receipt of cash or shares. The forward sale price is subject to adjustment on a daily basis based on a floating interest rate factor and will decrease by other fixed amounts specified in the agreements.

In February 2026, Entergy Corporation physically settled a portion of its obligations under certain of its outstanding forward sale agreements under its at the market equity distribution program for cash proceeds of $346 million.

Entergy Corporation currently expects to issue approximately $4.4 billion of equity through 2029, which it may issue under its at the market equity distribution program or otherwise, with approximately $1.9 billion already contracted under forward sale agreements as of December 31, 2025, including under its at the market equity distribution program ($346 million of which were settled in February 2026 as described above) and the March 2025 equity offering described above. See Note 7 to the financial statements for discussion of the forward sale agreements and common stock issuances and sales under the equity distribution program.

Entergy Texas Build-to-Suit Lease Arrangement for the Legend Power Station

In December 2025, Entergy Texas entered into a build-to-suit lease arrangement for the Legend Power Station as the lessee with a consortium of investors (the Investors). Under the terms of the arrangement, the Investors purchased the in-process Legend Power Station construction project from Entergy Texas at a cost of $359 million and will spend up to $1.45 billion (including the initial purchase price) to construct the Legend Power Station project as designed by Entergy Texas. Entergy Texas is engaged to serve as the construction agent for the Legend Power Station project. The Investors, however, control the asset during construction. If Entergy Texas defaults in its role as construction agent, the Investors have various options available to remedy the default, including by accelerating the lease balance payable by Entergy Texas, causing a sale of the Legend Power Station project to a third party, or certain other options. If there are certain changes to the terms of the PUCT approval of the Legend Power Station project or certain other circumstances outside of Entergy Texas's control, then either the Investors or Entergy Texas could exercise the right to terminate the arrangement, in which case Entergy Texas would be required to purchase the in-process Legend Power Station project from the Investors at an amount equal to their costs incurred to date, including carrying costs. Since Entergy Texas does not control the in-process construction project, it will not recognize the asset (i.e., construction work in progress) or an associated liability during construction.

Upon the Legend Power Station's readiness for first synchronization to the grid, expected in early 2028, a triple-net lease will commence under which Entergy Texas will have control of the Legend Power Station and receive all output from the plant. The initial term of the lease will end seven years from the closing of the arrangement, or approximately five years after the Legend Power Station's expected readiness for first synchronization to the grid. The lease cost will be equal to the Secured Overnight Financing Rate plus a margin which is based on the credit rating of Entergy Texas, multiplied by the total costs (including carrying costs) incurred by the Investors as of the commencement of the lease. Entergy Texas will have the option to purchase the Legend Power Station at any time during the lease term at a price equal to the total cost of the plant to the Investors, plus any fees and carrying charges owed to the Investors. If the purchase price option is exercised within two years of commencement of the triple-net lease, Entergy Texas must enter into a secured note payable to the Investors for the amount of the purchase price. The note payable would be due at the end of the initial lease term, but may be prepaid at any time beginning two years after the commencement date of the lease. The note will be secured by the Legend Power Station and related equipment and collateral.

At the end of the initial lease term, Entergy Texas must exercise one of the following options: 1) renew the lease for an additional five year term, subject to unanimous consent of the Investors, 2) purchase the plant at a price equal to the total cost of the plant to Investors, plus any fees and carrying charges owed to the Investors, or 3) sell the plant on behalf of the Investors. If Entergy Texas chooses the third option, then it will owe or be owed any difference between the total cost of the plant to Investors and the sale price.

Cash Flow Activity

As shown in Entergy's Consolidated Statements of Cash Flows, cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Millions)	
Cash and cash equivalents at beginning of period	$860	$133	$224
Net cash provided by (used in):			
Operating activities	5,150	4,488	4,294
Investing activities	(7,109)	(5,849)	(4,629)
Financing activities	3,028	2,088	244
Net increase (decrease) in cash and cash equivalents	1,069	727	(91)
Cash and cash equivalents at end of period	$1,929	$860	$133

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities increased $662 million in 2025 primarily due to:

- higher collections from Utility customers;
- the receipt of $547 million in proceeds from the transfer of 2024 nuclear and solar production tax credits to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear and solar production tax credits;
- an increase of $401 million in receipts from advance payments related to customer agreements in 2025, of which $366 million is recorded as current liabilities and included within changes in other working capital accounts; and
- one-time bill credits of $92 million in 2024 to Entergy Arkansas's retail customers through the Grand Gulf credit rider as a result of the System Energy settlement with the APSC. See Note 2 to the financial statements for discussion of the System Energy settlement agreement with the APSC and Entergy Arkansas's Grand Gulf credit rider.

The increase was partially offset by higher fuel and purchased power payments, an increase of $124 million in interest paid, and the timing of payments to vendors. See Note 2 to the financial statements for a discussion of fuel and purchased power cost recovery.

Investing Activities

Net cash flow used in investing activities increased $1,260 million in 2025 primarily due to:

- an increase of $2,154 million in non-nuclear generation construction expenditures primarily due to higher spending by Entergy Arkansas on the Ironwood Power Station (formerly Lake Catherine Unit 5) project and the Jefferson Power Station project, by Entergy Louisiana on the Franklin Farms Power Station Units 1 and 2 project, by Entergy Mississippi on the Delta Blues Advanced Power Station project, the Vicksburg Advanced Power Station project, the Traceview Advanced Power Station project, and the Penton Solar project, and by Entergy Texas on the Legend Power Station project, the Lone Star Power Station project, and the Orange County Advanced Power Station project;

- an increase of $400 million in distribution construction expenditures primarily due to increased investment in the resilience of the Utility distribution system;
- an increase of $234 million in transmission construction expenditures primarily due to higher capital expenditures as a result of increased development in the Utility service area and increased spending on various transmission projects in 2025;
- an increase of $115 million in nuclear construction expenditures primarily due to increased spending on various nuclear projects in 2025;
- a decrease of $79 million in proceeds received in 2025 as compared to 2024 from the DOE resulting from litigation regarding spent nuclear fuel storage costs. See Note 8 to the financial statements for discussion of the spent nuclear fuel storage litigation;
- cash collateral of $95 million posted in 2025 to support Entergy Arkansas's and Entergy Louisiana's obligations to MISO; and
- an increase of $43 million in decommissioning trust fund investment activity.

The increase was partially offset by:

- the receipt of $484 million in proceeds from the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025;
- the initial and substantial completion payments totaling approximately $393 million in 2024 for the purchase of the Driver Solar facility by Entergy Arkansas;
- the receipt of $359 million in proceeds from the sale of assets related to Entergy Texas's Legend Power Station project in 2025. See Note 8 to the financial statements for discussion of the Entergy Texas build-to-suit lease arrangement for the Legend Power Station;
- the initial and substantial completion payments totaling approximately $240 million in 2024 for the purchase of the West Memphis Solar facility by Entergy Arkansas;
- the initial and substantial completion payments totaling approximately $186 million in 2024 for the purchase of the Walnut Bend Solar facility by Entergy Arkansas;
- a decrease of $68 million in information technology capital expenditures primarily due to decreased spending on various technology projects in 2025;
- a decrease of $57 million in nuclear fuel purchases due to variations from year to year in the timing and pricing of fuel reload requirements, materials and services deliveries, and the timing of cash payments during the nuclear fuel cycle; and
- net receipts from storm reserve escrow accounts of $32 million in 2025 compared to net payments to storm reserve escrow accounts of $17 million in 2024.

See Note 14 to the financial statements for discussion of the Driver Solar facility, the West Memphis Solar facility, and the Walnut Bend Solar facility purchases.

Financing Activities

Net cash flow provided by financing activities increased $940 million in 2025 primarily due to:

- $1,136 million in net proceeds from the issuance of common stock in settlement of forward contracts under the at the market equity distribution program in 2025. There were no issuances of common stock under the at the market equity distribution program in 2024; and
- an increase of $638 million in net customer advances for construction related to transmission, distribution, and generator interconnection agreements.

The increase was partially offset by:

- long-term debt activity providing approximately $2,249 million of cash in 2025 compared to providing approximately $2,845 million of cash in 2024;
- a decrease of $100 million in proceeds received from treasury stock issuances in 2025 due to a smaller amount of previously repurchased Entergy Corporation common stock issued in 2025 to satisfy stock option exercises as compared to 2024;
- an increase of $92 million in common stock dividends paid in 2025 as a result of an increase in the dividend paid per share in 2025 as compared to 2024 and an increase in the number of shares outstanding; and
- an increase of $59 million in net repayments of commercial paper in 2025 as compared to 2024.

See Note 7 to the financial statements for discussion of the equity distribution program. See Note 5 to the financial statements for details of long-term debt. See Note 4 to the financial statements for details of Entergy's commercial paper program.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow Activity**" in Item 7 of Entergy's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Industrial and Commercial Customers

Entergy's large industrial and commercial customers continually explore ways to reduce their energy costs. Entergy responds by working with industrial and commercial customers to negotiate electric service contracts with competitive rates that match specific customer needs and load profiles. Additionally, cogeneration is an option available to a portion of Entergy's industrial customer base. Entergy actively participates in economic development, customer retention, and reclamation activities to increase industrial and commercial demand from both new and existing customers.

Rate, Cost-recovery, and Other Regulation

State and Local Rate Regulation and Fuel-Cost Recovery

The rates that the Utility operating companies charge for their services significantly influence Entergy's financial position, results of operations, and liquidity. These companies are regulated, and the rates charged to their customers are determined in regulatory proceedings. Governmental agencies, including the APSC, the LPSC, the MPSC, the City Council, and the PUCT, are primarily responsible for approval of the rates charged to customers. Following is a summary of the Utility operating companies' authorized returns on common equity:

Company	Authorized Return on Common Equity
Entergy Arkansas	9.15% - 10.15%
Entergy Louisiana	9.3% - 10.1%
Entergy Mississippi	10.25% - 12.26%
Entergy New Orleans	8.85% - 9.85%
Entergy Texas	9.57%

Rate regulation and related regulatory proceedings and fuel and purchased power cost recovery proceedings for the Utility operating companies are discussed in Note 2 to the financial statements.

Federal Regulation

The FERC regulates wholesale sales of electricity rates and interstate transmission of electricity, including rates for System Energy's sales of capacity and energy from Grand Gulf to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans pursuant to the Unit Power Sales Agreement. The current return on equity under the Unit Power Sales Agreement is 9.65%. The Unit Power Sales Agreement is discussed in Note 8 to the financial statements.

Market and Credit Risk Sensitive Instruments

Market risk is the risk of changes in the value of commodity and financial instruments, or in future net income or cash flows, in response to changing market conditions. Entergy holds commodity and financial instruments that are exposed to the following significant market risks:

- The commodity price risk associated with the sale of electricity by Entergy's non-utility operations business.
- The interest rate and equity price risk associated with Entergy's investments in qualified pension and other postretirement benefits trust funds. See Note 11 to the financial statements for details regarding Entergy's qualified pension and other postretirement benefits trust funds.
- The interest rate and equity price risk associated with Entergy's investments in nuclear plant decommissioning trust funds. See Note 16 to the financial statements for details regarding Entergy's decommissioning trust funds.
- The interest rate risk associated with changes in interest rates as a result of Entergy's outstanding indebtedness. Entergy manages its interest rate exposure by monitoring current interest rates and its debt outstanding in relation to total capitalization, and by hedging some of its exposure to interest rates via derivative instruments. See Notes 4 and 5 to the financial statements for the details of Entergy's debt outstanding. See Note 15 to the financial statements for further details on Entergy's derivative instruments and hedging activities.

The Utility has limited exposure to the effects of market risk because it operates primarily under cost-based rate regulation. To the extent approved by their retail regulators, the Utility operating companies use commodity and financial instruments to hedge the exposure to price volatility inherent in their purchased power, fuel, and gas purchased for resale costs that are recovered from customers.

Entergy's commodity and financial instruments are also exposed to credit risk. Credit risk is the risk of loss from nonperformance by suppliers, customers, or financial counterparties to a contract or agreement. Entergy is also exposed to a potential demand on liquidity due to credit support requirements within its supply or sales agreements.

Some of the agreements to sell the power produced by Entergy's non-utility operations business contain provisions that require an Entergy subsidiary to provide credit support to secure its obligations under such agreements. The primary form of credit support used to satisfy these requirements is an Entergy Corporation guarantee. Cash and letters of credit are also acceptable forms of credit support. At December 31, 2025, based on power prices at that time, Entergy had $4 million of posted cash collateral.

In addition to the ability to post cash collateral, each of the Utility operating companies has uncommitted standby letter of credit facilities as a means to post collateral to support its obligations to MISO and for other purposes. See Note 4 to the financial statements for discussion of these letter of credit facilities. As of December 31, 2025, Entergy Arkansas had $37 million of posted cash collateral and Entergy Louisiana had $58 million of posted cash collateral.

Nuclear Matters

Entergy's Utility business includes the ownership and operation of nuclear generating plants and is, therefore, subject to the risks related to such ownership and operation. These include risks related to: the acquisition, use, storage, and handling and disposal of high-level and low-level radioactive materials; the substantial financial requirements, both for capital investments and operational needs, including the financial requirements to address emerging issues related to equipment reliability, to position Entergy's nuclear fleet to meet its operational goals; the performance and capacity factors of these nuclear plants; regulatory requirements and potential future regulatory changes, including changes affecting the regulations governing nuclear plant ownership, operations, license amendments, and decommissioning; the availability of interim or permanent sites for the disposal of spent nuclear fuel and nuclear waste, including the fees charged for such disposal; the sufficiency of nuclear decommissioning trust fund assets and earnings to complete decommissioning of each site when required; and limitations on the amounts of insurance recoveries for losses in connection with nuclear plant operations and catastrophic events such as a nuclear accident.

NRC Reactor Oversight Process

The NRC's Reactor Oversight Process is a program to collect information about plant performance, assess the information for its safety significance, and provide for appropriate licensee and NRC response. The NRC evaluates plant performance by analyzing two distinct inputs: inspection findings resulting from the NRC's inspection program and performance indicators reported by the licensee. The evaluations result in the placement of each plant in one of the NRC's Reactor Oversight Process Action Matrix columns: "licensee response column," or Column 1, "regulatory response column," or Column 2, "degraded cornerstone column," or Column 3, "multiple/repetitive degraded cornerstone column," or Column 4, and "unacceptable performance," or Column 5. Plants in Column 1 are subject to normal NRC inspection activities. Plants in Column 2, Column 3, or Column 4 are subject to progressively increasing levels of inspection by the NRC with, in general, progressively increasing levels of associated costs. Continued plant operation is not permitted for plants in Column 5. All of the nuclear generating plants owned and operated by Entergy's Utility business are currently in Column 1.

Critical Accounting Estimates

The preparation of Entergy's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy's financial position, results of operations, or cash flows.

Nuclear Decommissioning Costs

Certain of the Utility operating companies and System Energy own nuclear generation facilities. Regulations require these Entergy subsidiaries to decommission the nuclear power plants after each facility is taken out of service, and cash is deposited in trust funds during the facilities' operating lives in order to provide for this obligation. Entergy conducts periodic decommissioning cost studies to estimate the costs that will be incurred to decommission the facilities. The following key assumptions have a significant effect on these estimates.

- Timing - In projecting decommissioning costs, two assumptions must be made to estimate the timing of plant decommissioning. First, the date of the plant's retirement must be estimated for those plants that do not have an announced shutdown date. The estimate may include assumptions regarding the possibility that the plant may have an operating life shorter than the operating license expiration. Second, an assumption must be made regarding whether all decommissioning activity will proceed immediately upon plant

retirement, or whether the plant will be placed in SAFSTOR status. SAFSTOR is decommissioning a facility by placing it in a safe, stable condition that is maintained until it is subsequently decontaminated and dismantled to levels that permit license termination, normally within 60 years from permanent cessation of operations. A change of assumption regarding either the period of continued operation, the use of a SAFSTOR period, or whether Entergy will continue to hold the plant or the plant is held for sale can change the present value of the asset retirement obligation.

- Cost Escalation Factors - Entergy's current decommissioning cost studies include an assumption that decommissioning costs will escalate over present cost levels by factors ranging from approximately 2% to 3% annually. A 50-basis point change in this assumption could change the estimated present value of the decommissioning liabilities by approximately 8% to 15%. The timing assumption influences the significance of the effect of a change in the estimated inflation or cost escalation rate because the effect increases with the length of time assumed before decommissioning activity ends.
- Spent Fuel Disposal - Federal law requires the DOE to provide for the permanent storage of spent nuclear fuel, and legislation has been passed by Congress to develop a repository at Yucca Mountain, Nevada. The DOE has not yet begun accepting spent nuclear fuel and is in non-compliance with federal law. The DOE continues to delay meeting its obligation and Entergy's nuclear plant owners are continuing to pursue damage claims against the DOE for its failure to provide timely spent fuel storage. Until a federal site is available, however, nuclear plant operators must provide for interim spent fuel storage on the nuclear plant site, which can require the construction and maintenance of dry cask storage sites or other facilities. The costs of developing and maintaining these facilities during the decommissioning period can have a significant effect (as much as an average of 20% to 30% of total estimated decommissioning costs). Entergy's decommissioning studies include cost estimates for spent fuel storage. These estimates could change in the future, however, based on the expected timing of when the DOE begins to fulfill its obligation to receive and store spent nuclear fuel. See Note 8 to the financial statements for further discussion of Entergy's spent nuclear fuel litigation.
- Technology and Regulation - Over the past several years, more practical experience with the actual decommissioning of nuclear facilities has been gained and that experience has been incorporated into Entergy's current decommissioning cost estimates. Given the long duration of decommissioning projects, additional experience, including technological advancements in decommissioning, could be gained and affect current cost estimates. In addition, if regulations regarding nuclear decommissioning were to change, this could affect cost estimates.
- Interest Rates - The estimated decommissioning costs that are the basis for the recorded decommissioning liability are discounted to present value using a credit-adjusted risk-free rate. When the decommissioning liability is revised, increases in cash flows are discounted using the current credit-adjusted risk-free rate. Decreases in estimated cash flows are discounted using the credit-adjusted risk-free rate used previously in estimating the decommissioning liability that is being revised. Therefore, to the extent that a revised cost study results in an increase in estimated cash flows, a change in interest rates from the time of the previous cost estimate will affect the calculation of the present value of the revised decommissioning liability.

Revisions of estimated decommissioning costs that decrease the liability also result in a decrease in the asset retirement cost asset. Revisions of estimated decommissioning costs that increase the liability result in an increase in the asset retirement cost asset, which is then depreciated over the asset's remaining economic life. See Note 9 to the financial statements for further discussion of asset retirement obligations.

Utility Regulatory Accounting

Entergy's Utility operating companies and System Energy are subject to retail regulation by their respective state and local regulators and to wholesale regulation by the FERC. Because these regulatory agencies set the rates the Utility operating companies and System Energy are allowed to charge customers based on allowable costs, including a reasonable return on equity, the Utility operating companies and System Energy apply accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. Regulatory assets represent incurred costs that have been deferred because they are

probable of future recovery from customers through regulated rates. Regulatory liabilities represent (1) revenue or gains that have been deferred because it is probable such amounts will be credited to customers through future regulated rates, (2) billings in advance of expenditures for approved regulatory programs, or (3) refunds ordered by regulators. See Note 2 to the financial statements for a discussion of rate and regulatory matters, including details of Entergy's and the Registrant Subsidiaries' regulatory assets and regulatory liabilities.

For each regulatory jurisdiction in which they conduct business, the Utility operating companies and System Energy assess whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. If the assessments made by the Utility operating companies and System Energy are ultimately different than actual regulatory outcomes, it could materially affect the results of operations, financial position, and cash flows of Entergy or the Registrant Subsidiaries.

Taxation and Uncertain Tax Positions

Management exercises significant judgment in evaluating the potential tax effects of Entergy's operations, transactions, and other events. Entergy accounts for uncertain income tax positions using a recognition model under a two-step approach with a more likely-than-not recognition threshold and a measurement approach based on the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. Management evaluates each tax position based on the technical merits and facts and circumstances of the position, assuming the position will be examined by a taxing authority having full knowledge of all relevant information. Significant judgment is required to determine whether available information supports the assertion that the recognition threshold has been met. Additionally, measurement of unrecognized tax benefits to be recorded in the consolidated financial statements is based on the probability of different potential outcomes. Income tax expense and tax positions recorded could be significantly affected by events such as additional transactions contemplated or consummated by Entergy as well as audits by taxing authorities of the tax positions taken in transactions. Management believes that the financial statement tax balances are accounted for and adjusted appropriately each quarter, as necessary, in accordance with applicable authoritative guidance; however, the ultimate outcome of tax matters could result in favorable or unfavorable effects on the consolidated financial statements.

Certain Entergy subsidiaries have elected to apply the mark-to-market method of accounting for income tax return purposes to wholesale power purchase agreements as appropriate under the Internal Revenue Code and U.S. Treasury Regulations. The mark-to-market tax gain or loss computed each year is based on an estimated fair market valuation which includes analyses of market prices and conditions. Entergy's and the Registrant Subsidiaries' mark-to-market tax position could be affected by the outcome of federal and state income tax audits should taxing authorities challenge such valuations.

Entergy's income taxes, including unrecognized tax benefits, open audits, and other significant tax matters, are discussed in Note 3 to the financial statements. See "**Income Tax Legislation and Regulation**" above for discussion of income tax legislation and regulation.

Qualified Pension and Other Postretirement Benefits

Entergy sponsors qualified, defined benefit pension plans, including cash balance plans and final average pay plans. Generally, plan participation is determined based on the employee's most recent date of hire and collective bargaining agreement, where applicable. Additionally, Entergy currently provides other postretirement health care and life insurance benefits for full-time employees whose most recent date of hire or rehire is before July 1, 2014, and who reach retirement age and meet certain eligibility requirements while still working for Entergy.

Entergy's reported costs of providing these benefits, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate for Entergy and the Registrant Subsidiaries.

Assumptions

Key actuarial assumptions utilized in determining qualified pension and postretirement health care and life insurance costs include discount rates, projected healthcare cost rates, expected long-term rate of return on plan assets, rate of increase in future compensation levels, retirement rates, expected timing and form of payments, and mortality rates.

Annually, Entergy reviews and, when necessary, adjusts the assumptions for the qualified pension and other postretirement plans. Every three-to-five years, a formal actuarial assumption experience study that compares assumptions to the actual experience of the qualified pension and postretirement health care and life insurance plans is conducted. The interest rate environment over the past few years and volatility in the financial equity markets have affected Entergy's funding and reported costs for these benefits.

Discount rates

In selecting an assumed discount rate to calculate benefit obligations, Entergy uses a yield curve based on high-quality corporate debt with cash flows matching the expected plan benefit payments. In estimating the service cost and interest cost components of net periodic benefit cost, Entergy discounts the expected cash flows by the applicable spot rates.

Projected health care cost trend rates

Entergy's health care cost trend is affected by both medical cost inflation and, with respect to capped costs under the plan, the effects of general inflation. Entergy reviews actual recent cost trends and projected future trends in establishing its health care cost trend rates.

Expected long-term rate of return on plan assets

In determining its expected long-term rate of return on plan assets used in the calculation of benefit plan costs, Entergy reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and some of its investment managers. Entergy conducts periodic asset/liability studies in order to set its target asset allocations.

In 2023, Entergy implemented a new asset allocation strategy for its pension assets, based on the funded status of each plan within the trust. The new strategy no longer focuses on targeting an overall asset allocation for the trust, but rather a target asset allocation for each plan within the trust that adjusts dynamically based on the funded status. The ultimate asset allocation for each plan is expected to be attained when the plan is 110% funded. The 2025 weighted-average target pension asset allocation is 30% equity and 70% fixed income securities, of which 66% is long duration fixed income.

In 2017, Entergy changed its asset allocation strategy for its non-taxable and taxable other postretirement assets, based on the funded status of each sub-account within each trust. The strategy no longer focuses on targeting an overall asset allocation for each trust, but rather a target asset allocation for each sub-account within each trust that adjusts dynamically based on the funded status. This strategy was reaffirmed based upon an asset/liability study in 2024. The 2025 weighted-average target postretirement asset allocation is 23% equity and 77% fixed income securities.

See Note 11 to the financial statements for discussion of the current asset allocations for Entergy's pension and other postretirement assets.

Costs and Sensitivities

The estimated 2026 and actual 2025 qualified pension and other postretirement costs and related underlying assumptions and sensitivities are shown below:

Costs	Estimated 2026	2025
	(In Millions)	
Qualified pension cost	$66.2	$99.3 (a)
Other postretirement income	($2.4)	($20.3) (a)
Assumptions	**2026**	**2025**
Discount rates		
Qualified pension		
Service cost	5.66%	5.75%
Interest cost	5.06%	5.46%
Other postretirement		
Service cost	5.55%	5.50%
Interest cost	4.90%	5.36%
Expected long-term rates of return		
Qualified pension assets	6.25% - 6.75% Blended 6.72%	6.00% - 7.00% Blended 6.75%
Other postretirement - non-taxable assets	5.75% - 6.75%	6.00% - 7.00%
Other postretirement - taxable assets - after tax rate	4.75%	4.75%
Weighted-average rate of increase in future compensation	3.98% - 4.45%	3.98% - 4.45%
Assumed health care cost trend rates		
Pre-65 retirees	8.50%	8.15%
Post-65 retirees	10.63%	10.13%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond		
Pre-65 retirees	2036	2035
Post-65 retirees	2036	2035

(a) In 2025, qualified pension cost included settlement costs of $23.9 million and other postretirement income included settlement and curtailment credits of $5.2 million.

Actual asset returns have an effect on Entergy's qualified pension and other postretirement costs. In 2025, Entergy's actual annual return on qualified pension assets was approximately 12.50% and on other postretirement assets was approximately 11%, as compared to the 2025 expected long-term rates of return discussed above.

The following chart reflects the sensitivity of qualified pension cost and qualified pension projected benefit obligation to changes in certain actuarial assumptions (dollars in millions):

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Pension Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$4	$103
Rate of return on plan assets	(0.25%)	$12	$—
Rate of increase in compensation	0.25%	$4	$22

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in millions):

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$2	$21
Health care cost trend	0.25%	$2	$11

Each fluctuation above assumes that the other components of the calculation are held constant.

Accounting Mechanisms

In accordance with pension accounting standards, Entergy utilizes a number of accounting mechanisms that reduce the volatility of reported pension costs. Differences between actuarial assumptions and actual plan results are deferred and are amortized into expense only when the accumulated differences exceed 10% of the greater of the projected benefit obligation or the market-related value of plan assets. If necessary, the excess is amortized over the average remaining service period of active employees. If almost all of the plan participants are inactive, as is the case for certain qualified pension plans, the excess is amortized over the remaining life expectancy of plan participants. Additionally, accounting standards allow for the deferral of prior service costs/credits arising from plan amendments that attribute an increase or decrease in benefits to employee service in prior periods. Prior service costs/credits are then amortized into expense over the average future working life of active employees. Certain decisions, including workforce reductions, plan amendments, and plant shutdowns, may significantly reduce the expense amortization period and result in immediate recognition of certain previously-deferred costs and gains/losses in the form of curtailment gains or losses. Similarly, payments made to settle benefit obligations, including lump sum benefit payments, can also result in accelerated recognition in the form of settlement losses or gains. Several Entergy subsidiaries received regulatory approval to defer the expense portion of settlement charges and amortize into expense over time. See Note 11 to the financial statements for further discussion.

Entergy calculates the expected return on pension and other postretirement benefits plan assets by multiplying the long-term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy determines the MRV of its pension plan assets, except for the long duration fixed income assets, by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For the long duration fixed income assets in the pension trust and for its other postretirement benefits plan assets, Entergy uses fair value as the MRV.

Accounting standards require an employer to recognize in its balance sheet the funded status of its benefit plans. See Note 11 to the financial statements for further discussion of Entergy's funded status.

Employer Contributions

Entergy contributed $240 million to its qualified pension plans in 2025. Entergy estimates pension contributions will be approximately $200 million in 2026 although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026.

Minimum required funding calculations as determined under Pension Protection Act guidance, as amended by the American Rescue Plan Act of 2021, are performed annually as of January 1 of each year and are based on measurements of the assets and funding liabilities as measured at that date. Any excess of the funding liability over the calculated fair market value of assets results in a funding shortfall that must be funded over a fifteen-year rolling period. The Pension Protection Act also imposes certain plan limitations if the funded percentage, which is based on calculated fair market values of assets divided by funding liabilities, does not meet certain thresholds. For funding purposes, asset gains and losses are smoothed into the calculated fair market value of assets. The funding liability is based upon a weighted-average 24-month corporate bond rate published by the U.S. Treasury which is generally subject to a corridor of the 25-year average of prior segment rates. Periodic changes in asset returns and interest rates can affect funding shortfalls and future cash contributions.

Entergy contributed $45.2 million to its other postretirement plans in 2025 and plans to contribute $40.9 million in 2026.

Other Contingencies

As a company with multi-state utility operations, Entergy is subject to a number of federal and state laws and regulations and other factors and conditions in the areas in which it operates, which potentially subjects it to environmental, litigation, and other risks. Entergy periodically evaluates its exposure for such risks and records a provision for those matters which are considered probable and estimable in accordance with GAAP.

Environmental

Entergy must comply with environmental laws and regulations applicable to air emissions, water discharges, solid waste (including coal combustion residuals), hazardous waste, toxic substances, protected species, and other environmental matters. Under these various laws and regulations, Entergy could incur substantial costs to comply or address any impacts to the environment. Entergy conducts studies to determine the extent of any required remediation and has recorded liabilities based upon its evaluation of the likelihood of loss and expected dollar amount for each issue. Additional sites or issues could be identified which require environmental remediation or corrective action for which Entergy could be liable. The amounts of environmental liabilities recorded can be significantly affected by the following external events or conditions.

- Changes to existing federal, state, or local regulation or related policies by governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters.
- The identification of additional impacts, sites, issues, or the filing of other complaints in which Entergy may be asserted to be a potentially responsible party.
- The resolution or progression of existing matters through the court system or resolution by the EPA or relevant state or local authority.

Litigation

Entergy is regularly named as a defendant in a number of lawsuits involving employment, customers, and injuries and damages issues, among other matters. Entergy periodically reviews the cases in which it has been named as defendant and assesses the likelihood of loss in each case as probable, reasonably possible, or remote and records liabilities for cases that have a probable likelihood of loss and the loss can be estimated. Given the

environment in which Entergy operates, and the unpredictable nature of many of the cases in which Entergy is named as a defendant, the ultimate outcome of the litigation to which Entergy is exposed has the potential to materially affect the results of operations, financial position, and cash flows of Entergy or the Registrant Subsidiaries.

New Accounting Pronouncements

See Note 1 to the financial statements for discussion of new accounting pronouncements.

ENTERGY CORPORATION AND SUBSIDIARIES
REPORT OF MANAGEMENT

Management of Entergy Corporation and its subsidiaries has prepared and is responsible for the financial statements and related financial information included in this document. To meet this responsibility, management establishes and maintains a system of internal controls over financial reporting designed to provide reasonable assurance regarding the preparation and fair presentation of financial statements in accordance with generally accepted accounting principles. This system includes communication through written policies and procedures, an employee Code of Entegrity, and an organizational structure that provides for appropriate division of responsibility and training of personnel. This system is also tested by a comprehensive internal audit program.

Entergy management assesses the design and effectiveness of Entergy's internal control over financial reporting on an annual basis. In making this assessment, management uses the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. The 2013 COSO Framework was utilized for management's assessment. Management acknowledges, however, that all internal control systems, no matter how well designed, have inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and presentation.

Entergy Corporation's independent registered public accounting firm, Deloitte & Touche LLP, has issued an attestation report on the effectiveness of Entergy Corporation's internal control over financial reporting as of December 31, 2025.

In addition, the Audit Committee of the Board of Directors, composed solely of independent Directors, meets with the independent auditors, internal auditors, management, and internal accountants periodically to discuss internal controls, and auditing and financial reporting matters. The Audit Committee appoints the independent auditors annually, seeks shareholder ratification of the appointment, and reviews with the independent auditors the scope and results of the audit effort. The Audit Committee also meets periodically with the independent auditors and the chief internal auditor without management present, providing free access to the Audit Committee.

Based on management's assessment of internal controls using the 2013 COSO criteria, management believes that Entergy and each of the Registrant Subsidiaries maintained effective internal control over financial reporting as of December 31, 2025. Management further believes that this assessment, combined with the policies and procedures noted above, provides reasonable assurance that Entergy's and each of the Registrant Subsidiaries' financial statements are fairly and accurately presented in accordance with generally accepted accounting principles.

ANDREW S. MARSH
Chair of the Board and Chief Executive Officer of Entergy Corporation

KIMBERLY A. FONTAN
Executive Vice President and Chief Financial Officer of Entergy Corporation, Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc., and System Energy Resources, Inc.
Chair of the Board and President of System Energy Resources, Inc.

LAURA R. LANDREAUX
Chair of the Board, President, and Chief Executive Officer of Entergy Arkansas, LLC

PHILLIP R. MAY, JR.
Chairman of the Board, President, and Chief Executive Officer of Entergy Louisiana, LLC

HALEY R. FISACKERLY
Chairman of the Board, President, and Chief Executive Officer of Entergy Mississippi, LLC

DEANNA D. RODRIGUEZ
Chair of the Board, President, and Chief Executive Officer of Entergy New Orleans, LLC

ELIECER VIAMONTES
Chairman of the Board, President, and Chief Executive Officer of Entergy Texas, Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and Board of Directors of
Entergy Corporation and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy Corporation and Subsidiaries (the "Corporation") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, cash flows, and changes in equity for each of the three years in the period ended December 31, 2025, and the related notes (collectively, referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Corporation's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 19, 2026, expressed an unqualified opinion on the Corporation's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the Corporation's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Corporation in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Rate and Regulatory Matters — Entergy Corporation and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Corporation is subject to rate regulation by their respective state or local utility regulatory agencies and wholesale regulation by the Federal Energy Regulatory Commission (collectively, the "Commissions"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Corporation's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the Commissions set the rates, the Corporation is allowed to charge customers based on allowable costs, including a reasonable return on equity, and the Corporation applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Corporation assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Corporation has indicated it expects to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the Commissions, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate-setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the Commissions, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets; and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.

- We evaluated the Corporation's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.

- We read relevant regulatory orders issued by the Commissions for the Corporation to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.

- For regulatory matters in process, we inspected the Corporation's and intervenors' filings with the Commissions, initial Administrative Law Judge decisions and orders issued, and settlement offers and agreements with the Commissions for any evidence that might contradict management's assertions.

- We obtained an analysis from management and support from the Corporation's internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order, to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.

- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

Entergy Texas Build-to-Suit Lease Arrangement for the Legend Power Station — Entergy Corporation and Subsidiaries — Refer to Note 8 to the financial statements

Critical Audit Matter Description

In December 2025, the Corporation entered into a build-to-suit lease arrangement for the Legend Power Station (the "Facility") as the lessee with a consortium of investors ("the Investors"). Under the terms of the arrangement, the

Investors purchased the in-process Facility from the Corporation at cost of $359 million and will spend up to $1.45 billion (including the initial purchase price) to construct the Facility as designed by the Corporation. The Corporation is engaged to serve as the construction agent for the Facility. The Investors, however, control the Facility during construction. If the Corporation defaults in its role as construction agent, the Investors have various options available to remedy the default, including by accelerating the lease balance payable by the Corporation, causing a sale of the Facility to a third party, or certain other options. If there are certain changes to the terms of the Public Utility Commission of Texas ("PUCT") approval of the Facility or certain other circumstances outside of the Corporation's control, then either the Investors or the Corporation could exercise the right to terminate the arrangement, in which case the Corporation would be required to purchase the in-process Facility from the Investors at an amount equal to their costs incurred to date, including carrying costs. Since the Corporation does not control the in-process Facility, it will not recognize the Facility (i.e., construction work in progress) or an associated liability during construction.

Upon the Facility's readiness for first synchronization to the grid, expected in early 2028, a triple-net lease will commence under which the Corporation will have control of the Facility and receive all output from the plant.

We identified management's conclusion that the Corporation does not control the Facility being constructed before the commencement of the lease (i.e., during the construction period) and thus is not the deemed accounting owner of the Facility during the construction period as a critical audit matter due to the judgments made by management to support its conclusion. Auditing management's judgments involved especially subjective judgment and specialized knowledge of accounting for lease transactions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the build-to-suit lease arrangement for the Facility included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the accounting impact of this build-to-suit lease arrangement, including the conclusion that the Corporation does not control the Facility being constructed before the commencement of the lease.
- We evaluated the Corporation's disclosures related to the impacts of the build-to-suit lease arrangement.
- We read relevant transaction documents between the Corporation and the Investors as well as regulatory orders issued by the PUCT for the Corporation and evaluated the external information to compare to management's conclusions.
- We obtained an analysis from management to assess management's assertion that the Corporation does not control the Facility being constructed before the commencement date of the lease.
- With the assistance of professionals in our firm having expertise and experience in addressing the accounting for build-to-suit lease arrangements, we evaluated the Corporation's analysis, including the conclusion that the Corporation does not control the Facility being constructed before the commencement date of the lease.
- We obtained representation from management regarding the conclusion that the Corporation does not control the Facility being constructed before the commencement date of the lease.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Corporation's auditor since 2001.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
	(In Thousands, Except Share Data)		
OPERATING REVENUES			
Electric	$12,775,314	$11,627,732	$11,842,454
Natural gas	112,607	178,070	180,490
Other	58,765	73,851	124,468
TOTAL	12,946,686	11,879,653	12,147,412
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	2,359,403	2,256,874	2,801,580
Purchased power	1,240,998	839,236	968,036
Nuclear refueling outage expenses	113,429	147,019	150,147
Other operation and maintenance	3,055,097	2,898,237	2,898,213
Asset write-offs, impairments, and related charges (credits)	12,795	107,134	42,679
Decommissioning	227,876	220,080	206,674
Taxes other than income taxes	818,664	752,948	755,574
Depreciation and amortization	2,077,692	2,013,168	1,845,003
Other regulatory charges (credits) - net	(161,546)	(6,133)	(138,469)
TOTAL	9,744,408	9,228,563	9,529,437
OPERATING INCOME	3,202,278	2,651,090	2,617,975
OTHER INCOME (DEDUCTIONS)			
Allowance for equity funds used during construction	180,726	133,046	98,493
Interest and investment income	317,348	298,865	162,726
Miscellaneous - net	(92,421)	(489,970)	(201,013)
TOTAL	405,653	(58,059)	60,206
INTEREST EXPENSE			
Interest expense	1,412,955	1,203,588	1,046,164
Allowance for borrowed funds used during construction	(76,304)	(52,768)	(39,758)
TOTAL	1,336,651	1,150,820	1,006,406
INCOME BEFORE INCOME TAXES	2,271,280	1,442,211	1,671,775
Income taxes	497,952	381,027	(690,535)
CONSOLIDATED NET INCOME	1,773,328	1,061,184	2,362,310
Preferred dividend requirements of subsidiaries and noncontrolling interests	15,056	5,594	5,774
NET INCOME ATTRIBUTABLE TO ENTERGY CORPORATION	$1,758,272	$1,055,590	$2,356,536
Earnings per average common share:			
Basic	$3.98	$2.47	$5.57
Diluted	$3.91	$2.45	$5.55
Basic average number of common shares outstanding	442,029,481	427,713,121	423,139,862
Diluted average number of common shares outstanding	450,151,884	431,581,696	424,752,990

See Notes to Financial Statements.

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ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
Net Income	$1,773,328	$1,061,184	$2,362,310
Other comprehensive income (loss)			
Pension and other postretirement plan changes			
(net of tax expense (benefit) of ($15,138), $54,711, and $9,248)	(45,775)	205,229	29,294
Other comprehensive income (loss)	(45,775)	205,229	29,294
Comprehensive Income	1,727,553	1,266,413	2,391,604
Preferred dividend requirements of subsidiaries and noncontrolling interests	15,056	5,594	5,774
Comprehensive Income Attributable to Entergy Corporation	$1,712,497	$1,260,819	$2,385,830

See Notes to Financial Statements.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Consolidated net income	$1,773,328	$1,061,184	$2,362,310
Adjustments to reconcile consolidated net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	2,537,138	2,443,562	2,244,479
Deferred income taxes, tax credits, and non-current taxes accrued	1,015,509	320,705	(707,822)
Asset write-offs, impairments, and related charges (credits)	12,795	107,134	42,679
Pension settlement charge	—	319,675	—
Changes in working capital:			
Receivables	(79,833)	3,056	101,801
Fuel inventory	38,927	21,898	(45,166)
Accounts payable	38,755	111,839	(135,048)
Taxes accrued	68,083	22,893	10,122
Interest accrued	26,103	45,357	18,933
Deferred fuel costs	(271,109)	182,578	759,361
Other working capital accounts	296,714	(19,177)	(210,038)
Changes in provisions for estimated losses	(10,284)	43,493	(68,631)
Changes in regulatory assets	284,914	378,514	435,877
Changes in other regulatory liabilities	180,811	660,559	463,805
Change in customer advances - non-current	35,000	—	—
Effect of securitization on regulatory asset	—	—	(491,150)
Changes in pension and other postretirement funded status	(278,186)	(469,721)	(610,479)
Other	(518,014)	(745,039)	123,295
Net cash flow provided by operating activities	5,150,651	4,488,510	4,294,328
INVESTING ACTIVITIES			
Construction/capital expenditures	(7,684,922)	(4,838,339)	(4,440,652)
Allowance for equity funds used during construction	180,726	133,046	98,493
Nuclear fuel purchases	(252,912)	(309,437)	(270,973)
Payment for purchase of plant and assets	(3,517)	(821,934)	(35,094)
Proceeds from sale of business and assets	858,588	—	11,000
Insurance proceeds received for property damages	—	7,907	19,493
Changes in securitization account	2,834	3,308	5,493
Payments to storm reserve escrow accounts	(14,894)	(17,990)	(19,780)
Receipts from storm reserve escrow accounts	46,570	736	98,529
Decrease (increase) in other investments	(113,388)	212	(16,733)
Litigation proceeds for reimbursement of spent nuclear fuel storage costs	3,546	82,412	23,655
Proceeds from nuclear decommissioning trust fund sales	1,509,997	2,805,145	1,082,722
Investment in nuclear decommissioning trust funds	(1,642,082)	(2,894,076)	(1,185,130)
Net cash flow used in investing activities	(7,109,454)	(5,849,010)	(4,628,977)

See Notes to Financial Statements.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
FINANCING ACTIVITIES			
Proceeds from the issuance of:			
Long-term debt	5,750,445	7,898,968	4,273,297
Treasury stock	36,641	136,794	9,823
Common stock	1,136,103	—	130,649
Retirement of long-term debt	(3,501,800)	(5,054,094)	(5,135,753)
Changes in commercial paper - net	(269,517)	(210,880)	310,550
Capital contributions from noncontrolling interests	—	—	25,708
Proceeds received by storm trusts related to securitization	—	—	1,457,676
Customer advances received for construction	1,643,765	547,500	259,505
Customer advances used for construction	(662,896)	(204,991)	(108,903)
Other	(12,255)	(25,664)	(43,007)
Dividends paid:			
Common stock	(1,074,151)	(981,659)	(918,193)
Preferred stock	(18,319)	(18,319)	(18,319)
Net cash flow provided by financing activities	3,028,016	2,087,655	243,033
Net increase (decrease) in cash and cash equivalents	1,069,213	727,155	(91,616)
Cash and cash equivalents at beginning of period	859,703	132,548	224,164
Cash and cash equivalents at end of period	$1,928,916	$859,703	$132,548
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$1,238,284	$1,114,631	$987,252
Income taxes - net (includes production tax credit sale proceeds of $547,261 in 2025, $— in 2024, and $— in 2023)	($515,071)	$41,551	$42,821
Noncash investing activities:			
Accrued construction expenditures	$800,047	$615,490	$487,439

See Notes to Financial Statements.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$45,895	$48,424
Temporary cash investments	1,883,021	811,279
Total cash and cash equivalents	1,928,916	859,703
Accounts receivable:		
Customer	735,734	681,504
Allowance for doubtful accounts	(32,324)	(17,919)
Other	242,402	204,868
Accrued unbilled revenues	524,420	521,946
Total accounts receivable	1,470,232	1,390,399
Deferred fuel costs	54,133	—
Fuel inventory - at average cost	131,974	166,408
Materials and supplies	1,710,395	1,631,056
Deferred nuclear refueling outage costs	86,497	99,885
Current assets held for sale	—	15,574
Prepayments and other	424,704	233,212
TOTAL	5,806,851	4,396,237
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	6,300,880	5,562,575
Non-utility property - at cost (less accumulated depreciation)	481,590	423,764
Storm reserve escrow accounts	308,784	340,460
Other	124,414	82,344
TOTAL	7,215,668	6,409,143
PROPERTY, PLANT, AND EQUIPMENT		
Electric	74,750,917	70,818,667
Natural gas	—	77,054
Construction work in progress	6,020,008	3,206,308
Nuclear fuel	834,690	765,661
TOTAL PROPERTY, PLANT, AND EQUIPMENT	81,605,615	74,867,690
Less - accumulated depreciation and amortization	28,751,001	27,444,740
PROPERTY, PLANT, AND EQUIPMENT - NET	52,854,614	47,422,950
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets (includes securitization property of $216,107 as of December 31, 2025 and $234,112 as of December 31, 2024)	5,005,976	5,255,509
Deferred fuel costs	172,201	172,201
Goodwill	367,582	367,625
Accumulated deferred income taxes	15,540	18,986
Non-current assets held for sale	—	462,797
Other	452,298	284,584
TOTAL	6,013,597	6,561,702
TOTAL ASSETS	$71,890,730	$64,790,032

See Notes to Financial Statements.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$2,375,140	$1,378,090
Notes payable and commercial paper	657,774	927,291
Accounts payable	2,565,546	1,929,162
Customer deposits	479,796	462,436
Taxes accrued	525,189	457,093
Interest accrued	285,657	259,554
Deferred fuel costs	14,562	237,146
Pension and other postretirement liabilities	63,214	64,854
Customer advances	632,850	151,662
Other	223,240	243,749
TOTAL	7,822,968	6,111,037
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	5,592,681	4,467,748
Accumulated deferred investment tax credits	187,173	194,146
Regulatory liability for income taxes - net	1,079,699	1,168,078
Other regulatory liabilities	3,911,839	3,609,463
Customer advances	35,000	—
Decommissioning and asset retirement cost liabilities	4,947,530	4,713,426
Accumulated provisions	495,779	506,063
Pension and other postretirement liabilities	113,930	254,704
Long-term debt (includes securitization bonds of $221,139 as of December 31, 2025 and $239,622 as of December 31, 2024)	27,902,021	26,613,505
Customer advances for construction	1,615,455	634,587
Other	953,078	1,112,881
TOTAL	46,834,185	43,274,601
Commitments and Contingencies		
Subsidiaries' preferred stock without sinking fund	219,410	219,410
EQUITY		
Preferred stock, no par value, authorized 1,000,000 shares in 2025 and 2024; issued shares in 2025 and 2024 - none	—	—
Common stock, $0.01 par value, authorized 998,000,000 shares in 2025 and 2024; issued 583,203,774 shares in 2025 and 561,950,696 shares in 2024	5,832	5,620
Paid-in capital	8,979,387	7,833,525
Retained earnings	12,698,436	12,014,315
Accumulated other comprehensive income (loss)	(3,006)	42,769
Less - treasury stock, at cost (130,864,409 shares in 2025 and 132,370,280 shares in 2024)	4,757,573	4,812,321
Total shareholders' equity	16,923,076	15,083,908
Subsidiaries' preferred stock without sinking fund and noncontrolling interests	91,091	101,076
TOTAL	17,014,167	15,184,984
TOTAL LIABILITIES AND EQUITY	$71,890,730	$64,790,032

See Notes to Financial Statements.

ENTERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

		Shareholders' Equity					
	Subsidiaries' Preferred Stock and Noncontrolling Interests	Common Stock	Treasury Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
				(In Thousands)			
Balance at December 31, 2022	$97,907	$5,594	($4,978,994)	$7,630,098	$10,502,041	($191,754)	$13,064,892
Consolidated net income (a)	5,774	—	—	—	2,356,536	—	2,362,310
Other comprehensive income	—	—	—	—	—	29,294	29,294
Common stock issuances and sales under the at the market equity distribution program	—	26	—	132,391	—	—	132,417
Common stock issuance costs	—	—	—	(1,768)	—	—	(1,768)
Common stock issuances related to stock plans	—	—	25,496	31,880	—	—	57,376
Common stock dividends declared	—	—	—	—	(918,193)	—	(918,193)
Beneficial interest in storm trust	14,577	—	—	—	—	—	14,577
Capital contributions from noncontrolling interest	25,708	—	—	—	—	—	25,708
Distributions to noncontrolling interests	(5,188)	—	—	—	—	—	(5,188)
Preferred dividend requirements of subsidiaries (a)	(18,319)	—	—	—	—	—	(18,319)
Balance at December 31, 2023	$120,459	$5,620	($4,953,498)	$7,792,601	$11,940,384	($162,460)	$14,743,106
Consolidated net income (a)	5,594	—	—	—	1,055,590	—	1,061,184
Other comprehensive income	—	—	—	—	—	205,229	205,229
Common stock issuances related to stock plans	—	—	141,177	40,924	—	—	182,101
Common stock dividends declared	—	—	—	—	(981,659)	—	(981,659)
Distributions to noncontrolling interests	(6,658)	—	—	—	—	—	(6,658)
Preferred dividend requirements of subsidiaries (a)	(18,319)	—	—	—	—	—	(18,319)
Balance at December 31, 2024	$101,076	$5,620	($4,812,321)	$7,833,525	$12,014,315	$42,769	$15,184,984
Consolidated net income (a)	15,056	—	—	—	1,758,272	—	1,773,328
Other comprehensive loss	—	—	—	—	—	(45,775)	(45,775)
Common stock issuances and sales under the at the market equity distribution program	—	212	—	1,148,890	—	—	1,149,102
Common stock issuance costs	—	—	—	(13,000)	—	—	(13,000)
Common stock issuances related to stock plans	—	—	54,748	9,972	—	—	64,720
Common stock dividends declared	—	—	—	—	(1,074,151)	—	(1,074,151)
Distributions to noncontrolling interests	(6,722)	—	—	—	—	—	(6,722)
Preferred dividend requirements of subsidiaries (a)	(18,319)	—	—	—	—	—	(18,319)
Balance at December 31, 2025	$91,091	$5,832	($4,757,573)	$8,979,387	$12,698,436	($3,006)	$17,014,167

See Notes to Financial Statements.

(a) Consolidated net income and preferred dividend requirements of subsidiaries include $16 million for 2025, 2024, and 2023 of preferred dividends on subsidiaries' preferred stock without sinking fund that is not presented as equity.

ENTERGY CORPORATION AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

The accompanying consolidated financial statements include the accounts of Entergy Corporation and its subsidiaries. As required by GAAP in the United States of America, all intercompany transactions have been eliminated in the consolidated financial statements. Entergy's Registrant Subsidiaries (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy) also include their separate financial statements in this Form 10-K. Certain previously reported amounts in the financial statements have been reclassified to conform to current classification, with no effect on results of operations, financial positions, or cash flows. The Registrant Subsidiaries and many other Entergy subsidiaries also maintain accounts in accordance with FERC and other regulatory guidelines.

Use of Estimates in the Preparation of Financial Statements

In conformity with GAAP in the United States of America, the preparation of Entergy Corporation's consolidated financial statements and the separate financial statements of the Registrant Subsidiaries requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, and the disclosure of contingent assets and liabilities. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used.

Revenues and Fuel Costs

See Note 19 to the financial statements for a discussion of Entergy's and the Registrant Subsidiaries' revenues and fuel costs.

Customer Advances

Certain large industrial customers are required by Entergy's Regulators to make advance payments in excess of what would typically be required under existing utility rates to offset the costs the Utility operating companies will incur to serve the customer. The Utility operating companies will be required to include the revenue related to these additional payments in ratemaking in future periods to offset the costs of serving the customer that made the payment. In some cases, the advance payment is designed to provide the Utility operating companies with a return on construction work in progress for utility plant investments typically received through the recognition of AFUDC (as defined and described further below). In such cases, AFUDC is not added to the associated construction work in progress, which results in a lower amount of utility plant recovered through utility rates. Customer advances are initially recorded as a current or non-current liability and then recognized as revenue as the related costs are incurred.

Property, Plant, and Equipment

Property, plant, and equipment is stated at original cost less regulatory disallowances and impairments. Depreciation is computed on the straight-line basis at rates based on the applicable estimated service lives of the various classes of property. For the Registrant Subsidiaries, the original cost of plant retired or removed, less salvage, is charged to accumulated depreciation. Normal maintenance, repairs, and minor replacement costs are charged to operating expenses. Certain combined cycle gas turbine generating units are maintained under long-term service agreements with third-party service providers. The costs under these

agreements are split between operating expenses and capital additions based upon the nature of the work performed. Substantially all of the Registrant Subsidiaries' plant is subject to mortgage liens.

Customers may be required to make advance payments to reimburse the Utility operating companies for costs of constructing new utility plants that are not expected to be recovered through existing retail rates. Under the regulatory framework, these payments are required to ensure the cost to serve a particular customer does not increase the utility rates charged to other utility customers. These advance payments generally do not reduce the retail rate charged to the customer making the payment and do not create any additional obligation for the respective Utility operating company to provide electrical service beyond the general obligation to serve all customers in its service area. Because the cost is fully reimbursed by the customer through the advance payment, the Utility operating company does not earn a return or recover through retail rates the cost of utility plant reimbursed by these payments. These advance payments are initially recorded as a non-current liability, which is then reduced by the costs incurred to construct the associated utility plant. This results in Entergy and the Utility operating companies recording utility plant funded by customer advances at a net cost of zero, consistent with utility ratemaking treatment.

Electric plant includes the portion of Grand Gulf that was sold and leased back in a prior period. For financial reporting purposes, this sale and leaseback arrangement is reported as a financing transaction.

Net property, plant, and equipment (including property under lease and associated accumulated amortization) for Entergy by functional category, as of December 31, 2025 and 2024, is shown below:

	2025	2024
	(In Millions)	
Production		
Nuclear	$8,591	$8,024
Other	7,721	7,809
Transmission	11,116	10,414
Distribution	16,374	14,321
Other	2,198	3,286
Construction work in progress	6,020	3,209
Nuclear fuel	835	766
Property, plant, and equipment - net (a)	$52,855	$47,829

(a) Includes $403 million of natural gas property, plant, and equipment and accumulated depreciation and $3 million of construction work in progress classified as held for sale in "Non-current assets held for sale" on Entergy's consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

Depreciation rates on average depreciable property for Entergy approximated 2.9% in 2025, 2.9% in 2024, and 2.9% in 2023.

Entergy amortizes nuclear fuel using a units-of-production method. Nuclear fuel amortization is included in fuel expense in the income statements.

Non-utility property - at cost (less accumulated depreciation) for Entergy is reported net of accumulated depreciation of $251 million as of December 31, 2025 and $231 million as of December 31, 2024.

Net property, plant, and equipment (including property under lease and associated accumulated amortization) for the Registrant Subsidiaries by functional category, as of December 31, 2025 and 2024, is shown below:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Millions)			
Production						
Nuclear	$2,077	$4,473	$—	$—	$—	$2,041
Other	1,691	3,516	993	378	1,098	—
Transmission	2,195	4,578	1,748	168	2,397	28
Distribution	4,056	5,843	2,696	835	2,944	—
Other	418	722	293	108	288	5
Construction work in progress	621	2,032	1,396	43	1,761	123
Nuclear fuel	303	323	—	—	—	209
Property, plant, and equipment - net	$11,361	$21,487	$7,126	$1,532	$8,488	$2,406

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Millions)			
Production						
Nuclear	$1,887	$4,121	$—	$—	$—	$2,016
Other	1,721	3,532	980	374	1,154	—
Transmission	2,267	4,339	1,567	155	2,054	30
Distribution	3,615	4,973	2,418	761	2,554	—
Other	606	1,175	385	384	318	44
Construction work in progress	320	762	487	20	1,513	85
Nuclear fuel	258	288	—	—	—	220
Property, plant, and equipment - net (a)	$10,674	$19,190	$5,837	$1,694	$7,593	$2,395

(a) Includes $164 million of natural gas property, plant, and equipment and accumulated depreciation and $1 million of construction work in progress for Entergy Louisiana and $239 million of natural gas property, plant, and equipment and accumulated depreciation and $2 million of construction work in progress for Entergy New Orleans classified as held for sale in “Non-current assets held for sale” on their respective consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

Depreciation rates on average depreciable property for the Registrant Subsidiaries are shown below:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
2025	2.8%	2.7%	3.4%	3.3%	3.6%	2.1%
2024	2.7%	2.7%	3.5%	3.3%	3.8%	2.1%
2023	2.7%	2.6%	3.6%	3.3%	4.0%	1.6%

Non-utility property - at cost (less accumulated depreciation) for Entergy Louisiana is reported net of accumulated depreciation of $240.8 million as of December 31, 2025 and $225.4 million as of December 31, 2024. Non-utility property - at cost (less accumulated depreciation) for Entergy Mississippi is reported net of accumulated depreciation of $0.6 million as of December 31, 2025 and $0.5 million as of December 31, 2024.

Jointly-Owned Generating Stations

Certain Entergy subsidiaries jointly own electric generating facilities with affiliates or third parties. All parties are required to provide their own financing. The investments, fuel expenses, and other operation and maintenance expenses associated with these generating stations are recorded by the Entergy subsidiaries to the extent of their respective undivided ownership interests. As of December 31, 2025, the subsidiaries' investment and accumulated depreciation in each of these generating stations were as follows:

Generating Stations		Fuel Type	Total Megawatt Capability (a)	Ownership	Investment	Accumulated Depreciation
					(In Millions)	
Utility:						
Entergy Arkansas -						
Independence	Unit 1	Coal	824	31.50%	$153	$110
Independence	Common Facilities	Coal		15.75%	$43	$33
White Bluff	Units 1 and 2	Coal	1,253	57.00%	$624	$424
Ouachita (b)	Common Facilities	Gas		66.67%	$174	$162
Union (c)	Common Facilities	Gas		25.00%	$29	$15
Entergy Louisiana -						
Roy S. Nelson	Unit 6	Coal	514	40.25%	$302	$237
Roy S. Nelson	Unit 6 Common Facilities	Coal		40.25%	$22	$11
Big Cajun 2	Unit 3	Coal	551	24.15%	$146	$142
Big Cajun 2	Unit 3 Common Facilities	Coal		8.05%	$5	$3
Ouachita (b)	Common Facilities	Gas		33.33%	$91	$80
Acadia	Common Facilities	Gas		50.00%	$22	$4
Union (c)	Common Facilities	Gas		50.00%	$58	$17
Entergy Mississippi -						
Independence	Units 1 and 2 and Common Facilities	Coal	1,666	25.00%	$307	$204
Entergy New Orleans -						
Union (c)	Common Facilities	Gas		25.00%	$30	$12
Entergy Texas -						
Roy S. Nelson	Unit 6	Coal	514	29.75%	$213	$178
Roy S. Nelson	Unit 6 Common Facilities	Coal		29.75%	$8	$5
Big Cajun 2	Unit 3	Coal	551	17.85%	$109	$129
Big Cajun 2	Unit 3 Common Facilities	Coal		5.95%	$4	$3
Montgomery County	Unit 1	Gas	940	92.44%	$761	$54
System Energy -						
Grand Gulf (d)	Unit 1	Nuclear	1,397	90.00%	$5,763	$3,681
Other:						
Independence	Unit 2	Coal	842	14.37%	$82	$63
Independence	Common Facilities	Coal		7.18%	$21	$17
Roy S. Nelson	Unit 6	Coal	514	10.90%	$121	$79
Roy S. Nelson	Unit 6 Common Facilities	Coal		10.90%	$3	$2

(a) "Total Megawatt Capability" is the dependable summer load carrying capability as demonstrated under actual operating conditions based on the primary fuel (assuming no curtailments) that each station was designed to utilize.

(b) Ouachita Units 1 and 2 are owned 100% by Entergy Arkansas and Ouachita Unit 3 is owned 100% by Entergy Louisiana. The investment and accumulated depreciation numbers above are only for the common facilities and not for the generating units.

(c) Union Unit 1 is owned 100% by Entergy New Orleans, Union Unit 2 is owned 100% by Entergy Arkansas, Union Units 3 and 4 are owned 100% by Entergy Louisiana. The investment and accumulated depreciation numbers above are only for the specified common facilities and not for the generating units.

(d) Includes a leasehold interest held by System Energy. System Energy's Grand Gulf lease obligations are discussed in Note 5 to the financial statements.

Nuclear Refueling Outage Costs

Nuclear refueling outage costs are deferred during the outage and amortized over the estimated period to the next outage because these refueling outage expenses are incurred to prepare the units to operate for the next operating cycle without having to be taken off line.

Allowance for Funds Used During Construction (AFUDC)

AFUDC represents the approximate net composite interest cost of borrowed funds and a reasonable return on the equity funds used for construction by the Registrant Subsidiaries. AFUDC increases both the plant balance and earnings and is realized in cash through depreciation provisions included in the rates charged to customers.

Income Taxes

Entergy Corporation and the majority of its subsidiaries file a United States consolidated federal income tax return. Each tax-paying entity records income taxes as if it were a separate taxpayer and consolidating adjustments are allocated to the tax filing entities in accordance with the Entergy Tax Allocation Agreement. Deferred income taxes are recorded for temporary differences between the book and tax basis of assets and liabilities, and for certain losses and credits available for carryforward.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates in the period in which the tax or rate was enacted.

The benefits of investment tax credits are deferred and amortized over the average useful life of the related property, as a reduction of income tax expense, for such credits associated with rate-regulated operations in accordance with ratemaking treatment.

Accounting for the Effects of Regulation

Entergy's Utility operating companies and System Energy are rate-regulated entities that are required to reflect the effects of rate regulation in their financial statements, including the recording of regulatory assets and liabilities, as the Utility operating companies and System Energy have rates that meet the following three criteria: (1) are approved by a third-party regulator; (2) are designed to recover the entities' cost of providing the regulated services or products; and (3) can reasonably be assumed will be charged to and collected from customers. These criteria may also be applied to separable portions of a utility's business, such as the generation or transmission functions, or to specific classes of customers.

Regulatory assets represent incurred costs that have been deferred because they are probable of future recovery from customers through regulated rates. Regulatory liabilities represent (1) revenue or gains that have been deferred because it is probable such amounts will be credited to customers through future regulated rates, (2) billings in advance of expenditures for approved regulatory programs, or (3) refunds ordered by regulators. To the extent that all or portions of the Utility operating companies or System Energy's operations cease to be subject to

rate regulation, or future recovery or settlement is no longer probable as a result of changes in regulation or other reasons, the related regulatory assets and liabilities are eliminated from the balance sheet and the impact is recognized on the income statement.

In addition, regulatory accounting requires recognition of an impairment loss if it becomes probable that part of the cost of a recently completed plant asset will be disallowed for rate-making purposes and a reasonable estimate of the amount of the disallowance can be made.

Entergy Louisiana does not apply regulatory accounting standards to the Louisiana retail deregulated portion of River Bend or to the 30% interest in River Bend formerly owned by Cajun unless specific cost recovery is provided for in tariff rates. The Louisiana retail deregulated portion of River Bend is operated under a deregulated asset plan representing a portion (approximately 15%) of River Bend plant costs, generation, revenues, and expenses established under a 1992 LPSC order. The plan allows Entergy Louisiana to sell the electricity from the deregulated assets to Louisiana retail customers at 4.6 cents per kWh or off-system at higher prices, with certain provisions for sharing incremental revenue above 4.6 cents per kWh between customers and shareholders.

Regulatory Asset or Liability for Income Taxes

Accounting standards for income taxes provide that a regulatory asset or liability be recorded if it is probable that the currently determinable future increase or decrease in regulatory income tax expense will be recovered from or credited to customers through future rates. There are two main sources of Entergy's regulatory asset or liability for income taxes. There is a regulatory asset related to the ratemaking treatment of the tax effects of book depreciation for the equity component of AFUDC that has been capitalized to property, plant, and equipment but for which there is no corresponding tax basis. Equity-AFUDC is a component of property, plant, and equipment that is included in rate base when the plant is placed in service. There is a regulatory liability related to the adjustment of Entergy's net deferred income taxes that was required by the enactment in December 2017 of a change in the federal corporate income tax rate, which is discussed in Note 3 to the financial statements.

Cash and Cash Equivalents

Entergy considers all unrestricted highly liquid debt instruments with an original maturity of three months or less at date of purchase to be cash equivalents.

Securitization Recovery Trust Accounts

The funds that Entergy New Orleans and Entergy Texas hold in their securitization recovery trust accounts are not classified as cash and cash equivalents or restricted cash and cash equivalents because of their nature, uses, and restrictions. These funds are classified as part of other current assets and other investments, depending on the timeframe within which the Registrant Subsidiary expects to use the funds.

Allowance for Doubtful Accounts

The allowance for doubtful accounts reflects Entergy's best estimate of expected losses on its accounts receivable balances. The allowance is calculated as the historical rate of customer write-offs multiplied by the current accounts receivable balance, taking into account the length of time the receivable balances have been outstanding. Although the rate of customer write-offs has historically experienced minimal variation, management monitors the current condition of individual customer accounts and general economic conditions to manage collections and ensure bad debt expense is recorded in a timely manner. The Utility operating companies' customer accounts receivable are written off consistent with approved regulatory requirements. See Note 19 to the financial statements for further details on the allowance for doubtful accounts.

Materials and Supplies

Materials and supplies consist of tangible goods, equipment, and other materials that Entergy holds for use or consumption in the normal course of business, whether for capital projects or operation and maintenance activities, or that are required to be kept for regulatory reasons or service reliability. Materials and supplies are valued at a weighted average unit cost when expensed or capitalized, as appropriate, when used or installed. Materials and supplies are valued at the lower of weighted average cost or net realizable value, net of provisions for surplus and obsolete materials and supplies.

Investments

Entergy records decommissioning trust funds on the balance sheet at their fair value. Because of the ability of the Registrant Subsidiaries to recover decommissioning costs in rates and in accordance with the regulatory treatment for decommissioning trust funds, for unrealized gains/(losses) on investment securities, the Registrant Subsidiaries record an offsetting amount in other regulatory liabilities/assets. For the 30% interest in River Bend formerly owned by Cajun, Entergy Louisiana records an offsetting amount in other long-term liabilities on the consolidated balance sheets of Entergy and Entergy Louisiana for the unrealized trust earnings not currently expected to be needed to decommission the plant. Entergy's trusts are managed by third parties who operate in accordance with agreements that define investment guidelines and place restrictions on the purchases and sales of investments. See Note 16 to the financial statements for details on the decommissioning trust funds.

Partnerships with Disproportionate Allocation of Earnings and Losses in Relation to an Investor's Ownership Interest

Entergy Arkansas and Entergy Mississippi, as managing members, each control a tax equity partnership with a third party tax equity investor and consolidate the partnerships for financial reporting purposes. For each respective partnership, the limited liability company agreement with the tax equity investor stipulates a disproportionate allocation of tax attributes, earnings, and cash flows between the Registrant Subsidiary and the tax equity investor with the tax equity investor being allocated a significant portion of the tax attributes, earnings, and cash flows until it receives its target return, at which point the earnings and cash flows will primarily be allocated to the Registrant Subsidiary. Each Registrant Subsidiary has the option to purchase, at a future date specified in their respective partnership agreement, the tax equity investor's interests at the then-current fair market value, plus an amount that results in the tax equity investor reaching its target return, if needed.

Because of this disproportionate allocation, each Registrant Subsidiary accounts for its earnings in the partnership using the HLBV method of accounting. Under the HLBV method, the amounts of income and loss attributable to both the Registrant Subsidiary and the tax equity investor reflect changes in the amount each would hypothetically receive at the balance sheet date under the respective liquidation provisions of the limited liability company agreement, assuming the net assets of the partnership were liquidated at book value, after consideration of contributions and distributions, between the Registrant Subsidiary and the tax equity investor. Once the tax equity investor reaches its target return in the hypothetical liquidation, the remaining proceeds are primarily allocated to the Registrant Subsidiary. This allocation may result in fluctuations of income on a periodic basis that differ significantly from what would otherwise be recognized if the earnings were allocated under the relative ownership percentages between the Registrant Subsidiary and the tax equity investor. Entergy Arkansas and Entergy Mississippi have determined these differences are primarily due to timing, and both the APSC and the MPSC have approved that, for purposes of ratemaking, each Registrant Subsidiary reflect its interest in its respective partnership using its relative ownership percentage and disregard the effects of the HLBV method of accounting. Because of this, each Registrant Subsidiary has recorded a regulatory liability for the difference between the earnings allocated to it under the HLBV method of accounting and the earnings that would have been allocated to it under its respective ownership percentage in the partnership.

Derivative Financial Instruments and Commodity Derivatives

The accounting standards for derivative instruments require that all derivatives be recognized at fair value on the balance sheet, either as assets or liabilities, unless they meet various exceptions including the normal purchase/normal sale criteria. The changes in the fair value of recognized derivatives are recorded each period in current earnings. Due to regulatory treatment, an offsetting regulatory asset or liability is recorded for changes in fair value of recognized derivatives for the Registrant Subsidiaries.

Contracts for commodities that will be physically delivered in quantities expected to be used or sold in the ordinary course of business, including certain purchases and sales of power and fuel, meet the normal purchase, normal sales criteria and are not recognized on the balance sheet. Revenues and expenses from these contracts are reported on a gross basis in the appropriate revenue and expense categories as the commodities are received or delivered.

Entergy has determined that contracts to purchase uranium do not meet the definition of a derivative under the accounting standards for derivative instruments because they do not provide for net settlement and the uranium markets are not sufficiently liquid to conclude that forward contracts are readily convertible to cash. If the uranium markets do become sufficiently liquid in the future and Entergy begins to account for uranium purchase contracts as derivative instruments, the fair value of these contracts would be accounted for consistent with Entergy's other derivative instruments. See Note 15 to the financial statements for further details on Entergy's derivative instruments and hedging activities.

Fair Values

The estimated fair values of Entergy's financial instruments and derivatives are determined using historical prices, bid prices, market quotes, and financial modeling. Considerable judgment is required in developing the estimates of fair value. Therefore, estimates are not necessarily indicative of the amounts that Entergy could realize in a current market exchange. Gains or losses realized on financial instruments are reflected in future rates and therefore do not affect net income. Entergy considers the carrying amounts of most financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments. See Note 15 to the financial statements for further discussion of fair value.

Impairment of Long-lived Assets

Entergy periodically reviews long-lived assets whenever events or changes in circumstances indicate that recoverability of these assets is uncertain. Generally, the determination of recoverability is based on the undiscounted net cash flows expected to result from such operations and assets. Projected net cash flows depend on the expected operating life of the assets, the future operating costs associated with the assets, the efficiency and availability of the assets and generating units, and the future market and price for energy and capacity over the remaining life of the assets.

Assets Held for Sale

A long-lived asset or component of an entity meets the criteria to be classified as held for sale, generally, when management with requisite approvals commits to a plan to sell and it is probable that the sale will be completed within one year. When held for sale criteria is met, the assets and liabilities of the disposal group are separately presented as assets and liabilities held for sale on the balance sheet. Any long-lived assets of the disposal group are measured at the lower of their carrying value or their estimated fair value less costs to sell. If the disposal group meets the definition of a business, then a portion of any goodwill with that reporting unit is allocated to the disposal group based on the relative fair value of the components representing a business that will be retained and disposed.

As described in Note 14 to the financial statements, the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses met the criteria to be to classified as held for sale as of December 31, 2024, and were subsequently sold on July 1, 2025.

Reacquired Debt

The premiums and costs associated with reacquired debt of Entergy's Utility operating companies and System Energy (except that portion allocable to the deregulated operations of Entergy Louisiana) are included in regulatory assets and are being amortized over the life of the related new issuances, or over the life of the original debt issuance if the debt is not refinanced, in accordance with ratemaking treatment.

Taxes Imposed on Revenue-Producing Transactions

Governmental authorities assess taxes that are both imposed on and concurrent with a specific revenue-producing transaction between a seller and a customer, including, but not limited to, sales, use, value added, and some excise taxes. Entergy presents these taxes on a net basis, excluding them from revenues, unless required to report them differently by a regulatory authority.

New Accounting Pronouncements

The accounting standard-setting process is ongoing, and the FASB is currently working on several projects that have not yet resulted in final pronouncements. Final pronouncements that result from these projects could have a material effect on Entergy's future results of operations, financial positions, or cash flows.

In March 2024 the SEC issued final rules that require registrants to provide certain climate-related disclosures in annual reports and registration statements in order to enhance and standardize climate-related disclosures for investors. The final rules require a registrant to disclose, among other things: material climate-related risks; activities to mitigate or adapt to such risks; information about the registrant's board of directors' oversight of climate-related risks and management's role in managing material climate-related risks; and information on any climate-related targets or goals that are material to the registrant's business, results of operations, or financial condition. In addition, the final rules require disclosure of Scope 1 and/or Scope 2 greenhouse gas emissions on a phased-in basis by certain larger registrants when those emissions are material; the filing of an attestation report covering the required disclosure of such registrant's Scope 1 and/or Scope 2 emissions, also on a phased-in basis; and disclosure of the financial statement effects of severe weather events and other natural conditions. The final rules provide that the phase-in compliance period is effective for Entergy beginning with its annual report for the fiscal year ending December 31, 2025. In April 2024 the SEC stayed the final rules, pending judicial review of consolidated challenges to the rules by the United States Court of Appeals for the Eighth Circuit. In February 2025 then Acting SEC Chairman directed the SEC staff to request that the court not schedule the case for argument to provide time for the SEC to deliberate and determine the appropriate next steps in these cases. In March 2025 the SEC voted to end its defense of the final rules against parties that have legally challenged the rules. In April 2025 the United States Court of Appeals for the Eighth Circuit ordered the litigation to be held in abeyance and directed the SEC to indicate within 90 days whether the SEC would reconsider or review the climate disclosure rules. In July 2025 the SEC submitted a status report to the United States Court of Appeals for the Eighth Circuit stating that it does not intend to review or reconsider its final rules at this time and requesting that the Court of Appeals terminate the abeyance and proceed with its judicial review of the case. In September 2025 the United States Court of Appeals for the Eighth Circuit paused its consideration of legal challenges against the rules, pending further action by the SEC. Entergy will continue to monitor developments related to the SEC's final rules on climate-related disclosures.

In November 2024 the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)." The ASU is intended to improve disclosures around income statement expenses by requiring disaggregated information within the footnotes to the financial statements

about specific expense categories in commonly presented income statement expense captions. ASU 2024-03 is effective for Entergy for fiscal years beginning after December 15, 2026. Entergy does not expect ASU 2024-03 to materially affect its results of operations, financial positions, or cash flows.

In September 2025 the FASB issued ASU 2025-06, “Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software.” The ASU is intended to improve the operability of the guidance around capitalizing development costs incurred for internal-use software by removing all references to software development project stages so that the guidance is neutral to different software development methods. Instead, entities will be required to start capitalizing software costs when management has authorized and committed to funding the project and it is probable that the project will be completed and the software used to perform the function intended. ASU 2025-06 is effective for Entergy for fiscal years beginning after December 15, 2027. Entergy does not expect ASU 2025-06 to materially affect its results of operations, financial positions, or cash flows.

In December 2025 the FASB issued ASU 2025-10, “Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities.” The ASU establishes the accounting for a government grant received by a business entity, including guidance for a grant related to an asset and a grant related to income. Currently, in the absence of specific guidance, many business entities look to other guidance within GAAP or in International Accounting Standards to account for government grants. ASU 2025-10 is effective for Entergy for fiscal years beginning after December 15, 2028. Entergy does not expect ASU 2025-10 to materially affect its results of operations, financial positions, or cash flows.

NOTE 2. RATE AND REGULATORY MATTERS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Regulatory Assets and Regulatory Liabilities

Regulatory assets represent incurred costs that have been deferred because they are probable of future recovery from customers through regulated rates. Regulatory liabilities represent (1) revenue or gains that have been deferred because it is probable such amounts will be credited to customers through future regulated rates, (2) billings in advance of expenditures for approved regulatory programs, or (3) refunds ordered by regulators. In addition to the regulatory assets and liabilities that are specifically disclosed on the face of the balance sheets, the tables below provide detail of "Other regulatory assets" and "Other regulatory liabilities" that are included on Entergy's and the Registrant Subsidiaries' balance sheets as of December 31, 2025 and 2024 (as noted in footnotes to the tables, a portion of these regulatory assets and regulatory liabilities was classified as held for sale in the balance sheets as of December 31, 2024):

Other Regulatory Assets

Entergy

	2025	2024
	(In Millions)	
Asset retirement obligation - recovery dependent upon timing of decommissioning of nuclear units or shutdown of non-nuclear power plants and solar facilities (Note 9) (a)	$1,437.9	$1,358.7
Removal costs (Note 9)	1,178.9	1,107.6
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	1,067.2	1,207.6
Storm damage costs, including hurricane costs - recovered through securitization and retail rates (Note 2 - **Storm Cost Recovery Filings with Retail Regulators** and Note 5 - **Securitization Bonds**)	481.4	547.3
Qualified pension settlement cost deferral - recovered through June 2047 (Note 11 - **Qualified Pension Settlement Cost**)	200.2	227.1
Retail rate deferrals - recovered through formula rates or rate riders as rates are redetermined by retail regulators	140.5	195.1
Retired electric and gas meters - recovered through retail rates as determined by retail regulators (Note 2 - **Retail Rate Proceedings**)	117.9	135.7
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	73.0	180.0
Advanced metering system surcharge for residential customers - recovered through December 2029	53.7	39.7
Unamortized loss on reacquired debt - recovered over term of debt	53.6	57.9
Production tax credits (Note 3 - **Other Tax Matters** - **Inflation Reduction Act of 2022**) (b)	47.9	—
Deferred COVID-19 costs - recovered through retail rates as determined by retail regulators (Note 2 - **Retail Rate Proceedings**)	40.3	104.0
Retired distribution plant - resiliency plan - recovered over a 33-year period	22.4	—
Formula rate plan historical year rate adjustment (Note 2 - **Retail Rate Proceedings**) (c)	28.3	15.5
Pension & postretirement benefits expense deferral - recovered through retail rates (Note 2 - **Retail Rate Proceedings** and Note 11 - **Entergy Texas Reserve**)	0.9	15.0
Other	61.9	99.7
Entergy Total (d)	$5,006.0	$5,290.9

Entergy Arkansas

	2025	2024
	(In Millions)	
Asset retirement obligation - recovery dependent upon timing of decommissioning of nuclear units or shutdown of non-nuclear power plants and solar facilities (Note 9) (a)	$750.5	$693.0
Removal costs (Note 9)	369.6	337.9
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	333.4	391.2
Qualified pension settlement cost deferral - recovered through June 2047 (Note 11 - **Qualified Pension Settlement Cost**)	68.1	75.8
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (e)	37.1	—
Deferred COVID-19 costs - recovered over a 10-year period through December 2033	31.2	35.1
Storm damage costs - recovered through retail rates	29.3	29.8
Retired electric meters - recovered over a 15-year period through March 2034	29.2	32.8
Formula rate plan historical year rate adjustment (Note 2 - **Retail Rate Proceedings**) (c)	28.3	15.5
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	24.9	42.1
Unamortized loss on reacquired debt - recovered over term of debt	17.4	18.6
Retail rate deferrals - recovered through rate riders as rates are redetermined annually (c)	14.6	13.6
Other	10.2	14.7
Entergy Arkansas Total	$1,743.8	$1,700.1

Entergy Louisiana

	2025	2024
	(In Millions)	
Asset retirement obligation - recovery dependent upon timing of decommissioning of nuclear units or shutdown of non-nuclear power plants (Note 9) (a)	$438.0	$421.5
Removal costs (Note 9)	348.5	323.2
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	215.3	271.5
Storm damage costs, including hurricane costs - recovered through securitization and retail rates (Note 2 - **Storm Cost Recovery Filings with Retail Regulators**)	188.1	226.6
Qualified pension settlement cost deferral - recovered through June 2047 (Note 11 - **Qualified Pension Settlement Cost**)	98.7	111.4
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (e)	77.0	—
Retired electric and gas meters - recovered over a 22-year period through July 2041	72.9	78.5
Retired distribution plant - resiliency plan - recovered over a 33-year period	22.4	—
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	21.4	96.2
Unamortized loss on reacquired debt - recovered over term of debt	20.3	21.7
Deferred COVID-19 costs - offset with shorter-term financing interest earnings regulatory liability in 2025 (a)	—	47.8
Other	38.1	48.5
Entergy Louisiana Total (d)	$1,540.7	$1,646.9

Entergy Mississippi

	2025	2024
	(In Millions)	
Removal costs (Note 9)	$198.6	$184.8
Retail rate deferrals - recovered through formula rates or rate riders as rates are redetermined annually	105.3	162.5
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	70.3	82.2
Qualified pension settlement cost deferral - recovered through June 2047 (Note 11 **- Qualified Pension Settlement Cost)**	26.0	29.1
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	21.2	29.9
Asset retirement obligation - recovery dependent upon timing of shutdown of non-nuclear power plants and solar facility (Note 9) (a)	12.2	9.4
Unamortized loss on reacquired debt - recovered over term of debt	8.2	9.1
Other	13.9	18.8
Entergy Mississippi Total	$455.7	$525.8

Entergy New Orleans

	2025	2024
	(In Millions)	
Removal costs (Note 9)	$56.8	$62.5
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	18.2	22.9
Retired electric and gas meters - recovered over a 12-year period through July 2031 (c)	10.0	13.5
Qualified pension settlement cost deferral - recovered through June 2047 (Note 11 - **Qualified Pension Settlement Cost**)	7.4	10.8
Deferred COVID-19 costs - recovered over a five-year period through August 2028 (c)	5.8	10.2
Unamortized loss on reacquired debt - recovered over term of debt	0.3	0.5
Storm damage costs, including hurricane costs - recovered through securitization and retail rates (Note 2 - **Storm Cost Recovery Filings with Retail Regulators** and Note 5 - **Securitization Bonds**)	0.2	4.0
Gas cross-boring costs - recovered through formula rates as rates are redetermined by retail regulators	—	11.9
Other	11.0	20.7
Entergy New Orleans Total (d)	$109.7	$157.0

Entergy Texas

	2025	2024
	(In Millions)	
Storm damage costs, including hurricane costs - recovered through securitization and retail rates (Note 5 - **Securitization Bonds**)	$263.8	$286.5
Removal costs (Note 9)	105.0	102.3
Advanced metering system surcharge for residential customers - recovered through December 2029	53.7	39.7
Pension & postretirement costs (Note 11 - **Qualified Pension Plans**, **Other Postretirement Benefits**, and **Non-Qualified Pension Plans**) (a)	43.0	57.1
Unamortized loss on reacquired debt - recovered over term of debt	7.0	7.6
Neches and Sabine costs - recovered over a 10-year period through October 2028	6.7	9.2
Retired electric meters - recovered through retail rates (Note 2 - **Retail Rate Proceedings**)	5.8	10.9
Pension & postretirement benefits expense deferral - recovered through retail rates (Note 2 - **Retail Rate Proceedings** and Note 11 - **Entergy Texas Reserve**)	0.9	15.0
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	—	5.8
Other	24.9	15.6
Entergy Texas Total	$510.8	$549.7

System Energy

	2025	2024
	(In Millions)	
Asset retirement obligation - recovery dependent upon timing of decommissioning of nuclear unit (Note 9) (c)	$222.4	$224.8
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (e)	185.7	—
Removal costs - recovered through depreciation rates (Note 9)	100.4	96.9
Pension & postretirement costs (Note 11 - **Qualified Pension Plans, Other Postretirement Benefits,** and **Non-Qualified Pension Plans**) (a)	87.2	96.5
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	5.1	7.9
Unamortized loss on reacquired debt - recovered over term of debt	0.4	0.4
System Energy Total	$601.2	$426.5

(a) Does not earn a return on investment, but is offset by related liabilities.
(b) The regulatory asset represents the potential for the Registrant Subsidiaries to recover from customers the total deferred transaction and administrative costs and a market-based discount on the sale transactions.
(c) Does not earn a return on investment.
(d) Includes $35.4 million at Entergy, $8.9 million at Entergy Louisiana, and $23.7 million at Entergy New Orleans as of December 31, 2024 of regulatory assets related to the respective natural gas distribution businesses classified as held for sale and included within “Non-current assets held for sale” on the respective consolidated balance sheets. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.
(e) Regulatory assets include the MSS-4 replacement tariff and the Unit Power Sales Agreement payments which are affiliate transactions and are eliminated in consolidation.

Other Regulatory Liabilities

Entergy

	2025	2024
	(In Millions)	
Unrealized gains on nuclear decommissioning trust funds (Note 16) (a)	$2,731.9	$2,262.5
Securitization financing savings obligation (Note 2)	345.5	371.3
Retail rate rider over-recovery - refunded through formula rate or rate riders as rates are redetermined by retail regulators	143.3	164.9
Credits from resolution of the 2016-2018 IRS audit (Note 3)	132.5	163.3
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	84.7	—
Deferred tax equity partnership earnings (Note 1)	73.6	69.9
Vidalia purchased power agreement (Note 8)	54.5	67.4
Customer rate credits from global stipulated settlement with the LPSC - returned to customers September 2024 through August 2026 (Note 2)	48.7	121.7
Entergy Arkansas's accumulated accelerated Grand Gulf amortization - will be returned to customers when approved by the APSC and the FERC	44.4	44.4
Refund from System Energy settlement with the LPSC - returned to customers January 2025 through August 2027 (Note 2)	42.2	75.8
Refund from System Energy settlement with the City Council - returned to customers over a 25-year period beginning September 2024 (Note 2)	41.7	42.7
Asset retirement obligation - return to customers dependent upon timing of decommissioning (Note 9) (a)	39.3	40.9
Refund from System Energy settlement with the City Council - return to customers to be determined (Note 2)	29.2	32.0
Refund from System Energy settlement with the City Council - returned to customers over a 10-year period beginning September 2024 (Note 2)	18.7	22.0
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**)	15.3	—
Shorter-term financing interest earnings - offset with deferred COVID-19 costs regulatory asset in 2025 (a)	—	48.9
Refund from System Energy settlement with the APSC - refunded through a rate rider (Note 2)	—	8.2
Other	66.3	75.2
Entergy Total (b)	$3,911.8	$3,611.1

Entergy Arkansas

	2025	2024
	(In Millions)	
Unrealized gains on nuclear decommissioning trust funds (Note 16) (a)	$917.1	$761.3
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (c)	52.1	—
Retail rate rider over-recovery - refunded through rate riders as rates are redetermined annually	39.0	27.9
Deferred tax equity partnership earnings (Note 1)	35.4	32.4
Refund from System Energy settlement with the APSC - refunded through a rate rider (Note 2)	—	8.2
Other	0.5	1.4
Entergy Arkansas Total	$1,044.1	$831.2

Entergy Louisiana

	2025	2024
	(In Millions)	
Unrealized gains on nuclear decommissioning trust funds (Note 16) (a)	$961.9	$798.4
Securitization financing savings obligation (Note 2)	345.5	371.3
Retail rate rider over-recovery - refunded through rate riders as rates are redetermined annually	75.1	111.6
Vidalia purchased power agreement (Note 8)	54.5	67.4
Customer rate credits from global stipulated settlement with the LPSC - returned to customers September 2024 through August 2026 (Note 2)	48.7	121.7
Refund from System Energy settlement with the LPSC - returned to customers January 2025 through August 2027 (Note 2)	42.2	75.8
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (c)	39.9	—
Asset retirement obligation - return to customers dependent upon timing of decommissioning (Note 9) (a)	39.3	40.9
Shorter-term financing interest earnings - offset with deferred COVID-19 costs regulatory asset in 2025 (a)	—	48.9
Hurricane Ida insurance proceeds - returned to customers August 2024 through July 2025	—	26.0
Credits from resolution of the 2016-2018 IRS audit - returned to customers September 2024 through August 2025 (Note 3)	—	25.3
Other	23.7	6.4
Entergy Louisiana Total (b)	$1,630.8	$1,693.7

Entergy Mississippi

	2025	2024
	(In Millions)	
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (c)	$72.2	$—
Deferred tax equity partnership earnings (Note 1)	38.2	37.5
Other postretirement benefits (Note 11 - **Entergy Mississippi Other Postretirement Benefits**)	18.6	7.4
Retail rate rider over-recovery - refunded through formula rate or rate riders as rates are redetermined annually	14.2	12.2
Other	0.9	2.4
Entergy Mississippi Total	$144.1	$59.5

Entergy New Orleans

	2025	2024
	(In Millions)	
Credits from resolution of the 2016-2018 IRS audit - returned to customers over a 25-year period beginning January 2025 (Note 3)	$132.5	$138.0
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022**) (c)	61.6	—
Refund from System Energy settlement with the City Council - returned to customers over a 25-year period beginning September 2024 (Note 2)	41.7	42.7
Refund from System Energy settlement with the City Council - return to customers to be determined (Note 2)	29.2	32.0
Refund from System Energy settlement with the City Council - returned to customers over a 10-year period beginning September 2024 (Note 2)	18.7	22.0
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	11.5	—
Sale-leaseback and depreciation refunds - returned to customers over a 10-year period beginning September 2023 (Note 2)	4.6	5.2
Gain on sale of natural gas business - to be returned to customers over a 3-year period beginning September 2026 (Note 14 - **Dispositions**)	4.1	—
Retail rate rider over-recovery - refunded through rate riders as rates are redetermined annually	1.8	16.3
Other	7.3	4.5
Entergy New Orleans Total (b)	$313.0	$260.7

Entergy Texas

	2025	2024
	(In Millions)	
Non-service pension & postretirement costs (Note 11 - **Accounting for Pension and Other Postretirement Benefits**)	$73.2	$—
Production tax credits (Note 3 - **Other Tax Matters - Inflation Reduction Act of 2022)** (c)	45.8	—
Retail rate rider over-recovery - return to customers to be determined	13.0	12.2
Retail refunds - return to customers to be determined	6.2	6.2
Other	0.8	0.3
Entergy Texas Total	$139.0	$18.7

System Energy

	2025	2024
	(In Millions)	
Unrealized gains on nuclear decommissioning trust funds (Note 16) (a)	$852.9	$702.8
Entergy Arkansas's accumulated accelerated Grand Gulf amortization - will be returned to customers when approved by the APSC and the FERC	44.4	44.4
System Energy Total	$897.3	$747.2

(a) Offset by related asset.
(b) Includes $1.6 million at Entergy, $1.2 million at Entergy Louisiana, and $0.4 million at Entergy New Orleans as of December 31, 2024 of regulatory liabilities related to the respective natural gas distribution businesses classified as held for sale and included within other non-current liabilities on the respective consolidated balance sheets. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.
(c) Regulatory liabilities include the MSS-4 replacement tariff and the Unit Power Sales Agreement payments which are affiliate transactions and are eliminated in consolidation.

Fuel and purchased power cost recovery

The Utility operating companies are allowed to recover fuel and purchased power costs through fuel mechanisms included in electric and gas rates that are recorded as fuel cost recovery revenues. The difference between revenues collected and the current fuel and purchased power costs is generally recorded as "Deferred fuel costs" on the Utility operating companies' financial statements. The table below shows the amount of current deferred fuel costs as of December 31, 2025 and 2024 that each Utility operating company expects to recover (or return to customers) through fuel mechanisms, subject to subsequent regulatory review.

	2025	2024
	(In Millions)	
Entergy Arkansas	$27.7	($45.2)
Entergy Louisiana (a)	$15.7	($4.7)
Entergy Mississippi	$10.8	($126.3)
Entergy New Orleans (a)	($3.2)	$3.9
Entergy Texas	($11.4)	($59.3)

(a) Includes $0.7 million at Entergy Louisiana and $4.9 million at Entergy New Orleans as of December 31, 2024 of deferred fuel assets related to the respective natural gas distribution businesses classified as held for sale and included within "Current assets held for sale" on the respective consolidated balance sheets. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

In addition, Entergy Louisiana and Entergy New Orleans have $168.1 million and $4.1 million, respectively, classified as long-term deferred fuel costs for fuel, purchased power, and capacity costs, which do not currently earn a return on investment and whose recovery periods are indeterminate but are expected to be recovered over a period greater than twelve months, on their consolidated balance sheets as of December 31, 2025 and 2024.

Entergy Arkansas

Energy Cost Recovery Rider

Entergy Arkansas's retail rates include an energy cost recovery rider to recover fuel and purchased energy costs in monthly customer bills. The rider utilizes the prior calendar-year energy costs and projected energy sales for the twelve-month period commencing on April 1 of each year to develop an energy cost rate, which is redetermined annually and includes a true-up adjustment reflecting the over- or under-recovery, including carrying charges, of the energy costs for the prior calendar year. The energy cost recovery rider tariff also allows an interim rate request depending upon the level of over- or under-recovery of fuel and purchased energy costs.

In January 2014, Entergy Arkansas filed a motion with the APSC relating to its upcoming energy cost rate redetermination filing that was made in March 2014. In that motion, Entergy Arkansas requested that the APSC authorize Entergy Arkansas to exclude from the redetermination of its 2014 energy cost rate $65.9 million of incremental fuel and replacement energy costs incurred in 2013 as a result of the ANO stator incident. Entergy Arkansas requested that the APSC authorize Entergy Arkansas to retain that amount in its deferred fuel balance, with recovery to be reviewed in a later period after more information was available regarding various claims associated with the ANO stator incident. In February 2014 the APSC approved Entergy Arkansas's request to retain that amount in its deferred fuel balance. In July 2017, Entergy Arkansas filed for a change in rates pursuant to its formula rate plan rider. In that proceeding, the APSC approved a settlement agreement agreed upon by the parties, including a provision that requires Entergy Arkansas to initiate a regulatory proceeding for the purpose of recovering funds currently withheld from rates and related to the stator incident, including the $65.9 million of deferred fuel and purchased energy costs and costs related to the incremental oversight previously noted, subject to certain timelines and conditions set forth in the settlement agreement. In October 2023, Entergy Arkansas made a commitment to the APSC to make a filing to forgo its opportunity to seek recovery of the incremental fuel and purchased energy expense, among other identified costs, resulting from the ANO stator incident. As a result, in third quarter 2023, Entergy Arkansas recorded a write-off of its regulatory asset for deferred fuel of $68.9 million, which includes interest, related to the ANO stator incident. Consistent with its October 2023 commitment, Entergy Arkansas filed a motion to forgo recovery in November 2023, and the motion was approved by the APSC in December 2023. See the "**ANO Damage, Outage, and NRC Reviews**" section in Note 8 to the financial statements for further discussion of the ANO stator incident and the approved motion to forgo recovery.

In March 2017, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01164 per kWh to $0.01547 per kWh. The APSC staff filed testimony in March 2017 recommending that the redetermined rate be implemented with the first billing cycle of April 2017 under the normal operation of the tariff. Accordingly, the redetermined rate went into effect on March 31, 2017 pursuant to the tariff. In July 2017 the Arkansas Attorney General requested additional information to support certain of the costs included in Entergy Arkansas's 2017 energy cost rate redetermination.

In March 2018, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01547 per kWh to $0.01882 per kWh. The Arkansas Attorney General filed a response to Entergy Arkansas's annual redetermination filing requesting that the APSC suspend the proposed tariff to investigate the amount of the redetermination or, alternatively, to allow recovery subject to refund. Among the reasons the Attorney General cited for suspension were questions pertaining to how Entergy Arkansas forecasted sales and potential implications of the Tax Cuts and Jobs Act. Entergy Arkansas replied to the Attorney General's filing and stated that, to the extent there are questions pertaining to its load forecasting or the operation of the energy cost recovery rider, those issues exceed the scope of the instant rate redetermination. Entergy Arkansas also stated that potential effects of the Tax Cuts and Jobs Act are appropriately considered in the APSC's separate proceeding regarding potential implications of the tax law. The APSC general staff filed a reply to the Attorney General's filing and agreed that Entergy Arkansas's filing complied with the terms of the energy cost recovery rider. The redetermined rate became effective with the first billing cycle of April 2018.

Subsequently in April 2018 the APSC issued an order declining to suspend Entergy Arkansas's energy cost recovery rider rate and declining to require further investigation at that time of the issues suggested by the Attorney General in the proceeding. Following a period of discovery, the Attorney General filed a supplemental response in October 2018 raising new issues with Entergy Arkansas's March 2018 rate redetermination and asserting that $45.7 million of the increase should be collected subject to refund pending further investigation. Entergy Arkansas filed to dismiss the Attorney General's supplemental response, the APSC general staff filed a motion to strike the Attorney General's filing, and the Attorney General filed a supplemental response disputing Entergy Arkansas and the APSC staff's filing. Applicable APSC rules and processes authorize its general staff to initiate periodic audits of Entergy Arkansas's energy cost recovery rider. In late-2018 the APSC general staff notified Entergy Arkansas it initiated an audit of the 2017 fuel costs. The timing of the audit's completion is uncertain at this time.

In March 2023, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01639 per kWh to $0.01883 per kWh. The primary reason for the rate increase was a large under-recovered balance as a result of higher natural gas prices in 2022 and a $32 million deferral related to the APSC general staff's request in 2022 for Entergy Arkansas to defer its request for recovery related to the February 2021 winter storms until the 2023 energy cost rate redetermination. In February 2023 the APSC issued orders initiating proceedings to address the prudence of costs incurred and appropriate cost allocation of the February 2021 winter storms, and in September 2023 the APSC issued an order finding Entergy Arkansas's practices during the February 2021 winter storms to be prudent. The under-recovered balance included in the March 2023 filing was partially offset by the proceeds of the $41.7 million refund that System Energy made to Entergy Arkansas in January 2023 related to the sale-leaseback renewal costs and depreciation litigation as calculated in System Energy's January 2023 compliance report filed with the FERC. See "**Complaints Against System Energy - Grand Gulf Sale-leaseback Renewal Complaint and Uncertain Tax Position Rate Base Issue**" below for discussion of the compliance report filed by System Energy with the FERC in January 2023. The redetermined rate of $0.01883 per kWh became effective with the first billing cycle in April 2023 through the normal operation of the tariff.

In March 2024, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected a decrease in the rate from $0.01883 per kWh to $0.00882 per kWh. Due to a change in law in the State of Arkansas, the annual redetermination included $9 million, recorded as a credit to fuel expense in first quarter 2024, for recovery attributed to net metering costs in 2023. The primary reason for the rate decrease was a large over-recovered balance as a result of lower natural gas prices in 2023. To mitigate the effect of projected increases in natural gas prices in 2024, Entergy Arkansas adjusted the over-recovered balance included in the March 2024 annual redetermination filing by $43.7 million. This adjustment reduced the rate change that was reflected in the 2025 energy cost rate redetermination. The redetermined rate of $0.00882 per kWh became effective with the first billing cycle in April 2024 through the normal operation of the tariff.

In March 2025, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.00882 per kWh to $0.01333 per kWh. The annual redetermination included a credit related to the remaining balance due to retail customers from the System Energy settlement with the APSC, plus carrying charges and interest. See "**Retail Rate Proceedings - Filings with the APSC (Entergy Arkansas) -** Retail Rates - Grand Gulf Credit Rider" below for further discussion. The primary reason for the rate increase was an adjustment to account for projected increases in natural gas prices in 2025. This adjustment is expected to reduce the rate change that will be reflected in Entergy Arkansas's 2026 energy cost rate redetermination. The redetermined rate of $0.01333 per kWh became effective with the first billing cycle in April 2025 through the normal operation of the tariff.

Entergy Louisiana

Entergy Louisiana recovers electric fuel and purchased power costs for the billing month based upon the level of such costs incurred two months prior to the billing month. Entergy Louisiana's purchased gas adjustments, which ceased following the sale of its natural gas distribution business on July 1, 2025, included estimates for the

billing month adjusted by a surcharge or credit that arose from an annual reconciliation of fuel costs incurred with fuel cost revenues billed to customers, including carrying charges. See Note 14 to the financial statements for discussion of the sale of Entergy Louisiana's natural gas distribution business on July 1, 2025.

In March 2020 the LPSC staff provided notice of an audit of Entergy Louisiana's fuel adjustment clause filings. The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's fuel adjustment clause for the period from 2016 through 2019. The LPSC staff issued its audit report in September 2021, and although certain internal record keeping recommendations were made, the LPSC staff did not recommend any disallowances. The next step is for the LPSC to issue its final report, but there is not a deadline or timing requirement associated with the issuance of the final report.

To mitigate high electric bills, primarily driven by high summer usage and elevated gas prices, Entergy Louisiana deferred approximately $225 million of fuel expense incurred in April, May, June, July, August, and September 2022 (as reflected on June, July, August, September, October, and November 2022 bills). These deferrals were included in the over/under calculation of the fuel adjustment clause, which was intended to recover the full amount of the costs included on a rolling twelve-month basis.

In January 2023 the LPSC staff provided notice of an audit of Entergy Louisiana's fuel adjustment clause filings. The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's fuel adjustment clause for the period from 2020 through 2022. Discovery is ongoing, and no audit report has been filed.

In June 2025 the LPSC staff provided notice of an audit of Entergy Louisiana's purchased gas adjustment clause filings (for Entergy Louisiana's gas operations). The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's purchased gas adjustment clause for the period from January 2023 through June 2025. Discovery is ongoing, and no audit report has been filed.

Entergy Mississippi

Entergy Mississippi's rate schedules include an energy cost recovery rider and a power management rider, both of which are adjusted annually to reflect accumulated over- or under-recoveries. Entergy Mississippi recovers fuel and purchased energy costs through its energy cost recovery rider and recovers costs associated with natural gas hedging and capacity payments through its power management rider. Entergy Mississippi's fuel cost recoveries are subject to annual audits conducted pursuant to the authority of the MPSC.

See "**Complaints Against System Energy - System Energy Settlement with the MPSC**" below for discussion of the settlement agreement filed with the FERC in June 2022. The settlement, which was approved by the FERC in November 2022, provided for a refund of $235 million from System Energy to Entergy Mississippi. In July 2022 the MPSC directed the disbursement of settlement proceeds, ordering Entergy Mississippi to provide a one-time $80 bill credit to each of its approximately 460,000 retail customers to be effective during the September 2022 billing cycle and to apply the remaining proceeds to Entergy Mississippi's under-recovered deferred fuel balance. In accordance with the MPSC's directive, Entergy Mississippi provided approximately $36.7 million in customer bill credits as a result of the settlement. In November 2022, Entergy Mississippi applied the remaining settlement proceeds in the amount of approximately $198.3 million to Entergy Mississippi's under-recovered deferred fuel balance.

Entergy Mississippi had a deferred fuel balance of approximately $291.7 million under the energy cost recovery rider as of July 31, 2022, along with an over-recovery balance of $51.1 million under the power management rider. Without further action, Entergy Mississippi anticipated a year-end deferred fuel balance of approximately $200 million after application of a portion of the System Energy settlement proceeds, as discussed above. In September 2022, Entergy Mississippi filed for interim adjustments under both the energy cost recovery rider and the power management rider. Entergy Mississippi proposed five monthly incremental adjustments to the net energy cost factor designed to collect the under-recovered fuel balance as of July 31, 2022 and to reflect the

recovery of a higher natural gas price. Entergy Mississippi also proposed five monthly incremental adjustments to the power management adjustment factor designed to flow through to customers the over-recovered power management rider balance as of July 31, 2022. In October 2022 the MPSC approved modified interim adjustments to Entergy Mississippi's energy cost recovery rider and power management rider. The MPSC approved dividing the energy cost recovery rider interim adjustment into two components that would allow Entergy Mississippi to (1) recover a natural gas fuel rate that is better aligned with current prices; and (2) recover the estimated under-recovered deferred fuel balance as of September 30, 2022 over a period of 20 months. The MPSC approved six monthly incremental adjustments to the net energy cost factor designed to reflect the recovery of a higher natural gas price. The MPSC also approved six monthly incremental adjustments to the power management adjustment factor designed to flow through to customers the over-recovered power management rider balance. In accordance with the order of the MPSC, Entergy Mississippi did not file an annual redetermination of the energy cost recovery rider or the power management rider in November 2022.

In June 2023 the MPSC approved the joint stipulation agreement between Entergy Mississippi and the Mississippi Public Utilities Staff for Entergy Mississippi's 2023 formula rate plan filing. The stipulation directed Entergy Mississippi to make a compliance filing to revise its power management cost adjustment factor, to revise its grid modernization cost adjustment factor, and to include a revision to reduce the net energy cost factor to a level necessary to reflect an average natural gas price of $4.50 per MMBtu. The MPSC approved the compliance filing in June 2023, effective for July 2023 bills. See "**Retail Rate Proceedings - Filings with the MPSC (Entergy Mississippi)** - Retail Rates - 2023 Formula Rate Plan Filing" below for further discussion of the 2023 formula rate plan filing and the joint stipulation agreement.

In November 2023, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $142 million as of January 31, 2024. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $47 million as of January 31, 2024. In January 2024 the MPSC approved the proposed energy cost factor and the proposed power management cost factor effective for February 2024 bills.

In June 2024 the MPSC approved the joint stipulation agreement between Entergy Mississippi and the Mississippi Public Utilities Staff for Entergy Mississippi's 2024 formula rate plan filing. The 2024 formula rate plan filing included the conclusion of the modified interim adjustments to Entergy Mississippi's energy cost recovery rider and power management rider, which were approved in October 2022 and allowed Entergy Mississippi to recover certain under-collected fuel balances, effective for July 2024 bills. The stipulation provided for Entergy Mississippi to reduce its net energy cost factor. See "**Retail Rate Proceedings - Filings with the MPSC (Entergy Mississippi)** - Retail Rates - 2024 Formula Rate Plan Filing" below for further discussion of the 2024 formula rate plan filing and the joint stipulation agreement.

In November 2024, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $144.6 million as of September 30, 2024. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $60.1 million as of September 30, 2024. In January 2025 the MPSC approved a revised energy cost factor, effective for February 2025 bills, that did not reflect the fuel savings associated with Entergy Mississippi's incremental increase in its share of capacity and energy in connection with Entergy Mississippi's assumption of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, which was subject to the MPSC's review at such time. In February 2025 the MPSC approved Entergy Mississippi's notice of intent for Entergy Mississippi's assumption of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, with associated fuel savings to be reflected in Entergy Mississippi's energy cost recovery rider, effective for March 2025 bills. Additionally, in February 2025 the MPSC approved the proposed power management cost adjustment factor, effective for March 2025 bills.

In November 2025, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $21.5 million as of September 30, 2025. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $9.3 million as of September 30, 2025. In January 2026 the MPSC approved the proposed energy cost factor effective for February 2026 bills. In January 2026 the MPSC also approved a power management cost factor effective for February 2026 bills, based on an under-recovery balance that was $4.8 million lower than the previously filed under-recovery balance, due to a rate mitigation adjustment that utilized, for the benefit of customers, certain liquidated damages payments received by Entergy Mississippi.

Entergy New Orleans

Entergy New Orleans's electric rate schedules include a fuel adjustment tariff designed to reflect no more than targeted fuel and purchased power costs, adjusted by a surcharge or credit for deferred fuel expense arising from the monthly reconciliation of actual fuel and purchased power costs incurred with fuel cost revenues billed to customers, including carrying charges.

Entergy Texas

Entergy Texas's rate schedules include a fixed fuel factor to recover fuel and purchased power costs, including interest, not recovered in base rates. Historically, semi-annual revisions of the fixed fuel factor have been made in March and September based on the market price of natural gas and changes in fuel mix. The amounts collected under Entergy Texas's fixed fuel factor and any interim surcharge or refund are subject to fuel reconciliation proceedings before the PUCT. In 2023 the Texas legislature modified the Texas Utilities Code with regard to how material over- and under-recovered fuel balances are to be addressed and directed that fuel reconciliations must be filed at least once every two years. In July 2025 the PUCT initiated a rulemaking to effectuate the new legislation. In December 2025 the PUCT adopted amendments to its fuel rules that maintain a periodic revision to utility fuel factors coupled with accelerated processing of surcharges and refunds to address material over- and under-recovered amounts.

In September 2022, Entergy Texas filed an application with the PUCT to reconcile its fuel and purchased power costs for the period from April 2019 through March 2022. During the reconciliation period, Entergy Texas incurred approximately $1.7 billion in eligible fuel and purchased power expenses, net of certain revenues credited to such expenses and other adjustments. As of the end of the reconciliation period, Entergy Texas's cumulative under-recovery balance was approximately $103.1 million, including interest, which Entergy Texas requested authority to carry over as the beginning balance for the subsequent reconciliation period beginning April 2022, pending future surcharges or refunds as approved by the PUCT. In November 2022 the PUCT referred the proceeding to the State Office of Administrative Hearings. In July 2023, Entergy Texas filed an unopposed settlement, supporting testimony, and an agreed motion to admit evidence and remand the proceeding to the PUCT. Pursuant to the unopposed settlement, Entergy Texas would receive no disallowance of fuel costs incurred over the three-year reconciliation period and retain $9.3 million in margins from off-system sales made during the reconciliation period, resulting in a cumulative under-recovery balance of approximately $99.7 million, including interest, as of the end of the reconciliation period. In July 2023 the ALJ with the State Office of Administrative Hearings granted the motion to admit evidence and remanded the proceeding to the PUCT for consideration of the unopposed settlement. The PUCT approved the settlement in September 2023.

In September 2024, Entergy Texas filed an application with the PUCT to reconcile its fuel and purchased power costs for the period from April 2022 through March 2024. During the reconciliation period, Entergy Texas incurred approximately $1.6 billion in eligible fuel and purchased power expenses to generate and purchase electricity to serve its customers, net of certain revenues credited to such expenses and other adjustments. Entergy Texas's cumulative under-recovery balance for the reconciliation period was approximately $30 million, including interest, which Entergy Texas requested authority to carry over as part of the cumulative fuel balance for the

subsequent reconciliation period beginning April 2024. In March 2025, Texas Industrial Energy Consumers, an intervenor, filed testimony regarding the recovery of capacity costs for a certain power purchase agreement, arguing the capacity costs should be imputed and treated as non-reconcilable fuel expense, recovered in Entergy Texas's base rates. In April 2025 the PUCT staff filed testimony and later in April 2025, Entergy Texas filed rebuttal testimony. In August 2025, Entergy Texas filed an unopposed settlement agreement that results in no disallowance and establishes a regulatory asset for the future recovery of imputed capacity costs and associated carrying costs related to a certain purchased power agreement, with recovery effective retroactive to June 1, 2024. In October 2025 the PUCT approved the unopposed settlement agreement.

In December 2024, Entergy Texas filed an application with the PUCT to implement an interim fuel refund of $45.5 million, including interest. Entergy Texas proposed that the interim fuel refund be implemented over a three-month period beginning with the first billing cycle in February 2025 for residential and other small customers and through a one-time credit, or surcharge depending on historical usage for the respective customer, for certain transmission voltage level and seasonal agricultural customers in February 2025. Also in December 2024 the PUCT referred the proceeding to the State Office of Administrative Hearings. In January 2025 the ALJ with the State Office of Administrative Hearings issued an order approving the interim fuel refund consistent with Entergy Texas's application and, because no hearing was requested in the proceeding, dismissing the case from the State Office of Administrative Hearings and the PUCT.

Retail Rate Proceedings

Filings with the APSC (Entergy Arkansas)

Retail Rates

2023 Formula Rate Plan Filing

In July 2023, Entergy Arkansas filed with the APSC its 2023 formula rate plan filing to set its formula rate for the 2024 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the projected year 2024 and a netting adjustment for the historical year 2022. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2024 projected year was 8.11% resulting in a revenue deficiency of $80.5 million. The earned rate of return on common equity for the 2022 historical year was 7.29% resulting in a $49.8 million netting adjustment. The total proposed revenue change for the 2024 projected year and 2022 historical year netting adjustment was $130.3 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $88.6 million. The APSC general staff and intervenors filed their errors and objections report in October 2023, proposing certain adjustments, including the APSC general staff's update to annual filing year revenues which lowers the constraint to $87.7 million. In October 2023, Entergy Arkansas filed with the APSC a settlement agreement reached with other parties resolving all issues in the proceeding, none of which affected Entergy Arkansas's requested recovery up to the constraint of $87.7 million. The settlement agreement provided for amortization of the approximately $39 million regulatory asset for costs associated with the COVID-19 pandemic over a 10-year period as well as recovery of $34.9 million related to the resolution of the 2016 and 2017 IRS audits from previous tax positions that are no longer uncertain, partially offset by $24.7 million in excess accumulated deferred income taxes from reductions in state income tax rates, each before consideration of their respective tax gross-up. See Note 3 to the financial statements for further discussion of the resolution of the 2016-2018 IRS audit and the State of Arkansas corporate income tax rate changes. In December 2023 the APSC approved the settlement agreement as being in the public interest and approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2024.

2024 Formula Rate Plan Filing

In July 2024, Entergy Arkansas filed with the APSC its 2024 formula rate plan filing to set its formula rate for the 2025 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the 2025 projected year and a netting adjustment for the 2023 historical year. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2025 projected year was 8.43% resulting in a revenue deficiency of $69.5 million. The earned rate of return on common equity for the 2023 historical year was 7.48% resulting in a $33.1 million netting adjustment. The total proposed revenue change for the 2025 projected year and 2023 historical year netting adjustment was $102.6 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $82.6 million. The APSC general staff and intervenors filed their errors and objections report in October 2024, proposing certain adjustments, including the APSC general staff's update to annual filing year revenues that increases the constraint to $83.5 million. Entergy Arkansas filed its rebuttal in October 2024, and later in October 2024 the parties submitted a joint issues list and stipulations setting forth the disputed issues and the noncontested issues. In December 2024 the APSC approved the parties' stipulations without modification, approved Entergy Arkansas's adjustment with respect to storm costs, directed Entergy Arkansas to adjust its projected year distribution reliability capital closings, and deferred the recoverability of Entergy Arkansas's opportunity sales legal fees until the next general rate case. Also in December 2024 the APSC approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2025. As a result of the proceeding, the total revenue change was $82.7 million, including a $63.7 million increase for the 2025 projected year and a $31.4 million netting adjustment for the 2023 historical year. In fourth quarter 2024, Entergy Arkansas recorded a regulatory asset of $15.5 million to reflect the amount of the 2023 historical year netting adjustment that it collected from its customers during the 2025 rate effective period. Pursuant to the terms of the parties' stipulations, Entergy Arkansas made a filing with the APSC in January 2025 to refund customers $30.1 million in excess accumulated deferred income taxes resulting from the reduction in the State of Arkansas's income tax rate from 4.8% to 4.3% in 2024. Entergy Arkansas began refunding this amount over a 24-month period effective with the first billing cycle of February 2025.

2025 Formula Rate Plan Filing

In July 2025, Entergy Arkansas filed with the APSC its 2025 formula rate plan filing to set its formula rate for the 2026 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the 2026 projected year and a netting adjustment for the 2024 historical year. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2026 projected year was 8.45% resulting in a revenue deficiency of $68.9 million. The earned rate of return on common equity for the 2024 historical year was 7.71% resulting in a $48.8 million netting adjustment. The total proposed revenue change for the 2026 projected year and 2024 historical year netting adjustment was $117.7 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $92.3 million. The APSC general staff filed their errors and objections report in October 2025, proposing an adjustment to the coupon rate for the projected long-term debt issuance in 2026 and an update to annual filing year revenues that increases the constraint to $93.9 million. Entergy Arkansas filed its rebuttal in October 2025. A hearing was scheduled for November 2025, and an order was expected in December 2025. Due to no contested issues remaining outstanding among the parties to the proceeding, in October 2025, Entergy Arkansas and the APSC general staff filed a joint motion requesting the APSC cancel the hearing and issue a decision based on the pleadings and testimony in the record. The APSC granted this request. In December 2025 the APSC approved Entergy Arkansas's request as modified by the APSC general staff's errors and objections report and Entergy Arkansas's rebuttal testimony. Also in December 2025 the APSC approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2026. As a result of the proceeding, the total revenue change was $93.9 million, including a $65.6 million increase for the 2026 projected year and a $48.8 million netting adjustment for the 2024 historical year. In fourth quarter 2025, Entergy Arkansas recorded a regulatory asset of $28.3 million

to reflect the amount of the 2024 historical year netting adjustment that it expects to collect from its customers during the 2026 rate effective period.

Grand Gulf Credit Rider

In June 2024, Entergy Arkansas filed with the APSC a tariff to provide retail customers a credit resulting from the terms of the settlement agreement between Entergy Arkansas, System Energy, additional named Entergy parties, and the APSC pertaining to System Energy's billings for wholesale sales of energy and capacity from the Grand Gulf nuclear plant. See "**Complaints Against System Energy - System Energy Settlement with the APSC**" below for discussion of the System Energy settlement with the APSC. In July 2024 the APSC approved the tariff, under which Entergy Arkansas would refund to retail customers a total of $100.6 million. Entergy Arkansas refunded $92.3 million of the total through one-time bill credits under the Grand Gulf credit rider during the August 2024 billing cycle. In March 2025, Entergy Arkansas included the remaining balance as a credit to retail customers in its energy cost recovery rider rate redetermination filing. See further discussion within "**Regulatory Assets and Regulatory Liabilities - Fuel and purchased power cost recovery** - Entergy Arkansas - Energy Cost Recovery Rider" above. In April 2025 the APSC approved Entergy Arkansas's proposal to include the remaining balance in its energy cost recovery rider effective with the first billing cycle of April 2025 and the withdrawal of the Grand Gulf credit rider after all credits had been issued. Credits to retail customers were completed in second quarter 2025, and the Grand Gulf credit rider was subsequently withdrawn.

Generating Arkansas Jobs Act Rider

In March 2025 the State of Arkansas passed the Generating Arkansas Jobs Act of 2025, now Act 373 (Act 373), that authorizes the recovery of financing costs during construction of generation and transmission investments through a rider separate from the formula rate plan. Act 373 also permits cost recovery of those investments, when completed and in service, either through the next general rate case proceeding or under the formula rate plan. Act 373 streamlines and simplifies the regulatory approval process and provides increased timeliness and certainty of cost recovery.

In July 2025, Entergy Arkansas submitted a tariff filing with the APSC requesting approval of a strategic investment recovery rider, consistent with the provisions of Act 373. In October 2025 the APSC issued an order approving the proposed rider with several revisions, including elimination of an annual true-up adjustment, a change in cost allocation methodology, the removal of excess and deficient accumulated deferred income taxes to a separate rider, and the addition of reporting requirements. As directed by the order, in October 2025, Entergy Arkansas made a compliance filing. In November 2025, the APSC general staff recommended additional updates to the compliance filing, including limiting the accumulated deferred income tax adjustment to excess accumulated deferred income taxes. Also, in November 2025, Entergy Arkansas filed a second compliance filing, which was approved by the APSC.

Special Rate Contract and Arkansas Cypress Solar

In September 2025, Entergy Arkansas filed an application with the APSC seeking approval of a long-term special rate contract between Altitude, LLC, a subsidiary of Alphabet, Inc. (Google) and Entergy Arkansas for the sale of electricity to a new large-scale data center in West Memphis, Arkansas. In October 2025 the APSC general staff filed testimony finding that based on its evaluation of Entergy Arkansas's application and the results of the ratepayer impact measure test, the special rate contract meets the requirements of the APSC's promotional practice rules and is in the public interest. No other parties filed testimony. In December 2025 the APSC issued an order approving the special rate contract but denying the requested ratemaking treatment of Google's upfront payments and deferring a decision on the treatment under the contract pricing providing for the deferral and amortization of the investment tax credits from the Arkansas Cypress Solar facility (discussed below). Also in December 2025, Entergy Arkansas filed a petition with the APSC regarding these findings, noting that they would require renegotiation of the special rate contract. In January 2026 the APSC issued an order maintaining its position on the

ratemaking treatment of Google's upfront payments but reversing itself on the treatment of the Arkansas Cypress Solar facility investment tax credits and allowing those to be used in the pricing of the Arkansas Cypress Solar facility to Google as provided for in the contract.

In September 2025, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of the Arkansas Cypress Solar facility, a planned 600 MW solar photovoltaic array with a 350 MW battery energy storage system and associated transmission facilities interconnecting at Entergy Arkansas's White Bluff substation. The estimated cost of the project is $1,602 million. Entergy Arkansas is seeking public interest and prudence findings from the APSC no later than 180 days from the filing, pursuant to Act 373 of 2025, to construct the Arkansas Cypress Solar facility in support of its long-term special rate contract with Google. In October 2025 the APSC general staff and the Arkansas Attorney General filed responsive testimony opposing the project cost and seeking additional information. Subsequently, the APSC general staff submitted supplemental testimony to update its initial conclusion and recommendations, noting that the Arkansas Cypress Solar facility is a reasonable project and recommending the APSC approve the project under certain conditions. Entergy Arkansas proposes to recover the costs of constructing the Arkansas Cypress Solar facility through the Generating Arkansas Jobs Act rider. A hearing was held in December 2025, and an APSC decision is due in March 2026. Subject to receipt of required regulatory approval and other conditions, the facility is expected to be in service by the end of 2028. See "Generating Arkansas Jobs Act Rider" above for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Filings with the LPSC (Entergy Louisiana)

Retail Rates - Electric

2022 Formula Rate Plan Filing

In May 2023, Entergy Louisiana filed its formula rate plan evaluation report for its 2022 calendar year operations. The 2022 test year evaluation report produced an earned return on common equity of 8.33%, requiring an approximately $70.7 million increase to base rider revenue. Due to a cap for the 2021 and 2022 test years, however, base rider formula rate plan revenues were only increased by approximately $4.9 million, resulting in a revenue deficiency of approximately $65.9 million and providing for prospective return on common equity opportunity of approximately 8.38%. Other changes in formula rate plan revenue driven by increases in capacity costs, primarily legacy capacity costs, additions eligible for recovery through the transmission recovery mechanism and distribution recovery mechanism, and higher sales during the test period were offset by reductions in net MISO costs as well as credits for FERC-ordered refunds. Also included in the 2022 test year distribution recovery mechanism revenue requirement was a $6 million credit relating to the distribution recovery mechanism performance accountability standards and requirements. In total, the net increase in formula rate plan revenues, including base formula rate plan revenues inside the formula rate plan bandwidth and subject to the cap, as well as other formula rate plan revenues outside of the bandwidth, was $85.2 million. In August 2023 the LPSC staff filed a list of objections/reservations, including outstanding issues from the test years 2017-2021 formula rate plan filings, the calculation of certain refunds from System Energy, and certain calculations relating to the tax reform adjustment mechanism. Subject to LPSC review, the resulting net increase in formula rate plan revenues of $85.2 million became effective for bills rendered during the first billing cycle of September 2023, subject to refund. In September 2024 the LPSC issued an order approving a settlement that resolved, with prejudice, all other issues identified by the staff in the matter and closed the docket. See "2023 Entergy Louisiana Rate Case and Formula Rate Plan Extension Request" below for further discussion.

2023 Entergy Louisiana Rate Case and Formula Rate Plan Extension Request

In August 2023, Entergy Louisiana filed an application for approval of a regulatory blueprint necessary for it to strengthen the electric grid for the State of Louisiana, which contained a dual-path request to update rates

through either: (1) extension of Entergy Louisiana's current formula rate plan (with certain modifications) for three years (the Rate Mitigation Proposal), which was Entergy Louisiana's recommended path; or (2) implementation of rates resulting from a cost-of-service study (the Rate Case path). The application complied with Entergy Louisiana's previous formula rate plan extension order requiring that for Entergy Louisiana to obtain another extension of its formula rate plan that included a rate reset, Entergy Louisiana would need to submit a full cost-of-service rate case. Entergy Louisiana's filing supported the need to extend Entergy Louisiana's formula rate plan with credit supportive mechanisms needed to facilitate investment in the distribution, transmission, and generation functions.

In July 2024, Entergy Louisiana reached an agreement in principle with the LPSC staff and the intervenors in the proceeding and filed with the LPSC a joint motion to suspend the procedural schedule to allow for all parties to finalize a stipulated settlement agreement.

In August 2024, Entergy Louisiana and the LPSC staff jointly filed a global stipulated settlement agreement for consideration by the LPSC with key terms as follows:

- continuation of the formula rate plan for 2024-2026 (test years 2023-2025);
- a base formula rate plan revenue increase of $120 million for test year 2023, effective for rates beginning September 2024;
- a $140 million cumulative cap on base formula rate plan revenue increases, if needed, for test years 2024 and 2025, excluding outside the bandwidth items;
- $184 million of customer rate credits to be given over two years, including increasing customer sharing of income tax benefits resulting from the 2016-2018 IRS audit, to resolve any remaining disputed issues stemming from formula rate plan test years prior to test year 2023, including but not limited to the investigation into Entergy Services costs billed to Entergy Louisiana. As discussed in Note 3 to the financial statements, a $38 million regulatory liability was recorded in 2023 in connection with the 2016-2018 IRS audit;
- $75.5 million of customer rate credits, as provided for in the System Energy global settlement, to be credited over three years subject to and conditioned upon FERC approval of the System Energy global settlement, which was approved in November 2024. See "**Complaints Against System Energy** – **System Energy Settlement with the LPSC**" below for further details of the System Energy global settlement;
- $5.8 million of customer rate credits provided for in the Entergy Louisiana formula rate plan global settlement agreement approved by the LPSC in November 2023 credited over one year. See "Formula Rate Plan Global Settlement" below for further discussion of the settlement;
- an increase in the allowed midpoint return on common equity from 9.5% to 9.7%, with a bandwidth of 40 basis points above and below the midpoint, for the extended term of the formula rate plan, except that for test year 2023 in which the authorized return on common equity shall have no bearing on the change in base formula rate plan revenue described above and, for test year 2024, any earnings above the authorized return on common equity shall be returned to customers through a credit;
- an increase in nuclear depreciation rates by $15 million in each of the 2023, 2024, and 2025 test years outside of the formula rate plan bandwidth calculation; and
- for the transmission recovery mechanism and the distribution recovery mechanism, no change to the existing floors, but the caps for both would be $350 million for test year 2023, $375 million for test year 2024, and $400 million for test year 2025. Transmission projects filed with the LPSC will be exempt from the transmission recovery mechanism cap.

The global stipulated settlement agreement was unanimously approved by the LPSC in August 2024 and an order was issued by the LPSC in September 2024 reflecting the approval of the settlement.

Based on the July 2024 agreement in principle, in second quarter 2024 Entergy Louisiana recorded expenses of $151 million ($112 million net-of-tax) primarily consisting of regulatory charges to reflect the effects of the agreement in principle.

Formula Rate Plan Global Settlement

In October 2023 the LPSC staff and Entergy Louisiana reached a global settlement which resolved all outstanding issues related to the 2017, 2018, and 2019 formula rate plan filings and resolved certain issues with respect to the 2020 and 2021 formula rate plan filings. The settlement was approved by the LPSC in November 2023. The settlement resulted in a one-time cost of service credit to customers of $5.8 million, allowed Entergy Louisiana to retain approximately $6.2 million of securitization over-collection as recovery of a regulatory asset associated with late fees related to the 2016 Baton Rouge flood, and resulted in Entergy Louisiana recording the reversal of a $105.6 million regulatory liability, primarily associated with the Hurricane Isaac securitization, initially recognized in 2017 as a result of the Tax Cuts and Jobs Act.

2023 Formula Rate Plan Filing

In August 2024, pursuant to the global stipulated settlement agreement approved by the LPSC also in August 2024, Entergy Louisiana filed its formula rate plan evaluation report for its 2023 calendar year operations. Consistent with the global stipulated settlement agreement, the filing reflected a 9.7% allowed return on common equity with a bandwidth of 40 basis points above and below the midpoint. For the 2023 test year, however, the bandwidth provisions of the formula rate plan were temporarily suspended and, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana implemented the September 2024 formula rate plan rate adjustments effective with the first billing cycle of September 2024. Those adjustments included a $120 million increase in base rider formula rate plan revenue and a $101.8 million one-time incremental net decrease consistent with the terms of the global stipulated settlement. The formula rate plan rate adjustments reflected in the evaluation report also include a redetermination of the transmission recovery mechanism, the distribution recovery mechanism, the additional capacity mechanism, the tax adjustment mechanism, the MISO cost recovery mechanism, and other one-time adjustments. In January 2025, Entergy Louisiana and the LPSC filed a joint report indicating that no disputed issues remained in the proceeding and requesting that the LPSC issue an order accepting Entergy Louisiana's evaluation report and, ultimately, resolving this matter. In March 2025 the LPSC issued an order accepting the evaluation report.

In December 2024, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana filed an interim rate adjustment for the 2023 test year reflecting the return of $25.1 million of refunds from the System Energy settlement with the LPSC to customers from January through August 2025. In February 2025, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana filed a second interim rate adjustment for the 2023 test year reflecting the divestiture of Entergy Louisiana's share of Grand Gulf capacity and energy, which was effective as of January 1, 2025. The second interim rate adjustment also reflected a revenue increase of $17.8 million for the recovery of Hurricane Francine costs as approved by the LPSC (on an interim basis). The second interim rate adjustment was implemented with the first billing cycle of March 2025. See further discussion of the Hurricane Francine proceeding in "**Storm Cost Recovery Filings with Retail Regulators** – **Entergy Louisiana** – Hurricane Francine" below. See Note 8 to the financial statements for discussion of Entergy Louisiana's divestiture from the Unit Power Sales Agreement.

2024 Formula Rate Plan Filing

In May 2025, Entergy Louisiana filed its formula rate plan evaluation report for its 2024 calendar year operations. Consistent with the global stipulated settlement agreement approved by the LPSC in August 2024, the filing reflected a 9.7% allowed return on common equity with a bandwidth of 40 basis points above and below the midpoint. For the test year 2024, however, any earnings above the allowed return on common equity were to be returned to customers through a credit, pursuant to the terms of the global stipulated settlement agreement. The 2024 test year evaluation produced an earned return on common equity of 9.98%, which was within the approved formula rate plan bandwidth, but above the allowed return on common equity, resulting in customer credits of $31.9 million which were returned to customers during September and October 2025.

Other changes in formula rate plan revenue were driven by higher nuclear depreciation rates, additions to transmission and distribution plant in service reflected through the transmission recovery mechanism and distribution recovery mechanism, and the expiration of customer credits related to the LPSC's order, offset by increased customer credits resulting from an increase in net MISO revenues reflected through the MISO cost recovery mechanism and the reduction in the Louisiana corporate income tax rate effective January 1, 2025, reflected through the tax adjustment mechanism, as discussed below. Excluding the customer credit for earnings above the authorized return on common equity discussed above, the net result of these changes on an annualized basis was a $2 million increase in formula rate plan revenue.

As noted above, the 2024 evaluation report included the effects of the change in Louisiana state tax law that reduced the corporate income tax rate to a flat 5.5% (from the then-current highest marginal rate of 7.5%) effective January 1, 2025. As such, the 2024 evaluation report reflected the calculation of current and deferred income tax expenses as well as the revaluation of accumulated deferred income taxes based on the income tax laws currently in effect. The 2024 evaluation report proposed that the rate effects associated with the revaluation of accumulated deferred income taxes, including the collection of any net accumulated deferred income tax deficiency and any related effects on rate base, should be reflected in the tax adjustment mechanism consistent with the treatment of similar Tax Cuts and Jobs Act and prior state tax change-related impacts. The effects of the change in tax law on Entergy Louisiana's authorized return on rate base were also reflected in the 2024 evaluation report consistent with the treatment cited above, including a credit in the extraordinary cost change mechanism for the prospective change in Entergy Louisiana's authorized return and a credit within the tax adjustment mechanism for over-collection of income tax expense through August 2025. Subject to LPSC review, the resulting changes from the 2024 formula rate plan evaluation report became effective for bills rendered during the first billing cycle of September 2025, subject to refund. In August 2025 the LPSC staff filed its errors and objections report, as required by the formula rate plan's process, and found that Entergy Louisiana's formula rate plan is in compliance with the LPSC's requirements and the global stipulated settlement agreement. The LPSC staff reserved the right to determine whether Entergy Louisiana appropriately credited certain revenues to customers during the September and October 2025 billing cycles. In December 2025 the LPSC staff and Entergy Louisiana filed a joint report indicating that no unresolved, disputed issues existed and recommending that the LPSC accept the joint report, confirm that no outstanding issues existed, and close the docket. In January 2026 the LPSC issued an order accepting the joint report.

Additional Generation and Transmission Resources

In October 2024, Entergy Louisiana filed an application with the LPSC seeking approval of a variety of generation and transmission resources proposed in connection with establishing service to a new data center to be developed by a subsidiary of Meta Platforms, Inc. in north Louisiana, for which an electric service agreement has been executed. The filing requested LPSC certification of three new combined cycle combustion turbine generation resources totaling 2,262 MW, each of which will be enabled for future carbon capture and storage, a new 500 kV transmission line, and 500 kV substation upgrades. Two of the new combined cycle combustion turbine generation resources are to be located at Franklin Farms in north Louisiana (Franklin Farms Power Station Units 1 and 2). The application also requested approval to implement a corporate sustainability rider applicable to the new customer. The corporate sustainability rider contemplates the new customer contributing to the costs of the future addition of 1,500 MW of new solar and energy storage resources, agreements involving carbon capture and storage at Entergy Louisiana's existing Lake Charles Power Station, and potential future wind and nuclear resources. The combined cost of Franklin Farms Power Station Units 1 and 2 is estimated to be approximately $2,387 million. In testimony filed with its application, Entergy Louisiana noted that the third new generation resource, Waterford 5 Power Station, is expected to have an estimated cost similar to the cost of each of Franklin Farms Power Station Units 1 and 2. Also in its testimony, Entergy Louisiana noted that the cost of the new 500 kV transmission line is estimated to be $546 million. Entergy Louisiana anticipates funding the incremental cost to serve the customer through direct financial contributions from the customer and the revenues it expects to earn under the electric service agreement. The electric service agreement also contains provisions for termination payments that will help ensure that there is

no harm to Entergy Louisiana and its customers in the event of early termination. A directive was issued at the LPSC's November 2024 meeting for the matter to be decided by October 2025. In February 2025 intervenors filed a motion asking the LPSC to deny Entergy Louisiana's requested exemption from the LPSC's order addressing competitive solicitation procedures and further asking the LPSC to dismiss the application. The ALJ issued an order denying the motion to dismiss the application and deferring the LPSC's consideration of the motion regarding the competitive solicitation procedures until the hearing. In March 2025 the same intervenors filed a motion requesting the LPSC to require the customer and its parent company to be joined as parties to the proceeding or dismiss the application. In April 2025 the ALJ issued an order denying the March 2025 motion, and the moving parties filed a motion asking the LPSC to review and reverse the ALJ's decision.

In February 2025, Entergy Louisiana filed supplemental testimony with the LPSC stating that the third combined cycle combustion turbine resource presented in the October 2024 application (Waterford 5 Power Station) would be sited at Entergy Louisiana's Waterford site in Killona, Louisiana, alongside existing Entergy Louisiana generation resources. The testimony also notes that Entergy Louisiana is negotiating with the customer in response to the customer's request to increase the load associated with its project in north Louisiana. The testimony indicates further that the additional load can be served without additional generation capacity beyond what was presented in the October 2024 application, but that additional transmission facilities, which will be funded directly by the customer, are needed to serve this additional load.

In April 2025 and May 2025 the LPSC staff and certain intervenors each filed their direct testimony and cross-answering testimony, respectively. The LPSC staff's testimony discussed the significant projected benefits associated with the data center project; however, both the LPSC staff and such intervenors also identified purported risks associated with constructing the requested resources based on the terms and conditions under which the customer would be taking service. Both the LPSC staff and such intervenors also recommended that the LPSC impose certain conditions on its approval which, if adopted, would support approval of Entergy Louisiana's application. The LPSC staff's recommendations included a condition that would require, under specified circumstances, certain sharing of net revenues from service to the project with Entergy Louisiana's other customers. The LPSC staff also recommended that the LPSC deny approval of the corporate sustainability rider terms providing for the customer to supply funding toward the cost of installing carbon capture and storage infrastructure at Entergy Louisiana's Lake Charles Power Station. The Louisiana Energy Users Group and other intervenors recommended that the LPSC require various changes to the terms of the electric service agreement with the customer that would shift additional risk and cost to the customer rather than Entergy Louisiana's broader customer base. Certain intervenors also challenged approval on the basis that Entergy Louisiana did not conduct a request for proposals to procure the proposed generation resources to serve the customer's project; these intervenors also advocated that Entergy Louisiana be required to procure more renewable generation and evaluate transmission alternatives rather than proceeding with development of all of the proposed new generation resources. In May 2025, Entergy Louisiana filed its rebuttal testimony responding to the direct and cross-answering testimony of the LPSC staff and intervenors. The rebuttal testimony expressed support for or no opposition to the LPSC's adoption of certain of the proposed recommendations and identified why other proposed recommendations should not be adopted. In addition, the rebuttal testimony stated that the negotiations related to the increase in the load amount for the customer's project had concluded and that a rider to the electric service agreement reflecting this increase had been executed. In advance of the July 2025 hearing, Entergy Louisiana reached a settlement agreement with the LPSC staff and three separate intervenors. In August 2025 the LPSC issued an order accepting the settlement agreement. Franklin Farms Power Station Units 1 and 2 are expected to be in service in 2028, and Waterford 5 Power Station is expected to be in service in 2029. In January 2026, several months after the LPSC order became final, certain intervenors filed a motion asking the LPSC to investigate the financing arrangements that the customer implemented for its data center project and to initiate a prudence review. The motion questions whether the credit protections for the customer's obligations under the electric service agreement are adversely affected by the change in the customer's financial structure and asks the LPSC to initiate a review of whether Entergy Louisiana withheld relevant information from the LPSC at the time of the LPSC's order. Entergy Louisiana filed its opposition to the motion in February 2026.

Filings with the MPSC (Entergy Mississippi)

Retail Rates

2023 Formula Rate Plan Filing

In March 2023, Entergy Mississippi submitted its formula rate plan 2023 test year filing and 2022 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2022 calendar year to be below the formula rate plan bandwidth and projected earned return for the 2023 calendar year to be below the formula rate plan bandwidth. The 2023 test year filing showed a $39.8 million rate increase was necessary to reset Entergy Mississippi's earned return on rate base to the specified point of adjustment of 6.67%, within the formula rate plan bandwidth. The 2022 look-back filing compared actual 2022 results to the approved benchmark return on rate base and reflected the need for a $19.8 million temporary increase in formula rate plan revenues, including the refund of a $1.3 million over-recovery resulting from the demand-side management costs true-up for 2022. In fourth quarter 2022, Entergy Mississippi recorded a regulatory asset of $18.2 million in connection with the look-back feature of the formula rate plan to reflect that the 2022 estimated earned return was below the formula rate plan bandwidth. In accordance with the provisions of the formula rate plan, Entergy Mississippi implemented a $27.9 million interim rate increase, reflecting a cap equal to 2% of 2022 retail revenues, effective in April 2023.

In May 2023, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed a 2023 test year filing resulting in a total revenue increase of $26.5 million for 2023. Pursuant to the joint stipulation, Entergy Mississippi's 2022 look-back filing reflected an earned return on rate base of 6.10% in calendar year 2022, which was below the look-back bandwidth, resulting in a $19.0 million increase in the formula rate plan revenues on an interim basis through June 2024. Entergy Mississippi recorded a regulatory credit of $0.8 million in June 2023 to reflect the increase in the look-back regulatory asset. In addition, certain long-term service agreement and conductor handling costs were authorized for realignment from the formula rate plan to the annual power management and grid modernization riders effective January 2023, resulting in regulatory credits recorded in June 2023 of $4.1 million and $4.3 million, respectively. Also, the amortization of Entergy Mississippi's COVID-19 bad debt expense deferral was suspended for calendar year 2023, but resumed in July 2024. In June 2023 the MPSC approved the joint stipulation with rates effective in July 2023.

2024 Formula Rate Plan Filing

In March 2024, Entergy Mississippi submitted its formula rate plan 2024 test year filing and 2023 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2023 calendar year to be within the formula rate plan bandwidth and projected earned return for the 2024 calendar year to be below the formula rate plan bandwidth. The 2024 test year filing showed a $63.4 million rate increase was necessary to reset Entergy Mississippi's earned return on rate base to the specified point of adjustment of 7.10%, within the formula rate plan bandwidth. The 2023 look-back filing compared actual 2023 results to the approved benchmark return on rate base and reflected no change in formula rate plan revenues. In accordance with the provisions of the formula rate plan, Entergy Mississippi implemented a $32.6 million interim rate increase, reflecting a cap equal to 2% of 2023 retail revenues, effective April 2024.

In December 2014 the MPSC ordered Entergy Mississippi to file an updated depreciation study at least once every four years. Pursuant to this order and Entergy Mississippi's filing cycle, Entergy Mississippi would have filed an updated depreciation report with its formula rate plan filing in 2023. However, in July 2022 the MPSC directed Entergy Mississippi to file its next depreciation study in connection with its 2024 formula rate plan filing notwithstanding the MPSC's prior order. Accordingly, Entergy Mississippi filed a depreciation study in February 2024. The study showed a need for an increase in annual depreciation expense of $55.2 million. The calculated increase in annual depreciation expense was excluded from Entergy Mississippi's 2024 formula rate plan revenue increase request because the MPSC had not yet approved the proposed depreciation rates.

In June 2024, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed the 2024 test year filing, with the exception of immaterial adjustments to certain operation and maintenance expenses. After performance adjustments, the formula rate plan reflected an earned return on rate base of 6.08% for calendar year 2024, which resulted in a total revenue increase of $64.6 million for 2024. The joint stipulation also recommended approval of a revised customer charge of $31.82 per month for residential customers and $53.10 per month for general service customers. Pursuant to the stipulation, Entergy Mississippi's 2023 look-back filing reflected an earned return on rate base of 6.81%, resulting in an increase of $0.3 million in the formula rate plan revenues for 2023. Finally, the stipulation recommended approval of Entergy Mississippi's proposed depreciation rates with those rates to be implemented upon request and approval at a later date. In June 2024 the MPSC approved the joint stipulation with rates effective in July 2024. The approval also included a reduction to the energy cost factor, resulting in a net bill decrease for a typical residential customer using 1,000 kWh per month. Also in June 2024, Entergy Mississippi recorded regulatory credits of $7.3 million to reflect the difference between interim rates placed in effect in April 2024 and the rates reflected in the joint stipulation.

2025 Formula Rate Plan Filing

In February 2025, Entergy Mississippi submitted its formula rate plan 2025 test year filing and 2024 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2024 calendar year to be within the formula rate plan bandwidth and projected earned return for the 2025 calendar year to also be within the formula rate plan bandwidth. The 2025 test year filing resulted in an earned return on rate base of 7.64% and reflected no change in formula rate plan revenues. The 2024 look-back filing compared actual 2024 results to the approved benchmark return on rate base and reflected no change in formula rate plan revenues, although Entergy Mississippi proposed to adjust interim rates by $135 thousand to reflect two outside-the-bandwidth changes: (1) the completion of Entergy Mississippi's return to customers of credits under its restructuring credit rider; and (2) a true-up of demand side management costs.

In June 2025, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed the 2025 test year filing, with the exception of immaterial adjustments to certain operation and maintenance expenses. The formula rate plan reflected an earned return on rate base of 7.68% for calendar year 2025, resulting in no change in formula rate plan revenues for 2025. Pursuant to the stipulation, Entergy Mississippi's 2024 look-back filing reflected an earned return on rate base of 7.55%, which also resulted in no change in formula rate plan revenues for 2024. In addition, the stipulation included the recovery of the two outside-the-bandwidth changes discussed above as well as the ratemaking treatment of customer contributions, deferred revenue and prepaid contributions in aid of construction. In June 2025 the MPSC approved the joint stipulation with rates effective in July 2025.

Interim Facilities Rate Adjustments to the Formula Rate Plan

In May 2024, Entergy Mississippi received approval from the MPSC for formula rate plan revisions that were necessary for Entergy Mississippi to comply with state legislation passed in January 2024. The legislation allows Entergy Mississippi to make interim rate adjustments to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data processing center projects as specified in the legislation. Entergy Mississippi filed the first of its annual interim facilities rate adjustment reports in May 2024 to recover approximately $8.7 million of these costs over a six-month period with rates effective the first billing cycle of July 2024. Entergy Mississippi filed its second annual interim facilities rate adjustment report in November 2024 to recover approximately $46.7 million of these costs over a 12-month period with rates effective the first billing cycle of January 2025. In February 2025, Entergy Mississippi filed a true-up interim facilities rate adjustment report to the initial annual interim facilities rate adjustment report filed in May 2024, reflecting the recovery of an additional approximately $1.0 million of costs over a 12-month period with rates effective with the first billing cycle of April 2025. Entergy Mississippi filed its third annual interim facilities rate adjustment report in November 2025 to recover approximately $111.3 million of these costs over a 12-month

period, or approximately $64.7 million incremental to the second annual interim facilities rate adjustment report filed in November 2024, with rates effective the first billing cycle of January 2026.

Grand Gulf Capacity Filing

In September 2024, Entergy Mississippi filed a notice of intent with the MPSC to implement revisions to its unit power cost recovery rider that would allow Entergy Mississippi to recover the first year of costs associated with the transfer of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, which consists of Entergy Louisiana's interest in and purchases of Grand Gulf capacity and energy under the revised rider schedule, effective by January 1, 2025. This notice filing related to the divestiture of Entergy Louisiana's 14% share of Grand Gulf capacity and energy under the Unit Power Sales Agreement and 2.43% share of capacity and energy from Entergy Arkansas under the MSS-4 replacement tariff. This divestiture was effectuated initially through Entergy Mississippi's purchases from Entergy Louisiana pursuant to a PPA governed by the MSS-4 replacement tariff, a tariff governing the sales of energy and capacity among the Utility operating companies as described in the System Energy global settlement with the LPSC and Entergy Louisiana. The MSS-4 replacement PPA to effectuate this divestiture was approved by the FERC in November 2024. In February 2025 the MPSC approved Entergy Mississippi's notice of intent, finding that it was just and reasonable for Entergy Mississippi to obtain Entergy Louisiana's entitlements to Grand Gulf capacity and energy and that Entergy Mississippi should be allowed to recover the costs associated with the transfer of such entitlements to Grand Gulf capacity and energy, as described above. The MPSC approved the MSS-4 replacement PPA, effective as of January 1, 2025. An amended Unit Power Sales Agreement became effective as of October 1, 2025, which removed Entergy Louisiana from the entitlement and responsibility to purchase power from Grand Gulf. Thus on October 1, 2025, the MSS-4 replacement PPA was terminated. See "**Complaints Against System Energy** – **System Energy Settlement with the LPSC**" below for further details of the System Energy global settlement with the LPSC and Note 8 to the financial statements for discussion of the amendment to the Unit Power Sales Agreement.

Additional Generation and Transmission Resources

In March 2024, Entergy Mississippi executed a large customer supply and service agreement to serve two data center campuses located in Madison County, Mississippi in which Amazon Web Services is investing. In February 2025, Entergy Mississippi also executed a large customer supply and service agreement to serve a data center campus located in Warren County, Mississippi in which Amazon Web Services is investing. Entergy Mississippi will need generation and transmission resources to reliably serve all Entergy Mississippi customers, including the data centers. The large customer supply and service agreements also contain provisions which cover Entergy Mississippi's incremental investment costs in the event of early termination. Entergy Mississippi anticipates recovering the incremental cost to serve the customer through the revenues it is collecting under the large customer supply and service agreements.

In May 2024 the MPSC approved Entergy Mississippi's revisions to its formula rate plan to comply with state legislation passed in January 2024 allowing Entergy Mississippi to make interim rate adjustments, including the collection of a return on construction work in progress on a cash basis, to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data processing center projects as specified in the legislation. See further discussion of the interim facilities rate adjustments above.

Filings with the City Council (Entergy New Orleans)

Retail Rates

2023 Formula Rate Plan Filing

In April 2023, Entergy New Orleans submitted to the City Council its formula rate plan 2022 test year filing. The 2022 test year evaluation report produced an electric earned return on equity of 7.34% and a gas earned return on equity of 3.52% compared to the authorized return on equity for each of 9.35%. Entergy New Orleans sought approval of a $25.6 million rate increase based on the formula set by the City Council in the 2018 rate case. The formula would result in an increase in authorized electric revenues of $17.4 million and an increase in authorized gas revenues of $8.2 million. Entergy New Orleans also sought to commence collecting $3.4 million in electric revenues that were previously approved by the City Council for collection through the formula rate plan. In July 2023, Entergy New Orleans filed a report to decrease its requested formula rate plan revenues by approximately $0.5 million to account for minor errors discovered after the filing. The City Council advisors issued a report seeking a reduction in the requested formula rate plan revenues of approximately $8.3 million, combined for electric and gas, due to alleged errors. The City Council advisors proposed additional rate mitigation in the amount of $12 million through offsets to the formula rate plan rate increase by certain regulatory liabilities. In September 2023 the City Council approved an agreement to settle the 2023 formula rate plan filing. Effective with the first billing cycle of September 2023, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate plan implementation. The agreement provided for a total increase in electric revenues of $10.5 million and a total increase in gas revenues of $6.9 million. The agreement also provided for a minor storm accrual of $0.5 million per year and the distribution of $8.9 million of then-held customer credits to implement the City Council advisors' mitigation recommendations.

Request for Extension and Modification of Formula Rate Plan

In September 2023, Entergy New Orleans filed a motion seeking City Council approval of a three-year extension of Entergy New Orleans's electric and gas formula rate plans. In October 2023 the City Council granted Entergy New Orleans's request for an extension, subject to minor modifications which included a 55% equity ratio for rate setting purposes.

2024 Formula Rate Plan Filing

In April 2024, Entergy New Orleans submitted to the City Council its formula rate plan 2023 test year filing. Without the requested rate change in 2024, the 2023 test year evaluation report produced an electric earned return on equity of 8.66% and a gas earned return on equity of 5.87% compared to the authorized return on equity for each of 9.35%. Entergy New Orleans sought approval of a $12.6 million rate increase based on the formula set by the City Council in the 2018 rate case and approved again by the City Council in 2023. The formula would result in an increase in authorized electric revenues of $7.0 million and an increase in authorized gas revenues of $5.6 million. Following City Council review, the City Council's advisors issued a report in July 2024 seeking a reduction in Entergy New Orleans's requested formula rate plan revenues in an aggregate amount of approximately $1.6 million for electric and gas together due to alleged errors. Effective with the first billing cycle of September 2024, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate plan implementation. The total formula rate plan increase implemented was $11.2 million, which included an increase of $5.8 million in electric revenues and an increase of $5.4 million in gas revenues.

2025 Formula Rate Plan Filing

In April 2025, Entergy New Orleans submitted to the City Council its formula rate plan 2024 test year filing. The 2024 evaluation report produced an electric earned return on equity of 10.98% compared to the

authorized return on equity of 9.35%. Without adjustments, this would have resulted in a decrease in electric rates of $13.8 million. The decrease in electric rates was driven by the realignment of regulatory liabilities into the formula from a separate rate mechanism, partially offset by the cost of known and measurable electric capital additions. The filing also commenced the previously authorized recovery of certain regulatory costs and requested a revenue-neutral recovery to offset a proposed reduction in bill payment late fees. Taking into account these proposed adjustments, the filing presented a decrease in authorized electric revenues of $8.6 million. The City Council's advisors issued a report in July 2025 seeking a reduction in Entergy New Orleans's requested electric formula rate plan revenues of approximately $7.2 million due to certain proposed cost realignments and disallowances, of which $4.1 million was associated with Entergy New Orleans's proposed implementation, on a revenue neutral basis, of a proposed reduction in customer late fees. The City Council's advisors also proposed rate mitigation in the amount of $4.4 million through offsets to the formula rate plan funded by certain regulatory liabilities. In August 2025 the City Council approved an agreement to settle the 2025 formula rate plan filing. Effective with the first billing cycle of September 2025, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate implementation. The electric formula rate plan decrease implemented was $19.2 million.

Filings with the PUCT and Texas Cities (Entergy Texas)

Retail Rates

2022 Base Rate Case

In July 2022, Entergy Texas filed a base rate case with the PUCT seeking a net increase in base rates of approximately $131.4 million. The base rate case was based on a 12-month test year ending December 31, 2021. Key drivers of the requested increase were changes in depreciation rates as the result of a depreciation study and an increase in the return on equity. In addition, Entergy Texas included capital additions placed into service for the period of January 1, 2018 through December 31, 2021, including those additions reflected in the then-effective distribution and transmission cost recovery factor riders and the generation cost recovery rider, all of which were reset to zero in June 2023 as a result of this proceeding. In July 2022 the PUCT referred the proceeding to the State Office of Administrative Hearings. In October 2022 intervenors filed direct testimony challenging and supporting various aspects of Entergy Texas's rate case application. The key issues addressed included the appropriate return on equity, generation plant deactivations, depreciation rates, and proposed tariffs related to electric vehicles. In November 2022 the PUCT staff filed direct testimony addressing a similar set of issues and recommending a reduction of $50.7 million to Entergy Texas's overall cost of service associated with the requested net increase in base rates of approximately $131.4 million. Entergy Texas filed rebuttal testimony in November 2022.

In May 2023, Entergy Texas filed on behalf of the parties an unopposed settlement resolving all issues in the proceeding, except for issues related to electric vehicle charging infrastructure which were eventually severed to a separate proceeding and resolved in October 2024, and Entergy Texas filed an agreed motion for interim rates, subject to refund or surcharge to the extent that the interim rates differ from the final approved rates. The unopposed settlement reflected a net base rate increase to be effective and relate back to December 2022 of $54 million, exclusive of, and incremental to, the costs being realigned from the distribution and transmission cost recovery factor riders and the generation cost recovery rider and $4.8 million of rate case expenses to be recovered through a rider over a period of 36 months. The net base rate increase of $54 million includes updated depreciation rates and a total annual revenue requirement of $14.5 million for the accrual of a self-insured storm reserve and the recovery of the regulatory assets for the pension and postretirement benefits expense deferral, costs associated with the COVID-19 pandemic, and retired non-advanced metering system electric meters. In May 2023 the ALJ with the State Office of Administrative Hearings granted the motion for interim rates, which became effective in June 2023. Additionally, the ALJ remanded the proceeding to the PUCT to consider the settlement. In August 2023 the PUCT issued an order approving the unopposed settlement. Concurrently, Entergy Texas recorded the reversal of $21.9 million of regulatory liabilities to reflect the recognition of certain receipts by Entergy Texas under affiliated PPAs that have been resolved.

Following the PUCT's approval of the unopposed settlement in August 2023, Entergy Texas recorded a regulatory liability of $10.3 million, which reflected the net effects of higher depreciation and amortizations for the relate back period, partially offset by the relate back of base rate revenues that would have been collected had the approved rates been in effect for the period from December 2022 through June 2023, the date the new base rates were implemented on an interim basis. In October 2023, Entergy Texas filed a relate back surcharge rider to collect over six months beginning in January 2024 an additional approximately $24.6 million, which was the revenue requirement associated with the relate back of rates from December 2022 through June 2023, including carrying costs, as authorized by the PUCT's August 2023 order. In November 2023, Entergy Texas filed an amended relate back surcharge rider to collect approximately $24.1 million based on a revised carrying cost rate. The amended relate back surcharge rider was approved by the PUCT in December 2023. The higher depreciation and amortizations for the relate back period were also recognized over the six months beginning in January 2024, resulting in no effect on net income from the collection of the relate back surcharge rider.

Distribution Cost Recovery Factor (DCRF) Rider

In June 2024, Entergy Texas filed with the PUCT a request to set a new DCRF rider. The new rider was designed to collect from Entergy Texas's retail customers approximately $40.3 million annually based on its capital invested in distribution between January 1, 2022 and March 31, 2024. In September 2024 the PUCT approved the DCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective with the first billing cycle in October 2024.

In September 2024, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $48.9 million annually, or $8.6 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between April 1, 2024 and June 30, 2024. In December 2024, Entergy Texas filed an errata to revise its DCRF application for minor corrections, which decreased the requested annual revenue requirement to $48.5 million. The amended request represented an incremental increase of $8.2 million in annual revenues beyond Entergy Texas's then-effective DCRF rider. Also in December 2024 the PUCT approved the DCRF rider, consistent with Entergy Texas's filed errata, and rates became effective on December 20, 2024.

In April 2025, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $77.8 million annually, or $29.3 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between July 1, 2024 and December 31, 2024, including distribution-related restoration costs associated with Hurricane Beryl. In June 2025 the PUCT approved the DCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective on June 25, 2025.

In September 2025, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $94.7 million annually, or $16.9 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between January 1, 2025 and June 30, 2025. In November 2025, Entergy Texas filed an errata to revise its DCRF application for minor corrections, which decreased the requested annual revenue requirement to $92.1 million. The amended request represented an incremental increase of $14.3 million in annual revenues beyond Entergy Texas's then-effective DCRF filing. In December 2025 the PUCT approved the DCRF rider, consistent with Entergy Texas's filed errata, and rates became effective on December 15, 2025.

Transmission Cost Recovery Factor (TCRF) Rider

In December 2018, Entergy Texas filed with the PUCT a request to set a new TCRF rider. The new TCRF rider was designed to collect approximately $2.7 million annually from Entergy Texas's retail customers based on its capital invested in transmission between January 1, 2018 and September 30, 2018. In April 2019 parties filed

testimony proposing a load growth adjustment, which would fully offset Entergy Texas's proposed TCRF revenue requirement. In July 2019 the PUCT granted Entergy Texas's application as filed to begin recovery of the requested $2.7 million annual revenue requirement, rejecting opposing parties' proposed adjustment; however, the PUCT found that the question of prudence of the actual investment costs should be determined in Entergy Texas's next rate case similar to the procedure used for the costs recovered through the DCRF rider. In October 2019 the PUCT issued an order on a motion for rehearing, clarifying and affirming its prior order granting Entergy Texas's application as filed. Also in October 2019 a second motion for rehearing was filed, and Entergy Texas filed a response in opposition to the motion. The second motion for rehearing was overruled by operation of law. In December 2019, Texas Industrial Energy Consumers filed an appeal to the PUCT order in district court alleging that the PUCT erred in declining to apply a load growth adjustment.

In October 2024, Entergy Texas filed with the PUCT a request to amend its TCRF rider, which was previously reset to zero in June 2023 as a result of the 2022 base rate case. The amended rider was designed to collect from Entergy Texas's retail customers approximately $9.7 million annually based on its capital invested in transmission between January 1, 2022 and June 30, 2024 and changes in other transmission charges. In April 2025 the PUCT approved the TCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective for usage on and after April 7, 2025.

In October 2025, Entergy Texas filed with the PUCT a request to amend its TCRF rider. The proposed rider is designed to collect from Entergy Texas's retail customers approximately $30.3 million annually, or $20.6 million in incremental annual revenues beyond Entergy Texas's currently effective TCRF rider based on its capital invested in transmission between July 1, 2024 and June 30, 2025 and changes in other transmission charges. In January 2026 the PUCT staff filed a recommendation that the PUCT approve Entergy Texas's as-filed application.

Generation Cost Recovery Rider

In December 2020, Entergy Texas also filed an application to amend its generation cost recovery rider to reflect its acquisition of the Hardin County Peaking Facility, which closed in June 2021. Because the facility was to be acquired in the future, the initial generation cost recovery rider rates proposed in the application represented no change from the generation cost recovery rider rates established in Entergy Texas's previous generation cost recovery rider proceeding. In July 2021 the PUCT issued an order approving the application. In August 2021, Entergy Texas filed an update application to recover its actual investment in the acquisition of the Hardin County Peaking Facility, and in January 2022, Entergy Texas filed an update to its application to align the requested revenue requirement with the terms of the generation cost recovery rider settlement approved by the PUCT in January 2022. In April 2022, Entergy Texas filed on behalf of the parties a unanimous settlement agreement that would adjust its generation cost recovery rider to recover an annual revenue requirement of approximately $92.8 million, which was $4.5 million in incremental annual revenue above the revenue requirement approved in January 2022 described above and related to Entergy Texas's investment in the Montgomery County Power Station. The PUCT approved the settlement agreement and rates became effective in August 2022. In September 2022, Entergy Texas filed a relate-back rider designed to collect over three months an additional approximately $5.7 million, which is the revenue requirement, plus carrying costs, associated with Entergy Texas's acquisition of Hardin County Peaking Facility from June 2021 through August 2022 when the updated revenue requirement took effect. In April 2023 the PUCT approved Entergy Texas's as-filed request with rates effective over three months beginning in May 2023.

Entergy Arkansas Opportunity Sales Proceeding

In June 2009 the LPSC filed a complaint requesting that the FERC determine that certain of Entergy Arkansas's sales of electric energy to third parties: (a) violated the provisions of the System Agreement that allocated the energy generated by Entergy System resources; (b) imprudently denied the Entergy System and its ultimate consumers the benefits of low-cost Entergy System generating capacity; and (c) violated the provision of

the System Agreement that prohibited sales to third parties by individual companies absent an offer of a right-of-first-refusal to other Utility operating companies. The LPSC's complaint challenged sales made beginning in 2002 and requested refunds. In July 2009 the Utility operating companies filed a response to the complaint arguing among other things that the System Agreement contemplated that the Utility operating companies may make sales to third parties for their own account, subject to the requirement that those sales be included in the load (or load shape) for the applicable Utility operating company. The FERC subsequently ordered a hearing in the proceeding.

The FERC issued a decision in June 2012 and held that, while the System Agreement was ambiguous, it did provide authority for individual Utility operating companies to make opportunity sales for their own account and Entergy Arkansas made and priced these sales in good faith. The FERC found, however, that the System Agreement did not provide authority for an individual Utility operating company to allocate the energy associated with such opportunity sales as part of its load but provides a different allocation authority. The FERC further found that the after-the-fact accounting methodology used to allocate the energy used to supply the sales was inconsistent with the System Agreement. The FERC in its decision established further hearing procedures to quantify the effect of repricing the opportunity sales in accordance with the FERC's June 2012 decision. The hearing was held in May 2013 and the ALJ issued an initial decision in August 2013.

In April 2016 the FERC issued orders addressing requests for rehearing filed in July 2012 and the ALJ's August 2013 initial decision. The first order denied Entergy's request for rehearing and affirmed the FERC's earlier rulings that Entergy's original methodology for allocating energy costs to the opportunity sales was incorrect and, as a result, Entergy Arkansas must make payments to the other Utility operating companies to put them in the same position that they would have been in absent the incorrect allocation. The FERC clarified that interest should be included with the payments. The second order affirmed in part, and reversed in part, the rulings in the ALJ's August 2013 initial decision regarding the methodology that should be used to calculate the payments Entergy Arkansas is to make to the other Utility operating companies. The FERC affirmed the ALJ's ruling that a full re-run of intra-system bills should be performed but required that methodology be modified so that the sales have the same priority for purposes of energy allocation as joint account sales. The FERC reversed the ALJ's decision that any payments by Entergy Arkansas should be reduced by 20%. The FERC also reversed the ALJ's decision that adjustments to other System Agreement service schedules and excess bandwidth payments should not be taken into account when calculating the payments to be made by Entergy Arkansas. The FERC held that such adjustments and excess bandwidth payments should be taken into account but ordered further proceedings before an ALJ to address whether a cap on any reduction due to bandwidth payments was necessary and to implement the other adjustments to the calculation methodology.

The hearing required by the FERC's second April 2016 order was held in May 2017. In July 2017 the ALJ issued an initial decision addressing whether a cap on any reduction due to bandwidth payments was necessary and whether to implement the other adjustments to the calculation methodology. In August 2017 the Utility operating companies, the LPSC, the APSC, and FERC staff filed individual briefs on exceptions challenging various aspects of the initial decision. In September 2017 the Utility operating companies, the LPSC, the APSC, the MPSC, the City Council, and FERC staff filed separate briefs opposing exceptions taken by various parties.

Based on testimony previously submitted in the case and its assessment of the April 2016 FERC orders, in the first quarter 2016, Entergy Arkansas recorded a liability of $87 million, which included interest, for its estimated increased costs and payment to the other Utility operating companies, and a deferred fuel regulatory asset of $75 million. Following its assessment of the course of the proceedings, including the FERC's denial of rehearing in November 2017 described above, in the fourth quarter 2017, Entergy Arkansas recorded an additional liability of $35 million and a regulatory asset of $31 million.

In October 2018 the FERC issued an order addressing the ALJ's July 2017 initial decision. The FERC reversed the ALJ's decision to cap the reduction in Entergy Arkansas's payment to account for the increased bandwidth payments that Entergy Arkansas made to the other operating companies. The FERC also reversed the ALJ's decision that Grand Gulf sales from January through September 2000 should be included in the calculation of

Entergy Arkansas's payment. The FERC affirmed on other grounds the ALJ's rejection of the LPSC's claim that certain joint account sales should be accounted for as part of the calculation of Entergy Arkansas's payment. In November 2018 the LPSC requested rehearing of the FERC's October 2018 decision. In December 2019 the FERC denied the LPSC's request for rehearing.

In December 2018, Entergy made a compliance filing in response to the FERC's October 2018 order. The compliance filing provided a final calculation of Entergy Arkansas's payments to the other Utility operating companies, including interest. Refunds and interest, totaling $135 million, were paid by Entergy Arkansas to the other operating companies in December 2018.

Entergy Arkansas previously recognized a regulatory asset with a balance of $116 million as of December 31, 2018 for a portion of the payments due as a result of this proceeding.

The FERC's opportunity sales orders were appealed to the D.C. Circuit. In February 2020 all of the appeals were consolidated and in April 2020 the D.C. Circuit established a briefing schedule. Briefing was completed in September 2020 and oral argument was heard in December 2020. In July 2021 the D.C. Circuit issued a decision denying all of the petitions for review filed in response to the FERC's opportunity sales orders.

In May 2019, Entergy Arkansas filed an application and supporting testimony with the APSC requesting approval of a special rider tariff to recover the costs of these payments from its retail customers over a 24-month period. In January 2020 the Attorney General and Arkansas Electric Energy Consumers, Inc. filed testimony opposing the recovery by Entergy Arkansas of the opportunity sales payment but also claiming that certain components of the payment should be segregated and refunded to customers. In March 2020, Entergy Arkansas filed rebuttal testimony.

In July 2020 the APSC issued a decision finding that Entergy Arkansas's application is not in the public interest. The order also directed Entergy Arkansas to refund to its retail customers within 30 days of the order the FERC-determined over-collection of $13.7 million, plus interest, associated with a recalculated bandwidth remedy. In addition to these primary findings, the order also denied the Attorney General's request for Entergy Arkansas to prepare a compliance filing detailing all of the retail impacts from the opportunity sales and denied a request by the Arkansas Electric Energy Consumers to recalculate all costs using the revised responsibility ratio. The refunds were issued in the August 2020 billing cycle. Entergy Arkansas believed its actions were prudent and, therefore, the costs, including the $13.7 million, plus interest, were recoverable, and in September 2020, Entergy Arkansas filed a complaint in the U.S. District Court for the Eastern District of Arkansas challenging the APSC's order denying Entergy Arkansas's request to recover the costs of these payments.

In March 2024 the U.S. District Court for the Eastern District of Arkansas issued a judgment in favor of the APSC and against Entergy Arkansas. In March 2024 Entergy Arkansas filed a notice of appeal and a motion to expedite oral arguments with the United States Court of Appeals for the Eighth Circuit and the court granted the motion to expedite. Briefing to the United States Court of Appeals for the Eighth Circuit concluded in July 2024 and oral arguments concluded in September 2024. As a result of the adverse decision by the U.S. District Court for the Eastern District of Arkansas, Entergy Arkansas concluded that it could no longer support the recognition of its $131.8 million regulatory asset reflecting the previously-expected recovery of a portion of the costs at issue in the opportunity sales proceeding and recorded a $131.8 million ($99.1 million net-of-tax) charge to earnings in first quarter 2024. In December 2024 the United States Court of Appeals for the Eighth Circuit affirmed the decision of the U.S. District Court for the Eastern District of Arkansas, and Entergy Arkansas filed a petition for rehearing *en banc*. In January 2025 the United States Court of Appeals for the Eighth Circuit denied Entergy Arkansas's petition. In April 2025, Entergy Arkansas filed a petition for certiorari with the United States Supreme Court. In June 2025 the United States Supreme Court denied Entergy Arkansas's petition for certiorari.

Complaints Against System Energy

System Energy's operating revenues are derived from the allocation of the capacity, energy, and related costs associated with its 90% ownership/leasehold interest in Grand Gulf. System Energy sells its Grand Gulf capacity and energy to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans, and sold to Entergy Louisiana through September 30, 2025, pursuant to the Unit Power Sales Agreement. System Energy and the Unit Power Sales Agreement have been the subject of several litigation proceedings at the FERC, including challenges with respect to System Energy's authorized return on equity and capital structure, renewal of its sale-leaseback arrangement, treatment of uncertain tax positions, a broader investigation of rates under the Unit Power Sales Agreement, and two prudence complaints, one challenging the extended power uprate completed at Grand Gulf in 2012 and the operation and management of Grand Gulf, particularly in the 2016-2020 time period, and the second challenging the operation and management of Grand Gulf in the 2021-2022 time period. Settlements that resolve all significant aspects of these complaints have been reached with the MPSC, the APSC, the City Council, and the LPSC, and these settlements have been approved by the FERC. Following are discussions of the proceedings.

Return on Equity and Capital Structure Complaints

In January 2017 the APSC and the MPSC filed a complaint with the FERC against System Energy. The complaint sought a reduction in the return on equity component of the Unit Power Sales Agreement pursuant to which System Energy sells its Grand Gulf capacity and energy to Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans. Entergy Arkansas also sells some of its Grand Gulf capacity and energy to Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans under separate agreements. The return on equity under the Unit Power Sales Agreement at the time of the complaint was 10.94%, which was established in a rate proceeding that became final in July 2001.

The APSC and the MPSC complaint alleged that the return on equity was unjust and unreasonable because capital market and other considerations indicated that it was excessive. The complaint requested proceedings to investigate the return on equity and establish a lower return on equity, and also requested that the FERC establish January 23, 2017 as a refund effective date. The complaint included a return on equity analysis that purported to establish that the range of reasonable return on equity for System Energy was between 8.37% and 8.67%. System Energy answered the complaint in February 2017 and disputed that a return on equity of 8.37% to 8.67% was just and reasonable. The LPSC and the City Council intervened in the proceeding expressing support for the complaint. In September 2017 the FERC established a refund effective date of January 23, 2017 and directed the parties to engage in settlement proceedings before an ALJ. The parties were unable to settle the return on equity issue and a FERC hearing judge was assigned in July 2018. The 15-month refund period in connection with the APSC/MPSC complaint expired on April 23, 2018.

In April 2018 the LPSC filed a complaint with the FERC against System Energy seeking an additional 15-month refund period. The LPSC complaint requested similar relief from the FERC with respect to System Energy's return on equity and also requested the FERC to investigate System Energy's capital structure. The APSC, the MPSC, and the City Council intervened in the proceeding, filed an answer expressing support for the complaint, and asked the FERC to consolidate this proceeding with the proceeding initiated by the complaint of the APSC and the MPSC in January 2017. System Energy answered the LPSC complaint in May 2018 and also filed a motion to dismiss the complaint. In August 2018 the FERC issued an order dismissing the LPSC's request to investigate System Energy's capital structure and setting for hearing the return on equity complaint, with a refund effective date of April 27, 2018. The 15-month refund period in connection with the LPSC return on equity complaint expired on July 26, 2019.

The portion of the LPSC's complaint dealing with return on equity was subsequently consolidated with the APSC and the MPSC complaint for hearing. The parties also addressed an order (issued in a separate FERC proceeding involving New England transmission owners) that proposed modifying the FERC's standard methodology for determining return on equity. In September 2018 the LPSC filed an amended complaint raising

the same capital structure claim the FERC had earlier dismissed. The FERC initiated a new proceeding for the amended capital structure complaint, and System Energy answered the complaint in October 2018. In January 2019 the FERC set the amended complaint for settlement and hearing proceedings. Settlement proceedings in the capital structure proceeding commenced in February 2019, but were terminated in June 2019, and the amended capital structure complaint was consolidated with the ongoing return on equity proceeding. The 15-month refund period in connection with the capital structure complaint was from September 24, 2018 to December 23, 2019.

Several rounds of testimony were filed by the parties in these proceedings between January 2019 and August 2020. Some of these rounds of testimony were precipitated by developments in an unrelated proceeding in which the FERC issued orders addressing the methodology for determining the return on equity applicable to transmission owners in MISO (Opinion Nos. 569 and 569-A). The final positions of the parties, after the submission of all pre-filed testimony, were as follows. With regard to the return on equity complaints for the first refund period, based on their respective interpretations and applications of the Opinion No. 569-A methodology, the LPSC argued for an authorized return on equity for System Energy of 7.97%; the MPSC and the APSC argued for an authorized return on equity of 9.24%; and the FERC trial staff argued for an authorized return on equity of 9.49%. For the second refund period and on a prospective basis, based on their respective interpretations and applications of the Opinion No. 569-A methodology, the LPSC argued for an authorized return on equity for System Energy of 7.78%; the MPSC and the APSC argued that an authorized return on equity of 9.15% may be appropriate if the second complaint was not dismissed; and the FERC trial staff argued for an authorized return on equity of 9.09% if the second complaint was not dismissed. The LPSC also continued to support as its primary recommendation, based on an alternative analysis to the Opinion No. 569-A methodology, an authorized return on equity for System Energy as low as 7.56% for the first complaint refund period and as low as 7.18% for the second complaint refund period and prospectively. The MPSC and the APSC also continued to support as their primary recommendation, based on an alternative analysis to the Opinion No. 569-A methodology, an authorized return on equity for System Energy as low as 8.26% for the first complaint refund period and as low as 8.32% for the second complaint refund period and prospectively. System Energy argued that strict application of the Opinion No. 569-A methodology produces results inconsistent with investor requirements and does not provide a sound basis on which to evaluate System Energy's authorized return on equity. Therefore, as its primary recommendation, System Energy argued for the use of a methodology that incorporates four separate financial models and, based on application of this recommended methodology, an authorized return on equity of 10.12% for the first refund period, which also fell within the presumptively just and reasonable range calculated for the second refund period and prospectively. Under the Opinion No. 569-A methodology, System Energy calculated an authorized return on equity of 9.44% for the first refund period, which also fell within the presumptively just and reasonable range calculated for the second refund period and prospectively.

With regard to the capital structure, the LPSC's primary recommendation was that the FERC establish a hypothetical capital structure for System Energy for ratemaking purposes, according to which System Energy's common equity ratio would be set to Entergy Corporation's equity ratio of 37% equity and 63% debt. The APSC and the MPSC recommended that 35.98% be set as the common equity ratio for System Energy. The FERC trial staff argued that the average capital structure of the proxy group used to develop System Energy's return on equity should be used to establish the capital structure. Using this approach, the FERC trial staff calculated the average capital structure for its proposed proxy group of 46.74% common equity and 53.26% debt. System Energy disputed all of these recommendations and argued that the use of its actual capital structure was just and reasonable.

After conducting a hearing, in March 2021 the FERC ALJ issued an initial decision. With regard to System Energy's authorized return on equity, the ALJ determined that the existing return on equity of 10.94% was no longer just and reasonable, and that the replacement authorized return on equity, based on application of the Opinion No. 569-A methodology, should be 9.32%. The ALJ further determined that System Energy should pay refunds for a fifteen-month refund period (January 2017-April 2018) based on the difference between the current return on equity and the replacement authorized return on equity. The ALJ determined that the April 2018 complaint concerning the authorized return on equity should be dismissed, and that no refunds for a second fifteen-month refund period should be due. With regard to System Energy's capital structure, the ALJ determined that

System Energy's actual equity ratio was excessive and that the just and reasonable equity ratio was 48.15% equity, based on the average equity ratio of the proxy group used to evaluate the return on equity for the second complaint. The ALJ further determined that System Energy should pay refunds for a fifteen-month refund period (September 2018-December 2019) based on the difference between the actual equity ratio and the 48.15% equity ratio.

In April 2021, System Energy filed its brief on exceptions, in which it challenged the initial decision's findings on both the return on equity and capital structure issues. Also in April 2021 the LPSC, the APSC, the MPSC, the City Council, and the FERC trial staff filed briefs on exceptions. Reply briefs opposing exceptions were filed in May 2021 by System Energy, the FERC trial staff, the LPSC, the APSC, the MPSC, and the City Council.

As discussed below in "**System Energy Settlement with the MPSC**," "**System Energy Settlement with the APSC**," "**System Energy Settlement with the City Council**," and "**System Energy Settlement with the LPSC**," the MPSC, the APSC, the City Council, and the LPSC have settled their claims related to these proceedings. As part of the settlements with their respective retail regulators, effective July 2022 for Entergy Mississippi, November 2023 for Entergy Arkansas, June 2024 for Entergy New Orleans, and September 2024 for Entergy Louisiana, bills issued under the Unit Power Sales Agreement reflect a return on equity of 9.65% and a capital structure not to exceed 52% equity.

Grand Gulf Sale-leaseback Renewal Complaint and Uncertain Tax Position Rate Base Issue

In May 2018 the LPSC filed a complaint against System Energy and Entergy Services related to System Energy's renewal of a sale-leaseback transaction originally entered into in December 1988 for an 11.5% undivided interest in Grand Gulf Unit 1. The complaint alleged that System Energy violated the filed rate and the FERC's ratemaking and accounting requirements when it included in Unit Power Sales Agreement billings the cost of capital additions associated with the sale-leaseback interest, and that System Energy was double-recovering costs by including both the lease payments and the capital additions in Unit Power Sales Agreement billings. The complaint also claimed that System Energy was imprudent in entering into the sale-leaseback renewal because the Utility operating companies that purchase Grand Gulf's output from System Energy could have obtained cheaper capacity and energy in the MISO markets. The complaint further alleged that System Energy violated various other reporting and accounting requirements and should have sought prior FERC approval of the lease renewal. The complaint sought various forms of relief from the FERC, including refunds for capital addition costs for all years in which they were recorded in allegedly non-formula accounts or, alternatively, the disallowance of the return on equity for the capital additions in those years plus interest; a disallowance and refund of the lease costs of the sale-leaseback renewal on grounds of imprudence; an investigation into System Energy's treatment of a DOE litigation payment; and the imposition of certain forward-looking procedural protections, including audit rights for retail regulators of the Unit Power Sales Agreement formula rates. The APSC, the MPSC, and the City Council intervened in the proceeding.

In June 2018, System Energy and Entergy Services filed a motion to dismiss and an answer to the LPSC complaint denying that System Energy's treatment of the sale-leaseback renewal and capital additions violated the terms of the filed rate or any other FERC ratemaking, accounting, or legal requirements or otherwise constituted double recovery. The response also argued that the complaint was inconsistent with a FERC-approved settlement to which the LPSC is a party and that explicitly authorized System Energy to recover its lease payments. Finally, the response argued that both the capital additions and the sale-leaseback renewal were prudent investments and the LPSC complaint failed to justify any disallowance or refunds. The response also offered to submit formula rate protocols for the Unit Power Sales Agreement similar to the procedures used for reviewing transmission rates under the MISO tariff. In September 2018 the FERC issued an order setting the complaint for hearing and settlement proceedings and establishing a refund effective date of May 18, 2018.

In February 2019 the presiding ALJ ruled that the hearing ordered by the FERC includes the issue of whether specific subcategories of accumulated deferred income tax should be included in, or excluded from, System Energy's formula rate. Testimony was filed by the LPSC, the MPSC, the APSC, the City Council, the FERC trial

staff, and System Energy between March 2019 and October 2019. The final positions of the parties, after all pre-filed testimony was submitted, were as follows. The LPSC sought refunds that included the renewal lease payments (approximately $17.2 million per year since July 2015), rate base reductions for accumulated deferred income tax associated with uncertain tax positions (with a corresponding refund of approximately $512 million), and the cost of capital additions associated with the sale-leaseback interest, as well as interest on those amounts. The LPSC also argued that adjustments to depreciation rates should require retroactive depreciation expense refunds but only prospective rate base adjustments. The APSC, the MPSC, and the City Council generally agreed with the LPSC's positions. The FERC trial staff argued for refunds for rate base reductions for liabilities associated with uncertain tax positions, and also argued that System Energy recovered $32 million more than it should have in depreciation expense for capital additions. System Energy filed testimony asking the FERC to reject all of the LPSC's claims for refunds and opposing the FERC trial staff's position regarding the uncertain tax position issue. System Energy also argued that the FERC trial staff's position regarding depreciation rates for capital additions was not unreasonable, but any change in depreciation expense is only one element of a Unit Power Sales Agreement re-billing calculation. Adjustments to depreciation expense in any re-billing under the Unit Power Sales Agreement formula rate would also involve changes to accumulated depreciation, accumulated deferred income taxes, and other formula elements as needed.

After holding a hearing in November 2019, in April 2020 the FERC ALJ issued the initial decision. Among other things, the ALJ determined that refunds were due on three main issues. First, with regard to the lease renewal payments, the ALJ determined that System Energy was recovering an unjust acquisition premium through the lease renewal payments, and that System Energy's recovery from customers through rates should be limited to the cost of service based on the remaining net book value of the leased assets, which was approximately $70 million. The ALJ found that the remedy for this issue should be the refund of lease payments (approximately $17.2 million per year since July 2015) with interest determined at the FERC quarterly interest rate, which would be offset by the addition of the net book value of the leased assets in the cost of service. The ALJ did not calculate a value for the refund expected as a result of this remedy. In addition, System Energy would no longer recover the lease payments in rates prospectively. Second, with regard to the liabilities associated with uncertain tax positions, the ALJ determined that the liabilities are accumulated deferred income taxes and that System Energy's rate base should have been reduced for those liabilities. The ALJ also found that System Energy should include liabilities associated with uncertain tax positions as a rate base reduction going forward. Third, with regard to the depreciation expense adjustments, the ALJ found that System Energy should correct for the error in re-billings retroactively and prospectively, but that System Energy should not be permitted to recover interest on any retroactive return on enhanced rate base resulting from such corrections.

In June 2020, System Energy, the LPSC, and the FERC trial staff filed briefs on exceptions, challenging several of the initial decision's findings. System Energy's brief on exceptions challenged the initial decision's limitations on recovery of the lease renewal payments, its proposed rate base refund for the liabilities associated with uncertain tax positions, and its proposal to asymmetrically treat interest on bill corrections for depreciation expense adjustments. The LPSC's and the FERC trial staff's briefs on exceptions each challenged the initial decision's allowance for recovery of the cost of service associated with the lease renewal based on the remaining net book value of the leased assets, its calculation of the remaining net book value of the leased assets, and the amount of the initial decision's proposed rate base refund for the liabilities associated with uncertain tax positions. The LPSC's brief on exceptions also challenged the initial decision's proposal that depreciation expense adjustments include retroactive adjustments to rate base and its finding that section 203 of the Federal Power Act did not apply to the lease renewal. The FERC trial staff's brief on exceptions also challenged the initial decision's finding that the FERC need not institute a formal investigation into System Energy's tariff. In October 2020, System Energy, the LPSC, the MPSC, the APSC, and the City Council filed briefs opposing exceptions. System Energy opposed the exceptions filed by the LPSC and the FERC trial staff. The LPSC, the MPSC, the APSC, the City Council, and the FERC trial staff opposed the exceptions filed by System Energy. Also in October 2020 the MPSC, the APSC, and the City Council filed briefs adopting the exceptions of the LPSC and the FERC trial staff.

In addition, in September 2020, the IRS issued a Notice of Proposed Adjustment (NOPA) and Entergy executed it. The NOPA memorialized the IRS's decision to adjust the 2015 consolidated federal income tax return of Entergy Corporation and certain of its subsidiaries, including System Energy, with regard to the uncertain decommissioning tax position. Pursuant to the audit resolution documented in the NOPA, the IRS allowed System Energy's inclusion of $102 million of future nuclear decommissioning costs in System Energy's cost of goods sold for the 2015 tax year, roughly 10% of the requested deduction, but disallowed the balance of the position. In September 2020, System Energy filed a motion to lodge the NOPA into the record in the FERC proceeding. In October 2020 the LPSC, the APSC, the MPSC, the City Council, and the FERC trial staff filed oppositions to System Energy's motion. As a result of the NOPA issued by the IRS in September 2020, System Energy filed, in October 2020, a new Federal Power Act section 205 filing at FERC to establish an ongoing rate base credit for the accumulated deferred income taxes resulting from the decommissioning uncertain tax position. On a prospective basis beginning with the October 2020 bill, System Energy proposed to include the accumulated deferred income taxes arising from the successful portion of the decommissioning uncertain tax position as a credit to rate base under the Unit Power Sales Agreement. In November 2020 the LPSC, the APSC, the MPSC, and the City Council filed a protest to the filing, and System Energy responded.

In November 2020 the IRS issued a Revenue Agent's Report (RAR) for the 2014/2015 tax year and in December 2020 Entergy executed it. The RAR contained the same adjustment to the uncertain nuclear decommissioning tax position as that which the IRS had announced in the NOPA. In December 2020, System Energy filed a motion to lodge the RAR into the record in the FERC proceeding addressing the uncertain tax position rate base issue. In January 2021 the LPSC, the APSC, the MPSC, and the City Council filed a protest to the motion.

As a result of the RAR, in December 2020, System Energy filed amendments to its new Federal Power Act section 205 filings to establish an ongoing rate base credit for the accumulated deferred income taxes resulting from the decommissioning uncertain tax position and to credit excess accumulated deferred income taxes arising from the successful portion of the decommissioning uncertain tax position. The amendments both proposed the inclusion of the RAR as support for the filings. In December 2020 the LPSC, the APSC, and the City Council filed protests to the amendments. In February 2021 the FERC issued an order accepting System Energy's Federal Power Act section 205 filings subject to refund, setting them for hearing, and holding the hearing in abeyance.

In December 2020, System Energy filed a new Federal Power Act section 205 filing to provide a one-time, historical credit of $25.2 million for the accumulated deferred income taxes that would have been created by the decommissioning uncertain tax position if the IRS's decision had been known in 2016. In January 2021 the LPSC, APSC, MPSC, and City Council filed a protest to the filing. In February 2021 the FERC issued an order accepting System Energy's Federal Power Act section 205 filing subject to refund, setting it for hearing, and holding the hearing in abeyance. System Energy provided the one-time credit during the first quarter 2021.

In December 2022 the FERC issued an order on the ALJ's initial decision, which affirmed it in part and modified it in part. The FERC's order directed System Energy to calculate refunds on three issues, and to provide a compliance report detailing the calculations. The FERC's order also disallowed the future recovery of sale-leaseback renewal costs, which is estimated at approximately $11.5 million annually for purchases from Entergy Arkansas, Entergy Louisiana, and Entergy New Orleans through July 2036. The three refund issues were rental expenses related to the renewal of the sale-leaseback arrangements; refunds, if any, for the revenue requirement impact of including accumulated deferred income taxes resulting from the decommissioning uncertain tax positions from 2004 through the present; and refunds for the net effect of correcting the depreciation inputs for capital additions attributable to the portion of plant subject to the sale-leaseback.

As a result of the FERC order's directives regarding the recovery of the sale-leaseback transaction, in December 2022 System Energy reduced the Grand Gulf sale-leaseback regulatory liability by $56 million, reduced the related accumulated deferred income tax asset by $94 million, and reduced the Grand Gulf sale-leaseback accumulated deferred income tax regulatory liability by $25 million, resulting in an increase in income tax expense

of $13 million. In addition, the FERC determined that System Energy recognized excess depreciation expense related to property subject to the sale-leaseback. As a result, in December 2022, System Energy recorded a reduction in depreciation expense and the related accumulated depreciation of $33 million.

In January 2023, System Energy filed its compliance report with the FERC. With respect to the sale-leaseback renewal costs, System Energy calculated a refund of $89.8 million, which represented all of the sale-leaseback renewal rental costs that System Energy recovered in rates, with interest. With respect to the decommissioning uncertain tax position issue, System Energy calculated that no additional refunds were owed because it had already provided a one-time historical credit (for the period January 2016 through September 2020) of $25.2 million based on the accumulated deferred income taxes that resulted from the IRS's partial acceptance of the decommissioning tax position, and because it has been providing an ongoing rate base credit for the accumulated deferred income taxes that resulted from the IRS's partial acceptance of the decommissioning tax position since October 2020. With respect to the depreciation refund, System Energy calculated a refund of $13.7 million, which is the net total of a refund to customers for excess depreciation expense previously collected, plus interest, offset by the additional return on rate base that System Energy previously did not collect, without interest. See **"System Energy Settlement with the MPSC"** below for discussion of the regulatory charge and corresponding regulatory liability recorded in June 2022 related to these proceedings. In January 2023, System Energy paid the refunds of $103.5 million, which included refunds of $41.7 million to Entergy Arkansas, $27.8 million to Entergy Louisiana, and $34 million to Entergy New Orleans.

In February 2023 the LPSC, the APSC, and the City Council filed protests to System Energy's January 2023 compliance report, in which they challenged System Energy's calculation of the refunds associated with the decommissioning tax position but did not protest the other components of the compliance report. Each of them argued that System Energy should have paid additional refunds for the decommissioning tax position issue, and the City Council estimated the total additional refunds owed to customers of Entergy Louisiana, Entergy New Orleans, and Entergy Arkansas for that issue as $493 million, including interest (and without factoring in the $25.2 million refund that System Energy already paid in 2021).

In January 2023, System Energy filed a request for rehearing of the FERC's determinations in the December 2022 order on sale-leaseback refund issues and future lease cost disallowances, the FERC's prospective policy on uncertain tax positions, and the proper accounting of System Energy's accumulated deferred income taxes adjustment for the Tax Cuts and Jobs Act of 2017; and a motion for confirmation of its interpretation of the December 2022 order's remedy concerning the decommissioning tax position. In January 2023 the retail regulators filed a motion for confirmation of their interpretation of the refund requirement in the December 2022 FERC order and a provisional request for rehearing. In February 2023 the FERC issued a notice that the rehearing requests were denied by operation of law. In March 2023, System Energy filed in the United States Court of Appeals for the Fifth Circuit a petition for review of the December 2022 order. In March 2023, System Energy also filed an unopposed motion to stay the proceeding in the Fifth Circuit pending the FERC's disposition of the pending motions, and the court granted the motion to stay.

In February 2023, System Energy submitted a tariff compliance filing with the FERC to clarify that, consistent with the releases provided in the MPSC settlement, Entergy Mississippi will continue to be charged for its allocation of the sale-leaseback renewal costs under the Unit Power Sales Agreement. See "**System Energy Settlement with the MPSC**" below for discussion of the settlement. In March 2023 the MPSC filed a protest to System Energy's tariff compliance filing. The MPSC argues that the settlement did not specifically address post-settlement sale-leaseback renewal costs and that the sale-leaseback renewal costs may not be recovered under the Unit Power Sales Agreement. Entergy Mississippi's allocated sale-leaseback renewal costs are estimated at $5.7 million annually for the remaining term of the sale-leaseback renewal. In February 2025, System Energy and the MPSC resolved their dispute concerning the sale-leaseback renewal costs. As a result, the MPSC withdrew its protest at the FERC to System Energy's tariff compliance filing. Entergy Mississippi will continue to pay the allocated sale-leaseback renewal costs of approximately $5.7 million annually and there are no refunds due for prior

periods. In March 2025, System Energy filed a status report with the FERC explaining that the dispute is resolved. In April 2025 the FERC accepted System Energy's tariff compliance filing.

In August 2023 the FERC issued an order addressing arguments raised on rehearing and partially setting aside the prior order (rehearing order). The rehearing order addressed rehearing requests that were filed in January 2023 separately by System Energy and the LPSC, the APSC, and the City Council.

In the rehearing order, the FERC directed System Energy to recalculate refunds for two issues: (1) refunds of rental expenses related to the renewal of the sale-leaseback arrangements and (2) refunds for the net effect of correcting the depreciation inputs for capital additions associated with the sale-leaseback. With regard to the sale-leaseback renewal rental expenses, the rehearing order allowed System Energy to recover an implied return of and on the depreciated cost of the portion of the plant subject to the sale-leaseback as of the expiration of the initial lease term. With regard to the depreciation input issue, the rehearing order allowed System Energy to offset refunds so that System Energy may collect interest on the rate base recalculations that were part of the overall depreciation rate recalculations. The rehearing order further directed System Energy to submit within 60 days of the date of the rehearing order an additional compliance filing to revise the total refunds for these two issues. As discussed above, System Energy's January 2023 compliance filing calculated $103.5 million in total refunds, and the refunds were paid in January 2023. In October 2023, System Energy filed its compliance report with the FERC as directed in the August 2023 rehearing order. The October 2023 compliance report reflected recalculated refunds totaling $35.7 million for the two issues resulting in $67.8 million in refunds that could be recouped by System Energy. As discussed below in "**System Energy Settlement with the APSC**," System Energy reached a settlement in principle with the APSC to resolve several pending cases under the FERC's jurisdiction, including this one, pursuant to which it agreed not to recoup the $27.3 million calculated for Entergy Arkansas in the compliance filing. As a result of the FERC's rulings on the sale-leaseback and depreciation input issues in the August 2023 rehearing order, in third quarter 2023, System Energy recorded a regulatory asset and corresponding regulatory credit of $40 million to reflect the portion of the January 2023 refunds to be recouped from Entergy Louisiana and Entergy New Orleans. Consistent with the compliance filing, in October 2023, Entergy Louisiana and Entergy New Orleans paid recoupment amounts of $18.2 million and $22.3 million, respectively, to System Energy.

On the third refund issue identified in the rehearing requests, concerning the decommissioning uncertain tax positions, the rehearing order denied all rehearing requests, re-affirmed the remedy contained in the December 2022 order, and did not direct System Energy to recalculate refunds or to submit an additional compliance filing.

In September 2023, System Energy filed a protective appeal of the rehearing order with the United States Court of Appeals for the Fifth Circuit. The appeal was consolidated with System Energy's prior appeal of the December 2022 order.

In September 2023 the LPSC filed with the FERC a request for rehearing and clarification of the rehearing order. The LPSC requested that the FERC reverse its determination in the rehearing order that System Energy may collect an implied return of and on the depreciated cost of the portion of the plant subject to the sale-leaseback, as of the expiration of the initial lease term, as well as its determination in the rehearing order that System Energy may offset the refunds for the depreciation rate input issue and collect interest on the rate base recalculations that were part of the overall depreciation rate recalculations. In addition, the LPSC requested that the FERC either confirm the LPSC's interpretation of the refund associated with the decommissioning uncertain tax positions or explain why it is not doing so. In October 2023 the FERC issued a notice that the rehearing request was deemed denied by operation of law. In November 2023 the FERC issued a further notice stating that it would not issue any further order addressing the rehearing request. Also in November 2023 the LPSC filed with the United States Court of Appeals for the Fifth Circuit a petition for review of the FERC's August 2023 rehearing order and denials of the September 2023 rehearing request.

In December 2023 the United States Court of Appeals for the Fifth Circuit lifted the abeyance on the consolidated System Energy appeals and it also consolidated the LPSC's appeal with the System Energy appeals.

Briefing of the appeals occurred between March 2024 and July 2024. In September 2024 the parties filed a joint motion to continue and stay oral argument, previously scheduled for October 2024, pending the FERC's decision whether to approve the settlement between System Energy and the LPSC, and the United States Court of Appeals for the Fifth Circuit granted the motion. In November 2024, after the FERC issued the order approving the settlement between System Energy and the LPSC, System Energy, the LPSC, the APSC, and the FERC filed a joint stipulation to dismiss the pending appeals, which the United States Court of Appeals for the Fifth Circuit granted.

As discussed below in "**System Energy Settlement with the MPSC**," "**System Energy Settlement with the APSC**," "**System Energy Settlement with the City Council**," and "**System Energy Settlement with the LPSC**," the MPSC, the APSC, the City Council, and the LPSC have settled their claims related to this proceeding.

LPSC Additional Complaints

In May 2020 the LPSC authorized its staff to file additional complaints at the FERC related to the rates charged by System Energy for Grand Gulf energy and capacity supplied to Entergy Louisiana under the Unit Power Sales Agreement. The LPSC directive noted that the initial decision issued by the presiding ALJ in the Grand Gulf sale-leaseback complaint proceeding did not address, for procedural reasons, certain rate issues raised by the LPSC and declined to order further investigation of rates charged by System Energy.

Unit Power Sales Agreement Complaint

The first of the additional complaints was filed by the LPSC, the APSC, the MPSC, and the City Council in September 2020. The first complaint raised two sets of rate allegations: violations of the filed rate and a corresponding request for refunds for prior periods; and elements of the Unit Power Sales Agreement are unjust and unreasonable and a corresponding request for refunds for the 15-month refund period and changes to the Unit Power Sales Agreement prospectively. Several of the filed rate allegations overlapped with the previous complaints. The filed rate allegations not previously raised were that System Energy: failed to provide a rate base credit to customers for the "time value" of sale-leaseback lease payments collected from customers in advance of the time those payments were due to the owner-lessors; improperly included certain sale-leaseback transaction costs in rate base as prepayments; improperly included nuclear refueling outage costs in rate base; wrongly included categories of accumulated deferred income taxes as increases to rate base; charged customers based on a higher equity ratio than would be appropriate due to excessive retained earnings; and did not correctly reflect money pool investments and imprudently invested cash into the money pool. The elements of the Unit Power Sales Agreement that the complaint alleged were unjust and unreasonable include: the current cash working capital allowance of zero, uncapped recovery of incentive and executive compensation, lack of an equity re-opener, and recovery of lobbying and private airplane travel expenses. The complaint also requested a rate investigation into the Unit Power Sales Agreement and System Energy's billing practices pursuant to section 206 of the Federal Power Act, including any issue relevant to the Unit Power Sales Agreement and its inputs. System Energy filed its answer opposing the complaint in November 2020. In its answer, System Energy argued that all of the claims raised in the complaint should be dismissed and agreed that bill adjustment with respect to two discrete issues were justified. System Energy argued that dismissal was warranted because all claims fell into one or more of the following categories: the claims had been raised and were being litigated in another proceeding; the claims did not present a *prima facie* case and did not satisfy the threshold burden to establish a complaint proceeding; the claims were premised on a theory or request relief that is incompatible with federal law or FERC policy; the claims request relief that is inconsistent with the filed rate; the claims were barred or waived by the legal doctrine of laches; and/or the claims had been fully addressed and do not warrant further litigation. In December 2020, System Energy filed a bill adjustment report indicating that $3.4 million had been credited to customers in connection with the two discrete issues concerning the inclusion of certain accumulated deferred income taxes balances in rates.

In May 2021 the FERC issued an order addressing the complaint, establishing a refund effective date of September 21, 2020, establishing hearing procedures, and holding those procedures in abeyance pending the FERC's review of the initial decision in the Grand Gulf sale-leaseback renewal complaint discussed above. System

Energy agreed that the hearing should be held in abeyance but sought rehearing of FERC's decision as related to matters set for hearing that were beyond the scope of FERC's jurisdiction or authority. The complainants sought rehearing of FERC's decision to hold the hearing in abeyance and filed a motion to proceed, which motion System Energy opposed. In June 2021, System Energy's request for rehearing was denied by operation of law, and System Energy filed an appeal of FERC's orders in the Court of Appeals for the Fifth Circuit. In November 2021 the Fifth Circuit dismissed the appeal as premature.

In August 2021 the FERC issued an order addressing System Energy's and the complainants' rehearing requests. The FERC dismissed part of the complaint seeking an equity re-opener, maintained the abeyance for issues related to the proceeding addressing the sale-leaseback renewal and uncertain tax positions, lifted the abeyance for issues unrelated to that proceeding, and clarified the scope of the hearing.

In November 2021 the LPSC, the APSC, and the City Council filed direct testimony and requested the FERC to order refunds for prior periods and prospective amendments to the Unit Power Sales Agreement. The LPSC's refund claims included, among other things, allegations that: (1) System Energy should not have included certain sale-leaseback transaction costs in prepayments; (2) System Energy should have credited rate base to reflect the time value of money associated with the advance collection of lease payments; (3) System Energy incorrectly included refueling outage costs that were recorded in account 174 in rate base; and (4) System Energy should have excluded several accumulated deferred income tax balances in account 190 from rate base. The LPSC also sought a retroactive adjustment to retained earnings and capital structure in conjunction with the implementation of its proposed refunds. In addition, the LPSC sought amendments to the Unit Power Sales Agreement going forward to address below-the-line costs, incentive compensation, the working capital allowance, litigation expenses, and the 2019 termination of the capital funds agreement. The APSC argued that: (1) System Energy should have included borrowings from the Entergy system money pool in its determination of short-term debt in its cost of capital; and (2) System Energy should credit customers with System Energy's allocation of earnings on money pool investments. The City Council alleged that System Energy has maintained excess cash on hand in the money pool and that retention of excess cash was imprudent. Based on this allegation, the City Council's witness recommended a refund of approximately $98.8 million for the period 2004-September 2021 or other alternative relief. The City Council further recommended that the FERC impose a hypothetical equity ratio such as 48.15% equity to capital on a prospective basis.

In January 2022, System Energy filed answering testimony arguing that the FERC should not order refunds for prior periods or any prospective amendments to the Unit Power Sales Agreement. In response to the LPSC's refund claims, System Energy argued, among other things, that: (1) the inclusion of sale-leaseback transaction costs in prepayments was correct; (2) that the filed rate doctrine bars the request for a retroactive credit to rate base for the time value of money associated with the advance collection of lease payments; (3) that an accounting misclassification for deferred refueling outage costs had been corrected, caused no harm to customers, and requires no refunds; and (4) that its accounting and ratemaking treatment of specified accumulated deferred income tax balances in account 190 had been correct. System Energy further responded that no retroactive adjustment to retained earnings or capital structure should be ordered because there was no general policy requiring such a remedy, and there was no showing that the retained earnings element of the capital structure was incorrectly implemented. Further, System Energy presented evidence that all of the costs that were being challenged were long known to the retail regulators and were approved by them for inclusion in retail rates, and the attempt to retroactively challenge these costs, some of which had been included in rates for decades, was unjust and unreasonable. In response to the LPSC's proposed going-forward adjustments, System Energy presented evidence to show that none of the proposed adjustments were needed. On the issue of below-the-line expenses, during discovery procedures System Energy identified a historical allocation error in certain months and agreed to provide a bill credit to customers to correct the error. In response to the APSC's claims, System Energy argued that the Unit Power Sales Agreement did not include System Energy's borrowings from the Entergy system money pool or earnings on deposits to the Entergy system money pool in the determination of the cost of capital; and accordingly, no refunds were appropriate on those issues. In response to the City Council's claims, System Energy argued that it has reasonably managed its cash and that the City Council's theory of cash management was defective because it

failed to adequately consider the relevant cash needs of System Energy and it made faulty presumptions about the operation of the Entergy system money pool. System Energy further pointed out that the issue of its capital structure was already subject to pending FERC litigation.

In March 2022 the FERC trial staff filed direct and answering testimony in response to the LPSC, the APSC, and the City Council's direct testimony. In its testimony, the FERC trial staff recommended refunds for two primary reasons: (1) it concluded that System Energy should have excluded specified accumulated deferred income tax balances in account 190 associated with rate refunds; and (2) it concluded that System Energy should have excluded specified accumulated deferred income tax balances in account 190 associated with a deemed contract satisfaction and reissuance that occurred in 2005. The FERC trial staff recommended refunds of $84.1 million, exclusive of any tax gross-up or FERC interest. In addition, the FERC trial staff recommended the following prospective modifications to the Unit Power Sales Agreement: (1) inclusion of a rate base credit to recognize the time value of money associated with the advance collection of lease payments; (2) exclusion of executive incentive compensation costs for members of the Office of the Chief Executive and long-term performance unit costs where awards are based solely or primarily on financial metrics; and (3) exclusion of unvested, accrued amounts for stock options, performance units, and restricted stock awards. With respect to issues that ultimately concerned the reasonableness of System Energy's rate of return, the FERC trial staff stated that it was unnecessary to consider such issues in the proceeding, in light of the pending case concerning System Energy's return on equity and capital structure. On all other material issues raised by the LPSC, the APSC, and the City Council, the FERC trial staff recommended either no refunds or no modification to the Unit Power Sales Agreement.

In April 2022, System Energy filed cross-answering testimony in response to the FERC trial staff's recommendations of refunds for the accumulated deferred income taxes issues and proposed modifications to the Unit Power Sales Agreement for the executive incentive compensation issues. In June 2022 the FERC trial staff submitted revised answering testimony, in which it recommended additional refunds associated with the accumulated deferred income tax balances in account 190 associated with a deemed contract satisfaction and reissuance that occurred in 2005. Based on the testimony revisions, the FERC trial staff's recommended refunds total $106.6 million, exclusive of any tax gross-up or FERC awarded interest. Also in June 2022, System Energy filed revised and supplemental cross-answering testimony to respond to the FERC trial staff's testimony and oppose its revised recommendation.

In May 2022 the LPSC, the APSC, and the City Council filed rebuttal testimony. The LPSC's testimony asserted new claims, including that: (1) certain of the sale-leaseback transaction costs may have been imprudently incurred; (2) accumulated deferred income taxes associated with sale-leaseback transaction costs should have been included in rate base; (3) accumulated deferred income taxes associated with federal investment tax credits should have been excluded from rate base; (4) monthly net operating loss accumulated deferred income taxes should have been excluded from rate base; and (5) several categories of proposed rate changes, including executive incentive compensation, air travel, industry dues, and legal costs, also warranted historical refunds. The LPSC's rebuttal testimony argued that refunds for the alleged tariff violations and other claims must be calculated by rerunning the Unit Power Sales Agreement formula rate; however, it included estimates of refunds associated with some, but not all, of its claims, totaling $286 million without interest. The City Council's rebuttal testimony also proposed a new, alternate theory and claim for relief regarding System Energy's participation in the Entergy system money pool, under which it calculates estimated refunds of approximately $51.7 million. The APSC's rebuttal testimony agreed with the LPSC's direct testimony that retained earnings should be adjusted in a comprehensive refund calculation. The testimony quantified the estimated impacts of three issues: (1) a $1.5 million reduction in the revenue requirement under the Unit Power Sales Agreement if System Energy's borrowings from the money pool were included in short-term debt; (2) a $1.9 million reduction in the revenue requirement if System Energy's allocated share of money pool earnings were credited through the Unit Power Sales Agreement; and (3) a $1.9 million reduction in the revenue requirement for every $50 million of refunds ordered in a given year, without interest. In total, excluding the settled issues noted below, the claims sought more than $700 million in refunds and interest, based on charges to all Unit Power Sales Agreement purchasers including Entergy Mississippi. The hearing before a FERC ALJ occurred between September and December 2022.

In November 2022, System Energy filed a partial settlement agreement with the APSC, the City Council, and the LPSC that resolved the following issues raised in the Unit Power Sales Agreement complaint: advance collection of lease payments, aircraft costs, executive incentive compensation, money pool borrowings, advertising expenses, deferred nuclear refueling outage costs, industry association dues, and termination of the capital funds agreement. The settlement provided that System Energy would provide a black box refund of $18 million (inclusive of interest), plus additional refund amounts with interest to be calculated for certain issues to be distributed to Entergy Arkansas, Entergy Louisiana, and Entergy New Orleans as the Utility operating companies other than Entergy Mississippi purchasing under the Unit Power Sales Agreement. The settlement further provided that if the APSC, the City Council, or the LPSC agreed to the global settlement System Energy entered into with the MPSC (discussed below), and such global settlement included a black box refund amount, then the black box refund for this settlement agreement would not be incremental or in addition to the global black box refund amount. The settlement agreement addressed other matters as well, including adjustments to rate base beginning in October 2022, exclusion of certain other costs, and inclusion of money pool borrowings, if any, in short-term debt within the cost of capital calculation used in the Unit Power Sales Agreement. In April 2023 the FERC approved the settlement agreement. The refund provided for in the settlement agreement was included in the May 2023 service month bills under the Unit Power Sales Agreement.

In May 2023 the presiding ALJ issued an initial decision finding that System Energy should have excluded multiple identified categories of accumulated deferred income taxes from rate base when calculating Unit Power Sales Agreement bills. The initial decision also found that the Unit Power Sales Agreement should be modified such that a cash working capital allowance of negative $36.4 million is applied prospectively. On the other non-settled issues for which the complainants sought refunds or changes to the Unit Power Sales Agreement, the initial decision ruled against the complainants.

System Energy disagreed with the ALJ's findings concerning the accumulated deferred income taxes issues and cash working capital. In July 2023, System Energy filed a brief on exceptions to the initial decision's accumulated deferred income taxes findings. Also in July 2023, the APSC, the LPSC, the City Council, and the FERC trial staff filed separate briefs on exceptions. In August 2023 all parties filed separate briefs opposing exceptions.

As discussed below in "**System Energy Settlement with the MPSC**," "**System Energy Settlement with the APSC**," and "**System Energy Settlement with the City Council**," and "**System Energy Settlement with the LPSC**," the MPSC, the APSC, and the City Council, and the LPSC have settled their claims related to this proceeding.

Grand Gulf Prudence Complaints

The second of the additional complaints was filed at the FERC in March 2021 by the LPSC, the APSC, and the City Council against System Energy, Entergy Services, Entergy Operations, and Entergy Corporation. The second complaint contained two primary allegations. First, it alleged that, based on the plant's capacity factor and alleged safety performance, System Energy and the other respondents imprudently operated Grand Gulf during the period 2016-2020, and it sought refunds of at least $360 million in alleged replacement energy costs, in addition to other costs, including those that could only be identified upon further investigation. Second, it alleged that the performance and/or management of the 2012 extended power uprate of Grand Gulf was imprudent, and it sought refunds of all costs of the 2012 uprate that were determined to result from imprudent planning or management of the project. In addition to the requested refunds, the complaint asked that the FERC modify the Unit Power Sales Agreement to provide for full cost recovery only if certain performance indicators were met and to require pre-authorization of capital improvement projects in excess of $125 million before related costs could be passed through to customers in rates. In April 2021, System Energy and the other respondents filed their motion to dismiss and answer to the complaint. System Energy requested that the FERC dismiss the claims within the complaint. With respect to the claim concerning operations, System Energy argued that the complaint did not meet its legal burden

because, among other reasons, it failed to allege any specific imprudent conduct. With respect to the claim concerning the uprate, System Energy argued that the complaint failed because, among other reasons, the complainants' own conduct prevented them from raising a serious doubt as to the prudence of the uprate. System Energy also requested that the FERC dismiss other elements of the complaint, including the proposed modifications to the Unit Power Sales Agreement, because they were not warranted. In February 2023 the FERC issued an order denying rehearing and thereby affirming its order setting the complaint for settlement and hearing procedures. In July 2023 the FERC chief ALJ terminated settlement procedures and appointed a presiding ALJ to oversee hearing procedures. In September 2023 a procedural schedule for hearing procedures was established. Also in September 2023 the LPSC authorized its staff to file an additional complaint concerning the prudence of System Energy's operation and management of Grand Gulf in the year 2022. In October 2023 the LPSC, the APSC, and the City Council filed what they styled as an amended and supplemental complaint with the FERC against System Energy, Entergy Services, and Entergy Operations. In November 2023, System Energy answered the amended and supplemental complaint. Pursuant to the procedural schedule, the complainants' testimony in the original complaint proceeding was filed in December 2023. System Energy's answering testimony was filed in May 2024, and the FERC trial staff's direct and answering testimony was filed in June 2024.

As discussed below in "**System Energy Settlement with the APSC**," "**System Energy Settlement with the City Council**," and "**System Energy Settlement with the LPSC**," the APSC, the City Council, and the LPSC have settled all of their claims related to this proceeding.

System Energy Settlement with the MPSC

In June 2022, System Energy, Entergy Mississippi, and additional named Entergy parties involved in thirteen docketed proceedings before the FERC filed with the FERC a partial settlement agreement and offer of settlement. The settlement memorialized the Entergy parties' agreement with the MPSC to globally resolve all actual and potential claims between the Entergy parties and the MPSC associated with those FERC proceedings and with System Energy's past implementation of the Unit Power Sales Agreement.

The settlement provided for a black box refund of $235 million from System Energy to Entergy Mississippi. In addition, beginning with the July 2022 service month, the settlement provided for Entergy Mississippi's bills from System Energy to be adjusted to reflect: an authorized rate of return on equity of 9.65%, a capital structure not to exceed 52% equity through June 2026, a rate base reduction for the advance collection of sale-leaseback rental costs, and the exclusion of certain long-term incentive plan performance unit costs from rates. The settlement was approved by the MPSC in June 2022 and the FERC in November 2022.

System Energy had previously recorded a provision and associated liability of $37 million for elements of the applicable litigation. In June 2022, System Energy recorded a regulatory charge of $551 million ($413 million net-of-tax), increasing the regulatory liability to $588 million, which consisted of $235 million for the settlement with the MPSC and $353 million for potential future refunds to Entergy Arkansas, Entergy Louisiana, and Entergy New Orleans. Based on analysis of the then-pending complaints against System Energy and potential future settlement negotiations, in third quarter 2023, System Energy recorded a regulatory charge of $40 million to increase System Energy's regulatory liability related to complaints against System Energy. System Energy paid the black box refund of $235 million to Entergy Mississippi in November 2022.

System Energy Settlement with the APSC

In October 2023, System Energy, Entergy Arkansas, and additional named Entergy parties involved in multiple docketed proceedings pending before the FERC reached a settlement in principle with the APSC to globally resolve all of their actual and potential claims in those dockets and with System Energy's past implementation of the Unit Power Sales Agreement. The settlement also covered the amended and supplemental complaint, discussed above in "Grand Gulf Prudence Complaints," filed at the FERC in October 2023. System

Energy, Entergy Arkansas, additional Entergy parties, and the APSC filed the settlement agreement and supporting materials with the FERC in November 2023.

The terms of the settlement with the APSC aligned with the $588 million global black box settlement reached between System Energy and the MPSC in June 2022 and provided for Entergy Arkansas to receive a black box refund of $142 million from System Energy, inclusive of $49.5 million already received by Entergy Arkansas from System Energy. In addition, beginning with the November 2023 service month, the settlement provided for Entergy Arkansas's bills from System Energy to be adjusted to reflect an authorized rate of return on equity of 9.65% and a capital structure not to exceed 52% equity through June 2026. In March 2024 the FERC approved the settlement, and System Energy paid the remaining black box refund of $93 million to Entergy Arkansas in 2024.

System Energy Settlement with the City Council

In April 2024, System Energy, Entergy New Orleans, and additional named Entergy parties involved in multiple docketed proceedings pending before the FERC reached a settlement in principle with the City Council to globally resolve all of their actual and potential claims in those dockets and with System Energy's past implementation of the Unit Power Sales Agreement. The settlement also covered the amended and supplemental complaint, discussed in "Grand Gulf Prudence Complaints" above, filed by the LPSC, the APSC, and the City Council at the FERC in October 2023. In May 2024, System Energy, Entergy New Orleans, additional named Entergy parties, and the City Council filed the settlement agreement and supporting materials with the FERC.

The terms of the settlement with the City Council aligned with the $588 million global black box settlement amount reflected in the prior settlements reached between System Energy and the MPSC in June 2022 and between System Energy and the APSC in November 2023. The settlement provided for Entergy New Orleans to receive a black box refund of $116 million from System Energy, inclusive of approximately $18 million already received by Entergy New Orleans from System Energy. In addition, beginning with the June 2024 service month, the settlement provided for Entergy New Orleans's bills from System Energy to be adjusted to reflect an authorized rate of return on equity of 9.65% and a capital structure not to exceed 52% equity through June 2026. In August 2024 the FERC approved the settlement, and System Energy paid the remaining black box refund of $98 million to Entergy New Orleans in October 2024.

System Energy Settlement with the LPSC

In July 2024, System Energy and the LPSC staff reached a settlement in principle to globally resolve all of the LPSC's actual and potential claims in multiple docketed proceedings pending before the FERC (including all docketed proceedings resolved by the MPSC, the APSC, and the City Council settlements) and with System Energy's past implementation of the Unit Power Sales Agreement. The settlement also covered the amended and supplemental complaint, discussed above in "Grand Gulf Prudence Complaints," filed by the LPSC, the APSC, and the City Council at the FERC in October 2023. In August 2024 the LPSC approved the settlement. In September 2024 the settling parties filed the settlement for approval by the FERC.

The terms of the settlement with the LPSC staff aligned with the $588 million global black box settlement amount reflected in the prior settlements reached between System Energy and the MPSC in June 2022, between System Energy and the APSC in November 2023, and between System Energy and the City Council in April 2024. The settlement in principle provided for Entergy Louisiana to receive a black box refund of $95 million from System Energy, inclusive of approximately $15 million already received by Entergy Louisiana from System Energy. In addition, beginning with the September 2024 service month, the settlement provided for Entergy Louisiana's bills from System Energy to be adjusted to reflect an authorized rate of return on equity of 9.65% and a capital structure not to exceed 52% equity through June 2026. In November 2024 the FERC approved the settlement, and System Energy paid the remaining black box refund of $80 million to Entergy Louisiana in December 2024.

The settlement also included an agreement that, subject to the receipt of necessary regulatory approvals, Entergy Louisiana would divest to Entergy Mississippi all of its interest in Grand Gulf capacity and energy under the Unit Power Sales Agreement and its purchases from Entergy Arkansas under the MSS-4 replacement tariff. In October 2024 Entergy Louisiana and Entergy Mississippi filed with the FERC a PPA under which Entergy Mississippi would purchase Entergy Louisiana's purchases of Grand Gulf capacity and energy. The PPA was governed by the MSS-4 replacement tariff, a tariff governing the sales of energy and capacity among the Utility operating companies. The requisite approvals for the PPA were issued by the FERC in November 2024 and the MPSC in February 2025. The divestiture was effective as of January 1, 2025. In compliance with the settlement, in May 2025, System Energy, Entergy Louisiana, and Entergy Mississippi submitted the following filings with the FERC: (1) a Federal Power Act Section 203 application seeking approval for the permanent divestiture by Entergy Louisiana to Entergy Mississippi of its rights to capacity and energy from Grand Gulf; and (2) a Federal Power Act Section 205 application seeking approval to modify the entitlement percentages of the remaining purchasers under the Unit Power Sales Agreement in connection with the foregoing divestiture. In July 2025, the FERC issued an order accepting the Federal Power Act Section 205 application to remove Entergy Louisiana as a party to the Unit Power Sales Agreement. As a result of the order, the Unit Power Sales Agreement entitlement percentages of the remaining purchasers were permanently modified to exclude Entergy Louisiana effective October 2025. The FERC also issued an order dismissing the Federal Power Act Section 203 application based on lack of jurisdiction. In September 2025 the APSC filed a request for rehearing of the FERC's July 2025 order accepting the revised Unit Power Sales Agreement entitlement percentages. In November 2025 the FERC issued an order denying the APSC's rehearing request. See Note 8 to the financial statements for additional information regarding the Unit Power Sales Agreement.

Unit Power Sales Agreement

System Energy Formula Rate Annual Protocols Formal Challenges Concerning 2020-2022 Calendar Year Bills

System Energy's Unit Power Sales Agreement includes formula rate protocols that provide for the disclosure of cost inputs, an opportunity for informal discovery procedures, and a challenge process. In February 2022, pursuant to the protocols procedures, the LPSC, the APSC, the MPSC, the City Council, and the Mississippi Public Utilities Staff filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2020. In March 2023, pursuant to the protocols procedures discussed above, the LPSC, the APSC, and the City Council filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2021. In February 2024, pursuant to the protocols procedures, the LPSC and the City Council filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2022. These formal challenges were ultimately settled as a result of System Energy's global settlements with the MPSC, the APSC, the City Council, and the LPSC. See "**Complaints Against System Energy**" above for further discussion of the System Energy settlements with the MPSC, the APSC, the City Council, and the LPSC.

Depreciation Amendment Proceeding

In December 2021, System Energy submitted to the FERC proposed amendments to the Unit Power Sales Agreement to adopt updated rates for use in calculating Grand Gulf plant depreciation and amortization expenses. The proposed amendments would result in higher charges to the Utility operating companies that buy capacity and energy from System Energy under the Unit Power Sales Agreement. In February 2022 the FERC accepted System Energy's proposed increased depreciation rates with an effective date of March 1, 2022, subject to refund pending the outcome of the settlement and/or hearing procedures. In June 2023 System Energy filed with the FERC an unopposed offer of settlement that it had negotiated with intervenors to the proceeding. In August 2023 the FERC approved the settlement, which resolves the proceeding. In third quarter 2023, System Energy recorded a reduction in depreciation expense of $41 million representing the cumulative difference in depreciation expense resulting from the depreciation rates used from March 2022 through June 2023 and the depreciation rates included in the

settlement filing approved by the FERC. In October 2023, System Energy filed a refund report with the FERC. The refund provided for in the refund report was included in the September 2023 service month bills under the Unit Power Sales Agreement. No comments or protests to the refund report were filed.

Pension Costs Amendment Proceeding

In October 2021, System Energy submitted to the FERC proposed amendments to the Unit Power Sales Agreement to include in rate base the prepaid and accrued pension costs associated with System Energy's qualified pension plans. Based on data ending in 2020, the increased annual revenue requirement associated with the filing is approximately $8.9 million. In March 2022 the FERC accepted System Energy's proposed amendments with an effective date of December 1, 2021, subject to refund pending the outcome of the settlement and/or hearing procedures. In August 2023 the FERC chief ALJ terminated settlement procedures and designated a presiding ALJ to oversee hearing procedures. Testimony was filed by the parties from October 2023 through April 2024, and the hearing concluded in June 2024.

In September 2024 the presiding ALJ issued an initial decision recommending that the FERC approve inclusion of a line item in rate base for prepaid and accrued pension costs; however, the presiding ALJ did not agree with System Energy's proposed methodology to calculate the value of the prepaid and accrued pension cost input. Instead, the presiding ALJ recommended limiting System Energy's recovery to the prepaid and accrued pension costs that were incurred beginning in 2015 and later. The ALJ's initial decision was not binding on the FERC and was an interim step in the hearing process.

System Energy disputed the presiding ALJ's determination concerning the methodology used to calculate the prepaid and accrued pension input, and System Energy filed exceptions to these rulings in October 2024. In October 2024, the LPSC, the APSC, and the FERC trial staff filed separate briefs on exceptions; these parties generally argue that the presiding ALJ should have rejected System Energy's filing entirely, rather than limit System Energy's recovery of the prepaid and accrued pension costs. Later in October 2024, System Energy, the LPSC, the APSC, and the FERC trial staff filed separate briefs opposing exceptions.

In November 2025 the FERC issued an order on the initial decision and reversed the ALJ's decision. The FERC approved System Energy's proposed prepaid and accrued pension recovery mechanism. System Energy has been utilizing this methodology in billings since December 1, 2022 and will continue to utilize it going forward. As a result of the FERC's order, System Energy does not owe any refunds. In December 2025 the APSC filed a request for rehearing of the November 2025 order. In January 2026 the FERC denied the APSC's rehearing request by operation of law. The FERC indicated that the APSC's request for rehearing will be addressed substantively in a future order. This proceeding is not covered by the global settlements described above.

MSS-4 Replacement Tariff – Net Operating Loss Carryforward Proceeding

In January 2021, pursuant to section 205 of the Federal Power Act, Entergy Services filed an amendment to the MSS-4 replacement tariff, a tariff governing the sales of energy and capacity among the Utility operating companies, in order to provide for the inclusion of specified accumulated deferred income taxes, including net operating loss carryforward accumulated deferred income taxes (NOLC ADIT), in the rate for sales of energy among the Utility operating companies on a prospective basis. In March 2021, the FERC accepted the filing, subject to refund and hearing procedures.

In October 2021 the LPSC filed a complaint with the FERC alleging that Entergy Services improperly excluded NOLC ADIT from MSS-4 replacement tariff rates in the period before March 20, 2021. The LPSC argued that sales from Entergy Louisiana to Entergy Texas and Entergy New Orleans were charged at rates lower than they otherwise should have been, and it accordingly seeks surcharges for the period prior to March 20, 2021. The FERC set the complaint for hearing procedures and subsequently the hearing for this complaint proceeding was consolidated with the hearing procedures for Entergy Services' January 2021 NOLC ADIT filing.

Testimony was filed by parties in 2023, and the hearing before a FERC ALJ was concluded in February 2024. In June 2024, the FERC ALJ issued an initial decision addressing three major issues: (1) whether Entergy Services' proposed prospective inclusion and allocation of NOLC ADIT in MSS-4 replacement tariff rates using a modified with-and-without methodology is just and reasonable; (2) whether Entergy Services correctly calculated excess and deficient accumulated deferred income taxes in accordance with the terms of a prior settlement; and (3) whether NOLC ADIT should have been included in MSS-4 replacement tariff rates prior to the effective date of the January 2021 MSS-4 replacement tariff filing.

With respect to issues (1) and (2), the presiding ALJ concluded that Entergy Services' proposed methodology for allocating and including NOLC ADIT in MSS-4 replacement tariff rates was just and reasonable and that Entergy Services correctly performed the excess and deficient accumulated deferred income taxes calculations. With respect to issue (3), however, the presiding ALJ agreed with the LPSC that NOLC ADIT should have been included in MSS-4 replacement tariff rates since September 1, 2016, and as a result, the presiding ALJ ordered that Entergy Louisiana and Entergy Arkansas recalculate bills for the period of September 1, 2016 through November 11, 2023 with surcharges expected to be due to those operating companies from the purchasing operating companies, Entergy New Orleans, Entergy Texas, and Entergy Louisiana (for some Entergy Arkansas sales). The presiding ALJ also ordered Entergy Services to pay the interest owed to Entergy Louisiana on these surcharges.

The surcharge methodology that the presiding ALJ recommended in connection with issue (3) was not supported by any participant in the hearing. As part of their exceptions to the initial decision, all parties to the proceeding opposed the use of the ALJ's methodology, except for the FERC trial staff, which took no position. During the hearing, the LPSC and the FERC trial staff advocated that the alleged tariff violation should be remedied by the application of Entergy Services' January 2021 proposed methodology. All other parties, including the PUCT, the City Council, and Entergy Services, opposed any surcharges for the period prior to the March 20, 2021 effective date of the January 2021 filing.

Entergy Services disputes the presiding ALJ's rulings on issue (3) and filed exceptions to these rulings in July 2024. The ALJ's initial decision is not binding on the FERC and is an interim step in the hearing process. No refunds will be owed in connection with this proceeding unless and until the FERC requires them in a final order.

The MSS-4 replacement tariff includes protocols that provide for the disclosure of cost inputs, an opportunity for informal discovery procedures, and a challenge process. In April 2025, pursuant to such protocols, the City Council filed with the FERC a formal challenge relating to Entergy Services' inclusion and allocation of net operating loss carryforward accumulated deferred income taxes in the MSS-4 replacement tariff rates charged to Entergy New Orleans's monthly bills for calendar year 2023. In May 2025, Entergy Services filed a response to the formal challenge and is awaiting a response from the FERC.

Storm Cost Recovery Filings with Retail Regulators

Entergy Louisiana

Hurricane Francine

In September 2024, Hurricane Francine caused damage to the areas served by Entergy Louisiana and Entergy New Orleans. The storm resulted in widespread power outages, primarily due to damage to distribution infrastructure as a result of strong winds and heavy rain, and the loss of sales during the power outages.

In December 2024, and subsequently amended in an errata filed in February 2025, Entergy Louisiana submitted an application to the LPSC seeking a determination that approximately $183.6 million in storm restoration costs associated with Hurricane Francine were reasonable and necessary and, therefore, eligible for recovery from customers, as well as approval to recover approximately $3.6 million in certain carrying costs from

customers. The $183.6 million included approximately $152.8 million in distribution capital costs and approximately $29.8 million in non-capital costs; the balance consisted of transmission and generation capital costs. Entergy Louisiana proposed in its application to recover its distribution-related capital costs of $152.8 million through the distribution recovery mechanism of its formula rate plan. Entergy Louisiana further requested the LPSC to authorize recovery of these distribution-related capital expenses through an interim rate adjustment, subject to true-up and refund, that would begin with the first billing cycle of March 2025. Entergy Louisiana also requested to recover, from its storm reserve escrow account, $33.5 million, which consisted of non-capital costs and certain carrying costs. Entergy Louisiana also proposed to recover the transmission and generation capital costs through separate ratemaking proceedings. See further discussion of the 2023 formula rate plan filing above. Also in February 2025, Entergy Louisiana withdrew the $33.5 million from its funded storm reserves. In June 2025 the LPSC staff filed direct testimony. The LPSC staff recommended approval of Entergy Louisiana's as-requested storm restoration costs with the exception of approximately $10.6 million, comprised primarily of estimates of mutual assistance invoices that had not yet been received at the time of filing and that ultimately exceeded the actual amounts invoiced, as well as certain incentive compensation, and $1.8 million associated with certain carrying costs. In September 2025, Entergy Louisiana reached a settlement with the LPSC staff pursuant to which Entergy Louisiana and the LPSC staff agreed on the amounts recoverable by Entergy Louisiana in connection with Hurricane Francine. Both intervenors in the proceeding stated they did not oppose the settlement. A hearing on the proposed settlement before the ALJ occurred in October 2025. Pursuant to the terms of the settlement, Entergy Louisiana returned $1.9 million to its funded storm reserves in October 2025. The LPSC voted unanimously at its November 2025 meeting to adopt the settlement, and the order adopting the settlement was issued in December 2025.

Hurricane Laura, Hurricane Delta, Hurricane Zeta, Winter Storm Uri, and Hurricane Ida

In August 2020 and October 2020, Hurricane Laura, Hurricane Delta, and Hurricane Zeta caused significant damage to portions of Entergy Louisiana's service area. The storms resulted in widespread outages, significant damage to distribution and transmission infrastructure, and the loss of sales during the outages. Additionally, as a result of Hurricane Laura's extensive damage to the grid infrastructure serving the impacted area, large portions of the underlying transmission system required nearly a complete rebuild.

In October 2020, Entergy Louisiana filed an application at the LPSC seeking approval of certain ratemaking adjustments in connection with the issuance of shorter-term mortgage bonds to provide interim financing for restoration costs associated with Hurricane Laura, Hurricane Delta, and Hurricane Zeta. Subsequently, Entergy Louisiana and the LPSC staff filed a joint motion seeking approval to exclude from the derivation of Entergy Louisiana's capital structure and cost rate of debt for ratemaking purposes, including the allowance for funds used during construction, shorter-term debt up to $1.1 billion issued by Entergy Louisiana to fund costs associated with Hurricane Laura, Hurricane Delta, and Hurricane Zeta costs on an interim basis. In November 2020 the LPSC issued an order approving the joint motion, and Entergy Louisiana issued $1.1 billion of 0.62% Series mortgage bonds due November 2023. Also in November 2020, Entergy Louisiana withdrew $257 million from its funded storm reserves.

In February 2021 two winter storms (collectively, Winter Storm Uri) brought freezing rain and ice to Louisiana. Ice accumulation sagged or downed trees, limbs, and power lines, causing damage to Entergy Louisiana's transmission and distribution systems. The additional weight of ice caused trees and limbs to fall into power lines and other electric equipment. When the ice melted, it affected vegetation and electrical equipment, causing additional outages. Entergy Louisiana recovered the incremental fuel costs associated with Winter Storm Uri over a five-month period from April 2021 through August 2021.

In April 2021, Entergy Louisiana filed an application with the LPSC relating to Hurricane Laura, Hurricane Delta, Hurricane Zeta, and Winter Storm Uri restoration costs and in July 2021, Entergy Louisiana made a supplemental filing updating the total restoration costs. Total restoration costs for the repair and/or replacement of Entergy Louisiana's electric facilities damaged by these storms were estimated to be approximately $2.06 billion,

including approximately $1.68 billion in capital costs and approximately $380 million in non-capital costs. Including carrying costs through January 2022, Entergy Louisiana sought an LPSC determination that $2.11 billion was prudently incurred and, therefore, was eligible for recovery from customers. Additionally, Entergy Louisiana requested that the LPSC determine that re-establishment of a storm escrow account to the previously authorized amount of $290 million was appropriate. In July 2021, Entergy Louisiana supplemented the application with a request regarding the financing and recovery of the recoverable storm restoration costs. Specifically, Entergy Louisiana requested approval to securitize its restoration costs pursuant to Louisiana Act 55 financing, as supplemented by Act 293 of the Louisiana Legislature's Regular Session of 2021.

In August 2021, Hurricane Ida caused extensive damage to Entergy Louisiana's distribution and, to a lesser extent, transmission systems resulting in widespread power outages. In September 2021, Entergy Louisiana filed an application at the LPSC seeking approval of certain ratemaking adjustments in connection with the issuance of approximately $1 billion of shorter-term mortgage bonds to provide interim financing for restoration costs associated with Hurricane Ida, which bonds were issued in October 2021. Also in September 2021, Entergy Louisiana sought approval for the creation and funding of a $1 billion restricted escrow account for Hurricane Ida related restoration costs, subject to a subsequent prudence review.

After filing of testimony by the LPSC staff and intervenors, which generally supported or did not oppose Entergy Louisiana's requests in regard to Hurricane Laura, Hurricane Delta, Hurricane Zeta, Winter Storm Uri, and Hurricane Ida, the parties negotiated and executed an uncontested stipulated settlement which was filed with the LPSC in February 2022. The settlement agreement contained the following key terms: $2.1 billion of restoration costs from Hurricane Laura, Hurricane Delta, Hurricane Zeta, and Winter Storm Uri were prudently incurred and eligible for recovery; carrying costs of $51 million were recoverable; a $290 million cash storm reserve should be re-established; a $1 billion reserve should be established to partially pay for Hurricane Ida restoration costs; and Entergy Louisiana was authorized to finance $3.186 billion utilizing the securitization process authorized by Act 55, as supplemented by Act 293. The LPSC issued an order approving the settlement in March 2022. As a result of the financing order, Entergy Louisiana reclassified $1.942 billion from utility plant to other regulatory assets.

In May 2022 the securitization financing closed, resulting in the issuance of $3.194 billion principal amount of bonds by Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA), a political subdivision of the State of Louisiana. The securitization was authorized pursuant to the Louisiana Utilities Restoration Corporation Act, Part VIII of Chapter 9 of Title 45 of the Louisiana Revised Statutes, as supplemented by Act 293 of the Louisiana legislature approved in 2021. The LCDA loaned the proceeds to the LURC. Pursuant to Act 293, the LURC contributed the net bond proceeds to a State legislatively authorized and LURC-sponsored trust, Restoration Law Trust I (the storm trust I).

Pursuant to Act 293, the net proceeds of the bonds were used by the storm trust I to purchase 31,635,718.7221 Class A preferred, non-voting membership interest units (the preferred membership interests) issued by Entergy Finance Company. Entergy Finance Company is required to make annual distributions (dividends) commencing on December 15, 2022 on the preferred membership interests issued to the storm trust I. These annual dividends received by the storm trust I will be distributed to Entergy Louisiana and the LURC, as beneficiaries of the storm trust I. Specifically, 1% of the annual dividends received by the storm trust I will be distributed to the LURC, for the benefit of customers, and 99% will be distributed to Entergy Louisiana, net of storm trust expenses. The preferred membership interests have a stated annual cumulative cash dividend rate of 7% and a liquidation price of $100 per unit. The terms of the preferred membership interests include certain financial covenants to which Entergy Finance Company is subject. Semi-annual redemptions of the preferred membership interests, subject to certain conditions, are expected to occur over the next 15 years.

Entergy and Entergy Louisiana do not report the bonds issued by the LCDA on their balance sheets because the bonds are the obligation of the LCDA. The bonds are secured by system restoration property, which is the right granted by law to the LURC to collect a system restoration charge from customers. The system restoration charge is adjusted at least semi-annually to ensure that it is sufficient to service the bonds. Entergy Louisiana collects the

system restoration charge on behalf of the LURC and remits the collections to the bond indenture trustee. Entergy Louisiana began collecting the system restoration charge effective with the first billing cycle of June 2022 and the system restoration charge is expected to remain in place for up to 15 years. Entergy and Entergy Louisiana do not report the collections as revenue because Entergy Louisiana is merely acting as a billing and collection agent for the LCDA and the LURC. In the remote possibility that the system restoration charge, as well as any funds in the excess subaccount and funds in the debt service reserve account, are insufficient to service the bonds resulting in a payment default, the storm trust I is required to liquidate Entergy Finance Company preferred membership interests in an amount equal to what would be required to cure the default. The estimated value of this indirect guarantee is immaterial.

From the proceeds from the issuance of the preferred membership interests, Entergy Finance Company distributed $1.4 billion to its then-current parent, Entergy Holdings Company, LLC, a company wholly-owned and consolidated by Entergy. Subsequently, Entergy Holdings Company liquidated, distributing the $1.4 billion it received from Entergy Finance Company to Entergy Louisiana as holder of 6,843,780.24 units of Class A, 4,126,940.15 units of Class B, and 2,935,152.69 units of Class C preferred membership interests. Entergy Louisiana had acquired these preferred membership interests with proceeds from previous securitizations of storm restoration costs. Entergy Finance Company loaned the remaining $1.7 billion from the preferred membership interests proceeds to Entergy which used the cash to redeem $650 million of 4.00% Series senior notes due July 2022 and indirectly contributed $1 billion to Entergy Louisiana as a capital contribution.

Entergy Louisiana used the $1 billion capital contribution to fund its Hurricane Ida escrow account and subsequently withdrew the $1 billion from the escrow account. With a portion of the $1 billion withdrawn from the escrow account and the $1.4 billion from the Entergy Holdings Company liquidation, Entergy Louisiana deposited $290 million in a restricted escrow account as a storm damage reserve for future storms, used $1.2 billion to repay its unsecured term loan due June 2023, and used $435 million to redeem a portion of its 0.62% Series mortgage bonds due November 2023.

The securitization resulted in recognition of a reduction of income tax expense of approximately $290 million by Entergy Louisiana. Entergy's recognition of reduced income tax expense was partially offset by other tax charges resulting in a net reduction of income tax expense of $283 million. In recognition of obligations described in an LPSC ancillary order issued as part of the securitization regulatory proceeding, Entergy Louisiana recorded a $224 million ($165 million net-of-tax) regulatory charge and a corresponding regulatory liability to reflect its obligation to provide credits to its customers. Entergy Louisiana is returning a portion of the credits to customers through the storm cost offset rider through 2034.

As discussed in Note 6 and Note 17 to the financial statements, Entergy Louisiana consolidates the storm trust I as a variable interest entity and the LURC's 1% beneficial interest is presented as noncontrolling interest in the financial statements.

In April 2022, Entergy Louisiana filed an application with the LPSC relating to Hurricane Ida restoration costs. Total restoration costs for the repair and/or replacement of Entergy Louisiana's electric facilities damaged by Hurricane Ida were estimated to be approximately $2.54 billion, including approximately $1.96 billion in capital costs and approximately $586 million in non-capital costs. Including carrying costs of $57 million through December 2022, Entergy Louisiana was seeking an LPSC determination that $2.60 billion was prudently incurred and, therefore, eligible for recovery from customers. As part of this filing, Entergy Louisiana also was seeking an LPSC determination that an additional $32 million in costs associated with the restoration of Entergy Louisiana's electric facilities damaged by Hurricane Laura, Hurricane Delta, and Hurricane Zeta as well as Winter Storm Uri was prudently incurred. This amount was exclusive of the requested $3 million in carrying costs through December 2022. In total, Entergy Louisiana was requesting an LPSC determination that $2.64 billion was prudently incurred and, therefore, eligible for recovery from customers. As discussed above, in March 2022 the LPSC approved financing of a $1 billion storm escrow account from which funds were withdrawn to finance costs associated with Hurricane Ida restoration. In June 2022, Entergy Louisiana supplemented the application with a request regarding

the financing and recovery of the recoverable storm restoration costs. Specifically, Entergy Louisiana requested approval to securitize its restoration costs pursuant to Louisiana Act 55 financing, as supplemented by Act 293 of the Louisiana Legislature's Regular Session of 2021. In October 2022 the LPSC staff recommended a finding that the requested storm restoration costs of $2.64 billion, including associated carrying costs of $59.1 million, were prudently incurred and eligible for recovery from customers. The LPSC staff further recommended approval of Entergy Louisiana's plans to securitize these costs, net of the $1 billion in funds withdrawn from the storm escrow account described above. The parties negotiated and executed an uncontested stipulated settlement which was filed with the LPSC in December 2022. The settlement agreement contains the following key terms: $2.57 billion of restoration costs from Hurricane Ida, Hurricane Laura, Hurricane Delta, Hurricane Zeta, and Winter Storm Uri were prudently incurred and eligible for recovery; carrying costs of $59.2 million were recoverable; and Entergy Louisiana was authorized to finance $1.657 billion utilizing the securitization process authorized by Act 55, as supplemented by Act 293. A procedural motion to consider the uncontested settlement at the December 2022 LPSC meeting did not pass and the settlement was not voted on. In January 2023 an ALJ with the LPSC conducted a settlement hearing to receive the uncontested settlement and supporting testimony into evidence and issued a report of proceedings, which allows the LPSC to consider the uncontested settlement without the procedural motion that did not pass in December. In January 2023 the LPSC approved the stipulated settlement subject to certain modifications. These modifications include the recognition of accumulated deferred income tax benefits related to damaged assets and system restoration costs as a reduction of the amount authorized to be financed utilizing the securitization process authorized by Act 55, as supplemented by Act 293, from $1.657 billion to $1.491 billion. These modifications did not affect the LPSC's conclusion that all system restoration costs sought by Entergy Louisiana were reasonable and prudent. In February 2023 the Louisiana Bond Commission voted to authorize the LCDA to issue the bonds authorized in the LPSC's financing order.

In March 2023 the Hurricane Ida securitization financing closed, resulting in the issuance of approximately $1.491 billion principal amount of bonds by the LCDA and a remaining regulatory asset of $180 million to be recovered through the exclusion of the accumulated deferred income taxes related to damaged assets and system restoration costs from the determination of future rates. The securitization was authorized pursuant to the Louisiana Utilities Restoration Corporation Act, Part VIII of Chapter 9 of Title 45 of the Louisiana Revised Statutes, as supplemented by Act 293 of the Louisiana Legislature's Regular Session of 2021. The LCDA loaned the proceeds to the LURC. Pursuant to Act 293, the LURC contributed the net bond proceeds to a State legislatively authorized and LURC-sponsored trust, Restoration Law Trust II (the storm trust II).

Pursuant to Act 293, the net proceeds of the bonds were used by the storm trust II to purchase 14,576,757.48 Class B preferred, non-voting membership interest units (the preferred membership interests) issued by Entergy Finance Company. Entergy Finance Company is required to make annual distributions (dividends) commencing on December 15, 2023 on the preferred membership interests issued to the storm trust II. These annual dividends received by the storm trust II will be distributed to Entergy Louisiana and the LURC, as beneficiaries of the storm trust II. Specifically, 1% of the annual dividends received by the storm trust II will be distributed to the LURC for the benefit of customers, and 99% will be distributed to Entergy Louisiana, net of storm trust expenses. The preferred membership interests have a stated annual cumulative cash dividend rate of 7.5% and a liquidation price of $100 per unit. The terms of the preferred membership interests include certain financial covenants to which Entergy Finance Company is subject. Semi-annual redemptions of the preferred membership interests, subject to certain conditions, are expected to occur over the next 15 years.

Entergy and Entergy Louisiana do not report the bonds issued by the LCDA on their balance sheets because the bonds are the obligation of the LCDA. The bonds are secured by system restoration property, which is the right granted by law to the LURC to collect a system restoration charge from customers. The system restoration charge is adjusted at least semi-annually to ensure that it is sufficient to service the bonds. Entergy Louisiana collects the system restoration charge on behalf of the LURC and remits the collections to the bond indenture trustee. Entergy Louisiana began collecting the system restoration charge effective with the first billing cycle of April 2023 and the system restoration charge is expected to remain in place for up to 15 years. Entergy and Entergy Louisiana do not report the collections as revenue because Entergy Louisiana is merely acting as a billing and collection agent for the

LCDA and the LURC. In the remote possibility that the system restoration charge, as well as any funds in the excess subaccount and funds in the debt service reserve account, are insufficient to service the bonds resulting in a payment default, the storm trust II is required to liquidate Entergy Finance Company preferred membership interests in an amount equal to what would be required to cure the default. The estimated value of this indirect guarantee is immaterial.

From the proceeds from the issuance of the preferred membership interests, Entergy Finance Company loaned approximately $1.5 billion to Entergy, which was indirectly contributed to Entergy Louisiana as a capital contribution.

As discussed in Note 3 to the financial statements, the securitization resulted in recognition of a net reduction of income tax expense of approximately $133 million, after taking into account a provision for uncertain tax positions, by Entergy Louisiana. Entergy's recognition of reduced income tax expense was offset by other tax charges resulting in a net reduction of income tax expense of $129 million, after taking into account a provision for uncertain tax positions. In recognition of its obligations described in an LPSC ancillary order issued as part of the securitization regulatory proceeding, Entergy Louisiana recorded in first quarter 2023 a $103 million ($76 million net-of-tax) regulatory charge and a corresponding regulatory liability to reflect its obligation to provide credits to its customers. Entergy Louisiana is returning a portion of the credits to customers through the storm cost offset rider through 2041.

As discussed in Note 6 and Note 17 to the financial statements, Entergy Louisiana consolidates the storm trust II as a variable interest entity and the LURC's 1% beneficial interest is presented as noncontrolling interest in the financial statements. In first quarter 2023, Entergy Louisiana recorded a charge of $14.6 million in other income to reflect the LURC's beneficial interest in the storm trust II.

Hurricane Isaac

In August 2012, Hurricane Isaac caused extensive damage to Entergy Louisiana's service area. In June 2014 the LPSC authorized Entergy Louisiana to utilize Louisiana Act 55 financing for Hurricane Isaac system restoration costs. Entergy Louisiana committed to pass on to customers a minimum of $30.8 million of customer benefits through annual customer credits of approximately $6.2 million for five years. Approvals for the Act 55 financings were obtained from the LURC and the Louisiana State Bond Commission.

In August 2014 the LCDA issued $314.85 million in bonds under Louisiana Act 55. From the $309 million of bond proceeds loaned by the LCDA to the LURC, the LURC deposited $16 million in a restricted escrow account as a storm damage reserve for Entergy Louisiana and transferred $293 million directly to Entergy Louisiana. Entergy Louisiana used the $293 million received from the LURC to acquire 2,935,152.69 Class C preferred, non-voting, membership interest units of Entergy Holdings Company that carry a 7.5% annual distribution rate. Distributions were payable quarterly commencing on September 15, 2014, and the membership interests had a liquidation price of $100 per unit. The preferred membership interests were callable at the option of Entergy Holdings Company after ten years under the terms of the LLC agreement. The terms of the membership interests included certain financial covenants to which Entergy Holdings Company was subject, including the requirement to maintain a net worth of at least $1.75 billion. As discussed above in "Hurricane Laura, Hurricane Delta, Hurricane Zeta, Winter Storm Uri, and Hurricane Ida", in May 2022, Entergy Holdings Company liquidated and distributed cash to Entergy Louisiana as holder of the 2,935,152.69 units of Class C preferred membership interests.

Entergy and Entergy Louisiana do not report the bonds issued by the LCDA on their balance sheets because the bonds are the obligation of the LCDA and there is no recourse against Entergy or Entergy Louisiana in the event of a bond default. To service the bonds, Entergy Louisiana collects a system restoration charge on behalf of the LURC and remits the collections to the bond indenture trustee. Entergy and Entergy Louisiana do not report the collections as revenue because Entergy Louisiana is merely acting as the billing and collection agent for the state.

Entergy Mississippi

Prior to June 2024, Entergy Mississippi had approval from the MPSC to collect a storm damage provision of $1.75 million per month. If Entergy Mississippi's accumulated storm damage provision balance exceeded $15 million, the collection of the storm damage provision ceased until such time that the accumulated storm damage provision became less than $10 million. Entergy Mississippi's storm damage provision balance had been less than $10 million since May 2019, and Entergy Mississippi had been billing the monthly storm damage provision since July 2019.

In December 2023, Entergy Mississippi filed a Notice of Storm Escrow Disbursement and Request for Interim Relief notifying the MPSC that Entergy Mississippi had requested disbursement of approximately $34.5 million of storm escrow funds from its restricted storm escrow account. The filing also requested authorization from the MPSC, on a temporary basis, that the $34.5 million of storm escrow funds be credited to Entergy Mississippi's storm damage provision, pending the MPSC's review of Entergy Mississippi's storm-related costs, and that Entergy Mississippi continue to bill its monthly storm damage provision without suspension in the event the storm damage provision balance exceeded $15 million, in anticipation of a subsequent filing by Entergy Mississippi in this proceeding. The storm damage provision exceeded $15 million upon receipt of the storm escrow funds. Because the MPSC had not entered an order on Entergy Mississippi's filing on the requested relief to continue billing this provision, Entergy Mississippi suspended billing the monthly storm damage provision effective with February 2024 bills.

In March 2024, Entergy Mississippi made a combined dual filing which included a notice of intent to make routine change in rates and schedules and a motion for determination relating to the above-described notice of storm escrow disbursement. The notice of intent proposed a new storm damage mitigation and restoration rider to supersede both the then-current storm damage rate schedule and the vegetation management rider schedule, in which the collection of both expenses would be combined. The proposal requested that the MPSC authorize Entergy Mississippi to collect approximately $5.2 million per month for vegetation management and a storm damage provision. Furthermore, if Entergy Mississippi's accumulated vegetation management and storm damage provision balance were to exceed $70 million, collection under the storm damage mitigation and restoration rider would cease until such time that the accumulated vegetation management and storm damage provision would become less than $60 million.

The Mississippi Public Utilities Staff reviewed the storm-related costs submitted by Entergy Mississippi and found them prudent. In June 2024 the MPSC considered and unanimously granted the relief sought by Entergy Mississippi, including authorization to credit any remaining funds in the storm escrow account to Entergy Mississippi's storm damage provision and to close the storm escrow account and approving the new storm damage mitigation and restoration rider. Entergy Mississippi's storm escrow account was liquidated in July 2024, and the new combined storm damage mitigation and restoration rider became effective with the July 2024 billing cycle. Additionally, Entergy Mississippi made a compliance filing to cease billing under the existing vegetation management rider schedule as of the same billing cycle.

Entergy New Orleans

Hurricane Ida

In August 2021, Hurricane Ida caused significant damage to Entergy New Orleans's service area, including Entergy's electrical grid. The storm resulted in widespread power outages, including the loss of 100% of Entergy New Orleans's load and damage to distribution and transmission infrastructure, including the loss of connectivity to the eastern interconnection. In September 2021, Entergy New Orleans withdrew $39 million from its funded storm reserves. In June 2022, Entergy New Orleans filed an application with the City Council requesting approval and certification that storm restoration costs associated with Hurricane Ida of approximately $170 million, which

included $11 million in estimated costs, were reasonable, necessary, and prudently incurred to enable Entergy New Orleans to restore electric service to its customers and to repair Entergy New Orleans's electric utility infrastructure. In addition, estimated carrying costs through December 2022 related to Hurricane Ida restoration costs were $9 million. Also, Entergy New Orleans requested approval that the $39 million withdrawal from its funded storm reserve in September 2021 and $7 million in excess storm reserve escrow withdrawals related to Hurricane Zeta in October 2020 and prior miscellaneous storms were properly applied to Hurricane Ida storm restoration costs, the application of which reduced the amount to be recovered from Entergy New Orleans customers by $46 million.

Additionally, in February 2022, Entergy New Orleans and the LURC filed with the City Council a securitization application requesting that the City Council review Entergy New Orleans's storm reserve and increase the storm reserve funding level to $150 million, to be funded through securitization. In August 2022 the City Council's advisors recommended that the City Council authorize a single securitization bond issuance to fund Entergy New Orleans's storm recovery reserves to an amount sufficient to: (1) allow recovery of all of Entergy New Orleans's unrecovered storm recovery costs following Hurricane Ida, subject to City Council review and certification; (2) provide initial funding of storm recovery reserves for future storms to a level of $75 million; and (3) fund the storm recovery bonds' upfront financing costs. In September 2022, Entergy New Orleans and the City Council's advisors entered into an agreement in principle, which was approved by the City Council along with a financing order in October 2022, which authorized Entergy New Orleans and the LURC to proceed with a single securitization bond issuance of approximately $206 million (subject to further adjustment and review pursuant to the Final Issuance Advice Letter process set forth in the financing order), with $125 million of that total to be used for interim recovery, subject to City Council review and certification, to be allocated to unrecovered Hurricane Ida storm recovery costs; $75 million of that total to provide for a storm recovery reserve for future storms; and the remainder to fund the recovery of the storm recovery bonds' upfront financing costs.

In December 2022, Entergy New Orleans and the LURC filed with the City Council the Final Issuance Advice Letter for a securitization bond issuance in the amount of $209.3 million, the final structuring, terms, and pricing of which were approved by the City Council in accordance with the financing order. Also in December 2022 the LCDA issued $209.3 million in bonds pursuant to the Louisiana Electric Utility Storm Recovery Securitization Act, Part V-B of Chapter 9 of Title 45 of the Louisiana Revised Statutes, as supplemented by Act 293 of the Louisiana Regular Session of 2021. The LCDA loaned $201.8 million of bond proceeds, net of certain debt service and issuance costs, to the LURC. The LURC used the proceeds to purchase from Entergy New Orleans the storm recovery property, which is the right to collect storm recovery charges sufficient to pay the storm recovery bonds and associated financing costs, and Entergy New Orleans deposited $200 million in a restricted storm reserve escrow account as a storm damage reserve for Entergy New Orleans and received directly $1.8 million in estimated upfront financing costs. Subsequently, Entergy New Orleans withdrew $125 million from the newly securitized storm reserve to cover Hurricane Ida storm recovery costs, subject to a final determination from the City Council regarding the prudency of the storm recovery costs.

Entergy and Entergy New Orleans do not report the bonds issued by the LCDA on their balance sheets because the bonds are the obligation of the LCDA, and there is no recourse against Entergy or Entergy New Orleans in the event of a bond default. To service the bonds, Entergy New Orleans collects a storm recovery charge on behalf of the LURC and remits the collections to the bond indenture trustee. Entergy and Entergy New Orleans do not report the collections as revenue because Entergy New Orleans is merely acting as the billing and collection agent for the LURC.

In August 2023 the City Council advisors issued a report recommending that the City Council find that Entergy New Orleans prudently incurred approximately $164.1 million in storm restoration costs and $7.5 million in carrying charges and that such costs have already been properly recovered by Entergy New Orleans through withdrawals from the storm reserve escrow account. The City Council advisors also recommended that the City Council find that approximately $1.2 million in storm restoration costs had already been recovered through Entergy New Orleans's base rates and that approximately $0.9 million in unused credits be applied against future storm

costs. In August 2023 the City Council hearing officer certified the evidentiary record. In December 2023 the City Council approved a resolution adopting the advisors' report and recommendations.

NOTE 3. INCOME TAXES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Income taxes for Entergy for 2025, 2024, and 2023 consist of the following:

	2025	2024	2023
		(In Thousands)	
Current			
Federal	$3,427	$66,708	$60,639
State	6,890	44,956	23,014
Total	10,317	111,664	83,653
Deferred and non-current - net			
Federal	408,851	136,671	(815,222)
State	85,757	144,519	46,281
Total	494,608	281,190	(768,941)
Investment tax credits - net			
Federal	(6,452)	(10,178)	(4,852)
State	(521)	(1,649)	(395)
Total	(6,973)	(11,827)	(5,247)
Income taxes	$497,952	$381,027	($690,535)

State income taxes are accrued primarily in the states in which the Registrant Subsidiaries operate, which includes Arkansas, Louisiana, Mississippi, and Texas.

Income taxes for the Registrant Subsidiaries for 2025, 2024, and 2023 consist of the following:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Current						
Federal	($21,471)	($104,215)	$49,157	$18,671	$4,479	($3,190)
State	(4,595)	(2,779)	8,905	3,169	3,442	(3,115)
Total	(26,066)	(106,994)	58,062	21,840	7,921	(6,305)
Deferred and non-current - net						
Federal	117,798	297,466	26,320	(3,398)	58,464	18,485
State	17,379	51,897	10,991	(2,387)	(252)	7,339
Total	135,177	349,363	37,311	(5,785)	58,212	25,824
Investment tax credits - net						
Federal	(1,231)	(4,556)	(76)	(200)	(767)	381
State	—	—	(196)	—	—	(325)
Total	(1,231)	(4,556)	(272)	(200)	(767)	56
Income taxes	$107,880	$237,813	$95,101	$15,855	$65,366	$19,575

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Current						
Federal	($10,558)	($79,519)	$38,680	($8,022)	$8,281	($5,527)
State	(2,275)	1,709	2,407	5,331	5,468	(396)
Total	(12,833)	(77,810)	41,087	(2,691)	13,749	(5,923)
Deferred and non-current - net						
Federal	68,988	201,737	25,316	9,297	51,588	29,470
State	19,649	106,098	14,292	(2,916)	1,114	9,939
Total	88,637	307,835	39,608	6,381	52,702	39,409
Investment tax credits - net						
Federal	(1,230)	(4,616)	3	(848)	—	(2,716)
State	—	—	(383)	—	(767)	(1,267)
Total	(1,230)	(4,616)	(380)	(848)	(767)	(3,983)
Income taxes	$74,574	$225,409	$80,315	$2,842	$65,684	$29,503

2023	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Current						
Federal	$33,100	($142,253)	$20,328	($99,343)	$2,851	$337
State	(4,201)	(6,397)	4,142	(5,854)	3,719	(1,570)
Total	28,899	(148,650)	24,470	(105,197)	6,570	(1,233)
Deferred and non-current - net						
Federal	(164,493)	(94,167)	21,244	(78,442)	56,496	26,528
State	37,615	41,716	9,446	(6,302)	570	4,477
Total	(126,878)	(52,451)	30,690	(84,744)	57,066	31,005
Investment tax credits - net						
Federal	(1,231)	(4,680)	(622)	(32)	(764)	2,482
State	—	—	(174)	—	—	(222)
Total	(1,231)	(4,680)	(796)	(32)	(764)	2,260
Income taxes	($99,210)	($205,781)	$54,364	($189,973)	$62,872	$32,032

State income taxes are accrued primarily based on the retail jurisdiction in which each of the Utility operating companies operates and is subject to retail regulation for ratemaking purposes. Each Utility operating company serves retail customers within a single jurisdiction, which governs the determination of its state income tax cost of service and the related accruals. System Energy's state income tax accrual pertains solely to Mississippi, the only state in which it operates.

Income taxes paid (received) for Entergy and the Registrant Subsidiaries for 2025 consist of the following:

2025	Entergy	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Thousands)			
US Federal (a)	($519,892)	($215,224)	($198,285)	$—	$—	$21,000	($133,752)
US Federal - ETAA	—	(25,975)	(146,563)	82,541	7,076	—	5,715
US state							
Arkansas	—	—	—	—	—	—	—
Louisiana	2,726	—	—	—	2,550	—	—
Mississippi	—	—	—	—	—	—	—
Texas	2,077	—	—	—	—	2,077	—
State tax - ETAA	—	(3,712)	553	—	471	440	(3,260)
Other	18	—	—	—	—	—	—
Total US state	4,821	(3,712)	553	—	3,021	2,517	(3,260)
Total income taxes paid (received)	($515,071)	($244,911)	($344,295)	$82,541	$10,097	$23,517	($131,297)

(a) Federal income taxes paid (received) includes the receipt of production tax credit sale proceeds at Entergy of $547 million, including $215 million, $198 million, and $134 million at Entergy Arkansas, Entergy Louisiana, and System Entergy, respectively.

The table above disaggregates income taxes paid (net of refunds) by type, including amounts remitted to U.S. federal and state taxing authorities and amounts paid under the Entergy Tax Allocation Agreement (ETAA). The ETAA governs intercompany settlements of income tax obligations between the Registrant Subsidiaries and Entergy, as if the Registrant Subsidiaries were separate taxpayers on a stand-alone or separate company basis, as applicable. Payments under the ETAA are shown separately to distinguish them from direct remittances to taxing authorities. State income taxes presented reflect amounts attributable to the jurisdiction in which the Registrant Subsidiary has its primary state tax nexus.

Total income taxes for Entergy differ from the amounts computed by applying the statutory income tax rate to income before income taxes. The reasons for the differences for the years 2025, 2024, and 2023 are:

	2025		2024		2023	
	(Dollars In Thousands)					
Net income attributable to Entergy Corporation	$1,758,272		$1,055,590		$2,356,536	
Preferred dividend requirements of subsidiaries and noncontrolling interests	15,056		5,594		5,774	
Consolidated net income	1,773,328		1,061,184		2,362,310	
Income taxes	497,952		381,027		(690,535)	
Income before income taxes	$2,271,280		$1,442,211		$1,671,775	
Income taxes computed at Federal Statutory Tax rate	$476,969	21%	$302,864	21%	$351,073	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	92,942	4.1%	81,377	5.6%	70,144	4.2%
Regulatory differences - utility plant items	(30,443)	(1.3%)	(30,288)	(2.1%)	(27,901)	(1.7%)
Equity component of AFUDC	(37,357)	(1.6%)	(27,343)	(1.9%)	(20,172)	(1.2%)
Tax credits - amortization of investment tax credits	(8,067)	(0.4%)	(8,808)	(0.6%)	(7,978)	(0.5%)
Nontaxable or nondeductible items/flow-through	9,925	0.4%	33	—%	(1,374)	(0.1%)
Amortization of deficient/(excess) ADIT (a)	(25,947)	(1.1%)	19,169	1.3%	9,102	0.5%
IRS audit resolution (b)	—	—%	—	—%	(842,769)	(50.4%)
Reversal of regulatory liability (c)	—	—%	—	—%	(105,649)	(6.3%)
Entergy Louisiana securitization (d)	—	—%	—	—%	(129,034)	(7.7%)
State audit resolution (e)	—	—%	(9,057)	(0.6%)	—	—%
Enactment of new tax laws - state rate change (a)	—	—%	28,636	2.0%	—	—%
Changes in unrecognized tax benefits	12,434	0.5%	21,487	1.5%	18,884	1.1%
Changes in valuation allowances	4,134	0.2%	(780)	(0.1%)	(8,697)	(0.5%)
Other - net	3,362	0.1%	3,737	0.3%	3,836	0.2%
Total income taxes / Effective Tax Rate	$497,952	21.9%	$381,027	26.4%	($690,535)	(41.3%)

(a) See "**Other Tax Matters - Arkansas and Louisiana Corporate Income Tax Rate Changes**" below for details.

(b) See "**Income Tax Audits - 2016-2018 IRS Audit**" below for discussion of the resolution of the 2016-2018 IRS audit in 2023.

(c) See Note 2 to the financial statements for discussion of Entergy Louisiana's reversal of a regulatory liability, primarily associated with the Hurricane Isaac securitization, initially recognized in 2017 as a result of the Tax Cuts and Jobs Act.

(d) See "**Other Tax Matters – Act 293 Securitizations**" below for discussion of the Entergy Louisiana March 2023 storm cost securitizations.

(e) See "**Income Tax Audits - State Income Tax Audits**" below for discussion of the resolution of the 2014-2018 Arkansas Department of Finance and Administration examination in 2024.

Total income taxes for the Registrant Subsidiaries differ from the amounts computed by applying the statutory income tax rate to income before taxes. The reasons for the differences for each Registrant Subsidiary for the years 2025, 2024, and 2023 are:

Entergy Arkansas

	2025		2024		2023	
			(Dollars In Thousands)			
Earnings applicable to member's equity	$440,532		$324,766		$402,081	
Net loss attributable to noncontrolling interest	(3,079)		(5,300)		(5,231)	
Net income	437,453		319,466		396,850	
Income taxes	107,880		74,574		(99,210)	
Income before income taxes	$545,333		$394,040		$297,640	
Income taxes computed at Federal Statutory Tax rate statutory rate	$114,520	21%	$82,748	21%	$62,504	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	19,388	3.6%	13,940	3.5%	13,291	4.5%
Regulatory differences - utility plant items	(8,085)	(1.5%)	(9,885)	(2.5%)	(8,812)	(3.0%)
Equity component of AFUDC	(4,934)	(0.9%)	(6,032)	(1.5%)	(4,093)	(1.4%)
Tax credits - amortization of investment tax credits	(1,201)	(0.2%)	(1,201)	(0.3%)	(1,201)	(0.4%)
Nontaxable or nondeductible items/flow-through	(1,866)	(0.3%)	214	0.1%	1,105	0.4%
Amortization of deficient/(excess) ADIT (a)	(11,276)	(2.1%)	10,193	2.6%	(6,095)	(2.0%)
IRS audit resolution (b)	—	—%	—	—%	(159,588)	(53.6%)
State audit resolution (e)	—	—%	(18,276)	(4.6%)	—	—%
Changes in unrecognized tax benefits	(1,182)	(0.2%)	1,800	0.5%	2,600	0.9%
Changes in valuation allowances	1,462	0.3%	—	—%	—	—%
Other - net	1,054	0.2%	1,073	0.3%	1,079	0.4%
Total income taxes / Effective Tax Rate	$107,880	19.8%	$74,574	18.9%	($99,210)	(33.3%)

Entergy Louisiana

	2025		2024		2023	
			(Dollars In Thousands)			
Earnings applicable to member's equity	$1,109,948		$887,645		$1,270,382	
Net income attributable to noncontrolling interests	2,952		3,126		2,988	
Net income	1,112,900		890,771		1,273,370	
Income taxes	237,813		225,409		(205,781)	
Income before income taxes	$1,350,713		$1,116,180		$1,067,589	
Income taxes computed at Federal Statutory Tax rate statutory rate	$283,650	21%	$234,398	21%	$224,194	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	49,965	3.7%	50,760	4.5%	51,899	4.9%
Regulatory differences - utility plant items	(10,069)	(0.7%)	(9,988)	(0.9%)	(5,535)	(0.5%)
Equity component of AFUDC	(11,327)	(0.8%)	(7,513)	(0.7%)	(6,754)	(0.6%)
Tax credits - amortization of investment tax credits	(4,502)	(0.3%)	(4,563)	(0.4%)	(4,625)	(0.4%)
Nontaxable or nondeductible items/flow-through	(718)	(0.1%)	(3,244)	(0.3%)	126	—%
Amortization of deficient/(excess) ADIT (a)	(13,327)	(1.0%)	9,305	0.8%	14,032	1.3%
IRS audit resolution (b)	—	—%	—	—%	(179,111)	(16.8%)
Reversal of regulatory liability (c)	—	—%	—	—%	(105,649)	(9.9%)
Entergy Louisiana securitization (d)	—	—%	—	—%	(133,443)	(12.5%)
Enactment of new tax laws - state rate change (a)	—	—%	16,307	1.5%	—	—%
Non-taxable dividend income	(61,352)	(4.5%)	(64,982)	(5.8%)	(62,116)	(5.8%)
Changes in unrecognized tax benefits	4,307	0.3%	3,400	0.3%	(400)	—%
Changes in valuation allowances	5	—%	—	—%	—	—%
Other - net	1,181	0.1%	1,529	0.1%	1,601	0.1%
Total income taxes / Effective Tax Rate	$237,813	17.6%	$225,409	20.2%	($205,781)	(19.3%)

Entergy Mississippi

	2025		2024		2023	
			(Dollars In Thousands)			
Earnings applicable to member's equity	$311,864		$255,958		$192,271	
Net loss attributable to noncontrolling interest	(3,136)		(10,551)		(10,302)	
Net income	308,728		245,407		181,969	
Income taxes	95,101		80,315		54,364	
Income before income taxes	$403,829		$325,722		$236,333	
Income taxes computed at Federal Statutory Tax rate statutory rate	$84,804	21%	$68,402	21%	$49,630	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	15,876	3.9%	13,210	4.1%	11,133	4.7%
Regulatory differences - utility plant items	(5,400)	(1.3%)	(3,572)	(1.1%)	(5,290)	(2.2%)
Equity component of AFUDC	(1,984)	(0.5%)	(1,910)	(0.6%)	(1,796)	(0.8%)
Tax credits - amortization of investment tax credits	(228)	(0.1%)	(267)	(0.1%)	(223)	(0.1%)
Nontaxable or nondeductible items/flow-through	1,581	0.4%	2,987	0.9%	3,534	1.5%
IRS audit resolution (b)	—	—%	—	—%	(3,291)	(1.4%)
Changes in unrecognized tax benefits	93	—%	1,100	0.3%	300	0.1%
Other - net	359	0.1%	365	0.1%	367	0.2%
Total income taxes / Effective Tax Rate	$95,101	23.5%	$80,315	24.7%	$54,364	23.0%

Entergy New Orleans

	2025		2024		2023	
			(Dollars In Thousands)			
Net income	$50,411		$15,847		$228,938	
Income taxes	15,855		2,842		(189,973)	
Income before income taxes	$66,266		$18,689		$38,965	
Income taxes computed at Federal Statutory Tax rate statutory rate	$13,916	21%	$3,925	21%	$8,183	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	3,985	6.0%	1,248	6.7%	1,907	4.9%
Regulatory differences - utility plant items	(131)	(0.2%)	(830)	(4.4%)	(1,353)	(3.5%)
Equity component of AFUDC	(390)	(0.6%)	(445)	(2.4%)	(309)	(0.8%)
Tax credits - amortization of investment tax credits	(97)	(0.1%)	(839)	(4.5%)	(25)	(0.1%)
Nontaxable or nondeductible items/flow-through	(1,138)	(1.7%)	(338)	(1.8%)	(1,913)	(4.9%)
Amortization of deficient/(excess) ADIT (a)	(1,344)	(2.0%)	(332)	(1.8%)	1,147	2.9%
IRS audit resolution (b)	—	—%	—	—%	(198,424)	(509.2%)
Enactment of new tax laws - state rate change (a)	—	—%	242	1.3%	—	—%
Changes in unrecognized tax benefits	847	1.3%	—	—%	600	1.5%
Other - net	207	0.3%	211	1.1%	214	0.5%
Total income taxes / Effective Tax Rate	$15,855	23.9%	$2,842	15.2%	($189,973)	(487.5%)

Entergy Texas

	2025		2024		2023	
			(Dollars In Thousands)			
Earnings applicable to common stock	$331,999		$291,550		$289,201	
Preferred dividend requirements	2,072		2,072		2,072	
Net income	334,071		293,622		291,273	
Income taxes	65,366		65,684		62,872	
Income before income taxes	$399,437		$359,306		$354,145	
Income taxes computed at Federal Statutory Tax rate statutory rate	$83,882	21%	$75,454	21%	$74,370	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	2,731	0.7%	5,164	1.4%	2,574	0.7%
Regulatory differences - utility plant items	(3,427)	(0.9%)	(4,537)	(1.3%)	(6,394)	(1.8%)
Equity component of AFUDC	(17,172)	(4.3%)	(10,045)	(2.8%)	(5,920)	(1.7%)
Tax credits - amortization of investment tax credits	(748)	(0.2%)	(748)	(0.2%)	(748)	(0.2%)
Nontaxable or nondeductible items/flow-through	(149)	—%	(760)	(0.2%)	1,493	0.4%
Amortization of deficient ADIT (a)		—%	2	—%	17	—%
IRS audit resolution (b)		—%	—	—%	(3,112)	(0.9%)
Changes in unrecognized tax benefits	(122)	—%	777	0.2%	211	0.1%
Other - net	371	0.1%	377	0.1%	381	0.1%
Total income taxes / Effective Tax Rate	$65,366	16.4%	$65,684	18.3%	$62,872	17.8%

System Energy

	2025		2024		2023	
			(Dollars In Thousands)			
Net income	$88,095		$103,500		$108,772	
Income taxes	19,575		29,503		32,032	
Income before income taxes	$107,670		$133,003		$140,804	
Income taxes computed at Federal Statutory Tax rate statutory rate	$22,611	21%	$27,931	21%	$29,569	21%
Increases (reductions) in tax resulting from:						
State income taxes net of federal income tax effect	4,893	4.5%	4,936	3.7%	5,798	4.1%
Regulatory differences - utility plant items	(3,330)	(3.1%)	(1,475)	(1.1%)	(517)	(0.4%)
Equity component of AFUDC	(1,549)	(1.4%)	(1,398)	(1.1%)	(1,301)	(0.9%)
Tax credits - amortization of investment tax credits	(1,155)	(1.1%)	(1,155)	(0.9%)	(1,155)	(0.8%)
Nontaxable or nondeductible items/flow-through	(1,057)	(1.0%)	(538)	(0.4%)	(191)	(0.1%)
IRS audit resolution (b)	—	—%	—	—%	(1,575)	(1.1%)
Changes in unrecognized tax benefits	(1,036)	(1.0%)	1,000	0.8%	1,200	0.9%
Other - net	198	0.2%	202	0.2%	204	0.1%
Total income taxes / Effective Tax Rate	$19,575	18.2%	$29,503	22.2%	$32,032	22.7%

(a) See "**Other Tax Matters - Arkansas and Louisiana Corporate Income Tax Rate Changes**" below for details.
(b) See "**Income Tax Audits - 2016-2018 IRS Audit**" below for discussion of the resolution of the 2016-2018 IRS audit in 2023.

(c) See Note 2 to the financial statements for discussion of Entergy Louisiana's reversal of a regulatory liability, primarily associated with the Hurricane Isaac securitization, recognized in 2017 as a result of the Tax Cuts and Jobs Act.

(d) See "**Other Tax Matters - Act 293 Securitizations**" below for discussion of the Entergy Louisiana March 2023 storm cost securitizations.

(e) See "**Income Tax Audits - State Income Tax Audits**" below for discussion of the resolution of the 2014-2018 Arkansas Department of Finance and Administration examination in 2024.

Significant components of accumulated deferred income taxes and taxes accrued for Entergy Corporation and Subsidiaries as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Thousands)	
Deferred tax liabilities:		
Plant basis differences - net	($7,183,430)	($6,451,189)
Regulatory assets	(1,030,792)	(1,003,045)
Nuclear decommissioning trusts/receivables	(601,444)	(563,423)
Pension, net regulatory asset	(323,779)	(303,007)
Combined unitary state taxes	(2,911)	(3,600)
Power purchase agreements	13,270	(89,614)
Deferred fuel	(20,652)	(23,305)
Other	(161,274)	(206,648)
Total	(9,311,012)	(8,643,831)
Deferred tax assets:		
Regulatory liabilities	1,325,440	1,394,937
Nuclear and other decommissioning liabilities	169,880	164,685
Pension and other postretirement benefits	27,723	22,646
Compensation	87,837	79,580
Accumulated deferred investment tax credit	49,248	52,709
Provision for allowances and contingencies	191,295	141,769
Unbilled/deferred revenues	(3,586)	(9,960)
Net operating loss carryforwards	2,761,672	2,672,993
Capital losses and miscellaneous tax credits	145,625	111,325
Valuation allowance	(335,105)	(338,508)
Other	167,209	212,563
Total	4,587,238	4,504,739
Non-current accrued taxes (including unrecognized tax benefits)	(853,367)	(309,669)
Accumulated deferred income taxes and taxes accrued	($5,577,141)	($4,448,761)

Entergy's estimated tax attributes carryovers and their expiration dates as of December 31, 2025 are as follows:

Carryover Description	Carryover Amount	Year(s) of expiration
Federal net operating losses before 1/1/2018	$4.4 billion	2028-2037
Federal net operating losses - 1/1/2018 forward	$14.4 billion	N/A
State net operating losses	$4.3 billion	2028-2045
State net operating losses with no expiration	$9.0 billion	N/A
Other federal and state carryforwards	$128.5 million	2026-2030
Miscellaneous federal and state credits	$413.3 million	2026-2045

As a result of the accounting for uncertain tax positions, the amount of the deferred tax assets reflected in the financial statements is less than the amount of the tax effect of the federal and state net operating loss carryovers, tax credit carryovers, and other tax attributes generated and reflected on income tax returns. Entergy evaluates the available positive and negative evidence to estimate whether sufficient future taxable income of the appropriate character will be generated to realize the benefits of existing deferred tax assets. When the evaluation indicates that Entergy will not be able to realize the existing benefits, a valuation allowance is recorded to reduce deferred tax assets to the realizable amount.

Because it is more likely than not that the benefits from certain state net operating losses and other federal and state deferred tax assets will not be utilized, valuation allowances totaling $335 million as of December 31, 2025 and $339 million as of December 31, 2024 have been provided on the deferred tax assets related to federal and state jurisdictions in which Entergy does not currently expect to be able to utilize certain separate company tax return attributes, preventing realization of such deferred tax assets. Certain accelerated tax deductions which generated taxable losses in various taxing jurisdictions, and which have a limited term carryover period, have resulted in the impairment of the realizability of such carryovers and are reflected in the valuation allowance disclosed above.

Significant components of accumulated deferred income taxes and taxes accrued for the Registrant Subsidiaries as of December 31, 2025 and 2024 are as follows:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Deferred tax liabilities:						
Plant basis differences - net	($1,752,176)	($2,993,462)	($927,853)	($243,442)	($788,106)	($473,895)
Regulatory assets	(237,989)	(469,902)	(39,316)	(53,375)	(111,154)	(119,157)
Nuclear decommissioning trusts/receivables	(223,747)	(202,364)	—	—	—	(175,341)
Pension, net regulatory asset	(102,847)	(87,917)	(26,416)	(8,725)	(15,642)	—
Power purchase agreements	13,633	(76,837)	1,140	(11,226)	(4,578)	—
Deferred fuel	(6,775)	(9,718)	(3,186)	(1)	(943)	(17)
Other	(20,874)	(88,305)	(4,763)	(2,208)	(6,158)	(10,214)
Total	(2,330,775)	(3,928,505)	(1,000,394)	(318,977)	(926,581)	(778,624)
Deferred tax assets:						
Regulatory liabilities	348,063	595,662	51,201	70,190	35,726	226,660
Nuclear and other decommissioning liabilities	138,516	14,616	(155)	(407)	(449)	17,220
Pension and other postretirement benefits	(31,745)	41,555	(7,377)	(15,975)	(24,479)	(27,660)
Compensation	4,418	5,764	3,196	1,077	2,531	139
Accumulated deferred investment tax credit	6,067	23,882	3,291	3,909	1,358	10,740
Valuation allowance	(1,727)	(5)	—	—	—	—
Provision for allowances and contingencies	49,359	70,167	32,112	36,608	16,701	225
Unbilled/deferred revenues	5,490	(18,816)	897	(129)	8,561	—
Net operating loss carryforwards	169,743	360,028	—	6,803	54	84,302
Capital losses and miscellaneous tax credits	45,982	18,554	8,795	16,693	1,125	11,245
Other	10,373	40,459	(1,193)	612	404	36
Total	744,539	1,151,866	90,767	119,381	41,532	322,907
Non-current accrued taxes (including unrecognized tax benefits)	(260,477)	(316,579)	(17,107)	(1,749)	(62,018)	(169,448)
Accumulated deferred income taxes and taxes accrued	($1,846,713)	($3,093,218)	($926,734)	($201,345)	($947,067)	($625,165)

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Deferred tax liabilities:						
Plant basis differences - net	($1,530,196)	($2,729,299)	($849,623)	($272,182)	($727,242)	($466,361)
Regulatory assets	(219,773)	(497,177)	(37,374)	(72,389)	(100,959)	(75,606)
Nuclear decommissioning trusts/receivables	(185,725)	(202,364)	—	—	—	(175,341)
Pension, net regulatory asset	(101,887)	(84,732)	(26,064)	(9,687)	(16,569)	—
Power purchase agreements	11,993	(97,846)	1,140	(12,385)	(5,148)	—
Deferred fuel	—	(4,785)	(17,234)	(1,247)	—	(78)
Other	(24,430)	(106,590)	(5,231)	(5,133)	(4,512)	(13,572)
Total	(2,050,018)	(3,722,793)	(934,386)	(373,023)	(854,430)	(730,958)
Deferred tax assets:						
Regulatory liabilities	310,621	678,086	53,046	89,385	37,325	229,065
Nuclear and other decommissioning liabilities	127,933	18,649	—	(407)	97	17,956
Pension and other postretirement benefits	(29,923)	39,379	(8,989)	(19,443)	(23,403)	(24,642)
Compensation	4,851	7,119	3,277	1,394	2,596	515
Accumulated deferred investment tax credit	6,360	26,549	3,355	4,205	1,515	10,724
Provision for allowances and contingencies	31,686	59,448	11,361	23,998	4,358	225
Unbilled/deferred revenues	3,546	(24,017)	1,274	715	7,925	—
Net operating loss carryforwards	126,255	336,128	305	30,740	50	69,611
Capital losses and miscellaneous tax credits	14,489	17,029	8,206	16,220	1,273	10,788
Other	11,608	54,207	1,096	1,692	1,189	—
Total	607,426	1,212,577	72,931	148,499	32,925	314,242
Non-current accrued taxes (including unrecognized tax benefits)	(46,577)	32,262	(8,661)	22,983	(47,344)	(35,114)
Accumulated deferred income taxes and taxes accrued	($1,489,169)	($2,477,954)	($870,116)	($201,541)	($868,849)	($451,830)

The Registrant Subsidiaries' estimated tax attributes carryovers and their expiration dates as of December 31, 2025 are as follows:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
Federal net operating losses before 1/1/2018	$— million	$812.8 million	$— million	$— million	$— million	$— million
Year(s) of expiration	N/A	2035-2037	N/A	2037	N/A	N/A
Federal net operating losses - 1/1/2018 forward	$802.9 million	$2.2 billion	$— million	$— million	$1.4 billion	$357.1 million
Year(s) of expiration	N/A	N/A	N/A	N/A	N/A	N/A
State net operating losses	$628.1 million	$6 billion	$— million	$181.3 million	$1.1 million	$314.2 million
Year(s) of expiration	2028-2032	N/A	N/A	N/A	2028	2042-2045
Misc. federal credits	$16.1 million	$24.5 million	$6.2 million	$17.4 million	$1.1 million	$6.3 million
Year(s) of expiration	2038-2045	2035-2045	2038-2045	2037-2045	2039-2045	2029-2045
State credits	$— million	$1.1 million	$8.6 million	$— million	$0.6 million	$19 million
Year(s) of expiration	N/A	N/A	2026-2028	N/A	2027-2033	2026-2028

Unrecognized tax benefits

Accounting standards establish a "more-likely-than-not" recognition threshold that must be met before a tax benefit can be recognized in the financial statements. If a tax deduction is taken on a tax return but does not meet the more-likely-than-not recognition threshold, an increase in income tax liability, above what is payable on the tax return, is required to be recorded. A reconciliation of Entergy's beginning and ending amount of unrecognized tax benefits is as follows:

	2025	2024	2023
		(In Thousands)	
Gross balance at January 1	$2,354,867	$2,439,910	$6,393,599
Additions based on tax positions related to the current year (a)	272,758	12,731	332,884
Additions for tax positions of prior years (a)	590,465	21,149	194,894
Reductions for tax positions of prior years (b)	(23,168)	(85,715)	(1,300,381)
Settlements (b)	—	(33,208)	(3,181,086)
Gross balance at December 31	3,194,922	2,354,867	2,439,910
Offsets to gross unrecognized tax benefits:			
Loss and tax credit carryovers	(2,332,640)	(2,079,778)	(2,160,484)
Cash paid to taxing authorities	(54,000)	(27,000)	—
Unrecognized tax benefits net of unused tax attributes and payments (c)	$808,282	$248,089	$279,426

(a) Amounts in 2025 are primarily related to production tax credits generated in 2024 and 2025. See "**Other Tax Matters - Inflation Reduction Act of 2022**" below.

(b) Amounts in 2023 are primarily related to the resolution of the 2016-2018 IRS audit as discussed in "**Income Tax Audits - 2016-2018 IRS Audit**" below. Amounts in 2024 are primarily related to the resolution of 2014-2018 Arkansas tax examination as discussed in "**Income Tax Audits - State Income Tax Audits**" below.

(c) Potential tax liability above what is payable on tax returns.

The balances of unrecognized tax benefits include $2,781 million, $1,900 million, and $1,899 million as of December 31, 2025, 2024, and 2023, respectively, which, if recognized, would lower the effective income tax rates. Because of the effect of deferred tax accounting, the remaining balances of unrecognized tax benefits of $414 million, $455 million, and $541 million as of December 31, 2025, 2024, and 2023, respectively, if disallowed, would not affect the annual effective income tax rate but would accelerate the payment of cash to the taxing authority to an earlier period.

Entergy accrues interest expense, if any, related to unrecognized tax benefits in income tax expense. Entergy's December 31, 2025, 2024, and 2023 accrued balance for the possible payment of interest is approximately $42 million, $32 million, and $39 million, respectively. Interest (net-of-tax) of $10 million, ($7) million, and ($11) million was recorded in 2025, 2024, and 2023, respectively.

A reconciliation of the Registrant Subsidiaries' beginning and ending amount of unrecognized tax benefits for 2025, 2024, and 2023 is as follows:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Gross balance at January 1, 2025	$45,413	$867,116	$5,989	$19,508	$384,333	$16,415
Additions based on tax positions related to the current year (a)	112,354	75,825	1,768	871	1,934	74,391
Additions for tax positions of prior years (a)	221,636	210,263	709	22	4,048	142,840
Reductions for tax positions of prior years	(1,152)	(6,167)	(555)	(847)	(887)	(165)
Gross balance at December 31, 2025	378,251	1,147,037	7,911	19,554	389,428	233,481
Offsets to gross unrecognized tax benefits:						
Loss and tax credit carryovers	(142,860)	(721,552)	(6,000)	(4,744)	(285,936)	(92,561)
Unrecognized tax benefits net of unused tax attributes	$235,391	$425,485	$1,911	$14,810	$103,492	$140,920

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Gross balance at January 1, 2024	$69,197	$864,043	$5,653	$19,331	$415,205	$14,301
Additions based on tax positions related to the current year	2,732	1,921	237	163	378	833
Additions for tax positions of prior years	25,784	10,357	536	153	560	1,281
Reductions for tax positions of prior years	(52,300)	(9,205)	(437)	(139)	(31,810)	—
Gross balance at December 31, 2024	45,413	867,116	5,989	19,508	384,333	16,415
Offsets to gross unrecognized tax benefits:						
Loss and tax credit carryovers	(30,333)	(753,101)	(4,997)	(11,639)	(314,446)	(16,415)
Unrecognized tax benefits net of unused tax attributes	$15,080	$114,015	$992	$7,869	$69,887	$—

2023	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Gross balance at January 1, 2023	$1,452,819	$1,350,836	$547,548	$638,726	$389,366	$23,702
Additions based on tax positions related to the current year (b)	2,249	332,320	209	78	196	752
Additions for tax positions of prior years	—	—	—	—	94,793	—
Reductions for tax positions of prior years (c)	(148,558)	(458,072)	(16,853)	(191,336)	(67,156)	(9,532)
Settlements (c)	(1,237,313)	(361,041)	(525,251)	(428,137)	(1,994)	(621)
Gross balance at December 31, 2023	69,197	864,043	5,653	19,331	415,205	14,301
Offsets to gross unrecognized tax benefits:						
Loss and tax credit carryovers	(34,683)	(735,612)	(3,778)	(11,721)	(381,561)	(14,301)
Unrecognized tax benefits net of unused tax attributes	$34,514	$128,431	$1,875	$7,610	$33,644	$—

(a) Amounts in 2025 are primarily related to production tax credits generated in 2024 and 2025. See "**Other Tax Matters - Inflation Reduction Act of 2022**" below.

(b) The primary additions for Entergy Louisiana in 2023 are related to the Entergy Louisiana storm cost securitizations as discussed in "**Other Tax Matters - Act 293 Securitizations**" below.

(c) Amounts in 2023 are primarily related to the resolution of the 2016-2018 IRS audit as discussed in "**Income Tax Audits - 2016-2018 IRS Audit**" below.

The Registrant Subsidiaries' balances of unrecognized tax benefits included amounts which, if recognized, would have reduced income tax expense as follows:

	December 31,		
	2025	2024	2023
		(In Millions)	
Entergy Arkansas	$360.3	$32.6	$57.2
Entergy Louisiana	$1,141.9	$868.2	$862.5
Entergy Mississippi	$1.7	$1.3	$1.0
Entergy New Orleans	$18.1	$18.3	$18.2
Entergy Texas	$113.6	$50.3	$2.9
System Energy	$218.0	$4.0	$3.1

Accrued balances for the possible payment of interest related to unrecognized tax benefits for the Registrant Subsidiaries are as follows:

	December 31,		
	2025	2024	2023
		(In Millions)	
Entergy Arkansas	$9.5	$8.4	$7.8
Entergy Louisiana	$13.7	$5.1	$1.5
Entergy Mississippi	$4.5	$3.2	$2.1
Entergy New Orleans	$1.9	$0.6	$0.6
Entergy Texas	$1.3	$0.5	$—
System Energy	$2.3	$2.9	$1.9

The Registrant Subsidiaries record interest and penalties related to unrecognized tax benefits in income tax expense. No penalties were recorded in 2025, 2024, and 2023. Interest (net-of-tax) was recorded as follows:

	2025	2024	2023
		(In Millions)	
Entergy Arkansas	$1.1	$0.6	$3.5
Entergy Louisiana	$8.6	$3.6	($2.6)
Entergy Mississippi	$1.3	$1.1	($1.0)
Entergy New Orleans	$1.3	$—	($5.8)
Entergy Texas	$0.8	$0.5	($1.1)
System Energy	($0.6)	$1.0	$—

Income Tax Audits

Entergy and its subsidiaries file U.S. federal and various state income tax returns. IRS examinations are complete for years before 2019. All state taxing authorities' examinations are complete for years before 2016. Entergy regularly defends its positions and works with the IRS to resolve audits. The resolution of audit issues could result in significant changes to the amounts of unrecognized tax benefits in the next twelve months.

2016-2018 IRS Audit

The IRS completed its examination of the 2016 through 2018 tax years and issued a Revenue Agent Report (RAR) for each federal filer under audit in November 2023. Entergy agreed to all adjustments contained in the RARs. Entergy and the Registrant Subsidiaries recorded all the material effects resulting from the RARs in the fourth quarter of 2023.

Utility Restructurings

In 2017, Entergy New Orleans undertook an internal restructuring, and in 2018, Entergy Arkansas and Entergy Mississippi also participated in internal restructurings under which these three Utility operating companies joined Entergy Louisiana as wholly-owned subsidiaries of Entergy Utility Holding Company, LLC. The change in ownership required Entergy to recognize Entergy Arkansas's nuclear decommissioning liabilities for income tax purposes, which resulted in recognition of a gain for income tax purposes and a corresponding increase in the tax basis of assets, in accordance with the Internal Revenue Code and Treasury Regulations. Entergy determined that there was uncertainty regarding the treatment of certain aspects of the restructurings and recorded provisions for uncertain tax positions which are now considered to be effectively settled in accordance with accounting standards. The reversal of such provisions for uncertain tax positions resulted in a reduction of income tax expense of $156 million for Entergy Arkansas, $1 million for Entergy Mississippi, and $6 million for Entergy New Orleans.

The IRS also required Entergy New Orleans to reverse a tax gain associated with the 2017 restructuring that had been previously recognized, allowing Entergy New Orleans to reduce its tax expense by $39 million.

After the restructuring, Entergy Arkansas adopted a new method of accounting for income tax purposes in which its nuclear decommissioning costs are treated as production costs of electricity includable in cost of goods sold, which resulted in a $1.8 billion reduction in taxable income on its 2018 tax return that was treated as an unrecognized tax benefit. In conjunction with the audit, Entergy agreed with the IRS adjustments concerning the nuclear decommissioning tax position allowing Entergy Arkansas to include $102 million of its decommissioning liability in cost of goods sold.

Mark-to-Market Method of Accounting

In 2016, Entergy Louisiana elected mark-to-market income tax treatment for various wholesale electric power purchase and sale agreements, including Entergy Louisiana's contract to purchase electricity from the Vidalia hydroelectric facility and from System Energy under the Unit Power Sales Agreement as well as other intercompany power purchase agreements. The election resulted in a $2 billion deduction upon which a deferred tax liability was recorded. The IRS allowed the mark-to-market tax method of accounting associated with the Vidalia contract and various other third-party and intercompany wholesale electric power purchase and sale agreements. The IRS disallowed the net deductions associated with the Unit Power Sales Agreement, which did not have an effect on net tax expense. The net allowance resulted in a reversal of a provision for uncertain tax positions of $132 million and a corresponding reduction of income tax expense.

In 2017, Entergy New Orleans also elected mark-to-market income tax treatment for the Unit Power Sales Agreement and various intercompany wholesale electric contracts which resulted in a $1 billion deduction upon which a deferred tax liability was recorded. The IRS allowed the mark-to-market tax method of accounting associated with various intercompany and third-party wholesale electric contracts. The IRS disallowed the net deductions associated with the Unit Power Sales Agreement, which did not have an effect on net tax expense. The net allowance resulted in a reversal of a provision for uncertain tax positions of $139 million and a corresponding reduction of income tax expense.

In 2018, Entergy Arkansas and Entergy Mississippi each accrued approximately $2 billion in deductions upon which deferred tax liabilities were recorded related to mark-to-market tax accounting for the Unit Power Sales Agreement and various wholesale electric contracts. The IRS allowed the mark-to-market tax method of accounting associated with various intercompany and third-party wholesale electric contracts. The IRS disallowed the net deductions associated with the Unit Power Sales Agreement, which did not have an effect on net tax expense. The effective settlement of the mark-to-market tax position for Entergy Arkansas resulted in the accrual of an increase to tax expense of $40 million, which was offset by approximately $5 million of miscellaneous excess ADIT recognized as a result of the 2016-2018 IRS audit resolution. The net increase to tax expense is deferred as a regulatory asset, as discussed within the "Regulatory and Other Matters" section below.

Restructuring of Entergy's Non-Utility Operations Business

During the 2016 to 2018 audit period, the ownership of certain of Entergy's non-utility operations business nuclear power plants (previously reported as part of Entergy Wholesale Commodities) was restructured. Such restructuring transactions required Entergy to recognize the plants' nuclear decommissioning liabilities for income tax purposes. The accrual of the nuclear decommissioning liabilities also required Entergy to recognize a gain for income tax purposes, a significant portion of which resulted in an increase in the tax basis of the assets. Because certain aspects of the restructuring transactions involved uncertainty, Entergy recorded a provision for uncertain tax positions. The IRS did not propose adjustments to the tax treatment of the restructuring transactions resulting in a net decrease to income tax expense of $288 million from the reversal of the provision for uncertain tax positions in fourth quarter 2023.

Reduction of Net Operating Loss Carryovers

The IRS audit reduced Entergy's net operating loss carryover by $8 billion. A portion of Entergy's audit adjustments were not offset by losses which resulted in a tax liability of $79 million, which was fully offset by prior deposits made by Entergy. Entergy received an assessment of interest in excess of prior deposits of $13 million in December 2023, and such interest was paid in January 2024.

Net operating loss carryovers were reduced by $4 billion for Entergy Arkansas, $1 billion for Entergy Louisiana, $2 billion for Entergy Mississippi, $1 billion for Entergy New Orleans, and $40 million for System

Energy. The IRS audit adjustments were also factored into the settle-up required under Entergy's ETAA, and such amounts were settled in the fourth quarter of 2023.

Regulatory and Other Matters

In accordance with prior regulatory agreements associated with the Entergy Louisiana and Entergy Gulf States Louisiana business combination and Entergy New Orleans restructuring and general rate-making principles, Entergy Louisiana and Entergy New Orleans, respectively, recorded a regulatory liability and an associated regulatory charge of $38 million and $60 million ($28 million and $44 million net-of-tax), in December 2023.

Additionally, in December 2023, a regulatory asset for income tax associated with deficient ADIT of $35 million, $2 million, and $3 million, was recorded for Entergy Arkansas, Entergy Louisiana, and Entergy Mississippi, respectively. See Note 2 to the financial statements for discussion of Entergy Arkansas's regulatory activity related to the Tax Cuts and Jobs Act and discussion of the settlement of Entergy Arkansas's 2023 formula rate plan.

As noted above, Entergy accrues interest expense related to unrecognized tax benefits in income tax expense. As a result of the IRS audit resolution, Entergy reversed approximately $24 million of interest related to the allowance of previously unrecognized tax benefits in December 2023.

Reversal of net deferred credits associated with the accounting for income taxes upon the resolution of the IRS audit resulted in a reduction/(increase) in income tax expense in December 2023 of $9 million, $42 million, ($2) million, $2 million, $2 million, and $1 million for Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy, respectively.

In April 2024, Entergy New Orleans and the City Council entered into a settlement in principle whereby Entergy New Orleans agreed to share with customers $138 million of income tax benefits from the resolution of the 2016–2018 IRS audit. Based on this settlement in principle, in first quarter 2024 Entergy New Orleans increased the associated regulatory liability from $60 million to $138 million and recorded a corresponding $78 million regulatory charge ($57 million net-of-tax). The settlement in principle requires that the regulatory liability be amortized over 25 years beginning January 2025 with the unamortized balance included in rate base and the amortization treated as a reduction to Entergy New Orleans's retail revenue requirement. In May 2024 the City Council approved the settlement.

In September 2024 the LPSC unanimously approved a jointly filed global stipulated settlement agreement between Entergy Louisiana and the LPSC staff whereby Entergy Louisiana agreed to $184 million of customer rate credits to be given over two years, including customer sharing of income tax benefits resulting from the 2016-2018 IRS audit. See Note 2 to the financial statements for further discussion of the Entergy Louisiana agreement in principle and the subsequently filed global stipulated settlement agreement.

Included in the effect of the IRS audit on the results of operations was the measurement of deferred tax assets and liabilities influenced by the 2017 enactment of the Tax Cuts and Jobs Act income tax rate change discussed below. With the conclusion of the audit, there are no remaining federal unrecognized tax benefits affected by the rate differential which could impact income tax expense and the regulatory liability for income taxes in future periods.

State Income Tax Audits

In the third quarter 2024, Entergy and the Arkansas Department of Finance and Administration resolved the terms of the Arkansas Department of Finance and Administration's outstanding tax assessments related to the examination of the 2014 through 2018 tax years. The agreement resulted in a payment of tax of approximately $8 million by Entergy. As a result of the income tax audit adjustments and the reversal of a provision for uncertain

tax positions, Entergy Arkansas recorded a net reduction in income tax expense of approximately $18 million, which was offset by approximately $9 million of income tax expense recorded by other Entergy subsidiaries, resulting in a net reduction in income tax expense for Entergy of $9 million.

Other Tax Matters

Tax Cuts and Jobs Act (TCJA)

The most significant effect of the TCJA for Entergy and the Registrant Subsidiaries was the change in the federal corporate income tax rate from 35% to 21%, effective January 1, 2018. Entergy had net regulatory liability balances of $1.1 billion and $1.2 billion as of December 31, 2025 and December 31, 2024, respectively. These liabilities were primarily associated with the re-measurement of deferred tax assets and liabilities due to the income tax rate change and subsequent amortization of excess ADIT. In addition to the unamortized protected excess ADIT amounts, the net regulatory liability for income taxes includes other regulatory assets and liabilities for income taxes that are primarily for the regulatory asset related to AFUDC, as described in Note 1 to the financial statements.

Excess ADIT is generally classified into two categories: (1) the portion that is subject to the normalization requirements of the TCJA, referred to as “protected”, and (2) the portion that is not subject to such normalization provisions, referred to as “unprotected”. The majority of the remaining unamortized excess ADIT as of December 31, 2025 is classified as protected. The TCJA mandates the normalization method of accounting for income taxes for excess ADIT associated with public utility property. The TCJA specifies the use of the average rate assumption method (ARAM) to determine the timing of the return of excess ADIT associated with such property. Under ARAM, the excess ADIT is reduced over the remaining life of the asset. Remaining asset lives vary for each Registrant Subsidiary, but the average life of public utility property is typically 30 years or longer. Entergy will amortize the protected portion of the excess ADIT in compliance with the normalization requirements.

Entergy’s net regulatory liability for income taxes includes a gross-up using the applicable tax rate to account for the effect of income taxes on the revenue requirement in the ratemaking formula. The Registrant Subsidiaries’ December 31, 2025 and December 31, 2024 balance sheets reflect net regulatory liabilities for income taxes as follows:

	2025	2024
	(In Millions)	
Entergy Arkansas	$423	$418
Entergy Louisiana	$313	$355
Entergy Mississippi	$171	$181
Entergy New Orleans	$16	$15
Entergy Texas	$58	$94
System Energy	$100	$105

Inflation Reduction Act of 2022

The Inflation Reduction Act of 2022, signed into law on August 16, 2022, significantly expanded federal tax incentives for clean energy production, including the extension of production tax credits to solar projects and certain qualified nuclear power facilities.

Entergy Arkansas accrued solar production tax credits associated with the Walnut Bend Solar facility, the Driver Solar facility, and the West Memphis Solar facility of approximately $5 million in 2024 and approximately $35 million in 2025. As the value of such credits is expected to be provided to customers, a regulatory liability has been recorded for all credits recognized.

In second quarter 2025, Entergy, Entergy Arkansas, Entergy Louisiana, and System Energy determined, based on current analysis and evolving regulatory developments, that it was appropriate to record zero-emission nuclear production tax credits under Internal Revenue Code section 45U for electricity generated in 2024 by their respective nuclear power facilities. Such credits have been claimed on the Entergy 2024 federal income tax return. Because the U.S. Treasury and the IRS have not issued final guidance regarding the application of Internal Revenue Code section 45U, including the definition of "gross receipts," Entergy treated the full amount of the Internal Revenue Code section 45U credits as an uncertain tax position in accordance with the income tax accounting standards.

The value of the nuclear production tax credits was calculated based on the amount of electricity generated and sold by each nuclear generating unit owned by Entergy Arkansas, Entergy Louisiana, and System Energy during the year, multiplied by the applicable credit rate (i.e., dollars per kWh). The applicable credit rate included the incremental amount of credit for meeting the "prevailing wages" criteria under the Inflation Reduction Act. Entergy also applied the statutorily required reduction amount in arriving at the value of the nuclear production tax credits. This reduction amount was driven by the "gross receipts" received by each unit for its yearly energy production. For credits claimed on the Entergy 2024 federal income tax return, Entergy Arkansas, Entergy Louisiana, and System Energy recognized nuclear production tax credits of $221.4 million, $208.9 million, and $140.9 million, respectively, resulting in Entergy consolidated nuclear production tax credits of $571.2 million recognized in second quarter 2025. Additionally, in fourth quarter 2025, Entergy Arkansas, Entergy Louisiana, and System Energy recognized nuclear production tax credits expected to be claimed on the Entergy 2025 federal income tax return of $104.4 million, $58.6 million, and $72.1 million, respectively, resulting in Entergy consolidated nuclear production tax credits of $235.1 million. Entergy also treated the full amount of the 2025 Internal Revenue Code section 45U credits as an uncertain tax position in accordance with the income tax accounting standards. To the extent future guidance allows Entergy to recognize the value of the credits under the provisions of income tax accounting standards, the monetized value of the production tax credits, net of applicable expenses, is expected to be shared with customers.

During September and October 2025, Entergy Arkansas, Entergy Louisiana, and System Energy transferred the 2024 nuclear production tax credits to third parties and received cash of $210.1 million, $198.3 million, and $133.8 million, respectively, resulting in total Entergy cash receipts of $542.2 million. In addition, Entergy Arkansas sold its 2024 solar production tax credits to a third party and received cash receipts of approximately $5.1 million. The proceeds from the transfers reflected a market-based discount. In accordance with the Unit Power Sales Agreement and the MSS-4 replacement tariff, portions of the net proceeds from the transfers of the production tax credits were paid by Entergy Arkansas, Entergy Louisiana, and System Energy to the buyers of energy and capacity under those wholesale agreements. These provisions include the right to recover the transferred proceeds from the 2024 nuclear production tax credits and associated costs if all or a portion of the value of the credits is disallowed by the IRS. Based on these provisions and the uncertainty regarding the tax position, Entergy Arkansas, Entergy Louisiana, and System Energy recognized regulatory assets upon flowing through the proceeds of the credits. The Utility operating companies receiving the proceeds from the nuclear production tax credits recognized corresponding regulatory liabilities. These intercompany balances are eliminated on Entergy's consolidated balance sheet.

In August 2025 the LPSC issued an order approving an agreement between Entergy Louisiana and the LPSC staff regarding the monetization of 2024 nuclear production tax credits. The order allows Entergy Louisiana to retain the net proceeds of the nuclear production tax credits while the associated tax position remains uncertain. While it retains the net proceeds, Entergy Louisiana will accrue a liability to its customers at its weighted average cost of capital. It further provides that customers will be responsible for the associated costs should the IRS reduce some or all of the value of the nuclear production tax credits transferred to third parties. Once the IRS makes a final determination affirming the value of the nuclear production tax credits or the audit period expires without the IRS making a final determination disallowing some or all of the value of the nuclear production tax credits, Entergy Louisiana will commence flowing to its customers the value of the nuclear production tax credits, including carrying charges. In January 2026 the APSC opened a docket to investigate the sale of Entergy Arkansas's nuclear

production tax credits and the appropriate ratemaking treatment of production tax credits for all of Entergy Arkansas's eligible resources, including how the proceeds of any sales should flow through to customers. As directed by the APSC, in February 2026, Entergy Arkansas submitted a compliance filing to the APSC verifying the status of the solar production tax credits. The filing also verified that the net proceeds from the sale of the nuclear production tax credits were recorded in FERC accounts that are accruing a return for customers' benefit at a rate that is above the customer deposit rate. Entergy will continue to monitor further developments and reassess the uncertain tax position as additional guidance or other information emerges.

Tax Accounting Methods

Certain Entergy subsidiaries have elected to apply the mark-to-market method of accounting for income tax return purposes to wholesale power purchase agreements as appropriate under the Internal Revenue Code and U.S. Treasury Regulations. The mark-to-market tax gain or loss computed each year is based on an estimated fair market valuation which includes analyses of market prices and conditions.

In 2020, Entergy Texas elected mark-to-market income tax treatment for wholesale electric power purchase and sale agreements which resulted in a $2.5 billion deduction upon which a deferred tax liability was recorded.

Arkansas and Louisiana Corporate Income Tax Rate Changes

Since 2019, the State of Arkansas has enacted corporate income tax law changes that have phased in rate reductions from the former rate of 6.5% to the currently enacted rate of 4.3%. As a result of the rate reductions, Entergy Arkansas has recorded regulatory liabilities for income taxes of approximately $29 million, $26 million, and $15 million in 2024, 2023, and 2022, respectively, and a total of $32 million for years prior to 2022. The regulatory liabilities include a tax gross-up related to the treatment of income taxes in the retail and wholesale ratemaking formulas and have been or are scheduled to be included in future rate mechanisms.

In November 2024, during the Louisiana Third Special Legislative Session of 2024, the Louisiana legislature enacted comprehensive tax reform measures that impact corporate income taxes through a reduction in rates to a flat 5.5% (from the then-current highest marginal rate of 7.5%), effective January 1, 2025. Accordingly, deferred tax assets and liabilities were adjusted, with associated regulatory assets and liabilities for income taxes, to reflect the new applicable state rate. As a result of the rate reduction, Entergy Louisiana and Entergy New Orleans recorded regulatory liabilities for income taxes of approximately $179 million and $9 million, respectively. The regulatory liabilities include a tax gross-up related to the treatment of income taxes in the retail and wholesale ratemaking formulas and have been or are scheduled to be included in future rate mechanisms. In fourth quarter 2024, as a result of the net reduction in certain deferred tax assets and liabilities, Entergy Louisiana and Entergy New Orleans recorded an increase of income tax expense of approximately $16.3 million and $0.2 million, respectively, with an additional $12.1 million increase of income tax expense recorded by other Entergy subsidiaries.

Act 293 Securitizations

As described in Note 2 to the financial statements, in March of 2023, Entergy Louisiana implemented a securitization transaction authorized under Act 293 of the Louisiana Legislature's Regular Session of 2021. Act 293 provides that the LURC contribute the net bond proceeds to a LURC-sponsored trust. Over the 15-year term of the Act 293 bonds, the respective storm trusts will make distributions to Entergy Louisiana, a beneficiary of the storm trusts, that will not be taxable to Entergy Louisiana. Additionally, Entergy Louisiana will not include the receipt of the system restoration charges in taxable income because the right to receive the system restoration charges has been granted directly to the LURC, and Entergy Louisiana only acts as an agent to collect those charges on behalf of the LURC.

Accordingly, the securitizations provided for a tax accounting permanent difference resulting in net reductions of income tax expense for Entergy Louisiana of approximately $133 million after taking into account a provision for uncertain tax positions. Entergy's recognition of reduced income tax expense was offset by other tax changes resulting in a net reduction of income tax expense for Entergy of approximately $129 million after taking into account a provision for uncertain tax positions.

In recognition of its obligations described in LPSC ancillary orders issued as part of the securitization regulatory proceedings, Entergy Louisiana recorded regulatory liabilities of $103 million ($76 million net-of-tax) in first quarter 2023 to reflect its obligation to provide credits to its customers. See Note 2 to the financial statements for further discussion of the Entergy Louisiana March 2023 storm cost securitizations.

Sale of Natural Gas Distribution Business

See Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025. Entergy recognized a gain of approximately $328 million for federal tax purposes, with Entergy Louisiana and Entergy New Orleans recognizing $149 million and $179 million, respectively. Both Entergy and Entergy Louisiana have sufficient federal tax net operating loss carryforwards to offset their respective gains. Accordingly, Entergy does not have a resulting federal income tax obligation as a result of the transaction, nor will Entergy Louisiana be required to make a federal tax payment under the terms of the ETAA. Entergy New Orleans fully absorbed its federal tax net operating loss carryforward in 2025, and its resulting federal tax payment under the ETAA will be dependent upon its results of operations reflected on its 2025 income tax returns.

NOTE 4. REVOLVING CREDIT FACILITIES, LINES OF CREDIT, AND SHORT-TERM BORROWINGS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Entergy Corporation has in place a credit facility that has a borrowing capacity of $3 billion and expires in June 2030. The facility includes fronting commitments for the issuance of letters of credit against $20 million of the total borrowing capacity of the credit facility. The commitment fee is currently 0.225% of the undrawn commitment amount. Commitment fees and interest rates on loans under the credit facility can fluctuate depending on the senior unsecured debt ratings of Entergy Corporation. Although there were no borrowings under the facility for the year ended December 31, 2025, the estimated interest rate for the year ended December 31, 2025 that would have been applied to outstanding borrowings under the facility was 5.32%. The following is a summary of the amounts outstanding and capacity available under the credit facility as of December 31, 2025:

Capacity	Borrowings	Letters of Credit	Capacity Available
	(In Millions)		
$3,000	$—	$3	$2,997

Entergy Corporation's credit facility includes a covenant requiring Entergy to maintain a consolidated debt ratio, as defined, of 65% or less of its total capitalization. Entergy is in compliance with this covenant. If Entergy fails to meet this ratio, or if Entergy Corporation or one of the Registrant Subsidiaries (except Entergy New Orleans and System Energy) defaults on other indebtedness or is in bankruptcy or insolvency proceedings, an acceleration of the Entergy Corporation credit facility's maturity date may occur.

Entergy Corporation has a commercial paper program with a Board-approved program limit of $2 billion. As of December 31, 2025, Entergy Corporation had $637.8 million of commercial paper outstanding. The weighted-average interest rate for the year ended December 31, 2025 was 4.58%.

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas each had credit facilities available as of December 31, 2025 as follows:

Company	Expiration Date	Amount of Facility	Interest Rate (a)	Amount Drawn as of December 31, 2025	Letters of Credit Outstanding as of December 31, 2025
Entergy Arkansas	April 2026	$25 million (b)	5.67%	—	—
Entergy Arkansas	June 2030	$300 million (c)	4.94%	—	—
Entergy Louisiana	June 2030	$400 million (c)	5.07%	—	—
Entergy Mississippi	June 2030	$300 million (c)	4.94%	—	—
Entergy New Orleans	June 2027	$25 million (c)	5.44%	—	—
Entergy Texas	June 2030	$300 million (c)	5.07%	—	$1.1 million

(a) The interest rate is the estimated interest rate as of December 31, 2025 that would have been applied to outstanding borrowings under the facility.

(b) Borrowings under this Entergy Arkansas credit facility may be secured by a security interest in its accounts receivable at Entergy Arkansas's option.

(c) The credit facility includes fronting commitments for the issuance of letters of credit against a portion of the borrowing capacity of the facility as follows: $5 million for Entergy Arkansas; $15 million for Entergy Louisiana; $5 million for Entergy Mississippi; $10 million for Entergy New Orleans; and $25 million for Entergy Texas.

The commitment fees on the credit facilities range from 0.075% to 0.375% of the undrawn commitment amount for Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy Texas, and of the entire facility amount for Entergy New Orleans. Each of the credit facilities requires the Registrant Subsidiary borrower to maintain a debt ratio, as defined, of 65% or less of its total capitalization. Each Registrant Subsidiary is in compliance with this covenant.

In addition, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas each has one or more uncommitted standby letter of credit facilities as a means to post collateral to support its obligations to MISO and for other purposes. The following is a summary of the uncommitted standby letter of credit facilities as of December 31, 2025:

Company	Amount of Uncommitted Facility	Letter of Credit Fee	Letters of Credit Issued as of December 31, 2025 (a)
Entergy Arkansas	$25 million	0.78%	$18.3 million
Entergy Arkansas	$75 million	0.50%	$75.0 million
Entergy Louisiana	$125 million	0.78%	$119.1 million
Entergy Louisiana	$45 million	0.50%	$45.0 million
Entergy Mississippi	$65 million	0.78%	$44.4 million (b)
Entergy Mississippi	$65 million	0.50%	$43.0 million
Entergy New Orleans	$1 million	1.625%	$0.5 million
Entergy Texas	$150 million	1.250%	$59.6 million
Entergy Texas	$160 million	1.05%	$—

(a) As of December 31, 2025, letters of credit posted with MISO covered financial transmission rights exposure of $0.1 million for Entergy Arkansas, $0.8 million for Entergy Louisiana, $0.8 million for Entergy Mississippi, and $0.1 million for Entergy Texas. See Note 15 to the financial statements for discussion of financial transmission rights.

(b) As of December 31, 2025, the letters of credit issued for Entergy Mississippi under this facility include $43.1 million in MISO letters of credit and $1.3 million in non-MISO letters of credit outstanding.

The short-term borrowings of the Registrant Subsidiaries are limited to amounts authorized by the FERC. Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy have FERC-authorized short-term borrowing limits effective through January 2027. The FERC-authorized short-term borrowing limit for Entergy Arkansas is effective through February 2028. In addition to borrowings from commercial banks, these companies may also borrow from the Entergy system money pool and from other internal short-term borrowing arrangements. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and the other internal borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings. Borrowings from internal and external short-term borrowings combined may not exceed the FERC-authorized limits. The following are the FERC-authorized limits for short-term borrowings and the outstanding short-term borrowings as of December 31, 2025 (aggregating both internal and external short-term borrowings) for the Registrant Subsidiaries:

	Authorized	Borrowings
	(In Millions)	
Entergy Arkansas	$250	$—
Entergy Louisiana	$450	$—
Entergy Mississippi	$200	$—
Entergy New Orleans	$150	$—
Entergy Texas	$200	$—
System Energy	$200	$16

Vermont Yankee Credit Facility (Entergy Corporation)

In January 2019, Entergy Nuclear Vermont Yankee was transferred to NorthStar and its credit facility was assumed by Entergy Assets Management Operations, LLC (formerly Vermont Yankee Asset Retirement, LLC), Entergy Nuclear Vermont Yankee's parent company that remains an Entergy subsidiary after the transfer. In December 2024, Entergy repaid the total $139 million of cash borrowings outstanding under the facility, and the facility was subsequently terminated.

Variable Interest Entities (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and System Energy)

See Note 17 to the financial statements for a discussion of the consolidation of the nuclear fuel company variable interest entities (VIEs). To finance the acquisition and ownership of nuclear fuel, the nuclear fuel company VIEs have credit facilities and three of the four VIEs also issue commercial paper, details of which follow as of December 31, 2025:

Company	Expiration Date	Amount of Facility	Weighted-Average Interest Rate on Borrowings (a)	Amount Outstanding as of December 31, 2025
		(Dollars in Millions)		
Entergy Arkansas VIE	June 2027	$80	5.34%	$13.7
Entergy Louisiana River Bend VIE	June 2027	$105	5.36%	$50.3
Entergy Louisiana Waterford VIE	June 2027	$105	5.36%	$43.7
System Energy VIE	June 2027	$120	5.37%	$36.4

(a) Includes letter of credit fees and bank fronting fees on commercial paper issuances by the nuclear fuel company VIEs for Entergy Arkansas, Entergy Louisiana, and System Energy. The nuclear fuel company

VIE for Entergy Louisiana River Bend does not issue commercial paper, but borrows directly on its bank credit facility.

The commitment fees on the credit facilities are 0.100% of the undrawn commitment amount for the Entergy Arkansas, Entergy Louisiana, and System Energy nuclear fuel company VIEs. Each credit facility requires the respective lessee of nuclear fuel (Entergy Arkansas, Entergy Louisiana, or Entergy Corporation as guarantor for System Energy) to maintain a consolidated debt ratio, as defined, of 70% or less of its total capitalization. Each lessee is in compliance with this covenant.

The nuclear fuel company VIEs had notes payable that were included in debt on the respective balance sheets as of December 31, 2025 as follows:

Company	Description	Amount
Entergy Arkansas VIE	1.84% Series N due July 2026	$90 million
Entergy Arkansas VIE	5.54% Series O due May 2029	$70 million
Entergy Louisiana River Bend VIE	2.51% Series V due June 2027	$70 million
Entergy Louisiana Waterford VIE	5.94% Series J due September 2026	$70 million
System Energy VIE	2.05% Series K due September 2027	$90 million

In accordance with regulatory treatment, interest on the nuclear fuel company VIEs' credit facilities, commercial paper, and long-term notes payable is reported in fuel expense.

In January 2026, the System Energy nuclear fuel company VIE issued $80 million of 5.28% Series L intermediate term secured notes due January 2029. The System Energy nuclear fuel company VIE expects to use the proceeds to purchase additional nuclear fuel.

As of December 31, 2025, Entergy Louisiana and System Energy each has obtained financing authorization from the FERC that extends through January 2027 for issuances by its nuclear fuel company VIEs. Entergy Arkansas has obtained financing authorization from the FERC that extends through February 2028 for issuances by its nuclear fuel company VIE.

NOTE 5. LONG - TERM DEBT (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Long-term debt for Entergy as of December 31, 2025 and 2024 consisted of:

Type of Debt and Maturity	Weighted-Average Interest Rate December 31, 2025	Interest Rate Ranges at December 31,		Outstanding at December 31,	
		2025	2024	2025	2024
				(In Thousands)	
Mortgage Bonds					
2025-2029	3.72%	1.50% - 6.25%	1.50% - 6.25%	$4,025,000	$4,603,000
2030-2034	4.40%	1.60% - 6.54%	1.60% - 6.54%	6,405,000	5,865,000
2035-2045	4.57%	3.10% - 5.15%	3.10% - 5.15%	2,707,000	2,207,000
2048-2066	4.64%	2.65% - 5.85%	2.65% - 5.85%	10,335,000	8,985,000
Governmental Bonds (a)					
2030-2044	2.43%	2.0% - 2.5%	2.0% - 2.5%	282,375	282,375
Securitization Bonds					
2028-2036	3.67%	3.051% - 3.697%	3.051% - 3.697%	223,577	242,424
Variable Interest Entities Notes Payable (Note 4)					
2026-2029	3.85%	1.84% - 5.94%	1.84% - 5.94%	390,000	390,000
Entergy Corporation Senior Notes					
due September 2025	n/a	—	0.90%	—	800,000
due September 2026	n/a	2.95%	2.95%	750,000	750,000
due June 2028	n/a	1.9%	1.9%	650,000	650,000
due June 2030	n/a	2.80%	2.80%	600,000	600,000
due June 2031	n/a	2.40%	2.40%	650,000	650,000
due June 2050	n/a	3.75%	3.75%	600,000	600,000
Entergy Corporation Junior Subordinated Debentures					
due December 2054 (b)	n/a	7.125%	7.125%	1,200,000	1,200,000
due June 2056 (c)	n/a	6.100%	—	700,000	—
due June 2056 (d)	n/a	5.875%	—	600,000	—
Entergy Arkansas VIE Credit Facility (Note 4)	n/a	5.34%	6.28%	13,700	22,500
Entergy Louisiana River Bend VIE Credit Facility (Note 4)	n/a	5.36%	6.33%	50,300	18,700
Entergy Louisiana Waterford VIE Credit Facility (Note 4)	n/a	5.36%	6.32%	43,700	18,900
System Energy VIE Credit Facility (Note 4)	n/a	5.37%	6.27%	36,400	72,700
Long-term DOE Obligation (e)	—	—	—	225,309	216,016
Grand Gulf Sale-Leaseback Obligation	n/a	—	—	34,113	34,203
Unamortized Premium and Discount - Net				(23,442)	(17,575)
Unamortized Debt Issuance Costs				(226,174)	(204,010)
Other				5,303	5,362
Total Long-Term Debt				30,277,161	27,991,595
Less Amount Due Within One Year				2,375,140	1,378,090
Long-Term Debt Excluding Amount Due Within One Year				$27,902,021	$26,613,505
Fair Value of Long-Term Debt				$28,208,822	$25,181,802

(a) Consists of pollution control revenue bonds and environmental revenue bonds, all of which are secured by mortgage bonds.

(b) Entergy Corporation will pay interest at an annual rate of 7.125% through November 2029. Commencing on December 1, 2029, the annual rate will equal the five-year treasury rate as of the most recent reset

interest determination date plus 2.67%, which interest resets will occur on each five-year anniversary of December 1 after December 1, 2029.

(c) Entergy Corporation will pay interest at an annual rate of 6.100% through June 14, 2036. Commencing on June 15, 2036, the annual rate will equal the five-year treasury rate as of the most recent reset interest determination date plus 2.013%, provided that the interest rate during an interest reset period will not reset below 6.100%. Interest resets will occur on each five-year anniversary of June 15 after June 15, 2036.

(d) Entergy Corporation will pay interest at an annual rate of 5.875% through June 14, 2031. Commencing on June 15, 2031, the annual rate will equal the five-year treasury rate as of the most recent reset interest determination date plus 2.179%, provided that the interest rate during an interest reset period will not reset below 5.875%. Interest resets will occur on each five-year anniversary of June 15 after June 15, 2031.

(e) Pursuant to the Nuclear Waste Policy Act of 1982, Entergy's nuclear owner/licensee subsidiaries have contracts with the DOE for spent nuclear fuel disposal service. The contracts include a one-time fee for generation prior to April 7, 1983. Entergy Arkansas is the only Entergy company that generated electric power with nuclear fuel prior to that date and includes the one-time fee, plus accrued interest, in long-term debt.

The annual long-term debt maturities (excluding lease obligations and long-term DOE obligations) for debt outstanding as of December 31, 2025, for the next five years are as follows:

	Amount
	(In Thousands)
2026	$2,375,720
2027	$1,054,820
2028	$2,158,446
2029	$405,720
2030	$916,822

Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy have obtained long-term financing authorizations from the FERC that extend through January 2027. Entergy Arkansas has obtained long-term financing authorization from the FERC that extends through February 2028. Entergy New Orleans has obtained long-term financing authorization from the City Council that extends through December 2027. Entergy Arkansas has also obtained first mortgage bond/secured financing authorization from the APSC that extends through December 2027.

Long-term debt for the Registrant Subsidiaries as of December 31, 2025 and 2024 consisted of:

	2025	2024
	(In Thousands)	
Entergy Arkansas		
Mortgage Bonds:		
3.5% Series due April 2026	$600,000	$600,000
4.00% Series due June 2028	350,000	350,000
5.15% Series due January 2033	425,000	425,000
5.30% Series due September 2033	300,000	300,000
5.45% Series due June 2034	700,000	400,000
4.95% Series due December 2044	250,000	250,000
4.20% Series due April 2049	550,000	550,000
2.65% Series due June 2051	675,000	675,000
3.35% Series due June 2052	400,000	400,000
5.75% Series due June 2054	400,000	400,000
4.875% Series due September 2066	410,000	410,000
Total mortgage bonds	5,060,000	4,760,000
Variable Interest Entity Notes Payable and Credit Facility (Note 4):		
1.84% Series N due July 2026	90,000	90,000
5.54% Series O due May 2029	70,000	70,000
Credit Facility due June 2027, weighted-average rate 5.34%	13,700	22,500
Total variable interest entity notes payable and credit facility	173,700	182,500
Other:		
Long-term DOE Obligation (a)	225,309	216,016
Unamortized Premium and Discount – Net	4,023	3,620
Unamortized Debt Issuance Costs	(41,316)	(41,552)
Other	1,888	1,910
Total Long-Term Debt	5,423,604	5,122,494
Less Amount Due Within One Year	690,000	—
Long-Term Debt Excluding Amount Due Within One Year	$4,733,604	$5,122,494
Fair Value of Long-Term Debt	$4,931,734	$4,546,643

	2025	2024
	(In Thousands)	
Entergy Louisiana		
Mortgage Bonds:		
3.78% Series due April 2025	$—	$110,000
3.78% Series due April 2025	—	190,000
4.44% Series due January 2026	250,000	250,000
2.40% Series due October 2026	400,000	400,000
3.12% Series due September 2027	450,000	450,000
3.25% Series due April 2028	425,000	425,000
1.60% Series due December 2030	300,000	300,000
3.05% Series due June 2031	325,000	325,000
2.35% Series due June 2032	500,000	500,000
4.00% Series due March 2033	750,000	750,000
5.35% Series due March 2034	500,000	500,000
5.15% Series due September 2034	700,000	700,000
3.10% Series due June 2041	500,000	500,000
5% Series due July 2044	170,000	170,000
4.95% Series due January 2045	450,000	450,000
4.20% Series due September 2048	900,000	900,000
4.20% Series due April 2050	525,000	525,000
2.90% Series due March 2051	650,000	650,000
4.75% Series due September 2052	500,000	500,000
5.70% Series due March 2054	700,000	700,000
5.80% Series due March 2055	750,000	—
4.875% Series due September 2066	270,000	270,000
Total mortgage bonds	10,015,000	9,565,000
Governmental Bonds (b):		
2.00% Series due June 2030, Louisiana Local Government Environmental Facilities and Community Development Authority (c)	16,200	16,200
2.50% Series due April 2036, Louisiana Local Government Environmental Facilities and Community Development Authority (c)	182,480	182,480
Total governmental bonds	198,680	198,680
Variable Interest Entity Notes Payable and Credit Facilities (Note 4):		
5.94% Series J due September 2026	70,000	70,000
2.51% Series V due June 2027	70,000	70,000
Credit Facility due June 2027, weighted-average rate 5.36%	50,300	18,700
Credit Facility due June 2027, weighted-average rate 5.36%	43,700	18,900
Total variable interest entity notes payable and credit facilities	234,000	177,600
Other:		
Unamortized Premium and Discount - Net	(12,753)	(9,820)
Unamortized Debt Issuance Costs	(71,507)	(68,459)
Other	3,415	3,452
Total Long-Term Debt	10,366,835	9,866,453
Less Amount Due Within One Year	720,000	300,000
Long-Term Debt Excluding Amount Due Within One Year	$9,646,835	$9,566,453
Fair Value of Long-Term Debt	$9,510,545	$8,751,266

	2025	2024
	(In Thousands)	
Entergy Mississippi		
Mortgage Bonds:		
3.25% Series due December 2027	$150,000	$150,000
2.85% Series due June 2028	375,000	375,000
5.0% Series due September 2033	300,000	300,000
2.55% Series due December 2033	200,000	200,000
4.52% Series due December 2038	55,000	55,000
3.85% Series due June 2049	435,000	435,000
3.50% Series due June 2051	370,000	370,000
5.85% Series due June 2054	300,000	300,000
5.80% Series due April 2055	600,000	—
4.90% Series due October 2066	260,000	260,000
Total mortgage bonds	3,045,000	2,445,000
Other:		
Unamortized Premium and Discount – Net	4,942	5,283
Unamortized Debt Issuance Costs	(28,618)	(23,210)
Total Long-Term Debt	3,021,324	2,427,073
Less Amount Due Within One Year	—	—
Long-Term Debt Excluding Amount Due Within One Year	$3,021,324	$2,427,073
Fair Value of Long-Term Debt	$2,755,286	$2,116,246

	2025	2024
	(In Thousands)	
Entergy New Orleans		
Mortgage Bonds:		
3.00% Series due March 2025	$—	$78,000
4% Series due June 2026	85,000	85,000
6.25% Series due June 2029	35,000	35,000
6.41% Series due June 2031	65,000	65,000
4.19% Series due November 2031	90,000	90,000
4.51% Series due September 2033	60,000	60,000
6.54% Series due June 2034	50,000	50,000
4.51% Series due November 2036	70,000	70,000
3.75% Series due March 2040	62,000	62,000
5.0% Series due December 2052	30,000	30,000
5.50% Series due April 2066	110,000	110,000
Total mortgage bonds	657,000	735,000
Other:		
Payable to associated company due November 2035	5,864	7,004
Unamortized Debt Issuance Costs	(6,015)	(6,537)
Total Long-Term Debt	656,849	735,467
Less Amount Due Within One Year	85,720	79,140
Long-Term Debt Excluding Amount Due Within One Year	$571,129	$656,327
Fair Value of Long-Term Debt	$621,670	$697,466

	2025	2024
	(In Thousands)	
Entergy Texas		
Mortgage Bonds:		
1.50% Series due September 2026	$130,000	$130,000
3.45% Series due December 2027	150,000	150,000
4.0% Series due March 2029	300,000	300,000
1.75% Series due March 2031	600,000	600,000
5.25% Series due April 2035	500,000	—
4.50% Series due March 2039	400,000	400,000
5.15% Series due June 2045	250,000	250,000
3.55% Series due September 2049	475,000	475,000
5.00% Series due September 2052	325,000	325,000
5.80% Series due September 2053	350,000	350,000
5.55% Series due September 2054	350,000	350,000
Total mortgage bonds	3,830,000	3,330,000
Securitization Bonds:		
3.051% Series Senior Secured, Series A Tranche A-1 due December 2028	32,727	51,574
3.697% Series Senior Secured, Series A Tranche A-2 due December 2036	190,850	190,850
Total securitization bonds	223,577	242,424
Other:		
Unamortized Premium and Discount - Net	6,415	7,624
Unamortized Debt Issuance Costs	(29,804)	(27,605)
Total Long-Term Debt	4,030,188	3,552,443
Less Amount Due Within One Year	130,000	—
Long-Term Debt Excluding Amount Due Within One Year	$3,900,188	$3,552,443
Fair Value of Long-Term Debt	$3,780,405	$3,176,230

	2025	2024
	(In Thousands)	
System Energy		
Mortgage Bonds:		
2.14% Series due December 2025	$—	$200,000
6.00% Series due April 2028	325,000	325,000
5.30% Series due December 2034	540,000	300,000
Total mortgage bonds	865,000	825,000
Governmental Bonds (b):		
2.375% Series due June 2044, Mississippi Business Finance Corp. (c)	83,695	83,695
Total governmental bonds	83,695	83,695
Variable Interest Entity Notes Payable and Credit Facility (Note 4):		
2.05% Series K due September 2027	90,000	90,000
Credit Facility due June 2027, weighted-average rate 5.37%	36,400	72,700
Total variable interest entity notes payable and credit facility	126,400	162,700
Other:		
Grand Gulf Sale-Leaseback Obligation	34,113	34,203
Unamortized Premium and Discount – Net	(12,673)	(8,698)
Unamortized Debt Issuance Costs	(7,832)	(7,164)
Total Long-Term Debt	1,088,703	1,089,736
Less Amount Due Within One Year	140	200,090
Long-Term Debt Excluding Amount Due Within One Year	$1,088,563	$889,646
Fair Value of Long-Term Debt	$1,104,007	$1,063,946

(a) Pursuant to the Nuclear Waste Policy Act of 1982, Entergy's nuclear owner/licensee subsidiaries have contracts with the DOE for spent nuclear fuel disposal service. The contracts include a one-time fee for generation prior to April 7, 1983. Entergy Arkansas is the only Entergy company that generated electric power with nuclear fuel prior to that date and includes the one-time fee, plus accrued interest, in long-term debt.

(b) Consists of pollution control revenue bonds.

(c) The debt is secured by a series of collateral mortgage bonds.

The annual long-term debt maturities (excluding lease obligations and long-term DOE obligations) for debt outstanding as of December 31, 2025, for the next five years are as follows:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
2026	$690,000	$720,000	$—	$85,720	$130,000	$—
2027	$13,700	$614,000	$150,000	$720	$150,000	$126,400
2028	$350,000	$425,000	$375,000	$719	$32,727	$325,000
2029	$70,000	$—	$—	$35,720	$300,000	$—
2030	$—	$316,200	$—	$622	$—	$—

Debt Issuances and Retirements

Entergy Arkansas Debt Issuance

In January 2026, Entergy Arkansas issued $500 million of 4.95% Series mortgage bonds due January 2036 and $500 million of 5.75% Series mortgage bonds due January 2056. Entergy Arkansas used the proceeds, together with other funds, to repay, prior to maturity, its $600 million of 3.5% Series mortgage bonds due April 2026. Entergy Arkansas expects to use the remaining proceeds, together with other funds, to finance a portion of the construction of generation projects, including the Ironwood Power Station (formerly Lake Catherine Unit 5) and the Arkansas Cypress Solar facility, and for general corporate purposes.

Entergy Louisiana Debt Retirement

In January 2026, Entergy Louisiana redeemed, at maturity, $250 million of 4.44% Series mortgage bonds.

System Energy Debt Issuance

In January 2026, the System Energy nuclear fuel company VIE issued $80 million of 5.28% Series L intermediate term secured notes due January 2029. The System Energy nuclear fuel company VIE expects to use the proceeds to purchase additional nuclear fuel. See additional discussion of the System Energy nuclear fuel company VIE in Note 4 and Note 17 to the financial statements.

Securitization Bonds

Entergy New Orleans Securitization Bonds - Hurricane Isaac

In May 2015 the City Council issued a financing order authorizing the issuance of securitization bonds to recover Entergy New Orleans's Hurricane Isaac storm restoration costs of $31.8 million, including carrying costs, the costs of funding and replenishing the storm recovery reserve in the amount of $63.9 million, and approximately $3 million of up-front financing costs associated with the securitization. In July 2015, Entergy New Orleans Storm Recovery Funding I, L.L.C., a company wholly owned and consolidated by Entergy New Orleans, issued $98.7 million of storm cost recovery bonds. The bonds have a coupon of 2.67%. Although the principal amount

was not due until June 2027, Entergy New Orleans Storm Recovery Funding made a principal payment on the bonds in the amount of $6.2 million in 2024, after which the bonds were fully repaid.

Entergy Texas Securitization Bonds - Hurricane Laura, Hurricane Delta, and Winter Storm Uri

In January 2022 the PUCT authorized the issuance of securitization bonds to recover $242.9 million of Entergy Texas's Hurricane Laura, Hurricane Delta, and Winter Storm Uri restoration costs, plus carrying costs, plus approximately $13.3 million relating to a system restoration regulatory asset related to Hurricane Harvey, plus up-front qualified costs. In April 2022, Entergy Texas Restoration Funding II, LLC, a company wholly-owned and consolidated by Entergy Texas, issued $290.85 million of senior secured system restoration bonds (securitization bonds), as follows:

	Amount
	(In Thousands)
Senior Secured System Restoration Bonds:	
Tranche A-1 (3.051%) due December 2028	$100,000
Tranche A-2 (3.697%) due December 2036	190,850
Total senior secured system restoration bonds	$290,850

Although the principal amount of each tranche is not due until the dates given above, Entergy Texas Restoration Funding II expects to make principal payments on the securitization bonds over the next two years in the amounts of $19.4 million for 2026 and $13.4 million for 2027 for Tranche A-1, after which Tranche A-1 will be fully repaid. Entergy Texas Restoration Funding II expects to begin principal payments for Tranche A-2 in 2027 with payments of $6.6 million in 2027, $20.5 million in 2028, $21.2 million in 2029, and $21.9 million in 2030.

With the proceeds, Entergy Texas Restoration Funding II purchased from Entergy Texas the transition property, which is the right to recover from customers through a system restoration charge amounts sufficient to service the securitization bonds. Entergy Texas began cost recovery through the system restoration charge effective with the first billing cycle of May 2022 and the system restoration charge is expected to remain in place up to 15 years. Entergy Texas expects to use the proceeds to reduce its outstanding debt. The creditors of Entergy Texas do not have recourse to the assets or revenues of Entergy Texas Restoration Funding II, including the transition property, and the creditors of Entergy Texas Restoration Funding II do not have recourse to the assets or revenues of Entergy Texas. Entergy Texas has no payment obligations to Entergy Texas Restoration Funding II except to remit system restoration charge collections.

Grand Gulf Sale-Leaseback Transactions

In 1988, in two separate but substantially identical transactions, System Energy sold and leased back undivided ownership interests in Grand Gulf for the aggregate sum of $500 million. The initial term of the leases expired in July 2015. System Energy renewed the leases in December 2013 for fair market value with renewal terms expiring in July 2036. At the end of the new lease renewal terms, System Energy has the option to repurchase the leased interests in Grand Gulf or renew the leases at fair market value. In the event that System Energy does not renew or purchase the interests, System Energy would surrender such interests and their associated entitlement of Grand Gulf's capacity and energy.

System Energy is required to report the sale-leaseback as a financing transaction in its financial statements. As such, it has recognized debt for the lease obligation and retained the portion of the plant subject to the sale-leaseback on its balance sheet. For financial reporting purposes, System Energy has recognized interest expense on the debt balance and depreciation on the applicable plant balance. The lease payments are recognized as principal and interest payments on the debt balance.

As of December 31, 2025, System Energy, in connection with the Grand Gulf sale and leaseback transactions, had future minimum lease payments, as follows, which reflects the effect of the December 2013 renewal:

	Amount
	(In Thousands)
2026	$17,188
2027	17,188
2028	17,188
2029	17,188
2030	17,188
Years thereafter	103,125
Total	189,065
Less: Amount representing interest	154,952
Present value of net minimum lease payments	$34,113

NOTE 6. PREFERRED EQUITY AND NONCONTROLLING INTERESTS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy Texas)

The number of shares and units authorized and outstanding and dollar value of preferred stock, preferred membership interests, and noncontrolling interests for Entergy Corporation subsidiaries as of December 31, 2025 and 2024 are presented below.

	Shares/Units Authorized		Shares/Units Outstanding			
	2025	2024	2025	2024	2025	2024
					(Dollars in Thousands)	
Preferred stock or preferred membership interests without sinking fund presented between liabilities and equity:						
Entergy Utility Holding Company, LLC, 7.5% Series (a)	110,000	110,000	110,000	110,000	$107,425	$107,425
Entergy Utility Holding Company, LLC, 6.25% Series (b)	15,000	15,000	15,000	15,000	14,366	14,366
Entergy Utility Holding Company, LLC, 6.75% Series (c)	75,000	75,000	75,000	75,000	73,370	73,370
Entergy Finance Holding, Inc. 8.75% (d)	250,000	250,000	250,000	250,000	24,249	24,249
Total preferred stock or preferred membership interests without sinking fund presented between liabilities and equity	450,000	450,000	450,000	450,000	219,410	219,410
Preferred stock without sinking fund and noncontrolling interests presented as equity:						
Entergy Texas, 5.375% Series	1,400,000	1,400,000	1,400,000	1,400,000	35,000	35,000
Entergy Texas, 5.10% Series (e)	150,000	150,000	—	—	—	—
Entergy Arkansas Noncontrolling Interest	—	—	—	—	10,818	15,168
Entergy Louisiana Noncontrolling Interests	—	—	—	—	40,207	42,706
Entergy Mississippi Noncontrolling Interest	—	—	—	—	5,066	8,202
Total preferred stock without sinking fund and noncontrolling interests presented as equity	1,550,000	1,550,000	1,400,000	1,400,000	91,091	101,076
Total subsidiaries' preferred stock or preferred membership interests without sinking fund and noncontrolling interests	2,000,000	2,000,000	1,850,000	1,850,000	$310,501	$320,486

(a) In October 2015, Entergy Utility Holding Company, LLC issued 110,000 units of $1,000 liquidation value 7.5% Series A Preferred Membership Interests, all of which are outstanding as of December 31, 2025. The distributions are cumulative and payable quarterly. These units are redeemable on or after January 1, 2036, at Entergy Utility Holding Company, LLC's option, at the fixed redemption price of $1,000 per unit. Dollar amount outstanding is net of $2,575 thousand of preferred stock issuance costs.

(b) In November 2017, Entergy Utility Holding Company, LLC issued 15,000 units of $1,000 liquidation value 6.25% Series B Preferred Membership Interests, all of which are outstanding as of December 31, 2025. The distributions are cumulative and payable quarterly. These units are redeemable on or after February 28, 2038, at Entergy Utility Holding Company, LLC's option, at the fixed redemption price of $1,000 per unit. Dollar amount outstanding is net of $634 thousand of preferred stock issuance costs.

(c) In November 2018, Entergy Utility Holding Company, LLC issued 75,000 units of $1,000 liquidation value 6.75% Series C Preferred Membership Interests, all of which are outstanding as of December 31, 2025. The distributions are cumulative and payable quarterly. These units are redeemable on or after February 28,

2039, at Entergy Utility Holding Company, LLC's option, at the fixed redemption price of $1,000 per unit. Dollar amount outstanding is net of $1,630 thousand of preferred stock issuance costs.

(d) In December 2013, Entergy Finance Holding, Inc. issued 250,000 shares of $100 par value 8.75% Series Preferred Stock, all of which are outstanding as of December 31, 2025. The dividends are cumulative and payable quarterly. The preferred stock became redeemable on December 16, 2023, at Entergy Finance Holding, Inc.'s option, at a fixed redemption price of $100 per share. Dollar amount outstanding is net of $751 thousand of preferred stock issuance costs.

(e) Currently, all shares are held by Entergy Corporation.

The number of shares authorized and outstanding and dollar value of preferred stock for Entergy Texas as of December 31, 2025 and 2024 are presented below.

	Shares Authorized and Outstanding				Call Price per Share as of December 31,
	2025	2024	2025	2024	2025
Entergy Texas Preferred Stock			(Dollars in Thousands)		
Without sinking fund:					
Cumulative, $25 par value:					
5.375% Series (a)	1,400,000	1,400,000	$35,000	$35,000	$—
5.10% Series (b)	150,000	150,000	3,750	3,750	$25.50
Total without sinking fund	1,550,000	1,550,000	$38,750	$38,750	

(a) In September 2019, Entergy Texas issued $35 million of 5.375% Series A Preferred Stock, a total of 1,400,000 shares with a liquidation value of $25 per share, all of which are outstanding as of December 31, 2025. The dividends are cumulative and payable quarterly. The preferred stock became redeemable on October 15, 2024, at Entergy Texas's option, at a fixed redemption price of $25 per share.

(b) In November 2021, Entergy Texas issued $3.75 million of 5.10% Series B Preferred Stock, a total of 150,000 shares with a liquidation value of $25 per share, all of which are outstanding and held by Entergy Corporation as of December 31, 2025. The dividends are cumulative and payable quarterly. The preferred stock is redeemable, at Entergy Texas's option, at a fixed redemption price of $25.50 per share prior to November 1, 2026 and at a fixed redemption price of $25 per share on or after November 1, 2026.

Dividends and distributions paid on all of Entergy Corporation's subsidiaries' preferred stock and membership interests series may be eligible for the dividends received deduction.

The dollar value of noncontrolling interest for Entergy Arkansas as of December 31, 2025 and 2024 is presented below.

	2025	2024
	(In Thousands)	
Entergy Arkansas Noncontrolling Interest		
AR Searcy Partnership, LLC (a)	$10,818	$15,168
Total Noncontrolling Interest	$10,818	$15,168

(a) AR Searcy Partnership, LLC is a tax equity partnership between Entergy Arkansas and a tax equity investor which was formed to acquire and own the Searcy Solar facility. Entergy Arkansas, as the managing member, consolidates AR Searcy Partnership, LLC and the tax equity investor's interest is presented as noncontrolling interest in the consolidated financial statements for Entergy Arkansas and Entergy. Entergy Arkansas uses the HLBV method of accounting for income or loss allocation to the tax equity investor's

noncontrolling interest. See Note 1 to the financial statements for further discussion on the presentation of the tax equity investor's noncontrolling interest and the HLBV method of accounting.

The dollar value of noncontrolling interests for Entergy Louisiana as of December 31, 2025 and 2024 are presented below.

	2025	2024
	(In Thousands)	
Entergy Louisiana Noncontrolling Interests		
Restoration Law Trust I (a)	$27,103	$28,826
Restoration Law Trust II (b)	13,104	13,880
Total Noncontrolling Interests	$40,207	$42,706

(a) Restoration Law Trust I (the storm trust I) was established in 2022 as part of the Act 293 securitization of Entergy Louisiana's Hurricane Laura, Hurricane Delta, Hurricane Zeta, and Winter Storm Uri restoration costs, as well as to establish a storm reserve to fund a portion of Hurricane Ida storm restoration costs. The storm trust I holds preferred membership interests issued by Entergy Finance Company, and Entergy Finance Company is required to make annual distributions (dividends) on the preferred membership interests. These annual dividends paid on the Entergy Finance Company preferred membership interests are distributed 1% to the LURC and 99% to Entergy Louisiana. Entergy Louisiana, as the primary beneficiary, consolidates the storm trust I and the LURC's 1% beneficial interest is presented as noncontrolling interest in the consolidated financial statements for Entergy Louisiana and Entergy. See Note 2 to the financial statements for a discussion of the Entergy Louisiana May 2022 storm cost securitization.

(b) Restoration Law Trust II (the storm trust II) was established in 2023 as part of the Act 293 securitization of Entergy Louisiana's remaining Hurricane Ida storm restoration costs. The storm trust II holds preferred membership interests issued by Entergy Finance Company, and Entergy Finance Company is required to make annual distributions (dividends) on the preferred membership interests. These annual dividends paid on the Entergy Finance Company preferred membership interests are distributed 1% to the LURC and 99% to Entergy Louisiana. Entergy Louisiana, as the primary beneficiary, consolidates the storm trust II and the LURC's 1% beneficial interest is presented as noncontrolling interest in the consolidated financial statements for Entergy Louisiana and Entergy. See Note 2 to the financial statements for a discussion of the Entergy Louisiana March 2023 storm cost securitization.

The dollar value of noncontrolling interest for Entergy Mississippi as of December 31, 2025 and 2024 is presented below.

	2025	2024
	(In Thousands)	
Entergy Mississippi Noncontrolling Interest		
MS Sunflower Partnership, LLC (a)	$5,066	$8,202
Total Noncontrolling Interest	$5,066	$8,202

(a) MS Sunflower Partnership, LLC is a tax equity partnership between Entergy Mississippi and a tax equity investor which was formed to acquire and own the Sunflower Solar facility. Entergy Mississippi, as the managing member, consolidates MS Sunflower Partnership, LLC and the tax equity investor's interest is presented as noncontrolling interest in the consolidated financial statements for Entergy Mississippi and Entergy. Entergy Mississippi uses the HLBV method of accounting for income or loss allocation to the tax equity investor's noncontrolling interest. See Note 1 to the financial statements for further discussion on the presentation of the tax equity investor's noncontrolling interest and the HLBV method of accounting.

Presentation of Preferred Stock without Sinking Fund

Accounting standards regarding noncontrolling interests and the classification and measurement of redeemable securities require the classification of preferred securities between liabilities and shareholders' equity on the balance sheet if the holders of those securities have protective rights that allow them to gain control of the board of directors in certain circumstances. These rights would have the effect of giving the holders the ability to potentially redeem their securities, even if the likelihood of occurrence of these circumstances is considered remote. The outstanding preferred stock of Entergy Texas has protective rights with respect to unpaid dividends but provides for the election of board members that would not constitute a majority of the board, and the preferred stock of Entergy Texas is therefore classified as a component of equity.

The outstanding preferred securities of Entergy Utility Holding Company, LLC (a Utility subsidiary) and Entergy Finance Holding, Inc. (an Entergy subsidiary in the non-utility operations business), in each case, whose preferred holders have protective rights, are presented between liabilities and equity on Entergy's consolidated balance sheets. The preferred dividends or distributions paid by all subsidiaries are reflected for all periods presented outside of consolidated net income.

NOTE 7. COMMON EQUITY (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Common Stock

On October 30, 2024, Entergy's board of directors approved a two-for-one forward stock split of Entergy Corporation common stock (the stock split). On December 12, 2024, Entergy effected the stock split and a proportionate increase in the number of authorized shares of its common stock. Shares began trading on a split-adjusted basis at market open on December 13, 2024. All share and per-share amounts presented herein reflect the stock split completed in December 2024.

The following table presents Entergy's basic and diluted earnings per share calculations included on the consolidated income statements:

	For the Years Ended December 31,					
	2025		2024		2023	
	(Dollars In Thousands, Except Per Share Data; Shares in Millions)					
		$/share		$/share		$/share
Consolidated net income	$1,773,328		$1,061,184		$2,362,310	
Less: Preferred dividend requirements of subsidiaries and noncontrolling interests	15,056		5,594		5,774	
Net income attributable to Entergy Corporation	$1,758,272		$1,055,590		$2,356,536	
Basic shares and earnings per average common share	442.0	$3.98	427.7	$2.47	423.1	$5.57
Average dilutive effect of:						
Stock options	1.0	(0.01)	0.6	—	0.6	(0.01)
Other equity plans	1.5	(0.02)	1.3	(0.01)	1.1	(0.01)
Equity forwards	5.7	(0.04)	2.0	(0.01)	—	—
Diluted shares and earnings per average common share	450.2	$3.91	431.6	$2.45	424.8	$5.55

Earnings per share dilution resulting from stock options outstanding and other equity plans is determined under the treasury stock method. The calculation of diluted earnings per share excluded 335,625 stock options

outstanding in 2025, 1,857,250 stock options outstanding in 2024, and 2,359,923 stock options outstanding in 2023 because their effect would have been antidilutive. Until settlement of the forward sale agreements discussed below in "Equity Distribution Program" and "Equity Forward Sale Agreements," earnings per share dilution resulting from the agreements, if any, is determined under the treasury stock method. Share dilution occurs when the average market price of Entergy Corporation's common stock is higher than the average forward sale price. The calculation of diluted earnings per share excluded 676,056 shares in 2025, 2,373,682 shares in 2024, and 3,525,418 shares in 2023 under forward sale agreements outstanding because their effect would have been antidilutive.

Common stock and treasury stock shares activity for Entergy for 2025, 2024, and 2023 is as follows:

	2025		2024		2023	
	Common Shares Issued	Treasury Shares	Common Shares Issued	Treasury Shares	Common Shares Issued	Treasury Shares
Beginning Balance, January 1	561,950,696	132,370,280	561,950,696	136,253,556	559,307,858	136,954,858
Issuances:						
Equity Distribution Program	21,253,078	—	—	—	2,642,838	—
Employee Stock-Based Compensation Plans	—	(1,462,900)	—	(3,855,200)	—	(673,242)
Directors' Plan	—	(42,971)	—	(28,076)	—	(28,060)
Ending Balance, December 31	583,203,774	130,864,409	561,950,696	132,370,280	561,950,696	136,253,556

Entergy Corporation reissues treasury shares to meet the requirements of the Stock Plan for Outside Directors (Directors' Plan), the three equity plans of Entergy Corporation and Subsidiaries, and certain other stock benefit plans. The Directors' Plan awards to non-employee directors a portion of their compensation in the form of a fixed dollar value of shares of Entergy Corporation common stock.

In October 2010 the Board granted authority for a $500 million share repurchase program. As of December 31, 2025, $350 million of authority remains under the $500 million share repurchase program.

Dividends declared per common share were $2.44 in 2025, $2.30 in 2024, and $2.17 in 2023.

System Energy paid its parent, Entergy Corporation, distributions out of its common stock of $50 million in 2025, $108 million in 2024, and $170 million in 2023.

Equity Distribution Program

In January 2021, Entergy Corporation entered into an equity distribution sales agreement with several counterparties establishing an at the market equity distribution program, pursuant to which Entergy Corporation may offer and sell from time to time shares of its common stock. The sales agreement provides that, in addition to the issuance and sale of shares of Entergy Corporation common stock, Entergy Corporation may enter into forward sale agreements for the sale of its common stock. In February 2025, pursuant to the terms of the equity distribution sales agreement, Entergy Corporation increased the aggregate gross sales price authorized under its at the market equity distribution program by an additional $1.5 billion. The aggregate number of shares of common stock sold under this equity distribution sales agreement and under any forward sale agreement may not exceed an aggregate gross sales price of $4.5 billion. As of December 31, 2025, an aggregate gross sales price of approximately $2.8 billion has been sold under the at the market equity distribution program.

During the years ended December 31, 2025, 2024, and 2023, there were no shares of common stock directly issued under the at the market equity distribution program.

There were no settlements of forward sale agreements for the year ended December 31, 2024. During the years ended December 31, 2025 and 2023, Entergy Corporation physically settled its obligations under the following forward sale agreements:

Effective Date of Forward Sale Agreements	Shares of Common Stock Issued	Gross Sales Price	Forward Sellers Fees	Forward Sale Price per Share	Cash Proceeds at Settlement
			(Dollars In Thousands, Except Per Share Data)		
Forward sale agreements settled in November 2023:					
June 2023	205,990	$10,524	$105		
June 2023	730,614	$37,375	$374		
Total	936,604			$50.69	$47,786
Forward sale agreements settled in December 2023:					
November 2023	1,706,234	$84,000	$840		
Total	1,706,234			$48.74	$83,312
Forward sale agreements settled in May 2025:					
December 2023	5,506,492	$280,459	$2,805		
March 2024	569,844	$29,318	$293		
March 2024	2,320,830	$119,153	$1,192		
May 2024	2,556,832	$142,387	$1,424		
May 2024	2,466,470	$134,396	$1,344		
June 2024	2,140,006	$114,540	$1,145		
Total	15,560,474			$51.78	$805,669
Forward sale agreements settled in October 2025:					
August 2024	2,225,832	$130,393	$1,304		
August 2024	3,466,772	$205,454	$2,055		
	5,692,604			$58.30	$331,873

Entergy Corporation incurred an aggregate amount of approximately $0.4 million of general issuance costs associated with the November 2023 and December 2023 settlements and an aggregate amount of approximately $1.4 million of general issuance costs associated with the May 2025 and October 2025 settlements. Entergy Corporation used the net proceeds for general corporate purposes, which included repayment of commercial paper, outstanding loans under Entergy Corporation's revolving credit facility, and other debt.

The following forward sale agreements entered into by Entergy Corporation remain outstanding as of December 31, 2025:

Effective Date	Shares of Common Stock per Forward Sale Agreements	Maturity Date	Forward Sale Price per Share	Gross Sales Price	Forward Sellers Fees
			(Dollars In Thousands, Except Per Share Data)		
September 2024	3,069,070	October 2026	$60.14	$186,266	$1,863
September 2024	888,756	October 2026	$64.22	$57,702	$577
March 2025	2,713,790	August 2026	$84.77	$232,216	$2,322

No amounts are recorded on Entergy's balance sheet with respect to the equity offerings until settlements of the equity forward sale agreements occur.

The forward sale agreements require Entergy Corporation to, at its election prior to the maturity date, either (i) physically settle the transactions by issuing the total shares of common stock per the respective forward sale agreement to the forward counterparties in exchange for net proceeds at the then-applicable forward sale price specified by the respective agreement (initial forward sale price) or (ii) net settle the transactions in whole or in part through the delivery or receipt of cash or shares. Each forward sale price is subject to adjustment on a daily basis based on a floating interest rate factor and will decrease by other fixed amounts specified in the respective agreement. In connection with the forward sale agreements, the forward seller, or its affiliates, borrowed from third parties and sold shares of Entergy Corporation's common stock (gross sales price). In connection with the sale of these shares, Entergy Corporation paid the forward seller fees and these fees have not been deducted from the gross sales prices. Entergy Corporation did not receive any proceeds from such sales of borrowed shares.

In February 2026, Entergy Corporation physically settled a portion of its obligations under certain of its outstanding forward sale agreements by delivering 4,613,790 shares of common stock in exchange for cash proceeds of $346 million. The forward sale price used to determine the cash proceeds received by Entergy Corporation was calculated based on an initial forward sale price of $75.05 per share as adjusted in accordance with the forward sale agreements. Entergy Corporation incurred an aggregate amount of approximately $0.2 million of general issuance costs associated with the settlement.

Equity Forward Sale Agreements

In March 2025, Entergy Corporation marketed an equity offering of 17.8 million shares of Entergy Corporation common stock. In lieu of issuing equity at the time of the offering, Entergy Corporation entered into forward sale agreements with several forward counterparties. No amounts have been or will be recorded on Entergy's balance sheet with respect to the equity offering until settlements of the forward sale agreements occur. The forward sale agreements require Entergy Corporation to, at its election on or prior to September 30, 2026, either (1) physically settle the transactions by issuing the total of 17.8 million shares of its common stock to the forward counterparties in exchange for net proceeds at the then-applicable forward sale price specified by the agreements (initially $81.87 per share) or (2) net settle the transactions in whole or in part through the delivery or receipt of cash or shares. The forward sale price is subject to adjustment on a daily basis based on a floating interest rate factor and will decrease by other fixed amounts specified in the agreements.

Until settlement of the forward sale agreements, earnings per share dilution resulting from the agreements, if any, will be determined under the treasury stock method. Share dilution occurs when the average market price of Entergy Corporation's common stock is higher than the average forward sale price. If Entergy Corporation had elected to net share settle the forward sale agreements as of December 31, 2025, Entergy Corporation would have been required to deliver 2.0 million shares.

Retained Earnings and Dividends

Entergy Corporation received dividend payments and distributions from subsidiaries totaling $52 million in 2025, $484 million in 2024, and $189 million in 2023.

Comprehensive Income

Accumulated other comprehensive income (loss) is included in the equity section of the balance sheets of Entergy and Entergy Louisiana. The following table presents changes in accumulated other comprehensive income (loss) for Entergy for the years ended December 31, 2025 and 2024:

	Pension and Other Postretirement Plan Changes	
	2025	2024
	(In Thousands)	
Beginning balance, January 1,	$42,769	($162,460)
Other comprehensive loss before reclassifications	(28,975)	(31,676)
Amounts reclassified from accumulated other comprehensive income (loss)	(16,800)	236,905
Net other comprehensive income (loss) for the period	(45,775)	205,229
Ending balance, December 31,	($3,006)	$42,769

The following table presents changes in accumulated other comprehensive income for Entergy Louisiana for the years ended December 31, 2025 and 2024:

	Pension and Other Postretirement Plan Changes	
	2025	2024
	(In Thousands)	
Beginning balance, January 1,	$53,658	$54,798
Other comprehensive income (loss) before reclassifications	(12,923)	6,953
Amounts reclassified from accumulated other comprehensive income	(6,819)	(8,093)
Net other comprehensive loss for the period	(19,742)	(1,140)
Ending balance, December 31,	$33,916	$53,658

Total reclassifications out of accumulated other comprehensive income (loss) (AOCI) for Entergy for the years ended December 31, 2025 and 2024 are as follows:

	Amounts reclassified from AOCI		Income Statement Location
	2025	2024	
	(In Thousands)		
Pension and other postretirement plan changes			
Amortization of prior service credit	$13,854	$13,896	(a)
Amortization of net gain	9,644	7,327	(a)
Settlement loss	(420)	(319,978)	(a)
Total amortization and settlement loss	23,078	(298,755)	
Income taxes	(6,278)	61,850	Income taxes
Total amortization and settlement loss (net of tax)	$16,800	($236,905)	
Total reclassifications for the period (net of tax)	$16,800	($236,905)	

(a) These accumulated other comprehensive income (loss) components are included in the computation of net periodic pension and other postretirement cost. See Note 11 to the financial statements for additional details.

Total reclassifications out of accumulated other comprehensive income (AOCI) for Entergy Louisiana for the years ended December 31, 2025 and 2024 are as follows:

	Amounts reclassified from AOCI		Income Statement Location
	2025	2024	
	(In Thousands)		
Pension and other postretirement plan changes			
Amortization of prior service credit	$4,545	$4,544	(a)
Amortization of net gain	6,249	6,533	(a)
Settlement loss	(106)	(2)	(a)
Total amortization and settlement loss	10,688	11,075	
Income taxes	(3,869)	(2,982)	Income taxes
Total amortization and settlement loss (net of tax)	6,819	8,093	
Total reclassifications for the period (net of tax)	$6,819	$8,093	

(a) These accumulated other comprehensive income components are included in the computation of net periodic pension and other postretirement cost. See Note 11 to the financial statements for additional details.

NOTE 8. COMMITMENTS AND CONTINGENCIES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Entergy and the Registrant Subsidiaries are involved in a number of legal, regulatory, and tax proceedings before various courts, regulatory authorities, and governmental agencies in the ordinary course of business. While management is unable to predict with certainty the outcome of such proceedings, management does not believe that the ultimate resolution of these matters will have a material adverse effect on Entergy's results of operations, cash flows, or financial condition. Entergy discusses regulatory proceedings in Note 2 to the financial statements and discusses tax proceedings in Note 3 to the financial statements.

Vidalia Purchased Power Agreement

Entergy Louisiana has an agreement extending through the year 2031 to purchase energy generated by a hydroelectric facility known as the Vidalia project. Entergy Louisiana made payments under the contract of approximately $125.3 million in 2025, $116.8 million in 2024, and $100.4 million in 2023. If the maximum percentage (94%) of the energy is made available to Entergy Louisiana, current production projections would require estimated payments of approximately $122.0 million in 2026 and a total of $610.6 million for the years 2027 through 2031. Entergy Louisiana currently recovers the costs of the purchased energy through its fuel adjustment clause.

In an LPSC-approved settlement related to tax benefits from the tax treatment of the Vidalia contract, Entergy Louisiana agreed to credit rates by $11 million each year for up to 10 years, beginning in October 2002. In October 2011 the LPSC approved a settlement under which Entergy Louisiana agreed to provide annual bill credits to customers of $20.235 million for a 15-year period beginning January 2012. Entergy Louisiana recorded a regulatory charge and a corresponding regulatory liability to reflect this obligation. The settlement agreement includes a provision allowing the amount of the credits to be adjusted if, among other things, there is a change in the applicable federal or state income tax rate. As a result of the Tax Cuts and Jobs Act, enacted in December 2017, and the related reduction in the federal corporate income tax rate from 35% to 21%, the Vidalia purchased power regulatory liability was reduced by $30.5 million, with a corresponding increase to other regulatory credits on the income statement. Consistent with the LPSC-approved settlement agreement, additional adjustments were made to reflect changes in the Louisiana state income tax rates which did not have a material effect on the balance. See Note 3 to the financial statements for discussion of the effects of the Tax Cuts and Jobs Act and discussion of the resolution of the 2016-2018 IRS audit, which included the tax treatment of the Vidalia contract.

ANO Damage, Outage, and NRC Reviews

In March 2013, during a scheduled refueling outage at ANO 1, a contractor-owned and operated heavy-lifting apparatus collapsed while moving the generator stator out of the turbine building. The collapse resulted in the death of an ironworker and injuries to several other contract workers, caused ANO 2 to shut down, and damaged the ANO turbine building. The total cost of assessment, restoration of off-site power, site restoration, debris removal, and replacement of damaged property and equipment was approximately $95 million. Entergy Arkansas pursued its options for recovering damages that resulted from the stator drop, including its insurance coverage and legal action. Entergy Arkansas collected $50 million in 2014 from Nuclear Electric Insurance Limited (NEIL), a mutual insurance company that provides property damage coverage to the members' nuclear generating plants. Entergy Arkansas also collected a total of $21 million in 2018 as a result of stator-related settlements.

In addition, Entergy Arkansas incurred replacement power costs for ANO 2 power during its outage and incurred incremental replacement power costs for ANO 1 power because the outage extended beyond the originally-planned duration of the refueling outage. In February 2014 the APSC authorized Entergy Arkansas to retain $65.9 million in its deferred fuel balance with recovery to be reviewed in a later period after more information regarding various claims associated with the ANO stator incident was available.

In March 2015, after several NRC inspections and regulatory conferences, arising from the stator incident, the NRC placed ANO into the "multiple/repetitive degraded cornerstone column," or Column 4, of the NRC's Reactor Oversight Process Action Matrix. Entergy Arkansas incurred incremental costs of approximately $53 million in 2015 to prepare for the NRC inspections that began in early 2016 in order to address the issues required to move ANO back to "licensee response" or Column 1 of the NRC's Reactor Oversight Process Action Matrix. Excluding remediation and response costs that resulted from the additional NRC inspection activities, Entergy Arkansas incurred approximately $44 million in 2016 and $7 million in 2017 in support of NRC inspection activities and to implement Entergy Arkansas's performance improvement initiatives developed in 2015. In June 2018 the NRC moved ANO 1 and 2 into the "licensee response column," or Column 1, of the NRC's Reactor Oversight Process Action Matrix.

In October 2023, Entergy Arkansas made a commitment to the APSC to make a filing to forgo its opportunity to seek recovery of the identified costs resulting from the ANO stator incident, specifically all incremental fuel and purchased energy expense, capital and incremental non-fuel operations and maintenance costs, and costs of any judgment that may be rendered against Entergy Arkansas in civil litigation that is not covered by insurance. As a result, in third quarter 2023, Entergy Arkansas recorded write-offs of its regulatory asset for deferred fuel of $68.9 million, which includes interest, and the undepreciated balance of $9.5 million in capital costs related to the ANO stator incident. Consistent with its October 2023 commitment, Entergy Arkansas filed a motion to forgo recovery in November 2023, and the motion was approved by the APSC in December 2023.

Spent Nuclear Fuel Litigation

Under the Nuclear Waste Policy Act of 1982, the DOE is required, for a specified fee, to construct storage facilities for, and to dispose of, all spent nuclear fuel and other high-level radioactive waste generated by domestic nuclear power reactors. Entergy's nuclear owner/licensee subsidiaries have been charged fees for the estimated future disposal costs of spent nuclear fuel in accordance with the Nuclear Waste Policy Act of 1982. The affected Entergy companies entered into contracts with the DOE, whereby the DOE is to furnish disposal services at a cost of one mill per net kWh generated and sold after April 7, 1983, plus a one-time fee for generation prior to that date. Entergy considers all costs incurred for the disposal of spent nuclear fuel, except accrued interest, to be proper components of nuclear fuel expense. Provisions to recover such costs have been or will be made in applications to regulatory authorities for the Utility plants. Following the defunding of the Yucca Mountain spent fuel repository program, the National Association of Regulatory Utility Commissioners and others sued the government seeking cessation of collection of the one mill per net kWh generated and sold after April 7, 1983 fee. In November 2013 the D.C. Circuit ordered the DOE to submit a proposal to Congress to reset the fee to zero until the DOE complies with the Nuclear Waste Policy Act or Congress enacts an alternative waste disposal plan. In January 2014 the DOE submitted the proposal to Congress under protest, and also filed a petition for rehearing with the D.C. Circuit. The petition for rehearing was denied. The zero spent fuel fee went into effect prospectively in May 2014.

Because the DOE has not begun accepting spent fuel, it is in non-compliance with the Nuclear Waste Policy Act of 1982 and is in partial breach of its spent fuel disposal contracts. As a result of the DOE's failure to begin disposal of spent nuclear fuel in 1998 pursuant to the Nuclear Waste Policy Act of 1982 and the spent fuel disposal contracts, Entergy's nuclear owner/licensee subsidiaries have incurred and will continue to incur damages. Beginning in November 2003 these subsidiaries have pursued litigation to recover the damages caused by the DOE's delay in performance. Following are details of final judgments recorded by Entergy in 2023 and 2024 related to Entergy's nuclear owner/licensee subsidiaries' litigation with the DOE.

In March 2023 the DOE submitted an offer of judgment to resolve claims in the fourth round ANO damages case. The $41 million offer was accepted by Entergy Arkansas, and the U.S. Court of Federal Claims issued a judgment in that amount in favor of Entergy Arkansas and against the DOE. Entergy Arkansas received payment from the U.S. Treasury in April 2023. The effects of recording the judgment were reductions to plant, nuclear fuel expense, other operation and maintenance expenses, materials and supplies, and taxes other than income taxes. The ANO damages awarded included $18 million related to costs previously recorded as plant, $10 million related to

costs previously recorded as other operation and maintenance expenses, $8 million related to costs previously recorded as nuclear fuel expense, $3 million related to costs previously recorded as materials and supplies, and $2 million related to costs previously recorded as taxes other than income taxes.

In July 2023 the DOE submitted an offer of judgment to resolve claims in the Indian Point 2 fourth round and Indian Point 3 third round combined damages case. The $59 million offer was accepted by Entergy and Holtec International, as the current owner. The U.S. Court of Federal Claims issued a final judgment in that amount in favor of Holtec Indian Point 2, LLC and Holtec Indian Point 3, LLC (previously Entergy Nuclear Indian Point 2, LLC and Entergy Nuclear Indian Point 3, LLC) and against the DOE. Holtec received payment from the U.S. Treasury in July 2023. Consistent with certain terms agreed upon in connection with the sale of Indian Point Energy Center in May 2021, Holtec transferred $40 million to Entergy for its pro-rata share of the litigation proceeds in August 2023. The remainder of the judgment was retained by Holtec. The effect of recording Entergy's pro-rata share of the judgment was a reduction to asset write-offs, impairments, and related charges (credits). Entergy's pro-rata share of the damages awarded included $18 million related to costs previously recorded as spending on the asset retirement obligation, $15 million related to costs previously recorded as other operation and maintenance expenses, $6 million related to costs previously recorded as plant, and $1 million related to costs previously recorded as taxes other than income taxes.

In August 2024 the U.S. Court of Federal Claims issued a final judgment in the amount of $177 million in favor of Northstar Vermont Yankee, LLC (previously Entergy Nuclear Vermont Yankee) and against the DOE in the final round Vermont Yankee damages case. Northstar, as the current owner, received payment from the U.S. Treasury in November 2024 and subsequently transferred $127 million of the litigation proceeds to Entergy per the terms of the agreement for the disposition of Vermont Yankee, which included $107 million for independent spent fuel storage installation expansion, and related to a long-term note receivable issued to Entergy at the time of the disposition of Vermont Yankee, and $20 million for costs related to independent spent fuel storage installation operations, both as required by the disposition documents. Northstar retained $10 million of the litigation proceeds, and the remaining $40 million of the total litigation proceeds was placed by Northstar into an escrow account and is expected to be transferred to Entergy upon the satisfaction of certain agreed upon conditions. The effect of recording Entergy's share of the judgment was a reduction of $82 million in principal and $25 million in accrued interest on the long-term note receivable and a reduction to asset write-offs, impairments, and related charges (credits) of $20 million related to costs previously recorded as spending on the asset retirement obligation.

In October 2024 the U.S. Court of Federal Claims issued a final judgment in the amount of $7 million in favor of Holtec Palisades, LLC (previously Entergy Nuclear Palisades) and against the DOE in the final round Palisades damages case. Holtec, as the current owner, received payment from the U.S. Treasury in March 2025 and subsequently transferred the $7 million judgment to Entergy. The effect in 2024 of recording the judgment was a reduction to asset write-offs, impairments, and related charges (credits). The damages awarded included $4 million related to costs previously recorded as plant and $3 million related to costs previously recorded as other operation and maintenance expenses.

Management cannot predict the timing or amount of any potential recoveries on other claims filed by Entergy subsidiaries and cannot predict the timing of any eventual receipt from the DOE of the U.S. Court of Federal Claims damage awards.

Nuclear Insurance

Third Party Liability Insurance

The Price-Anderson Act requires that reactor licensees purchase insurance and participate in a secondary insurance pool that provides insurance coverage for the public in the event of a nuclear power plant accident. The costs of this insurance are borne by the nuclear power industry. Congress amended and renewed the Price-Anderson Act in 2024 for a term through 2065. The Price-Anderson Act requires nuclear power plants to show

evidence of financial protection in the event of a nuclear accident. This protection must consist of two layers of coverage:

1. The primary level is insurance underwritten by American Nuclear Insurers (ANI) and provides public liability insurance coverage of $500 million for each operating reactor nuclear site. If this amount is not sufficient to cover claims arising from an accident, the second level, Secondary Financial Protection, applies.

2. Secondary Financial Protection: Currently, 95 nuclear reactors participate in the Secondary Financial Protection program, which provides approximately $15.8 billion in secondary layer insurance coverage to compensate the public in the event of a nuclear power reactor accident. The Price-Anderson Act provides that all potential liability for a nuclear accident is limited to the amounts of insurance coverage available under the primary and secondary layers.

   Within the Secondary Financial Protection program, each nuclear reactor has a contingent obligation to pay a retrospective premium, equal to its proportionate share of the loss in excess of the primary level, regardless of proximity to the incident or fault, up to a maximum of approximately $165.9 million per reactor per incident. For Entergy's five reactors, the maximum total contingent obligation per incident is $829.6 million. This retrospective premium is assessable at approximately $24.7 million per year per incident per nuclear power reactor.

3. Total insurance coverage available is approximately $16.3 billion, among the primary ANI coverages and the Secondary Financial Protection program, to respond to a nuclear power plant accident that causes third-party damages (e.g., off-site property and environmental damage, off-site bodily injury, and on-site third-party bodily injury (i.e., contractors)). These coverages also respond to an accident caused by terrorism.

Entergy Arkansas and Entergy Louisiana each have two licensed reactors. System Energy has one licensed reactor (10% of Grand Gulf is owned by a non-affiliated company (Cooperative Energy) that would share on a pro-rata basis in any retrospective premium assessment to System Energy under the Price-Anderson Act).

Property Insurance

Entergy's nuclear owner/licensee subsidiaries are members of NEIL, a mutual insurance company that provides property damage coverage, including decontamination and reactor stabilization, to the members' nuclear generating plants. The property damage insurance limits procured by Entergy for its nuclear plants are in compliance with the financial protection requirements of the NRC. These coverage limits, deductibles, and weekly indemnity periods are subject to change based on results of NEIL loss control inspections.

The nuclear plants' ANO 1 and 2, Grand Gulf, River Bend, and Waterford 3 property damage insurance limits are $1.06 billion per occurrence at each plant. The property deductible at the nuclear plants is $20 million per site, except for earth movement, flood, and windstorm. Property damage from earth movement is excluded from the first $500 million in coverage for all nuclear plants. Property damage from flood is excluded from the first $500 million in coverage at ANO 1 and 2 and Grand Gulf. Property damage from flood for Waterford 3 and River Bend is subject to a deductible of $10 million plus an additional 10% of the amount of the loss in excess of $10 million, up to a maximum deductible of $50 million. Property damage from a windstorm for all the nuclear plants is subject to a deductible of $10 million plus an additional 10% of the amount of the loss in excess of $10 million, up to a total maximum deductible of $50 million.

In addition, Waterford 3 and Entergy's portion of Grand Gulf are also covered under NEIL's Accidental Outage Coverage program. Accidental outage coverage provides indemnification for the actual cost incurred in the event of an unplanned outage resulting from property damage covered under the NEIL Primary Property Insurance policy, subject to a deductible period. The indemnification is based on market power prices at the time of the loss,

actual costs incurred during the outage, and the respective limits of each nuclear plant. After the deductible period has passed, weekly indemnities for an unplanned nuclear or non-nuclear outage, covered under NEIL's Accidental Outage Coverage program, would be paid according to the amounts listed below:

- 100% of the weekly indemnity for each week for the initial payment period of 52 weeks for nuclear and non-nuclear loss; then
- 80% of the weekly indemnity for each week for the final payment period of 110 weeks for nuclear loss only; or
- 60% of the weekly indemnity for each week for the final payment period of 52 weeks for non-nuclear loss only.

Under the property damage and accidental outage insurance programs, all NEIL-insured plants could be subject to assessments should losses exceed the accumulated funds available from NEIL. The retrospective premium assessments are subject to change based on results of NEIL underwriting, and the potential obligation to pay this assessment remains for six years after the end of the policy period, unless a prior call is made. NEIL has exercised this assessment. The maximum aggregate amounts of such possible assessments for the current year's policies are as follows:

	Assessments
	(In Millions)
Entergy Arkansas	$20.1
Entergy Louisiana	$40.1
Entergy Mississippi	$0.3
Entergy New Orleans	$0.1
Entergy Texas	N/A
System Energy	$15.5

NRC regulations provide that the proceeds of this insurance must be used, first, to render the reactor safe and stable, and second, to complete decontamination operations. Only after proceeds are dedicated for such use and regulatory approval is secured would any remaining proceeds be made available for the benefit of plant owners or their creditors.

In the event that one or more acts of terrorism causes property damage from a nuclear event under one or more or all nuclear insurance policies issued by NEIL (including, but not limited to, those described above) within 12 months from the date the first property damage occurs, the maximum recovery under all such nuclear insurance policies shall be an aggregate not exceeding $3.24 billion plus the additional amounts recovered for such losses from reinsurance, indemnity, and any other sources applicable to such losses.

Non-Nuclear Property Insurance

Entergy's non-nuclear property insurance program provides coverage on a system-wide basis for Entergy's non-nuclear assets. The insurance program provides coverage for property damage up to $400 million per occurrence in excess of a $20 million self-insured retention except for property damage caused by the following: earthquake shock, flood, and named windstorm, including associated storm surge. For earthquake shock and flood, the insurance program provides coverage up to $400 million on an annual aggregate basis in excess of a $40 million self-insured retention. For named windstorm and associated storm surge, the insurance program provides coverage up to approximately $135 million on an annual aggregate basis in excess of a $40 million self-insured retention.

Covered property generally includes power plants, substations, facilities, and inventories. Excluded property generally includes transmission and distribution lines, poles, and towers. For substations valued at $5 million or less, coverage for named windstorm and associated storm surge is excluded. This coverage is in place for

Entergy Corporation, the Registrant Subsidiaries, and certain other Entergy subsidiaries. Entergy also purchases $400 million in terrorism insurance coverage for its conventional property.

Employment and Labor-related Proceedings

The Registrant Subsidiaries and other Entergy subsidiaries and related entities are responding to various lawsuits in both state and federal courts and to other labor-related proceedings filed by current and former employees, recognized bargaining representatives, and certain third parties. Generally, the amount of damages being sought is not specified in these proceedings. These actions may include, but are not limited to, allegations of wrongful employment actions; wage disputes and other claims under the Fair Labor Standards Act or its state counterparts; claims of race, gender, age, and disability discrimination; disputes arising under collective bargaining agreements; unfair labor practice proceedings and other administrative proceedings before the National Labor Relations Board or concerning the National Labor Relations Act; claims of retaliation; claims of harassment and hostile work environment; and claims for or regarding benefits under various Entergy Corporation-sponsored employee benefit plans. Entergy and the Registrant Subsidiaries and related entities are responding to these lawsuits and proceedings and deny liability to the claimants. Management believes that loss exposure has been and will continue to be handled so that the ultimate resolution of these matters will not be material, in the aggregate, to the financial position, results of operation, or cash flows of Entergy or the Registrant Subsidiaries.

Asbestos Litigation (Entergy Arkansas, Entergy Louisiana, Entergy New Orleans, and Entergy Texas)

Numerous lawsuits have been filed in state courts against primarily Entergy Louisiana and Entergy Texas by individuals alleging exposure to asbestos while working at Entergy facilities between 1955 and 1980. Entergy is being sued as a premises owner. Many other defendants are named in these lawsuits as well. Currently, there are approximately 180 lawsuits involving approximately 330 claimants. Management believes that adequate provisions have been established to cover any exposure. Additionally, negotiations continue with insurers to recover reimbursements. Management believes that loss exposure has been and will continue to be handled so that the ultimate resolution of these matters will not be material, in the aggregate, to the financial position, results of operation, or cash flows of the Utility operating companies.

Grand Gulf-Related Agreements

Unit Power Sales Agreement (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

System Energy historically sold all of its share of capacity and energy from Grand Gulf to Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans in accordance with specified percentages (Entergy Arkansas - 36%, Entergy Louisiana - 14%, Entergy Mississippi - 33%, and Entergy New Orleans - 17%) as ordered by the FERC under the Unit Power Sales Agreement. Charges under this agreement are paid in consideration for the purchasing companies' respective entitlement to receive capacity and energy and are payable irrespective of the quantity of energy delivered. Grand Gulf's operating license currently extends through 2044. Monthly obligations are based on actual capacity and energy costs. The average monthly payments for 2025 under the agreement were approximately $15.8 million for Entergy Arkansas, $6.7 million for Entergy Louisiana, $19.3 million for Entergy Mississippi, and $8.5 million for Entergy New Orleans. Effective October 1, 2025, System Energy began selling all of its share of capacity and energy from Grand Gulf to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans in accordance with specified percentages (Entergy Arkansas - 24.19%, Entergy Mississippi - 56.38%, and Entergy New Orleans - 19.43%) as approved by the FERC under an amended Unit Power Sales Agreement. See Note 2 to the financial statements for discussion of proceedings regarding the Unit Power Sales Agreement.

In August 2024 the LPSC approved a settlement with Entergy Louisiana to globally resolve all of the LPSC's actual and potential claims in multiple docketed proceedings pending before the FERC and with System

Energy's past implementation of the Unit Power Sales Agreement. The settlement was approved by the FERC in November 2024. The terms of the settlement included an agreement that Entergy Louisiana would divest to Entergy Mississippi its 14% share of capacity and energy from Grand Gulf under the Unit Power Sales Agreement and its 2.43% share of capacity and energy from Entergy Arkansas under the MSS-4 replacement tariff. This divestiture was being effectuated initially through Entergy Mississippi's purchases from Entergy Louisiana pursuant to a bridge PPA governed by the MSS-4 replacement tariff. As discussed in Note 2 to the financial statements, in September 2024, Entergy Mississippi filed a notice of intent with the MPSC that related to and sought approval of the divestiture. The MSS-4 replacement PPA to effectuate this divestiture was approved by the FERC in November 2024. The MPSC approved the bridge PPA, effective as of January 1, 2025. Under the divestiture, Entergy Mississippi also assumed any and all of Entergy Louisiana's rights and obligations under the Availability Agreement and agreed to hold Entergy Louisiana harmless with respect thereto, as of January 1, 2025. An amended Unit Power Sales Agreement became effective as of October 1, 2025, which removed Entergy Louisiana from the entitlement and responsibility to purchase power from Grand Gulf. Thus on October 1, 2025, the bridge PPA between Entergy Louisiana and Entergy Mississippi, described above, terminated. See Note 2 to the financial statements for discussion of the System Energy settlement with the LPSC.

Availability Agreement (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and System Energy)

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans are individually obligated to make payments or subordinated advances to System Energy in accordance with stated percentages (Entergy Arkansas - 17.1%, Entergy Louisiana - 26.9%, Entergy Mississippi - 31.3%, and Entergy New Orleans - 24.7%) in amounts that, when added to amounts received under the Unit Power Sales Agreement or otherwise, are adequate to cover all of System Energy's operating expenses as defined, including expenses incurred in connection with a permanent shutdown of Grand Gulf. System Energy has assigned its rights to payments and advances to certain creditors as security for certain of its debt obligations. Effective October 1, 2025, System Energy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans terminated the Availability Agreement. Also effective October 1, 2025, System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans entered into a new Availability Agreement with allocation percentages conforming to their entitlement percentages under the amended Unit Power Sales Agreement. Since commercial operation of Grand Gulf began, payments under the Unit Power Sales Agreement to System Energy have exceeded the amounts payable under either Availability Agreement and, therefore, no payments under either Availability Agreement have ever been required.

Exclusivity Agreement with Major Vendor

Entergy entered into an exclusivity agreement with a major vendor to manufacture power island equipment (PIE) and combustion turbines (CT) for combustion turbine generator set frames larger than 400 MWs. The agreement guarantees Entergy one manufacturing slot per quarter for the shorter of a five-year period or until Entergy fulfills its minimum commitment. The agreement was amended in third quarter 2025, updating the minimum order of 15 sets of PIE and two CTs to a minimum order of 21 sets of PIE and two CTs during that time period, of which seven sets of PIE and two CT slots have been fulfilled. The commitments are fully transferable to any of the Utility operating companies. Cancellation or failure to purchase the minimum commitment amounts will result in a charge.

If any of the Utility operating companies purchases any CTs within the scope of the agreement from another supplier (except as permitted under the agreement), then the vendor has the right to terminate all or a portion of the agreement. In the event of such termination, the Utility operating company would then be obligated to pay 50% of the CT base price for each PIE or CT not yet ordered. The agreement does not establish final pricing and delivery dates of purchases that will go towards meeting the commitments under the agreement. Such terms shall be agreed to in separate agreements.

Entergy Texas Build-to-Suit Lease Arrangement for the Legend Power Station

In December 2025, Entergy Texas entered into a build-to-suit lease arrangement for the Legend Power Station as the lessee with a consortium of investors (the Investors). Under the terms of the arrangement, the Investors purchased the in-process Legend Power Station construction project from Entergy Texas at a cost of $359 million and will spend up to $1.45 billion (including the initial purchase price) to construct the Legend Power Station project as designed by Entergy Texas. Entergy Texas is engaged to serve as the construction agent for the Legend Power Station project. The Investors, however, control the asset during construction. If Entergy Texas defaults in its role as construction agent, the Investors have various options available to remedy the default, including by accelerating the lease balance payable by Entergy Texas, causing a sale of the Legend Power Station project to a third party, or certain other options. If there are certain changes to the terms of the PUCT approval of the Legend Power Station project or certain other circumstances outside of Entergy Texas's control, then either the Investors or Entergy Texas could exercise the right to terminate the arrangement, in which case Entergy Texas would be required to purchase the in-process Legend Power Station project from the Investors at an amount equal to their costs incurred to date, including carrying costs. Since Entergy Texas does not control the in-process construction project, it will not recognize the asset (i.e., construction work in progress) or an associated liability during construction.

Upon the Legend Power Station's readiness for first synchronization to the grid, expected in early 2028, a triple-net lease will commence under which Entergy Texas will have control of the Legend Power Station and receive all output from the plant. The initial term of the lease will end seven years from the closing of the arrangement, or approximately five years after the Legend Power Station's expected readiness for first synchronization to the grid. The lease cost will be equal to the Secured Overnight Financing Rate plus a margin which is based on the credit rating of Entergy Texas, multiplied by the total costs (including carrying costs) incurred by the Investors as of the commencement of the lease. Entergy Texas will have the option to purchase the Legend Power Station at any time during the lease term at a price equal to the total cost of the plant to the Investors, plus any fees and carrying charges owed to the Investors. If the purchase price option is exercised within two years of commencement of the triple-net lease, Entergy Texas must enter into a secured note payable to the Investors for the amount of the purchase price. The note payable would be due at the end of the initial lease term, but may be prepaid at any time beginning two years after the commencement date of the lease. The note will be secured by the Legend Power Station and related equipment and collateral.

At the end of the initial lease term, Entergy Texas must exercise one of the following options: 1) renew the lease for an additional five year term, subject to unanimous consent of the Investors, 2) purchase the plant at a price equal to the total cost of the plant to Investors, plus any fees and carrying charges owed to the Investors, or 3) sell the plant on behalf of the Investors. If Entergy Texas chooses the third option, then it will owe or be owed any difference between the total cost of the plant to Investors and the sale price.

NOTE 9. ASSET RETIREMENT OBLIGATIONS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Accounting standards require companies to record liabilities for all legal obligations associated with the retirement of long-lived assets that result from the normal operation of the assets. For Entergy, substantially all of its asset retirement obligations consist of its liability for decommissioning its nuclear power plants. The remainder of removal costs included in the decommissioning and asset retirement costs line item on the balance sheets is associated with non-nuclear power plants.

These liabilities are recorded at their fair values (which are the present values of the estimated future cash outflows) in the period in which they are incurred, with an accompanying addition to the recorded cost of the long-lived asset. The asset retirement obligation is accreted each year through a charge to expense, to reflect the time value of money for this present value obligation. The accretion will continue through the completion of the asset

retirement activity. The amounts added to the carrying amounts of the long-lived assets will be depreciated over the useful lives of the assets. The application of accounting standards related to asset retirement obligations is earnings neutral to the rate-regulated business of the Registrant Subsidiaries.

In accordance with ratemaking treatment and as required by regulatory accounting standards, the depreciation provisions for the Registrant Subsidiaries include a component for removal costs that are not asset retirement obligations under accounting standards. In accordance with regulatory accounting principles, the Registrant Subsidiaries have recorded regulatory assets in the following amounts to reflect their estimates of the difference between estimated incurred removal costs and estimated removal costs expected to be recovered in rates:

	December 31,	
	2025	2024
	(In Millions)	
Entergy Arkansas	$369.6	$337.9
Entergy Louisiana	$348.5	$323.2
Entergy Mississippi	$198.6	$184.8
Entergy New Orleans	$56.8	$62.5
Entergy Texas	$105.0	$102.3
System Energy	$100.4	$96.9

The cumulative decommissioning and retirement cost liabilities and expenses recorded in 2025 and 2024 for Entergy and the Registrant Subsidiaries were as follows:

	Entergy	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
				(In Millions)			
Liabilities as of December 31, 2023	$4,505.8	$1,560.1	$1,836.2	$8.2	$4.6	$11.7	$1,084.2
Liabilities incurred (a)	41.1	17.7	19.4	4.0	—	—	—
Accretion	233.8	93.6	94.4	1.1	0.3	0.8	43.5
Change in cash flow estimate	(67.3)	20.2	(107.1)	11.8	—	5.2	—
Liabilities as of December 31, 2024	4,713.4	1,691.6	1,842.9	25.1	4.9	17.7	1,127.7
Accretion	243.1	100.7	94.1	1.4	0.3	0.8	45.3
Change in cash flow estimate	(9.0)	(0.9)	(4.6)	—	—	(3.4)	—
Liabilities as of December 31, 2025	$4,947.5	$1,791.4	$1,932.4	$26.5	$5.2	$15.1	$1,173.0

(a) See "**Other**" below for additional discussion regarding the asset retirement obligations established at Entergy Arkansas, Entergy Louisiana, and Entergy Mississippi.

Nuclear Plant Decommissioning

Entergy periodically reviews and updates estimated decommissioning costs. The actual decommissioning costs may vary from the estimates because of the timing of plant decommissioning, regulatory requirements, changes in technology, and increased costs of labor, materials, and equipment.

In first quarter 2024, Entergy Arkansas recorded a revision to its estimated decommissioning cost liabilities for ANO 1 and 2 as a result of a revised decommissioning cost study. The revised estimates resulted in a $14.4 million decrease in its decommissioning cost liabilities, along with corresponding decreases in the related asset retirement cost assets that will be depreciated over the remaining useful lives of the units.

In fourth quarter 2024, Entergy Louisiana recorded a revision to its estimated decommissioning cost liability for Waterford 3 as a result of a revised decommissioning cost study. The revised estimate resulted in a $121.5 million decrease in its decommissioning cost liability, along with a corresponding decrease in the related asset retirement cost asset that will be depreciated over the remaining useful life of the unit.

NRC Filings Regarding Trust Funding Levels

Plant owners are required to provide the NRC with a biennial report (annually for units that have shut down or will shut down within five years), based on values as of December 31, addressing the owners' ability to meet the NRC minimum funding levels. Depending on the value of the trust funds, plant owners may be required to take steps, such as providing financial guarantees through letters of credit or parent company guarantees or making additional contributions to the trusts, to ensure that the trusts are adequately funded and that NRC minimum funding requirements are met.

As nuclear plants individually approach and begin decommissioning, filings will be submitted to the NRC for planned shutdown activities. These filings with the NRC also determine whether financial assurance may be required in addition to the nuclear decommissioning trust fund.

Coal Combustion Residuals

In April 2015 the EPA published the final coal combustion residuals (CCR) rule regulating CCRs destined for disposal in landfills or surface impoundments as non-hazardous wastes regulated under Resource Conservation and Recovery Act Subtitle D. The final regulations created new compliance requirements including modified storage, new notification and reporting practices, product disposal considerations, and CCR unit closure criteria, but excluded CCRs that are beneficially reused in certain processes. Entergy believes that on-site disposal options will be available at its facilities, to the extent needed.

In second quarter 2024, revisions were recorded to the estimated decommissioning cost liabilities for White Bluff and Independence as a result of the EPA rule that was finalized in May 2024 establishing management standards for legacy CCR surface impoundments (i.e., inactive surface impoundments at inactive power plants) and establishing a new class of units referred to as CCR management units (CCRMUs) (i.e., non-containerized CCR located at a regulated CCR facility). Entergy does not have any legacy impoundments; however, the definition of CCR management units includes on-site areas where CCR was beneficially used. This is contrary to the previous CCR rule which exempted beneficial uses that met certain criteria. Under this expanded rule, all facilities must identify and delineate any CCRMU greater than one ton and submit a facility evaluation report by February 2026. In July 2025 the EPA extended the deadline for submission of the facility evaluation report by one year to February 2027. Any potential requirements for corrective action or operational changes under the various CCR rules continue to be assessed. Given the complexity and recency of the EPA guidance, Entergy is still evaluating the level of work that will ultimately be required to comply with the rule. Based on initial estimates of multiple possible remediation scenarios, Entergy Arkansas and Entergy Mississippi recorded increases of $31.2 million and $9.1 million, respectively, in their decommissioning cost liabilities in 2024, along with corresponding increases in the related asset retirement cost assets that will be depreciated over the remaining useful lives of the units. Entergy will continue to update the asset retirement obligation as the requirements of the revised CCR rule are clarified.

Other

In 2024, Entergy Mississippi recorded an asset retirement obligation to reflect decommissioning costs related to an obligation under the Sunflower Solar facility's land lease agreements to remove the electrical system and return the land to its normal condition. This estimate resulted in the establishment of a $4.0 million decommissioning cost liability, along with the establishment of a related asset retirement cost asset that will be depreciated over the remaining initial lease term.

In 2024, Entergy Arkansas recorded asset retirement obligations to reflect decommissioning costs related to obligations to remove the electrical systems and return the land to its normal condition under the respective land lease agreements for the Walnut Bend Solar facility and the Driver Solar facility. These estimates resulted in the establishment of a decommissioning cost liability of $4.5 million for the Walnut Bend Solar facility and of $13.2 million for the Driver Solar facility, along with the establishment of related asset retirement cost assets that will be depreciated over the remaining initial lease terms, respectively. See Note 14 to the financial statements for discussion of Entergy Arkansas's purchase of the Walnut Bend Solar facility and the Driver Solar facility.

Prior to August 2024, Entergy Louisiana was a partner in the Nelson Industrial Steam Company (NISCO) partnership which owned two petroleum coke generating units. In April 2023 these generating units suspended operations in the MISO market, and the parties to the NISCO partnership began working to wind up the NISCO partnership, which would ultimately result in ownership of the generating units transferring to Entergy Louisiana. In November 2023 the FERC issued an order providing Section 203 of the Federal Power Act approval for any subsequent transfer of the facilities to Entergy Louisiana. In August 2024, Entergy Louisiana and its partners in the NISCO partnership entered into an agreement related to the wind up of the partnership, which resulted in the receipt of $21.3 million in cash by Entergy Louisiana and the transfer of ownership of the non-operating facilities to Entergy Louisiana. As a result of the agreement and resulting transfer of ownership, Entergy Louisiana also recognized an asset retirement obligation of $19.4 million associated with the ash landfill area in 2024.

NOTE 10. LEASES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

As of December 31, 2025 and 2024, Entergy and the Registrant Subsidiaries held operating and finance leases for fleet vehicles used in operations, real estate, and aircraft. Excluded from this discussion of leases are power purchase agreements not meeting the definition of a lease, nuclear fuel leases, and the Grand Gulf sale-leaseback which were determined not to be leases under the accounting standards.

Leases have remaining terms of one year to 55 years. Real estate leases generally include at least one five-year renewal option; however, renewal is not typically considered reasonably certain unless Entergy or a Registrant Subsidiary makes significant leasehold improvements or other modifications that would hinder its ability to easily move. In certain of the lease agreements for fleet vehicles used in operations, Entergy and the Registrant Subsidiaries provide residual value guarantees to the lessor. Historically, Entergy has renegotiated or refinanced these lease agreements prior to their conclusion and expects to continue this practice, given the nature of the agreements and its ongoing relationship with the lessor. As such, Entergy and the Registrant Subsidiaries do not believe it is probable that they will be required to pay anything pertaining to the residual value guarantee, and the lease liabilities and right-of-use assets are measured accordingly.

Entergy incurred the following total lease costs for the years ended December 31, 2025 and 2024:

	2025	2024
	(In Thousands)	
Operating lease cost	$76,642	$76,494
Finance lease cost:		
Amortization of right-of-use assets	$19,071	$18,063
Interest on lease liabilities	$5,395	$4,664

Of the lease costs disclosed above, Entergy had $4.2 million and $3.1 million in short-term lease costs for the years ended December 31, 2025 and 2024, respectively.

The Registrant Subsidiaries incurred the following lease costs for the year ended December 31, 2025:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Operating lease cost	$19,633	$19,875	$9,696	$2,094	$8,396
Finance lease cost:					
Amortization of right-of-use assets	$5,834	$5,820	$2,726	$653	$2,376
Interest on lease liabilities	$1,714	$1,207	$1,153	$151	$484

Of the lease costs disclosed above, Entergy Arkansas had $1.6 million, Entergy Louisiana had $1.4 million, Entergy Mississippi had $0.6 million, Entergy New Orleans had $0.2 million, and Entergy Texas had $0.4 million in short-term lease costs for the year ended December 31, 2025.

The Registrant Subsidiaries incurred the following lease costs for the year ended December 31, 2024:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Operating lease cost	$19,382	$19,770	$9,482	$2,234	$7,977
Finance lease cost:					
Amortization of right-of-use assets	$4,675	$5,755	$2,604	$1,240	$2,104
Interest on lease liabilities	$990	$1,068	$1,116	$264	$399

Of the lease costs disclosed above, Entergy Arkansas had $1.1 million, Entergy Louisiana had $1.1 million, Entergy Mississippi had $0.5 million, Entergy New Orleans had $0.1 million, and Entergy Texas had $0.3 million in short-term lease costs for the year ended December 31, 2024.

The lease costs for the years ended December 31, 2025 and 2024 disclosed above materially approximate the cash flows used by the Registrant Subsidiaries for leases with all costs included within operating activities on the respective Statements of Cash Flows, except for the finance lease costs which are included in financing activities.

Entergy has elected to account for short-term leases in accordance with policy options provided by accounting guidance; therefore, there are no related lease liabilities or right-of-use assets for the costs recognized above by Entergy or by its Registrant Subsidiaries in the table below.

Included within Property, Plant, and Equipment on Entergy's consolidated balance sheets at December 31, 2025 and 2024 are $278 million and $277 million related to operating leases, respectively, and $111 million and $110 million related to finance leases, respectively. These lease amounts include $1 million related to operating leases and $4 million related to finance leases classified as held for sale in "Non-current assets held for sale" on Entergy's consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

Included within Utility Plant on the Registrant Subsidiaries' respective balance sheets at December 31, 2025 and 2024 are the following amounts:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2025					
Operating leases	$75,148	$66,726	$32,502	$7,940	$26,070
Finance leases	$37,616	$28,637	$23,456	$3,613	$11,550
2024 (a)					
Operating leases	$64,960	$65,909	$32,399	$7,971	$27,524
Finance leases	$36,105	$26,159	$22,641	$6,451	$10,822

(a) Includes $0.4 million of operating leases and $1.4 million of finance leases for Entergy Louisiana and $0.4 million of operating leases and $3.0 million of finance leases for Entergy New Orleans classified as held for sale in "Non-current assets held for sale" on their respective consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

The following lease-related liabilities are recorded within the respective Other lines on Entergy's consolidated balance sheets at December 31, 2025 and 2024:

	2025	2024
	(In Thousands)	
Current liabilities (a):		
Operating leases	$67,680	$65,907
Finance leases	$20,274	$18,253
Non-current liabilities (b):		
Operating leases	$210,788	$211,290
Finance leases	$95,186	$96,536

(a) Includes $0.3 million of operating leases and $1 million of finance leases classified as held for sale and included within other current liabilities on Entergy's consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(b) Includes $1 million of operating leases and $3 million of finance leases classified as held for sale and included within other non-current liabilities on Entergy's consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

The following lease-related liabilities are recorded within the respective Other lines on the Registrant Subsidiaries' respective balance sheets at December 31, 2025:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Current liabilities:					
Operating leases	$17,530	$18,229	$8,567	$1,884	$7,394
Finance leases	$5,332	$5,865	$3,520	$712	$2,449
Non-current liabilities:					
Operating leases	$57,631	$48,497	$23,943	$5,931	$18,681
Finance leases	$32,284	$22,772	$21,205	$2,901	$9,101

The following lease-related liabilities are recorded within the respective Other lines on the Registrant Subsidiaries' respective balance sheets at December 31, 2024:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Current liabilities (a):					
Operating leases	$17,159	$17,016	$8,116	$1,885	$7,387
Finance leases	$3,734	$5,620	$3,228	$1,218	$2,185
Non-current liabilities (b):					
Operating leases	$47,799	$48,896	$24,294	$5,995	$20,142
Finance leases	$32,584	$20,539	$20,271	$5,233	$8,637

(a) Includes $0.2 million operating leases and $0.4 million of finance leases for Entergy Louisiana and $0.1 million of operating leases and $0.7 million of finance leases for Entergy New Orleans classified as held for sale and included within other current liabilities on their respective consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(b) Includes $0.2 million of operating leases and $1.0 million of finance leases for Entergy Louisiana and $0.3 million of operating leases and $2.3 million of finance leases for Entergy New Orleans classified as held for sale and included within other non-current liabilities on their respective consolidated balance sheet as of December 31, 2024. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

The following information contains the weighted-average remaining lease term in years and the weighted-average discount rate for the operating and finance leases of Entergy at December 31, 2025 and 2024:

	2025	2024
Weighted-average remaining lease terms:		
Operating leases	5.52	5.54
Finance leases	9.44	9.81
Weighted-average discount rate:		
Operating leases	4.38%	4.34%
Finance leases	4.84%	4.75%

The following information contains the weighted-average remaining lease term in years and the weighted-average discount rate for the operating and finance leases of the Registrant Subsidiaries at December 31, 2025:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
Weighted-average remaining lease terms:					
Operating leases	5.14	4.41	5.00	5.70	4.29
Finance leases	10.58	5.73	16.54	5.60	5.65
Weighted-average discount rate:					
Operating leases	4.35%	4.52%	4.56%	4.50%	4.62%
Finance leases	4.49%	4.54%	5.23%	4.36%	4.43%

The following information contains the weighted-average remaining lease term in years and the weighted-average discount rate for the operating and finance leases of the Registrant Subsidiaries at December 31, 2024:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
Weighted-average remaining lease terms:					
Operating leases	4.39	4.64	5.25	6.08	4.59
Finance leases	11.32	5.60	17.58	5.91	5.74
Weighted-average discount rate:					
Operating leases	4.38%	4.38%	4.52%	4.40%	4.55%
Finance leases	4.38%	4.28%	5.18%	4.19%	4.19%

The undiscounted cash flows as of December 31, 2025 for Entergy's lease liabilities are as follows:

	Operating Leases	Finance Leases
	(In Thousands)	
2026	$78,082	$24,804
2027	66,339	22,615
2028	53,738	20,138
2029	38,672	16,084
2030	24,298	12,045
Years thereafter	51,927	52,667
Minimum lease payments	313,056	148,353
Less: amount representing interest	34,588	32,893
Present value of net minimum lease payments	$278,468	$115,460

The undiscounted cash flows as of December 31, 2025 for the Registrant Subsidiaries' lease liabilities are as follows:

Operating Leases

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2026	$20,124	$20,765	$9,861	$2,175	$8,425
2027	18,062	18,530	9,167	1,893	6,900
2028	15,153	15,022	7,670	1,717	5,968
2029	10,558	9,927	4,927	1,301	4,352
2030	6,937	4,984	2,227	638	1,905
Years thereafter	12,481	4,144	2,609	1,149	1,117
Minimum lease payments	83,315	73,372	36,461	8,873	28,667
Less: amount representing interest	8,154	6,646	3,951	1,058	2,592
Present value of net minimum lease payments	$75,161	$66,726	$32,510	$7,815	$26,075

Finance Leases

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2026	$6,986	$7,134	$3,981	$855	$2,910
2027	6,368	6,387	3,528	817	2,588
2028	5,540	5,565	3,099	719	2,305
2029	4,605	4,705	2,599	655	1,823
2030	3,972	3,876	2,219	519	1,454
Years thereafter	21,350	5,086	23,718	512	2,002
Minimum lease payments	48,821	32,753	39,144	4,077	13,082
Less: amount representing interest	11,205	4,116	14,419	464	1,532
Present value of net minimum lease payments	$37,616	$28,637	$24,725	$3,613	$11,550

In allocating consideration in lease contracts to the lease and non-lease components, Entergy and the Registrant Subsidiaries have made the accounting policy election to combine lease and non-lease components related to fleet vehicles used in operations and to allocate the contract consideration to both lease and non-lease components for real estate leases.

NOTE 11. RETIREMENT, OTHER POSTRETIREMENT BENEFITS, AND DEFINED CONTRIBUTION PLANS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Qualified Pension Plans

Entergy has defined benefit qualified pension plans, including the Entergy Corporation Retirement Plan for Non-Bargaining Employees (Non-Bargaining Plan I), the Entergy Corporation Retirement Plan for Bargaining Employees (Bargaining Plan I), the Entergy Corporation Retirement Plan II for Non-Bargaining Employees (Non-Bargaining Plan II), the Entergy Corporation Retirement Plan II for Bargaining Employees (Bargaining Plan II), the Entergy Corporation Retirement Plan III (Plan III), the Entergy Corporation Retirement Plan IV for Bargaining Employees, Entergy Corporation Retirement Plan VI for Non-Bargaining Employees (Non-Bargaining Plan VI), and the Entergy Corporation Retirement Plan VI for Bargaining Employees (Bargaining Plan VI). The Entergy Corporation Cash Balance Plan for Non-Bargaining Employees (Non-Bargaining Cash Balance Plan) was merged with and into Non-Bargaining Plan I effective January 1, 2022. The Entergy Corporation Cash Balance Plan for Bargaining Employees (Bargaining Cash Balance Plan) was merged with and into Bargaining Plan I effective January 1, 2025. Effective January 1, 2024, Non-Bargaining Plan I was amended to spin-off predominately inactive participants into a new qualified pension plan, Non-Bargaining Plan VI. Effective January 1, 2025, Bargaining Plan I was amended to spin-off predominately inactive participants into a new qualified pension plan, Bargaining Plan VI.

The Registrant Subsidiaries participate in these plans: Non-Bargaining Plan I, Bargaining Plan I, Plan III, Non-Bargaining Plan VI, and Bargaining Plan VI.

Non-bargaining and bargaining employees whose most recent date of hire was prior to June 30, 2014 (or such later date provided for in their applicable collective bargaining agreement) participate in a noncontributory final average pay formula that provides pension benefits based on the employee's credited service and compensation during employment. Non-bargaining and bargaining employees whose most recent date of hire is after June 30, 2014 and before January 1, 2021 (or such later date provided for in their applicable collective bargaining agreement) do not participate in a final average pay formula, but instead participate in a cash balance formula. Effective January 1, 2021, the Non-Bargaining Cash Balance Plan and Bargaining Cash Balance Plan were amended to close participation in each plan to those employees whose most recent hire date is after December 31, 2020 (or such later date provided for in their applicable collective bargaining agreement). Employees hired after this date instead may be eligible to participate in and receive a discretionary employer contribution under an Entergy sponsored tax-qualified defined contribution plan that includes a 401(k) feature.

The assets of the defined benefit qualified pension plans are held in a master trust established by Entergy. Each pension plan has an undivided beneficial interest in each of the investment accounts in the master trust that is maintained by a trustee. Use of the master trust permits the commingling of the trust assets of the pension plans of Entergy Corporation and its Registrant Subsidiaries for investment and administrative purposes. Although assets in the master trust are commingled, the trustee maintains supporting records for the purpose of allocating the trust level equity in net earnings (loss) and the administrative expenses of the investment accounts in the trust to the various participating pension plans in the trust. The fair value of the trust's assets is determined by the trustee and certain investment managers. The trustee calculates a daily earnings factor, including realized and unrealized gains or losses, collected and accrued income, and administrative expenses, and allocates earnings to each plan in the master trust on a pro rata basis.

Within each pension plan, the record of each Registrant Subsidiary's beneficial interest in the plan assets is maintained by the plan's actuary and is updated quarterly. Assets for each Registrant Subsidiary are increased for investment net income and contributions and are decreased for benefit payments. A plan's investment net income/loss (i.e., interest and dividends, realized and unrealized gains and losses and expenses) is allocated to the Registrant Subsidiaries participating in that plan based on the value of assets for each Registrant Subsidiary at the beginning of the quarter adjusted for contributions and benefit payments made during the quarter.

Entergy Corporation and its subsidiaries fund pension plans in an amount not less than the minimum required contribution under the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended. The assets of the plans include common and preferred stocks, fixed-income securities, interest in a money market fund, and insurance contracts. The Registrant Subsidiaries' pension costs are recovered from customers as a component of cost of service in each of their respective jurisdictions.

Components of Qualified Net Pension Cost and Other Amounts Recognized as a Regulatory Asset and/or Accumulated Other Comprehensive Income (AOCI)

Entergy Corporation and its subsidiaries' total 2025, 2024, and 2023 qualified pension costs and amounts recognized as a regulatory asset and/or other comprehensive income, including amounts capitalized, included the following components:

	2025	2024	2023
		(In Thousands)	
Net periodic pension cost:			
Service cost - benefits earned during the period	$94,143	$93,468	$101,182
Interest cost on projected benefit obligation	235,650	249,757	298,281
Expected return on assets	(301,327)	(338,619)	(388,030)
Recognized net loss	52,791	58,590	81,919
Settlement charges	23,874	328,277	160,387
Asset transfer gain (a)	(5,880)	—	—
Net pension cost	$99,251	$391,473	$253,739
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)			
Arising this period:			
Net gain	($85,196)	($101,445)	($213,636)
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:			
Amortization of net loss	(52,791)	(58,590)	(81,919)
Settlement charges	(23,874)	(328,277)	(160,387)
Total	($161,861)	($488,312)	($455,942)
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	($62,610)	($96,839)	($202,203)

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

The Registrant Subsidiaries' total 2025, 2024, and 2023 qualified pension costs and amounts recognized as a regulatory asset and/or other comprehensive income, including amounts capitalized, for their current and former employees included the following components:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Net periodic pension cost:						
Service cost - benefits earned during the period	$17,624	$21,714	$5,200	$1,642	$4,063	$5,448
Interest cost on projected benefit obligation	54,788	58,102	14,720	6,521	11,780	14,163
Expected return on assets	(70,933)	(75,755)	(19,976)	(8,241)	(15,557)	(18,360)
Recognized net loss	17,923	9,270	3,144	2,237	1,815	4,136
Settlement charges	1,454	5,982	146	6,195	617	512
Asset transfer gain (a)	—	(2,408)	—	(1,983)	—	—
Net pension cost	$20,856	$16,905	$3,234	$6,371	$2,718	$5,899
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Net (gain) loss	($34,076)	($48,025)	($8,698)	$1,767	($7,431)	($7,439)
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:						
Amortization of net loss	(17,923)	(9,270)	(3,144)	(2,237)	(1,815)	(4,136)
Settlement charges	(1,454)	(5,982)	(146)	(6,195)	(617)	(512)
Total	($53,453)	($63,277)	($11,988)	($6,665)	($9,863)	($12,087)
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	($32,597)	($46,372)	($8,754)	($294)	($7,145)	($6,188)

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Net periodic pension cost:						
Service cost - benefits earned during the period	$16,398	$22,204	$5,135	$1,760	$3,846	$5,525
Interest cost on projected benefit obligation	52,870	55,843	14,084	6,276	11,324	13,525
Expected return on assets	(72,620)	(77,786)	(20,451)	(8,814)	(16,308)	(18,485)
Recognized net loss	22,983	10,407	4,562	1,881	1,574	4,638
Settlement charges	—	—	—	—	—	615
Net pension cost	$19,631	$10,668	$3,330	$1,103	$436	$5,818
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Net gain	($49,352)	($55,010)	($10,857)	($8,990)	($6,190)	($9,812)
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:						
Amortization of net loss	(22,983)	(10,407)	(4,562)	(1,881)	(1,574)	(4,638)
Settlement charges	—	—	—	—	—	(615)
Total	($72,335)	($65,417)	($15,419)	($10,871)	($7,764)	($15,065)
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	($52,704)	($54,749)	($12,089)	($9,768)	($7,328)	($9,247)

2023	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Net periodic pension cost:						
Service cost - benefits earned during the period	$18,461	$24,716	$5,775	$1,955	$4,328	$5,749
Interest cost on projected benefit obligation	56,026	60,346	15,402	6,747	12,726	13,852
Expected return on assets	(70,574)	(75,757)	(19,423)	(8,798)	(16,641)	(17,585)
Recognized net loss	19,400	19,797	5,719	1,694	4,075	4,236
Settlement charges	26,137	40,437	12,242	2,080	11,230	6,375
Net pension cost	$49,450	$69,539	$19,715	$3,678	$15,718	$12,627
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Net gain	($30,674)	($71,016)	($20,220)	($3,183)	($16,759)	($3,268)
Amounts reclassified from regulatory asset and/or AOCI to net periodic pension cost in the current year:						
Amortization of net loss	(19,400)	(19,797)	(5,719)	(1,694)	(4,075)	(4,236)
Settlement charges	(26,137)	(40,437)	(12,242)	(2,080)	(11,230)	(6,375)
Total	($76,211)	($131,250)	($38,181)	($6,957)	($32,064)	($13,879)
Total recognized as net periodic pension cost, regulatory asset, and/or AOCI (before tax)	($26,761)	($61,711)	($18,466)	($3,279)	($16,346)	($1,252)

Qualified Pension Obligations, Plan Assets, Funded Status, and Amounts Recognized in the Balance Sheet

Qualified pension obligations, plan assets, funded status, and amounts recognized in the Consolidated Balance Sheets for Entergy Corporation and its Subsidiaries as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Thousands)	
Change in Projected Benefit Obligation (PBO)		
Balance at January 1	$4,520,691	$5,915,404
Service cost	94,143	93,468
Interest cost	235,650	249,757
Actuarial (gain) loss	145,056	(156,248)
Settlement liability transfer (a)	(49,339)	—
Benefits paid (including settlement lump sum benefit payments of ($1,205,195) in 2024	(361,890)	(1,581,690)
Balance at December 31	$4,584,311	$4,520,691
Change in Plan Assets		
Fair value of assets at January 1	$4,432,732	$5,460,601
Actual return on plan assets	531,580	283,816
Employer contributions	240,001	270,005
Transfer (a)	(43,459)	—
Benefits paid (including settlement lump sum benefit payments of ($1,205,195) in 2024	(361,890)	(1,581,690)
Fair value of assets at December 31	$4,798,964	$4,432,732
Funded status	$214,653	($87,959)
Amount recognized in the balance sheet (funded status)		
Non-current assets	$217,131	$70,671
Non-current liabilities (b)	(2,478)	(158,630)
Total funded status	$214,653	($87,959)
Amount recognized as a regulatory asset		
Net loss (c)	$1,056,610	$1,217,402
Amount recognized as AOCI (before tax)		
Net loss	$88,462	$89,531

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

(b) Includes ($4.0) million at Entergy as of December 31, 2024 of non-current liabilities related to the natural gas distribution businesses classified as held for sale and included in other non-current liabilities on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(c) Includes $13.9 million at Entergy as of December 31, 2024 of regulatory assets related to the natural gas distribution businesses classified as held for sale and included in “Non-current assets held for sale” on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

Qualified pension obligations, plan assets, funded status, and amounts recognized in the Balance Sheets for the Registrant Subsidiaries as of December 31, 2025 and 2024 are as follows:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Change in Projected Benefit Obligation (PBO)						
Balance at January 1	$1,061,063	$1,123,024	$283,071	$127,133	$229,942	$275,117
Service cost	17,624	21,714	5,200	1,642	4,063	5,448
Interest cost	54,788	58,102	14,720	6,521	11,780	14,163
Actuarial loss	21,393	10,104	6,438	5,537	4,963	7,626
Settlement liability transfer (a)	—	(16,391)	—	(21,723)	—	—
Benefits paid	(85,881)	(87,398)	(24,249)	(17,388)	(26,307)	(25,321)
Balance at December 31	$1,068,987	$1,109,155	$285,180	$101,722	$224,441	$277,033
Change in Plan Assets						
Fair value of assets at January 1	$1,043,188	$1,111,601	$294,458	$125,805	$228,053	$269,899
Actual return on plan assets	126,402	133,886	35,112	12,011	27,951	33,425
Employer contributions	35,544	41,253	8,064	5,016	7,725	15,668
Transfer (a)	—	(13,984)	—	(19,740)	—	—
Benefits paid	(85,881)	(87,398)	(24,249)	(17,388)	(26,307)	(25,321)
Fair value of assets at December 31	$1,119,253	$1,185,358	$313,385	$105,704	$237,422	$293,671
Funded status	$50,266	$76,203	$28,205	$3,982	$12,981	$16,638
Amounts recognized in the balance sheet (funded status)						
Non-current assets	$50,266	$76,203	$28,205	$3,982	$12,981	$16,638
Amounts recognized as regulatory asset						
Net loss	$359,324	$195,570	$74,801	$27,375	$46,038	$84,844
Amounts recognized as AOCI (before tax)						
Net loss	$—	$8,149	$—	$—	$—	$—

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Change in Projected Benefit Obligation (PBO)						
Balance at January 1	$1,117,585	$1,173,283	$295,942	$133,950	$239,984	$286,558
Service cost	16,398	22,204	5,135	1,760	3,846	5,525
Interest cost	52,870	55,843	14,084	6,276	11,324	13,525
Actuarial gain	(48,020)	(46,895)	(10,071)	(6,098)	(6,102)	(8,908)
Benefits paid (a)	(77,770)	(81,411)	(22,019)	(8,755)	(19,110)	(21,583)
Balance at December 31	$1,061,063	$1,123,024	$283,071	$127,133	$229,942	$275,117
Change in Plan Assets						
Fair value of assets at January 1	$991,894	$1,058,711	$280,260	$117,923	$222,496	$255,443
Actual return on plan assets	73,952	85,900	21,237	11,706	16,395	19,389
Employer contributions	55,112	48,401	14,980	4,931	8,272	16,650
Benefits paid (a)	(77,770)	(81,411)	(22,019)	(8,755)	(19,110)	(21,583)
Fair value of assets at December 31	$1,043,188	$1,111,601	$294,458	$125,805	$228,053	$269,899
Funded status	($17,875)	($11,423)	$11,387	($1,328)	($1,889)	($5,218)
Amounts recognized in the balance sheet (funded status)						
Non-current assets	$29,521	$10,010	$19,666	$3,299	$6,064	$3,135
Non-current liabilities (b)	(47,396)	(21,433)	(8,279)	(4,627)	(7,953)	(8,353)
Total funded status	($17,875)	($11,423)	$11,387	($1,328)	($1,889)	($5,218)
Amounts recognized as regulatory asset						
Net loss (c)	$412,777	$256,316	$86,790	$34,039	$55,902	$96,932
Amounts recognized as AOCI (before tax)						
Net loss	$—	$10,680	$—	$—	$—	$—

(a) Including settlement lump sum benefit payments of ($2.1) million at System Energy.

(b) Includes ($2.0) million at Entergy Louisiana and ($1.2) million at Entergy New Orleans as of December 31, 2024 of non-current liabilities related to the respective natural gas distribution businesses classified as held for sale and included in other non-current liabilities on the respective consolidated balance sheets. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(c) Includes $4.5 million at Entergy Louisiana and $6.7 million at Entergy New Orleans as of December 31, 2024 of regulatory assets related to the respective natural gas distribution businesses classified as held for sale and included in “Non-current assets held for sale” on the respective consolidated balance sheets. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

The qualified pension plans incurred actuarial gains during 2025 primarily due to asset gains due to an actual return on assets higher than the expected return on assets, partially offset by liability losses due to a fall in bond yields that resulted in decreases to the discount rates used to develop the benefit obligations. The qualified pension plans incurred net actuarial gains during 2024 primarily due to liability gains due to a rise in bond yields that resulted in

increases to the discount rates used to develop the benefit obligations; partially offset by asset losses resulting from an actual return on assets lower than the expected return on assets in some plans.

The accumulated benefit obligation for Entergy's qualified pension plans was $4.2 billion and $4.1 billion at December 31, 2025 and 2024, respectively.

Information for Entergy's qualified pension plans with an accumulated benefit obligation in excess of plan assets as of December 31, 2025 and 2024 was as follows:

	2025	2024
	(In Thousands)	
Accumulated benefit obligation	$84,637	$912,174
Fair value of plan assets	$82,882	$864,795

Information for Entergy's qualified pension plans with a projected benefit obligation in excess of plan assets as of December 31, 2025 and 2024 was as follows:

	2025	2024
	(In Thousands)	
Projected benefit obligation	$238,058	$2,701,323
Fair value of plan assets	$235,580	$2,542,693

The qualified pension accumulated benefit obligation for each of the Registrant Subsidiaries for their current and former employees as of December 31, 2025 and 2024 was as follows:

	2025	2024
	(In Thousands)	
Entergy Arkansas	$988,724	$980,559
Entergy Louisiana	$1,014,433	$1,024,433
Entergy Mississippi	$259,995	$257,759
Entergy New Orleans	$96,241	$118,620
Entergy Texas	$207,772	$212,935
System Energy	$253,108	$252,397

Each of the Registrant Subsidiaries' qualified pension plans had plan assets in excess of the accumulated benefit obligation as of December 31, 2025.

Information for each of the Registrant Subsidiaries qualified pension plans with an accumulated benefit obligation in excess of plan assets as of December 31, 2024 was as follows:

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy Texas	System Energy
			(In Thousands)		
Accumulated benefit obligation	$304,518	$123,735	$105,285	$58,082	$44,286
Fair value of plan assets	$297,161	$115,446	$103,380	$55,953	$40,146

Each of the Registrant Subsidiaries qualified pension plans had plan assets in excess of the projected benefit obligation as of December 31, 2025.

Information for each of the Registrant Subsidiaries qualified pension plans with a projected benefit obligation in excess of plan assets as of December 31, 2024 was as follows:

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Projected benefit obligation	$1,009,496	$580,451	$111,659	$108,354	$128,652	$247,186
Fair value of plan assets	$962,101	$559,017	$103,380	$103,727	$120,700	$238,833

Other Postretirement Benefits

Entergy also currently offers retiree medical, dental, vision, and life insurance benefits (other postretirement benefits) for eligible retired employees. Employees who commenced employment before July 1, 2014 and who satisfy certain eligibility requirements (including retiring from Entergy after a certain age and/or years of service with Entergy and immediately commencing their Entergy pension benefit), may become eligible for other postretirement benefits.

In March 2020, Entergy announced changes to its other postretirement benefits. Effective January 1, 2021, certain retired, former non-bargaining employees age 65 and older who are eligible for Entergy-sponsored retiree welfare benefits, and their eligible spouses who are age 65 and older (collectively, Medicare-eligible participants), are eligible to participate in an Entergy-sponsored retiree health plan, and are no longer eligible for retiree coverage under the Entergy Corporation Companies' Benefits Plus Medical, Dental and Vision Plans. Under the Entergy-sponsored retiree health plan, Medicare-eligible participants are eligible to participate in a health reimbursement arrangement which they may use towards the purchase of various types of qualified insurance offered through a Medicare exchange provider and for other qualified medical expenses. The changes affecting active bargaining unit employees were negotiated with the unions prior to implementation, where necessary, and to the extent required by law.

Effective January 1, 1993, Entergy adopted an accounting standard requiring a change from a cash method to an accrual method of accounting for postretirement benefits other than pensions. Entergy Arkansas, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy have received regulatory approval to recover accrued other postretirement benefits costs through rates. The LPSC ordered Entergy Louisiana to continue the use of the pay-as-you-go method for ratemaking purposes for postretirement benefits other than pensions. However, the LPSC retains the flexibility to examine individual companies' accounting for other postretirement benefits to determine if special exceptions to this order are warranted. Pursuant to regulatory directives, Entergy Arkansas, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy contribute the other postretirement benefits costs collected in rates into external trusts. System Energy is funding, on behalf of Entergy Operations, other postretirement benefits associated with employees who work or worked at Grand Gulf.

Trust assets contributed by participating Registrant Subsidiaries are in master trusts, established by Entergy Corporation and maintained by a trustee. Each plan has an undivided beneficial interest in each of the investment accounts in its respective master trust that is maintained by a trustee. Each participating Registrant Subsidiary holds a beneficial interest in the plans' investment accounts. The assets in the master trusts are commingled for investment and administrative purposes. Although assets are commingled, supporting records are maintained for the purpose of allocating the beneficial interest in net earnings/(losses) and the administrative expenses of the investment accounts to the various participating plans and participating Registrant Subsidiaries. Beneficial interest in an investment account's net income/(loss) is comprised of interest and dividends, realized and unrealized gains and losses, and expenses. Beneficial interest from these investments is allocated to the plans and participating Registrant Subsidiary based on their portion of net assets in the pooled accounts.

Components of Net Other Postretirement Benefits Cost and Other Amounts Recognized as a Regulatory Asset and/or AOCI

Entergy Corporation's and its subsidiaries' total 2025, 2024, and 2023 other postretirement benefits (income) costs, including amounts capitalized and amounts recognized as a regulatory asset and/or other comprehensive income, included the following components:

	2025	2024	2023
		(In Thousands)	
Other postretirement costs:			
Service cost - benefits earned during the period	$10,919	$12,503	$14,654
Interest cost on accumulated postretirement benefits obligation (APBO)	38,273	39,408	42,272
Expected return on assets	(40,079)	(42,277)	(36,732)
Amortization of prior service credit	(22,763)	(22,880)	(22,558)
Recognized net gain	(15,099)	(11,045)	(11,446)
Settlement credit	(2,958)	—	—
Curtailment credit	(2,202)	—	—
Asset transfer loss (a)	13,630	—	—
Net other postretirement benefits income	($20,279)	($24,291)	($13,810)
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)			
Arising this period:			
Prior service credit for the period	$—	$—	($4,434)
Net (gain) loss	44,287	(73,123)	(44,441)
Amounts reclassified from regulatory asset and/or AOCI to net periodic benefit cost in the current year:			
Amortization of prior service credit	22,763	22,880	22,558
Acceleration of prior service credit due to curtailment	2,202	—	—
Settlement credit	2,958	—	—
Amortization of net gain	15,099	11,045	11,446
Total	$87,309	($39,198)	($14,871)
Total recognized as net periodic other postretirement benefits (income) cost, regulatory asset, and/or AOCI (before tax)	$67,030	($63,489)	($28,681)

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

Total 2025, 2024, and 2023 other postretirement benefits (income) costs of the Registrant Subsidiaries, including amounts capitalized and deferred, for their current and former employees included the following components:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Other postretirement costs:						
Service cost - benefits earned during the period	$2,286	$2,606	$647	$168	$634	$697
Interest cost on APBO	7,099	7,888	1,955	904	2,326	1,576
Expected return on assets	(16,901)	—	(5,310)	(5,020)	(9,806)	(2,808)
Amortization of prior service cost (credit)	2,097	(4,545)	(955)	(798)	(4,371)	(293)
Recognized net (gain) loss	(1,412)	(6,622)	(229)	(220)	613	(27)
Settlement credit	—	(1,014)	—	(1,345)	—	—
Curtailment credit	—	(1,094)	—	(268)	—	—
Asset transfer (gain) loss (a)	—	(2,831)	—	18,908	—	—
Net other postretirement benefits (income) cost	($6,831)	($5,612)	($3,892)	$12,329	($10,604)	($855)
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Net (gain) loss	($2,921)	$22,730	($1,144)	($4,037)	($8,005)	$2,656
Amounts reclassified from regulatory asset and/or AOCI to net periodic benefit cost in the current year:						
Amortization of prior service credit (cost)	(2,097)	4,545	955	798	4,371	293
Acceleration of prior service credit due to curtailment	—	1,094	—	268	—	—
Settlement credit	—	1,014	—	1,345	—	—
Amortization of net gain (loss)	1,412	6,622	229	220	(613)	27
Total	($3,606)	$36,005	$40	($1,406)	($4,247)	$2,976
Total recognized as net periodic other postretirement benefits (income) cost, regulatory asset, and/or AOCI (before tax)	($10,437)	$30,393	($3,852)	$10,923	($14,851)	$2,121

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Other postretirement costs:						
Service cost - benefits earned during the period	$2,569	$2,800	$736	$205	$670	$699
Interest cost on APBO	7,331	7,995	1,945	1,012	2,411	1,593
Expected return on assets	(17,535)	—	(5,486)	(5,915)	(10,156)	(2,912)
Amortization of prior service cost (credit)	2,097	(4,544)	(955)	(916)	(4,371)	(293)
Recognized net (gain) loss	—	(6,952)	61	74	591	—
Net other postretirement benefits income	($5,538)	($701)	($3,699)	($5,540)	($10,855)	($913)
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Net gain	($20,074)	($7,273)	($3,915)	($2,217)	($4,683)	($3,476)
Amounts reclassified from regulatory asset and/or AOCI to net periodic benefit cost in the current year:						
Amortization of prior service credit (cost)	(2,097)	4,544	955	916	4,371	293
Amortization of net gain (loss)	—	6,952	(61)	(74)	(591)	—
Total	($22,171)	$4,223	($3,021)	($1,375)	($903)	($3,183)
Total recognized as net periodic other postretirement (income) cost, regulatory asset, and/or AOCI (before tax)	($27,709)	$3,522	($6,720)	($6,915)	($11,758)	($4,096)

2023	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Other postretirement costs:						
Service cost - benefits earned during the period	$2,965	$3,379	$878	$235	$809	$754
Interest cost on APBO	8,002	8,931	2,170	1,160	2,597	1,726
Expected return on assets	(15,113)	—	(4,716)	(5,263)	(8,776)	(2,535)
Amortization of prior service cost (credit)	2,096	(3,804)	(955)	(916)	(4,371)	(293)
Recognized net (gain) loss	171	(7,057)	85	466	914	—
Net other postretirement benefits (income) cost	($1,879)	$1,449	($2,538)	($4,318)	($8,827)	($348)
Other changes in plan assets and benefit obligations recognized as a regulatory asset and/or AOCI (before tax)						
Arising this period:						
Prior service credit for the period	$—	($4,434)	$—	$—	$—	$—
Net gain	(23,033)	(458)	(6,883)	(7,606)	(8,790)	(3,942)
Amounts reclassified from regulatory asset and/or AOCI to net periodic benefit cost in the current year:						
Amortization of prior service credit (cost)	(2,096)	3,804	955	916	4,371	293
Amortization of net gain (loss)	(171)	7,057	(85)	(466)	(914)	—
Total	($25,300)	$5,969	($6,013)	($7,156)	($5,333)	($3,649)
Total recognized as net periodic other postretirement (income) cost, regulatory asset, and/or AOCI (before tax)	($27,179)	$7,418	($8,551)	($11,474)	($14,160)	($3,997)

Other Postretirement Benefits Obligations, Plan Assets, Funded Status, and Amounts Not Yet Recognized and Recognized in the Balance Sheet

Other postretirement benefits obligations, plan assets, funded status, and amounts not yet recognized and recognized in the Consolidated Balance Sheets of Entergy Corporation and its Subsidiaries as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Thousands)	
Change in APBO		
Balance at January 1	$754,682	$837,644
Service cost	10,919	12,503
Interest cost	38,273	39,408
Settlement liability transfer (a)	(9,439)	—
Plan participant contributions	19,666	21,473
Actuarial (gain) loss	76,474	(66,320)
Benefits paid	(86,648)	(90,492)
Medicare Part D subsidy received	409	466
Balance at December 31	$804,336	$754,682
Change in Plan Assets		
Fair value of assets at January 1	$698,602	$673,141
Actual return on plan assets	72,266	49,080
Employer contributions	45,200	45,400
Plan participant contributions	19,666	21,473
Transfer (a)	(23,069)	—
Benefits paid	(86,648)	(90,492)
Fair value of assets at December 31	$726,017	$698,602
Funded status	($78,319)	($56,080)
Amounts recognized in the balance sheet		
Current liabilities	($40,416)	($42,530)
Non-current liabilities (b)	(37,903)	(13,550)
Total funded status	($78,319)	($56,080)
Amounts recognized as a regulatory asset (c)		
Prior service credit	($3,220)	($12,729)
Net gain	(63,249)	(78,520)
	($66,469)	($91,249)
Amounts recognized as AOCI (before tax)		
Prior service credit	($5,299)	($20,755)
Net gain	(86,181)	(133,253)
	($91,480)	($154,008)

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

(b) Includes $14.7 million at Entergy as of December 31, 2024 of non-current assets related to the natural gas distribution businesses classified as held for sale and included in “Non-current assets held for sale” on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(c) Includes ($1.9) million at Entergy as of December 31, 2024 of regulatory assets related to the natural gas distribution businesses classified as held for sale and included in “Non-current assets held for sale” on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

Other postretirement benefits obligations, plan assets, funded status, and amounts not yet recognized and recognized in the Balance Sheets of the Registrant Subsidiaries as of December 31, 2025 and 2024 are as follows:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Change in APBO						
Balance at January 1	$138,212	$156,831	$38,143	$19,701	$45,609	$30,553
Service cost	2,286	2,606	647	168	634	697
Interest cost	7,099	7,888	1,955	904	2,326	1,576
Settlement liability transfer (a)	—	(2,831)	—	(4,161)	—	—
Plan participant contributions	3,661	5,450	972	411	913	1,061
Actuarial (gain) loss	10,928	22,730	3,274	595	(1,105)	4,785
Benefits paid	(14,340)	(21,210)	(4,197)	(1,997)	(6,215)	(3,891)
Medicare Part D subsidy received	29	56	6	3	11	14
Balance at December 31	$147,875	$171,520	$40,800	$15,624	$42,173	$34,795
Change in Plan Assets						
Fair value of assets at January 1	$284,095	$—	$89,144	$105,600	$167,744	$46,997
Actual return on plan assets	30,750	—	9,728	9,652	16,706	4,937
Employer contributions	1,080	15,760	223	97	(171)	1,226
Plan participant contributions	3,661	5,450	972	411	913	1,061
Transfer (a)	—	—	—	(23,069)	—	—
Benefits paid	(14,340)	(21,210)	(4,197)	(1,997)	(6,215)	(3,891)
Fair value of assets at December 31	$305,246	$—	$95,870	$90,694	$178,977	$50,330
Funded status	$157,371	($171,520)	$55,070	$75,070	$136,804	$15,535
Amounts recognized in the balance sheet						
Non-current assets	$157,371	$—	$55,070	$75,070	$136,804	$15,535
Current liabilities	—	(14,140)	—	—	—	—
Non-current liabilities	—	(157,380)	—	—	—	—
Total funded status	$157,371	($171,520)	$55,070	$75,070	$136,804	$15,535
Amounts recognized in regulatory asset						
Prior service cost (credit)	$789	$—	($772)	$—	($3,048)	$90
Net loss (gain)	(39,563)	—	(9,706)	(10,606)	650	(681)
	($38,774)	$—	($10,478)	($10,606)	($2,398)	($591)
Amounts recognized in AOCI (before tax)						
Prior service credit	$—	($2,462)	$—	$—	$—	$—
Net gain	—	(45,664)	—	—	—	—
	$—	($48,126)	$—	$—	$—	$—

(a) See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Change in APBO						
Balance at January 1	$155,987	$170,139	$41,344	$21,685	$51,617	$33,778
Service cost	2,569	2,800	736	205	670	699
Interest cost	7,331	7,995	1,945	1,012	2,411	1,593
Plan participant contributions	4,200	5,867	696	519	681	1,297
Actuarial gain	(17,007)	(7,273)	(3,008)	(1,063)	(3,763)	(2,897)
Benefits paid	(14,917)	(22,774)	(3,584)	(2,658)	(6,021)	(3,934)
Medicare Part D subsidy received	49	77	14	1	14	17
Balance at December 31	$138,212	$156,831	$38,143	$19,701	$45,609	$30,553
Change in Plan Assets						
Fair value of assets at January 1	$274,814	$—	$85,662	$100,536	$161,318	$45,402
Actual return on plan assets	20,602	—	6,393	7,069	11,076	3,491
Employer contributions	(604)	16,907	(23)	134	690	741
Plan participant contributions	4,200	5,867	696	519	681	1,297
Benefits paid	(14,917)	(22,774)	(3,584)	(2,658)	(6,021)	(3,934)
Fair value of assets at December 31	$284,095	$—	$89,144	$105,600	$167,744	$46,997
Funded status	$145,883	($156,831)	$51,001	$85,899	$122,135	$16,444
Amounts recognized in the balance sheet						
Non-current assets (a)	$145,883	$—	$51,001	$85,899	$122,135	$16,444
Current liabilities	—	(14,377)	—	—	—	—
Non-current liabilities (b)	—	(142,454)	—	—	—	—
Total funded status	$145,883	($156,831)	$51,001	$85,899	$122,135	$16,444
Amounts recognized in regulatory asset (c)						
Prior service cost (credit)	$2,886	$—	($1,727)	($1,066)	($7,419)	($203)
Net loss (gain)	(38,054)	—	(8,791)	(8,134)	9,268	(3,364)
	($35,168)	$—	($10,518)	($9,200)	$1,849	($3,567)
Amounts recognized in AOCI (before tax)						
Prior service credit	$—	($8,101)	$—	$—	$—	$—
Net gain	—	(76,030)	—	—	—	—
	$—	($84,131)	$—	$—	$—	$—

(a) Includes $19.5 million of non-current assets at Entergy New Orleans as of December 31, 2024 related to the natural gas distribution business classified as held for sale and included in “Non-current assets held for sale” on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(b) Includes ($2.5) million of non-current liabilities at Entergy Louisiana as of December 31, 2024 related to the natural gas distribution business classified as held for sale and included in other non-current liabilities on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale

of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

(c) Includes ($1.9) million at Entergy New Orleans as of December 31, 2024 of regulatory assets related to the natural gas distribution business classified as held for sale and included in "Non-current assets held for sale" on the consolidated balance sheet. See Note 14 to the financial statements for further discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025 and the classification as held for sale as of December 31, 2024.

The other postretirement plans incurred net actuarial losses during 2025 primarily due to liability losses resulting from revisions to retiree life assumptions and a fall in bond yields that resulted in decreases to the discount rates used to develop the benefit obligations, partially offset by asset gains due to an actual return on assets higher than the expected return on assets. The other postretirement plans incurred net actuarial gains during 2024 primarily due to liability gains due to a rise in bond yields that resulted in increases to the discount rates used to develop the benefit obligations and an actual return on assets higher than the expected return on assets.

Non-Qualified Pension Plans

Entergy also sponsors non-qualified, non-contributory defined benefit pension plans that provide benefits to certain key employees. Entergy recognized net periodic pension cost related to these plans of $13.5 million in 2025, $12.2 million in 2024, and $43.8 million in 2023. In 2025, 2024, and 2023, Entergy recognized $3.8 million, $1.5 million, and $27.9 million, respectively, in settlement charges related to the payment of lump sum benefits out of the plan that is included in the non-qualified pension plan cost above.

The projected benefit obligation was $96.3 million as of December 31, 2025 of which $22.8 million was a current liability and $73.5 million was a non-current liability. The projected benefit obligation was $94.1 million as of December 31, 2024 of which $22.3 million was a current liability and $71.8 million was a non-current liability. The accumulated benefit obligation was $79.9 million and $81.2 million as of December 31, 2025 and 2024, respectively. The unamortized prior service cost and net loss are recognized in regulatory assets ($32.3 million at December 31, 2025 and $29.8 million at December 31, 2024) and accumulated other comprehensive income before taxes ($4.8 million at December 31, 2025 and $4.7 million at December 31, 2024).

A Rabbi Trust was established for the benefit of certain participants in Entergy's non-qualified, non-contributory defined benefit pension plans. The Rabbi Trust assets were invested in money-market funds which were recorded at fair value with all gains and losses recognized immediately in income. All of the investments were classified as Level 1 investments for purposes of Fair Value Measurements. At December 31, 2025, the fair value of the assets held in the Rabbi Trust was $25 million.

The following Registrant Subsidiaries participate in Entergy's non-qualified, non-contributory defined benefit pension plans that provide benefits to certain key employees. The net periodic pension cost for their current and former employees for the non-qualified plans for 2025, 2024, and 2023, was as follows:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2025	$184	$140	$558	$137	$157
2024	$269	$256	$326	$122	$248
2023	$637	$99	$808	$132	$253

Included in the 2025 net periodic pension cost above are settlement charges of $215 thousand for Entergy Mississippi related to the lump sum benefits paid out of the plan. Included in the 2024 net periodic pension cost above are settlement charges of $55 thousand for Entergy Louisiana related to the lump sum benefits paid out of the

plan. Included in the 2023 net periodic pension cost above are settlement charges of $379 thousand and $453 thousand for Entergy Arkansas and Entergy Mississippi, respectively, related to the lump sum benefits paid out of the plan.

The projected benefit obligation for their current and former employees for the non-qualified plans as of December 31, 2025 and 2024 was as follows:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2025	$2,105	$1,886	$3,858	$1,335	$2,844
2024	$1,721	$1,405	$3,566	$1,143	$2,734

The accumulated benefit obligation for their current and former employees for the non-qualified plans as of December 31, 2025 and 2024 was as follows:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2025	$1,654	$1,299	$3,464	$1,163	$2,832
2024	$1,468	$1,197	$3,322	$939	$2,710

The following amounts were recorded on the balance sheet as of December 31, 2025 and 2024:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Current liabilities	($538)	($191)	($344)	($95)	($390)
Non-current liabilities	(1,567)	(1,695)	(3,514)	(1,240)	(2,454)
Total funded status	($2,105)	($1,886)	($3,858)	($1,335)	($2,844)
Regulatory asset (liability)	$441	$1,079	$1,764	$81	($3,102)
Accumulated other comprehensive income (before taxes)	$—	$45	$—	$—	$—

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Current liabilities	($524)	($190)	($419)	($104)	($386)
Non-current liabilities	(1,197)	(1,215)	(3,147)	(1,039)	(2,348)
Total funded status	($1,721)	($1,405)	($3,566)	($1,143)	($2,734)
Regulatory asset (liability)	$119	$493	$1,292	$9	($3,429)
Accumulated other comprehensive income (before taxes)	$—	$21	$—	$—	$—

The non-qualified plans incurred an actuarial loss during 2025 primarily as a result of liability losses due to salary increases in excess of expectations, as well as a decline in bond yields that resulted in decreases to the discount rate used to develop the benefit obligations. The non-qualified pension plans incurred an actuarial loss during 2024

primarily as a result of liability losses due to differences in recent retirement and lump sum experience relative to actuarial assumptions, as well as salary increases in excess of expectations.

Reclassification out of Accumulated Other Comprehensive Income (Loss)

Entergy and Entergy Louisiana reclassified the following costs out of accumulated other comprehensive income (loss) (before taxes and including amounts capitalized) as of December 31, 2025:

	Qualified Pension Costs	Other Postretirement Costs	Non-Qualified Pension Costs	Total
		(In Thousands)		
Entergy				
Amortization of prior service credit (cost)	$—	$13,979	($125)	$13,854
Amortization of gain (loss)	(1,658)	11,712	(410)	9,644
Settlement loss	(167)	—	(253)	(420)
	($1,825)	$25,691	($788)	$23,078
Entergy Louisiana				
Amortization of prior service credit	$—	$4,545	$—	$4,545
Amortization of gain (loss)	(371)	6,622	(2)	6,249
Settlement loss	(106)	—	—	(106)
	($477)	$11,167	($2)	$10,688

Entergy and Entergy Louisiana reclassified the following costs out of accumulated other comprehensive income (loss) (before taxes and including amounts capitalized) as of December 31, 2024:

	Qualified Pension Costs	Other Postretirement Costs	Non-Qualified Pension Costs	Total
		(In Thousands)		
Entergy				
Amortization of prior service credit (cost)	$—	$14,055	($159)	$13,896
Amortization of gain (loss)	(2,820)	10,459	(312)	7,327
Settlement loss	(319,920)	—	(58)	(319,978)
	($322,740)	$24,514	($529)	($298,755)
Entergy Louisiana				
Amortization of prior service credit	$—	$4,544	$—	$4,544
Amortization of gain (loss)	(416)	6,952	(3)	6,533
Settlement loss	—	—	(2)	(2)
	($416)	$11,496	($5)	$11,075

Accounting for Pension and Other Postretirement Benefits

Accounting standards require an employer to recognize in its balance sheet the funded status of its benefit plans. This is measured as the difference between plan assets at fair value and the benefit obligation. Entergy uses a December 31 measurement date for its pension and other postretirement plans. Employers are to record previously unrecognized gains and losses, prior service costs, and any remaining transition asset or obligation (that resulted from adopting prior pension and other postretirement benefits accounting standards) as comprehensive income and/or as a regulatory asset reflective of the recovery mechanism for pension and other postretirement benefits costs in the Registrant Subsidiaries' respective regulatory jurisdictions. For the portion of Entergy

Louisiana that is not regulated, the unrecognized prior service cost, gains and losses, and transition asset/obligation for its pension and other postretirement benefits obligations are recorded as other comprehensive income. Entergy Louisiana recovers other postretirement benefits costs on a pay-as-you-go basis and records the unrecognized prior service cost, gains and losses, and transition obligation for its other postretirement benefits obligation as other comprehensive income. Accounting standards also require that changes in the funded status be recorded as other comprehensive income and/or a regulatory asset in the period in which the changes occur.

With regard to pension and other postretirement costs, Entergy calculates the expected return on pension and other postretirement benefits plan assets by multiplying the long-term expected rate of return on assets by the market-related value (MRV) of plan assets. Entergy determines the MRV of its pension plan assets, except for the long duration fixed income assets, by calculating a value that uses a 20-quarter phase-in of the difference between actual and expected returns. For the long duration fixed income assets in the pension trust and for its other postretirement benefits plan assets Entergy uses fair value as the MRV.

In accordance with accounting standards, the other components of net benefit cost are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations and are presented by Entergy in miscellaneous - net in other income. In addition, non-service benefit costs previously eligible for capitalization into property, plant, and equipment are being deferred to a regulatory asset/liability and will be amortized over the estimated lives of the respective assets.

Qualified Pension Settlement Costs

The Entergy Corporation Retirement Plan for Bargaining Employees and the Entergy Corporation Retirement Plan for Non-Bargaining Employees were remeasured with the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025, resulting in settlement charges of $12.1 million as a result of ongoing payments of lump sum benefits from the plans and settlement charges of $11.8 million as a result of the sale. Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy each participate in one or both of the Entergy Corporation Retirement Plan for Bargaining Employees and the Entergy Corporation Retirement Plan for Non-Bargaining Employees and incurred settlement costs. See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025.

In May 2024, Entergy Corporation entered into a commitment agreement by and between Entergy Corporation, Newport Trust Company, LLC, as independent fiduciary of Entergy Corporation Retirement Plan II for Non-Bargaining Employees, Entergy Corporation Retirement Plan II for Bargaining Employees, Entergy Corporation Retirement Plan III, and Entergy Corporation Retirement Plan IV for Bargaining Employees (the Pension Plans), and the Metropolitan Life Insurance Company (MetLife), under which the Pension Plans purchased a nonparticipating single premium group annuity contract from MetLife to settle approximately $1.2 billion of benefit liabilities of the Pension Plans.

The group annuity contract primarily covers a population that includes approximately 3,400 non-utility business retirees, joint annuitants, beneficiaries, and alternate payees who commenced benefit payments from the Pension Plans on or before March 1, 2024 (Transferred Participants). MetLife irrevocably guarantees and assumes the sole obligation to make future monthly pension benefit payments to the Transferred Participants as provided under its group annuity contract, with direct payments that began September 1, 2024. The aggregate amount of each Transferred Participant's payment under the group annuity contract will be equal to the amount of each individual's payment under the Pension Plans.

The purchase of the group annuity contract was funded directly by assets of the Pension Plans. The transferred pension liability required no additional funding prior to transfer, as the liability was fully funded. As a result of the transaction, Entergy recognized a one-time non-cash pension settlement charge of $328 million in 2024, of which $8 million was recorded at Utility, as described below, and $320 million was recorded at Parent &

Other. The $320 million settlement charge at Parent & Other is reflected in Miscellaneous - net in Other income (deductions) on the consolidated income statements.

Year-to-date lump sum benefit payments from Non-Bargaining Plan I, Bargaining Plan I, Non-Bargaining Plan II, and Bargaining Plan II exceeded the sum of the Plans' service and interest cost, resulting in settlement costs during 2023. Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy participate in one or both of Non-Bargaining Plan I and Bargaining Plan I and incurred settlement costs.

In accordance with accounting standards, settlement accounting requires immediate recognition of the portion of previously unrecognized losses associated with the settled portion of the plan's pension liability. Similar to other pension costs, the settlement costs were included with employee labor costs and charged to expense and capital in the same manner that labor costs were charged. Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans each received regulatory approval to defer the expense portion of settlement costs, with future amortization of the deferred settlement expense over the period in which the expense otherwise would be recorded had the immediate recognition not occurred.

Entergy Mississippi Other Postretirement Benefits

Pursuant to an order from the MPSC, Entergy Mississippi was directed to cease including other postretirement benefit credits in other operation and maintenance expense or allocating to capital expenditures for ratemaking purposes effective January 1, 2024. The credits are being deferred as a regulatory liability. In addition, beginning in July 2024, Entergy Mississippi is recovering the December 31, 2023 other postretirement benefit asset in rate base over five years and accruing a regulatory liability. At December 31, 2025, the balance in these regulatory liability accounts was approximately $18.6 million.

Entergy New Orleans Other Postretirement Benefits

Pursuant to an order from the City Council, Entergy New Orleans received approval to exclude other postretirement benefit expense credits from the formula rate plan evaluation filing. To comply with the order, Entergy New Orleans began recording the other postretirement benefit expense credits to a regulatory liability account in September 2024. At December 31, 2025, the balance in this regulatory liability account was approximately $2.4 million.

Entergy Texas Reserve

In September 2020, Entergy Texas elected to establish a reserve, in accordance with PUCT regulations, to track the surplus or deficit in the annual amount of actuarially determined pension and other postretirement benefits chargeable to Entergy Texas's expense. The reserve amounts recorded are evaluated in each rate case filed by Entergy Texas and an amortization period is determined at that time. At December 31, 2025, the balance in this reserve was approximately $863 thousand.

Qualified Pension and Other Postretirement Plans' Assets

The Plan Administrator's trust asset investment strategy is to invest the assets in a manner whereby long-term earnings on the assets (plus cash contributions) provide adequate funding for retiree benefit payments. The mix of assets is based on an optimization study that identifies asset allocation targets in order to achieve the maximum return for an acceptable level of risk, while minimizing the expected contributions and pension and postretirement expense.

In the optimization studies, the Plan Administrator formulates assumptions about characteristics, such as expected asset class investment returns, volatility (risk), and correlation coefficients among the various asset

classes. The future market assumptions used in the optimization study are determined by examining historical market characteristics of the various asset classes and making adjustments to reflect future conditions expected to prevail over the study period.

The target asset allocation for pension adjusts dynamically based on the funded status of each plan within the trust. The current targets are shown below. The expectation is that the allocation to fixed income securities will increase as the pension plans' funded status increases. The following ranges were established to produce an acceptable, economically efficient plan to manage around the targets.

For postretirement assets the target and range asset allocations (as shown below) reflect recommendations made in the latest optimization study. The target asset allocations for postretirement assets adjust dynamically based on the funded status of each sub-account within each trust. The current weighted-average targets shown below represent the aggregate of all targets for all sub-accounts within all trusts.

Entergy's qualified pension and postretirement weighted-average asset allocations by asset category at December 31, 2025 and 2024 and the target asset allocation and ranges for 2025 are as follows:

Pension Asset Allocation	Target	Range			Actual 2025	Actual 2024
Domestic Equity Securities	19%	10%	to	22%	19%	23%
International Equity Securities	11%	7%	to	15%	12%	13%
Intermediate Fixed Income Securities	4%	3%	to	5%	4%	5%
Long Duration Fixed Income Securities	66%	62%	to	70%	64%	59%
Other	—%	—%	to	10%	1%	—%

Postretirement Asset Allocation	Non-Taxable and Taxable					
	Target	Range			Actual 2025	Actual 2024
Domestic Equity Securities	14%	9%	to	19%	16%	16%
International Equity Securities	9%	4%	to	14%	10%	9%
Fixed Income Securities	77%	72%	to	82%	74%	75%
Other	—%	—%	to	5%	—%	—%

In determining its expected long-term rate of return on plan assets used in the calculation of benefit plan costs, Entergy reviews past performance, current and expected future asset allocations, and capital market assumptions of its investment consultant and some investment managers.

The expected long-term rate of return for the qualified pension plans' assets is based primarily on the geometric average of the historical annual performance of a representative portfolio weighted by the target asset allocation defined in the table above, along with other indications of expected return on assets. The time period reflected is a long-dated period spanning several decades.

The expected long-term rate of return for the non-taxable postretirement trust assets is determined using the same methodology described above for pension assets, but the aggregate asset allocation specific to the non-taxable postretirement assets is used.

For the taxable postretirement trust assets, the investment allocation includes tax-exempt fixed income securities. This asset allocation, in combination with the same methodology employed to determine the expected return for other postretirement assets (as described above), and with a modification to reflect applicable taxes, is used to produce the expected long-term rate of return for taxable postretirement trust assets.

Concentrations of Credit Risk

Entergy's investment guidelines mandate the avoidance of risk concentrations. Types of concentrations specified to be avoided include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, geographic area, and individual security issuance. As of December 31, 2025, all investment managers and assets were materially in compliance with the approved investment guidelines, therefore there were no significant concentrations (defined as greater than 10 percent of plan assets) of credit risk in Entergy's pension and other postretirement benefits plan assets.

Fair Value Measurements

Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 - Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by an independent party that uses inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden if it is believed such would be more reflective of fair value. Level 2 inputs include the following:

  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical assets or liabilities in inactive markets;
  - inputs other than quoted prices that are observable for the asset or liability; or
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If an asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Level 3 refers to securities valued based on significant unobservable inputs.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy, measured at fair value on a recurring basis at December 31, 2025, and December 31, 2024, a summary of the investments held in the master trusts for Entergy's qualified pension and other postretirement plans in which the Registrant Subsidiaries participate.

Qualified Defined Benefit Pension Plan Trusts

2025	Level 1	Level 2	Level 3	Total
		(In Thousands)		
Equity securities:				
Corporate stocks:				
Preferred	$448 (b)	$—	$—	$448
Common	393,885 (b)	—	—	393,885
Common collective trusts (c)				1,136,233
Fixed income securities:				
U.S. Government securities	—	1,628,119 (a)	—	1,628,119
Corporate debt instruments	—	413,001 (a)	—	413,001
Registered investment companies (e)	27,905 (d)	2,921 (d)	—	1,546,320
Other	—	54,553 (f)	—	54,553
Other:				
Insurance company general account (unallocated contracts)	—	6,058 (g)	—	6,058
Total investments	$422,238	$2,104,652	$—	$5,178,617
Cash				4,181
Other pending transactions				(314,791)
Less: Other postretirement assets included in total investments				(69,043)
Total fair value of qualified pension assets				$4,798,964

2024	Level 1	Level 2	Level 3	Total
		(In Thousands)		
Equity securities:				
Corporate stocks:				
Preferred	$932 (b)	$—	$—	$932
Common	403,146 (b)	—	—	403,146
Common collective trusts (c)				1,206,983
Fixed income securities:				
U.S. Government securities	—	1,145,994 (a)	—	1,145,994
Corporate debt instruments	—	307,666 (a)	—	307,666
Registered investment companies (e)	30,293 (d)	2,735 (d)	—	1,512,994
Other	—	44,691 (f)	—	44,691
Other:				
Insurance company general account (unallocated contracts)	—	5,918 (g)	—	5,918
Total investments	$434,371	$1,507,004	$—	$4,628,324
Cash				2,026
Other pending transactions				(133,550)
Less: Other postretirement assets included in total investments				(64,068)
Total fair value of qualified pension assets				$4,432,732

Other Postretirement Trusts

2025	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Common collective trust (c)						$169,496
Fixed income securities:						
U.S. Government securities	$141,859	(b)	$108,977	(a)	$—	250,836
Corporate debt instruments	—		161,171	(a)	—	161,171
Registered investment companies	2,412	(d)	—		—	2,412
Other	—		70,547	(f)	—	70,547
Total investments	$144,271		$340,695		$—	$654,462
Other pending transactions						2,512
Plus: Other postretirement assets included in the investments of the qualified pension trust						69,043
Total fair value of other postretirement assets						$726,017

2024	Level 1		Level 2		Level 3	Total
			(In Thousands)			
Equity securities:						
Common collective trust (c)						$161,726
Fixed income securities:						
U.S. Government securities	$107,547	(b)	$112,780	(a)	$—	220,327
Corporate debt instruments	—		166,208	(a)	—	166,208
Registered investment companies	2,295	(d)	—		—	2,295
Other	—		80,561	(f)	—	80,561
Total investments	$109,842		$359,549		$—	$631,117
Other pending transactions						3,417
Plus: Other postretirement assets included in the investments of the qualified pension trust						64,068
Total fair value of other postretirement assets						$698,602

(a) Certain fixed income debt securities (corporate, government, and securitized) are stated at fair value as determined by broker quotes.

(b) Common stocks, preferred stocks, and certain fixed income debt securities (government) are stated at fair value determined by quoted market prices.

(c) The common collective trusts hold investments in accordance with stated objectives. The investment strategy of the trusts is to capture the growth potential of equity markets by replicating the performance of a specified index. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Net asset value per share of common collective trusts estimate fair value. Common collective trusts are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.

(d) Registered investment companies are money market mutual funds with a stable net asset value of one dollar per share. Registered investment companies may hold investments in domestic and international bond markets or domestic equities valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The money market mutual funds held by the trusts are deemed to be actively traded. Certain registered investment companies are recorded at contract value, which approximates fair value.

(e) Certain of these registered investment companies are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. The issuer of these funds allows daily trading at the net asset value and trades settle at a later date, with no other trading restrictions. Accordingly, these funds are not assigned a level in the fair value table, but are included in the total.

(f) The other remaining assets are U.S. municipal and foreign government bonds stated at fair value as determined by broker quotes.

(g) The unallocated insurance contract investments are recorded at contract value, which approximates fair value. The contract value represents contributions made under the contract, plus interest, less funds used to pay benefits and contract expenses, and less distributions to the master trust.

Estimated Future Benefit Payments

Based upon the assumptions used to measure Entergy's qualified pension and other postretirement benefits obligations at December 31, 2025, and including pension and other postretirement benefits attributable to estimated future employee service, Entergy expects that benefits to be paid over the next ten years for Entergy Corporation and its subsidiaries will be as follows:

	Estimated Future Benefits Payments		
	Qualified Pension	Non-Qualified Pension	Other Postretirement
		(In Thousands)	
Year(s)			
2026	$405,257	$22,798	$64,582
2027	$377,144	$8,738	$63,069
2028	$375,819	$10,507	$61,732
2029	$373,409	$8,250	$59,968
2030	$372,900	$8,575	$59,569
2031 - 2035	$1,845,801	$40,642	$298,101

Based upon the same assumptions, Entergy expects that benefits to be paid over the next ten years for the Registrant Subsidiaries for their current and former employees will be as follows:

Estimated Future Qualified Pension Benefits Payments	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Year(s)						
2026	$93,808	$99,918	$26,878	$9,197	$22,960	$25,290
2027	$91,254	$93,767	$26,048	$9,077	$21,128	$23,750
2028	$90,558	$93,224	$25,693	$8,802	$20,459	$22,987
2029	$89,116	$91,966	$25,798	$8,668	$20,023	$23,243
2030	$89,462	$91,351	$24,871	$8,434	$19,230	$22,668
2031 - 2035	$436,323	$448,573	$117,545	$40,445	$90,024	$110,793

Estimated Future Non-Qualified Pension Benefits Payments	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Year(s)					
2026	$538	$191	$344	$95	$390
2027	$104	$176	$875	$304	$364
2028	$197	$163	$673	$246	$339
2029	$164	$160	$508	$198	$313
2030	$157	$142	$1,465	$662	$287
2031 - 2035	$893	$891	$284	$61	$1,100

Estimated Future Other Postretirement Benefits Payments	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Year(s)						
2026	$11,587	$14,140	$3,187	$1,610	$3,915	$2,499
2027	$11,331	$13,710	$3,132	$1,509	$3,746	$2,434
2028	$11,203	$13,257	$3,156	$1,400	$3,563	$2,411
2029	$11,189	$12,947	$3,105	$1,322	$3,413	$2,437
2030	$11,156	$12,772	$3,073	$1,270	$3,399	$2,462
2031 - 2035	$56,327	$63,275	$15,314	$5,779	$15,729	$12,685

Contributions

Entergy currently expects to contribute approximately $200 million to its qualified pension plans and approximately $40.9 million to its other postretirement plans in 2026. The Registrant Subsidiaries currently expect to contribute the following approximate amounts to their qualified pension and other postretirement plans for their current and former employees in 2026:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Thousands)			
Pension Contributions	$29,716	$41,599	$3,991	$3,304	$5,931	$13,249
Other Postretirement Contributions	$710	$14,140	$176	$336	$149	$49

The 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Actuarial Assumptions

The significant actuarial assumptions used in determining the pension PBO and the other postretirement benefits APBO as of December 31, 2025 and 2024 were as follows:

	2025	2024
Weighted-average discount rate:		
Qualified pension	5.51% - 5.94% Blended 5.65%	5.67% - 5.89% Blended 5.75%
Other postretirement	5.50%	5.66%
Non-qualified pension	4.82%	5.23%
Weighted-average rate of increase in future compensation levels	3.98% - 4.45%	3.98% - 4.45%
Interest crediting rate	4.80%	4.80%
Assumed health care trend rate:		
Pre-65	8.50%	8.15%
Post-65	10.63%	10.13%
Ultimate health care cost trend rate	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:		
Pre-65	2036	2035
Post-65	2036	2035

The significant actuarial assumptions used in determining the net periodic pension and other postretirement benefits costs for 2025, 2024, and 2023 were as follows:

	2025	2024	2023
Weighted-average discount rate:			
Qualified pension:			
Service cost	5.75%	5.08%	5.26%
Interest cost	5.46%	4.97%	5.16%
Other postretirement:			
Service cost	5.50%	4.82%	5.00%
Interest cost	5.36%	4.91%	5.09%
Non-qualified pension:			
Service cost	4.83%	5.01%	5.31%
Interest cost	4.44%	4.86%	5.30%
Weighted-average rate of increase in future compensation levels	3.98% - 4.45%	3.98% - 4.40%	3.98% - 4.40%
Expected long-term rate of return on plan assets:			
Pension assets	6.00% - 7.00% Blended 6.75%	6.00% - 7.25% Blended 6.75%	7.00%
Other postretirement non-taxable assets	6.00% - 7.00%	6.50% - 7.25%	6.00% - 7.00%
Other postretirement taxable assets	4.75%	5.25%	5.25%
Assumed health care trend rate:			
Pre-65	8.15%	6.95%	6.65%
Post-65	10.13%	7.88%	7.50%
Ultimate health care cost trend rate	4.75%	4.75%	4.75%
Year ultimate health care cost trend rate is reached and beyond:			
Pre-65	2035	2032	2032
Post-65	2035	2032	2032

With respect to the mortality assumptions, Entergy used the Pri-2012 Employee and Healthy Annuitant Table, projected generationally using Scale MP-2021 with Aon's Endemic Adjustment, in determining its December 31, 2025 and 2024 pension plans' PBOs and other postretirement benefits' APBO.

Defined Contribution Plans

Entergy sponsors the Savings Plan of Entergy Corporation and Subsidiaries (System Savings Plan). The System Savings Plan is a defined contribution plan covering eligible employees of Entergy and certain of its subsidiaries. The participating Entergy subsidiary makes matching contributions to the System Savings Plan for all eligible participating employees in an amount equal to either 70% or 100% of the participants' basic contributions, up to 6% of their eligible earnings per pay period. The matching contribution is allocated to investments as directed by the employee.

Entergy sponsored the Savings Plan of Entergy Corporation and Subsidiaries VI (Savings Plan VI) (established in April 2007) and the Savings Plan of Entergy Corporation and Subsidiaries VII (Savings Plan VII) (established in April 2007) to which matching contributions were made. The plans were defined contribution plans that covered eligible employees, as defined by each plan, of Entergy and certain of its subsidiaries. Effective December 31, 2023, employees participating in Savings Plan VI and Savings Plan VII were transferred into the System Savings Plan when Savings Plan VI and Savings Plan VII merged into the System Savings Plan.

Entergy also sponsors the Savings Plan of Entergy Corporation and Subsidiaries VIII (established January 2021) and the Savings Plan of Entergy Corporation and Subsidiaries IX (established January 2021) to which company contributions are made. The participating Entergy subsidiary makes matching contributions to these defined contribution plans for all eligible participating employees in an amount equal to 100% of the participants' basic contributions, up to 5% of their eligible earnings per pay period. Eligible participants may also receive a discretionary annual company contribution up to 4% of the participant's eligible earnings (subject to vesting).

Entergy's subsidiaries' contributions to defined contribution plans collectively were $77.4 million in 2025, $72.3 million in 2024, and $65.1 million in 2023. The majority of the contributions were to the System Savings Plan.

The Registrant Subsidiaries' 2025, 2024, and 2023 contributions to defined contribution plans for their employees were as follows:

Year	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
2025	$7,550	$9,529	$4,524	$1,555	$4,385
2024	$6,822	$8,784	$4,048	$1,584	$3,907
2023	$5,866	$7,757	$3,534	$1,383	$3,380

NOTE 12. STOCK-BASED COMPENSATION (Entergy Corporation)

Entergy grants stock options, restricted stock, performance units, and restricted stock units to key employees of the Entergy subsidiaries under its equity plans which are shareholder-approved stock-based compensation plans. The cost of the stock-based compensation is charged to income over the vesting period. Awards under Entergy's plans generally vest over three years. Entergy accounts for forfeitures of stock-based compensation when they occur. Entergy recognizes all income tax effects related to share-based payments through the income statement.

Effective May 3, 2019, Entergy's shareholders approved the 2019 Omnibus Incentive Plan (2019 Plan). The maximum number of common shares that can be issued from the 2019 Plan for stock-based awards is 24,400,000 all of which are available for incentive stock option grants. The 2019 Plan applies to awards granted on or after May 3, 2019 and awards expire ten years from the date of grant. As of December 31, 2025, there were 12,559,567 authorized shares remaining for stock-based awards.

Stock Options

Stock options are granted at exercise prices that equal the closing market price of Entergy Corporation common stock on the date of grant. Generally, stock options granted will become exercisable in equal amounts on each of the first three anniversaries of the date of grant. Unless they are forfeited previously under the terms of the grant, options expire 10 years after the date of the grant if they are not exercised.

The following table includes financial information for stock options for each of the years presented:

	2025	2024	2023
		(In Millions)	
Compensation expense included in Entergy's consolidated net income	$4.0	$4.0	$4.1
Tax benefit recognized in Entergy's consolidated net income	$1.0	$1.0	$1.1
Compensation cost capitalized as part of fixed assets and materials and supplies	$2.0	$1.9	$1.9

Entergy determines the fair value of the stock option grants by considering factors such as lack of marketability, stock retention requirements, and regulatory restrictions on exercisability in accordance with accounting standards. The stock option weighted-average assumptions used in determining the fair values are as follows:

	2025	2024	2023
Stock price volatility	26.35%	25.24%	24.89%
Expected term in years	6.79	6.88	6.89
Risk-free interest rate	4.31%	4.03%	3.51%
Dividend yield	4.00%	4.30%	4.00%
Dividend payment per share	$2.44	$2.30	$2.17

Stock price volatility is calculated based upon the daily public stock price volatility of Entergy Corporation common stock over a period equal to the expected term of the award. The expected term of the options is based upon historical option exercises and the weighted-average life of options when exercised and the estimated weighted-average life of all vested but unexercised options. In 2008, Entergy implemented stock ownership guidelines for its senior executive officers. These guidelines require an executive officer to own shares of Entergy Corporation common stock equal to a specified multiple of his or her salary. Until an executive officer achieves this ownership position the executive officer is required to retain 75% of the net-of-tax net profit upon exercise of the option to be held in Entergy Corporation common stock. The reduction in fair value of the stock options due to this restriction is based upon an estimate of the call option value of the reinvested gain discounted to present value over the applicable reinvestment period.

A summary of stock option activity for the year ended December 31, 2025 and changes during the year are presented below:

	Number of Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value	Weighted-Average Contractual Life
	(Dollars In Thousands, Except Per Share Data)			
Options outstanding as of January 1, 2025	3,226,456	$53.38		
Options granted	366,136	$82.79		
Options exercised	(652,497)	$55.53		
Options forfeited/expired	(16,449)	$64.05		
Options outstanding as of December 31, 2025	2,923,646	$56.52	$99,370	6.07
Options exercisable as of December 31, 2025	1,943,447	$53.47	$75,109	4.98
Weighted-average grant-date fair value of options granted during 2025	$17.43			

The weighted-average grant-date fair value of options granted during the year was $9.31 for 2024 and $10.04 for 2023. The total intrinsic value of stock options exercised was $20 million during 2025, $56 million during 2024, and $2 million during 2023. The intrinsic value, which has no effect on net income, of the outstanding stock

options exercised is calculated by the positive difference between the weighted-average exercise price of the stock options granted and Entergy Corporation's common stock price as of December 31, 2025. Entergy recognizes compensation cost over the vesting period of the options based on their grant-date fair value. The total fair value of options that vested was approximately $6 million during 2025, $6 million during 2024, and $6 million during 2023. Cash received from option exercises was $36 million for the year ended December 31, 2025. The tax benefits realized from options exercised was $4.8 million for the year ended December 31, 2025.

The following table summarizes information about stock options outstanding as of December 31, 2025:

	Options Outstanding			Options Exercisable	
Range of Exercise Price	As of December 31, 2025	Weighted-Average Remaining Contractual Life-Yrs.	Weighted-Average Exercise Price	Number Exercisable as of December 31, 2025	Weighted-Average Exercise Price
$30.00 - $39.99	222,934	1.66	$37.51	222,934	$37.51
$40.00 - $49.99	970,092	6.57	$48.31	525,282	$47.28
$50.00 - $59.99	887,717	6.53	$54.54	711,573	$54.62
$60.00 - $69.99	483,658	4.08	$65.86	483,658	$65.86
$70.00 - $79.99	—	0	$—	—	$—
$80.00 - $89.99	359,245	9.02	$82.79	—	$—
$35.27 - $82.79	2,923,646	6.07	$56.52	1,943,447	$53.47

Stock-based compensation cost related to non-vested stock options outstanding as of December 31, 2025 not yet recognized is approximately $7 million and is expected to be recognized over a weighted-average period of 1.7 years.

Restricted Stock Awards

Entergy grants restricted stock awards under its stock benefit plans in the form of stock units. One-third of the restricted stock awards and accrued dividends will vest upon each anniversary of the grant date and are expensed ratably over the three-year vesting period. Shares of restricted stock have the same dividend and voting rights as other common stock and are considered issued and outstanding shares of Entergy upon vesting. Restricted stock awards are valued at the closing price of Entergy Corporation's common stock on the grant date.

The following table includes information about the restricted stock awards outstanding as of December 31, 2025:

	Shares	Weighted-Average Grant Date Fair Value Per Share
Outstanding shares at January 1, 2025	1,447,251	$51.74
Granted	544,394	$81.59
Vested	(678,756)	$52.76
Forfeited	(77,343)	$59.00
Outstanding shares at December 31, 2025	1,235,546	$63.88

The following table includes financial information for restricted stock for each of the years presented:

	2025	2024	2023
		(In Millions)	
Compensation expense included in Entergy's consolidated net income	$25.9	$24.4	$22.2
Tax benefit recognized in Entergy's consolidated net income	$6.4	$6.2	$5.7
Compensation cost capitalized as part of fixed assets and materials and supplies	$13.2	$11.3	$9.7

The total fair value of the restricted stock awards granted was $44 million, $43 million, and $41 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The total fair value of the restricted stock awards vested was $36 million, $32 million, and $33 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Long-Term Performance Unit Program

Entergy grants long-term incentive awards under its stock benefit plans in the form of performance units, which represents the value of, and are settled with, one share of Entergy Corporation common stock at the end of the three-year performance period, plus dividends accrued during the performance period on the number of performance units earned. The Long-Term Performance Unit Program specifies a minimum, target, and maximum achievement level, the achievement of which will determine the number of performance units that may be earned. Entergy measures performance by assessing Entergy's total shareholder return relative to the total shareholder return of the companies in the Philadelphia Utility Index. To emphasize the importance of environmental stewardship, specifically of carbon-free generation and resilience, an environmental achievement measure was selected as one of the performance measures for the 2025-2027 performance period. For the 2025-2027 performance period, performance will be measured with relative total shareholder return weighted at eighty percent and the environmental achievement measure weighted at twenty percent. The total shareholder return portion is valued based on various factors, primarily market conditions; and the environmental achievement measure portion is valued based on the closing price of Entergy Corporation's common stock on the grant date. Performance units do not have voting rights prior to vesting. Performance units are considered issued and outstanding shares of Entergy upon vesting and are expensed ratably over the three-year vesting period. Compensation cost for the portion of the award based on the selected environmental achievement measure will be adjusted based on the number of units that ultimately vest.

The following table includes information about the long-term performance units outstanding at the target level as of December 31, 2025:

	Shares	Weighted-Average Grant Date Fair Value Per Share
Outstanding shares at January 1, 2025	886,602	$62.94
Granted	486,991	$38.64
Vested	(538,015)	$66.56
Forfeited	(66,486)	$45.54
Outstanding shares at December 31, 2025	769,092	$46.53

The following table includes financial information for the long-term performance units for each of the years presented:

	2025	2024	2023
		(In Millions)	
Compensation expense included in Entergy's consolidated net income	$11.4	$12.0	$11.1
Tax benefit recognized in Entergy's consolidated net income	$2.8	$3.1	$2.8
Compensation cost capitalized as part of fixed assets and materials and supplies	$5.9	$5.7	$5.2

The total fair value of the long-term performance units granted was $19 million, $24 million, and $20 million for the years ended December 31, 2025, 2024, and 2023, respectively.

In January 2025, Entergy issued 538,015 shares of Entergy Corporation common stock at a share price of $81.99 for awards earned and dividends accrued under the 2022-2024 Long-Term Performance Unit Program. In January 2024, Entergy issued 432,804 shares of Entergy Corporation common stock at a share price of $49.43 for awards earned and dividends accrued under the 2021-2023 Long-Term Performance Unit Program. In January 2023, Entergy issued 76,300 shares of Entergy Corporation common stock at a share price of $53.80 for awards earned and dividends accrued under the 2020-2022 Long-Term Performance Unit Program.

Restricted Stock Unit Awards

Entergy grants restricted stock unit awards under its stock benefit plans in the form of stock units that are subject to time-based restrictions. The restricted stock units may be settled in shares of Entergy Corporation common stock or the cash value of shares of Entergy Corporation common stock at the time of vesting. The costs of restricted stock unit awards are charged to income over the restricted period, which varies from grant to grant. The average vesting period for restricted stock unit awards granted is 36 months. As of December 31, 2025, there were 186,102 unvested restricted stock units that are expected to vest over an average period of 37 months.

The following table includes information about the restricted stock unit awards outstanding as of December 31, 2025:

	Shares	Weighted-Average Grant Date Fair Value Per Share
Outstanding shares at January 1, 2025	230,058	$56.73
Granted	53,276	$86.30
Vested	(64,032)	$90.83
Forfeited	(33,200)	$55.24
Outstanding shares at December 31, 2025	186,102	$53.72

The following table includes financial information for restricted stock unit awards for each of the years presented:

	2025	2024	2023
		(In Millions)	
Compensation expense included in Entergy's consolidated net income	$1.8	$2.5	$2.8
Tax benefit recognized in Entergy's consolidated net income	$0.5	$0.6	$0.7
Compensation cost capitalized as part of fixed assets and materials and supplies	$1.0	$1.2	$1.2

The total fair value of the restricted stock unit awards granted was $5 million, $4 million, and $2 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The total fair value of the restricted stock unit awards vested was $6 million, $5 million, and $1 million for the years ended December 31, 2025, 2024, and 2023, respectively.

NOTE 13. BUSINESS SEGMENT INFORMATION (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Entergy has a single reportable segment, Utility, which includes the generation, transmission, distribution, and sale of electric power in portions of Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans; and included operation of a small natural gas distribution business in portions of Louisiana through June 30, 2025. See Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025. Revenue for the Utility segment is primarily derived from retail electric sales. The accounting policies of the Utility segment are the same as those described in Note 1 to the financial statements. The Utility segment reflects management's primary basis of organization with a predominant focus on its utility operations in the Gulf South. Entergy's chief operating decision maker is its chief executive officer. The chief operating decision maker uses Utility net income in the annual planning process and to monitor budget versus actual results on a monthly basis in assessing financial performance and in determining how to allocate resources. Parent & Other includes the parent company, Entergy Corporation, and other business activity, including Entergy's non-utility operations business, which is an operating segment that does not meet the quantitative thresholds for determining reportable segments. Entergy's non-utility operations business owns interests in non-nuclear power plants that sell the electric power produced by those plants to wholesale customers and also provides decommissioning services to nuclear power plants owned by non-affiliated entities.

The following table includes operating revenues and significant expense categories regularly provided to the chief operating decision maker for the Utility segment, a reconciliation of Utility operating revenues to Entergy's consolidated operating revenues, and a reconciliation of Utility net income to consolidated net income and net income attributable to Entergy Corporation for each of the years presented:

	2025	2024	2023
		(In Thousands)	
Utility operating revenues	$12,887,921	$11,805,802	$12,022,944
Reconciliation of revenues:			
Other revenues (a)	58,855	73,914	124,509
Elimination of intersegment revenues	(90)	(63)	(41)
Consolidated operating revenues	12,946,686	11,879,653	12,147,412
Less Utility expenses and other items:			
Fuel, fuel-related expenses, and gas purchased for resale	2,338,347	2,214,471	2,755,793
Purchased power	1,227,715	806,646	904,184
Other operation and maintenance expenses	3,013,000	2,851,165	2,838,057
Other regulatory charges (credits) - net	(161,546)	(6,133)	(138,469)
Other Utility items (b)	4,177,829	4,109,352	3,152,475
Utility net income	2,292,576	1,830,301	2,510,904
Reconciliation of net income:			
Non-cash pension settlement charge (c)	—	(319,675)	—
IRS audit resolution (d)	—	—	275,403
Income taxes on reconciling items noted above	—	66,515	—
Other loss	(223,877)	(203,097)	(125,018)
Elimination of intersegment loss	(295,371)	(312,860)	(298,979)
Consolidated net income	1,773,328	1,061,184	2,362,310
Preferred dividend requirements of subsidiaries and noncontrolling interests (e)	15,056	5,594	5,774
Net income attributable to Entergy Corporation	$1,758,272	$1,055,590	$2,356,536

(a) See Note 19 to the financial statements for discussion of other revenues.

(b) Other Utility items includes nuclear refueling outage expenses, asset write-offs, decommissioning expenses, taxes other than income taxes, depreciation and amortization expenses, other income, interest expense, and income tax expense.

(c) See Note 11 to the financial statements for discussion of the one-time non-cash pension settlement charge of $328 million, of which $8 million was recorded at Utility and $320 million was recorded at Parent & Other, resulting from a group annuity contract purchased in 2024 to settle certain pension liabilities.

(d) See Note 3 to the financial statements for discussion of the resolution of the 2016-2018 IRS audit, which included a $568 million reduction, recorded at Utility, and a $275 million reduction, recorded at Parent & Other, in income tax expense in 2023.

(e) Preferred dividend requirements of subsidiaries and noncontrolling interests is substantially derived from the Utility segment. See Note 6 to the financial statements for discussion of preferred stock and noncontrolling interests.

The following tables present segment financial information for Entergy's single reportable segment, Utility, and a reconciliation to the corresponding consolidated amounts for Entergy Corporation.

2025	Utility	Parent & Other	Eliminations	Consolidated
		(In Thousands)		
Asset write-offs, impairments, and related charges (credits)	$12,795	$—	$—	$12,795
Depreciation, amortization, and decommissioning	$2,298,610	$6,958	$—	$2,305,568
Interest and investment income	$605,003	$8,733	($296,388)	$317,348
Interest expense	$1,085,717	$251,951	($1,017)	$1,336,651
Income taxes	$551,272	($53,320)	$—	$497,952
Total assets	$75,726,104	$773,056	($4,608,430)	$71,890,730
Total expenditures for additions to long-lived assets	$8,211,445	$2,242	$—	$8,213,687

2024	Utility	Parent & Other	Eliminations	Consolidated
		(In Thousands)		
Asset write-offs, impairments, and related charges (credits)	$131,775	($24,641)	$—	$107,134
Depreciation, amortization, and decommissioning	$2,226,681	$6,567	$—	$2,233,248
Interest and investment income	$592,257	$21,621	($315,013)	$298,865
Interest expense	$899,655	$253,317	($2,152)	$1,150,820
Income taxes	$515,665	($134,638)	$—	$381,027
Total assets	$68,951,564	$721,459	($4,882,991)	$64,790,032
Total expenditures for additions to long-lived assets	$5,967,739	$1,971	$—	$5,969,710

2023	Utility	Parent & Other	Eliminations	Consolidated
		(In Thousands)		
Asset write-offs, impairments, and related charges (credits)	$79,962	($37,283)	$—	$42,679
Depreciation, amortization, and decommissioning	$2,045,254	$6,423	$—	$2,051,677
Interest and investment income (loss)	$443,751	$18,660	($299,685)	$162,726
Interest expense	$816,643	$190,468	($705)	$1,006,406
Income taxes	($374,847)	($315,688)	$—	($690,535)
Total assets	$63,887,038	$836,598	($5,020,240)	$59,703,396
Total expenditures for additions to long-lived assets	$4,745,918	$801	$—	$4,746,719

Eliminations are primarily intersegment activity. All of Entergy's goodwill is related to the Utility segment.

Registrant Subsidiaries

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas each has one operating and reportable segment, an integrated utility business which includes the generation, transmission, and distribution of electric power; and included operation of a small natural gas distribution business at each of Entergy Louisiana and Entergy New Orleans through June 30, 2025. See Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July

1, 2025. Revenue for each integrated utility business is primarily derived from retail electric sales. System Energy has one operating and reportable segment, which is an electricity generation business. System Energy's only source of revenue is the sale of electric power and capacity generated from its 90% interest in the Grand Gulf nuclear plant to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans pursuant to the Unit Power Sales Agreement. Each of the Registrant Subsidiaries' operations are managed on an integrated basis by that company because of the substantial effect of cost-based rates and regulatory oversight on the business process, cost structures, and operating results. The chief operating decision maker for the Registrant Subsidiaries is the respective president and chief executive officer for the Utility operating companies and the president for System Energy. Each chief operating decision maker assesses financial performance on an entity-wide basis and decides how to allocate resources based on net income that also is reported on the income statement for each of the Registrant Subsidiaries as net income. Net income is used in the annual planning process and to monitor budget versus actual results on a monthly basis and each Registrant Subsidiary's earned return on common equity in assessing financial performance. Each chief operating decision maker is only provided with the consolidated financial results for the respective Registrant Subsidiary. All segment financial information for the Registrant Subsidiaries is as reported on the respective financial statements for each of the Registrant Subsidiaries.

Geographic Areas

Entergy and the Registrant Subsidiaries derive substantially all revenue from inside of the United States and all long-lived assets are located within the United States.

Major Customers

Neither Entergy nor the Registrant Subsidiaries have an individual customer representing more than 10% of its respective revenues for the years ended December 31, 2025, 2024, and 2023.

NOTE 14. ACQUISITIONS AND DISPOSITIONS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and Entergy New Orleans)

Acquisitions

Walnut Bend Solar

In June 2020, Entergy Arkansas signed a build-own-transfer agreement for the purchase of an approximately 100 MW to-be-constructed solar photovoltaic energy facility, Walnut Bend Solar facility, to be sited on approximately 1,000 acres in Lee County, Arkansas. Acquisition of the Walnut Bend Solar facility was initially approved by the APSC in July 2021. The agreement was amended by the parties in February 2023, and the revised agreement was approved by the APSC in July 2023. In February 2024, Entergy Arkansas made an initial payment of approximately $170 million to acquire the facility. Substantial completion was achieved and commercial operation commenced in September 2024, at which time Entergy Arkansas made a substantial completion payment of approximately $16 million for acquisition of the facility. The final payment of approximately $1 million for the acquisition of the facility was made in March 2025.

West Memphis Solar

In September 2020, Entergy Arkansas signed a build-own-transfer agreement for the purchase of an approximately 180 MW to-be-constructed solar photovoltaic energy facility, West Memphis Solar facility, to be sited on approximately 1,500 acres in Crittenden County, Arkansas. Acquisition of the West Memphis Solar facility was initially approved by the APSC in October 2021. In March 2022 the counterparty to the build-own-transfer agreement notified Entergy Arkansas that it was seeking changes to certain terms of the agreement, including both cost and schedule. Entergy Arkansas filed a supplemental application with the APSC in January 2023 for a change

in the transmission route and updates to the cost and schedule, which was approved by the APSC in March 2023. In August 2024, Entergy Arkansas made an initial payment of approximately $48 million to acquire the facility. Substantial completion was achieved in November 2024, at which time Entergy Arkansas made a substantial completion payment of approximately $192 million for acquisition of the facility. Commercial operation commenced in December 2024.

Driver Solar

In August 2022, Entergy Arkansas signed a build-own-transfer agreement for the purchase of an approximately 250 MW to-be-constructed solar photovoltaic energy facility, Driver Solar facility, to be sited near Osceola, Arkansas. Acquisition of the Driver Solar facility was approved by the APSC in August 2022. In August 2024, Entergy Arkansas made an initial payment of approximately $308 million to acquire the facility. Substantial completion was achieved in November 2024, at which time Entergy Arkansas made a substantial completion payment of approximately $85 million for acquisition of the facility. Commercial operation commenced in December 2024. The final payment of approximately $0.3 million for the acquisition of the facility was made in April 2025.

Dispositions

Natural Gas Distribution Businesses

On October 28, 2023, Entergy New Orleans and Entergy Louisiana each entered into separate purchase and sale agreements with respect to the sale of their respective regulated natural gas local distribution company businesses to two separate affiliates of Bernhard Capital Partners Management LP. Under the purchase and sale agreements, Entergy New Orleans agreed to sell its regulated natural gas local distribution company business that serves customers in the Parish of Orleans, Louisiana, and Entergy Louisiana agreed to sell its regulated natural gas local distribution company business that serves customers in the Parish of East Baton Rouge, Louisiana. The Entergy New Orleans and Entergy Louisiana natural gas distribution businesses are reflected in Entergy's Utility reportable segment and in the respective single reportable segment for each of Entergy New Orleans and Entergy Louisiana through June 30, 2025.

Required regulatory approval was received from the LPSC and the City Council in August 2024 and December 2024, respectively. In February 2025 the Metropolitan Council of the Parish of East Baton Rouge approved the proposed sale of the Entergy Louisiana natural gas distribution business and also approved the assignment of the parish franchise from Entergy Louisiana to Delta Capital Gas Company, LLC (a Bernhard Capital Partners Management LP affiliate).

The transactions had two phases: (1) an "Initial Phase" prior to regulatory approvals in connection with both transactions; and (2) a "Second Phase" following regulatory approvals in connection with both transactions to the extent that certain conditions were satisfied or, where permissible, waived for both transactions. As described above, the transactions received all required regulatory approvals, and the Second Phase commenced on March 5, 2025.

The Entergy Louisiana and Entergy New Orleans natural gas distribution businesses first met the criteria to be classified as held for sale in the quarter ended December 31, 2024. Neither Entergy Louisiana nor Entergy New Orleans recognized any write downs of the natural gas distribution business assets as a result of their classification as held for sale. The assets and liabilities of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses classified as held for sale on Entergy's, Entergy Louisiana's, and Entergy New Orleans's consolidated balance sheets as of December 31, 2024 included the following amounts:

	Entergy	Entergy Louisiana	Entergy New Orleans
		(In Thousands)	
Deferred fuel	$5,608	$727	$4,881
Fuel inventory - at average cost	4,493	702	3,791
Materials and supplies	5,451	1,045	4,406
Prepayments and other	22	—	22
Total current assets held for sale	$15,574	$2,474	$13,100
Property, plant, and equipment - natural gas	$679,502	$303,193	$376,309
Construction work in progress	2,959	1,085	1,874
Less - accumulated depreciation and amortization	(276,388)	(139,556)	(136,832)
Other regulatory assets	35,381	8,947	23,682
Goodwill (a)	6,474	—	—
Pension and other postretirement assets	14,663	—	19,499
Other	206	—	206
Total non-current assets held for sale	$462,797	$173,669	$284,738
Accounts payable	$702	$702	$—
Customer deposits	6,214	1,984	4,230
Taxes accrued	13	13	—
Other	1,401	589	812
Total current liabilities held for sale (b)	$8,330	$3,288	$5,042
Regulatory liability for income taxes - net	$31,575	$4,981	$26,594
Other regulatory liabilities	1,611	1,214	397
Pension and other postretirement liabilities	3,976	4,525	1,197
Other	3,844	1,194	2,650
Total non-current liabilities held for sale (c)	$41,006	$11,914	$30,838

(a) Goodwill was allocated to the natural gas distribution business based on its relative fair value compared to the retained portion of the reporting unit.
(b) Included within other current liabilities on the respective consolidated balance sheets.
(c) Included within other non-current liabilities on the respective consolidated balance sheets.

Entergy Louisiana and Entergy New Orleans each continued to recognize depreciation on their respective natural gas distribution business assets classified as held for sale through June 30, 2025 because they received revenues through utility customer rates through the closing of their respective transactions. The final purchase price for each natural gas distribution business was adjusted by an amount equal to that depreciation, among other adjustments.

The pre-tax income for the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses, excluding interest and corporate allocations, included in Entergy's, Entergy Louisiana's, and Entergy New Orleans's consolidated income statements for the years ended December 31, 2025, 2024, and 2023 is as follows:

	2025	2024	2023
		(In Thousands)	
Entergy	$31,500	$48,223	$38,162
Entergy Louisiana	$12,047	$20,965	$17,375
Entergy New Orleans	$19,453	$27,258	$20,787

On July 1, 2025, Entergy Louisiana and Entergy New Orleans completed the sale of their natural gas distribution businesses. The base purchase price, including a fourth quarter true-up, paid by the buyer of the Entergy Louisiana natural gas distribution business upon closing was $200 million, and the base purchase price, including a fourth quarter true-up, paid by the buyer of the Entergy New Orleans natural gas distribution business upon closing was $284 million. In 2025, Entergy Louisiana, Entergy New Orleans, and Entergy recognized gains of $19 million ($14 million net-of-tax), $7 million ($5 million net-of-tax), and $19 million ($12 million net-of-tax), respectively, in connection with the completion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses. The gains recognized by Entergy Louisiana, Entergy New Orleans, and Entergy were net of $15 million, $17 million, and $32 million, respectively, in transaction costs, and Entergy's gain also included the derecognition of $7 million of goodwill attributed to the businesses sold following the completion of the sale. In third quarter 2025, Entergy New Orleans and Entergy deferred $4 million of their respective gains recognized as a result of the sale of the Entergy New Orleans natural gas distribution business as a regulatory liability. The regulatory liability will be amortized over three years beginning September 2026, as the $4 million is credited to customers, as required by the City Council. The gains resulting from the sale of the natural gas distribution businesses for Entergy, Entergy Louisiana, and Entergy New Orleans are included within other operation and maintenance expenses on the respective consolidated income statements. Additionally in third quarter 2025, as a result of the sale, Entergy New Orleans recorded a write-off of $13 million of natural gas plant assets that were not included in the sale to Delta New Orleans Gas Company, LLC, and which will not be recovered. Entergy Louisiana did not recognize any write downs of natural gas distribution business assets as a result of the sale. See Note 3 to the financial statements for discussion of the tax accounting effects of the sale.

NOTE 15. RISK MANAGEMENT AND FAIR VALUES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Market Risk

In the normal course of business, Entergy is exposed to a number of market risks. Market risk is the potential loss that Entergy may incur as a result of changes in the market or fair value of a particular commodity or instrument. All financial and commodity-related instruments, including derivatives, are subject to market risk including commodity price risk, equity price, and interest rate risk. Entergy uses derivatives primarily to mitigate commodity price risk associated with the price of fuel and to mitigate interest rate exposure related to certain financing agreements.

The Utility has limited exposure to the effects of market risk because it operates primarily under cost-based rate regulation. To the extent approved by their retail regulators, the Utility operating companies use commodity and financial instruments to hedge the exposure to price volatility inherent in their purchased power, fuel, and gas purchased for resale costs, that are recovered from customers.

Derivatives

Entergy designates a significant portion of its derivative instruments as normal purchase/normal sale transactions due to their physical settlement provisions, including power purchase and sales agreements, fuel purchase agreements, and capacity contracts. Certain derivative instruments do not qualify for designation as normal purchase/normal sale transactions due to their financial settlement provisions. See further discussion below regarding the accounting for these derivative instruments.

In 2025, Entergy Texas entered into interest rate swaps, accounted for as derivatives, to manage interest rate risks associated with Entergy Texas's build-to-suit lease arrangement for the Legend Power Station. See Note 8 to the financial statements for further discussion of the build-to-suit lease arrangement for the Legend Power Station. These interest rate swaps are not designated as hedging instruments. Interest will be calculated as the sum of the Secured Overnight Financing Rate plus the blended spreads per the build-to-suit lease arrangement, compounded monthly, with one cash settlement per year over the approximate two year construction period. The notional volume of the hedge was calculated based on the expected costs for the Legend Power Station at the time Entergy Texas entered into the interest rate swaps. Changes in the fair value of these interest rate swaps are recognized each period, with gains and losses deferred as a regulatory asset or liability. The interest rate swaps run through January 31, 2028. The total notional volume is $1.1 billion for Entergy Texas as of December 31, 2025. Credit support for the swaps are covered by master agreements that do not require Entergy Texas to provide collateral based on mark-to-market values, but do carry adequate assurance language that may lead to requests for collateral.

Entergy manages fuel price volatility for Entergy Louisiana and Entergy Mississippi through the purchase of natural gas swaps and options that financially settle against either the average Henry Hub Gas Daily prices or the NYMEX Henry Hub. These swaps and options are marked-to-market through fuel expense with offsetting regulatory assets or liabilities. All benefits or costs of the program are recorded in fuel costs. The notional volumes of these swaps are based on a portion of projected annual exposure to gas price volatility for electric generation at Entergy Louisiana and Entergy Mississippi. The maximum length of time over which Entergy has executed natural gas swaps and options as of December 31, 2025 is 10 months for Entergy Mississippi. The total volume of natural gas swaps and options outstanding as of December 31, 2025 is 12,434,000 MMBtu for Entergy and Entergy Mississippi. As of December 31, 2025, Entergy Louisiana had no outstanding natural gas swaps or options. Credit support for these natural gas swaps and options is covered by master agreements that do not require Entergy to provide collateral based on mark-to-market value, but do carry adequate assurance language that may lead to requests for collateral. Prior to the sale of the Entergy New Orleans natural gas distribution business, Entergy also managed fuel price volatility related to projected winter purchases for gas distribution at Entergy New Orleans through the purchase of natural gas swaps. See Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025.

During the second quarter 2025, Entergy participated in the annual financial transmission rights auction process for the MISO planning year of June 1, 2025 through May 31, 2026. Financial transmission rights are derivative instruments that represent economic hedges of future congestion charges that will be incurred in serving Entergy's customer load. They are not designated as hedging instruments. Entergy initially records financial transmission rights at their estimated fair value and subsequently adjusts the carrying value to their estimated fair value at the end of each accounting period prior to settlement. Unrealized gains or losses on financial transmission rights held by the non-utility operations are included in operating revenues. The Utility operating companies recognize regulatory liabilities or assets for unrealized gains or losses on financial transmission rights. The total volume of financial transmission rights outstanding as of December 31, 2025 is 44,896 GWh for Entergy, including 9,504 GWh for Entergy Arkansas, 23,971 GWh for Entergy Louisiana, 5,070 GWh for Entergy Mississippi, 1,637 GWh for Entergy New Orleans, and 4,714 GWh for Entergy Texas. Credit support for financial transmission rights held by the Utility operating companies is covered by cash and/or letters of credit issued by each Utility operating company as required by MISO. No cash was required to be posted for financial transmission rights exposure for the Utility operating companies as of December 31, 2025 and 2024. Letters of credit posted with MISO covered the financial transmission rights exposure for Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy

Texas as of December 31, 2025 and for Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas as of December 31, 2024. Credit support for financial transmission rights held by Entergy's non-utility operations business may also be covered by cash and/or letters of credit. No cash or letters of credit were required to be posted for financial transmission rights exposure for the non-utility operations business as of December 31, 2025 and 2024.

The fair values of Entergy's derivative instruments not designated as hedging instruments on the consolidated balance sheets as of December 31, 2025 and 2024 are shown in the table below. Certain investments, including those not designated as hedging instruments, are subject to master netting agreements and are presented in the balance sheet on a net basis in accordance with accounting guidance for derivatives and hedging.

Instrument	Balance Sheet Location	Gross Fair Value (a)	Offsetting Position (b)	Net Fair Value (c) (d)
			(In Millions)	
2025				
Assets:				
Financial transmission rights	Prepayments and other	$27	$—	$27
Interest rate swaps	Prepayments and other	$1	$—	$1
Liabilities:				
Natural gas swaps	Other current liabilities	$5	$—	$5
Interest rate swaps	Other non-current liabilities	$3	$—	$3
2024				
Assets:				
Natural gas swaps	Prepayments and other	$2	$—	$2
Financial transmission rights	Prepayments and other	$21	($1)	$20
Liabilities:				
Financial transmission rights	Other current liabilities	($—)	$1	$1

(a) Represents the gross amounts of recognized assets/liabilities
(b) Represents the netting of fair value balances with the same counterparty
(c) Represents the net amounts of assets/liabilities presented on the Entergy Corporation and Subsidiaries' Consolidated Balance Sheets
(d) Excludes letters of credit posted with MISO to cover financial transmission rights exposure in the amount of $2 million as of December 31, 2025 and December 31, 2024

The effects of Entergy's derivative instruments not designated as hedging instruments on the consolidated income statements for the years ended December 31, 2025, 2024, and 2023 are as follows:

Instrument	Income Statement Location		Amount of gain (loss) recorded in the income statement
			(In Millions)
2025			
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($8)
Financial transmission rights	Purchased power expense	(b)	$195
Interest rate swaps	Interest expense	(c)	($2)
2024			
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($8)
Financial transmission rights	Purchased power expense	(b)	$164
2023			
Natural gas swaps and options	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($54)
Financial transmission rights	Purchased power expense	(b)	$124

(a) Due to regulatory treatment, the natural gas swaps and options are marked-to-market through fuel, fuel-related expenses, and gas purchased for resale and then such amounts are simultaneously reversed and recorded as an offsetting regulatory asset or liability. The gains or losses recorded as fuel expenses when the swaps and options are settled are recovered or refunded through fuel cost recovery mechanisms.

(b) Due to regulatory treatment, the changes in the estimated fair value of financial transmission rights for the Utility operating companies are recorded through purchased power expense and then such amounts are simultaneously reversed and recorded as an offsetting regulatory asset or liability. The gains or losses recorded as purchased power expense when the financial transmission rights for the Utility operating companies are settled are recovered or refunded through fuel cost recovery mechanisms.

(c) Due to regulatory treatment, the changes in the estimated fair value of the interest rate swaps for Entergy Texas are recorded through interest expense and then such amounts are simultaneously reversed and recorded as an offsetting regulatory asset or liability. The gains or losses recorded as interest expense when the interest rate swaps for Entergy Texas are settled are expected to be recovered in ratemaking relating to the Legend Power Station. See Note 8 to the financial statements for discussion of the build-to-suit lease arrangement for the Legend Power Station.

The fair values of derivative instruments not designated as hedging instruments on the Registrant Subsidiaries' balance sheets as of December 31, 2025 and 2024 are shown in the tables below. Certain investments, including those not designated as hedging instruments, are subject to master netting agreements and are presented in the balance sheet on a net basis in accordance with accounting guidance for derivatives and hedging.

Instrument	Balance Sheet Location	Gross Fair Value (a)	Offsetting Position (b)	Net Fair Value (c) (d)	Registrant
			(In Millions)		
2025					
Assets:					
Financial transmission rights	Prepayments and other	$5.5	$—	$5.5	Entergy Arkansas
Financial transmission rights	Prepayments and other	$16.8	($0.1)	$16.7	Entergy Louisiana
Financial transmission rights	Prepayments and other	$0.4	$—	$0.4	Entergy Mississippi
Financial transmission rights	Prepayments and other	$1.8	$—	$1.8	Entergy New Orleans
Financial transmission rights	Prepayments and other	$2.3	($0.2)	$2.1	Entergy Texas
Interest rate swaps	Prepayments and other	$0.5	$—	$0.5	Entergy Texas
Liabilities:					
Natural gas swaps	Other current liabilities	$5.3	$—	$5.3	Entergy Mississippi
Interest rate swaps	Other non-current liabilities	$3.0	$—	$3.0	Entergy Texas
2024					
Assets:					
Natural gas swaps	Prepayments and other	$1.6	$—	$1.6	Entergy Mississippi
Financial transmission rights	Prepayments and other	$8.6	($0.1)	$8.5	Entergy Arkansas
Financial transmission rights	Prepayments and other	$8.7	($0.1)	$8.6	Entergy Louisiana
Financial transmission rights	Prepayments and other	$1.3	$—	$1.3	Entergy New Orleans
Financial transmission rights	Prepayments and other	$2.0	($0.1)	$1.9	Entergy Texas
Liabilities:					
Financial transmission rights	Other current liabilities	($0.4)	$0.9	$0.5	Entergy Mississippi

(a) Represents the gross amounts of recognized assets/liabilities
(b) Represents the netting of fair value balances with the same counterparty
(c) Represents the net amounts of assets/liabilities presented on the Registrant Subsidiaries' balance sheets
(d) Excludes letters of credit posted with MISO to cover financial transmission rights exposure in the amount of $0.1 million for Entergy Arkansas, $0.8 million for Entergy Louisiana, $0.8 million for Entergy Mississippi, and $0.1 million for Entergy Texas as of December 31, 2025 and in the amount of $0.5 million for Entergy

Arkansas, $0.1 million for Entergy Louisiana, $0.8 million for Entergy Mississippi, $0.1 million for Entergy New Orleans, and $0.3 million for Entergy Texas as of December 31, 2024

The effects of derivative instruments not designated as hedging instruments on the Registrant Subsidiaries' income statements for the years ended December 31, 2025, 2024, and 2023 are as follows:

Instrument	Income Statement Location		Amount of gain (loss) recorded in the income statement	Registrant
			(In Millions)	
2025				
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($8.4)	Entergy Mississippi
Financial transmission rights	Purchased power expense	(b)	$51.3	Entergy Arkansas
Financial transmission rights	Purchased power expense	(b)	$101.0	Entergy Louisiana
Financial transmission rights	Purchased power expense	(b)	$11.5	Entergy Mississippi
Financial transmission rights	Purchased power expense	(b)	$15.0	Entergy New Orleans
Financial transmission rights	Purchased power expense	(b)	$15.8	Entergy Texas
Interest rate swaps	Interest expense	(c)	($2.5)	Entergy Texas
2024				
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($7.0)	Entergy Mississippi
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($0.5)	Entergy New Orleans
Financial transmission rights	Purchased power expense	(b)	$59.8	Entergy Arkansas
Financial transmission rights	Purchased power expense	(b)	$71.7	Entergy Louisiana
Financial transmission rights	Purchased power expense	(b)	$7.5	Entergy Mississippi
Financial transmission rights	Purchased power expense	(b)	$6.9	Entergy New Orleans
Financial transmission rights	Purchased power expense	(b)	$17.8	Entergy Texas
2023				
Natural gas swaps and options	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($8.4)	Entergy Louisiana
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($42.9)	Entergy Mississippi
Natural gas swaps	Fuel, fuel-related expenses, and gas purchased for resale	(a)	($3.0)	Entergy New Orleans
Financial transmission rights	Purchased power expense	(b)	$25.8	Entergy Arkansas
Financial transmission rights	Purchased power expense	(b)	$60.4	Entergy Louisiana
Financial transmission rights	Purchased power expense	(b)	$13.7	Entergy Mississippi
Financial transmission rights	Purchased power expense	(b)	$6.4	Entergy New Orleans
Financial transmission rights	Purchased power expense	(b)	$17.3	Entergy Texas

(a) Due to regulatory treatment, the natural gas swaps and options are marked-to-market through fuel, fuel-related expenses, and gas purchased for resale and then such amounts are simultaneously reversed and

recorded as an offsetting regulatory asset or liability. The gains or losses recorded as fuel expenses when the swaps and options are settled are recovered or refunded through fuel cost recovery mechanisms.

(b) Due to regulatory treatment, the changes in the estimated fair value of financial transmission rights for the Utility operating companies are recorded through purchased power expense and then such amounts are simultaneously reversed and recorded as an offsetting regulatory asset or liability. The gains or losses recorded as purchased power expense when the financial transmission rights for the Utility operating companies are settled are recovered or refunded through fuel cost recovery mechanisms.

(c) Due to regulatory treatment, the changes in the estimated fair value of the interest rate swaps for Entergy Texas are recorded through interest expense and then such amounts are simultaneously reversed and recorded as an offsetting regulatory asset or liability. The gains or losses recorded as interest expense when the interest rate swaps for Entergy Texas are settled are expected to be recovered in ratemaking relating to the Legend Power Station. See Note 8 to the financial statements for discussion of the build-to-suit lease arrangement for the Legend Power Station.

Fair Values

The estimated fair values of Entergy's financial instruments and derivatives are determined using historical prices, bid prices, market quotes, and financial modeling. Considerable judgment is required in developing the estimates of fair value. Therefore, estimates are not necessarily indicative of the amounts that Entergy could realize in a current market exchange. Gains or losses realized on financial instruments are reflected in future rates and therefore do not affect net income. Entergy considers the carrying amounts of most financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair value because of the short maturity of these instruments.

Accounting standards define fair value as an exit price, or the price that would be received to sell an asset or the amount that would be paid to transfer a liability in an orderly transaction between knowledgeable market participants at the date of measurement. Entergy and the Registrant Subsidiaries use assumptions or market input data that market participants would use in pricing assets or liabilities at fair value. The inputs can be readily observable, corroborated by market data, or generally unobservable. Entergy and the Registrant Subsidiaries endeavor to use the best available information to determine fair value.

Accounting standards establish a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy establishes the highest priority for unadjusted market quotes in an active market for the identical asset or liability and the lowest priority for unobservable inputs.

The three levels of the fair value hierarchy are:

- Level 1 - Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of individually owned common stocks, cash equivalents (temporary cash investments, securitization recovery trust account, and escrow accounts), debt instruments, and gas swaps traded on exchanges with active markets. Cash equivalents includes all unrestricted highly liquid debt instruments with an original or remaining maturity of three months or less at the date of purchase.

- Level 2 - Level 2 inputs are inputs other than quoted prices included in Level 1 that are, either directly or indirectly, observable for the asset or liability at the measurement date. Assets are valued based on prices derived by independent third parties that use inputs such as benchmark yields, reported trades, broker/dealer quotes, and issuer spreads. Prices are reviewed and can be challenged with the independent parties and/or overridden by Entergy if it is believed such would be more reflective of fair value. Level 2 inputs include the following:

  – quoted prices for similar assets or liabilities in active markets;
  – quoted prices for identical assets or liabilities in inactive markets;
  – inputs other than quoted prices that are observable for the asset or liability; or
  – inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  Level 2 consists primarily of individually-owned debt instruments, gas swaps, and interest rate swaps valued using observable inputs.

- Level 3 - Level 3 inputs are pricing inputs that are generally less observable or unobservable from objective sources. These inputs are used with internally developed methodologies to produce management's best estimate of fair value for the asset or liability. Level 3 consists primarily of financial transmission rights.

The values of financial transmission rights are based on unobservable inputs, including estimates of congestion costs in MISO between applicable generation and load pricing nodes based on the 50th percentile of historical prices. They are classified as Level 3 assets and liabilities. The valuations of these assets and liabilities are performed by the Office of Corporate Risk Oversight. The values are calculated internally and verified against the data published by MISO. Entergy's Accounting group reviews these valuations for reasonableness, with the assistance of others within the organization with knowledge of the various inputs and assumptions used in the valuation. The Office of Corporate Risk Oversight reports to the Vice President and Treasurer. The Accounting group reports to the Chief Accounting Officer.

The following tables set forth, by level within the fair value hierarchy, Entergy's assets and liabilities that are accounted for at fair value on a recurring basis as of December 31, 2025 and December 31, 2024. The assessment of the significance of a particular input to a fair value measurement requires judgment and may affect placement within the fair value hierarchy levels.

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$1,883	$—	$—	$1,883
Decommissioning trust funds (a):				
Equity securities	51	—	—	51
Debt securities	905	1,297	—	2,202
Common trusts (b)				4,048
Securitization recovery trust account	1	—	—	1
Storm reserve escrow accounts	309	—	—	309
Financial transmission rights	—	—	27	27
Interest rate swaps	—	1	—	1
	$3,149	$1,298	$27	$8,522
Liabilities:				
Natural gas swaps	$5	$—	$—	$5
Interest rate swaps	—	3	—	3
	$5	$3	$—	$8

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$811	$—	$—	$811
Decommissioning trust funds (a):				
Equity securities	30	—	—	30
Debt securities	848	1,199	—	2,047
Common trusts (b)				3,486
Securitization recovery trust account	4	—	—	4
Storm reserve escrow accounts	340	—	—	340
Natural gas swaps	2	—	—	2
Financial transmission rights	—	—	20	20
	$2,035	$1,199	$20	$6,740
Liabilities:				
Financial transmission rights	$—	$—	$1	$1

(a) The decommissioning trust funds hold equity and fixed income securities. Equity securities are invested to approximate the returns of major market indices. Fixed income securities are held in various governmental and corporate securities. See Note 16 to the financial statements for additional information on the investment portfolios.

(b) Common trust funds are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table. The fund administrator of these investments allows daily trading at the net asset value and trades settle at a later date.

The following table sets forth a reconciliation of changes in the net assets for the fair value of financial transmission rights classified as Level 3 in the fair value hierarchy for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(In Millions)	
Balance as of January 1,	$20	$21	$19
Issuances of financial transmission rights	49	53	42
Gains included as a regulatory liability/asset	153	110	84
Settlements	(195)	(164)	(124)
Balance as of December 31,	$27	$20	$21

The fair values of the Level 3 financial transmission rights are based on unobservable inputs calculated internally and verified against historical pricing data published by MISO.

The following table sets forth an analysis of each of the types of unobservable inputs impacting the fair value of items classified as Level 3 within the fair value hierarchy, and the sensitivity to changes to those inputs:

Significant Unobservable Input	Transaction Type	Position	Change to Input	Effect on Fair Value
Unit contingent discount	Electricity swaps	Sell	Increase (Decrease)	Decrease (Increase)

The following tables set forth, by level within the fair value hierarchy, the Registrant Subsidiaries' assets and liabilities that are accounted for at fair value on a recurring basis as of December 31, 2025 and December 31, 2024. The assessment of the significance of a particular input to a fair value measurement requires judgment and may affect placement within the fair value hierarchy levels.

Entergy Arkansas

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$268.5	$—	$—	$268.5
Decommissioning trust funds (a):				
Equity securities	20.0	—	—	20.0
Debt securities	251.9	362.1	—	614.0
Common trusts (b)				1,182.3
Financial transmission rights	—	—	5.5	5.5
	$540.4	$362.1	$5.5	$2,090.3

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$3.4	$—	$—	$3.4
Decommissioning trust funds (a):				
Equity securities	12.9	—	—	12.9
Debt securities	259.9	319.1	—	579.0
Common trusts (b)				1,012.5
Financial transmission rights	—	—	8.5	8.5
	$276.2	$319.1	$8.5	$1,616.3

Entergy Louisiana

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$776.7	$—	$—	$776.7
Decommissioning trust funds (a):				
Equity securities	22.8	—	—	22.8
Debt securities	373.2	619.4	—	992.6
Common trusts (b)				1,738.4
Storm reserve escrow account	235.0	—	—	235.0
Financial transmission rights	—	—	16.7	16.7
	$1,407.7	$619.4	$16.7	$3,782.2

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$326.8	$—	$—	$326.8
Decommissioning trust funds (a):				
Equity securities	14.5	—	—	14.5
Debt securities	326.0	582.1	—	908.1
Common trusts (b)				1,506.5
Storm reserve escrow account	256.7	—	—	256.7
Financial transmission rights	—	—	8.6	8.6
	$924.0	$582.1	$8.6	$3,021.2

Entergy Mississippi

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$341.5	$—	$—	$341.5
Financial transmission rights	—	—	0.4	0.4
	$341.5	$—	$0.4	$341.9
Liabilities:				
Natural gas swaps	$5.3	$—	$—	$5.3

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$155.5	$—	$—	$155.5
Natural gas swaps	1.6	—	—	1.6
	$157.1	$—	$—	$157.1
Liabilities:				
Financial transmission rights	$—	$—	$0.5	$0.5

Entergy New Orleans

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$110.2	$—	$—	$110.2
Storm reserve escrow account	73.8	—	—	73.8
Financial transmission rights	—	—	1.8	1.8
	$184.0	$—	$1.8	$185.8

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$31.4	$—	$—	$31.4
Securitization recovery trust account	1.6	—	—	$1.6
Storm reserve escrow account	83.7	—	—	83.7
Financial transmission rights	—	—	1.3	1.3
	$116.7	$—	$1.3	$118.0

Entergy Texas

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$274.9	$—	$—	$274.9
Securitization recovery trust account	1.5	—	—	1.5
Financial transmission rights	—	—	2.1	2.1
Interest rate swaps	—	0.5	—	0.5
	$276.4	$0.5	$2.1	$279.0
Liabilities:				
Interest rate swaps	$—	$3.0	$—	$3.0

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$184.7	$—	$—	$184.7
Securitization recovery trust account	2.7	—	—	2.7
Financial transmission rights	—	—	1.9	1.9
	$187.4	$—	$1.9	$189.3

System Energy

2025	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Decommissioning trust funds (a):				
Equity securities	8.6	—	—	8.6
Debt securities	280.5	314.5	—	595.0
Common trusts (b)				1,127.1
	$289.1	$314.5	$—	$1,730.7

2024	Level 1	Level 2	Level 3	Total
		(In Millions)		
Assets:				
Temporary cash investments	$28.5	$—	$—	$28.5
Decommissioning trust funds (a):				
Equity securities	2.4	—	—	$2.4
Debt securities	262.4	297.4	—	559.8
Common trusts (b)				966.9
	$293.3	$297.4	$—	$1,557.6

(a) The decommissioning trust funds hold equity and fixed income securities. Equity securities are invested to approximate the returns of major market indices. Fixed income securities are held in various governmental and corporate securities. See Note 16 to the financial statements for additional information on the investment portfolios.

(b) Common trust funds are not publicly quoted and are valued by the fund administrators using net asset value as a practical expedient. Accordingly, these funds are not assigned a level in the fair value table. The fund administrator of these investments allows daily trading at the net asset value and trades settle at a later date.

The following table sets forth a reconciliation of changes in the net assets (liabilities) for the fair value of financial transmission rights classified as Level 3 in the fair value hierarchy for the year ended December 31, 2025.

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Millions)		
Balance as of January 1, 2025	$8.5	$8.6	($0.5)	$1.3	$1.9
Issuances of financial transmission rights	11.8	28.7	1.5	2.9	4.0
Gains included as a regulatory liability/asset	36.5	80.4	10.9	12.6	12.0
Settlements	(51.3)	(101.0)	(11.5)	(15.0)	(15.8)
Balance as of December 31, 2025	$5.5	$16.7	$0.4	$1.8	$2.1

The following table sets forth a reconciliation of changes in the net assets (liabilities) for the fair value of financial transmission rights classified as Level 3 in the fair value hierarchy for the year ended December 31, 2024.

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Millions)		
Balance as of January 1, 2024	$6.0	$9.8	$1.4	$1.1	$2.4
Issuances of financial transmission rights	17.6	21.6	3.9	2.8	7.3
Gains included as a regulatory liability/asset	44.7	48.9	1.7	4.3	10.0
Settlements	(59.8)	(71.7)	(7.5)	(6.9)	(17.8)
Balance as of December 31, 2024	$8.5	$8.6	($0.5)	$1.3	$1.9

NOTE 16. DECOMMISSIONING TRUST FUNDS (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and System Energy)

The NRC requires certain of the Utility operating companies and System Energy to maintain nuclear decommissioning trusts to fund the costs of decommissioning ANO 1 and 2, River Bend, Waterford 3, and Grand Gulf. Entergy's nuclear decommissioning trust funds invest in equity securities, fixed-rate debt securities, and cash and cash equivalents.

Entergy records decommissioning trust funds on the balance sheet at their fair value. Because of the ability of the Registrant Subsidiaries to recover decommissioning costs in rates and in accordance with the regulatory treatment for decommissioning trust funds, for unrealized gains/(losses) on investment securities, the Registrant Subsidiaries record an offsetting amount in other regulatory liabilities/assets. For the 30% interest in River Bend formerly owned by Cajun, Entergy Louisiana records an offsetting amount in other long-term liabilities on the consolidated balance sheets of Entergy and Entergy Louisiana for the unrealized trust earnings not currently expected to be needed to decommission the plant. Generally, Entergy records gains and losses on its debt and equity securities using the specific identification method to determine the cost basis of its securities.

The unrealized gains/(losses) recognized during the year ended December 31, 2025 on equity securities still held as of December 31, 2025 were $475 million. The equity securities are generally held in funds that are designed to approximate or somewhat exceed the return of the Standard & Poor's 500 Index. A relatively small percentage of the equity securities are held in funds that are designed to approximate or somewhat exceed the return of the Wilshire 4500 Index. The debt securities are generally held in individual government and credit issuances.

The available-for-sale debt securities held as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
	(In Millions)	
Fair value	$2,202	$2,047
Unrealized gains	$28	$7
Unrealized losses	$45	$80

As of December 31, 2025 and 2024, there were no deferred taxes on unrealized gains/(losses). The amortized cost of available-for-sale debt securities was $2,219 million as of December 31, 2025 and $2,121 million as of December 31, 2024. As of December 31, 2025, available-for-sale debt securities had an average coupon rate of approximately 4.17%, an average duration of approximately 6.23 years, and an average maturity of approximately 10.54 years.

The fair value and gross unrealized losses of available-for-sale debt securities, summarized by length of time that the securities had been in a continuous loss position, were as follows as of December 31, 2025 and 2024:

	2025		2024	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(In Millions)			
Less than 12 months	$361	$3	$1,102	$24
More than 12 months	549	42	510	56
Total	$910	$45	$1,612	$80

The fair value of available-for-sale debt securities, summarized by contractual maturities, as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Millions)	
Less than 1 year	$31	$36
1 year - 5 years	649	574
5 years - 10 years	645	629
10 years - 15 years	188	166
15 years - 20 years	218	218
20 years+	471	424
Total	$2,202	$2,047

The following table summarizes proceeds from the dispositions of available-for-sale debt securities and the related gains and losses from the sales for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(In Millions)	
Proceeds from disposition of securities	$902	$1,258	$661
Realized gains	$6	$5	$1
Realized losses	$13	$89	$37

During the years ended December 31, 2025, 2024, and 2023 gross gains and gross losses related to available-for-sale debt securities were reclassified out of other regulatory liabilities/assets into earnings.

Entergy Arkansas

Entergy Arkansas holds equity securities and available-for-sale debt securities in nuclear decommissioning trust accounts. The available-for-sale debt securities held as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
	(In Millions)	
Fair value	$614.0	$579.0
Unrealized gains	$7.5	$1.2
Unrealized losses	$14.2	$25.8

The amortized cost of available-for-sale debt securities was $620.7 million as of December 31, 2025 and $603.5 million as of December 31, 2024. As of December 31, 2025, the available-for-sale debt securities had an average coupon rate of approximately 3.88%, an average duration of approximately 6.49 years, and an average maturity of approximately 8.86 years.

The unrealized gains/(losses) recognized during the year ended December 31, 2025 on equity securities still held as of December 31, 2025 were $137.5 million. The equity securities are generally held in funds that are designed to approximate or somewhat exceed the return of the Standard & Poor's 500 Index. A relatively small percentage of the equity securities are held in funds that are designed to approximate or somewhat exceed the return of the Wilshire 4500 Index. The debt securities are generally held in individual government and credit issuances.

The fair value and gross unrealized losses of available-for-sale debt securities, summarized by length of time that the securities had been in a continuous loss position, were as follows as of December 31, 2025 and 2024:

	2025		2024	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
		(In Millions)		
Less than 12 months	$89.1	$0.6	$282.8	$8.2
More than 12 months	211.1	13.6	195.0	17.6
Total	$300.2	$14.2	$477.8	$25.8

The fair value of available-for-sale debt securities, summarized by contractual maturities, as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Millions)	
Less than 1 year	$27.7	$31.7
1 year - 5 years	140.2	142.5
5 years - 10 years	256.8	231.0
10 years - 15 years	69.1	62.2
15 years - 20 years	61.4	62.8
20 years+	58.8	48.8
Total	$614.0	$579.0

The following table summarizes proceeds from the dispositions of available-for-sale debt securities and the related gains and losses from the sales for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(In Millions)	
Proceeds from disposition of securities	$41.7	$210.6	$28.5
Realized gains	$0.5	$0.1	$0.1
Realized losses	$0.1	$35.8	$2.0

During the years ended December 31, 2025, 2024, and 2023, gross gains and gross losses related to available-for-sale debt securities were reclassified out of other regulatory liabilities/assets into earnings.

Entergy Louisiana

Entergy Louisiana holds equity securities and available-for-sale debt securities in nuclear decommissioning trust accounts. The available-for-sale debt securities held as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
	(In Millions)	
Fair value	$992.6	$908.1
Unrealized gains	$13.0	$3.6
Unrealized losses	$15.0	$26.9

The amortized cost of available-for-sale debt securities was $994.6 million as of December 31, 2025 and $931.5 million as of December 31, 2024. As of December 31, 2025, the available-for-sale debt securities had an average coupon rate of approximately 4.41%, an average duration of approximately 6.16 years, and an average maturity of approximately 11.97 years.

The unrealized gains/(losses) recognized during the year ended December 31, 2025 on equity securities still held as of December 31, 2025 were $204 million. The equity securities are generally held in funds that are designed to approximate or somewhat exceed the return of the Standard & Poor's 500 Index. A relatively small percentage of the equity securities are held in funds that are designed to approximate or somewhat exceed the return of the Wilshire 4500 Index. The debt securities are generally held in individual government and credit issuances.

The fair value and gross unrealized losses of available-for-sale debt securities, summarized by length of time that the securities had been in a continuous loss position, were as follows as of December 31, 2025 and 2024:

	2025		2024	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(In Millions)			
Less than 12 months	$179.8	$1.6	$543.8	$8.8
More than 12 months	196.6	13.4	178.4	18.1
Total	$376.4	$15.0	$722.2	$26.9

The fair value of available-for-sale debt securities, summarized by contractual maturities, as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Millions)	
Less than 1 year	$0.9	$4.4
1 year - 5 years	259.0	188.2
5 years - 10 years	227.7	259.4
10 years - 15 years	93.6	80.9
15 years - 20 years	110.9	106.1
20 years+	300.5	269.1
Total	$992.6	$908.1

The following table summarizes proceeds from the dispositions of available-for-sale debt securities and the related gains and losses from the sales for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(In Millions)	
Proceeds from disposition of securities	$398.8	$547.8	$318.6
Realized gains	$2.2	$1.3	$0.5
Realized losses	$7.0	$25.8	$20.9

During the years ended December 31, 2025, 2024, and 2023, gross gains and gross losses related to available-for-sale debt securities were reclassified out of other regulatory liabilities/assets into earnings.

System Energy

System Energy holds equity securities and available-for-sale debt securities in nuclear decommissioning trust accounts. The available-for-sale debt securities held as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
	(In Millions)	
Fair value	$595.0	$559.8
Unrealized gains	$7.4	$1.9
Unrealized losses	$16.2	$27.6

The amortized cost of available-for-sale debt securities was $603.7 million as of December 31, 2025 and $585.5 million as of December 31, 2024. As of December 31, 2025, the available-for-sale debt securities had an

average coupon rate of approximately 4.08%, an average duration of approximately 9.89 years, and an average maturity of approximately 6.10 years.

The unrealized gains/(losses) recognized during the year ended December 31, 2025 on equity securities still held as of December 31, 2025 were $133.3 million. The equity securities are generally held in funds that are designed to approximate or somewhat exceed the return of the Standard & Poor's 500 Index. A relatively small percentage of the equity securities are held in funds that are designed to approximate or somewhat exceed the return of the Wilshire 4500 Index. The debt securities are generally held in individual government and credit issuances.

The fair value and gross unrealized losses of available-for-sale debt securities, summarized by length of time that the securities had been in a continuous loss position, were as follows as of December 31, 2025 and 2024:

	2025		2024	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(In Millions)			
Less than 12 months	$91.9	$1.1	$275.6	$6.8
More than 12 months	141.7	15.1	136.8	20.8
Total	$233.6	$16.2	$412.4	$27.6

The fair value of available-for-sale debt securities, summarized by contractual maturities, as of December 31, 2025 and 2024 are as follows:

	2025	2024
	(In Millions)	
Less than 1 year	$2.2	$0.2
1 year - 5 years	249.8	243.7
5 years - 10 years	160.3	138.9
10 years - 15 years	25.5	22.7
15 years - 20 years	46.2	49.4
20 years+	111.0	104.9
Total	$595.0	$559.8

The following table summarizes proceeds from the dispositions of available-for-sale debt securities and the related gains and losses from the sales for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
		(In Millions)	
Proceeds from disposition of securities	$461.8	$500.1	$314.3
Realized gains	$3.4	$3.1	$0.6
Realized losses	$5.8	$28.0	$14.2

During the years ended December 31, 2025, 2024, and 2023, gross gains and gross losses related to available-for-sale debt securities were reclassified out of other regulatory liabilities/assets into earnings.

NOTE 17. VARIABLE INTEREST ENTITIES (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Under applicable authoritative accounting guidance, a variable interest entity (VIE) is an entity that conducts a business or holds property that possesses any of the following characteristics: an insufficient amount of equity at risk to finance its activities, equity owners who do not have the power to direct the significant activities of the entity (or have voting rights that are disproportionate to their ownership interest), or where equity holders do not receive expected losses or returns. An entity may have an interest in a VIE through ownership or other contractual rights or obligations, and is required to consolidate a VIE if it is the VIE's primary beneficiary. The primary beneficiary of a VIE is the entity that has the power to direct the activities of the VIE that most significantly affect the VIE's economic performance and has the obligation to absorb losses or has the right to residual returns that would potentially be significant to the entity.

Entergy Arkansas, Entergy Louisiana, and System Energy consolidate the respective companies from which they lease nuclear fuel, usually in a sale and leaseback transaction. This is because Entergy directs the nuclear fuel companies with respect to nuclear fuel purchases, assists the nuclear fuel companies in obtaining financing, and, if financing cannot be arranged, the lessee (Entergy Arkansas, Entergy Louisiana, or System Energy) is required to pay advance rent (Entergy Arkansas VIE, Entergy Louisiana Waterford VIE, and System Energy VIE) or special payments (Entergy Louisiana River Bend VIE) to allow the nuclear fuel company (the VIE) to meet its obligations. During the term of the arrangements, none of the Entergy operating companies have been required to provide financial support apart from their scheduled lease payments. See Note 4 to the financial statements for details of the nuclear fuel companies' credit facilities and commercial paper borrowings and long-term debt that are reported by Entergy, Entergy Arkansas, Entergy Louisiana, and System Energy. These amounts also represent Entergy's and the respective Registrant Subsidiary's maximum exposure to losses associated with their respective interests in the nuclear fuel companies.

Entergy Texas Restoration Funding II, LLC, a company wholly-owned and consolidated by Entergy Texas, is a VIE and Entergy Texas is the primary beneficiary. In April 2022, Entergy Texas Restoration Funding II issued senior secured system restoration bonds (securitization bonds) to finance Entergy Texas's Hurricane Laura, Hurricane Delta, and Winter Storm Uri restoration costs. With the proceeds, Entergy Texas Restoration Funding II purchased from Entergy Texas the transition property, which is the right to recover from customers through a system restoration charge amounts sufficient to service the securitization bonds. The transition property is reflected as a regulatory asset on the consolidated Entergy Texas balance sheet. The creditors of Entergy Texas do not have recourse to the assets or revenues of Entergy Texas Restoration Funding II, including the transition property, and the creditors of Entergy Texas Restoration Funding II do not have recourse to the assets or revenues of Entergy Texas. Entergy Texas has no payment obligations to Entergy Texas Restoration Funding II except to remit system restoration charge collections. See Note 5 to the financial statements for additional details regarding the securitization bonds.

Entergy New Orleans Storm Recovery Funding I, L.L.C., a company wholly-owned and consolidated by Entergy New Orleans, is a VIE and Entergy New Orleans is the primary beneficiary. In July 2015, Entergy New Orleans Storm Recovery Funding issued storm cost recovery bonds to recover Entergy New Orleans's Hurricane Isaac storm restoration costs, including carrying costs, the costs of funding and replenishing the storm recovery reserve, and up-front financing costs associated with the securitization. With the proceeds, Entergy New Orleans Storm Recovery Funding purchased from Entergy New Orleans the storm recovery property, which is the right to recover from customers through a storm recovery charge amounts sufficient to service the securitization bonds. Although the principal amount was not due until June 2027, Entergy New Orleans Storm Recovery Funding made a principal payment on the bonds in 2024, after which the bonds were fully repaid. See Note 5 to the financial statements for additional details regarding the securitization bonds.

Restoration Law Trust I (the storm trust I), a trust consolidated by Entergy Louisiana, is a VIE and Entergy Louisiana is the primary beneficiary. The storm trust I was established as part of the May 2022 Act 293

securitization of Entergy Louisiana's Hurricane Laura, Hurricane Delta, Hurricane Zeta, and Winter Storm Uri restoration costs, as well as to establish a storm reserve to fund a portion of Hurricane Ida storm restoration costs. Entergy Louisiana is the primary beneficiary of the storm trust I because it was created to facilitate the financing of Entergy Louisiana's storm restoration costs and Entergy Louisiana is entitled to receive a majority of the proceeds received by the storm trust I. As of December 31, 2025 and 2024, the primary asset held by the storm trust I was $2.7 billion and $2.9 billion, respectively, of outstanding Entergy Finance Company preferred membership interests, which is reflected as an investment in affiliate preferred membership interests on the consolidated balance sheets of Entergy Louisiana. The storm trust I's investment in affiliate preferred membership interests was purchased with the net bond proceeds of the securitization bonds issued by the LCDA. After the securitization bonds were issued, the LCDA loaned the net bond proceeds to the LURC, and pursuant to Act 293, the LURC contributed the net bond proceeds to the storm trust I. The holders of the securitization bonds do not have recourse to the assets or revenues of the trust or to any Entergy affiliate and the bonds are not reflected in the consolidated balance sheets of Entergy or Entergy Louisiana. The LURC's 1% beneficial interest in the storm trust I is recorded as noncontrolling interest on the consolidated balance sheets of Entergy and Entergy Louisiana, with balances of $27.1 million and $28.8 million as of December 31, 2025 and 2024, respectively. See Note 2 to the financial statements for additional discussion of the securitization bonds and the preferred membership interests.

Restoration Law Trust II (the storm trust II), a trust consolidated by Entergy Louisiana, is a VIE and Entergy Louisiana is the primary beneficiary. The storm trust II was established as part of the March 2023 Act 293 securitization of Entergy Louisiana's Hurricane Ida restoration costs, less Hurricane Ida amounts previously financed in May 2022 in a prior securitization transaction. Entergy Louisiana is the primary beneficiary of the storm trust II because it was created to facilitate the financing of Entergy Louisiana's storm restoration costs and Entergy Louisiana is entitled to receive a majority of the proceeds received by the storm trust II. As of December 31, 2025 and 2024, the primary asset held by the storm trust II was $1.3 billion and $1.4 billion, respectively, of outstanding Entergy Finance Company preferred membership interests, which is reflected as an investment in affiliate preferred membership interests on the consolidated balance sheets of Entergy Louisiana. The storm trust II's investment in affiliate preferred membership interests was purchased with the net bond proceeds of the securitization bonds issued by the LCDA. After the securitization bonds were issued, the LCDA loaned the net bond proceeds to the LURC, and pursuant to Act 293, the LURC contributed the net bond proceeds to the storm trust II. The holders of the securitization bonds do not have recourse to the assets or revenues of the storm trust II or to any Entergy affiliate and the bonds are not reflected in the consolidated balance sheets of Entergy or Entergy Louisiana. The LURC's 1% beneficial interest in the storm trust II is recorded as noncontrolling interest on the consolidated balance sheets of Entergy and Entergy Louisiana, with balances of $13.1 million and $13.9 million as of December 31, 2025 and 2024, respectively. See Note 2 to the financial statements for additional discussion of the securitization bonds and the preferred membership interests.

System Energy is considered to hold a variable interest in the lessor from which it leases an undivided interest in the Grand Gulf nuclear plant. System Energy is the lessee under this arrangement, which is described in more detail in Note 5 to the financial statements. System Energy made payments under this arrangement, including interest, of $17.2 million in 2025, 2024, and 2023. The lessor is a bank acting in the capacity of owner trustee for the benefit of equity investors in the transaction pursuant to trust agreement entered solely for the purpose of facilitating the lease transaction. It is possible that System Energy may be considered as the primary beneficiary of the lessor, but it is unable to apply the authoritative accounting guidance with respect to this VIE because the lessor is not required to, and could not, provide the necessary financial information to consolidate the lessor. Because System Energy accounts for this leasing arrangement as a capital financing, however, System Energy believes that consolidating the lessor would not materially affect the financial statements. In the event of default under a lease, remedies available to the lessor include payment by the lessee of the fair value of the undivided interest in the plant, payment of the present value of the basic rent payments, or payment of a predetermined casualty value. System Energy believes, however, that the obligations recorded on the balance sheet materially represent its potential exposure to loss.

AR Searcy Partnership, LLC, is a tax equity partnership that qualifies as a VIE, which Entergy Arkansas is required to consolidate as it is the primary beneficiary. AR Searcy Partnership, LLC was formed to acquire and own the Searcy Solar facility. The entity is a VIE because the holders of the membership interests, as a group, lack the characteristics of a controlling financial interest, including substantive kick out rights. Entergy Arkansas is the primary beneficiary of the partnership because, as the managing member, it has the right to direct the operations and receive a majority of the operating income of the partnership. See Note 1 to the financial statements for discussion of the presentation of the third party tax equity partner's noncontrolling interest and the HLBV method of accounting used to account for Entergy Arkansas's investment in AR Searcy Partnership, LLC. As of December 31, 2025, AR Searcy Partnership, LLC recorded assets equal to $124.4 million, primarily consisting of property, plant, and equipment, and the carrying value of Entergy Arkansas's ownership interest in the partnership was approximately $113.1 million. As of December 31, 2024, AR Searcy Partnership, LLC recorded assets equal to $129.7 million, primarily consisting of property, plant, and equipment, and the carrying value of Entergy Arkansas's ownership interest in the partnership was approximately $113.2 million. The tax equity investor's ownership interest is recorded as noncontrolling interest.

MS Sunflower Partnership, LLC, is a tax equity partnership that qualifies as a VIE, which Entergy Mississippi is required to consolidate as it is the primary beneficiary. MS Sunflower Partnership, LLC, was formed to acquire and own the Sunflower Solar facility. The entity is a VIE because the holders of the membership interests, as a group, lack the characteristics of a controlling financial interest, including substantive kick out rights. Entergy Mississippi is the primary beneficiary of the partnership because, as the managing member, it has the right to direct the operations and receive a majority of the operating income of the partnership. See Note 1 to the financial statements for discussion of the presentation of the third party tax equity partner's noncontrolling interest and the HLBV method of accounting used to account for Entergy Mississippi's investment in MS Sunflower Partnership, LLC. As of December 31, 2025, MS Sunflower Partnership, LLC recorded assets equal to $154.5 million, primarily consisting of property, plant, and equipment, and the carrying value of Entergy Mississippi's ownership interest in the partnership was approximately $134.9 million. As of December 31, 2024, MS Sunflower Partnership, LLC recorded assets equal to $157.8 million, primarily consisting of property, plant, and equipment, and the carrying value of Entergy Mississippi's ownership interest in the partnership was approximately $132.7 million. The tax equity investor's ownership interest is recorded as noncontrolling interest.

Entergy has also reviewed various lease arrangements, power purchase agreements, including agreements for renewable power, and other agreements that represent variable interests in other legal entities which have been determined to be VIEs. In these cases, Entergy has determined that it is not the primary beneficiary of the related VIE because it does not have the power to direct the activities of the VIE that most significantly affect the VIE's economic performance, or it does not have the obligation to absorb losses or the right to residual returns that would potentially be significant to the entity, or both.

NOTE 18. TRANSACTIONS WITH AFFILIATES (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Each Registrant Subsidiary purchases electricity from or sells electricity to the other Registrant Subsidiaries, or both, under rate schedules filed with the FERC. The Registrant Subsidiaries receive management, technical, advisory, operating, and administrative services from Entergy Services; and receive management, technical, and operating services from Entergy Operations. These transactions are on an "at cost" basis.

As described in Note 19 to the financial statements, all of System Energy's operating revenues consist of billings to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans, and billings to Entergy Louisiana through September 30, 2025. See Note 8 to the financial statements for discussion of the amendment to the Unit Power Sales Agreement as of October 1, 2025.

As described in Note 4 to the financial statements, the Registrant Subsidiaries participate in the Entergy system money pool and earn interest income from the money pool. As described in Note 2 to the financial statements, the Entergy Louisiana storm trust I and storm trust II receive annual dividends on their respective preferred membership interests issued by Entergy Finance Company.

The tables below contain the various affiliate transactions of the Utility operating companies, System Energy, and other Entergy affiliates.

Intercompany Revenues

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Millions)			
2025	$96.0	$386.5	$1.0	$0.4	$—	$581.4
2024	$111.8	$312.8	$1.0	$—	$—	$583.3
2023	$125.2	$317.6	$1.0	$—	$0.7	$588.4

Intercompany Operating Expenses

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Millions)			
2025	$534.0	$639.6	$434.4	$294.0	$313.7	$146.8
2024	$540.6	$649.3	$339.6	$293.9	$319.4	$166.6
2023	$585.8	$719.8	$345.2	$302.5	$316.8	$179.0

Intercompany Interest and Investment Income

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy
			(In Millions)			
2025	$1.7	$299.1	$2.9	$0.3	$0.7	$0.5
2024	$2.2	$315.4	$0.4	$0.2	$2.7	$0.8
2023	$0.7	$303.2	$0.2	$1.0	$1.8	$0.6

NOTE 19. REVENUE (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Revenues from electric service and the sale of natural gas are recognized when services are transferred to the customer in an amount equal to what Entergy has the right to bill the customer because this amount represents the value of services provided to customers. Entergy's total revenues for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Utility:			
Residential	$4,819,531	$4,509,553	$4,552,804
Commercial	3,113,791	2,952,398	2,997,888
Industrial	3,602,300	3,197,835	3,170,090
Governmental	276,145	268,222	270,640
Total billed retail	11,811,767	10,928,008	10,991,422
Sales for resale (a)	397,507	278,700	366,348
Other electric revenues (b)	518,746	360,949	352,056
Revenues from contracts with customers	12,728,020	11,567,657	11,709,826
Other Utility revenues (c)	47,294	60,075	132,628
Electric revenues	12,775,314	11,627,732	11,842,454
Natural gas revenues	112,607	178,070	180,490
Other revenues (d)	58,765	73,851	124,468
Total operating revenues	$12,946,686	$11,879,653	$12,147,412

The Utility operating companies' total revenues for the year ended December 31, 2025 were as follows:

2025	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Residential	$1,064,749	$1,694,005	$774,235	$311,872	$974,670
Commercial	597,511	1,195,517	609,578	221,835	489,350
Industrial	733,895	2,067,674	222,997	28,261	549,473
Governmental	19,556	90,585	59,584	76,553	29,867
Total billed retail	2,415,711	5,047,781	1,666,394	638,521	2,043,360
Sales for resale (a)	212,628	434,436	162,380	53,010	13,448
Other electric revenues (b)	140,437	206,488	106,884	5,809	64,500
Revenues from contracts with customers	2,768,776	5,688,705	1,935,658	697,340	2,121,308
Other revenues (c)	15,271	(892)	20,047	6,553	6,276
Electric revenues	2,784,047	5,687,813	1,955,705	703,893	2,127,584
Natural gas revenues	—	44,286	—	68,321	—
Total operating revenues	$2,784,047	$5,732,099	$1,955,705	$772,214	$2,127,584

The Utility operating companies' total revenues for the year ended December 31, 2024 were as follows:

2024	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Residential	$999,641	$1,554,400	$724,601	$308,757	$922,154
Commercial	571,574	1,100,309	577,484	229,648	473,383
Industrial	632,144	1,781,615	195,194	29,821	559,061
Governmental	18,622	85,537	56,420	79,060	28,583
Total billed retail	2,221,981	4,521,861	1,553,699	647,286	1,983,181
Sales for resale (a)	169,409	335,375	128,781	48,042	17,174
Other electric revenues (b)	53,492	187,097	72,237	6,782	46,710
Revenues from contracts with customers	2,444,882	5,044,333	1,754,717	702,110	2,047,065
Other revenues (c)	15,299	23,825	9,876	6,244	3,085
Electric revenues	2,460,181	5,068,158	1,764,593	708,354	2,050,150
Natural gas revenues	—	75,860	—	102,210	—
Total operating revenues	$2,460,181	$5,144,018	$1,764,593	$810,564	$2,050,150

The Utility operating companies' total revenues for the year ended December 31, 2023 were as follows:

2023	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Thousands)		
Residential	$996,760	$1,576,129	$748,428	$317,188	$914,299
Commercial	584,304	1,104,509	604,343	235,193	469,539
Industrial	635,472	1,720,298	217,916	31,831	564,573
Governmental	20,409	83,736	60,477	77,152	28,866
Total billed retail	2,236,945	4,484,672	1,631,164	661,364	1,977,277
Sales for resale (a)	269,648	357,900	104,058	63,360	10,497
Other electric revenues (b)	121,425	151,252	49,752	(992)	35,988
Revenues from contracts with customers	2,628,018	4,993,824	1,784,974	723,732	2,023,762
Other revenues (c)	18,378	79,415	17,559	14,242	4,824
Electric revenues	2,646,396	5,073,239	1,802,533	737,974	2,028,586
Natural gas revenues	—	74,531	—	105,959	—
Total operating revenues	$2,646,396	$5,147,770	$1,802,533	$843,933	$2,028,586

(a) Sales for resale includes day-ahead sales of energy in a market administered by an ISO. These sales represent financially binding commitments for the sale of physical energy the next day. These sales are adjusted to actual power generated and delivered in the real time market. Given the short duration of these transactions, Entergy does not consider them to be derivatives subject to fair value adjustments and includes them as part of customer revenues.

(b) Other electric revenues consist primarily of transmission and ancillary services provided to participants of an ISO-administered market, unbilled revenue, the return on construction work in progress for certain utility plant investments, and certain customer credits as directed by regulators.

(c) Other Utility revenues include the equity component of carrying costs related to securitization, occasional sales of inventory, alternative revenue programs, provisions for revenue subject to refund, late fees, and amounts resulting from other operating activities.

(d) Other revenues include the sale of electric power and capacity to wholesale customers, day-ahead sales of energy in a market administered by an ISO, and operation and management services fees.

Electric Revenues

Entergy's primary source of revenue is from retail electric sales sold under tariff rates approved by regulators in its various jurisdictions. Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas generate, transmit, and distribute electric power primarily to retail customers in Arkansas, Louisiana, Mississippi, and Texas. Entergy's Utility operating companies provide power to customers on demand throughout the month, measured by a meter located at the customer's property. Approved rates vary by customer class due to differing requirements of the customers and market factors involved in fulfilling those requirements. Entergy issues monthly bills to customers at rates approved by regulators for power and related services provided during the previous billing cycle.

To the extent that deliveries have occurred, but a bill has not been issued, Entergy's Utility operating companies record an estimate for energy delivered since the latest billings. The Utility operating companies calculate the estimate based upon several factors including actual metered customer usage, billings through the last billing cycle in a month, actual generation in the month, historical line loss factors, and tariff rates of power in the respective jurisdiction. The inputs are revised as needed to approximate actual usage and cost. Each month, estimated unbilled amounts are recorded as revenue and accounts receivable, and the prior month's estimate is reversed. Price and volume differences resulting from factors such as weather affect the calculation of unbilled revenues from one period to the other.

Entergy may record revenue based on rates that are subject to refund. Such revenues are reduced by estimated refund amounts when Entergy believes refunds are probable based on the status of rate proceedings as of the date financial statements are prepared. Because these refunds will be made through a reduction in future rates, and not as a reduction in bills previously issued, they are presented as other revenues in the table above.

Most of Entergy's contracts are on demand, with customer bills that vary each month based on an approved tariff and usage. Certain retail customers, primarily large industrial customers from various industries, have electric service agreements that require a fixed amount of consideration to be paid through the end of a contract term longer than one year. As of December 31, 2025, the amount of revenues related to this fixed consideration that Entergy expects to recognize over the remaining contract terms, extending through 2048, was $8,038 million for Entergy, including $4,418 million for Entergy Arkansas, $849 million for Entergy Louisiana, $2,567 million for Entergy Mississippi, and $204 million for Entergy Texas. These contracts also require variable payments based on the actual amount of energy service, which are recognized as revenue as Entergy has the right to bill the customer for services performed.

System Energy's only source of revenue is the sale of electric power and capacity generated from its 90% interest in the Grand Gulf nuclear plant to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans. System Energy issues monthly bills to its affiliated customers equal to its actual operating costs plus a return on common equity approved by the FERC. Effective January 1, 2025, Entergy Louisiana divested all of its 14% share of capacity and energy from Grand Gulf and all of the capacity and energy from Grand Gulf that it purchases from Entergy Arkansas (approximately 2.43%) to Entergy Mississippi. This divestiture was effectuated initially under a designated PPA between Entergy Louisiana and Entergy Mississippi, which was accepted by the FERC in November 2024. The MPSC approved the MSS-4 replacement PPA, effective as of January 1, 2025. An amended Unit Power Sales Agreement became effective as of October 1, 2025, which removed Entergy Louisiana from the entitlement and responsibility to purchase power from Grand Gulf. Thus on October 1, 2025, the MSS-4

replacement PPA was terminated. See Note 8 to the financial statements for further discussion of System Energy and the Unit Power Sales Agreement.

Entergy's Utility operating companies also sell excess power not needed for their own customers, primarily through transactions with MISO, a regional transmission organization that maintains functional control over the combined transmission systems of its members and manages one of the largest energy markets in the U.S. In the MISO market, Entergy offers its generation and bids its load into the market. MISO settles these offers and bids based on locational marginal prices. These represent pricing for energy at a given location based on a market clearing price that takes into account physical limitations on the transmission system, generation, and demand throughout the MISO region. MISO evaluates each market participant's energy offers and demand bids to economically and reliably dispatch the entire MISO system. Entergy nets purchases and sales within the MISO market and reports in operating revenues when in a net selling position and in operating expenses when in a net purchasing position.

Natural Gas

Prior to the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025, Entergy New Orleans and Entergy Louisiana distributed natural gas to retail customers in and around New Orleans, Louisiana and Baton Rouge, Louisiana, respectively. Gas transferred to customers was measured by a cubic meter at the customer's property. Entergy issued monthly invoices to customers at rates approved by regulators for the volume of gas transferred to date. See "**Dispositions** - **Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025.

Other Revenues

Entergy's revenues from its non-utility operations include the sale of electric power and capacity to wholesale customers, day-ahead sales of energy in a market administered by an ISO, and operation and management services fees.

Recovery of Fuel Costs

Entergy's Utility operating companies' rate schedules include either fuel adjustment clauses or fixed fuel factors, which allow either current recovery in billings to customers or deferral of fuel costs until the costs are billed to customers. Where the fuel component of revenues is based on a pre-determined fuel cost (fixed fuel factor), the fuel factor remains in effect until changed as part of a general rate case, fuel reconciliation, or fixed fuel factor filing. System Energy's operating revenues are intended to recover from Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans operating expenses and capital costs attributable to Grand Gulf. The capital costs are based on System Energy's common equity funds allocable to its net investment in Grand Gulf, plus System Energy's effective interest cost for its debt allocable to its investment in Grand Gulf.

Taxes Imposed on Revenue-Producing Transactions

Governmental authorities assess taxes that are both imposed on and concurrent with a specific revenue-producing transaction between a seller and a customer, including, but not limited to, sales, use, value added, and some excise taxes. Entergy presents these taxes on a net basis, excluding them from revenues.

Allowance for Doubtful Accounts

The allowance for doubtful accounts reflects Entergy's best estimate of expected losses on its accounts receivable balances. Due to the essential nature of utility services, Entergy has historically experienced a low rate

of default on its accounts receivables. The following table sets forth a reconciliation of changes in the allowance for doubtful accounts for the years ended December 31, 2025, 2024, and 2023.

	Entergy	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas
			(In Millions)			
Balance as of December 31, 2022	$30.9	$6.5	$7.6	$2.5	$11.9	$2.4
Provisions	38.7	9.4	13.9	7.3	3.4	4.7
Write-offs	(83.1)	(20.6)	(31.3)	(10.4)	(10.7)	(10.1)
Recoveries	39.4	11.9	15.9	3.9	3.2	4.5
Balance as of December 31, 2023	$25.9	$7.2	$6.1	$3.3	$7.8	$1.5
Provisions	32.0	7.0	10.0	4.8	4.6	5.6
Write-offs	(71.2)	(17.5)	(23.3)	(11.5)	(10.4)	(8.5)
Recoveries	31.2	8.0	10.2	5.6	4.7	2.7
Balance as of December 31, 2024	$17.9	$4.7	$3.0	$2.2	$6.7	$1.3
Provisions	58.7	13.1	19.6	8.5	3.5	14.0
Write-offs	(78.1)	(18.9)	(23.6)	(16.6)	(9.5)	(9.5)
Recoveries	33.8	8.4	10.1	9.4	3.1	2.8
Balance as of December 31, 2025	$32.3	$7.3	$9.1	$3.5	$3.8	$8.6

The allowance is calculated as the historical rate of customer write-offs multiplied by the current accounts receivable balance, taking into account the length of time the receivable balances have been outstanding. The rate of customer write-offs has historically experienced minimal variation, although general economic conditions can affect the rate of customer write-offs. Management monitors the current condition of individual customer accounts and general economic conditions to manage collections and ensure bad debt expense is recorded in a timely manner.

Item 1. Business

RISK FACTORS SUMMARY

Entergy's business is subject to numerous risks and uncertainties that could affect its ability to successfully implement its business strategy and affect its financial results. Carefully consider all of the information in this report and, in particular, the following principal risks and all of the other specific factors described in Part I, Item 1A of this report, "Risk Factors," before deciding whether to invest in Entergy or the Registrant Subsidiaries.

Utility Regulatory Risks

- The terms and conditions of service, including electric rates, of the Registrant Subsidiaries are determined through regulatory approval proceedings that can be lengthy and subject to appeal, potentially resulting in lengthy litigation and uncertainty as to ultimate results.
- Entergy's business could experience adverse effects related to changes to state or federal legislation or regulation, including increased tariffs, as well as changes to governmental policies and programs, including tax credits, loans, grants, guarantees, and other subsidies, or experience risks associated with participation in the MISO markets and allocation of transmission upgrade costs.
- The Utility operating companies recover fuel, purchased power, and associated costs through rate mechanisms that are subject to risks of delay or disallowance in regulatory proceedings.
- A delay or failure in recovering amounts for storm restoration costs incurred as a result of severe weather could have material effects on Entergy and its Utility operating companies affected by severe weather.
- Weather, economic conditions, technological developments, and other factors may have a material impact on electricity usage and otherwise materially affect the Utility operating companies' results of operations.

Nuclear Operating, Shutdown, and Regulatory Risks

- The results of operations, financial condition, and liquidity of Entergy Arkansas, Entergy Louisiana, and System Energy could be materially affected by the following:
  - inability to consistently operate their nuclear power plants at high capacity factors;
  - refueling outages that last materially longer than anticipated or unplanned outages;
  - risks related to the purchase of uranium fuel (and its conversion, enrichment, and fabrication);
  - the risk that the NRC will change or modify its regulations, suspend or revoke their licenses, or increase oversight of their nuclear plants;
  - risks and costs related to operating and maintaining their nuclear power plants;
  - the costs associated with the storage of the spent nuclear fuel, as well as the costs of and their ability to fully decommission their nuclear power plants;
  - the potential requirement to pay substantial retrospective premiums and/or assessments imposed under the Price-Anderson Act and/or by Nuclear Electric Insurance Limited (NEIL) in the event of a nuclear incident, and losses not covered by insurance;
  - the risk that the decommissioning trust fund assets may not be adequate to meet decommissioning obligations if market performance and other changes decrease the value of assets in the decommissioning trusts and/or actual decommissioning costs are higher than estimated; and
  - new or existing safety concerns regarding operating nuclear power plants and nuclear fuel.

Business Risks

- Entergy and the Registrant Subsidiaries depend on access to the capital markets and, at times, may face potential liquidity constraints. Disruptions in the capital and credit markets or a downgrade in Entergy's or its Registrant Subsidiaries' credit ratings could, among other things, adversely affect their ability to meet liquidity needs, or to access capital to operate and grow their businesses, and the cost of capital.

- The reputation of Entergy or its Registrant Subsidiaries may be materially adversely affected by negative publicity or the inability to meet their stated goals, among other potential causes.
- Changes in tax legislation and taxation as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact Entergy's and the Registrant Subsidiaries' results of operations, financial condition, and liquidity.
- Entergy and its subsidiaries' ability to successfully execute on their business strategies, including their ability to execute on their growth strategies and to complete strategic transactions, is subject to significant risks, and, as a result, they may be unable to achieve some or all of the anticipated results of such strategies.
- The success of certain Utility operating companies' investments in new generation and transmission assets to support large-scale data centers depends on a limited number of such customers, the continued demand for electricity to power data centers and the successful completion of the associated generation and transmission projects. Any reduction in the demand for electricity to power data centers or delays or unexpected costs associated with such projects may harm the growth prospects, future operating results and financial condition of Entergy and these Utility operating companies.
- Entergy may not be able to attract, retain, and manage an appropriately staffed and qualified workforce, which could negatively affect Entergy or its subsidiaries' results of operations.
- Entergy and its subsidiaries, including the Utility operating companies and System Energy, may incur substantial costs (i) to fulfill their obligations related to environmental and other matters or (ii) related to reliability standards.
- Entergy could be negatively affected by the effects of climate change, including physical risks, such as increased frequency and intensity of hurricanes, availability of water, droughts, and other severe weather and wildfires, and transition risks, such as environmental and regulatory obligations intended to combat the effects of climate change, including by compelling greenhouse gas emission reductions or reporting, or increasing clean or renewable energy requirements, or placing a price on greenhouse gas emissions.
- Market performance, interest rate changes, and other changes may decrease the value of employee benefit plan assets, which then could require additional funding of such benefit plans and result in increased benefit plan costs.
- The litigation environment in the states in which the Registrant Subsidiaries operate poses a significant risk to those businesses.
- Terrorist attacks and sabotage, physical attacks, cyber attacks, system failures, data breaches or other disruptions of Entergy's and its subsidiaries' or their suppliers' physical infrastructure or technology systems may adversely affect Entergy's business and results of operations.
- Entergy and the Registrant Subsidiaries are subject to risks associated with their ability to obtain adequate insurance at acceptable costs.
- Significant increases in commodity prices, other materials and supplies, and operation and maintenance expenses may adversely affect Entergy's results of operations, financial condition, and liquidity.
- System Energy owns and, through an affiliate, operates a single nuclear generating facility, and it is dependent on sales to affiliated companies for all of its revenues. Certain contractual arrangements relating to System Energy, such affiliated companies, and these revenues are the subject of ongoing and potential future litigation and regulatory proceedings.
- As a holding company, Entergy Corporation depends on cash distributions from its subsidiaries to meet its debt service and other financial obligations and to pay dividends on its common stock, and has provided, and may continue to provide, capital contributions or debt financing to its subsidiaries, which would reduce the funds available to meet its other financial obligations.
- The hazardous activities associated with power generation and delivery could adversely impact our results of operations and financial condition.

ENTERGY'S BUSINESS

Entergy is an integrated energy company engaged primarily in electric power production and energy delivery to retail customers. Entergy owns and operates power plants with approximately 25,000 MW of electric generating capacity. Entergy delivers electricity to approximately 3.1 million Utility customers in Arkansas, Louisiana, Mississippi, and Texas. Entergy had annual revenues of $12.9 billion in 2025 and had approximately 12,000 employees as of December 31, 2025.

Entergy operates primarily through a single reportable segment, Utility. The Utility segment includes the generation, transmission, distribution, and sale of electric power in portions of Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans. Louisiana operations, including New Orleans, operated small natural gas distribution businesses through June 30, 2025. See "**Dispositions - Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025. See Note 13 to the financial statements for discussion of and financial information regarding Entergy's reportable segment.

Strategy

Entergy's strategy is to operate and grow its utility business designed to understand and meet customer needs, creating value for all of its key stakeholders, including customers, communities, employees, and owners. Entergy is focused on keeping costs for customers as low as possible while providing reliable energy that communities count on. Entergy invests significant capital to support customer growth as well as reliability and resilience. Entergy is also investing in clean energy to meet customer demands. Entergy manages risks by ensuring its Utility investments are customer-driven, supported by robust analysis, inclusive of broad stakeholder outreach, and executed with disciplined project management.

Utility

The Utility segment includes five retail electric utility subsidiaries: Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas. These companies generate, transmit, distribute, and sell electric power to retail and wholesale customers in Arkansas, Louisiana, Mississippi, and Texas. Prior to the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025, Entergy Louisiana and Entergy New Orleans also provided natural gas utility services to customers in and around Baton Rouge, Louisiana, and New Orleans, Louisiana, respectively. See "**Dispositions - Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana and Entergy New Orleans natural gas distribution businesses on July 1, 2025. Also included in the Utility is System Energy, a wholly-owned subsidiary of Entergy Corporation that owns or leases 90 percent of Grand Gulf. System Energy sells its power and capacity from Grand Gulf at wholesale to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans. The five retail utility subsidiaries are each regulated by the FERC and by state utility commissions, or, in the case of Entergy New Orleans, the City Council. System Energy is regulated by the FERC because all of its transactions are at wholesale. The Utility has a diverse power generation portfolio including nuclear, hydroelectric, solar, and highly efficient natural gas.

Customers

As of December 31, 2025, the Utility operating companies provided retail electric service to customers in Arkansas, Louisiana, Mississippi, and Texas, as follows:

		Electric Customers	
	Area Served	(In Thousands)	(%)
Entergy Arkansas	Portions of Arkansas	738	24
Entergy Louisiana	Portions of Louisiana	1,115	36
Entergy Mississippi	Portions of Mississippi	459	15
Entergy New Orleans	City of New Orleans	209	7
Entergy Texas	Portions of Texas	538	18
Total		3,059	100

Prior to the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025, Entergy New Orleans and Entergy Louisiana provided both retail electric and gas service to customers. See "**Dispositions - Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses.

Electric and Natural Gas Energy Sales

Electric Energy Sales

The total electric energy sales of the Utility operating companies are subject to seasonal fluctuations, with the peak sales period normally occurring during the third quarter of each year. On July 22, 2025, Entergy reached a 2025 peak demand of 23,624 MWh, compared to the 2024 peak of 22,697 MWh recorded on August 6, 2024. Selected electric energy sales data for 2025 is shown in the table below:

	Entergy Arkansas	Entergy Louisiana	Entergy Mississippi	Entergy New Orleans	Entergy Texas	System Energy	Entergy (a)
				(GWh)			
Sales to retail customers	25,903	62,003	13,354	5,578	22,122	—	128,960
Sales for resale:							
Affiliates	1,913	6,477	—	8	—	10,621	—
Others	4,545	1,388	4,966	1,696	402	—	12,997
Total	32,361	69,868	18,320	7,282	22,524	10,621	141,957
Average use per residential customer (kWh)	13,021	14,789	14,534	12,599	14,737	—	14,172

(a) Includes the effect of intercompany eliminations.

The following table illustrates the Utility operating companies' 2025 combined electric sales volume as a percentage of total electric sales volume, and 2025 combined electric revenues as a percentage of total 2025 electric revenue, each by customer class.

Customer Class	% of Sales Volume	% of Revenue
Residential	26.2	37.7
Commercial	20.1	24.4
Industrial (a)	42.9	28.2
Governmental	1.7	2.2
Wholesale/Other	9.1	7.5

(a) Major industrial customers are primarily in the petroleum refining and chemical industries.

Natural Gas Energy Sales

Prior to the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses on July 1, 2025, Entergy New Orleans and Entergy Louisiana provided both electric power and natural gas to retail customers. See "**Dispositions - Natural Gas Distribution Businesses**" in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans and Entergy Louisiana natural gas distribution businesses.

Retail Rate Regulation

General (Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, System Energy)

Each Utility operating company regularly participates in retail rate proceedings. The status of material retail rate proceedings is described in Note 2 to the financial statements. Certain aspects of the Utility operating companies and System Energy's retail rate mechanisms are discussed below.

	Rate base (in billions)	Current authorized return on common equity	Weighted-average cost of capital (after-tax)	Equity ratio	Regulatory construct
Entergy Arkansas	$11.4 (a)	9.15% - 10.15%	5.76%	38.03% (b)	- forward test year formula rate plan with a rate case required at least every 10 years - riders: fuel and purchased power, MISO, capacity, Grand Gulf, energy efficiency, Generating Arkansas Jobs Act
Entergy Louisiana	$16.7 (c)	9.3% - 10.1%	6.95%	50.91%	- formula rate plan through 2024 test year; periodic rate cases - riders: fuel, capacity, transmission, distribution, tax adjustment, MISO, resilience plan

	Rate base (in billions)	Current authorized return on common equity	Weighted-average cost of capital (after-tax)	Equity ratio	Regulatory construct
Entergy Mississippi	$4.6 (d)	10.25% - 12.26%	7.69%	49.83%	- formula rate plan with forward-looking features - riders: fuel, Grand Gulf, MISO, unit power cost, storm damage mitigation and restoration, ad valorem tax adjustment, grid modernization, restructuring credit, power management, formula rate plan interim facilities rate adjustment
Entergy New Orleans	$1.2 (e)	8.85% - 9.85%	7.35%	55% (f)	- formula rate plan with forward-looking features; periodic rate cases - riders: fuel and purchased power, MISO, energy efficiency, environmental, capacity costs, RSHCR, among others
Entergy Texas	$4.4 (g)	9.57%	6.61%	51.2%	- historical test year rate case at least every four years and interim rate base riders (distribution, transmission, generation, and MISO capacity cost recovery riders) - riders: fuel, capacity, cost recovery riders (distribution, transmission, and generation), rate case expenses, and advanced metering infrastructure surcharge, among others
System Energy	$1.79 (h)	9.65%	7.81%	50.8%	- monthly cost of service

(a) Based on 2026 test year.
(b) Based on $2.2 billion in accumulated deferred income taxes at a 0% cost rate included in the weighted-average cost of capital calculation.
(c) Based on December 31, 2024 test year and excludes approximately $200 million of transmission plant investment included in the transmission recovery mechanism and approximately $400 million of distribution plant investment included in the distribution recovery mechanism, as well as approximately $400 million of transmission and distribution plant investment included in the resilience plan cost recovery rider.
(d) Based on 2025 forward test year.
(e) Based on December 31, 2024 test year and known and measurables through December 31, 2025.
(f) In October 2023 the City Council approved a three-year extension of Entergy New Orleans's formula rate plan, modified to reflect a 55% equity ratio for rate setting purposes.
(g) Based on December 31, 2021 test year and excludes $0.9 billion in cost recovery riders.
(h) Based on calculation as of December 31, 2025 for Entergy Arkansas, Entergy Louisiana, and Entergy New Orleans. Effective July 2022, Entergy Mississippi's bills from System Energy reflect a rate base reduction for the advance collection of sale-leaseback rental costs, resulting in a calculation of $1.78 billion as of December 31, 2025. See Note 2 to the financial statements for discussion of the System Energy settlement agreements.

Entergy Arkansas

Formula Rate Plan

Between base rate cases, Entergy Arkansas is able to adjust base rates annually, subject to certain caps, through formula rate plans that utilize a forward test year. Entergy Arkansas is subject to a maximum rate change of 4% of the filing year total retail revenue. In addition, Entergy Arkansas is subject to a true-up of projection to actuals netted with future projection. In response to Entergy Arkansas's application for a general change in rates in 2015, the APSC approved the formula rate plan tariff proposed by Entergy Arkansas including its use of a projected year test period and an initial five-year term. The initial five-year term expired in 2021. As granted by Arkansas law, Entergy Arkansas obtained APSC approval of the extension of the formula rate plan tariff for an additional five-year term, through 2026. As part of the settlement of the 2023 formula rate plan proceeding, Entergy Arkansas agreed to file its next base rate case no later than February 27, 2026. As part of Entergy Arkansas's base rate case in 2026, Entergy Arkansas will include a request for continued regulation under a formula rate review mechanism.

Fuel and Purchased Power Cost Recovery

Entergy Arkansas's rate schedules include an energy cost recovery rider to recover fuel and purchased power costs in monthly bills. The rider utilizes prior calendar year energy costs and projected energy sales for the twelve-month period commencing on April 1 of each year to develop an energy cost rate, which is redetermined annually and includes a true-up adjustment reflecting the over-recovery or under-recovery, including carrying charges, of the energy cost for the prior calendar year. The energy cost recovery rider tariff also allows an interim rate request depending upon the level of over- or under-recovery of fuel and purchased energy costs. In December 2007 the APSC issued an order stating that Entergy Arkansas's energy cost recovery rider will remain in effect, and any future termination of the rider would be subject to eighteen months advance notice by the APSC, which would occur following notice and hearing.

Production Cost Allocation Rider

Entergy Arkansas has in place an APSC-approved production cost allocation rider for recovery from customers of the retail portion of the costs allocated to Entergy Arkansas as a result of System Agreement proceedings.

Generating Arkansas Jobs Act of 2025

In March 2025 the State of Arkansas passed the Generating Arkansas Jobs Act of 2025, now Act 373 (Act 373), that authorizes the recovery of financing costs during construction of generation and transmission investments through a rider separate from the formula rate plan. Act 373 also permits cost recovery of those investments, when completed and in service, either through the next general rate case proceeding or under the formula rate plan. Act 373 streamlines and simplifies the regulatory approval process and provides increased timeliness and certainty of cost recovery.

In July 2025, Entergy Arkansas submitted a tariff filing with the APSC requesting approval of a strategic investment recovery rider, consistent with the provisions of Act 373. In October 2025 the APSC issued an order approving the proposed rider with several revisions, including elimination of an annual true-up adjustment, a change in cost allocation methodology, the removal of excess and deficient accumulated deferred income taxes to a separate rider, and the addition of reporting requirements. As directed by the order, in October 2025, Entergy Arkansas made a compliance filing. In November 2025, the APSC general staff recommended additional updates to the compliance filing, including limiting the accumulated deferred income tax adjustment to excess accumulated deferred income taxes. Also, in November 2025, Entergy Arkansas filed a second compliance filing, which was approved by the APSC.

Other

In June 2022 the APSC approved Entergy Arkansas's compliance tariff filing for a proposed green tariff designed to help participating customers meet their renewable and sustainability goals and to enhance economic development efforts in Arkansas. The APSC has approved offerings of 280 MW of solar capacity to be made available under this tariff.

In June 2023 the APSC approved Entergy Arkansas's Go ZERO tariff, which provides participating industrial and commercial customers the opportunity to choose from a number of clean energy options to help them achieve their sustainability goals. The APSC has approved offerings of 240 MW to be made available under this tariff.

Entergy Louisiana

Formula Rate Plan

Entergy Louisiana historically sets electric base rates annually through a formula rate plan using a historic test year. The form of the formula rate plan, on a combined basis, was approved in connection with the business combination of Entergy Louisiana and Entergy Gulf States Louisiana and largely followed the formula rate plans that were approved by the LPSC in connection with the full electric base rate cases filed by those companies in February 2013. In 2021 the LPSC approved a settlement extending the formula rate plan for test years 2020, 2021, and 2022. Certain modifications were made in that extension, including a decrease to the allowed return on equity, narrowing of the earnings "dead band" around the mid-point allowed return on equity, elimination of sharing above and below the earnings "dead band," and the addition of a distribution cost recovery mechanism. The formula rate plan continues to include exceptions from the rate cap and sharing requirements for certain large capital investment projects, including acquisition or construction of generating facilities and purchase power agreements approved by the LPSC, certain transmission investments, and certain distribution investments, among other items. In August 2024 the LPSC approved a settlement further extending the formula rate plan for test years 2023, 2024, and 2025. Certain modifications were made in that extension, including expansion of the tax adjustment mechanism (formerly the tax reform adjustment mechanism), a more streamlined and defined process for resolving formula rate plan test years, a narrowed "earnings" dead band, removal of certain legacy provisions that pre-dated the business combination, and the addition of a dedicated cost recovery mechanism for renewable resources.

Fuel and Purchased Power Cost Recovery

Entergy Louisiana's rate schedules include a fuel adjustment clause designed to recover the cost of fuel and purchased power costs. The fuel adjustment clause contains a surcharge or credit for deferred fuel expense and related carrying charges arising from the monthly reconciliation of actual fuel costs incurred with fuel cost revenues billed to customers, including carrying charges. See Note 2 to the financial statements for a discussion of proceedings related to audits of Entergy Louisiana's fuel adjustment clause filings.

To help stabilize electricity costs, Entergy Louisiana received approval from the LPSC to hedge its exposure to natural gas price volatility through the use of financial instruments. Entergy Louisiana historically hedged approximately one-third of the projected exposure to natural gas price changes for the gas used to serve its native electric load for all months of the year. The hedge quantity was reviewed on an annual basis. In November 2018, Entergy Louisiana received approval from the LPSC to suspend these seasonal hedging programs and implement financial hedges with terms up to five years for a portion of its natural gas exposure. In May 2024, following the conclusion of its five-year hedging program, Entergy Louisiana filed an application with the LPSC for a permanent hedging program. The permanent gas hedging program would also utilize financial hedges for a portion of Entergy Louisiana's non-industrial natural gas exposure. In February 2025, Entergy Louisiana filed a motion to suspend the procedural schedule to allow for the parties to discuss settlement. The motion was granted. The parties remain engaged in settlement discussions with a status conference scheduled in March 2026.

Storm Cost Recovery

See Note 2 to the financial statements for a discussion of Entergy Louisiana's filings to recover storm-related costs.

In March 2025, Entergy Louisiana filed an application asking that the LPSC issue an order establishing a presumption, in future proceedings involving Entergy Louisiana's petition for a financing order allowing securitization of storm costs, that the LPSC will enter a decision on the request for a financing order within 120 days from the date of the filing of the petition, while preserving the LPSC's jurisdiction to complete its full prudence review. The filing was rejected on procedural grounds. In June 2025 the LPSC approved a directive providing, among other things, that any utility seeking securitization for storm costs in 2025 must file a proposed financing order with its application and that the LPSC staff must use best efforts to deliver the financing order to the LPSC for consideration at the next available Business and Executive meeting after the application is filed.

Other

In March 2016 the LPSC opened two dockets to examine, on a generic basis, issues that it identified in connection with its review of Cleco Corporation's acquisition by third party investors. The first docket is captioned "In re: Investigation of double leveraging issues for all LPSC-jurisdictional utilities," and the second is captioned "In re: Investigation of tax structure issues for all LPSC-jurisdictional utilities." In April 2016 the LPSC clarified that the concerns giving rise to the two dockets arose as a result of its review of the structure of the Cleco-Macquarie transaction and that the specific intent of the directives is to seek more information regarding intra-corporate debt financing of a utility's capital structure as well as the use of investment tax credits to mitigate the tax obligation at the parent level of a consolidated entity. No schedule has been set for either docket, and limited discovery has occurred.

In September 2019 the LPSC issued an order modifying its rule regarding net metering installations. Among other things, the rule provides for 2-channel billing for net metering with excess energy put to the grid being compensated at the utility's avoided cost. However, the rule does provide that net meter installations in place as of December 31, 2019 will be subject to 1:1 net metering with excess energy put to the grid being compensated at the full retail rate for a period of 15 years (through December 31, 2034), after which those installations will be subject to 2-channel billing. The rule also eliminates the existing limit on the cumulative number of net meter installations.

In 2023, Entergy Louisiana made a filing to seek approval from the LPSC for an alternative to the requests for proposals (RFP) process that would enable the acquisition of up to 3 GW of solar resources on a faster timeline than the then-current RFP and certification processes could allow. The initial phase of the filing established the need for the acquisition of additional resources and the need for an alternative to the RFP process. The second phase of the filing contained the details of the proposal for the alternative competitive procurement process and the information necessary to support certification. In addition to the acquisition of up to 3 GW of solar resources, the filing also sought approval of a new renewable energy credits-based tariff, the Geaux ZERO rider. In June 2024 the LPSC issued an order approving the application. In August 2025 the LPSC issued an order accepting a settlement in a proceeding addressing Entergy Louisiana's request for certification of generation and transmission resources in connection with extending service to a data center customer in north Louisiana. The settlement provides for Entergy Louisiana, within six months of the order accepting the settlement, to make a filing with the LPSC seeking to modify its expedited procurement process to include additional clean resource types (including onshore wind) and additional changes (including modifications to the breakeven parameters established in connection with the order approving the alternative competitive procurement process). The settlement does not purport to impose any obligation upon the LPSC to act on the required filing, and all parties reserve their rights with respect to such filing.

In May 2025, Entergy Louisiana filed an application seeking authorization to implement, over a five-year period, a suite of proposed demand response (DR) offerings and a new tariff (Schedule DRP) providing customer

incentive levels to participate in such programs. The proposed programs consist of: (1) for residential customers, smart thermostat DR, battery energy storage DR, and an electric vehicle behavioral charging offering; (2) for agricultural customers, an Agricultural Irrigation Load Control program; and (3) for commercial and industrial customers, an aggregated capacity DR offering. Entergy Louisiana anticipates registering certain of the DR resources with MISO and further estimates that the total costs of implementing the programs over the full, five-year period from 2026 through 2030 will be up to approximately $81 million. In January 2026, Entergy Louisiana filed an unopposed motion to suspend the procedural schedule in this proceeding to allow the parties to engage in settlement negotiations, and the ALJ granted the motion and suspended the procedural schedule. In February 2026, Entergy Louisiana and the LPSC staff filed a joint motion seeking approval of an uncontested stipulated settlement agreement supporting approval of the propose DR programs subject to various terms. The proposed stipulated settlement agreement will be considered by the ALJ in first quarter 2026.

Entergy Mississippi

Formula Rate Plan

Since the conclusion in 2015 of Entergy Mississippi's most recent base rate case, Entergy Mississippi has set electric base rates annually through a formula rate plan. Between base rate cases, Entergy Mississippi is able to adjust base rates annually, subject to certain caps, through formula rate plans that utilize forward-looking features. In addition, Entergy Mississippi is subject to an annual "look-back" evaluation. Entergy Mississippi is allowed a maximum rate increase of 4% of each test year's retail revenue. Any increase above 4% requires a base rate case. If Entergy Mississippi's formula rate plan were terminated without replacement, it would revert to the more traditional rate case environment or seek approval of a new formula rate plan.

In August 2012 the MPSC opened inquiries to review whether the then-current formulaic methodology used to calculate the return on common equity in both Entergy Mississippi's formula rate plan and Mississippi Power Company's annual formula rate plan was still appropriate or could be improved to better serve the public interest. The intent of this inquiry and review was for informational purposes only; the evaluation of any recommendations for changes to the existing methodology would take place in a general rate case or in the existing formula rate plan proceeding. In March 2013 the Mississippi Public Utilities Staff filed its consultant's report which noted the return on common equity estimation methods used by Entergy Mississippi and Mississippi Power Company are commonly used throughout the electric utility industry. The report suggested ways in which the methods used by Entergy Mississippi and Mississippi Power Company might be improved, but did not recommend specific changes in the return on common equity formulas or calculations at that time. In June 2014 the MPSC expanded the scope of the August 2012 inquiry to study the merits of adopting a uniform formula rate plan that could be applied, where possible in whole or in part, to both Entergy Mississippi and Mississippi Power Company in order to achieve greater consistency in the plans. The MPSC directed the Mississippi Public Utilities Staff to investigate and review Entergy Mississippi's formula rate plan rider schedule and Mississippi Power Company's Performance Evaluation Plan by considering the merits and deficiencies and possibilities for improvement of each and then to propose a uniform formula rate plan that, where possible, could be applicable to both companies. No procedural schedule has been set. In October 2014 the Mississippi Public Utilities Staff conducted a public technical conference to discuss performance benchmarking and its potential application to the electric utilities' formula rate plans. The docket remains open.

In December 2019 the MPSC approved Entergy Mississippi's proposed revisions to its formula rate plan to provide for a mechanism in the formula rate plan, the interim capacity rate adjustment mechanism, to recover the non-fuel related costs of additional owned capacity acquired by Entergy Mississippi as well as to allow similar cost recovery treatment for other capacity acquisitions that are approved by the MPSC. The MPSC must approve recovery through the interim capacity rate adjustment for each new resource. In addition, the MPSC approved revisions to the formula rate plan which allows Entergy Mississippi to begin billing rate adjustments effective April 1 of the filing year on a temporary basis subject to refund or credit to customers, subject to final MPSC order. The MPSC also authorized Entergy Mississippi to remove vegetation management costs from the formula rate plan and

recover these costs through the establishment of a vegetation management rider, which was superseded in June 2024 with the approval of the storm damage mitigation and restoration rider. See Note 2 to the financial statements for a discussion of proceedings regarding recovery of Entergy Mississippi's storm-related costs.

In November 2020 the MPSC approved Entergy Mississippi's revisions to its formula rate plan providing for the realignment of energy efficiency costs to its formula rate plan, the deferral of energy efficiency expenditures into a regulatory asset, and the elimination of its energy efficiency cost recovery rider effective with the January 2022 billing cycle.

In June 2023 the MPSC approved Entergy Mississippi's revisions to its formula rate plan to realign the recovery of certain long-term service agreement and conductor handling costs to the annual power management and grid modernization riders effective January 2023.

In May 2024 the MPSC approved Entergy Mississippi's revisions to its formula rate plan to comply with state legislation passed in January 2024 allowing Entergy Mississippi to make interim rate adjustments to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data processing center projects as specified in the legislation.

Fuel and Purchased Power Cost Recovery

Entergy Mississippi's rate schedules include energy cost recovery riders to recover fuel and purchased power costs. The energy cost rate for each calendar year is redetermined annually and includes a true-up adjustment reflecting the over-recovery or under-recovery of the energy costs as of the 12-month period ended September 30. Entergy Mississippi's fuel cost recoveries are subject to annual audits conducted pursuant to the authority of the MPSC. The energy cost recovery riders allow interim rate adjustments depending on the level of over- or under-recovery of fuel and purchased energy costs.

To help stabilize electricity costs, Entergy Mississippi received approval from the MPSC to hedge its exposure to natural gas price volatility through the use of financial instruments. Entergy Mississippi hedges approximately one-third of the projected exposure to natural gas price changes for the gas used to serve its native electric load for all months of the year. The hedge quantity is reviewed on an annual basis.

Storm Cost Recovery

See Note 2 to the financial statements for a discussion of proceedings regarding recovery of Entergy Mississippi's storm-related costs.

Other

In October 2022 the MPSC adopted the Distributed Generation Rule. The Distributed Generation Rule maintains the 3% net metering participation cap. The Distributed Generation Rule grandfathers a 2.5 cents per kWh distributed generation benefits adder for 25 years and expands eligibility for the 2 cents per kWh low-income benefits adder to households up to 225% of the federal poverty level and grandfathers that adder for 25 years. The Distributed Generation Rule also directs utilities to make rate filings implementing up-front incentives for distributed generating systems and demand response battery systems, and to establish a public K-12 solar for schools program. In August 2023 the MPSC approved Entergy Mississippi's proposed solar for schools rate schedule under the Distributed Generation Rule. In June 2025 the MPSC initiated a rulemaking proceeding in which it sought to amend the Distributed Generation Rule, in part, to delete the solar for schools program. The MPSC subsequently issued an order staying the program pending the outcome of the rulemaking docket. Entergy Mississippi and twelve other intervenors submitted public comments in the docket. There has been no further action to date.

In December 2022 the MPSC approved Entergy Mississippi's RenewABLE Community Option (Schedule RCO), an offering for qualifying non-residential customers to subscribe to renewable resource capacity to satisfy their environmental, sustainability, and governance goals. Registration for the Schedule RCO launched in May 2023.

Entergy New Orleans

Formula Rate Plan

As part of its determination of rates in the base rate case filed by Entergy New Orleans in 2018, in November 2019, the City Council issued a resolution resolving the rate case, with rates to become effective retroactive to August 2019. The resolution allows Entergy New Orleans to implement a three-year formula rate plan, beginning with the 2019 test year as adjusted for forward-looking known and measurable changes, with the filing for the first test year to be made in 2020. In October 2020 the City Council approved an agreement in principle filed by Entergy New Orleans that results in Entergy New Orleans forgoing its 2020 formula rate plan filing and shifting the three-year formula rate plan to filings in 2021, 2022, and 2023. In September 2023, Entergy New Orleans filed a motion seeking City Council approval of a three-year extension of Entergy New Orleans's electric and gas formula rate plans, for filings in 2024, 2025, and 2026. In October 2023 the City Council granted Entergy New Orleans's request for an extension, subject to minor modifications.

Fuel and Purchased Power Cost Recovery

Entergy New Orleans's electric rate schedules include a fuel adjustment tariff designed to reflect no more than targeted fuel and purchased power costs, adjusted by a surcharge or credit for deferred fuel expense arising from the monthly reconciliation of actual fuel and purchased power costs incurred with fuel cost revenues billed to customers, including carrying charges.

Storm Cost Recovery

In January 2025, Entergy New Orleans filed an application with the City Council requesting the establishment of a standard procedural timeline for consideration of future applications by Entergy New Orleans that seek securitization financing of storm restoration costs, including replenishment of storm recovery reserves, in furtherance of the goals of promoting efficiency of restoration and helping mitigate customer exposure to carrying costs following expenditures for future storm restoration. To support this objective, Entergy New Orleans proposed a procedural schedule that would allow for the issuance of a financing order no later than four months or 120 days from the date that Entergy New Orleans files any future applications seeking securitization financing of storm restoration costs, including storm recovery reserves, with the City Council. Entergy New Orleans also requested that the City Council approve an amendment to the storm recovery reserve escrow agreement to increase flexibility in the timing of certain disbursements of escrow funds to prepare for anticipated storms.

See Note 2 to the financial statements for a discussion of Entergy New Orleans's filings to recover storm-related costs.

Other

In May 2021 the City Council established the Renewable and Clean Portfolio Standard. The four components implemented were: (1) a mandatory requirement that Entergy New Orleans achieve 100% net zero carbon emissions by 2040; (2) reliance on renewable energy credits purchased without the associated energy for compliance with the standard being phased out over the ten-year period from 2040 to 2050; (3) no carbon-emitting resources in the portfolio of resources Entergy New Orleans uses to serve New Orleans by 2050; and (4) a mechanism to limit costs in any one plan year to no more than one percent of plan year total utility retail sales

revenues. In addition, there is an alternative compliance payment value per MWh, which is established with each annual compliance plan submittal. Entergy New Orleans will pay this if it is unable to comply with the Renewable and Clean Portfolio Standard. Such compliance payments are to be paid into a clean energy fund established by the City Council.

Entergy Texas

Base Rates

The base rates of Entergy Texas are established largely in traditional base rate case proceedings. Between base rate proceedings, Entergy Texas has available rate riders to recover the revenue requirements associated with certain incremental costs. Entergy Texas is required to file full base rate case proceedings every four years and within eighteen months of utilizing its generation cost recovery rider for investments above $200 million.

Fuel and Purchased Power Cost Recovery

Entergy Texas's rate schedules include a fixed fuel factor to recover fuel and purchased power costs, including interest, that are not included in base rates. Historically, semi-annual revisions of the fixed fuel factor have been made in March and September based on the market price of natural gas and changes in fuel mix. The amounts collected under Entergy Texas's fixed fuel factor and any interim surcharge or refund are subject to fuel reconciliation proceedings before the PUCT. In the course of this reconciliation, the PUCT determines whether eligible fuel and fuel-related expenses and revenues are necessary and reasonable and makes a prudence finding for each of the fuel-related contracts entered into during the reconciliation period. In 2023 the Texas legislature modified the Texas Utilities Code with regard to how material over- and under-recovered fuel balances are to be addressed and directed that fuel reconciliations must be filed at least once every two years. In July 2025 the PUCT initiated a rulemaking to effectuate the new legislation. In December 2025 the PUCT adopted amendments to its fuel rules that maintain a periodic revision to utility fuel factors coupled with accelerated processing of surcharges and refunds to address material over- and under-recovered amounts.

At the PUCT's April 2013 open meeting, the PUCT Commissioners discussed their view that a purchased power capacity rider was good public policy. The PUCT issued an order in May 2013 adopting the rule allowing for a purchased power capacity rider, subject to an offsetting adjustment for load growth. The rule, as adopted, also includes a process for obtaining pre-approval by the PUCT of purchased power agreements to be recovered through a purchased power capacity rider. No Texas utility, including Entergy Texas, has exercised the option to recover capacity costs under the rider mechanism, but Entergy Texas will continue to evaluate the benefits of utilizing the rider to recover future capacity costs. In 2023 the Texas legislature modified the Texas Utilities Code to permit a utility to seek pre-approval from the PUCT for a purchased power agreement of three years or more if such approval is a precondition to the effectiveness of such agreements, regardless of whether the utility intends to recover costs associated with the purchased power agreement through a purchased power capacity rider. In June 2025 the Texas legislature modified the Texas Utilities Code to establish a capacity cost recovery rider mechanism that would allow for the recovery of costs related to the procurement of capacity through MISO's annual planning resource auction outside of base rates through a rider that is updated annually.

Transmission, Distribution, and Generation Cost Recovery

As discussed above, Entergy Texas has available rate riders to recover the revenue requirements associated with certain incremental costs. These riders include a transmission cost recovery factor rider mechanism for the recovery of transmission-related capital investments, a distribution cost recovery factor rider mechanism for the recovery of distribution-related capital investment, and a generation cost recovery rider mechanism for the recovery of generation-related capital investments.

In June 2009 a law was enacted in Texas containing provisions that allow Entergy Texas to take advantage of a cost recovery mechanism that permits annual filings for the recovery of reasonable and necessary expenditures for transmission infrastructure improvement and changes in wholesale transmission charges. This mechanism was previously available to other non-ERCOT Texas utility companies, but not to Entergy Texas.

In September 2011 the PUCT adopted a proposed rule implementing a distribution cost recovery factor to recover capital and capital-related costs related to distribution infrastructure. The distribution cost recovery factor permitted utilities once per year to implement an increase or decrease in rates above or below amounts reflected in base rates to reflect distribution-related depreciation expense, federal income tax and other taxes, and return on investment. In 2023, the Texas Legislature modified the Texas Utilities Code to permit utilities to update their distribution cost recovery factors up to twice per year and to require the PUCT to issue an order on such update applications within 60 days, with a 15-day extension permitted for good cause.

In September 2019 the PUCT initiated a rulemaking to promulgate a generation cost recovery rider rule, implementing legislation passed in the 2019 Texas legislative session intended to allow electric utilities to recover generation investments between base rate proceedings. The PUCT approved the final rule in July 2020.

Other

In January 2022, Entergy Texas filed an application requesting approval to implement two voluntary renewable option tariffs, Rider Small Volume Renewable Option (Rider SVRO) and Rider Large Volume Renewable Option (Rider LVRO). Both tariffs are voluntary offerings that give customers the ability to match some or all of their monthly electricity usage with renewable energy credits that are purchased by Entergy Texas and retired on the customer's behalf. Voluntary participation in either Rider SVRO or Rider LVRO and the charges assessed under the respective tariff would be in addition to the charges paid by customers under their otherwise applicable rate schedules and riders. In April 2022, Entergy Texas filed on behalf of the parties an unopposed settlement agreement supporting approval of Entergy Texas's proposed voluntary renewable option tariffs. As part of the settlement agreement, Entergy Texas agreed to revise the cost allocation between the rate tiers of Rider SVRO and committed to collaborating with and considering the input of customers to develop an asset-backed green tariff program. The PUCT approved the settlement agreement in August 2022.

As part of its rate case application filed with the PUCT in July 2022, Entergy Texas requested approval of Schedule Green Future Option (Schedule GFO), an asset-backed green tariff that would allow Entergy Texas's customers to voluntarily subscribe to a portion of the underlying solar facility's capacity in exchange for energy credits. In August 2023 the PUCT approved an unopposed settlement in the proceeding that included approval of Schedule GFO.

Electric Industry Restructuring

In June 2009 a law was enacted in Texas that required Entergy Texas to cease all activities relating to Entergy Texas's transition to competition. The law allows Entergy Texas to remain a part of the SERC Reliability Corporation (SERC) Region, although it does not prevent Entergy Texas from joining another power region. The law provides that proceedings to certify a power region that Entergy Texas belongs to as a qualified power region can be initiated by the PUCT, or on motion by another party, when the conditions supporting such a proceeding exist. Under the law, the PUCT may not approve a transition to competition plan for Entergy Texas until the expiration of four years from the PUCT's certification of a qualified power region for Entergy Texas.

The law further amended already existing law that had required Entergy Texas to propose for PUCT approval a tariff to allow eligible customers the ability to contract for competitive generation. The amending language in the law provides, among other things, that: (1) the tariff shall not be implemented in a manner that harms the sustainability or competitiveness of manufacturers who choose not to participate in the tariff; (2) Entergy Texas shall "purchase competitive generation service, selected by the customer, and provide the generation at retail

to the customer;" and (3) Entergy Texas shall provide and price transmission service and ancillary services under that tariff at a rate that is unbundled from its cost of service. The law directs that the PUCT may not issue an order on the tariff that is contrary to an applicable decision, rule, or policy statement of a federal regulatory agency having jurisdiction. The PUCT determined that unrecovered costs that may be recovered through the rider consist only of those costs necessary to implement and administer the competitive generation program and do not include lost revenues or embedded generation costs. The amount of customer load that may be included in the competitive generation service program is limited to 115 MW.

System Energy

Cost of Service

The rates of System Energy are established by the FERC, and the costs allowed to be charged pursuant to these rates are, in turn, passed through to the participating Utility operating companies through the Unit Power Sales Agreement, which has monthly billings that reflect the current operating costs of, and investment in, Grand Gulf. Retail regulators and other parties may seek to initiate proceedings at FERC to investigate the prudence of costs included in the rates charged under the Unit Power Sales Agreement and examine, among other things, the reasonableness or prudence of the operation and maintenance practices, level of expenditures, allowed rates of return and rate base, and previously incurred capital expenditures, to the extent that claims concerning such issues have not been released by a party to one of the System Energy settlement agreements. Beginning in 2021, System Energy implemented annual billing protocols to provide retail regulators with information regarding rates billed under the Unit Power Sales Agreement. See Note 2 to the financial statements for discussion of the System Energy settlement agreements.

Franchises

Entergy Arkansas holds exclusive franchises to provide electric service in approximately 308 incorporated cities and towns in Arkansas. These franchises generally are unlimited in duration and continue unless the municipalities purchase the utility property. In Arkansas, franchises are considered to be contracts and, therefore, are governed pursuant to the terms of the franchise agreement and applicable statutes.

Entergy Louisiana holds non-exclusive franchises to provide electric service in approximately 175 incorporated municipalities and in the unincorporated areas of approximately 59 parishes of Louisiana. Municipal franchise agreement terms range from 25 to 60 years while parish franchise terms range from 15 to 99 years.

Entergy Mississippi has received from the MPSC certificates of public convenience and necessity to provide electric service to areas within 45 counties, including a number of municipalities, in western Mississippi. Under Mississippi statutory law, such certificates are exclusive. Entergy Mississippi may continue to serve in such municipalities upon payment of a statutory franchise fee, regardless of whether an original municipal franchise is still in existence.

Entergy New Orleans provides electric service in the City of New Orleans pursuant to indeterminate permits set forth in city ordinances. These ordinances contain a continuing option for the City of New Orleans to purchase Entergy New Orleans's electric utility properties.

Entergy Texas holds a certificate of convenience and necessity from the PUCT to provide electric service to areas within approximately 27 counties in eastern Texas and holds non-exclusive franchises to provide electric service in approximately 70 incorporated municipalities. Entergy Texas typically obtains 25-year franchise agreements as existing agreements expire. Entergy Texas's electric franchises expire over the period 2026-2058.

The business of System Energy is limited to wholesale power sales. It has no distribution franchises.

Property and Other Generation Resources

Owned Generating Stations

The total capability of the generating stations owned and leased by the Utility operating companies and System Energy as of December 31, 2025 is indicated below:

	Owned and Leased Capability MW(a)						
Company	**Total**	**CT / CCGT (b)**	**Legacy Gas/Oil**	**Nuclear (c)**	**Coal**	**Hydro (c)**	**Solar (c)**
Entergy Arkansas	5,542	1,535	522	1,807	974	74	630
Entergy Louisiana	10,853	5,659	2,799	2,055	340	—	—
Entergy Mississippi	3,031	1,720	793	—	416	—	102
Entergy New Orleans	669	642	—	—	—	—	27
Entergy Texas	3,275	1,023	2,001	—	251	—	—
System Energy	1,251	—	—	1,251	—	—	—
Total	24,621	10,579	6,115	5,113	1,981	74	759

(a) "Owned and Leased Capability" is the dependable summer load carrying capability as demonstrated under actual operating conditions based on the primary fuel (assuming no curtailments) that each station was designed to utilize.
(b) Represents Simple Cycle Combustion Turbine units and Combined Cycle Gas Turbine units.
(c) The percentage of nuclear and renewable energy includes energy procured or produced for the benefit of certain customers through special tariffs, contracts, or renewable program subscriptions, and those customers retain the exclusive claims to all associated environmental attributes, renewable energy credits, and other relevant clean energy certifications.

Summer peak load for the Utility has averaged 22,168 MW over the previous decade.

The Utility operating companies' load and capacity projections are reviewed periodically to assess the need and timing for additional generating capacity and interconnections. These reviews consider existing and projected demand, the availability and price of power, the location of new load, the economy, Entergy's clean energy and other public policy goals, environmental regulations, and the age and condition of Entergy's existing infrastructure.

The Utility operating companies' long-term resource strategy (Portfolio Transformation Strategy) calls for the bulk of capacity needs to be met through long-term resources, whether owned or contracted. Over the past decade, the Portfolio Transformation Strategy has resulted in the addition of about 9,430 MW of new long-term resources and the deactivation of about 4,004 MW of legacy generation. As MISO market participants, the Utility operating companies also participate in MISO's Day Ahead and Real Time Energy and Ancillary Services markets to economically dispatch generation and purchase energy to serve customers reliably and at the lowest reasonable cost.

Other Generation Resources

RFP Procurements

The Utility operating companies from time-to-time issue requests for proposals (RFP) to procure supply-side resources from sources other than the spot market to meet the unique regional needs of the Utility operating companies. The RFPs issued by the Utility operating companies have sought resources needed to meet near-term MISO reliability requirements as well as long-term requirements through a broad range of wholesale power

products, including long-term contractual products and asset acquisitions. The RFP process has resulted in selections or acquisitions, including, among other things:

- In June 2020, Entergy Arkansas signed an agreement for the purchase of an approximately 100 MW to-be-constructed solar photovoltaic energy facility, Walnut Bend Solar facility, located in Lee County, Arkansas. In July 2021 the APSC issued an order approving the acquisition of the Walnut Bend Solar facility. In February 2024, Entergy Arkansas acquired the facility. The Walnut Bend Solar facility commenced commercial operation in September 2024;
- In September 2020, Entergy Arkansas signed an agreement for the purchase of an approximately 180 MW to-be-constructed solar photovoltaic energy facility, West Memphis Solar facility, located in Crittenden County, Arkansas. In October 2021 the APSC issued an order approving the acquisition of the West Memphis Solar facility. In August 2024, Entergy Arkansas acquired the facility. The West Memphis Solar facility commenced commercial operation in December 2024;
- In December 2020, Entergy Texas selected the 1,158 MW self-build alternative, Orange County Advanced Power Station, out of the 2020 Entergy Texas combined cycle, gas turbine RFP. Regulatory approval was received in November 2022 and construction has commenced. The facility is expected to be in service by mid-2026;
- In August 2022, Entergy Arkansas signed an agreement for the purchase of an approximately 250 MW to-be-constructed solar photovoltaic energy facility, Driver Solar facility, located near Osceola, Arkansas. Also in August 2022, Entergy Arkansas received regulatory approval from the APSC for acquisition of the Driver Solar facility. In August 2024, Entergy Arkansas acquired the facility. The Driver Solar facility commenced commercial operation in December 2024;
- Entergy Louisiana began construction on the 49 MW Sterlington solar project in December 2024, located in Sterlington, Louisiana. The facility achieved commercial operation in January 2026;
- In May 2023, Entergy Mississippi selected the 80 MW Delta Solar facility, to be located in Bolivar County, Mississippi, out of the 2022 Entergy Mississippi fall renewable RFP. Construction is in progress, and the facility is expected to achieve commercial operation by the end of 2027;
- In May 2023, Entergy Mississippi selected the 190 MW Penton Solar facility, to be located in DeSoto County, Mississippi, out of the 2022 Entergy Mississippi fall renewable RFP. Construction is in progress, and the facility is expected to achieve commercial operation by early 2028;
- In July 2025, Entergy Louisiana filed an application with the LPSC seeking regulatory certification of Bogalusa West Solar, a 200 MW single axis tracking solar photovoltaic power facility to be located in Washington Parish, Louisiana. The certification filing was accepted by the LPSC in October 2025 and approved in November 2025. The facility is expected to achieve commercial operation in September 2028;
- In December 2025, Entergy Louisiana filed an application with the LPSC seeking regulatory certification of the Segno Solar and Votaw Solar facilities;
- In February 2026, Entergy Louisiana filed an application with the LPSC for approval and certification to construct the Cypress Harvest Solar facility, a 200 MW solar facility to be located in Iberville Parish; and
- In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification to construct two 754 MW combined cycle combustion turbine generators, the Waterford 6 Power Station and the Westlake Power Station, to be located at Entergy Louisiana's existing Waterford site near Killona, Louisiana, and existing Roy S. Nelson site in Westlake, Louisiana, respectively.

The RFP process has also resulted in the selection, or confirmation of the economic merits of, long-term purchased power agreements (PPAs), including, among others:

- River Bend's 30% life-of-unit PPA between Entergy Louisiana and Entergy New Orleans for 100 MW related to Entergy Louisiana's unregulated portion of the River Bend nuclear station, which portion was formerly owned by Cajun;
- Entergy Arkansas's wholesale base load capacity life-of-unit PPAs executed in 2003 totaling approximately 220 MW between Entergy Arkansas and Entergy Louisiana (110 MW) and between Entergy Arkansas and

Entergy New Orleans (110 MW) related to the sale of a portion of Entergy Arkansas's coal and nuclear base load resources (which had not been included in Entergy Arkansas's retail rates);

- In September 2012, Entergy Gulf States Louisiana and Rain CII Carbon LLC executed a 20-year agreement for 28 MW, with the potential to purchase an additional 9 MW when available, from a petroleum coke calcining facility in Sulphur, Louisiana. The facility began commercial operation in May 2013. Entergy Louisiana, as successor in interest to Entergy Gulf States Louisiana, now holds the agreement with the facility;
- In March 2013, Entergy Gulf States Louisiana and Agrilectric Power Partners, LP executed a 20-year agreement for 8.5 MW from a refurbished rice hull-fueled electric generation facility located in Lake Charles, Louisiana. Entergy Louisiana, as successor in interest to Entergy Gulf States Louisiana, now holds the agreement with Agrilectric;
- Entergy Mississippi's cost-based purchase, beginning in January 2013, of 90 MW from Entergy Arkansas's share of Grand Gulf. Cost recovery for the 90 MW was approved by the MPSC in January 2013;
- In April 2015, Entergy Arkansas and Stuttgart Solar, LLC executed a 20-year agreement for 81 MW from a solar photovoltaic electric generation facility located near Stuttgart, Arkansas. The APSC approved the project and deliveries pursuant to that agreement commenced in June 2018;
- In November 2016, Entergy Louisiana and LS Power executed a 10-year agreement for 485 MW from the Carville Energy Center located in St. Gabriel, Louisiana. In November 2019, LS Power sold and transferred the Carville Energy Center and facility to Argo Infrastructure Partners, which included the power purchase agreement. The PPA delivery term began in June 2022;
- In November 2016, Entergy Louisiana and Occidental Chemical Corporation executed a 10-year agreement for 500 MW from the Taft Cogeneration facility located in Hahnville, Louisiana. The transaction received regulatory approval and began in June 2018;
- In June 2017, Entergy Arkansas and Chicot Solar, LLC executed a 20-year agreement for 100 MW from a to-be-constructed solar photovoltaic electric generating facility located in Chicot County, Arkansas. The transaction received regulatory approval and the PPA began in November 2020;
- In February 2018, Entergy Louisiana and LA3 West Baton Rouge, LLC (Capital Region Solar project) executed a 20-year agreement for 50 MW from a to-be-constructed solar photovoltaic electric generating facility located in West Baton Rouge Parish, Louisiana. The transaction received regulatory approval in February 2019 and the PPA began in October 2020;
- In July 2018, Entergy New Orleans and St. James Solar, LLC executed a 20-year agreement for 20 MW from a to-be-constructed solar photovoltaic electric generating facility located in St. James Parish, Louisiana. The transaction received regulatory approval in July 2019 and the PPA began in February 2023 after the facility reached commercial operation in March 2023;
- In August 2018, Entergy Louisiana and South Alexander Development I, LLC executed a 5-year agreement for 5 MW from a solar photovoltaic electric generating facility located in Livingston Parish, Louisiana. The PPA began in December 2020 and received regulatory approval in January 2021;
- In February 2019, Entergy New Orleans and Iris Solar, LLC executed a 20-year agreement for 50 MW from a to-be-constructed solar photovoltaic electric generating facility located in Washington Parish, Louisiana. The transaction received regulatory approval in July 2019 and achieved commercial operation in November 2022;
- In August 2020, Entergy Texas and Umbriel Solar, LLC executed a 20-year agreement for 150 MW from a to-be-constructed solar photovoltaic electric generating facility located in Polk County, Texas. The facility achieved commercial operation in November 2023;
- In June 2021, Entergy Louisiana and Sunlight Road Solar, LLC executed a 20-year agreement for 50 MW from a to-be-constructed solar photovoltaic electric generating facility located in Washington Parish, Louisiana. The facility achieved commercial operation in November 2024 and the PPA delivery term began in December 2024;
- In October 2022, Entergy Mississippi and Wildwood Solar, LLC executed a 20-year PPA for approximately 100 MW from a to-be-constructed solar photovoltaic energy facility located in Tallahatchie County, Mississippi. In August 2023 the MPSC approved the PPA, and the facility achieved commercial operation in December 2025;

- In October 2022, Entergy Mississippi and Greer Solar, LLC executed a 20-year PPA for approximately 170 MW from a to-be-constructed solar photovoltaic energy facility located in Washington County, Mississippi. In August 2023 the MPSC approved the PPA, and the facility is expected to reach commercial operation as early as December 2026;
- In October 2022, Entergy Arkansas and Flat Fork Solar, LLC executed a 20-year PPA for approximately 200 MW from a to-be-constructed solar photovoltaic energy facility located in St. Francis County, Arkansas. In September 2023 the APSC approved the PPA, and the facility achieved commercial operation in August 2025;
- In October 2022, Entergy Arkansas and Forgeview Solar, LLC executed a 15-year PPA for approximately 200 MW from a to-be-constructed solar photovoltaic energy facility located in Mississippi County, Arkansas. In September 2023 the APSC approved the PPA, and the facility achieved commercial operation in December 2025; and
- In October 2023, Entergy Louisiana and Mondu Solar, LLC executed a 20-year PPA for approximately 100 MW from a to-be-constructed solar photovoltaic energy facility located in Point Coupee Parish, Louisiana. In September 2024 the LPSC approved the PPA, and the facility is expected to reach commercial operation as early as June 2026.

In July 2021, Entergy Services, on behalf of Entergy Texas, issued RFPs for solar generation resources and in October 2022, for solar photovoltaic and wind resource. In July 2024, Entergy Texas filed an application with the PUCT seeking regulatory approval for the owned resources, the 141 MW Votaw Solar facility and the 170 MW Segno Solar facility. To support demand driven by robust industrial growth, in August 2025, Entergy Texas voluntarily withdrew its filing with the PUCT to narrow its focus to dispatchable generation.

In April 2022, Entergy Services, on behalf of Entergy Arkansas, issued an RFP for solar photovoltaic and wind resources. Entergy Arkansas selected a combination of PPA and build-own-transfer resources in February 2023. One PPA project was terminated after failure to reach agreement on terms. During negotiations, a selected build-own-transfer resource, Big Island Solar, was converted to a PPA. In December 2025, Entergy Arkansas and Big Island Solar 1, LLC executed a 20-year PPA for approximately 440 MW from a to-be-constructed solar photovoltaic energy facility located in Mississippi County, Arkansas. In January 2026, Entergy Arkansas filed an application with the APSC seeking regulatory approval for the resource and requested a decision by July 2026. Subject to receipt of required regulatory approval and other conditions, the Big Island Solar facility is expected to be in service as early as July 2028.

In April 2024, Entergy Services, on behalf of Entergy Louisiana, issued an RFP for capacity and energy from existing generation resources. Entergy Louisiana selected a PPA resource in December 2024. During initial negotiations of the proposed PPA, the parties decided to amend the agreement for the Taft Cogeneration facility (discussed above) in lieu of entering into the proposed PPA. Entergy Louisiana expects to file an application with the LPSC in first quarter 2026 seeking regulatory approval to amend the agreement to extend the term by six years. Subject to receipt of required regulatory approval and other conditions, the extended delivery term of the amended agreement will commence immediately after the end of the existing term and will expire in May 2034.

In August 2024, Entergy Services, on behalf of Entergy Louisiana, issued the 3 GW Alternative Market-based Mechanism Process Solar RFP which solicits up to 3,000 MW of solar photovoltaic resources across four procurement windows. Entergy Louisiana selected a combination of PPA, build-own-transfer, and self-build alternative resources. In the first procurement window, as noted above, one of such resources (Bogalusa West) was certified by the LPSC in October 2025. Also in the first procurement window, Entergy Louisiana selected the Cypress Harvest Solar facility, a 200 MW solar facility to be located in Iberville Parish. In February 2026, Entergy Louisiana filed an application with the LPSC for approval and certification and requested LPSC approval by April 2026. Negotiations of definitive agreements for the remaining resources are in progress. The RFP is expected to continue through 2026 with additional selections expected throughout the process at the conclusion of each procurement window, as applicable.

In November 2024, Entergy Services, on behalf of Entergy Louisiana, issued a Combined Cycle Combustion Turbine capacity and energy resources RFP which solicits up to 2,000 MW of generation. Entergy Louisiana selected a combination of resources that included self-build alternatives in August 2025. In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification to construct two 754 MW combined cycle combustion turbine generators, the Waterford 6 Power Station and the Westlake Power Station, to be located at Entergy Louisiana's existing Waterford site near Killona, Louisiana, and existing Roy S. Nelson site in Westlake, Louisiana, respectively. Entergy Louisiana has asked that the LPSC consider the requests in the application at or before its December 2026 meeting.

In April 2025, Entergy Services, on behalf of Entergy Mississippi, issued a renewable RFP which solicited up to 250 MW of generation. Selections are under review.

In May 2025, Entergy Services, on behalf of Entergy Arkansas, issued a renewable and storage RFP which solicited up to 1,000 MW of generation. Entergy Arkansas selected a combination of PPA, build-own-transfer, and self-build alternative resources in November 2025. Negotiations of definitive agreements are in progress.

In May 2025, Entergy Services, on behalf of Entergy Arkansas, issued a combined cycle combustion turbine RFP which solicits up to 800 MW of generation. The RFP was updated in September 2025 to include provisions for carbon capture and storage capabilities. Selections are expected in March 2026.

In October 2025, Entergy Services, on behalf of Entergy Texas, issued notice of intent to issue a combined cycle combustion turbine RFP in January 2026. The RFP solicits 650 to 800 MW of generation from eligible developmental resources and/or up to 800 MW of generation from existing, gas-fired resources.

In November 2025, Entergy Services, on behalf of Entergy Louisiana, issued advanced notice to the LPSC of intent to issue an RFP soliciting up to 1,100 MW of battery energy storage resources. Draft documents were issued in December 2025.

Other Procurements From Third Parties

The Utility operating companies have also made resource acquisitions outside of the RFP process and have also entered various limited- and long-term contracts in recent years as a result of bilateral negotiations, including among others:

- In March 2016, Entergy Arkansas (Power Block 2), Entergy Louisiana (Power Blocks 3 and 4), and Entergy New Orleans (Power Block 1) completed their respective acquisitions of the 1,980 MW (summer rating), natural gas-fired, combined cycle gas turbine Union Power Station power blocks, each rated at 495 MW (summer rating). The facility is located near El Dorado, Arkansas and has been in operation since July 2003;
- In October 2019, Entergy Mississippi acquired the Choctaw Generating Station, an 810 MW combined cycle, natural gas-fired power plant. The facility is located in Choctaw County and has been in operation since July 2003;
- In November 2020, Entergy Louisiana acquired the Washington Parish Energy Center, a 361 MW natural gas-fired peaking power plant. The facility is located approximately 60 miles north of New Orleans on a site Entergy Louisiana purchased from Calpine in 2019. Calpine began construction on the plant in early 2019 and Entergy Louisiana purchased the plant upon completion in November 2020;
- In June 2021, Entergy Texas acquired the Hardin County Peaking Facility, an existing 147 MW simple cycle gas-fired peaking power plant in Kountze, Texas, previously owned by East Texas Electric Cooperative. The facility has been in operation since January 2010;
- In November 2021, Entergy Louisiana and Elizabeth Solar, LLC executed a 20-year PPA for approximately 125 MW from a to-be-constructed solar photovoltaic energy facility located in Allen Parish, Louisiana. In September 2022 the LPSC voted to approve this project and in September 2023, Entergy Louisiana reported

to the LPSC that it had entered into amended agreements related to the Elizabeth Solar facility. The facility achieved commercial operation in December 2024;

- In February 2024, Entergy Louisiana and Magnolia Power executed a 10-year Capacity Credit Purchase Agreement (CCPA) for 290 MW of MISO Zone 9 Zonal Resource Credits (ZRC) associated with the Magnolia Power Generating Station. In December 2024 the LPSC approved the CCPA, with the delivery term set to commence on the first day of the 2025-2026 MISO planning year; and
- In May 2024, Entergy Mississippi and Cooperative Energy executed a one-year ZRC Purchase and Sale Agreement for a minimum of 300 MW of MISO Zone 10 ZRCs during the 2025-2026 MISO planning year. This agreement was followed by a similar agreement between the parties in November 2024 for a minimum of 350 MW of MISO Zone 10, ZRCs to be transferred over the 2026-2027, 2027-2028, and 2028-2029 planning years.
- In February 2025, Entergy Texas and Tunica Windpower, LLC executed a 15-year ZRC Purchase and Sale Agreement for the purchase of all accredited MISO Zone 10 ZRCs associated with the Delta Wind Facility located in Tunica County, Mississippi;
- In November 2025, Entergy Louisiana and Cottonwood Energy Company, LP executed an asset purchase agreement for the 1,263 MW combined-cycle natural gas-fired Cottonwood Generating Station located in Deweyville, Texas, including related assets and interests. A certification filing was made with the LPSC in December 2025; and
- In November 2025, Entergy Texas and Bayou Galion Solar Project, LLC executed a six-year ZRC Purchase and Sale Agreement for the purchase of all accredited ZRCs from the Bayou Galion Solar Facility with an expected annual average of approximately 19 MW of MISO Zone 9 ZRCs.

Power Through Programs

In December 2020, Entergy Texas filed an application with the PUCT to amend its certificate of convenience and necessity to own and operate up to 75 MW of natural gas-fired distributed generation to be installed at commercial and industrial customer premises. Under this proposal, Entergy Texas would own and operate a fleet of generators ranging from 100 kW to 10 MW that would supply a portion of Entergy Texas's long-term resource needs and enhance the resiliency of Entergy Texas's electric grid. This fleet of generators would also be available to customers during outages to supply backup electric service as part of a program known as "Power Through." In its 2021 session, the Texas legislature modified the Texas Utilities Code to exempt generators under 10 MW from the requirement to obtain a certificate of convenience and necessity. In addition, the PUCT announced an intent to conduct a broad rulemaking related to distributed generation and recommended that utilities with pending applications addressing distributed generation withdraw them. Accordingly, Entergy Texas withdrew its application for a certificate of convenience and necessity and associated tariff from the PUCT without prejudice to refiling. Entergy Texas continues to deploy certain customer-sited distributed generators under an existing PUCT-approved tariff. In August 2022, Entergy Texas filed an application for PUCT approval of voluntary Rate Schedule Utility Owned Distributed Generation through which it would charge host customers for back-up service from customer-sited Power Through generators. Based on the exemption enacted by the Texas legislature in 2021, Entergy Texas's application was not required to, and did not, seek an amendment to its certificate of convenience and necessity in order to continue deploying Power Through generators. In October 2022 two intervenors filed requests for a hearing on Entergy Texas's application. In October 2022 the PUCT staff filed a request that the proceeding be referred to the State Office of Administrative Hearings. In January 2023 the PUCT announced an intent to develop certain broadly applicable reliability metrics against which to measure distributed generation resources and directed Entergy Texas to withdraw its application. However, the PUCT did allow Entergy Texas to continue its pilot program for Power Through generators. Entergy Texas withdrew its application. In its 2023 session, the Texas legislature modified the Texas Utilities Code to confirm Entergy Texas's ability to provide back-up generation service using customer-sited utility-owned distributed generation and directing the PUCT to approve rates for such service upon application by Entergy Texas. In February 2024, Entergy Texas resubmitted its application for PUCT approval of voluntary Rate Schedule Utility Owned Distributed Generation. Texas cities, the Office of Public Utility Counsel, Texas Industrial Energy Consumers, and Wal-Mart, Inc. have intervened as parties. In July 2024 the proceeding was referred to the State Office of Administrative Hearings and a procedural

schedule was established. In November 2024, Entergy Texas filed an unopposed settlement agreement consistent with its as-filed request and a motion to admit evidence and remand the proceeding to the PUCT. Also in November 2024, the ALJ with the State Office of Administrative Hearings granted the motion and remanded the proceeding to the PUCT. In December 2024 the PUCT's Office of Policy and Docket Management filed a proposed order for the PUCT's consideration that would adopt the unopposed settlement, which was approved by the PUCT in February 2025.

In July 2021, Entergy Louisiana filed with the LPSC an application for authority to deploy natural gas-fired distributed generation. The application was supported by a number of letters of interest from Entergy Louisiana customers. In June 2022 the parties reached an uncontested settlement which, among other things, recommended approval of 120 MW of natural gas fired distributed generation and an additional 30 MW of solar and battery distributed generation, for a total distributed generation program of 150 MW. Pursuant to the terms of the settlement agreement, Entergy Louisiana may seek to expand the distributed generation program following the earlier of two years after issuance of an order approving the settlement or the installation of 60 MW of distributed generation pursuant to this program. The settlement was approved by the LPSC in November 2022.

In August 2021, Entergy Arkansas filed with the APSC an application seeking authority for a "Power Through" offering to deploy natural gas-fired distributed generation to provide backup generation for certain customers. The application was supported by a number of letters of interest from Entergy Arkansas customers. In May 2023 the APSC issued an order approving the Power Through offering with some modifications. In December 2023 the APSC approved a streamlined approval process for the individual Power Through generators. In July 2024, Entergy Arkansas filed tariff revisions to comply with the APSC's order. In November 2024 the APSC approved Entergy Arkansas's compliance tariff. In October 2025 the APSC approved Entergy Arkansas's first Power Through project.

In October 2023, Entergy Mississippi proposed implementation of commercial scale, natural gas-fired resilient distributed generation, to be installed in front of the meter at commercial and industrial customer premises. The offering was approved by the MPSC in December 2023 along with an associated rate schedule, the Resiliency as a Service Rider Schedule. Entergy Mississippi can dispatch the units at times of peak demand, which can mitigate the typically higher energy and capacity costs borne by all customers during times of peak energy usage.

Provision of Service to Large-Scale Data Center Customers

Subject to pending regulatory approvals, certain Utility operating companies are planning to make significant infrastructure investments in new solar projects, natural gas power plants, and other transmission and generation assets to power new large-scale data centers. These infrastructure investments are being made primarily in connection with electric service agreements with a small number of new customers to provide power for new data centers being constructed to support artificial intelligence and other technology capabilities.

In March 2024, Entergy Mississippi executed a large customer supply and service agreement to serve two data centers campuses located in Madison County, Mississippi in which Amazon Web Services is investing. In February 2025, Entergy Mississippi also executed a large customer supply and service agreement to serve a data center campus located in Warren County, Mississippi in which Amazon Web Services is investing. See the "**Liquidity and Capital Resources** – **Uses of Capital** – Additional Generation and Transmission Resources" section of Management's Financial Discussion and Analysis for Entergy Mississippi for additional discussion of the agreements and the investments proposed in connection with service to these facilities.

In October 2024, Entergy Louisiana filed an application with the LPSC requesting approval of certain generation and transmission assets proposed in connection with service to a new large-scale data center being developed by a subsidiary of Meta Platforms, Inc. in north Louisiana. See the "**Liquidity and Capital Resources** – **Uses of Capital** – Additional Generation and Transmission Resources" section of Management's Financial

Discussion and Analysis for Entergy Louisiana for additional discussion of this filing and the investments proposed in connection with new service to this data center facility.

In September 2025, Entergy Arkansas filed an application with the APSC seeking approval of a long-term special rate contract between Altitude, LLC, a subsidiary of Alphabet, Inc. (Google) and Entergy Arkansas for the sale of electricity to a new large-scale data center in West Memphis, Arkansas. See the "**Liquidity and Capital Resources** – **Uses of Capital** – Special Rate Contract and Arkansas Cypress Solar" section of Management's Financial Discussion and Analysis for Entergy Arkansas for additional discussion of the filing and the investments proposed in connection with service to data center facility.

In addition, some of the Utility operating companies are engaged in discussions with prospective customers concerning potential service to other data center projects. Because of the significant demand and energy needs associated with these facilities, which generally involve large levels of maximum demand for sustained periods throughout the day and throughout the year, extending service to these facilities often requires investment in incremental generation and transmission facilities, with a resulting risk of stranded costs if expected demand does not materialize and this risk is not mitigated through appropriate commercial terms, which are subject to negotiations with the customer. Often it is therefore necessary and appropriate for the Utility operating companies, in the electric service agreements negotiated with these customers, to include terms that provide for the prospective customer to contribute significant funds, through contributions in aid of construction or through minimum bill revenues, toward the cost of these incremental investments and that include other terms and safeguards to balance reasonably the interests of existing customers with the interests of the prospective customer. Such safeguards take many forms but may include minimum payment obligations, lengthy contract durations, customer advances for construction, and credit and collateral requirements, among other terms. Extending service to large-scale data center customers also may carry significant potential benefits to the Utility operating companies' existing customer base as well as significant economic development benefits for the states and communities in which the new data centers are sited. These benefits include the potential for substantial contributions to the Utility operating companies' fixed costs, which may have the effect of reducing electricity rates for all customers, as well as creating new jobs, tax revenues to local governments, indirect economic benefits, and similar benefits. Investments in significant new generation and transmission assets, such as those necessary to serve proposed large-scale data center customers, are often subject to the requirement of receiving applicable regulatory approvals from the APSC, the LPSC, the MPSC, the City Council, or the PUCT, depending on applicable regulatory rules and laws and the circumstances of the proposed investments.

Large-scale data center customers often have sustainability goals and commitments that may require the sourcing of power for these facilities from renewable or emissions-free resources, such as solar, wind, or nuclear resources, or installation of carbon capture or other technologies to reduce emissions. Many of these data center customers are willing to contribute a significant portion of the cost of these facilities in order to access these sustainable or emissions-free resources, including through subscriptions to renewable tariff offerings by the Utility operating companies, which arrangements have the potential to lower the costs of such resources as reflected in the rates of the Utility operating companies to the benefit of their other customers. This interest of prospective large-scale data center customers in sustainable and clean generating resources coincides with Entergy's own sustainability objectives and informs the Utility operating companies' strategies and resource planning solutions to serve these prospective customers' needs. There can be no assurance that prospective large-scale data center customers will continue to prioritize sustainability or clean generating resources, which may affect the Utility operating companies' strategies in the future.

Interconnections

The Utility operating companies' generating units are interconnected to the electric system which operates at various voltages up to 500 kV. These generating units consist of steam-turbine generators fueled by natural gas, coal, and pressurized and boiling water nuclear reactors; combustion-turbine generators, combined cycle combustion turbine generators and reciprocating internal combustion engine generators that are fueled by natural

gas; and inverter-based resources interconnecting both solar photovoltaic systems and energy storage devices that participate in the MISO wholesale electric market. Additionally, some of the Utility operating companies also offer customer services and products that include load-modifying and demand response resources that are interconnected to both the distribution and transmission systems and that also participate in the wholesale market. Entergy's Utility operating companies are MISO market participants and the companies' transmission systems are interconnected with those of many neighboring utilities. MISO is an essential link in the safe, cost-effective delivery of electric power across all or parts of 15 U.S. states and the Canadian province of Manitoba. In addition, the Utility operating companies are members of the SERC Reliability Corporation (SERC), the Regional Entity with delegated authority from the North American Electric Reliability Corporation (NERC) for the purpose of proposing and enforcing Bulk Electric System reliability standards within 16 central and southeastern states.

Title

The Utility operating companies' generating stations are generally located on properties owned in fee simple. Most of the substations and transmission and distribution lines are constructed on private property or public rights-of-way pursuant to easements, servitudes, or appropriate franchises. Some substation properties are owned in fee simple. The Utility operating companies generally have the right of eminent domain, whereby they may perfect title to, or secure easements or servitudes on, private property for their utility operations.

Substantially all of the physical properties and assets owned by Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy are subject to the liens of mortgages securing bonds issued by those companies. The Lewis Creek generating station of Entergy Texas was acquired by merger with a subsidiary of Entergy Texas and is currently not subject to the lien of the Entergy Texas indenture.

Fuel Supply

The average fuel cost per kWh for the Utility operating companies and System Energy for the years 2023-2025 were:

Year	Natural Gas	Nuclear	Coal	Renewables (a)	Purchased Power	MISO Purchases (b)
2025			(Cents Per kWh)			
Entergy Arkansas	2.77	0.66	3.09	1.14	13.25	1.87
Entergy Louisiana	3.23	0.72	3.45	9.71	4.63	3.74
Entergy Mississippi (c)	2.66	—	2.70	0.13	276.93	3.19
Entergy New Orleans	2.93	—	—	4.33	27.27	4.80
Entergy Texas (c)	2.98	—	3.22	2.90	16.49	4.20
System Energy	—	0.61	—	—	—	—
Utility	3.04	0.67	3.08	4.55	4.88	3.72
2024						
Entergy Arkansas	2.02	0.57	3.04	1.67	10.21	0.37
Entergy Louisiana	2.30	0.73	3.34	11.48	3.70	2.32
Entergy Mississippi	1.86	—	2.60	0.11	2.36	2.89
Entergy New Orleans	2.26	—	—	3.60	—	2.75
Entergy Texas	2.04	—	3.33	3.53	6.80	2.80
System Energy	—	0.65	—	—	—	—
Utility	2.14	0.65	3.00	5.85	3.73	2.38
2023						
Entergy Arkansas	1.98	0.50	3.09	1.98	11.57	0.77
Entergy Louisiana	2.34	0.60	3.22	10.38	3.76	2.50
Entergy Mississippi	2.21	—	2.82	0.03	5.86	1.84
Entergy New Orleans	2.05	—	—	3.24	—	2.33
Entergy Texas	2.29	—	3.17	2.25	5.64	3.18
System Energy	—	0.68	—	—	—	—
Utility	2.25	0.58	3.06	6.14	4.03	2.61

(a) Includes average fuel costs from both owned and purchased power resources.

(b) Includes activity from financial transmission rights. See Note 15 to the financial statements for discussion of financial transmission rights.

(c) Entergy Mississippi's and Entergy Texas's purchased power in 2025 includes increased capacity purchases, which increases the average fuel cost per kWh without a corresponding increase in kWh.

Actual 2025 and projected 2026 sources of generation for the Utility operating companies and System Energy, including certain power purchases from affiliates under life of unit power purchase agreements, including the Unit Power Sales Agreement, are:

	2025						
	CT / CCGT (b)	Legacy Gas	Nuclear (c)	Coal	Renewables (c) (d)	Purchased Power (e)	MISO Purchases (f)
Entergy Arkansas	25%	1%	53%	9%	7%	—%	5%
Entergy Louisiana	43%	8%	20%	2%	3%	9%	15%
Entergy Mississippi	47%	3%	32%	9%	1%	—%	8%
Entergy New Orleans	42%	1%	45%	1%	2%	1%	8%
Entergy Texas	34%	23%	9%	4%	1%	—%	29%
System Energy (a)	—%	—%	100%	—%	—%	—%	—%
Utility	38%	8%	28%	5%	3%	4%	14%

	2026						
	CT / CCGT (b)	Legacy Gas	Nuclear (c)	Coal	Renewables (c) (d)	Purchased Power (e)	MISO Purchases (f)
Entergy Arkansas	25%	—%	57%	8%	10%	—%	—%
Entergy Louisiana	49%	8%	27%	2%	3%	11%	—%
Entergy Mississippi	59%	—%	29%	9%	3%	—%	—%
Entergy New Orleans	47%	1%	47%	1%	3%	1%	—%
Entergy Texas	71%	10%	12%	4%	2%	1%	—%
System Energy (a)	—%	—%	100%	—%	—%	—%	—%
Utility	49%	5%	33%	4%	4%	5%	—%

(a) Capacity and energy from System Energy's interest in Grand Gulf was allocated as follows under the Unit Power Sales Agreement through September 30, 2025: Entergy Arkansas - 36%; Entergy Louisiana - 14%; Entergy Mississippi - 47%; and Entergy New Orleans - 17%. Effective January 1, 2025, Entergy Louisiana divested all of its 14% share of capacity and energy from Grand Gulf and all of the capacity and energy from Grand Gulf that it purchases from Entergy Arkansas (approximately 2.43%) to Entergy Mississippi. This divestiture was being effectuated initially under a designated PPA between Entergy Louisiana and Entergy Mississippi. Effective October 1, 2025, as approved by the FERC under an amended Unit Power Sales Agreement, capacity and energy from System Energy's interest in Grand Gulf was allocated as follows: Entergy Arkansas - 24.19%, Entergy Mississippi - 56.38%, and Entergy New Orleans - 19.43%. Pursuant to purchased power agreements, Entergy Arkansas is selling a portion of its owned capacity and energy from Grand Gulf to Entergy Mississippi and Entergy New Orleans. See Note 2 to the financial statements for discussion of proceedings regarding the Unit Power Sales Agreement and see Note 8 to the financial statements for discussion of the amendment to the Unit Power Sales Agreement.

(b) Represents natural gas sourced for Simple Cycle Combustion Turbine units and Combined Cycle Gas Turbine units.

(c) The percentage of nuclear and renewable energy includes energy procured or produced for the benefit of certain customers through special tariffs, contracts, or renewable program subscriptions, and those customers retain the exclusive claims to all associated environmental attributes, renewable energy credits, and other relevant clean energy certifications.

(d) Includes generation from both owned and purchased power resources.

(e) Excludes MISO purchases and renewables purchased through purchased power agreements.

(f) In December 2013, Entergy integrated its transmission system into the MISO RTO. Entergy offers or self-schedules its generation into the MISO energy market on a day-ahead and real-time basis and bids for power in the MISO energy market to serve the demand of its customers. Entergy then operates its

generation in accordance with MISO's dispatch instructions. The MISO purchases metric provided for 2025 is not projected for 2026.

Some of the Utility's gas-fired plants are also capable of using fuel oil, if necessary. Although based on current economics the Utility does not expect material fuel oil use in 2026, it is possible that various operational events including weather or pipeline maintenance may require the use of fuel oil.

Natural Gas

The Utility operating companies have long-term and short-term firm and interruptible gas contracts for both supply and transportation. Over 90% of the Utility operating companies' power plants maintain some level of long-term firm transportation. Long-term, short-term, and spot-market purchases satisfy gas requirements. Entergy Texas owns a gas storage facility and Entergy Louisiana has a firm storage service agreement that provide reliable and flexible natural gas service to certain generating stations.

Many factors, including wellhead deliverability, storage, pipeline capacity, and demand requirements of end users, influence the availability and price of natural gas supplies for power plants. Demand is primarily tied to weather conditions as well as to the prices and availability of other energy sources. Pursuant to federal and state regulations, gas supplies to power plants may be interrupted during periods of shortage. To the extent natural gas supplies are disrupted or natural gas prices significantly increase, the Utility operating companies may in some instances use alternate fuels, such as oil when available, or rely to a larger extent on coal, nuclear generation, and purchased power.

Coal

Entergy Arkansas has committed to six one- to three-year contracts that will supply at least 85% of the total coal supply needs in 2026. These contracts are staggered in term so that not all contracts have to be renewed the same year. If needed, additional Powder River Basin (PRB) coal will be purchased through contracts with a term of less than one year to provide the remaining supply needs. Based on the high cost of alternate sources, modes of transportation, and infrastructure improvements necessary for its delivery, no alternative coal consumption is expected at Entergy Arkansas during 2026. Coal will be transported to Arkansas via an existing Union Pacific transportation agreement that is expected to provide all of Entergy Arkansas's rail transportation requirements for 2026.

Entergy Louisiana has committed to four two- to three-year contracts that will supply at least 90% of Nelson Unit 6 coal needs in 2026. If needed, additional PRB coal will be purchased through contracts with a term of less than one year to provide the remaining supply needs. For the same reasons as the Entergy Arkansas plants, no alternative coal consumption is expected at Nelson Unit 6 during 2026. Coal will be transported to Nelson via an existing Union Pacific transportation agreement that is expected to provide all of Entergy Louisiana's rail transportation requirements for 2026.

For the year ended December 31, 2025, coal transportation delivery rates to Entergy Arkansas- and Entergy Louisiana-operated coal-fired units were able to fully meet supply needs and obligations, and delivery rates in 2026 are expected to continue to be consistent with 2025 delivery rates in meeting supply needs and obligations. Both Entergy Arkansas and Entergy Louisiana control a sufficient number of railcars to satisfy the rail transportation requirement.

The operator of Big Cajun 2 - Unit 3, Pelican Power, has advised Entergy Louisiana and Entergy Texas that it has adequate coal supply, rail car, and barge capacity to meet 2026 obligations.

Nuclear Fuel

The nuclear fuel cycle consists of the following:

- mining and milling of uranium ore to produce a concentrate;
- conversion of the concentrate to uranium hexafluoride gas;
- enrichment of the uranium hexafluoride gas;
- fabrication of nuclear fuel assemblies for use in fueling nuclear reactors; and
- disposal of spent fuel.

The Registrant Subsidiaries that own nuclear plants, Entergy Arkansas, Entergy Louisiana, and System Energy, are responsible through a shared regulated uranium pool for contracts to acquire nuclear material to be used in fueling Entergy's Utility nuclear units. These companies own the materials and services in this shared regulated uranium pool on a pro rata fractional basis determined by the nuclear generation capability of each company. Any liabilities for obligations of the pooled contracts are on a several but not joint basis. The shared regulated uranium pool maintains inventories of nuclear materials during the various stages of processing. The Registrant Subsidiaries purchase enriched uranium hexafluoride for their nuclear plant reload requirements at the average inventory cost from the shared regulated uranium pool. Entergy Operations, Inc. contracts separately for the fabrication of nuclear fuel as agent on behalf of each of the Registrant Subsidiaries that owns a nuclear plant. All contracts for the disposal of spent nuclear fuel are between the DOE and the owner of a nuclear power plant.

Based upon currently planned fuel cycles, the Utility nuclear units have a diversified portfolio of contracts and inventory that provides substantially adequate nuclear fuel materials and conversion and enrichment services at what Entergy believes are reasonably predictable or fixed prices through 2029. Entergy's ability to purchase nuclear fuel at reasonably predictable prices, however, depends upon the performance reliability of uranium miners, including their ability to work through supply disruptions caused by global events, such as the COVID-19 pandemic, or national events, such as political disruption, or trade-related governmental actions, such as tariffs and other measures. There are a number of possible supply alternatives that may be accessed to mitigate any supplier performance failure, including potentially drawing upon Entergy's inventory intended for later generation periods depending upon its risk management strategy at that time, although the pricing of any alternate uranium supply from the market will be dependent upon the market for uranium supply at that time. In addition, some nuclear fuel contracts are on a non-fixed price basis subject to prevailing prices at the time of delivery.

Entergy's ability to assure nuclear fuel supply also depends upon the performance reliability of conversion, enrichment, and fabrication services providers. There are fewer of these providers than for uranium. For conversion and enrichment services, Entergy diversifies its supply by supplier and country and may take special measures as needed to ensure supply of enriched uranium for the reliable fabrication of nuclear fuel. For fabrication services, each plant is dependent upon the effective performance of the fabricator of that plant's nuclear fuel, therefore, Entergy provides additional monitoring, inspection, and oversight for the fabrication process to assure reliability and quality.

The effects of market price changes may be reduced and deferred by risk management strategies, such as negotiation of floor and ceiling amounts for long-term contracts, buying for inventory or entering into forward physical contracts at fixed prices when Entergy believes it is appropriate and useful. Entergy buys uranium and conversion and enrichment services from a diversified mix of sellers located in a diversified mix of countries, and from time to time purchases from nearly all qualified reliable major market participants worldwide that sell into the United States.

Entergy Arkansas, Entergy Louisiana, and System Energy each have made arrangements to lease nuclear fuel and related equipment and services. The lessors, which are consolidated in the financial statements of Entergy and the applicable Registrant Subsidiary, finance the acquisition and ownership of nuclear fuel through credit

agreements and the issuance of notes. These credit facilities are subject to periodic renewal, and the notes are issued periodically, typically for terms between three and seven years.

Federal Regulation of the Utility

State or local regulatory authorities, as described above, regulate the retail rates of the Utility operating companies. The FERC regulates wholesale sales of electricity rates and interstate transmission of electricity, including System Energy's sales of capacity and energy from Grand Gulf to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans pursuant to the Unit Power Sales Agreement. See Note 2 to the financial statements for further discussion of federal regulatory proceedings.

Transmission and MISO Markets

In December 2013 the Utility operating companies integrated into the MISO RTO. Although becoming a member of MISO did not affect the ownership by the Utility operating companies of their transmission facilities or the responsibility for maintaining those facilities, MISO maintains functional control over the combined transmission systems of its members and administers wholesale energy and ancillary services markets for market participants in the MISO region, including the Utility operating companies. MISO also exercises functional control of transmission planning and congestion management and provides schedules and pricing for the commitment and dispatch of generation that is offered into MISO's markets, as well as pricing for load that bids into the markets. The Utility operating companies sell capacity, energy, and ancillary services on a bilateral basis to certain wholesale customers and offer available electricity production of their owned and controlled generating facilities into the MISO resource adequacy construct (the annual Planning Resource Auction), as well as the MISO day-ahead and real-time energy markets pursuant to the MISO tariff and market rules. The resource adequacy construct provided under the MISO tariff confers certain rights and imposes certain obligations upon load-serving entities, including the Utility operating companies, that are served from the transmission systems subject to MISO's functional control, including the transmission facilities of the Utility operating companies. The MISO tariff is subject to change and has recently undergone significant changes, including changes to its overall capacity accreditation methodology.

MISO administers a process governed by the MISO tariff and subject to the FERC regulation that governs the interconnection of new generation resources to the transmission system under MISO's functional control. This process generally involves parties that wish to interconnect new generation resources submitting MISO requests to do so, which are then studied and analyzed by MISO, with the participation of its member transmission owners, to determine if the interconnection of such generators requires new transmission facilities to ensure the continued reliable operations of the grid. Under MISO's current tariff, these requests are studied and considered in clusters, generally in the order in which they are received – a system of priority known as the MISO interconnection queue. In 2025, MISO received approval from the FERC to have an Expedited Resource Addition Study (ERAS) process. ERAS is a temporary process for expediting the study and approval of interconnection projects needed for resource adequacy and/or reliability needs. The Utility operating companies are utilizing the MISO ERAS process to obtain interconnection agreements for fourteen generators on an expedited basis.

Each Utility operating company has its own transmission pricing zone and a formula rate template (included as Attachment O to the MISO tariff) used to establish transmission rates within MISO. The terms and conditions of the MISO tariff, including provisions related to the design and implementation of wholesale markets and the allocation of transmission upgrade costs, are subject to regulation by the FERC.

In addition, orders from each of the Utility operating companies' respective retail regulators generally require that the Utility operating companies make periodic filings, or generally allow the retail regulator to direct the making of such filings, setting forth the results of analysis of the costs and benefits realized from MISO membership as well as the projected costs and benefits of continued membership in MISO and/or requesting approval of their continued membership in MISO.

System Energy and Related Agreements

System Energy recovers costs related to its interest in Grand Gulf through rates charged to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans for capacity and energy under the Unit Power Sales Agreement (described below). In 1998 the FERC approved requests by Entergy Arkansas and Entergy Mississippi to accelerate a portion of their Grand Gulf purchased power obligations. Entergy Arkansas's and Entergy Mississippi's acceleration of Grand Gulf purchased power obligations ceased effective July 2001 and July 2003, respectively, as approved by the FERC. See Note 2 to the financial statements for discussion of proceedings at the FERC related to System Energy.

Unit Power Sales Agreement

The Unit Power Sales Agreement allocates capacity, energy, and the related costs from System Energy's ownership and leasehold interests in Grand Gulf. Entergy Arkansas previously entered into multiple life-of-unit designated power purchase agreements, pursuant to which it sold portions of its Unit Power Sales Agreement energy and capacity to Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans under the MSS-4 replacement tariff. Effective January 1, 2025, Entergy Louisiana divested all of its 14% share of capacity and energy from Grand Gulf pursuant to the Unit Power Sales Agreement and all of the capacity and energy from Grand Gulf that it purchased from Entergy Arkansas (approximately 2.43%) under the MSS-4 replacement tariff to Entergy Mississippi. See Note 8 to the financial statements for discussion of Entergy Louisiana's divestiture from the Unit Power Sales Agreement. Effective October 1, 2025, the Unit Power Sales Agreement was amended to reflect the divestiture and the amounts of Grand Gulf energy and capacity that were previously re-sold under the MSS-4 replacement tariff, with the associated power purchase agreements being terminated or modified to remove the Grand Gulf sales. The current entitlement percentages under the Unit Power Sales Agreement effective October 1, 2025 are as follows: Entergy Arkansas (24.19%), Entergy Mississippi (56.38%), and Entergy New Orleans (19.43%).

Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans are obligated to make payments to System Energy for their entitlement of capacity and energy on a full cost-of-service basis regardless of the quantity of energy delivered. Payments under the Unit Power Sales Agreement are System Energy's only source of operating revenue. The financial condition of System Energy depends upon the continued commercial operation of Grand Gulf and the receipt of such payments. Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans generally recover payments made under the Unit Power Sales Agreement through rates charged to their customers.

In the case of Entergy Arkansas, payments are also recovered through sales of electricity from its retained shares of Grand Gulf. Under a settlement agreement entered into with the APSC in 1985 and amended in 1988, Entergy Arkansas retains a 22% share of Grand Gulf-related costs and recovers the remaining 78% of its share in retail rates. In the event that Entergy Arkansas is not able to sell its retained share to third parties, it may sell such energy to its retail customers at a price equal to its avoided cost, which is currently less than Entergy Arkansas's cost from its retained share.

Availability Agreement

An Availability Agreement among System Energy and Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans was originally entered into in 1974 in connection with the original financing by System Energy of Grand Gulf (1974 Availability Agreement). In the 1974 Availability Agreement, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans also agreed severally to pay System Energy monthly for the right to receive capacity and energy from Grand Gulf in amounts that (when added to any amounts received by System Energy under the Unit Power Sales Agreement) would at least equal System Energy's total operating expenses for Grand Gulf (including depreciation at a specified rate and expenses incurred in a permanent shutdown of Grand Gulf) and interest charges.

As discussed in Note 8 to the financial statements, Entergy Louisiana divested all of its rights, entitlements, and interests in such capacity and energy to Entergy Mississippi. Effective October 1, 2025, the 1974 Availability Agreement was terminated and discharged. Immediately following such termination, System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans entered into a new Availability Agreement (2025 Availability Agreement). The allocation percentages under the 2025 Availability Agreement are currently fixed as follows: Entergy Arkansas - 24.19%; Entergy Mississippi - 56.38%; and Entergy New Orleans - 19.43%. The allocation percentages under the 2025 Availability Agreement will remain in effect and will govern payments made under such agreement in the event of a shortfall of operating expense funds available to System Energy from other sources, including payments under the Unit Power Sales Agreement.

System Energy had previously assigned its rights to payments and advances from Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans under the 1974 Availability Agreement as security for all of its outstanding series of first mortgage bonds, as well as for a previously outstanding term loan and the pollution control revenue refunding bonds issued on its behalf. In these assignments, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans further agreed that, in the event they were prohibited by governmental action from making payments under the 1974 Availability Agreement (for example, if the FERC reduced or disallowed such payments as constituting excessive rates), they would then make subordinated advances to System Energy in the same amounts and at the same times as the prohibited payments. System Energy would not be allowed to repay these subordinated advances so long as it remained in default under the related indebtedness or in other similar circumstances. In connection with the termination and discharge of the 1974 Availability Agreement, these assignment agreements were also terminated and discharged. Immediately following such termination, System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans entered into new assignment agreements relating to the 2025 Availability Agreement as security for the outstanding series of System Energy's first mortgage bonds, including those securing the pollution control revenue refunding bonds issued on System Energy's behalf.

Each of the assignment agreements relating to the 2025 Availability Agreement provides that Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans will make payments directly to System Energy. However, if there is an event of default, those payments must be made directly to the holders of indebtedness that are the beneficiaries of such assignment agreements. The payments must be made pro rata according to the amount of the respective obligations secured.

The obligations of Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans to make payments under the 2025 Availability Agreement are subject to the receipt and continued effectiveness of all necessary regulatory approvals. Sales of capacity and energy under the 2025 Availability Agreement would require that the 2025 Availability Agreement be submitted to the FERC for approval with respect to the terms of such sale. No such filing with the FERC has been made because sales of capacity and energy from Grand Gulf are being made pursuant to the Unit Power Sales Agreement. If, for any reason, sales of capacity and energy are made in the future pursuant to the 2025 Availability Agreement, the jurisdictional portions of the 2025 Availability Agreement would be submitted to the FERC for approval.

Since commercial operation of Grand Gulf began, payments under the Unit Power Sales Agreement to System Energy have exceeded the amounts payable under either version of the Availability Agreement and, therefore, no payments under either version of the Availability Agreement to System Energy have ever been required. The 2025 Availability Agreement may be terminated, and certain amendments or modifications may be made, in each case, by mutual agreement of the parties thereto, without further consent of any assignees or other creditors.

Service Companies

Entergy Services, a limited liability company wholly-owned by Entergy Corporation, provides management, administrative, accounting, legal, engineering, and other services primarily to the Utility operating

companies, as well as to Entergy's non-utility operations business. Entergy Operations is also wholly-owned by Entergy Corporation and provides nuclear management, operations, and maintenance services under contract for ANO, River Bend, Waterford 3, and Grand Gulf, subject to the owner oversight of Entergy Arkansas, Entergy Louisiana, and System Energy, respectively. Entergy Services and Entergy Operations provide their services, under service agreements approved by the FERC, to the Utility operating companies and System Energy on an "at cost" basis, pursuant to cost allocation methodologies.

Jurisdictional Separation of Entergy Gulf States, Inc. into Entergy Gulf States Louisiana and Entergy Texas

Effective December 31, 2007, Entergy Gulf States, Inc. completed a jurisdictional separation into two vertically integrated utility companies, one operating under the sole retail jurisdiction of the PUCT, Entergy Texas, and the other operating under the sole retail jurisdiction of the LPSC, Entergy Gulf States Louisiana. Entergy Texas owns all Entergy Gulf States, Inc. distribution and transmission assets located in Texas, the gas-fired generating plants located in Texas, undivided 42.5% ownership shares of Entergy Gulf States, Inc.'s 70% ownership interest in Nelson Unit 6 and 42% ownership interest in Big Cajun 2, Unit 3, which are coal-fired generating plants located in Louisiana, and other assets and contract rights to the extent related to utility operations in Texas. Entergy Louisiana, as successor in interest to Entergy Gulf States Louisiana, owns all of the remaining assets that were owned by Entergy Gulf States, Inc. On a book value basis, approximately 58.1% of the Entergy Gulf States, Inc. assets were allocated to Entergy Gulf States Louisiana and approximately 41.9% were allocated to Entergy Texas.

Entergy Texas purchases from Entergy Louisiana pursuant to a life-of-unit purchased power agreement a 42.5% share of capacity and energy from the 70% of River Bend subject to retail regulation of the depreciation amount in Entergy Texas's rates and otherwise subject to federal regulation. Entergy Texas was allocated a share of River Bend's nuclear and environmental liabilities that is identical to the share of the plant's output purchased by Entergy Texas under the purchased power agreement. In connection with the termination of the System Agreement effective August 31, 2016, the purchased power agreements that were put in place for certain legacy units at the time of the jurisdictional separation were also terminated at that time.

Entergy Louisiana and Entergy Gulf States Louisiana Business Combination

On October 1, 2015, the businesses formerly conducted by Entergy Louisiana (Old Entergy Louisiana) and Entergy Gulf States Louisiana (Old Entergy Gulf States Louisiana) were combined into a single public utility. In order to effect the business combination, under the Texas Business Organizations Code (TXBOC), Old Entergy Louisiana allocated substantially all of its assets to a new subsidiary, Entergy Louisiana Power, LLC, a Texas limited liability company (New Entergy Louisiana), and New Entergy Louisiana assumed the liabilities of Old Entergy Louisiana, in a transaction regarded as a merger under the TXBOC. Under the TXBOC, Old Entergy Gulf States Louisiana allocated substantially all of its assets to a new subsidiary (New Entergy Gulf States Louisiana) and New Entergy Gulf States Louisiana assumed the liabilities of Old Entergy Gulf States Louisiana, in a transaction regarded as a merger under the TXBOC. New Entergy Gulf States Louisiana then merged into New Entergy Louisiana with New Entergy Louisiana surviving the merger. Thereupon, Old Entergy Louisiana changed its name from "Entergy Louisiana, LLC" to "EL Investment Company, LLC" and New Entergy Louisiana changed its name from "Entergy Louisiana Power, LLC" to "Entergy Louisiana, LLC" (Entergy Louisiana). With the completion of the business combination, Entergy Louisiana holds substantially all of the assets, and has assumed the liabilities, of Old Entergy Louisiana and Old Entergy Gulf States Louisiana.

Other Business Activities

Entergy's non-utility operations business includes the ownership of interests in non-nuclear power plants that sell the electric power produced by those plants to wholesale customers. Entergy's non-utility operations business also provides decommissioning-related services to nuclear power plants owned by non-affiliated entities.

Property

Entergy's non-utility operations business owns interests in the following non-nuclear power plants:

Plant	Location	Ownership	Net Owned Capacity (a)	Type
Independence Unit 2; 842 MW	Newark, AR	14%	121 MW(b)	Coal
Nelson Unit 6; 550 MW	Westlake, LA	11%	60 MW(b)	Coal

(a) "Net Owned Capacity" refers to the nameplate rating on the generating unit.
(b) The owned MW capacity is the portion of the plant capacity owned by Entergy's non-utility operations business. For a complete listing of Entergy's jointly-owned generating stations, refer to "**Jointly-Owned Generating Stations**" in Note 1 to the financial statements.

All generation owned by Entergy's non-utility operations business falls under the authority of MISO. Customers for the sale of both energy and capacity from its owned generation and contracted power purchases include retail power providers, utilities, electric power co-operatives, power trading organizations, and other power generation companies. The majority of the non-utility operations businesses' owned generation and contracted power purchases are sold under a cost-based contract.

TLG Services, a subsidiary in Entergy's non-utility operations business, offers decommissioning, engineering, and related services to nuclear power plant owners.

Regulation of Entergy's Business

Federal Power Act

The Federal Power Act provides the FERC the authority to regulate:

- the transmission and wholesale sale of electric energy in interstate commerce;
- the reliability of the high voltage interstate transmission system through reliability standards;
- sale or acquisition of certain assets;
- securities issuances;
- the licensing of certain hydroelectric projects;
- certain other activities, including accounting policies and practices of electric and gas utilities; and
- changes in control of FERC jurisdictional entities or rate schedules.

The Federal Power Act gives the FERC jurisdiction over the rates charged by System Energy for Grand Gulf capacity and energy provided to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans. The FERC also has jurisdiction over the rates charged by Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas to unaffiliated wholesale customers. In addition, the FERC also regulates wholesale power sales between the Utility operating companies. Moreover, the FERC regulates the MISO RTO, an independent entity that maintains functional control over the combined transmission systems of its members and administers wholesale energy, capacity, and ancillary services markets for market participants in the MISO region, including the Utility operating companies. FERC regulation of the MISO RTO includes regulation of the design and implementation of the wholesale markets administered by the MISO RTO, as well as the rates, terms, and conditions of open access transmission service over the member systems and the allocation of costs associated with transmission upgrades.

Entergy Arkansas holds a FERC license that expires in 2053 for two hydroelectric projects totaling 65 MW of capacity.

State Regulation

Utility

Entergy Arkansas is subject to regulation by the APSC as to the following:

- utility service;
- utility service areas;
- retail rates and charges, including depreciation rates;
- fuel cost recovery, including audits of the energy cost recovery rider;
- terms and conditions of service;
- service standards;
- the acquisition, sale, or lease of any public utility plant or property constituting an operating unit or system;
- certificates of convenience and necessity and certificates of environmental compatibility and public need, as applicable, for generating and transmission facilities;
- avoided cost payments to non-exempt Qualifying Facilities;
- net energy metering;
- integrated resource planning;
- utility mergers and acquisitions and other changes of control; and
- the issuance and sale of certain securities.

Additionally, Entergy Arkansas serves a limited number of retail customers in Tennessee. Pursuant to legislation enacted in Tennessee, Entergy Arkansas is subject to complaints before the Tennessee Regulatory Authority only if it fails to treat its retail customers in Tennessee in the same manner as its retail customers in Arkansas. Additionally, Entergy Arkansas maintains limited facilities in Missouri but does not provide retail electric service to customers in Missouri. Although Entergy Arkansas obtained a certificate with respect to its Missouri facilities, Entergy Arkansas is not subject to retail ratemaking jurisdiction in Missouri.

Entergy Louisiana is subject to regulation by the LPSC as to the following:

- utility service;
- retail rates and charges, including depreciation rates;
- fuel cost recovery, including audits of the fuel adjustment clause, and the environmental adjustment charge;
- terms and conditions of service;
- service standards;
- certification of certain transmission projects;
- certification of capacity acquisitions, both for owned capacity and for purchase power contracts that exceed either 5 MW or one year in term;
- procurement process to acquire generating capacity at or above 50 MW;
- audits of the energy efficiency rider;
- avoided cost payment to non-exempt Qualifying Facilities;
- integrated resource planning;
- net energy metering; and
- utility mergers and acquisitions and other changes of control.

Entergy Mississippi is subject to regulation by the MPSC as to the following:

- utility service;
- utility service areas;
- retail rates and charges, including depreciation rates;
- fuel cost recovery, including audits of the energy cost recovery mechanism;
- terms and conditions of service;

- service standards;
- certification of certain generating facilities, certain transmission projects, and distribution projects with construction costs greater than $10 million;
- avoided cost payments to non-exempt Qualifying Facilities;
- integrated resource planning;
- net energy metering; and
- utility mergers, acquisitions, and other changes of control.

Entergy Mississippi is also subject to regulation by the APSC as to the certificate of environmental compatibility and public need for the Independence Station, which is located in Arkansas.

Entergy New Orleans is subject to regulation by the City Council as to the following:

- utility service;
- retail rates and charges, including depreciation rates;
- fuel cost recovery, including audits of the fuel adjustment charge;
- terms and conditions of service;
- service standards;
- audit of the environmental adjustment charge;
- certification of the construction or extension of any new plant, equipment, property, or facility that comprises more than 2% of the utility's rate base;
- integrated resource planning;
- net energy metering;
- avoided cost payments to non-exempt Qualifying Facilities;
- issuance and sale of certain securities; and
- utility mergers and acquisitions and other changes of control.

To the extent authorized by governing legislation, Entergy Texas is subject to the original jurisdiction of the municipal authorities of a number of incorporated cities in Texas with appellate jurisdiction over such matters residing in the PUCT. Entergy Texas is also subject to regulation by the PUCT as to the following:

- retail rates and charges, including depreciation rates, and terms and conditions of service in unincorporated areas of its service territory, and in municipalities that have ceded jurisdiction to the PUCT;
- fuel recovery, including reconciliations (audits) of the fuel adjustment charges;
- service standards;
- certification of certain transmission and generation projects;
- utility service areas, including extensions into new areas;
- avoided cost payments to non-exempt Qualifying Facilities;
- net energy metering; and
- utility mergers, sales/acquisitions/leases of plants over $10 million, sales of greater than 50% voting stock of utilities, and transfers of controlling interest in or operation of utilities.

Regulation of the Nuclear Power Industry

Atomic Energy Act of 1954 and Energy Reorganization Act of 1974

Under the Atomic Energy Act of 1954 and the Energy Reorganization Act of 1974, the operation of nuclear plants is heavily regulated by the NRC, which has broad power to impose licensing and safety-related requirements. The NRC has broad authority to impose civil penalties or shut down a unit, or both, depending upon its assessment of the severity of the situation, until compliance is achieved. Entergy Arkansas, Entergy Louisiana, and System Energy, as owners of all or portions of ANO, River Bend and Waterford 3, and Grand Gulf,

respectively, and Entergy Operations, as the licensee and operator of these units, are subject to the jurisdiction of the NRC.

Nuclear Waste Policy Act of 1982

Spent Nuclear Fuel

Under the Nuclear Waste Policy Act of 1982, the DOE is required, for a specified fee, to construct storage facilities for, and to dispose of, all spent nuclear fuel and other high-level radioactive waste generated by domestic nuclear power reactors. Entergy's nuclear owner/licensee subsidiaries have been charged fees for the estimated future disposal costs of spent nuclear fuel in accordance with the Nuclear Waste Policy Act of 1982. The affected Entergy companies entered into contracts with the DOE, whereby the DOE is to furnish disposal services at a cost of one mill per net kWh generated and sold after April 7, 1983, plus a one-time fee for generation prior to that date. Entergy Arkansas is the only one of the Utility operating companies that generated electric power with nuclear fuel prior to that date and has a recorded liability as of December 31, 2025 of $225 million for the one-time fee. The fees payable to the DOE may be adjusted in the future to assure full recovery. Entergy considers all costs incurred for the disposal of spent nuclear fuel, except accrued interest, to be proper components of nuclear fuel expense. Provisions to recover such costs have been or will be made in applications to regulatory authorities for the Utility plants. Entergy's total spent fuel fees to date, including the one-time fee liability of Entergy Arkansas, have surpassed $1.7 billion (exclusive of amounts relating to Entergy plants that were paid or are owed by prior owners of those plants).

The permanent spent fuel repository in the U.S. has been legislated to be Yucca Mountain, Nevada. The DOE is required by law to proceed with the licensing of the Yucca Mountain repository (the DOE filed the license application in June 2008) and, after the license is granted by the NRC, proceed with the repository construction and commencement of receipt of spent fuel. Because the DOE has not begun accepting spent fuel, it is in non-compliance with the Nuclear Waste Policy Act of 1982 and is in partial breach of its spent fuel disposal contracts. The DOE continues to delay meeting its obligation. Specific steps were taken to discontinue the Yucca Mountain project, including a motion to the NRC to withdraw the license application with prejudice and the establishment of a commission to develop recommendations for alternative spent fuel storage solutions. In August 2013 the U.S. Court of Appeals for the D.C. Circuit ordered the NRC to continue with the Yucca Mountain license review, but only to the extent of funds previously appropriated by Congress for that purpose and not yet used. Although the NRC completed the safety evaluation report for the license review in 2015, the previously appropriated funds are not sufficient to complete the review, including required hearings. The government has taken no effective action to date related to the recommendations of the appointed spent fuel study commission. Accordingly, large uncertainty remains regarding the time frame under which the DOE will begin to accept spent fuel from Entergy's facilities for storage or disposal. As a result, continuing future expenditures will be required to increase spent fuel storage capacity at Entergy's nuclear sites.

Following the defunding of the Yucca Mountain spent fuel repository program, the National Association of Regulatory Utility Commissioners and others sued the government seeking cessation of collection of the one mill per net kWh generated and sold after April 7, 1983 fee. In November 2013 the D.C. Circuit ordered the DOE to submit a proposal to Congress to reset the fee to zero until the DOE complies with the Nuclear Waste Policy Act or Congress enacts an alternative waste disposal plan. In January 2014 the DOE submitted the proposal to Congress under protest, and also filed a petition for rehearing with the D.C. Circuit. The petition for rehearing was denied. The zero spent fuel fee went into effect prospectively in May 2014.

As a result of the DOE's failure to begin disposal of spent nuclear fuel in 1998 pursuant to the Nuclear Waste Policy Act of 1982 and the spent fuel disposal contracts, Entergy's nuclear owner/licensee subsidiaries have incurred and will continue to incur damages. These subsidiaries have been, and continue to be, involved in litigation to recover the damages caused by the DOE's delay in performance. See Note 8 to the financial statements for discussion of final judgments recorded by Entergy in 2023 and 2024 related to Entergy's nuclear owner/licensee

subsidiaries' litigation with the DOE. Through 2025, Entergy's subsidiaries have won and collected on judgments against the government totaling approximately $1.2 billion.

Pending DOE acceptance and disposal of spent nuclear fuel, the owners of nuclear plants are providing their own spent fuel storage. Storage capability additions using dry casks began operations at ANO in 1996, at River Bend in 2005, at Grand Gulf in 2006, and at Waterford 3 in 2011. These facilities will be expanded as needed.

Nuclear Plant Decommissioning

Entergy Arkansas, Entergy Louisiana, and System Energy are entitled to recover from customers through electric rates the estimated decommissioning costs for ANO, Waterford 3, and Grand Gulf, respectively. In addition, Entergy Louisiana and Entergy Texas are entitled to recover from customers through electric rates the estimated decommissioning costs for the portion of River Bend subject to retail rate regulation. The collections are deposited in trust funds that can only be used in accordance with NRC and other applicable regulatory requirements. Entergy periodically reviews and updates the estimated decommissioning costs to reflect inflation and changes in regulatory requirements and technology, and then makes applications to the regulatory authorities to reflect, in rates, the changes in projected decommissioning costs.

In December 2018 the APSC ordered collections in rates for decommissioning ANO 2 and found that ANO 1's decommissioning was adequately funded without additional collections. In November 2021, Entergy Arkansas filed a revised decommissioning cost recovery tariff for ANO indicating that both ANO 1 and 2 decommissioning trusts were adequately funded without further collections, and in December 2021 the APSC ordered zero collections for ANO 1 and 2 decommissioning. In November 2022, Entergy Arkansas filed a revised decommissioning cost recovery tariff for ANO indicating that ANO 1's decommissioning trust was adequately funded, but that ANO 2's fund had a projected shortage as a result of a decline in decommissioning trust fund investment values over the past year. The filing proposed a reinstatement of decommissioning cost recovery for ANO 2. In December 2022 the APSC ordered reinstatement of decommissioning collections for ANO 2 in accordance with the request in the November 2022 filing. In November 2023, Entergy Arkansas filed a further revised decommissioning cost recovery tariff for ANO indicating that ANO 1's decommissioning trust continued to be adequately funded, but that ANO 2's fund continued to require collections higher than those in effect. In December 2023 the APSC approved the proposed higher decommissioning collections for ANO 2. In October 2024, Entergy Arkansas filed a revised cost recovery tariff indicating the decommissioning trusts for both ANO 1 and 2 were adequately funded and proposing suspension of decommissioning collections for both ANO 1 and 2. In December 2024 the APSC approved suspension of decommissioning collections for both ANO 1 and 2. In December 2025 the ALJ, to whom the APSC delegated review of ANO decommissioning revenues, approved continuation of the suspension of decommissioning collections for both ANO 1 and 2.

In July 2010 the LPSC approved increased decommissioning collections for Waterford 3 and the Louisiana regulated share of River Bend to address previously identified funding shortfalls. This LPSC decision contemplated that the level of decommissioning collections could be revisited should the NRC grant license extensions for both Waterford 3 and River Bend. In July 2021, Entergy Louisiana made a filing with the LPSC to adjust Waterford 3 and River Bend decommissioning collections based on the latest site-specific decommissioning cost estimates for those plants. The filing sought to increase Waterford 3 decommissioning collections and decrease River Bend decommissioning collections. In August 2023, Entergy Louisiana made another filing with the LPSC requesting to maintain the same total decommissioning funding collections as currently in effect for both Waterford 3 and River Bend combined, but also requesting to reallocate that same amount of funding by increasing the contributions for Waterford 3 and reducing the contributions for River Bend. In August 2024 the LPSC approved a stipulation settling the case involving Waterford 3 and River Bend decommissioning. The stipulation, among other things, increased Waterford 3 decommissioning collections and decreased River Bend decommissioning collections, as requested.

In December 2010 the PUCT approved increased decommissioning collections for the Texas share of River Bend to address previously identified funding shortfalls. In December 2018 the PUCT approved a settlement that eliminated River Bend decommissioning collections for the Texas jurisdictional share of the plant based on a determination by Entergy Texas that the existing decommissioning fund was adequate following license renewal. In July 2022, Entergy Texas filed a base rate case that proposed continuation of the cessation of River Bend decommissioning collections. In May 2023, Entergy Texas filed on behalf of the parties to the base rate case an unopposed settlement, which included an agreement to maintain Entergy Texas's decommissioning funding for River Bend at a revenue requirement of $0. In August 2023 the PUCT issued an order accepting the unopposed settlement, including the proposed decommissioning funding settlement terms.

In December 2016 the NRC issued a 20-year operating license renewal for Grand Gulf. In a 2017 filing at the FERC, System Energy stated that with the renewed operating license, Grand Gulf's decommissioning trust was sufficiently funded, and proposed, among other things, to cease decommissioning collections for Grand Gulf effective October 1, 2017. The FERC accepted a settlement including the proposed decommissioning revenue requirement by letter order in August 2018.

Entergy currently believes its decommissioning funding will be sufficient for its nuclear plants subject to retail rate regulation, although decommissioning cost inflation and trust fund performance will ultimately determine the adequacy of the funding amounts.

Plant owners are required to provide the NRC with a biennial report (annually for units that have shut down or will shut down within five years), based on values as of December 31, addressing the owners' ability to meet the NRC minimum funding levels. Depending on the value of the trust funds, plant owners may be required to take steps, such as providing financial guarantees through letters of credit or parent company guarantees or making additional contributions to the trusts, to ensure that the trusts are adequately funded and that NRC minimum funding requirements are met. In March 2025 filings with the NRC were made reporting on decommissioning funding for all of Entergy's subsidiaries' nuclear plants. Those reports showed that decommissioning funding for each of the nuclear plants met the NRC's financial assurance requirements.

Additional information with respect to Entergy's decommissioning costs and decommissioning trust funds is found in Note 9 and Note 16 to the financial statements.

Price-Anderson Act

The Price-Anderson Act requires that reactor licensees purchase and maintain the maximum amount of nuclear liability insurance available and participate in an industry assessment program called Secondary Financial Protection in order to protect the public in the event of a nuclear power plant accident. The costs of this insurance are borne by the nuclear power industry. Congress passed legislation in 2024 extending the Price-Anderson Act for a term through 2065. The Price-Anderson Act limits the contingent liability for a single nuclear incident to a maximum assessment of approximately $165.9 million per reactor (with 95 nuclear industry reactors currently participating). In the case of a nuclear event in which Entergy Arkansas, Entergy Louisiana, or System Energy is liable, protection is afforded through a combination of insurance and the Secondary Financial Protection program. The Price-Anderson Act and insurance applicable to the nuclear programs of Entergy are discussed in more detail in Note 8 to the financial statements.

NRC Reactor Oversight Process

The NRC's Reactor Oversight Process is a program to collect information about plant performance, assess the information for its safety significance, and provide for appropriate licensee and NRC response. The NRC evaluates plant performance by analyzing two distinct inputs: inspection findings resulting from the NRC's inspection program and performance indicators reported by the licensee. The evaluations result in the placement of each plant in one of the NRC's Reactor Oversight Process Action Matrix columns: "licensee response column," or

Column 1, "regulatory response column," or Column 2, "degraded cornerstone column," or Column 3, "multiple/repetitive degraded cornerstone column," or Column 4, and "unacceptable performance," or Column 5. Plants in Column 1 are subject to normal NRC inspection activities. Plants in Column 2, Column 3, or Column 4 are subject to progressively increasing levels of inspection by the NRC with, in general, progressively increasing levels of associated costs. Continued plant operation is not permitted for plants in Column 5. All of the nuclear generating plants owned and operated by Entergy's Utility business are currently in Column 1.

Environmental Regulation

Entergy's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy's businesses are in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted below. Because environmental regulations are subject to change, future compliance requirements and costs cannot be precisely estimated. Except to the extent discussed below, at this time compliance with federal, state, and local provisions regulating the discharge of materials into the environment, or otherwise protecting the environment, is incorporated into the routine cost structure of Entergy's businesses and is not expected to have a material effect on their competitive position, results of operations, cash flows, or financial position.

National Ambient Air Quality Standards

The Clean Air Act requires the EPA to set National Ambient Air Quality Standards (NAAQS) for ozone, carbon monoxide, lead, nitrogen dioxide, particulate matter, and sulfur dioxide and requires periodic review of those standards. When an area fails to meet an ambient standard, it is considered to be in nonattainment and is classified as "marginal," "moderate," "serious," or "severe." When an area fails to meet the ambient air standard, the EPA requires state regulatory authorities to prepare state implementation plans (SIPs) meant to cause progress toward bringing the area into attainment with applicable standards.

Ozone Nonattainment

Entergy Texas operates two fossil-fueled generating facilities (Lewis Creek and Montgomery County Power Station) in a geographic area that is not in attainment with the applicable NAAQS for ozone. The ozone nonattainment area that affects Entergy Texas is the Houston-Galveston-Brazoria area. Both Lewis Creek and the Montgomery County Power Station hold all necessary permits for operation and comply with applicable air quality program regulations. Measures enacted to return the area to ozone attainment could make these program regulations more stringent. Entergy will continue to work with state environmental agencies on appropriate methods for assessing attainment and nonattainment with the ozone NAAQS.

Revised Fine Particulate ($PM_{2.5}$) NAAQS

In March 2024 the EPA issued a final rule which revised the primary annual NAAQS for fine particulate matter, also known as $PM_{2.5}$, from 12 ug/m^3 to 9 ug/m^3. This new standard was effective May 2024 and initial attainment/nonattainment designations for areas with available information are due by May 2026. A coalition of 24 states challenged the 2024 rule in the D.C. Circuit Court of Appeals; however, that challenge has been held in abeyance pending the agency's reconsideration of the rule. In November 2025 the EPA filed a motion asking the D.C. Circuit to vacate the agency's 2024 revision of the $PM_{2.5}$ NAAQS which lowered the primary standard to 9 ug/m^3. Briefing on that motion is complete and the parties are awaiting a ruling. Even if the D.C. Circuit does not grant the motion to vacate the 2024 rule, the EPA is likely to initiate a reconsideration rulemaking given that this rule was listed as one of its 31 deregulatory priorities.

For any areas designated as nonattainment for the 2024 standard, SIPs to address nonattainment requirements will be due within 18 months of the effective date of any initial nonattainment designations. Within

the areas in which the Utility operating companies operate, regulatory agency air monitor data from 2022-2024 for Pulaski County and Union County, Arkansas, West Baton Rouge Parish, Louisiana, Harris County and Montgomery County, Texas, and DeSoto County, Mississippi reflect annual average $PM_{2.5}$ concentrations in excess of this new standard and monitors for several other areas reflect concentrations between 8-9 ug/m^3. Initial attainment and nonattainment designations are expected to be based on data from 2022-2024. As of December 31, 2025, none of the states in Entergy's service area have recommended any areas to be designated as nonattainment with the revised 2024 standard. Entergy will continue to work with state environmental agencies, as appropriate, to assess attainment and nonattainment with this revised fine particulate NAAQS.

Good Neighbor Plan/Cross-State Air Pollution Rule

In March 2005 the EPA finalized the Clean Air Interstate Rule (CAIR), which was intended to reduce sulfur dioxides (SO_2) and nitrogen oxides (NO_x) emissions from electric generation plants in order to improve air quality in twenty-nine eastern states. The rule required a combination of capital investment to install pollution control equipment and increased operating costs through the purchase of emission allowances. Entergy began implementation in 2007, including installation of controls at several facilities and the development of an emission allowance procurement strategy. Based on several court challenges, CAIR and its subsequent versions, now known as the Cross-State Air Pollution Rule (CSAPR), have been remanded to and modified by the EPA on multiple occasions.

In June 2023 the EPA published its final Federal Implementation Plan (FIP), known as the Good Neighbor Plan, to address interstate transport for the 2015 ozone NAAQS which would increase the stringency of the CSAPR program in all four of the states where the Utility operating companies operate. The FIP would significantly reduce ozone season NO_x emission allowance budgets and allocations for electric generating units. Prior to issuance of the FIP, in February 2023 the EPA issued related SIP disapprovals for many states, including the four states in which the Utility operating companies operate, and these SIP disapprovals are the subject of many legal challenges, including a petition for review filed by Entergy Louisiana challenging the disapproval of Louisiana's SIP. Judicial stays of the SIP disapprovals were granted in all four states in which the Utility operating companies operate. In March 2025 the U.S. Fifth Circuit Court of Appeals concluded that the EPA properly disapproved Texas's and Louisiana's SIPs but found that the EPA's disapproval was unreasonable for Mississippi's SIP. The U.S. Eighth Circuit Court of Appeals has not issued a merits decision yet in the Arkansas SIP disapproval litigation. The FIP is also subject to numerous legal challenges in various federal circuit courts of appeals, and in June 2024 the U.S. Supreme Court issued an order, in challenges filed in the D.C. Circuit, staying enforcement of the FIP pending the D.C. Circuit's review of the rule. Following the U.S. Supreme Court stay, the EPA also stayed the FIP. In March 2025 the EPA asked the D.C. Circuit for a voluntary remand to reconsider the FIP. In its declaration, the EPA states that it plans to reconsider, among other things, what states are subject to the FIP. In April 2025 the D.C. Circuit held the cases in abeyance pending further order of the court. The EPA anticipates a new rule by fall 2026. Entergy is monitoring this litigation, any subsequent rulemaking, and assessing its compliance options in the event that the FIP becomes effective.

Hazardous Air Pollutants

The EPA released the final Mercury and Air Toxics Standard (MATS) rule in December 2011, which had a compliance date, with a widely granted one-year extension, of April 2016. The required controls have been installed and are operational at all affected Entergy units. In May 2024 the EPA issued a final rule revising portions of the MATS rule, including a reduction to the emission limit for filterable particulate matter. The revised standard will become effective July 2027 and could require additional capital investment and/or additional other operation and maintenance costs at Entergy's coal-fired generating units. In March 2025, as part of its deregulatory agenda, the EPA announced that it was reconsidering the May 2024 MATS rule and that sources interested in a presidential exemption (two years, with additional exemptions available) should provide a recommendation to the EPA by March 31, 2025. Clean Air Act Section 112(i)(4) grants the President authority to issue an exemption if he determines that "the technology to implement such standard is not available and that it is in the national security

interests of the United States to do so." Entergy requested and received presidential exemptions for emissions of filterable particulate matter from Nelson Unit 6 and White Bluff Unit 1. The exemption lasts for a period of two years beyond the rule's compliance date, i.e., from July 8, 2027 through July 8, 2029. Additionally, in June 2025, the EPA proposed to repeal certain aspects of the May 2024 MATS rule including the revised emission limit for filterable particulate matter for which the presidential exemption was granted. Comments on the proposed rule were due in August 2025, and the EPA is expected to finalize the rule in early 2026.

Regional Haze

In June 2005 the EPA issued its final Clean Air Visibility Rule (CAVR) regulations that potentially could result in a requirement to install SO_2 and NO_x pollution control technology as Best Available Retrofit Control Technology to continue operating certain of Entergy's fossil generation units. The rule leaves certain CAVR determinations to the states. This rule establishes a series of 10-year planning periods, with states required to develop SIPs for each planning period, with each SIP including such air pollution control measures as may be necessary to achieve the ultimate goal of the CAVR by the year 2064. The various states are currently in the process of developing SIPs to implement the second planning period of the CAVR, which addresses the 2018-2028 planning period.

The second planning period (2018-2028) for the regional haze program requires states to examine sources for impacts on visibility and to prepare SIPs by July 31, 2021 to ensure reasonable progress is being made to attain visibility improvements. Entergy received information collection requests from the Arkansas and Louisiana Departments of Environmental Quality requesting an evaluation of technical and economic feasibility of various NO_x and SO_2 control technologies for Independence, Nelson 6, NISCO, and Ninemile. Responses to the information collection requests were submitted to the respective state agencies. Louisiana issued its draft SIP which did not propose any additional air emissions controls for the affected Entergy units in Louisiana. Some public commenters, however, believe additional air controls are cost-effective. In August 2024, Louisiana issued a revised SIP proposal for public comment, and following public comment, re-issued the revised SIP proposal in February 2025. The revised proposed SIP would not require any additional pollution control installations on any Entergy-owned units in Louisiana. Comments on the revised SIP were due in April 2025. The Louisiana Department of Environmental Quality (LDEQ), like many other state agencies, did not meet the July 31, 2021 deadline to submit a SIP to the EPA for review.

Similar to the LDEQ, the Arkansas Department of Energy and Environment, Division of Environmental Quality (ADEQ) did not meet the July 31, 2021 SIP submission deadline, but subsequently submitted a final SIP to the EPA for review. The ADEQ reviewed Entergy's Independence plant but determined that additional air emission controls would not be cost-effective considering the facility's commitment to cease coal-fired combustion by December 31, 2030.

In June 2024, the EPA entered into a consent decree that sets deadlines for the EPA to take proposed and final actions on 34 states' SIP submittals. The deadline for a proposed action to approve or disapprove the Arkansas SIP in part or in whole was August 2025, and the deadline for final action is August 2026. The EPA missed the deadline to finalize the Arkansas SIP, but, in September 2025, issued a proposed approval. Comments on the proposed approval were due October 2025.

In August 2022 the EPA issued findings of failure to submit regional haze SIPs to 15 states, including Louisiana. These findings were effective September 2022, which started the two-year period for the EPA to either approve a SIP submitted by the state or issue a final federal plan. That two-year period expired in September 2024, but the EPA has not yet proposed a FIP for Louisiana.

Greenhouse Gas Emissions

In May 2024 the EPA finalized rules regulating greenhouse gas emissions from new combustion turbine electric generating units (EGUs) under Section 111(b) of the Clean Air Act and from certain existing coal- and gas-fired EGUs under Section 111(d) of the Clean Air Act.

For new gas combustion turbine EGUs, the final rule includes three subcategories of emission standards based on the unit's annual capacity factor. Applicable emission standards for each subcategory are: a heat-input based CO_2 emission standard for low load (<20% annual capacity factor) EGUs; an output-based CO_2 efficiency standard for intermediate load (>20% but <40% annual capacity factor) EGUs; and, for base load (>40% annual capacity factor) EGUs, a Phase 1 output-based CO_2 efficiency standard followed by a more stringent Phase 2 CO_2 standard which will apply beginning January 1, 2032. The Phase 2 standard was established based on an EPA determination that carbon capture and sequestration represents the best system of emission reduction for new base load combustion turbine EGUs. The final rule allows for a possible one-year extension to the compliance date for the Phase 2 standard in circumstances where a source faces a delay in installation of controls due to factors outside of the control of the EGU owner/operator.

For existing generating units, the final rule includes emission guidelines issued under Section 111(d) of the Clean Air Act and allows states two years to develop a plan to implement the new emission guidelines with respect to subject emission units within their state. The final emission guidelines require reductions in CO_2 emissions from existing coal-fired generating units which plan to operate beyond January 1, 2032 and exempts coal-fired units which plan to permanently cease operations prior to this date. Due to Entergy's intention to cease burning coal by the end of 2030, Entergy's coal-fired generating units are expected to be exempt from this aspect of the final rule. The emission guidelines also include CO_2 efficiency standards for existing gas-fired steam EGUs. These emission standards will apply beginning January 1, 2030. Entergy's existing gas-fired steam generating units are expected to meet these CO_2 emission standards. The EPA did not finalize emission guidelines for existing gas turbine EGUs and has announced plans to conduct a subsequent rulemaking for such units. Numerous lawsuits were filed in the D.C. Circuit challenging the final rule, and oral argument was held in December 2024. In June 2025 the EPA released a rule proposing to repeal the May 2024 rule in its entirety, or alternatively, to repeal (1) the Phase 2 standard requiring carbon capture and sequestration for new combustion turbines because it is not an adequately demonstrated technology and (2) the standards for existing coal and gas units. Thus, under the proposed alternative proposal, the only standards that would remain are the Phase 1 standards for new gas combustion turbines. Entergy continues to monitor the status of the EPA's efforts to repeal the May 2024 rule, with a final rule expected in early 2026.

In February 2026, the EPA announced the repeal of its 2009 Greenhouse Gas Endangerment Finding, a regulatory determination that provided foundation for the EPA's regulation of greenhouse gas emissions from new motor vehicles and new motor vehicle engines. This final action does not immediately or directly impact greenhouse gas emission regulations applicable to Entergy's operations, including the May 2024 Section 111 rule. Entergy is staying apprised of developments associated with this repeal of federal greenhouse gas regulation and cannot predict the impact of such repeal.

Entergy continues to support national legislation that would most efficiently reduce economy-wide greenhouse gas emissions and increase planning certainty for electric utilities. By virtue of its proportionally large investment in low-emitting generation technologies, Entergy has a relatively low overall carbon dioxide emission "intensity," as measured by the pounds of carbon dioxide emitted per megawatt-hour of electricity generated. Over the past 25 years, Entergy has set and achieved multiple goals to stabilize or reduce its carbon dioxide emissions. During the period of 2019-2022, Entergy established its most recent goals: (1) a 50% reduction in carbon dioxide emission intensity from owned generation and purchased power, relative to a 2000 baseline, by 2030; (2) 50% carbon-free energy generating capacity by 2030; and (3) a commitment to achieve net zero greenhouse gas emissions by 2050.

As a result of recent sales growth, necessitating the development of new generation capacity that is not carbon-free, combined with changes to the tax credits applicable to carbon-free generation, Entergy can now forecast that it will not achieve either of the 2030 goals. Further, Entergy will not at this time establish new or modified interim (i.e., pre-2050) carbon dioxide-only or greenhouse gas emission goals. Entergy is currently maintaining a goal of achieving net zero greenhouse gas emissions by 2050. As Entergy has communicated in various forums, its clean energy and carbon-reducing generation initiatives will be customer-led. Also, Entergy recognizes and has communicated that carbon capture and storage is a technology that Entergy is well positioned to deploy in the future as an element of a net zero emissions strategy. Entergy plans to pursue carbon capture and storage on new combined cycle generation when feasible and supported by customer demand. Carbon capture and storage, while offering the potential to meet customers' long-term clean energy demands, is not carbon-free nor will it be deployed in the immediate term. See "**Risk Factors**" in Part I, Item 1A for discussion of the risks associated with pursuing voluntary climate goals.

Coal Combustion Residuals

In April 2015 the EPA published the final coal combustion residuals (CCR) rule (2015 CCR Rule) regulating CCRs destined for disposal in landfills or surface impoundments as non-hazardous wastes regulated under Resource Conservation and Recovery Act Subtitle D. The final regulations created new compliance requirements including modified storage, new notification and reporting practices, product disposal considerations, and CCR unit closure criteria but excluded CCRs that are beneficially reused in certain processes. Entergy believes that on-site disposal options will be available at its facilities, to the extent needed.

Pursuant to the 2015 CCR Rule, Entergy operates groundwater monitoring systems surrounding its CCR landfills located at White Bluff, Independence, and Nelson. Monitoring to date has detected concentrations of certain listed constituents in the area but has not indicated that these constituents originated at the active landfill cells. Reporting and detection monitoring will continue as the rule requires. In late-2017, Entergy determined that certain in-ground wastewater treatment system recycle ponds at its White Bluff and Independence facilities required management under the 2015 CCR Rule. Consequently, in order to move away from using the recycle ponds, White Bluff and Independence each installed a new permanent bottom ash handling system. As of November 2020, both sites are operating the new system and are no longer sending waste to the recycle ponds. Each site commenced closure of its two recycle ponds (four ponds total) prior to the April 11, 2021 deadline for unlined recycle ponds and the ponds were certified closed in October 2023.

In May 2024 the EPA finalized a rule (2024 CCR Rule) establishing management standards for legacy CCR surface impoundments (i.e., inactive surface impoundments at inactive power plants) and establishing a new class of units referred to as CCR management units (CCRMUs) (i.e., non-containerized CCR located at a regulated CCR facility). CCR utilized in roadbeds and embankments is excluded from the CCRMU definition. Entergy does not have any legacy impoundments; however, the definition of CCRMUs includes on-site areas where CCR was beneficially used. This is contrary to the 2015 CCR Rule which exempted beneficial uses that met certain criteria. Under this expanded rule, all facilities must identify and delineate any CCRMU greater than one ton and submit a facility evaluation report by February 2026. Any potential requirements for corrective action or operational changes under the 2015 CCR Rule and the 2024 CCR Rule continue to be assessed. Notably, ongoing litigation has resulted in the EPA's continuing review of the rules. Additionally, in March 2025 as part of its deregulatory agenda, the EPA announced that it was evaluating whether to extend the compliance deadlines under the 2024 CCR Rule, and in July 2025 the EPA published a proposal to extend various deadlines, including the facility evaluation report deadline by one year, until February 2027. Consequently, the nature and cost of additional corrective action requirements may depend, in part, on the outcome of the litigation and further EPA review. Given the complexity and recency of the EPA guidance, Entergy is still evaluating the level of work that will ultimately be required to comply with the 2024 CCR Rule. Based on initial estimates of multiple possible remediation scenarios, Entergy recorded in 2024 a $42 million increase in its decommissioning cost liabilities for White Bluff and Independence, along with corresponding increases in the related asset retirement cost assets that will be depreciated over the remaining useful lives of the unit. Entergy will continue to update the asset retirement obligation as the

requirements of the 2024 CCR Rule are clarified. As of December 31, 2025, Entergy has recorded asset retirement obligations related to CCR management of $69 million. Additionally, all three sites (White Bluff, Independence, and Nelson) are preparing to implement measures to meet the new and updated Effluent Limitation Guidelines discussed below.

Effluent Limitation Guidelines (ELG)

The 2015 Steam Electric Effluent Limitations Guidelines required, among other things, that there be no discharge of bottom ash transport water. In 2020 the EPA finalized the Reconsideration Rule, allowing limited discharges of bottom ash transport water up to 10% of system volume, under certain defined circumstances including significant (10-year, 24-hour) rain events. The 2020 rule also created a subcategory for units that permanently cease coal combustion by December 31, 2028. Entergy's White Bluff facility filed a notice of planned participation for this subcategory in October 2021. In May 2024 the EPA finalized a supplemental rule that retains the "retirement by 2028" subcategory, creates a new "retirement by 2034" subcategory, otherwise reinstates the zero-discharge requirement for bottom ash transport water, and imposes new requirements for leachate after the facility ceases to burn coal. Thus, units which permanently cease combustion of coal by December 31, 2028 or December 31, 2034 are exempt from the zero-discharge requirement. However, for units in the 2034 subcategory, the 10% discharge allowance must be incorporated into the facility's discharge permit. In December 2025, Entergy Arkansas submitted a Notice of Planned Participation to opt into this 2034 subcategory under the 2024 ELG rule. To help ensure facilities cease combustion of coal by the required subcategory 2028 and 2034 dates, zero discharge of bottom ash transport water is required after April 30, 2029 and April 30, 2035, respectively. In October 2025, as part of its deregulatory agenda, the EPA issued proposed revisions to the ELG rule extending existing compliance deadlines and adding compliance flexibilities. The EPA finalized this proposal on December 31, 2025 with an effective date of March 2, 2026. Entergy is evaluating the impacts from these changes to the ELG rule.

Potential Legislative and Regulatory Developments

In addition to the specific instances described above, there are a number of legislative and regulatory initiatives that are or have recently been under consideration at the federal, state, and local level. Because of the nature of Entergy's business, the imposition of any of these initiatives could affect Entergy's operations. Entergy continues to monitor these initiatives and activities in order to analyze their potential operational and cost implications. These initiatives have included:

- reconsideration and revision of ambient air quality standards downward which could lead to additional areas of nonattainment;
- designation by the EPA and state environmental agencies of areas that are not in attainment with national ambient air quality standards;
- introduction of bills in Congress and development of regulations by the EPA proposing further limits on SO_2, mercury, carbon dioxide, and other air emissions. New legislation or regulations applicable to stationary sources could take the form of market-based cap-and-trade programs, direct requirements for the installation of air emission controls onto air emission sources, or other or combined regulatory programs;
- efforts in Congress or at the EPA to establish a federal carbon dioxide emission tax, control structure, or unit performance standards;
- revisions to the estimates of the Social Cost of Carbon and its use for regulatory impact analysis of federal laws and regulations;
- implementation of the regional cap and trade programs to limit carbon dioxide and other greenhouse gases;
- efforts on the local, state, and federal level to codify renewable portfolio standards, clean energy standards, or a similar mechanism requiring utilities to produce or purchase a certain percentage of their power from defined renewable energy sources or energy sources with lower emissions;
- efforts to develop more stringent state water quality standards, effluent limitations for Entergy's industry sector, stormwater runoff control regulations, and cooling water intake structure requirements;

- efforts to restrict the previously-approved continued use of oil-filled equipment containing certain levels of polychlorinated biphenyls (PCBs) and increased regulation of per- and polyfluorinated substances or other chemicals;
- efforts by certain external groups to encourage reporting and disclosure of environmental, social, and governance risk;
- efforts by state agencies to start new regulatory programs or acquire primacy of federal programs;
- the listing of additional species as threatened or endangered, the protection of critical habitat for these species, and developments in the legal protection of eagles and migratory birds;
- the regulation of the management, disposal, and beneficial reuse of coal combustion residuals; and
- the regulation of the management and disposal and recycling of equipment associated with renewable and clean energy sources such as used solar panels, wind turbine blades, hydrogen usage, or battery storage.

Other Environmental Matters

Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy Texas

The EPA notified Entergy that the EPA believes Entergy is a potentially responsible party (PRP) concerning PCB contamination at the F.J. Doyle Salvage facility in Leonard, Texas. The facility operated as a scrap salvage business during the 1970s to the 1990s. In May 2018 the EPA investigated the site surface and sub-surface soils, and in November 2018 the EPA conducted a removal action, including disposal of PCB contaminated soils. Entergy responded to the EPA's information requests in May and July 2019. In November 2020 the EPA sent Entergy and other PRPs a demand letter seeking reimbursement for response costs totaling $4 million expended at the site. In December 2020, Entergy responded to the demand letter, without admitting liability or waiving any rights, indicating that it would engage in good faith negotiations with the EPA with respect to the demand. An initial meeting between the EPA and the PRPs took place in June 2021. A consent decree, which would resolve and settle the matter for approximately $0.3 million, is near finalization.

Litigation

Entergy and its subsidiaries use legal and appropriate means to contest litigation threatened or filed against them, but the states in which Entergy and the Registrant Subsidiaries operate have proven to be unusually litigious environments. Judges and juries in these states have demonstrated a willingness to grant large verdicts, including punitive damages, to plaintiffs in personal injury, property damage, and business tort cases. The litigation environment in these states poses a significant business risk to Entergy.

Asbestos Litigation (Entergy Arkansas, Entergy Louisiana, Entergy New Orleans, and Entergy Texas)

See Note 8 to the financial statements for a discussion of this litigation.

Employment and Labor-related Proceedings (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

See Note 8 to the financial statements for a discussion of these proceedings.

Dorrell, et al. v. Constellation Energy, et al. Antitrust Class Action Litigation

On July 11, 2025, an antitrust class action lawsuit was filed in the United States District Court for the District of Maryland on behalf of a putative class against Entergy Corporation, 26 other entities alleged to own and/or operate commercial nuclear power plants in the United States (together with Entergy Corporation, the "nuclear defendants"), and two consulting companies. The class action complaint purports to be brought on behalf of all persons employed in nuclear power generation by the nuclear defendants and their subsidiaries and related entities in the United States from May 1, 2003 to the present. The plaintiffs primarily allege that the nuclear defendants,

together with the consulting company defendants, violated Section 1 of the Sherman Act, 15 U.S. Code Chapter 1 by conspiring to suppress compensation and exchange collective bargaining agreement and wage information through a trade group, a consulting firm, and direct communications, including while in attendance at conferences, from May 2003 to the present. The plaintiffs are seeking unspecified monetary damages, including treble damages, interest, injunctive relief, attorney's fees, and costs. In December 2025 the defendants filed a motion to dismiss.

Human Capital

Employees

Employees are an integral part of Entergy's commitment to serving customers. As of December 31, 2025, Entergy subsidiaries employed 12,233 people.

Entergy Arkansas	1,347
Entergy Louisiana	1,615
Entergy Mississippi	793
Entergy New Orleans	216
Entergy Texas	728
System Energy	—
Entergy Operations	3,100
Entergy Services	4,419
Entergy Nuclear Operations	13
Other subsidiaries	2
Total Entergy	12,233

There are 3,071 employees represented by the International Brotherhood of Electrical Workers, the United Government Security Officers of America, and the International Union, Security, Police, and Fire Professionals of America.

Entergy's Approach to Human Resources

Entergy's people and culture enable its success; that is why acquiring, retaining, and developing talent are important components of Entergy's human resources strategy. Entergy's approach to human capital management focuses on the employee experience and includes, among other things, governance and oversight; safety; organizational health, including inclusion and belonging; and talent management.

Governance and Oversight

Ensuring that workplace processes support the desired culture and strategy begins with the Board of Directors and the Office of the Chief Executive. The Talent and Compensation Committee is responsible for overseeing and monitoring the effectiveness of Entergy's human capital strategies and initiatives, including those pertaining to talent management; organizational health and employee experience, including inclusion and belonging; retention and succession planning; safety; and executive compensation and performance, and receives briefings on these and other topics. The Talent and Compensation Committee establishes and regularly reviews priorities, strategies, and performance on these topics.

Other committees of the Board oversee other key aspects of Entergy's culture. For example, the Audit Committee reviews reports on enterprise risks, ethics, and compliance training and performance, as well as regular reports on calls made to Entergy's ethics line and related investigations. To maximize the sharing of information

and facilitate the participation of all Board members in these discussions, the Board schedules its regular committee meetings in a manner such that all directors can attend.

The Office of the Chief Executive, which includes Entergy's Chief Human Resources Officer, ensures annual business plans are designed to support Entergy's talent objectives and regularly discusses the development, succession planning, and performance of their direct reports and other company officers.

Safety

Entergy's safety objective is: Everyone Safe. All Day. Every Day. In 2025, Entergy continued its strong safety performance by achieving a recordable injury rate of 0.46 which is top quartile in the utility industry. In 2024, Entergy set a record for its total recordable incident rate, reaching a new low of 0.41 combined employee and contractor results. This was a significant improvement on Entergy's performance of 0.49 in 2023. The recordable incident rate equals the number of recordable incidents per 100 full-time equivalents. Recordable incidents include fatalities, lost-time accidents, restricted-duty accidents, and medical attentions. In 2025, Entergy saw a reduction in serious injuries by over 30% and returned to operating without an employee or contractor fatality. In order to drive continued improvement, Entergy has developed a data-driven, enterprise-wide safety strategy that focuses on leadership training, front line employee-led improvement plans, and a proactive focus on risk management.

Organizational Health

Entergy believes that organizational health fosters an engaged and productive culture that positions Entergy to deliver sustainable value to its stakeholders. Entergy measures its progress in this area through an organizational health survey coordinated by an external third party. Since initially administering the survey in 2014, Entergy improved from an initial score of 49 (fourth quartile) to a score in 2023 of 62 (third quartile), in 2024 of 65 (third quartile), and in 2025 of 69 (third quartile). Improvement in behavioral expectations, which Entergy believes are the leading indicators of outcome improvements, suggests that Entergy is continuing to move in a positive direction.

Entergy believes that creating a culture of inclusion and belonging promotes the employee experience and drives engagement for all employees. Entergy is committed to developing and retaining a top-performing workforce with a wide variety of backgrounds, experiences, and perspectives. Entergy's human resources department focuses on, among other things, talent management, workforce development, talent attraction/pipeline development, retention, organizational health, and inclusion and belonging. Among other strategies, Entergy partners with colleges and vocational-technical schools to develop a more viable pipeline of future talent, while also expanding efforts to increase employee engagement and cultivate an inclusive culture with high performance. Entergy has several employee resource groups, open to all employees, offers leadership development programs to support all employees, and facilitates skills training from the executive leadership ranks down to the frontline. Through these efforts, Entergy aspires to create greater understanding and accountability regarding the behaviors and outcomes that are indicative of a premier utility.

Talent Management

Entergy's focus on talent management is organized in three areas: developing and attracting a highly qualified workforce with a broad range of backgrounds, skill sets, and experiences; equipping its leaders to develop the organization; and building premier utility capability through employee performance management and succession programs. Entergy believes that developing a workforce with a wide variety of backgrounds, experiences, and perspectives equipped with the skills needed, today and in the future, will give it a long-term competitive advantage. The focus of Entergy's leadership development programs is to equip managers with the skills needed to effectively develop their teams and improve the leader-employee relationship. Entergy's talent development infrastructure, which includes a combination of business function-specific and enterprise-wide learning and development programs, is designed to ensure Entergy has qualified employees with the skills, experiences, and behaviors needed to perform today and prepare for the future. Entergy strives to achieve its strategic priorities by aligning and

enhancing team and individual performance with business objectives, effectively deploying talent through succession planning, and managing workforce transitions.

Availability of SEC filings and other information on Entergy's website

Entergy electronically files reports with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, and amendments to such filings. The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC at https://www.sec.gov. Copies of the reports that Entergy files with the SEC can be obtained at the SEC's website.

Entergy uses its website, https://www.entergy.com, as a routine channel for distribution of important information, including news releases, analyst presentations, and financial information. Filings made with the SEC are posted and available without charge on Entergy's website as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. These SEC filings include annual and quarterly reports on Forms 10-K and 10-Q and current reports on Form 8-K (including related filings in XBRL format), proxy statements, and any amendments to such filings. Entergy is providing the address to its internet website solely for the information of investors and does not intend the address to be an active link. Notwithstanding this reference or any references to the website in this report, the contents of the website are not incorporated into this report.

Item 1A. Risk Factors

See "**RISK FACTORS SUMMARY**" in Part I, Item 1 for a summary of Entergy's and the Registrant Subsidiaries' risk factors.

Investors should review carefully the following risk factors and the other information in this Form 10-K. The risks that Entergy faces are not limited to those in this section. There may be additional risks and uncertainties (either currently unknown or not currently believed to be material) that could adversely affect Entergy's business, financial condition, results of operations, and liquidity. See "**FORWARD-LOOKING INFORMATION**."

Utility Regulatory Risks

(Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

The terms and conditions of service, including electric rates, of the Utility operating companies and System Energy are determined through regulatory approval proceedings that can be lengthy and subject to appeal, potentially resulting in delays in effecting rate changes, lengthy litigation, the risk of disallowance of recovery of certain costs, and uncertainty as to ultimate results.

The Utility operating companies are regulated on a cost-of-service and rate of return basis and are subject to statutes and regulatory commission rules and procedures. The rates that the Utility operating companies and System Energy charge reflect their capital expenditures, operations and maintenance costs, allowed rates of return, financing costs, and related costs of service. These rates significantly influence the financial condition, results of operations, and liquidity of Entergy and each of the Utility operating companies and System Energy. These rates are determined in regulatory proceedings and are subject to periodic regulatory review and adjustment, including adjustment upon the initiative of a regulator or, in some cases, affected stakeholders. Regulators in a future rate proceeding may alter the timing or amount of certain costs for which recovery is allowed or modify the current authorized rate of return. Rate refunds may also be required, subject to applicable law.

In addition, regulators have initiated and may initiate additional proceedings to investigate the prudence of costs in the Utility operating companies' and System Energy's base rates and examine, among other things, the reasonableness or prudence of the companies' operation and maintenance practices, level of expenditures (including storm costs and costs associated with capital projects), allowed rates of return and rate base, proposed resource acquisitions, and previously incurred capital expenditures that the operating companies seek to place in rates. The regulators may disallow costs subject to their jurisdiction found not to have been prudently incurred or found not to have been incurred in compliance with applicable tariffs, creating some risk to the ultimate recovery of those costs. Regulatory proceedings relating to rates and other matters typically involve multiple parties seeking to limit or reduce rates. Traditional base rate proceedings, as opposed to formula rate plans, generally have long timelines, are primarily based on historical costs, and may or may not be limited in scope or duration by statute. The length of these base rate proceedings can cause the Utility operating companies and System Energy to experience regulatory lag in recovering costs through rates, such that the Utility operating companies may not fully recover all costs during the rate effective period and may, therefore, earn less than their allowed returns. Decisions are typically subject to appeal, potentially leading to additional uncertainty associated with rate case proceedings. For a discussion of such appeals and related litigation for both the Utility operating companies and System Energy, see Note 2 to the financial statements.

The Utility operating companies have large customer and stakeholder bases and, as a result, could be the subject of public criticism or adverse publicity focused on issues including, but not limited to, efforts to obtain land and secure permits for infrastructure, efforts to execute on and/or obtain regulatory approvals for generation, transmission, carbon capture and storage, or other facilities, including, but not limited to, any such facilities that are

intended to support load growth to the system associated with large-scale data centers, the operation and maintenance of their assets and infrastructure, including with respect to climate or environmental matters, their preparedness for major storms or other extreme weather events (including accelerated resilience plans and projects, as well as executing same and/or seeking and obtaining regulatory approvals for such plans and projects) and/or the time it takes to restore service after such events, the quality of their customer service, including timely and accurate billing practices and ability to resolve customer complaints, and the reasonableness of the cost of their service. Criticism or adverse publicity of this nature could, among other things, result in project delays or cancellations or render legislatures and other governing bodies, public service commissions and other regulatory authorities, and government officials less likely to view the applicable operating company in a favorable light and potentially negatively affect legislative or regulatory processes or outcomes, including but not limited to failure to obtain requested approvals on infrastructure investments, as well as lead to increased regulatory oversight or more stringent legislative or regulatory requirements or other legislation or regulatory actions that adversely affect the Utility operating companies.

The Utility operating companies and System Energy, and the energy industry as a whole, have experienced a period of rising costs and investments. An upward trend in spending, especially with respect to infrastructure investments (including those that have already been approved by a regulator), is likely to continue in the foreseeable future and could result in more frequent rate cases and requests for, and the continuation of, cost recovery mechanisms, all of which could result in adverse cost recovery determinations and/or face resistance from customers and other stakeholders especially in a rising cost environment, whether due to inflation, increased tariffs or changes to governmental policies and programs, including tax incentives or tax credits, grants, guarantees, and other subsidies, or high fuel prices or otherwise, and/or in periods of economic decline or hardship. Significant increases in costs associated with capital investments have occurred and could in the future increase financing needs and otherwise adversely affect Entergy, the Utility operating companies, and System Energy's business, financial position, results of operation, or cash flows. For information regarding rate case proceedings and formula rate plans applicable to the Utility operating companies, see Note 2 to the financial statements.

Changes to state or federal legislation or regulation affecting electric generation, electric transmission, distribution, and related activities could adversely affect Entergy and the Utility operating companies' financial position, results of operations, or cash flows and their utility businesses.

If legislative and regulatory structures evolve in a manner that erodes the Utility operating companies' exclusive rights to serve their regulated customers, such as through "retail open access" or otherwise, they could lose customers and sales and their results of operations, financial position, or cash flows could be materially affected. Additionally, technological advances in energy efficiency and distributed energy resources are reducing the costs of these technologies and, together with current state and federal subsidies, the increasing penetration of these technologies could result in reduced sales by the Utility operating companies. Such loss of sales, due to the methodology used to determine cost of service rates or otherwise, could put upward pressure on rates, possibly resulting in adverse regulatory actions to mitigate such effects on rates. Further, the failure of regulatory structures to evolve to accommodate the changing needs and desires of customers with respect to the sourcing and use of electricity also could diminish sales by the operating companies. Additionally, any future laws and regulations regarding large-scale data centers, including those relating to energy use, efficiency standards and source of power, could adversely affect Entergy and the Utility operating companies serving these customers, and the effects of such laws and regulations could be heightened by these companies' increasing exposure to the data center industry. Entergy and the Utility operating companies cannot predict if or when they may be subject to changes in law, regulation, or governmental policy, or the extent and timing of reductions of the cost of distributed energy resources, nor can they predict the impact of these changes on their results of operations, financial position, or cash flows.

The Utility operating companies recover fuel, purchased power, and associated costs through rate mechanisms that are subject to risks of delay or disallowance in regulatory proceedings, and sudden or

prolonged increases in fuel and purchased power costs could lead to increased customer arrearages or bad debt expenses.

The Utility operating companies recover their fuel, purchased power, and associated costs from their customers through rate mechanisms subject to periodic regulatory review and adjustment. Because regulatory review can result in the disallowance of incurred costs found not to have been prudently incurred or not reflected in rates as permitted by approved rate schedules and accounting rules, including the cost of replacement power purchased when generators experience outages or when planned outages are extended, with the possibility of refunds to ratepayers, there exists some risk to the ultimate recovery of those costs, particularly when there are substantial or sudden increases in such costs, including due to inflation or as a result of changes to governmental policies and programs, including tariffs, tax incentives or tax credits, loans, grants, guarantees, and other subsidies. Regulators also may initiate proceedings to investigate the continued usage or the adequacy and operation of the fuel and purchased power recovery clauses of the Utility operating companies and, therefore, there can be no assurance that existing recovery mechanisms will remain unchanged or in effect at all.

The Utility operating companies' cash flows can be negatively affected by the time delays between when gas, power, or other commodities are purchased and the ultimate recovery from customers of the costs in rates. On occasion, when the level of incurred costs for fuel and purchased power rises dramatically, some of the Utility operating companies may agree to defer recovery of a portion of that period's fuel and purchased power costs for recovery at a later date, which could increase the near-term working capital and borrowing requirements of those companies. The Utility operating companies also may experience, and in some instances have experienced, an increase in customer bill arrearages and bad debt expenses due to, among other reasons, increases in fuel and purchased power costs, especially in a rising cost environment, whether due to inflation or increased tariffs and/or in periods of economic decline or hardship. For a description of fuel and purchased power recovery mechanisms and information regarding the regulatory proceedings for fuel and purchased power cost recovery, see Note 2 to the financial statements.

The Utility operating companies are subject to economic risks associated with participation in the MISO markets and the allocation of transmission upgrade costs. The operation of the Utility operating companies' transmission system pursuant to the MISO RTO tariff and their participation in the MISO RTO's wholesale markets may be adversely affected by regulatory or market design changes, as well as liability under, or any future inability to comply with, existing or future regulations or requirements.

The Utility operating companies are subject to economic risks associated with participation in the MISO markets and resource adequacy construct. MISO tariff rules and system conditions, including transmission congestion, could affect the Utility operating companies' ability to sell capacity, energy, and/or ancillary services in certain regions and/or the economic value of such sales, or increase the cost of serving the Utility operating companies' respective loads. MISO market rules may change or be interpreted in ways that cause additional cost and risk, including compliance risk. Additionally, each Utility operating company's continued participation in MISO may be affected by the outcomes of proceedings at its respective retail regulator regarding the realized and expected costs and benefits associated with such Utility operating company's ongoing participation in MISO.

The Utility operating companies participate in the MISO regional transmission planning process and are subject to risks associated with planning decisions that MISO makes in the exercise of control over the planning of the Utility operating companies' transmission assets that are under MISO's functional control. The Utility operating companies pay transmission rates that reflect the cost of transmission projects that the Utility operating companies do not own and are subject to the same increased costs due to factors described herein as potentially impacting other capital projects, which could increase cash or financing needs. Further, FERC policies and regulation addressing cost responsibility for transmission projects, including transmission projects to interconnect new generation facilities, such as new facilities to power large loads, may give rise to cash and financing-related risks as well as result in upward pressure on the retail rates of the Utility operating companies, which, in turn, may result in adverse actions by the Utility operating companies' retail regulators. In addition to the cash and financing-related risks

arising from the potential additional cost allocation to the Utility operating companies from transmission projects of others or changes in FERC policies or regulation related to cost responsibility for transmission projects (including, but not limited to, transmission projects that are intended to serve new large-scale data centers), there is a risk that the Utility operating companies' business and financial position could be harmed as a result of lost investment opportunities and other effects that flow from an increased number of competitive and large-scale projects being approved and constructed that are interconnected with their transmission systems, as well as the risk associated with the large investment in serving an increasing number of customers concentrated in the data center industry.

Further, the terms and conditions of the MISO tariff, including provisions related to the design and implementation of wholesale markets, the allocation of transmission upgrade costs, the MISO-wide allowed base rate of return on equity, and any required MISO-related charges and credits are subject to regulation by the FERC. The operation of the Utility operating companies' transmission system pursuant to the MISO tariff and their participation in the MISO wholesale markets, and the resulting costs, may be adversely affected by regulatory or market design changes relating to, among other issues, significant current and expected load growth to serve new large-scale data centers, as well as liability under, or any future inability to comply with, existing or future regulations or requirements.

The MISO tariff provisions governing the rights and obligations associated with the resource adequacy construct provided under the MISO tariff are subject to change and have recently undergone significant changes, some of which are the subject of pending litigation and/or appeals. Due to their magnitude and, with respect to the changes already made, the speed with which they have been implemented, these changes carry risk, including compliance risk, and may result in material additional costs being passed through to the Utility operating companies' customers in retail rates, including but not limited to additional capacity costs incurred in the annual MISO Planning Resource Auction, and these risks may be exacerbated by significant new load additions, including large-scale projects to serve data centers, whether by the Utility operating companies or by other MISO load-serving entities. Also, by virtue of the Utility operating companies' participation in MISO and the design and terms of the MISO resource adequacy construct, other load-serving entities served by the Utility operating companies' transmission assets, which are under MISO's functional control, may be able to circumvent reasonable resource planning obligations and avoid, in whole or in part, the full cost of procuring the resources reasonably needed to reliably supply their respective loads. As a result, there are a variety of risks to the Utility operating companies and their customers, including the risk of bearing additional costs for resources needed to ensure reliable service, the risk of reduced reliability and the enhanced risk of outages or curtailments and lost sales which, because of the methodology for establishing cost of service rates, presents the risk of upward pressure on the Utility operating companies' rates, and these risks may be exacerbated by significant new load additions, including large-scale projects to serve data centers and the increasing concentration of exposure to the data center industry, whether by the Utility operating companies or by other MISO load-serving entities.

In addition, a large volume of parties and individual generation resources, including large-scale projects to serve data centers, are presently seeking to interconnect to the transmission system MISO administers and over which MISO exercises functional control. Due to the resources and time required to study and evaluate these numerous interconnection requests, including the effects of speculative requests and requests that are withdrawn at late stages of the process, the current MISO interconnection queue to review new requests is subject to significant delays or periods in which MISO does not accept new interconnection requests. These delays present risks to the Utility operating companies and their ability to develop and procure new generation resources to serve their respective loads, and these risks may be exacerbated by significant new load additions. Moreover, MISO's recently revised collateral and financial requirements for generation interconnections are stricter with larger initial financial obligations. In addition, they carry greater financial penalties and requirements tied directly to project readiness and speed.

For additional information on MISO regulation and the Utility operating companies' membership in MISO, see "**Federal Regulation of the Utility –** Transmission and MISO Markets" section of Part I, Item 1.

(Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas)

A delay or failure in recovering amounts for storm restoration costs incurred as a result of severe weather, the impact on customer bills of permitted storm cost recovery, or the inability to securitize future storm restoration costs could have material effects on Entergy and its Utility operating companies.

Entergy's and its Utility operating companies' results of operations, liquidity, and financial condition can be materially affected by the destructive effects of severe weather. Severe weather can also result in significant outages for the customers of the Utility operating companies and, therefore, reduced revenues for the Utility operating companies during the period of the outages. A delay or failure in recovering amounts for storm restoration costs incurred, inability to securitize future storm restoration costs, or loss of revenues as a result of severe weather could have a material effect on Entergy and those Utility operating companies affected by severe weather, including lower credit ratings and, thus, higher costs for future debt issuances, as well as limitations on the ability to fund other investments to address customer needs, which limitations could have an adverse impact on the Utility operating companies' financial results and/or customers and impede economic development opportunities that would benefit the Utility operating companies and their customers and communities. The inability to recover losses either excluded by insurance or in excess of the insurance limits that can be secured economically also could have a material effect on Entergy and its Utility operating companies. In addition, the recovery of major storm restoration costs from customers could effectively limit our ability to make planned capital or other investments due to the impact of such storm cost recovery on customer bills, especially in a rising cost environment due to factors described herein as potentially impacting other capital projects, and impede the ability to support economic development opportunities in the areas served by the Utility operating companies.

Weather, economic conditions, technological developments, and other factors may have a material impact on electricity sales and otherwise materially affect the Utility operating companies' results of operations and system reliability.

Temperatures above normal levels in the summer tend to increase electric cooling demand and revenues, and temperatures below normal levels in the winter tend to increase electric heating demand and revenues. As a corollary, mild temperatures in either season tend to decrease energy usage and resulting revenues. Higher consumption levels coupled with seasonal pricing differentials typically cause the Utility operating companies to report higher revenues in the third quarter of the fiscal year than in the other quarters. Changing weather patterns and extreme weather conditions, including hurricanes or tropical storms, droughts, wildfires, flooding events, or ice storms, the frequency or intensity of which may be exacerbated by climate change, may stress the Utility operating companies' generation facilities and transmission and distribution systems, resulting in increased maintenance and capital costs (and potential increased financing needs), limits on their ability to meet peak customer demand, increased regulatory oversight, criticism or adverse publicity, and reduced customer satisfaction. These extreme conditions could have a material effect on the Utility operating companies' financial condition, results of operations, and liquidity.

Entergy's electricity sales volumes are affected by a number of factors including weather and economic conditions, trends in energy efficiency, new technologies, and self-generation alternatives, including the willingness and ability of large industrial customers to develop co-generation facilities that greatly reduce their grid demand. In addition, changes to regulatory policies, such as those that allow customers to directly access the market to procure wholesale energy or those that incentivize development and utilization of new, developing, or alternative sources of generation, could, and in some instances, have already reduced sales, and other non-traditional procurements, such as virtual purchase power agreements or "behind the meter" generation solutions, could, and in some instances have already limited growth opportunities or reduced sales at the Utility operating companies. Some of these factors are inherently cyclical or temporary in nature, such as the weather or economic conditions, and typically do not have a long-lasting effect on Entergy's operating results. Others, such as the organic turnover of appliances and lighting and their replacement with more efficient ones and adoption of newer technologies, including smart thermostats,

new building codes, distributed energy resources, energy storage, demand side management, and rooftop solar, are adversely affecting sales growth rates on a more permanent basis. As a result of emerging efficiencies and technologies, the Utility operating companies may lose customers or experience lower average use per customer in the residential and commercial classes, and continuing advances have the potential to further limit sales or sales growth in the future.

The Utility operating companies also may face competition from other companies offering products and services to Entergy's customers. Advances in technology and changes in laws or regulations offer alternative methods of producing and/or consuming energy, some potentially at a reduced cost. The Utility operating companies' future success will depend, in part, on our ability to anticipate and successfully adapt to technological developments and to offer services that meet customer demand. Failure to keep pace or manage the related costs of such changes or additional technology investments may limit customer growth and have an adverse effect on the Utility operating companies' operations or could make the Utility operating companies less competitive and negatively impact Entergy's and the Utility operating companies' financial condition, results of operations, and cash flows.

Electricity sales to industrial customers, in particular, benefit from steady economic growth and favorable commodity markets; however, industrial sales are or may be sensitive to changes in laws, regulations, trade-related governmental actions, including tariffs and other measures, such as new laws or regulations relating to data centers or other large loads, or conditions in the markets in which its customers operate. Negative changes in any of these or other factors, particularly sustained economic downturns or sluggishness, have the potential to result in slower sales growth or sales declines and increased bad debt expense, which could materially affect Entergy's and the Utility operating companies' results of operations, financial condition, and liquidity.

The Utility operating companies also may not realize anticipated or expected growth in industrial or large-scale data center sales or electrification opportunities to help such customers achieve their environmental sustainability goals. This could occur because of changes in customers' goals or business priorities, changes in environmental policies and priorities of federal, state, and local officials and other stakeholders, competition from other companies, or decisions by such customers to seek to achieve such objectives or goals through methods not offered by Entergy.

Nuclear Operating, Shutdown, and Regulatory Risks

(Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and System Energy)

Certain of the Utility operating companies and System Energy are expected to consistently operate their nuclear power plants at high capacity factors in order to be successful, and lower capacity factors could materially affect Entergy's and their results of operations, financial condition, and liquidity.

Nuclear capacity factors significantly affect the results of operations of certain Utility operating companies and System Energy. Nuclear plant operations involve substantial fixed operating costs. Consequently, there is pressure on plant owners to operate nuclear power plants at higher capacity factors, though such operations always must be consistent with safety, reliability, and nuclear regulatory requirements. For the Utility operating companies that own nuclear plants, lower nuclear plant capacity factors can increase production costs by requiring the affected companies to generate additional energy, sometimes at higher costs, from their owned or contractually controlled facilities or purchase additional energy in the spot or forward markets in order to satisfy their supply needs.

Certain of the Utility operating companies and System Energy periodically shut down their nuclear power plants to replenish fuel. Plant maintenance and upgrades are often scheduled during such refueling outages. If refueling outages last longer than anticipated or if unplanned outages arise, Entergy's and their results of operations, financial condition, and liquidity could be materially affected.

Outages at nuclear power plants to replenish fuel require the plant to be "turned off." Refueling outages generally are planned to occur once every 18 to 24 months. Plant maintenance and upgrades are often scheduled during such planned outages, which may extend the planned outage duration beyond that required for only refueling activities. When refueling outages last longer than anticipated or a plant experiences unplanned outages, capacity factors decrease, and maintenance costs may increase.

Certain of the Utility operating companies and System Energy face risks related to the purchase of uranium fuel (and its conversion, enrichment, and fabrication). These risks could materially affect Entergy's and their results of operations, financial condition, and liquidity.

Based upon currently planned fuel cycles, Entergy's nuclear units have a diversified portfolio of contracts and inventory that provides substantially adequate nuclear fuel materials and conversion and enrichment services at what Entergy believes are reasonably predictable prices through the end of 2029. Entergy's ability to purchase nuclear fuel at reasonably predictable prices, however, depends upon the performance reliability of uranium miners. While there are a number of possible alternate suppliers that may be accessed to mitigate any supplier performance failure, the pricing of any such alternate uranium supply from the market will be dependent upon the market for uranium supply at that time. Entergy buys uranium from a diversified mix of sellers located in a diversified mix of countries, and from time to time purchases from nearly all qualified reliable major market participants worldwide that sell into the U.S. Market prices for nuclear fuel have been extremely volatile from time to time in the past and may be subject to increased volatility due to the imposition of tariffs, domestic purchase requirements, supply chain disruptions, limitations or bans on importation of uranium or uranium products from foreign countries, evolving geopolitical conditions such as the wars between Russia and Ukraine and Israel and Hamas, the Nigerien coup, or shifting trade arrangements or sanctions between countries. Although Entergy's nuclear fuel contract portfolio provides a degree of hedging against market risks for several years, costs for nuclear fuel in the future cannot be predicted with certainty due to inherent market uncertainties, as well as uncertainties arising from the factors described in the immediately preceding sentence, and price changes could materially affect the liquidity, financial condition, and results of operations of certain of the Utility operating companies and System Energy.

Entergy's ability to assure uninterrupted nuclear fuel supply also depends upon the performance and reliability of conversion, enrichment, and fabrication services providers. These service providers are fewer in number than uranium suppliers. For conversion and enrichment services, Entergy diversifies its supply by supplier and country and may take special measures to ensure a reliable supply of enriched uranium for fabrication into nuclear fuel. For fabrication services, each plant is dependent upon the performance of the fabricator of that plant's nuclear fuel; therefore, Entergy relies upon additional monitoring, inspection, and oversight of the fabrication process to assure reliability and quality of its nuclear fuel. Certain of the suppliers and service providers are located in or dependent upon foreign countries, such as Russia, and international sanctions, bans, retaliatory actions, or tariffs impacting trade with such countries could further restrict the ability of such suppliers or service providers to continue to supply fuel or provide such services at acceptable prices or at all. While such suppliers have performed as expected to date, the future inability of suppliers to perform such obligations could materially affect the liquidity, financial condition, and results of operations of certain of the Utility operating companies and System Energy.

Certain of the Utility operating companies and System Energy face the risk that the NRC will change or modify its regulations, suspend or revoke their licenses, or increase oversight of their nuclear plants, which could materially affect Entergy's and their results of operations, financial condition, and liquidity.

Under the Atomic Energy Act and Energy Reorganization Act, the NRC regulates the operation of nuclear power plants. The NRC may modify, suspend, or revoke licenses, shut down a nuclear facility and impose civil

penalties for failure to comply with the Atomic Energy Act, related regulations, or the terms of the licenses for nuclear facilities. Interested parties may also intervene in pending proceedings, which could result in prolonged proceedings. A change in the Atomic Energy Act, other applicable statutes, or the applicable regulations or licenses, or the NRC's interpretation thereof, may require a substantial increase in capital expenditures or may result in increased operating or decommissioning costs and could materially affect the results of operations, liquidity, or financial condition of Entergy, certain of the Utility operating companies, or System Energy. A change in the classification of a plant owned by one of these companies under the NRC's Reactor Oversight Process, which is the NRC's program to collect information about plant performance, assess the information for its safety significance, and provide for appropriate licensee and NRC response, also could cause the owner of the plant to incur material additional costs as a result of the increased oversight activity and potential response costs associated with the change in classification. For additional information concerning the current classification of the plants owned by Entergy Arkansas, Entergy Louisiana, and System Energy, see "**Regulation of Entergy's Business** - **Regulation of the Nuclear Power Industry** - NRC Reactor Oversight Process" in Part I, Item 1.

Events at nuclear plants owned by one of these companies, as well as those owned by others, may lead to a change in laws or regulations or the terms of the applicable licenses, or the NRC's interpretation thereof, or may cause the NRC to increase oversight activity or initiate actions to modify, suspend, or revoke licenses, shut down a nuclear facility, or impose civil penalties. As a result, if an incident were to occur at any nuclear generating unit, whether an Entergy nuclear generating unit or not, it could materially affect the financial condition, results of operations, and liquidity of Entergy, certain of the Utility operating companies, or System Energy.

Certain of the Utility operating companies and System Energy are exposed to risks and costs related to operating and maintaining their nuclear power plants, and their failure to maintain operational efficiency at their nuclear power plants could result in a plant shutdown or operation at less than full capacity and could materially affect Entergy's and their results of operations, financial condition, and liquidity.

The nuclear generating units owned by certain of the Utility operating companies and System Energy began commercial operations in the 1970s-1980s. Older equipment may require more capital expenditures to keep each of these nuclear power plants operating safely and efficiently. This equipment is also likely to require periodic upgrading and improvement. Any unexpected failure, including failure associated with breakdowns, forced outages, or any unanticipated capital expenditures, could result in increased costs, some of which costs may not be fully recoverable by these Utility operating companies and System Energy in regulatory proceedings should there be a determination of imprudence. Operations at any of the nuclear generating units owned and operated by Entergy's subsidiaries could degrade to the point where the affected unit needs to be shut down or operated at less than full capacity. If this were to happen, identifying and correcting the causes may require significant time and expense. A decision may be made to close a unit rather than incur the expense of restarting it or returning the unit to full capacity. For these Utility operating companies and System Energy, this could result in certain costs being stranded and potentially not fully recoverable in regulatory proceedings. In addition, the operation and maintenance of Entergy's nuclear facilities require the commitment of substantial human resources that can result in increased costs.

Moreover, Entergy is becoming more dependent on fewer suppliers for key parts of Entergy's nuclear power plants that may need to be replaced or refurbished, and in some cases, parts are no longer available and have to be reverse-engineered for replacement. In addition, certain major parts have long lead-times to manufacture if an unplanned replacement is needed. This dependence on a reduced number of suppliers and long lead-times on certain major parts for unplanned replacements could result in delays in obtaining qualified replacement parts and, therefore, greater expense for certain of the Utility operating companies and System Energy.

The costs associated with the storage of the spent nuclear fuel of certain of the Utility operating companies and System Energy, as well as the costs of and their ability to fully decommission their nuclear power plants, could be significantly affected by the timing of the opening of a spent nuclear fuel disposal facility, as well as interim storage and transportation requirements.

Certain of the Utility operating companies and System Energy incur costs for the on-site storage of spent nuclear fuel. The approval of a license for a national repository for the disposal of spent nuclear fuel, such as the one proposed for Yucca Mountain, Nevada, or any interim storage facility, and the timing of such facility opening, will significantly affect the costs associated with on-site storage of spent nuclear fuel. For example, while the DOE is required by law to proceed with the licensing of the Yucca Mountain repository and, after the license is granted by the NRC, to construct the repository and commence the receipt of spent fuel, the NRC licensing of the Yucca Mountain repository is effectively at a standstill. These actions are prolonging the time before spent fuel is removed from Entergy's plant sites. Because the DOE has not accomplished its objectives, it is in non-compliance with the Nuclear Waste Policy Act of 1982 and is in partial breach of its spent fuel disposal contracts, and Entergy has sued the DOE for such breaches, and has won and collected on judgments against the government totaling approximately $1.2 billion through 2025, and continues to be involved in litigation to recover damages. Furthermore, Entergy is uncertain as to when the DOE will commence acceptance of spent fuel from its facilities for storage or disposal. As a result, continuing future expenditures will be required to increase spent fuel storage capacity at the companies' nuclear sites and maintenance costs on existing storage facilities, including aging management of fuel storage casks, may increase. The costs of on-site storage are also affected by regulatory requirements for such storage. In addition, the availability of a repository or other off-site storage facility for spent nuclear fuel may affect the ability to fully decommission the nuclear units and the costs relating to decommissioning. For further information regarding spent fuel storage, see the "**Critical Accounting Estimates** – **Nuclear Decommissioning Costs** – Spent Fuel Disposal" section of Management's Financial Discussion and Analysis for Entergy, Entergy Arkansas, Entergy Louisiana, and System Energy and Note 8 to the financial statements.

Certain of the Utility operating companies and System Energy may be required to pay substantial retrospective premiums imposed under the Price-Anderson Act and/or by Nuclear Electric Insurance Limited (NEIL) in the event of a nuclear incident, and losses not covered by insurance could have a material effect on Entergy's and their results of operations, financial condition, or liquidity.

Accidents and other unforeseen problems at nuclear power plants have occurred both in the United States and elsewhere. As required by the Price-Anderson Act, the Utility operating companies and System Energy carry the maximum available amount of primary nuclear off-site liability insurance with American Nuclear Insurers, which is $500 million for each operating site. Claims for any nuclear incident exceeding that amount are covered under Secondary Financial Protection. The Price-Anderson Act limits each reactor owner's public liability (off-site) for a single nuclear incident to the payment of retrospective premiums into a secondary insurance pool, which is referred to as Secondary Financial Protection, up to approximately $165.9 million per reactor. With 95 reactors currently participating, this translates to a total public liability cap of approximately $15.8 billion per incident. The limit is subject to change to account for the effects of inflation, a change in the primary limit of insurance coverage, and changes in the number of licensed reactors. As a result, in the event of a nuclear incident that causes damages (off-site) in excess of the primary insurance coverage, each owner of a nuclear plant reactor, including Entergy's Utility operating companies and System Energy, regardless of fault or proximity to the incident, will be required to pay a retrospective premium, equal to its proportionate share of the loss in excess of the primary insurance level, up to a maximum of approximately $165.9 million per reactor per incident (Entergy's maximum total contingent obligation per incident is approximately $830 million). The retrospective premium payment is currently limited to approximately $25 million per year per incident per reactor until the aggregate public liability for each licensee is paid up to the $165.9 million cap.

NEIL is a utility industry mutual insurance company, owned by its members, including the Utility operating companies and System Energy. NEIL provides onsite property and decontamination coverage. All member plants could be subject to an annual assessment (retrospective premium of up to 10 times current annual premium for all

policies) should the NEIL surplus (reserve) be significantly depleted due to insured losses. The current maximum annual assessment amounts total approximately $76.1 million per occurrence for the Utility nuclear plants. The retrospective premium assessments are subject to change based on results of NEIL underwriting.

As mentioned above, as an owner of nuclear power plants, Entergy participates in industry self-insurance programs and could be liable to fund claims should a plant owned by a different company experience a major event. Any resulting liability from a nuclear accident may exceed the applicable primary insurance coverage and require contribution of additional funds through the industry-wide program that could significantly affect the results of operations, financial condition, or liquidity of Entergy, certain of the Utility operating companies, or System Energy.

The decommissioning trust fund assets for the nuclear power plants owned by certain of the Utility operating companies and System Energy may not be adequate to meet decommissioning obligations if market performance and other changes decrease the value of assets in the decommissioning trusts, if one or more of Entergy's nuclear power plants is retired earlier than the anticipated shutdown date, if the plants cost more to decommission than estimated, or if current regulatory requirements change, which then could require significant additional funding.

Owners of nuclear generating plants have an obligation to decommission those plants. Certain of the Utility operating companies and System Energy maintain decommissioning trust funds for this purpose. Certain of the Utility operating companies and System Energy collect funds from their customers, which are deposited into the trusts covering the units operated for or on behalf of those companies. Those rate collections, as adjusted from time to time by rate regulators, are generally based upon operating license lives and trust fund balances as well as estimated trust fund earnings and decommissioning costs. Assets in these trust funds are subject to market fluctuations, will yield uncertain returns that may fall below projected return rates, and may result in losses resulting from the recognition of impairments of the value of certain securities held in these trust funds.

Under NRC regulations, nuclear plant owners are permitted to project the NRC-required decommissioning amount, based on an NRC formula or a site-specific estimate, and the amount that will be available in each nuclear power plant's decommissioning trusts combined with any other decommissioning financial assurances in place. The projections are made based on the operating license expiration date and the mid-point of the subsequent decommissioning process, or the anticipated actual completion of decommissioning if a site-specific estimate is used. If the projected amount of each individual plant's decommissioning trusts exceeds the NRC-required decommissioning amount, then its NRC license termination decommissioning obligations are considered to be funded in accordance with NRC regulations. If the projected costs do not sufficiently reflect the actual costs required to decommission these nuclear power plants, or if funding is otherwise inadequate, or if the formula, formula inputs, or site-specific estimate is changed to require increased funding, additional resources or commitments would be required. Furthermore, depending upon the level of funding available in the trust funds, the NRC may not permit the trust funds to be used to pay for related costs such as the management of spent nuclear fuel that are not included in the NRC's formula. The NRC may also require a plan for the provision of separate funding for spent fuel management costs.

Further, federal or state regulatory changes, including mandated increases in decommissioning funding or changes in the methods or standards for decommissioning operations, may also increase the funding requirements of, or accelerate the timing for funding of, the obligations related to the decommissioning of the nuclear generating plant owned by certain of the Utility operating companies or System Energy or may restrict the decommissioning-related costs that can be paid from the decommissioning trusts. Such changes also could result in the need for additional contributions to decommissioning trusts, or the posting of parent guarantees, letters of credit, or other surety mechanisms. As a result, under any of these circumstances, the results of operations, liquidity, and financial condition of Entergy, certain of the Utility operating companies, or System Energy could be materially affected.

An early plant shutdown (either generally or relative to current expectations), poor investment results, or higher than anticipated decommissioning costs (including as a result of changing regulatory requirements) could cause trust fund assets to be insufficient to meet the decommissioning obligations, with the result that certain of the Utility operating companies or System Energy may be required to provide significant additional funds or credit support to satisfy regulatory requirements for decommissioning, which, with respect to these Utility operating companies or System Energy, may not be recoverable from customers in a timely fashion or at all.

For further information regarding nuclear decommissioning costs, see the "**Critical Accounting Estimates - Nuclear Decommissioning Costs**" section of Management's Financial Discussion and Analysis for Entergy, Entergy Arkansas, Entergy Louisiana, and System Energy, and Notes 9 and 16 to the financial statements.

New or existing safety concerns regarding operating nuclear power plants and nuclear fuel could lead to restrictions upon the operation and decommissioning of Entergy's nuclear power plants.

New and existing concerns are being expressed in public forums about the safety of nuclear generating units and nuclear fuel. These concerns have led to, and may continue to lead to, various proposals to federal regulators and governing bodies in some localities where Entergy's subsidiaries own nuclear generating units for legislative and regulatory changes that might lead to the shutdown of nuclear units, additional requirements or restrictions related to spent nuclear fuel on-site storage and eventual disposal, or other adverse effects on owning, operating, and decommissioning nuclear generating units. Entergy vigorously responds to these concerns and proposals. If any of the existing proposals, or any proposals that may arise in the future with respect to legislative and regulatory changes, become effective, they could have a material effect on Entergy's results of operations and financial condition.

Business Risks

(Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Entergy and its Registrant Subsidiaries depend on access to the capital markets and, at times, may face potential liquidity constraints, which could make it more difficult to handle future contingencies such as natural disasters or substantial increases in gas and fuel prices. Disruptions in the capital and credit markets may adversely affect Entergy's and its subsidiaries' ability to meet liquidity needs, or to access capital to operate and grow their businesses, and the cost of capital.

Entergy's business is capital intensive and dependent upon its ability to access capital at reasonable rates and other terms. At times there are also spikes in the price for natural gas and other commodities that increase the liquidity requirements of the Utility operating companies. In addition, Entergy's and the Registrant Subsidiaries' liquidity needs could significantly increase in the event of a hurricane or other weather-related or unforeseen disaster similar to that experienced in Entergy's service area with Hurricane Katrina and Hurricane Rita in 2005, Hurricane Gustav and Hurricane Ike in 2008, Hurricane Isaac in 2012, Hurricane Laura, Hurricane Delta, and Hurricane Zeta in 2020, and Winter Storm Uri and Hurricane Ida in 2021. In recent years, the capital intensive nature of Entergy's business has increased even further as a result of the capital expenditures required to build the infrastructure to serve multiple large-scale data centers in its utility service area. The occurrence of one or more adverse events or contingencies, including an adverse decision or a delay in regulatory recovery of fuel or purchased power costs or storm restoration costs, an acceleration of payments or decreased credit lines, less cash flow from operations than expected, changes in regulation, governmental policy (including tax and trade policy, such as increased tariffs, and new laws or regulations relating to data centers or other large loads) or governmental programs (including tax incentives or tax credits, loans, grants, guarantees, and other subsidies), or other unknown or unforeseen events, could cause the financing needs of Entergy and its subsidiaries to increase. In addition, accessing the debt capital markets more frequently in these situations may result in an increase in

leverage. Material leverage increases could negatively affect the credit ratings of Entergy, the Utility operating companies, and System Energy, which in turn could negatively affect access to the capital markets.

The inability to raise capital on favorable terms, particularly during times of high interest rates and inflation, and uncertainty or reduced liquidity in the capital markets, could negatively affect Entergy and its subsidiaries' ability to maintain and to expand their businesses. Access to capital markets could be restricted and/or borrowing costs could be increased due to certain sources of debt and equity capital avoiding participating in offerings to fund fossil fuel projects or companies that are impacted by extreme weather events or other catastrophes, that rely on fossil fuels, or that are impacted by risks related to climate change, or such sources of capital de-emphasizing their interest in investing in clean or renewable energy projects. Additionally, shifts in governmental policy surrounding tax incentives or tax credits, loans, grants, guarantees, and other subsidies (including as a result of the One Big Beautiful Bill Act of 2025) may increase borrowing costs. Factors beyond Entergy's control may create uncertainty that could increase its cost of capital or impair its ability to access the capital markets, including the ability to draw on its bank credit facilities. These factors include depressed economic conditions, a recession, the economic impacts of another full or partial government shutdown, increasing interest rates, inflation, sanctions, trade restrictions, political instability, war, terrorism, and extreme volatility in the debt, equity, or credit markets. Entergy and its subsidiaries are unable to predict the degree of success they will have in renewing or replacing their credit facilities as they come up for renewal. Moreover, the size, terms, and covenants of any new credit facilities may not be comparable to, and may be more restrictive than, existing facilities. If Entergy and its subsidiaries are unable to access the credit and capital markets on terms that are reasonable, they may have to delay raising capital, issue shorter-term securities, and/or bear an unfavorable cost of capital, which, in turn, could impact their ability to grow their businesses, decrease earnings, significantly reduce financial flexibility, and/or limit Entergy Corporation's ability to sustain its current common stock dividend level.

A downgrade in Entergy's or its Registrant Subsidiaries' credit ratings could negatively affect Entergy's and its Registrant Subsidiaries' ability to access capital or the cost of such capital and/or could require Entergy or its subsidiaries to post collateral, accelerate certain payments, or repay certain indebtedness.

There are a number of factors that rating agencies evaluate to arrive at credit ratings for each of Entergy and the Registrant Subsidiaries, including each Registrant Subsidiary's regulatory framework, ability to recover costs and earn returns, storm or climate risk exposure, diversification, and financial strength and liquidity. If one or more rating agencies downgrade Entergy's or any of the Registrant Subsidiaries' ratings, particularly below investment grade, borrowing costs would increase, the potential pool of investors and funding sources would likely decrease, and cash or letter of credit collateral demands may be triggered by the terms of a number of commodity contracts, leases, and other agreements.

Most of Entergy's and its subsidiaries' suppliers and counterparties require sufficient creditworthiness to enter into transactions. If Entergy's or the Registrant Subsidiaries' ratings decline, particularly below investment grade, or if certain counterparties believe Entergy or the Utility operating companies are losing creditworthiness and demand adequate assurance under fuel, gas, and purchased power contracts, the counterparties may require posting of collateral in cash or letters of credit, prepayment for fuel, gas or purchased power or accelerated payment, or counterparties may decline business with Entergy or its subsidiaries.

Entergy's and the Utility operating companies' business, results of operations, and financial condition could be adversely affected by events beyond their control, such as public health crises, natural disasters, wildfires, geopolitical tensions, or other catastrophic events.

Entergy and the Utility operating companies could be adversely affected by various events beyond their control, including, without limitation, public health crises, natural disasters, wildfires, geopolitical tensions and other political instability, or other catastrophic events. Any of the foregoing, whether occurring locally, nationally, or globally, and the resulting effects thereof could lead to disruption of the general economy, impacts on the

customers of the Utility operating companies, and disruption of the operations of Entergy's subsidiaries, due to, among other things:

- supply chain, vendor, and contractor disruptions or other impacts, including those relative to any trade or tariff issues, as well as any shortages or delays in the availability of key components, parts, and supplies such as electronic components, steel, aluminum, and solar panels;
- delays in completion of capital or other construction projects, maintenance, and other operations activities, including prolonged or delayed refueling and maintenance outages;
- adverse impacts on liquidity and cash flows, including through declining sales, reduced revenues, delays in receipts of customer payments, increased bad debt expense, or customers or other counterparties failing to satisfy their obligations;
- delays in regulatory proceedings;
- regulatory outcomes that require the Utility operating companies to postpone planned investments and otherwise reduce costs due to, for example, the impact of a public health crises or such other catastrophic events on their customers;
- workforce availability challenges, including, for example, from infections, health, or safety issues resulting from a public health crisis;
- increased storm recovery costs;
- increased cybersecurity risks as a result of many employees telecommuting and working partially remotely or geopolitical risks;
- volatility in the credit or capital markets (and any related increased cost of capital or any inability to access the capital markets or draw on available credit facilities on favorable terms), which could in turn, cause a decrease in the value of its defined benefit pension and welfare benefit plan trusts or decommissioning trust funds;
- litigation;
- adverse impacts on Entergy's credit metrics or ratings;
- governmental mandates in response to any such event; or
- other adverse impacts on their ability to execute on business strategies and initiatives.

To the extent any of these events occur, the business, results of operations, and financial condition of Entergy and the Utility operating companies could be adversely affected.

The reputation of Entergy or its Registrant Subsidiaries may be materially adversely affected by negative publicity or the inability to meet its stated goals or commitments, among other potential causes.

As with any company, Entergy's and its Registrant Subsidiaries' reputations are an important element of their ability to effectively conduct their businesses. Entergy's and its Registrant Subsidiaries' reputations could be harmed by a variety of factors, including: failure of a generating asset or supporting infrastructure; failure to restore power after a hurricane or other severe weather event or catastrophe in a manner perceived as timely by regulators or customers; the incurrence of storm restoration costs perceived as excessive by regulators or customers; failure to effectively manage land and other natural resources; failure to obtain land and secure permits for infrastructure investments; failure to execute on and/or obtain regulatory approvals for generation, transmission, or other facilities; real or perceived violations of environmental regulations, including those related to climate change; real or perceived issues surrounding the safety or environmental concerns regarding carbon capture and storage; real or perceived issues concerning the environmental impact of new generation, new large load customers, and potential rate increases resulting from investments relating to serving these customers; real or perceived issues with Entergy's safety culture; challenges or negative reaction to Entergy's employee inclusion and belonging efforts, work culture and workplace environment; challenges or negative reaction to Entergy's climate goals or aspirations; inability to meet their climate goals or aspirations, including as a result of increased sales growth, or to achieve their human capital strategies, or failure to demonstrate meaningful progress toward such goals or strategies; deterioration in relations with bargaining employees and labor unions representing them; inability to effectively prepare for major storms and other weather events, including accelerated resilience planning and projects and challenges in execution

thereof, including obtaining necessary regulatory approvals for scope and timing of such plans and projects; inability to keep their electricity rates stable; inability to provide quality customer service, including timely and accurate billing; involvement in a class-action or other high-profile lawsuit; significant delays in, or termination of, construction projects, including as a result of or in connection with changes in regulation or governmental policy (such as tax and trade policy, including increased tariffs and supply chain challenges) or governmental programs (such as tax incentives or tax credits, loans, grants, guarantees, and other subsidies); occurrence of or responses to cyber attacks, data breaches or physical- or cyber- security vulnerabilities; acts or omissions of Entergy management or acts or omissions of a contractor or other third party working with or for Entergy or its Registrant Subsidiaries, which actually or perceivably reflect negatively on Entergy or its Registrant Subsidiaries; measures taken to offset reductions in demand or to supply rising demand; a significant dispute with one of Entergy's or its Registrant Subsidiaries' customers or other stakeholders; or negative political and public sentiment resulting in a significant amount of adverse press coverage and other adverse statements affecting Entergy or its Registrant Subsidiaries.

Addressing any adverse publicity or regulatory scrutiny is time consuming and expensive and, regardless of the factual basis for the assertions being made (or lack thereof), can have a negative impact on the reputations of Entergy or its Registrant Subsidiaries, on the morale and performance of their employees, and on their relationships with their respective regulators, customers, investors, and commercial counterparties. Adverse publicity or regulatory scrutiny may also have a negative impact on Entergy or its Registrant Subsidiaries' ability to take timely advantage of various business or market opportunities.

Deterioration in Entergy's or its Registrant Subsidiaries' reputations may harm Entergy's or its Registrant Subsidiaries' relationships with their customers, regulators, and other stakeholders, may increase their cost of doing business, may interfere with their ability to attract and retain a qualified workforce from a wide variety of backgrounds, experiences, and perspectives, may impact Entergy's or its Registrant Subsidiaries' ability to raise debt capital, and may potentially lead to the enactment of new laws and regulations, or the modification of existing laws and regulations, that negatively affect the way Entergy or its Registrant Subsidiaries conduct their business, or may have a material adverse effect on their financial condition and results of operations.

U.S. tax legislation may materially adversely affect Entergy's financial condition, results of operations, and cash flows.

The Tax Cuts and Jobs Act of 2017 significantly changed the U.S. Internal Revenue Code, including taxation of U.S. corporations, by, among other things, reducing the federal corporate income tax rate, limiting interest deductions, and altering the expensing of capital expenditures. The Inflation Reduction Act of 2022 further significantly changed the U.S. Internal Revenue Code by, among other things, enacting a new corporate alternative minimum tax and expanding federal tax credits for clean energy production. The One Big Beautiful Bill Act of 2025 made additional changes to the U.S. Internal Revenue Code including, among other things: (i) the further altering of interest deductibility and the expensing of capital expenditures, (ii) the adoption of new "foreign entity of concern" rules intended to reduce influence of certain "prohibited foreign entities" that could limit the use of certain federal tax credits for clean energy investment and production, and (iii) the further limiting of federal tax credits available for wind and solar facilities.

The interpretive guidance issued by the IRS and state tax authorities may be inconsistent with Entergy's own expectation or interpretation and the legislation could be subject to amendments, which could lessen or increase certain impacts of the legislation. Further, changes in tax legislation or guidance, or uncertainties regarding the repeal, continuation, or interpretation of such tax legislation or guidance, could impact interpretation of and negotiations around certain contractual arrangements with counterparties, which could result in unfavorable changes to such arrangements or delays. In addition, the retail regulatory treatment of the expanded tax credits and corporate alternative minimum tax included in the Inflation Reduction Act of 2022, the limitation of the use of certain tax credits in the One Big Beautiful Bill Act of 2025, or any other changes to or additional scaling back of such tax credits, could materially impact Entergy's future cash flows, and this legislation and pending interpretive guidance

could result in unintended consequences not yet identified that could have a material adverse impact on Entergy's financial results and future cash flows.

Based on current IRS guidance and current internal forecasts, Entergy and the Registrant Subsidiaries may become subject to the corporate alternative minimum tax included in the Inflation Reduction Act of 2022 beginning in the next one to three years.

The tax rate decrease included in the Tax Cuts and Jobs Act required Entergy to record a regulatory liability for income taxes payable to customers. Such regulatory liability for income taxes is described in Note 3 to the financial statements.

See Note 3 to the financial statements for discussion of the effects of the Tax Cuts and Jobs Act on 2025, 2024, and 2023 results of operations and financial condition, the provisions of the Tax Cuts and Jobs Act, and Note 2 to the financial statements for discussion of the regulatory proceedings that have considered the effects of the Tax Cuts and Jobs Act. For further discussion of the effects of the Inflation Reduction Act of 2022, and the One Big Beautiful Bill Act of 2025, see the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 3 to the financial statements.

Changes in taxation as well as the inherent difficulty in quantifying potential tax effects of business decisions could negatively impact Entergy's and the Registrant Subsidiaries' results of operations, financial condition, and liquidity.

Entergy and its subsidiaries make judgments regarding the potential tax effects of various transactions and results of operations to estimate their obligations to taxing authorities, which judgment may prove to be incorrect or may be disputed by regulators or taxing authorities. These tax obligations include income, franchise, real estate, sales and use, and employment-related taxes. These judgments include provisions for potential adverse outcomes regarding tax positions that have been taken. Entergy and its subsidiaries also estimate their ability to utilize tax benefits, including those in the form of carryforwards for which the benefits have already been reflected in the financial statements. Changes in federal, state, or local tax laws or interpretive guidance relating thereto, adverse tax audit results or adverse tax rulings on positions taken by Entergy and its subsidiaries could negatively affect Entergy's and the Registrant Subsidiaries' results of operations, financial condition, and liquidity. The intended and unintended consequences of recently enacted legislation could have a material adverse impact on Entergy's financial results and future cash flows. For further information regarding Entergy's income taxes, see the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 3 to the financial statements.

Entergy and its subsidiaries' ability to successfully execute on their business strategies, including their ability to execute on their growth strategies and to complete strategic transactions, is subject to significant risks, and, as a result, they may be unable to achieve some or all of the anticipated results of such strategies.

Entergy and its subsidiaries' future prospects and results of operations significantly depend on their ability to successfully implement their business strategies, including executing on their growth strategy and achieving Entergy's climate goals and aspirations, which are subject to business, regulatory, economic, shareholder activism and other risks and uncertainties, many of which are beyond their control. As a result, Entergy and its subsidiaries may be unable to fully achieve the anticipated results of such strategies.

Entergy and its subsidiaries anticipate a high level of load growth in their industrial and large commercial customer segments, including from large-scale data centers owned by a small number of large customers. Entergy and its subsidiaries may be unsuccessful in capturing such opportunities or the opportunities to serve these new large customers may not materialize to the degree, extent, or duration currently expected. Entergy and its subsidiaries also may not have access to the capital needed to finance the incremental growth on terms and conditions satisfactory to Entergy or its subsidiaries and consistent with the maintenance of satisfactory credit

ratings. Entergy and its subsidiaries may fail to execute within currently expected time frames or within currently expected costs, due to a number of factors, including failure to obtain, or any delay in obtaining, regulatory approval, shortages of qualified labor, supply chain constraints, other cost pressures, or inadequate project management and execution. Entergy and its subsidiaries may not be able to adequately protect contractually against the risks inherent in relying on such rapid growth within a small number of large customers concentrated in a single industry and/or recover any amounts outside those included in the contractual arrangements. Entergy expects that these customers will represent a high percentage of total sales, revenues, and cash flow with respect to the applicable Utility operating company for the foreseeable future. This creates business industry and credit concentration risks which Entergy and its subsidiaries may not be able to fully mitigate.

Additionally, Entergy and its subsidiaries have pursued and may continue to pursue strategic transactions including merger, acquisition, divestiture, joint venture, restructuring, or other strategic transactions. Entergy's utility business plan over the next several years includes the construction and/or purchase of several natural gas plants and solar facilities. These or other transactions and plans are or may become subject to regulatory approval and other material conditions or contingencies, including increased costs or delays resulting from supply chain disruptions, import tariffs, and other issues. The failure to complete these transactions or plans or any future strategic transaction successfully or on a timely basis could have an adverse effect on Entergy's or its subsidiaries' financial condition or results of operations and the market's perception of Entergy's ability to execute its strategy. Further, these transactions, and any completed or future strategic transactions, involve substantial risks, including the following:

- acquired businesses or assets may not produce revenues, earnings, or cash flow at anticipated levels;
- acquired businesses or assets could have environmental, permitting, or other problems for which contractual protections prove inadequate;
- Entergy and/or its subsidiaries may assume liabilities that were not disclosed to them, that exceed their estimates, or for which their rights to indemnification from the seller are limited;
- Entergy may experience issues integrating businesses into its internal controls over financial reporting;
- the acquisition or disposition of a business could divert management's attention from other business concerns;
- Entergy and/or its subsidiaries may be unable to obtain the necessary regulatory or governmental approvals to close a transaction, such approvals may be granted subject to terms that are unacceptable, or Entergy or its subsidiaries otherwise may be unable to achieve anticipated regulatory treatment of any such transaction or acquired business or assets;
- shifting governmental policies may impact government support for capital projects, including tax incentives or tax credits, grants, guarantees, or other subsidies; and
- Entergy or its subsidiaries otherwise may be unable to achieve the full strategic and financial benefits that they anticipate from the transaction, or such benefits may be delayed or may not occur at all.

Entergy and its subsidiaries may not be successful in managing these or any other significant risks that they may encounter in acquiring or divesting a business, or engaging in other strategic transactions, which could have a material effect on their business, financial condition, or results of operations.

The success of certain Utility operating companies' investments in new generation and transmission assets to support large-scale data centers depends on a limited number of such customers, the continued demand for electricity to power data centers, and the successful completion of the associated generation and transmission projects. Any reduction in the demand for electricity to power data centers or delays or unexpected costs associated with such projects may harm the growth prospects, future operating results, and financial condition of Entergy and these Utility operating companies.

Subject to any pending regulatory approvals, certain Utility operating companies are making or are planning to make significant infrastructure investments in new solar projects, natural gas power plants, and other transmission and generation assets to power new large-scale data centers. These infrastructure investments are

being made primarily in connection with electric service agreements with a small number of customers representing significant new load to provide power for new data centers being constructed to support artificial intelligence and other technology capabilities. The Utility operating companies continue to explore similar opportunities and have engaged, and may continue to engage, in additional similar transactions in the future.

This small number of data center customers representing a large portion of the anticipated business of certain of the Utility operating companies exposes these Utility operating companies to several risks, the impact of which is greater due to the common risks facing those customers in the businesses supported by the data centers. The recent dramatic expansion in anticipated demand from data center customers is largely based on emerging technologies, including artificial intelligence and machine learning. These technologies and their related business applications have developed rapidly in recent years and continue to evolve rapidly. Entergy cannot predict the rate at which or the extent to which these emerging technologies will be broadly adopted and successful as business models. Changes in industry practice or advances in these technologies could reduce the demand for electricity to power data centers, including from these customers. Some data center owners and operators are developing their own energy sources to power their data centers, and it is possible that the Utility operating companies' customers could choose to develop their own energy sources in the future. Additionally, data centers could be subject to future laws and regulations relating to, among other things, energy efficiency standards and energy use and source of power restrictions. These customers may also experience business downturns, which may cause the loss of these customers or a portion of their load requirements or may weaken their financial condition or ability to satisfy contractual obligations. Similarly, these customers may reduce their investment in these new technologies or abandon them entirely. It is not possible for Entergy to predict the future level of demand for electricity from such customers.

Any of these situations may result in lower than anticipated revenue or the early termination or non-renewal of these customers' electric service agreements or renewal on terms less favorable to the associated Utility operating company. Our electric service agreements with these customers include provisions for early termination payments in certain circumstances, but they do not fully protect against these risks. The Utility operating companies expect to incur a significant level of debt to finance the infrastructure investments associated with these customers' projects. Although a significant portion of the costs of the infrastructure investments are expected to be recovered through payments under contractual agreements with the applicable customer, there is a risk that the Utility operating companies may not fully recover the costs of the infrastructure constructed to serve these customers despite contractual protections. Once this infrastructure becomes operational, Entergy expects that these customers will represent a high percentage of total sales, revenues, and cash flow for the associated Utility operating company in accordance with the terms of their electric service agreements. In the event a customer terminates or does not renew its electric service agreement, the Utility operating companies may not be able to enter into new services agreements, timely or at all, with one or more comparable revenue-generating customers, and the terms of any new agreements may be less favorable to the Utility operating companies. While the assets constructed to serve these customers may otherwise be useful in the Utility operating companies' business, there is a risk that the Utility operating companies may not be able to fully recover their investment in or a return on those assets, either through retail or wholesale rates or meet the debt obligations incurred in connection with these assets. The small number of such customers and scale of the investment required to support those customers heightens this risk.

The success of these Utility operating companies' investments in new generation and transmission assets to support large-scale data centers depends on the successful completion of large capital projects to provide electricity to these data centers. As discussed elsewhere in this report, the ability to complete large capital projects is dependent upon several factors, including, among others, the ability to obtain financing of such large-scale projects on satisfactory terms and conditions, secure regulatory permits, secure sufficient land for the siting of solar panels and power generation facilities, obtain and maintain MISO interconnection queue positions and otherwise obtain necessary interconnection or transmission service in MISO, and hire qualified labor, as well as levels of public support or opposition to these projects, including, but not limited to opposition arising out of concerns over environmental impacts or the potential for rate increases for all customers, and suppliers' and contractors' performance and ability to fulfill their obligations under contracts. Successful completion of these projects may be

further influenced by changes in law or regulation, such as environmental compliance requirements or MISO tariff rules and processes; trade-related government actions, such as direct and indirect trade and tariff actions, including those associated with imported solar panels; as well as supply chain delays or disruptions, workforce challenges, and other events beyond the control of these Utility operating companies. The occurrence of any of these events may materially affect the schedule, cost, and performance of these projects. If these projects are significantly delayed or become subject to cost overruns or cancellation, Entergy and the Utility operating companies could incur additional costs and termination payments or face increased risk of potential write-offs of their investments in these projects or incur other costs or risks, including MISO market risks or charges. For additional information concerning these Utility operating companies' investments in new generation to support large-scale data centers, see "**Utility** - **Property and Other Generation Resources** - Provision of Service to Large-Scale Data Center Customers" in Part I, Item 1.

The business, results of operations and financial condition of Entergy and these Utility operating companies could be materially adversely affected as a result of any or all of these factors.

The completion of capital projects, including the construction of power generation facilities, and other capital improvements, involves substantial risks. Should such efforts be unsuccessful, the financial condition, results of operations, or liquidity of Entergy and the Utility operating companies could be materially affected.

Entergy's and the Utility operating companies' ability to complete capital projects, including the construction of power generation facilities, or make other capital improvements, such as transmission and distribution infrastructure replacements or upgrades, in a timely and cost-effective manner and within budget is contingent upon many variables and subject to substantial risks. These variables include, but are not limited to, availability of project management expertise, availability of qualified, skilled labor, escalating costs for materials, labor, and environmental compliance, reliance on suppliers for timely and satisfactory performance, delays and cost increases, and supply chains and material constraints, including those that may result from major storm events, both within and outside of Entergy's service area. Certain events may occur that may materially affect the schedule, cost, and performance of these projects. These events may relate to the actual siting and construction process, such as facing public opposition; delays in obtaining permits; challenges in securing sufficient land for the siting of solar panels, power generation facilities, and large transmission projects; shortages in materials and qualified labor; suppliers and contractors not performing as expected or required under their contracts and/or experiencing financial problems that inhibit their ability to fulfill their obligations under contracts; supply chain delays or disruptions; and changes in the scope and timing of projects. Various economic and financial factors may include early stage cost estimates from contractors that are lower than final costs; the inability to raise capital on favorable terms; changes in commodity prices affecting revenue, fuel costs, or materials costs; and downward changes in the economy. Regulatory and legal issues include items such as changes in law or regulation, including environmental compliance requirements and restrictive laws, regulations or policies relating to data centers or facilities that power data centers; and further direct and indirect trade and tariff issues, including those associated with imported solar panels or other goods or products required to complete major capital projects. Additionally, other events beyond the control of the Utility operating companies may occur that may materially affect the schedule, cost, and performance of these projects.

If these projects or other capital improvements are significantly delayed or become subject to cost overruns or cancellation, Entergy and the Utility operating companies could incur additional costs and termination payments or face increased risk of potential write-off of the investment in the project. In addition, the Utility operating companies could be exposed to higher costs and market volatility, which could affect cash flow and cost recovery, should their respective regulators decline to approve the construction of the project or new generation needed to meet the reliability needs of customers at the lowest reasonable cost.

The above risks are heightened by the number and size of the capital projects that Entergy and the Utility operating companies currently plan to undertake to serve load growth driven primarily by large-scale data centers.

For further information regarding capital expenditure plans and other uses of capital in connection with capital projects, including the potential construction and/or purchase of additional generation supply sources within the Utility operating companies' service areas, see the "**Capital Expenditure Plans and Other Uses of Capital**" section of Management's Financial Discussion and Analysis for Entergy and each of the Registrant Subsidiaries.

Failure to attract, retain and manage an appropriately qualified workforce could negatively affect Entergy or its subsidiaries' results of operations.

Entergy relies on a large and changing workforce, including employees, contractors, and temporary staffing, to provide the services necessary to operate its business and execute on its business plan and growth strategy. Certain factors, such as an aging workforce, mismatching of skill sets for current and future needs, failing to appropriately anticipate future workforce needs, workforce impacts from public health concerns, challenges competing with other employers offering fully remote or more flexible work options, increased demand for skilled labor and challenging labor markets, particularly in rural areas where certain large-scale data centers and other large customers plan to be located, rising salary and other labor costs, unavailability of contract resources, and labor disputes, work disruptions, and increased labor organizing activity may lead to operating challenges and increased costs. The challenges include inability to attract or retain talent, lack of resources, loss of knowledge base, and the time required for skill development. Costs to attract and retain employees and contract labor, including costs for contractors to replace employees, productivity costs, and safety costs, may increase. Failure to hire and adequately train replacement employees, or the future availability and cost of contract labor, may adversely affect the ability to manage and operate the business and to execute on Entergy's business plan and growth strategy, especially considering the specialized workforce needs associated with nuclear generation facilities and new skills required to develop and operate a modernized, technology-enabled, and lower carbon power grid. If Entergy and its subsidiaries are unable to successfully attract, retain, and manage an appropriately qualified workforce and/or retain sufficient skilled contract labor resources to supplement the workforce, their results of operations, financial position, and cash flows could be negatively affected.

Entergy and its subsidiaries, including the Utility operating companies and System Energy, may incur substantial costs to fulfill their obligations related to environmental and other matters.

The businesses in which Entergy's subsidiaries, including the Utility operating companies and System Energy, operate are subject to extensive existing environmental regulation by local, state, and federal authorities. These laws and regulations affect the manner in which the Utility operating companies and System Energy conduct their operations and make capital expenditures. These laws and regulations also affect how Entergy's subsidiaries, including the Utility operating companies and System Energy, manage air emissions, discharges to water, wetlands impacts, solid and hazardous waste storage and disposal, cooling and service water intake, the protection of threatened and endangered species, certain migratory birds and eagles, hazardous materials transportation, and similar matters. Federal, state, and local authorities continually revise these laws and regulations, and the laws and regulations are subject to judicial interpretation and to the implementing agencies' permitting and enforcement decisions. Furthermore, in response to increased economic and industrial growth, federal, state, and local governments may adopt or change laws, regulations, or ordinances addressing the real or perceived environmental or other impacts. Developing and implementing plans for facility compliance with these requirements can lead to capital, personnel, and operation and maintenance expenditures. Violations of these requirements can subject the Utility operating companies and System Energy to enforcement actions, capital expenditures to bring existing facilities into compliance, additional operating costs or operating restrictions to achieve compliance, remediation and clean-up costs, civil penalties, and exposure to third parties' claims for alleged health or property damages or for violations of applicable permits or standards. In addition, Entergy and its subsidiaries, including the Utility operating companies and System Energy, are subject to potential liability under these laws for the costs of remediation of environmental contamination of property now or formerly owned or operated by the Utility operating companies and System Energy and of property potentially contaminated by hazardous substances they generate. The Utility operating companies currently are involved in proceedings relating to sites where hazardous substances have been released and may be subject to additional proceedings in the future. Entergy's subsidiaries,

including the Utility operating companies and System Energy, have incurred and expect to incur significant costs related to environmental compliance. To the extent that any such changes in law or regulation impact data centers or facilities that power data centers, these risks may be heightened by Entergy's and the Utility operating companies' increasing reliance on large-scale data center customers for revenue and load growth.

Emissions of nitrogen and sulfur oxides, mercury, particulates, greenhouse gases, and other regulated emissions from generating plants potentially are subject to increased regulation, controls, and mitigation expenses. The capital plan of certain Utility operating companies includes significant investments in generation facilities to serve the rapid growth in load demand from large customers and large-scale data centers. These generating facilities will produce regulated emissions, which amplifies these risks for Entergy and those Utility operating companies. In addition, existing environmental regulations and programs promulgated by the EPA often are challenged legally, or are revised or withdrawn by the EPA, sometimes resulting in large-scale changes to anticipated regulatory regimes and the resulting need to shift course, both operationally and economically, depending on the nature of the changes. Risks relating to global climate change, initiatives to regulate, or otherwise compel reductions of greenhouse gas emissions, and water availability issues are discussed below.

Entergy and its subsidiaries may not be able to obtain or maintain all required environmental regulatory approvals. If there is a delay in obtaining any required environmental regulatory approvals, or if Entergy and its subsidiaries fail to obtain, maintain, or comply with any such approval, the operation of its facilities could be stopped or become subject to additional costs. For further information regarding environmental regulation and environmental matters, including Entergy's response to climate change, see the "**Regulation of Entergy's Business – Environmental Regulation**" section of Part I, Item 1.

Environmental and regulatory obligations intended to combat the effects of climate change, including by compelling greenhouse gas emission reductions or reporting, increasing clean or renewable energy requirements, or placing a price on greenhouse gas emissions, or efforts to achieve climate goals could materially affect the financial condition, results of operations, and liquidity of Entergy and Entergy's subsidiaries, including the Utility operating companies and System Energy.

Federal, state, and local authorities periodically propose and enact laws and regulations intended to address known or suspected causes of climate change. A particular focus at the federal level is the regulation of CO_2 emissions from new, existing, and significantly modified stationary emission sources, including electric generating units. Such regulations continue to evolve. Various states and regions of the U.S. have taken action to establish greenhouse gas limitations and trading programs. For example, in 2021, the City Council of New Orleans promulgated a renewable and clean portfolio standard that sets a goal of net-zero emissions by 2040 and absolute zero emissions by 2050. The impact that continued changes in the governmental response to climate change risk and any judicial interpretation thereof will have on existing and pending environmental laws and regulations related to greenhouse gas emissions currently is unclear.

Developing and implementing plans for compliance with greenhouse gas emissions reduction or reporting or clean/renewable energy requirements, or for achieving a climate goal can lead to additional capital, personnel, and operation and maintenance expenditures and could significantly affect the economic position of existing facilities and proposed projects. The operations of low or non-emitting generating units (such as nuclear units and solar facilities) at lower than expected capacity factors could require increased generation from higher emitting units, thus increasing Entergy's greenhouse gas emission rate. Similarly, increased load growth and the natural gas generation required to meet that increased demand is expected to result in an increase in Entergy's absolute greenhouse gas emissions. Moreover, long-term planning to meet environmental requirements can be negatively impacted and costs may increase to the extent laws and regulations change prior to full implementation. These requirements could, in turn, lead to changes in the planning or operations of balancing authorities or organized markets in areas where Entergy's subsidiaries, including the Utility operating companies or System Energy, do business. Violations of such requirements may subject the Utility operating companies to enforcement actions, capital expenditures to bring existing facilities into compliance, additional operating costs or operating restrictions

to achieve compliance, civil penalties, and exposure to third parties' claims for alleged health or property damages or for violations of applicable permits or standards. Further, real or perceived violations of environmental regulations, including those related to climate change, or challenges meeting any climate goals Entergy might set or be required to achieve, could negatively impact Entergy's reputation or inhibit Entergy's ability to pursue its long-term decarbonization objectives. To the extent Entergy believes any of these costs are recoverable in rates, however, additional material rate increases for customers could be resisted by Entergy's regulators and, in extreme cases, Entergy's regulators might attempt to deny or defer timely recovery of these costs.

Recent or future changes in regulation or policies governing the reporting or emission of, or government programs relating to, CO_2 and other greenhouse gases or mix of generation sources could (i) result in significant additional costs to the Utility operating companies, their suppliers, or customers; (ii) make some of Entergy's electric generating units uneconomical to maintain or operate; (iii) result in the early retirement of generation facilities and stranded costs if the Utility operating companies are unable to fully recover the costs and investment in generation; (iv) increase the difficulty that Entergy and its Utility operating companies have with obtaining or maintaining required environmental regulatory approvals; and (v) cause the financing needs of Entergy and its subsidiaries to increase should such changes result in a repeal or limitation on government tax credits, loans, grants, guarantees, or other subsidies incentivizing the development or utilization of alternative sources of generation, each of which could materially affect the financial condition, results of operations, and liquidity of Entergy and its subsidiaries. In addition, lawsuits have occurred or are reasonably expected against emitters of greenhouse gases alleging that these companies are liable for personal injuries and property damage caused by climate change. These lawsuits may seek injunctive relief, monetary compensation, and punitive damages. The capital plan of certain Utility operating companies includes significant investments in generation facilities to serve the rapid growth in load demand from large customers and large-scale data centers, which facilities will emit CO_2 or other greenhouse gases and amplify these risks for Entergy and those Utility operating companies.

The physical effects of climate change could materially affect the financial condition, results of operations, and liquidity of Entergy and its subsidiaries.

Potential physical risks from climate change include an increase in sea level, wind and storm surge damages, more frequent or intense hurricanes and wildfires, wetland and barrier island erosion, flooding and changes in weather conditions (such as increases in precipitation, drought, or changes in average temperatures), and potential increased impacts of extreme weather conditions or storms. Entergy's subsidiaries own assets in, and serve, communities that are at risk from sea level rise, changes in weather conditions, storms, floods, and loss of the protection offered by coastal wetlands. A significant portion of the nation's oil and gas infrastructure is located in these areas and susceptible to storm damage that could be aggravated by the physical impacts of climate change, which could give rise to fuel supply interruptions and price spikes. Entergy and its subsidiaries also face the risk that climate change could impact the availability and quality of water supplies necessary for operations.

Due in part to the increase over the past two decades in frequency and intensity of major storm activity along the Gulf Coast, Entergy has and continues to pursue and execute on plans to accelerate investments that would enhance the resilience of the electric systems of the Utility operating companies to enable them to better withstand major storms or other significant events, to mitigate the cost of restoration of the electric system after major storms or other significant events, to enable more rapid restoration of electricity after major storm or other significant adverse events, and to deliver electricity to critical customers more immediately after such events. These plans are generally subject to approval by the Utility operating companies' retail regulators and may not be approved in full or at all. Certain accelerated resilience plans of the Utility operating companies have received regulatory approval for a limited scope and duration, generally at levels less than those proposed to the regulators; however, the Utility operating companies continue to work with their regulators to establish the appropriate scope and timing of resilience investment balanced against other customer needs. The Utility operating companies may not be able to successfully execute such plans and projects in the time and manner planned and there are risks regarding the ability to demonstrate the efficacy of the accelerated resilience investments in mitigating storm impacts, as well as in seeking and obtaining regulatory approval for additional accelerated resilience plans and

projects that may be necessary. The need for this investment and these expenditures could give rise to execution, liquidity, capital or other financing-related risks as well as result in upward pressure on the retail rates of the Utility operating companies, which, particularly when combined with upward pressure resulting from the recovery of the costs of recent and future storms, may result in adverse actions by the Utility operating companies' retail regulators or effectively limit the ability to make other planned capital or other investments.

Additionally, prolonged drought conditions and shifting weather patterns resulting from climate change as well as, among other things, buildup of dry vegetation in areas severely impacted by drought may increase the risk of severe wildfire events within the Utility operating companies' service areas. Catastrophic wildfires occurring in the Utility operating companies' service areas could give rise to large damage claims against Entergy or its subsidiaries for fire-related losses alleged to be the result of utility practices and/or the failure of electric and other utility equipment and could also cause Entergy or its subsidiaries to suffer reputational harm or face a more challenging operating, political and regulatory environment.

These and other physical changes could result in, among other things, changes in customer demand, increased costs associated with repairing and maintaining generation facilities and transmission and distribution systems resulting in increased maintenance and capital costs (and potential increased financing needs), limits on the Entergy system's ability to meet peak customer demand, more frequent and longer lasting outages, increased regulatory oversight, criticism or adverse publicity, and lower customer satisfaction. Also, to the extent that climate change adversely impacts the economic health of a region or results in energy conservation or demand side management programs, it may adversely impact customer demand and revenues. Such physical or operational risks could have a material effect on Entergy's and its subsidiaries' financial condition, results of operations, and liquidity.

A decline in the continued and future availability and quality of water for cooling, process, and sanitary uses could materially affect the financial condition, results of operations, and liquidity of Entergy, its subsidiaries, and industrial customers.

Water is a vital natural resource that is also critical to Entergy and its subsidiaries. Entergy's and its subsidiaries' facilities use water for cooling, boiler make-up, sanitary uses, potable supply, and many other uses. Entergy's Utility operating companies also own and/or operate hydroelectric facilities. Accordingly, water availability and quality are critical to Entergy's and its subsidiaries' business operations. Impacts to water availability or quality could negatively impact both operations and revenues.

Entergy and its subsidiaries secure water through various mechanisms (ground water wells, surface waters intakes, municipal supply, etc.) and operate under the provisions and conditions set forth by the provider and/or regulatory authorities. Entergy and its subsidiaries also obtain and operate in substantial compliance with water discharge permits issued under various provisions of the Clean Water Act and/or state water pollution control provisions. Regulations and authorizations for both water intake and use and for waste discharge can become more stringent in times of water shortages, low flows in rivers, low lake levels, low groundwater aquifer volumes, and similar conditions. The increased use of water by industry, agriculture, and the population at large, population growth, saltwater intrusion, and the potential impacts of climate change on the availability of water resources may cause water use restrictions that affect Entergy, its subsidiaries, and industrial customers.

The Utility operating companies, System Energy, and Entergy's non-utility operations may incur substantial costs related to reliability standards.

Entergy's business is subject to extensive and mandatory reliability standards. Such standards, which are established by the NERC, the SERC, and other regional enforcement entities, are approved by the FERC and frequently are reviewed, amended, and supplemented. Failure to comply with such standards could result in the imposition of fines or civil penalties, and potential exposure to third party claims for alleged violations of such standards. The standards, as well as the laws and regulations that govern them, are subject to judicial interpretation

and to the enforcement discretion vested in the implementing agencies. In addition to exposure to civil penalties and fines, the Utility operating companies have incurred and expect to incur significant costs related to compliance with new and existing reliability standards, including costs associated with the Utility operating companies' transmission system and generation assets. In addition, the retail regulators of the Utility operating companies possess the jurisdiction, and in some cases have exercised such jurisdiction, to impose standards governing the reliable operation of the Utility operating companies' distribution systems, including penalties if these standards are not met. The changes to the reliability standards applicable to the electric power industry are ongoing and evolve to address new risk profiles such as grid transformation, resilience to extreme events, critical infrastructure interdependencies, security, and energy policy. Entergy cannot predict the ultimate effect that the reliability standards will have on its Utility and Entergy's non-utility operations.

Entergy and its subsidiaries may not be adequately hedged against changes in commodity prices or interest rates, which could materially affect Entergy's and its subsidiaries' results of operations, financial condition, and liquidity.

To manage near-term and medium-term financial exposure related to commodity price fluctuations, Entergy and its subsidiaries, including the Utility operating companies, may enter into contracts to hedge portions of their purchase and sale commitments, fuel requirements, and inventories of natural gas, uranium and its conversion and enrichment, coal, refined products, and other commodities, within established risk management guidelines. As part of this strategy, Entergy and its subsidiaries may utilize fixed- and variable-price forward physical purchase and sales contracts, futures, financial swaps, and option contracts traded in the over-the-counter markets or on exchanges. However, Entergy and its subsidiaries normally cover only a portion of the exposure of their assets and positions to market price volatility, and the coverage will vary over time. In addition, Entergy also elects to leave certain volumes during certain years unhedged. To the extent Entergy and its subsidiaries have unhedged positions, fluctuating commodity prices can materially affect Entergy's and its subsidiaries' results of operations and financial position.

Entergy and its subsidiaries have in the past, and may in the future, enter into financial arrangements that are subject to variable interest rates and transactions to hedge variable interest rate risk associated with such financing arrangements, such as interest rate swaps, caps or collars. Entergy's and its subsidiaries' use of such hedging strategies may not be effective and may adversely affect their business, results of operations, or financial position. Furthermore, no hedging strategy can completely mitigate exposure to variable interest rate risk, and such strategies may limit Entergy's and its subsidiaries' ability to participate in the benefits of lower interest rates. Entergy cannot predict the outcome or effectiveness of such hedging strategies to mitigate this risk.

Although Entergy and its subsidiaries devote a considerable effort to these risk management strategies, they cannot eliminate all the risks associated with these activities. As a result of these and other factors, Entergy and its subsidiaries cannot predict with precision the impact that risk management decisions may have on their business, results of operations, or financial position.

The Utility operating companies and Entergy's non-utility business are exposed to the risk that counterparties may not meet their obligations, which may materially affect the Utility operating companies and Entergy's non-utility business, including the ability to meet debt obligations.

The risk management practices of the Utility operating companies and Entergy's non-utility business are exposed to the risk that counterparties that owe Entergy and its subsidiaries performance of certain obligations, money, energy, or other commodities will not perform their obligations. If counterparties to these arrangements, such as counterparties to large customer electric service agreements or hedging arrangements, fail to perform, Entergy or its subsidiaries may seek to enforce its contractual protections, but may be unsuccessful, such as in recovering proceeds adequate to cover the related obligations, which could materially affect the applicable Utility operating company or Entergy's non-utility business, despite any contractual protections. With respect to the obligations of counterparties to large customer electric service agreements, Entergy has heightened exposure to a

small number of large-scale data center customers which makes recovery of Entergy's significant investments in transmission and generation assets to power those new large-scale data centers subject to a significant degree to the success of those customers. The contractual and credit and collateral protections included in the agreements with these customers may prove insufficient to protect Entergy under certain circumstances, such as in the event of a bankruptcy of the customer or a guarantor of its obligations. If any such customer is unable to fulfill its contractual obligations, there is a risk that the associated Utility operating company may not be able to fully recover its investment in and/or a return on those assets or meet its debt obligations.

Market performance and other changes may decrease the value of benefit plan assets, which then could require additional funding and result in increased benefit plan costs.

The performance of the capital markets affects the values of the assets held in trust under Entergy's pension and postretirement benefits plans. A decline in the market value of the assets may increase the funding requirements relating to Entergy's benefit plan liabilities and also result in higher benefit costs. As the value of the assets decreases, the "expected return on assets" component of benefit costs decreases, resulting in higher benefits costs. Additionally, asset losses are incorporated into benefit costs over time, thus increasing benefits costs. Volatility in the capital markets has affected the market value of these assets, which has affected and may affect Entergy's planned levels of contributions in the future. Additionally, changes in interest rates affect the liabilities under Entergy's pension and postretirement benefits plans; as interest rates decrease, the liabilities increase, potentially requiring additional funding and recognition of higher liability carrying costs. The funding requirements of the obligations related to the pension benefit plans can also increase as a result of changes in, among other factors, retirement rates, life expectancy assumptions, or federal regulations. For further information regarding Entergy's pension and other postretirement benefits plans, refer to the "**Critical Accounting Estimates – Qualified Pension and Other Postretirement Benefits**" section of Management's Financial Discussion and Analysis for Entergy and each of its Registrant Subsidiaries and Note 11 to the financial statements.

The litigation environment in the states in which the Registrant Subsidiaries operate poses a significant risk to those businesses.

Entergy and its subsidiaries and related entities are involved in the ordinary course of business in a number of lawsuits involving employment, commercial, asbestos, hazardous material and customer matters, and injuries and damages issues, among other matters. The states in which Entergy and the Registrant Subsidiaries operate have proven to be unusually litigious environments. Judges and juries in these states have demonstrated a willingness to grant large verdicts, including punitive damages, to plaintiffs in personal injury, property damage, and business tort cases. Entergy and its subsidiaries use legal and appropriate means to contest litigation threatened or filed against them, but the litigation environment in these states poses a significant business risk.

Terrorist attacks and sabotage, physical attacks, cyber attacks, system failures, data breaches or other disruptions of Entergy's and its subsidiaries' or their suppliers' infrastructure or technology systems, including disruptions affecting other third parties ultimately connected to Entergy and its subsidiaries or their suppliers through the transmission grid, may adversely affect Entergy's business and results of operations.

As an operator of critical infrastructure, Entergy and its subsidiaries face a heightened risk of physical attacks or acts or threats of terrorism, cyber attacks, including ransomware and phishing attacks, business email compromises, viruses, malicious code, and data breaches, whether as a direct or indirect act against one of Entergy's generation, transmission or distribution facilities, operations centers, infrastructure, or information technology systems used to manage, monitor, and transport power to customers and perform day-to-day business functions as well as against the systems of critical suppliers and contractors or other third parties interconnected through the grid. Like many businesses and operators of critical infrastructure, Entergy and its subsidiaries and their third-party suppliers have in the past and, will in the future, continue to be subject to cyber attacks, cybersecurity threats and attempts to compromise and penetrate the information technology systems of Entergy and its subsidiaries and disrupt their operations.

Entergy and its subsidiaries operate in a business that requires evolving and advanced information technology systems that include sophisticated data collection, processing systems, software, network infrastructure, and other technologies that are becoming more complex and may be subject to mandatory and prescriptive reliability and security standards. The functionality of Entergy's technology systems depends on its own and its suppliers' and their contractors' technology. Suppliers' and their contractors' technology systems to which Entergy is connected directly or indirectly support a variety of business processes and activities to store sensitive data, including (i) intellectual property, (ii) proprietary business information, (iii) personally identifiable information of customers, employees, and others, and (iv) data with respect to invoicing and the collection of payments, accounting, procurement, and supply-chain activities. Any significant failure, misconfiguration, or malfunction of such information technology systems could result in loss of or inappropriate access to data or disruptions of operations.

There have been attacks and threats of attacks on energy infrastructure by cyber actors, including those associated with foreign governments. Further, attacks may become more frequent in the future as technology becomes more prevalent and sophisticated in energy infrastructure. An attack could affect Entergy's or its subsidiaries' ability to operate, including its ability to operate the information technology systems and network infrastructure on which it relies to conduct business.

Given the fraught geopolitical landscape and rapid technological advancements of existing and emerging threats, including threats fueled by artificial intelligence, Entergy's technology systems remain inherently vulnerable despite implementations and enhancements of the multiple layers of security and controls. In addition, the prevalent use of smartphones, tablets, and other wireless devices, as well as ongoing remote or hybrid work-from-home arrangements for a significant portion of Entergy's employees and those of its contractors and vendors may also heighten these risks. If Entergy's or its subsidiaries' technology systems, or those of critical suppliers or contractors or other third parties interconnected through the grid or otherwise, were compromised and unable to detect or recover in a timely fashion to a normal state of operations, Entergy or its subsidiaries could be unable to perform critical business functions that are essential to the company's well-being and could result in a loss of or inappropriate access to its confidential, sensitive, and proprietary information, including personal information of its customers, employees, suppliers, and others in Entergy's care. Entergy cannot anticipate, detect, or implement fully preventive measures against all cybersecurity threats.

Any such attacks, failures, or data breaches could have a material effect on Entergy's and the Registrant Subsidiaries' business, financial condition, results of operations or reputation. Although Entergy and the Registrant Subsidiaries purchase insurance for cyber attacks and data breaches, coverage may not be adequate to cover all losses that might arise in connection with these incidents. Such incidents may also expose Entergy to an increased risk of litigation (and associated damages and fines). For information on our cybersecurity risk management, strategy, and governance, see "**Item 1C. Cybersecurity**" in Part I, Item 1C.

Entergy and the Registrant Subsidiaries are subject to risks associated with their ability to obtain adequate insurance at acceptable costs.

The global economic cost to insurers resulting from cyber attacks, natural disasters, wildfires, and other catastrophic events, in addition to an increased focus on climate issues, has had and may continue to have disruptive effects on insurance markets. The availability of insurance capacity may decrease, and the insurance policies that Entergy or the Registrant Subsidiaries are able to obtain may have higher deductibles and more restrictive terms and conditions, including higher premiums. Entergy expects the recent pattern of increasing premiums to continue in the near and medium term. Further, the insurance policies of Entergy or the Registrant Subsidiaries may not cover all of their potential exposures or actual amounts of losses incurred.

Significant increases in commodity prices, the prices of other materials and supplies, and operation and maintenance expenses may adversely affect Entergy's results of operations, financial condition, and liquidity.

Entergy and its subsidiaries have observed and expect continued inflationary pressures related to commodity prices, other materials and supplies, and operation and maintenance expenses, including in the areas of labor, health care, and pension costs. The contracts for the construction of certain of the Utility operating companies' generation facilities also have included, and in the future may include, price adjustment provisions that, subject to certain limitations, may enable the contractor to increase the contract price to reflect increases in certain costs of constructing the facility. These inflationary pressures could impact the ability of Entergy and its subsidiaries to control costs and/or make substantial investments in their businesses, including their ability to recover costs and investments, and to earn their allowed return on equity within frameworks established by their regulators while maintaining affordability of their services for their customers, in addition to having unpredictable effects on Entergy's customers. Increases in commodity prices, the prices of other materials and supplies, and operation and maintenance expenses, including increasing labor costs and costs and funding requirements associated with Entergy's defined benefit retirement plans, health care plans, and other employee benefits, could increase their financing needs and otherwise adversely affect their results of operations, financial condition, and liquidity. The capital plan of certain Utility operating companies includes significant investments in generation facilities in the near term to serve the rapid growth in load demand from large customers and large-scale data centers, which heightens Entergy's and those Utility operating companies' exposure to these risks. Negotiated contract terms and credit collateral requirements may be insufficient to protect against these risks.

(Entergy Corporation and System Energy)

System Energy owns and, through an affiliate, operates a single nuclear generating facility, and it is dependent on sales to affiliated companies for all of its revenues. Certain contractual arrangements relating to System Energy, such affiliated companies, and these revenues are the subject of ongoing litigation and may be subject to future such litigation and regulatory proceedings.

System Energy's operating revenues are derived from the allocation of the capacity, energy, and related costs associated with its 90% ownership/leasehold interest in Grand Gulf. Charges under the Unit Power Sales Agreement are paid by the Utility operating companies (other than Entergy Louisiana and Entergy Texas) as consideration for their respective entitlements to receive capacity and energy. The useful economic life of Grand Gulf is finite and is limited by the terms of its operating license, which currently expires in November 2044. System Energy's financial condition depends both on the receipt of payments from the Utility operating companies (other than Entergy Louisiana and Entergy Texas) under the Unit Power Sales Agreement and on the continued commercial operation of Grand Gulf. The Unit Power Sales Agreement has in the past been the subject of significant litigation, including claims for refunds and rate adjustments, and is currently the subject of a litigation proceeding at the FERC with respect to System Energy's inclusion of pre-paid and accrued pension costs in rates. As part of a settlement of such litigation (which settlement does not resolve the prepaid and accrued pension litigation), effective October 1, 2025, the Unit Power Sales Agreement was amended to remove Entergy Louisiana from the entitlement and responsibility to purchase power from Grand Gulf and the respective entitlements of the other Utility operating companies party to the Unit Power Sales Agreement were adjusted accordingly. Entergy cannot predict with certainty the outcome of this proceeding or any future proceedings that may arise with respect to the Unit Power Sales Agreement.

See Note 2 to the financial statements for further discussion of the litigation proceedings that have been settled at the FERC. System Energy agreed to implement certain protocols for providing retail regulators with information regarding rates billed under the Unit Power Sales Agreement.

For information regarding the Unit Power Sales Agreement and certain other agreements relating to certain Entergy System companies' support of System Energy, see Note 8 to the financial statements and the "**Utility** - System Energy and Related Agreements" section of Part I, Item 1.

(Entergy Corporation)

Entergy's non-utility operations are subject to substantial governmental regulation and may be adversely affected by legislative, regulatory, or market design changes, as well as liability under, or any future inability to comply with, existing or future regulations or requirements.

Entergy's non-utility operations, including wholesale sales of electricity, are subject to regulation under federal, state, and local laws. Compliance with the requirements under these various regulatory regimes may cause Entergy's non-utility operations to incur significant additional costs, and failure to comply with such requirements could result in the imposition of liens, fines, and/or civil or criminal liability. If Entergy's non-utility operations were deemed to violate market behavior rules, the FERC can impose potential penalties of up to $1.544 million per day for each violation by any such entity of market-based rate rules and regulations.

Entergy's non-utility operations are also affected by legislative and regulatory changes, as well as by changes to market design, market rules, tariffs, cost allocations, and bidding rules imposed by the existing Independent System Operator. The Independent System Operator that oversees the relevant wholesale power market has imposed, and in the future may continue to impose, mitigation, including price limitations, offer caps and other mechanisms, to address some of the volatility and the potential exercise of market power in that market. These types of price limitations and other regulatory mechanisms may have an adverse effect on the profitability of Entergy's non-utility operations' generation facilities that sell energy and capacity into the wholesale power markets.

The regulatory environment applicable to the electric power industry is subject to changes as a result of restructuring initiatives at both the state and federal levels. Entergy cannot predict the future design of the wholesale power markets or the ultimate effect that the changing regulatory environment will have on Entergy's non-utility operations.

As a holding company, Entergy Corporation depends on cash distributions from its subsidiaries to meet its debt service and other financial obligations and to pay dividends on its common stock, and has provided, and may continue to provide, capital contributions or debt financing to its subsidiaries, which would reduce the funds available to meet its other financial obligations.

Entergy Corporation is a holding company with no material revenue generating operations of its own or material assets other than the equity of its subsidiaries. Accordingly, all of its operations are conducted by its subsidiaries. Entergy Corporation's ability to satisfy its financial obligations, including the payment of interest and principal on its outstanding debt, and to pay dividends on its common stock depends on the payment to it of dividends or distributions by its subsidiaries. The subsidiaries of Entergy Corporation are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any dividends or make distributions to Entergy Corporation. The ability of such subsidiaries to make payments of dividends or distributions to Entergy Corporation depends on their results of operations and cash flows and other items affecting retained earnings, and on any applicable legal, regulatory, or contractual limitations on subsidiaries' ability to pay such dividends or distributions, which may be more stressed if certain Utility operating companies incur a significant level of additional debt to finance the infrastructure investments to serve large-scale data centers. Prior to providing funds to Entergy Corporation, such subsidiaries have financial and regulatory obligations that must be satisfied, including among others, debt service and, in the case of Entergy Utility Holding Company, LLC and Entergy Texas, distributions and dividends, respectively, on preferred securities. Any distributions from the Registrant Subsidiaries other than Entergy Texas and System Energy are paid directly to Entergy Utility Holding Company, LLC and are therefore subject to prior payment of distributions on its preferred securities. Entergy Corporation has provided, and may continue to provide from time to time in the future, capital contributions or debt financing to its subsidiaries, which would reduce the funds available to meet its financial obligations, including making interest and principal payments on outstanding indebtedness, and to pay dividends on Entergy Corporation's common stock.

The hazardous activities associated with power generation could adversely impact our results of operations and financial condition.

Power generation involves hazardous activities, including acquiring, transporting and unloading fuel, operating large pieces of rotating equipment and delivering electricity to transmission and distribution systems. In addition to natural risks, such as earthquakes, floods, lightning, hurricanes and wind, hazards, such as fire, explosion, collapse, and machinery failure, are inherent risks in our operations which may occur as a result of inadequate internal processes, technological flaws, human error, or actions of third parties or other external events. The control and management of these risks depend upon adequate development and training of personnel and on operational procedures, preventative maintenance plans, and specific programs supported by quality control systems, which may not prevent the occurrence and impact of these risks.

The hazards described above, along with other safety hazards associated with our operations, can cause significant personal injury or loss of life, severe damage to and destruction of property, plant and equipment, contamination of, or damage to, the environment and suspension of operations. The occurrence of any one of these events may result in our being named as a defendant in lawsuits asserting claims for substantial damages, environmental cleanup costs, personal injury, and fines and/or penalties and may adversely affect our reputation.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

Entergy and the Registrant Subsidiaries maintain a security-risk-management system with defined roles, duties, governance, and accountability. Under this physical- and cyber-risk model, Entergy and the Registrant Subsidiaries streamline security into a centralized program. The Chief Security Officer (CSO) is responsible for establishing the security and reliability risk strategy, setting policies, monitoring controls and compliance, providing support activities, and reporting on the security program. The Chief Information Security Officer (CISO) is responsible for establishing the cybersecurity strategy and implementing physical and cyber security systems for the security program. The Chief Information Officer (CIO) is responsible for ensuring that Entergy's information technology infrastructure is secure and reliable. The Chief Ethics & Compliance Officer works with the CSO to address requirements of external security-related regulations, and where applicable, incorporate them into business policies. Management is responsible for identifying and managing risk directly through execution of the security program and compliance with security policies. Entergy and the Registrant Subsidiaries' risk management model addresses compliance with certain regulatory constructs, such as the NERC Reliability Standards, the NRC Code of Federal Regulations, the Payment Card Industry Data Security Standard, and the Health Insurance Portability and Accountability Act, among other regulations. Entergy and the Registrant Subsidiaries' risk management model continuously evolves to improve and implement protections, controls, and monitoring to mitigate risks to their part of North America's electric grid, to protect sensitive information, and to maintain secure business operations. Entergy and the Registrant Subsidiaries manage cybersecurity threats as an enterprise risk with close coordination and information sharing with its federal, state, and local partners. Entergy and the Registrant Subsidiaries also engage with local, state, and federal law enforcement agencies on initiatives to share threat information and participate in a wide range of industry collaborations and classified briefings on cybersecurity developments and evolving risks.

Entergy and the Registrant Subsidiaries maintain access-management controls, including a layered multi-factor authentication process for network and system access, and a defense-in-depth security ecosystem that includes advanced threat detection from independent third parties and federal agencies, security logging and

monitoring, and independent third-party penetration and vulnerability assessments. Relevant employees and contractors must complete cybersecurity trainings periodically to heighten security and threat awareness, promote best practices, and meet regulatory requirements. Additional multi-layered prevention and detection processes and technologies to mitigate and minimize the effects of cybersecurity risks include email security, continuous monitoring, vulnerability scanning, anti-virus and anti-malware software, backups and recovery strategy, network segregation, third-party security, and information protection.

Entergy and the Registrant Subsidiaries have incorporated certain cyber-specific response protocols and procedures into their Entergy Incident Management System framework for responding to emergency incidents. This includes the Entergy Incident Response Team Plan, which outlines Entergy's procedures, steps, and responsibilities for preparing for, detecting, containing, and recovering from an incident. The plan details the roles and responsibilities of Entergy's officers who would be engaged in such a response to an emergency incident, including key questions to be addressed, critical decision points, and sources of key information to support decision-making. Senior management and the Emergency Incident Response Team periodically review and drill on the plan.

As cybersecurity risks continue to evolve with multiple threat vectors, including artificial intelligence related threats, Entergy and the Registrant Subsidiaries maintain a comprehensive security strategy to keep current with the changing threats. To inform this effort, Entergy and the Registrant Subsidiaries utilize the National Institute of Standards and Technology Cybersecurity Framework, which consists of standards, guidelines, and best practices to manage cybersecurity risk across the enterprise. A risk-based approach is used to direct security initiatives to the most significant risks and provide the most value in terms of risk reduction and protection. Entergy and the Registrant Subsidiaries use a vendor risk management program to assess and monitor security risks that arise from certain third-party vendors. In addition, Entergy and the Registrant Subsidiaries utilize technology and threat-intelligence services to assess and continuously monitor the cybersecurity risk of key vendors, as identified through the vendor risk management program.

While Entergy and the Registrant Subsidiaries have experienced cybersecurity incidents, except as otherwise summarized above or discussed elsewhere in this report, the risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected them including their business strategy, results of operations, or financial condition. See "**Risk Factors**" in Part I, Item 1A for a detailed description of the risks related to cybersecurity.

Corporate Governance

The Board of Directors is responsible for oversight of the identification, management, and mitigation of enterprise-wide risk, including cybersecurity risk. The Audit Committee has the primary responsibility for overseeing risk management, including oversight of cybersecurity risk management practices and performance. The Audit Committee generally receives reports at each regular quarterly meeting provided by the CSO, the CISO, the CIO, and the General Auditor on the cybersecurity management program. The reports focus on the programs and protocols in place to mitigate cybersecurity risks, led by the CSO. Among other things, the reports may include: recent cyber risk and cybersecurity developments; industry engagement activities; legislative and regulatory developments; cyber-risk governance and oversight; selected cyber risk metrics and activities; cyber risk incident response plans and strategies; cybersecurity drills and exercises; assessments by third party experts and Internal Audit; and major projects and initiatives.

While the Board of Directors and Audit Committee oversee cybersecurity risk management, Entergy's management is responsible for managing cybersecurity risk. Entergy and the Registrant Subsidiaries' security-risk-management system, as discussed above, is comprised of a three lines of defense model to enhance risk management efforts and define roles in the security program. The first line of defense, comprised of business units performing operational functions, including the CISO and CIO, is responsible for identification and management of security and reliability risks directly through design, implementation, and execution of control activities. The second line of defense, comprised of the CSO, performs and supports security and reliability risk management and

governs and oversees the execution of security and reliability controls by the first line of defense. Ownership of specific security operations may migrate from a business unit in the first line of defense to the second line of defense, as determined to be appropriate by the Chief Security Office. The third line of defense, which includes Internal Audit, independent third parties, and certain regulatory constructs, such as the NERC Reliability Standards and the NRC Cyber Rule, provides assurance of selective actions taken by the first and second lines of defense to senior management and the Board of Directors.

Entergy's CSO is responsible for overseeing physical, cyber, and reliability risk, including governance, compliance, and threat intelligence. The CSO's background includes serving as the Global Lead Business Information Security Officer for a multinational pharmaceutical and biotechnology company, Vice President of Cybersecurity Solutions for an international consulting firm, and an operations manager for a multinational technology company. The CSO is also a former intelligence officer in the U.S. Marine Corps, with experience in the Fleet Marine Force, Joint Staff J-2/Defense Intelligence Agency, and Headquarters Marine Corps Command, Control, Communications, and Computers (C4I). The CSO participated in numerous exercises and crisis operations during his time in the military. The CSO is a member of the Information Systems Audit and Control Association and a certified Information Privacy Manager from the International Association of Privacy Professionals. The CSO also completed the Harvard Kennedy School Executive Education Program in Cybersecurity and the FBI Domestic Security Executive Academy.

Entergy's CISO is responsible for enterprise strategic and operational cybersecurity, physical security systems, and regulatory compliance. The CISO oversees investments in tools, resources, and processes that allow for the continuous improvement and maturity of Entergy's cybersecurity posture. The CISO has expertise spanning more than 25 years in the realm of information technology, information security, and cyber/physical security management. The CISO's background includes serving as the Vice President and Chief Information Security Officer for an electric utility with responsibility for enterprise cybersecurity covering corporate, electric, nuclear, and gas operations. Additionally, the CISO served as the Chief Security Officer for the Electric Reliability Council of Texas with overall responsibility for its cybersecurity, physical security, and emergency management programs. Her previous experience includes multiple technical, managerial, and strategic roles within industries ranging from energy, telecommunication, software development, and cybersecurity consulting. The CISO is a Certified Information Systems Security Professional, Certified Information Security Manager, and Certified in Risk and Information Systems Control.

Entergy's CIO is responsible for ensuring that the organization's information technology systems, infrastructure, and applications are designed, implemented, and maintained to provide secure and reliable performance in support of Entergy's business objectives. The CIO establishes and enforces IT policies, procedures, and controls to mitigate information technology policies, procedures, and controls to mitigate information technology-related risks and provides guidance and support to the business units in the effective use of information technology resources and the management of information technology-related risks. By fulfilling these responsibilities across the three lines of defense model, the CIO plays a critical role in ensuring that Entergy's information technology-related risks are effectively identified, managed, and mitigated, thereby supporting Entergy's overall risk management and governance framework. The CIO's background includes serving in senior leadership roles, including CIO for multiple global manufacturing companies, serving on the board of directors for a telecommunications company, and consulting leadership positions providing services for numerous large, global organizations.

In the event of a suspected or actual cybersecurity incident, the Security Incident Response Team (SIRT), which includes the CISO, has primary responsibility for initial identification and evaluation of potential business impacts and escalation of the incident's severity classification using pre-established criteria with a specified communication matrix and escalation thresholds. The Security Incident Commander, which role is served by a leader in the CISO organization, provides tactical leadership and oversight management at the cross-functional level for the incident. The SIRT remains engaged throughout the incident response lifecycle, including detection and analysis, containment, eradication and recovery, and post-incident remediation, and coordinates with the impacted

business functions, if warranted. Once a cyber incident is confirmed, the SIRT is responsible for maintaining situational awareness and continuous monitoring of the need for escalation or de-escalation of the incident's severity classification. As certain escalation thresholds are exceeded, additional levels of management notification are required by the SIRT, including notification of and recurring communication with Entergy's Incident Response Team, which includes the Chief Executive Officer, the Chief Operating Officer, the CSO, other executive management, and members of the affected business functions. Depending upon the facts, analysis, materiality, and anticipated or current impacts, the Chief Executive Officer and the General Counsel will determine the timing and cadence for communication of the cyber incident with the Board of Directors or Audit Committee.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Winter Storm Fern

See the "**Winter Storm Fern**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of Winter Storm Fern. Entergy Arkansas's preliminary estimate for the cost of mobilizing crews and restoring power is approximately $50 million to $60 million, with the majority of the costs being capital. Natural gas purchases for Entergy Arkansas for January 2026 are $74 million compared to natural gas purchases for January 2025 of $25 million.

Results of Operations

2025 Compared to 2024

Net Income

Net income increased $118.0 million primarily due to a $131.8 million ($99.1 million net-of-tax) charge, recorded in first quarter 2024, to reflect the write-off of a previously recorded regulatory asset as a result of an adverse decision in the opportunity sales proceeding in March 2024, higher volume/weather, and higher retail electric price, partially offset by higher depreciation and amortization expenses, higher other operation and maintenance expenses, higher interest expense, an $18.3 million reduction in income tax expense in third quarter 2024 as a result of the resolution of an Arkansas state income tax audit, and higher taxes other than income taxes. See Note 2 to the financial statements for discussion of the opportunity sales proceeding. See Note 3 to the financial statements for discussion of the resolution of the Arkansas state income tax audit.

Operating Revenues

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$2,460.2
Fuel, rider, and other revenues that do not significantly affect net income	61.3
Volume/weather	107.3
Retail one-time bill credit	92.3
Retail electric price	62.9
2025 operating revenues	**$2,784.0**

Entergy Arkansas's results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The volume/weather variance is primarily due to an increase in industrial and residential usage. The increase in industrial usage is primarily due to an increase in demand from large industrial customers, primarily in the primary metals and technology industries, and an increase in demand from small industrial customers. The increase in residential usage is primarily due to an increase in customers.

The retail one-time bill credit variance represents the disbursement of settlement proceeds in the form of a one-time bill credit provided to Entergy Arkansas's retail customers during the August 2024 billing cycle through the Grand Gulf credit rider as a result of the System Energy settlement with the APSC. There is no effect on net income because Entergy Arkansas previously recorded a regulatory liability for the effects of the System Energy settlement with the APSC. See Note 2 to the financial statements for discussion of the System Energy settlement with the APSC and discussion of the Grand Gulf credit rider.

The retail electric price variance is primarily due to an increase in formula rate plan rates effective January 2025. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing.

Total electric energy sales for Entergy Arkansas for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	7,980	7,658	4
Commercial	5,639	5,583	1
Industrial	12,095	10,179	19
Governmental	189	185	2
Total retail	25,903	23,605	10
Sales for resale:			
Associated companies	1,913	2,039	(6)
Non-associated companies	4,545	4,058	12
Total	32,361	29,702	9

See Note 19 to the financial statements for additional discussion of Entergy Arkansas's operating revenues.

Other Income Statement Variances

Other operation and maintenance expenses increased primarily due to:

- an increase of $14.0 million in power delivery expenses primarily due to higher vegetation maintenance costs;
- an increase of $13.9 million in non-nuclear generation expenses primarily due to a higher scope of work, including during plant outages, in 2025 as compared to 2024;
- an increase of $6.1 million in bad debt expense;
- the expensing of $5.0 million of certain wind and solar project costs associated with the decision to evaluate alternative generation solutions; and
- several individually insignificant items.

The increase was partially offset by contract costs of $11.5 million in 2024 related to operational performance, customer service, and organizational health initiatives and a decrease of $10.9 million in energy efficiency expenses primarily due to the timing of recovery from customers.

Asset write-offs includes a $131.8 million charge, recorded in first quarter 2024, to reflect the write-off of a previously recorded regulatory asset as a result of an adverse decision in the opportunity sales proceeding in March 2024. See Note 2 to the financial statements for discussion of the opportunity sales proceeding.

Taxes other than income taxes increased primarily due to increases in ad valorem taxes resulting from higher assessments and millage rate increases.

Depreciation and amortization expenses increased primarily due to additions to plant in service, including the Walnut Bend Solar facility, which was placed in service in September 2024, and the West Memphis Solar facility and the Driver Solar facility, which were placed in service in December 2024.

Other regulatory charges (credits) - net includes:

- the reversal in third quarter 2024 of a $92.3 million regulatory liability recognized for the obligation to return to customers the refund from the System Energy settlement with the APSC. The reversal of the regulatory liability offsets a reduction in gross revenues from the retail one-time bill credits provided to customers in the August 2024 billing cycle through the Grand Gulf credit rider. See Note 2 to the financial statements for discussion of the System Energy settlement with the APSC and discussion of the Grand Gulf credit rider;
- a regulatory credit of $28.3 million, recorded in fourth quarter 2025, to reflect the amount of the 2024 historical year netting adjustment to be collected from Entergy Arkansas's customers during the 2026 rate effective period as included in the 2025 formula rate plan filing. See Note 2 to the financial statements for discussion of the 2025 formula rate plan filing; and
- a regulatory credit of $15.5 million, recorded in fourth quarter 2024, to reflect the amount of the 2023 historical year netting adjustment to be collected from Entergy Arkansas's customers during the 2025 rate effective period as included in the 2024 formula rate plan filing. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing.

In addition, Entergy Arkansas records a regulatory charge or credit for the difference between asset retirement obligation-related expenses and nuclear decommissioning trust earnings plus asset retirement obligation-related costs collected in revenue.

Interest expense increased primarily due to the issuance of $400 million of 5.45% Series mortgage bonds in May 2024 and an additional $300 million in a reopening of the same series in May 2025.

The effective income tax rates were 19.8% for 2025 and 18.9% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS** - **Results of Operations**" in Item 7 of Entergy Arkansas's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$4,747	$3,632	$5,278
Net cash provided by (used in):			
Operating activities	1,335,048	978,680	941,021
Investing activities	(1,197,122)	(1,732,630)	(1,032,952)
Financing activities	132,897	755,065	90,285
Net increase (decrease) in cash and cash equivalents	270,823	1,115	(1,646)
Cash and cash equivalents at end of period	$275,570	$4,747	$3,632

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities increased $356.4 million in 2025 primarily due to:

- higher collections from customers;
- net cash proceeds of $242.6 million received by Entergy Arkansas in 2025, including $215.2 million of proceeds received from Entergy Arkansas's transfer of 2024 nuclear and solar production tax credits to third parties in 2025 and net cash receipts of $27.4 million from affiliates in 2025 in accordance with the Unit Power Sales Agreement and the MSS-4 replacement tariff related to the transfer of 2024 nuclear production tax credits by Entergy Arkansas and affiliates to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear and solar production tax credits;
- income tax refunds of $29.7 million in 2025 compared to income tax payments of $9.5 million in 2024. Entergy Arkansas received income tax refunds in 2025 and made income tax payments in 2024, each in accordance with Entergy's tax allocation agreement;
- a decrease of $23.7 million in spending on nuclear refueling outages in 2025 as compared to 2024; and
- a decrease of $19.6 million in pension contributions in 2025. See "**Critical Accounting Estimates** – **Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

The increase was partially offset by:

- higher fuel and purchased power payments. See Note 2 to the financial statements for a discussion of fuel and purchased power cost recovery;
- the timing of payments to vendors; and
- the receipt of $92.7 million in settlement proceeds in 2024 as a result of the System Energy settlement with the APSC, which was subsequently refunded to retail customers in third quarter 2024 with one-time bill credits through the Grand Gulf credit rider. See Note 2 to the financial statements for discussion of the System Energy settlement agreement with the APSC and the Grand Gulf credit rider.

Investing Activities

Net cash flow used in investing activities decreased $535.5 million in 2025 primarily due to:

- the initial and substantial completion payments totaling approximately $392.8 million in 2024 for the purchase of the Driver Solar facility;
- the initial and substantial completion payments totaling approximately $240.4 million in 2024 for the purchase of the West Memphis Solar facility;
- the initial and substantial completion payments totaling approximately $185.5 million in 2024 for the purchase of the Walnut Bend Solar facility;
- a decrease in cash used of $38.2 million as a result of fluctuations in nuclear fuel activity due to variations from year to year in the timing and pricing of fuel reload requirements, materials and services deliveries, and the timing of cash payments during the nuclear fuel cycle; and
- a decrease of $30.0 million in transmission construction expenditures primarily due to decreased spending on various transmission projects in 2025.

The decrease was partially offset by:

- an increase of $201.0 million in non-nuclear generation construction expenditures primarily due to higher spending on the Ironwood Power Station (formerly Lake Catherine Unit 5) project and the Jefferson Power Station project;
- an increase of $92.0 million in distribution construction expenditures primarily due to higher capital expenditures for storm restoration in 2025;
- cash collateral of $37.0 million posted in 2025 to support Entergy Arkansas's obligations to MISO; and
- money pool activity.

Increases in Entergy Arkansas's receivable from the money pool are a use of cash flow, and Entergy Arkansas's receivable from the money pool increased $21.7 million in 2025. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

See Note 14 to the financial statements for discussion of the Driver Solar facility, the West Memphis Solar facility, and the Walnut Bend Solar facility purchases.

Financing Activities

Net cash flow provided by financing activities decreased $622.2 million in 2025 primarily due to:

- the issuances of $400 million of 5.45% Series mortgage bonds and $400 million of 5.75% Series mortgage bonds, each in May 2024;
- capital contributions of approximately $695 million received from Entergy Corporation in 2024 to partially finance the acquisitions of the Walnut Bend Solar facility, the West Memphis Solar facility, and the Driver Solar facility;
- the issuance of $70 million of 5.54% Series O notes by the Entergy Arkansas nuclear fuel company variable interest entity in March 2024; and
- a decrease of $16.6 million in advance payments from customers for construction related to transmission, distribution, and generator interconnection agreements.

The decrease was partially offset by:

- the repayment, at maturity, of $375 million of 3.70% Series mortgage bonds in June 2024;
- the issuance of $300 million of 5.45% Series mortgage bonds in May 2025;
- a decrease of $120 million in common equity distributions paid in 2025 in order to maintain Entergy Arkansas's capital structure;
- money pool activity; and
- a decrease in net repayments of $38.9 million on the nuclear fuel company variable interest entity's credit facility.

Decreases in Entergy Arkansas's payable to the money pool are a use of cash flow, and Entergy Arkansas's payable to the money pool decreased $15.2 million in 2025 compared to decreasing by $130.2 million in 2024.

See Note 5 to the financial statements for additional details of long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow**" in Item 7 of Entergy Arkansas's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

Entergy Arkansas's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	53.7%	53.6%
Effect of subtracting cash	(1.3%)	—%
Net debt to net capital (non-GAAP)	52.4%	53.6%

Net debt consists of debt less cash and cash equivalents. Debt consists of short-term borrowings, finance lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt and equity. Net capital consists of capital less cash and cash equivalents. Entergy Arkansas uses the debt to capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Arkansas's financial condition. The net debt to net capital ratio is a non-GAAP measure. Entergy Arkansas also uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Arkansas's financial condition because net debt indicates Entergy Arkansas's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

Entergy Arkansas seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a distribution, to the extent funds are legally available to do so, or both, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments, Entergy Arkansas may issue incremental debt or reduce distributions, or both, to maintain its capital structure. In addition, in certain infrequent circumstances, such as financing of large transactions that would materially alter the capital structure if financed entirely with debt and reduced distributions, Entergy Arkansas may receive equity contributions to maintain its capital structure.

Uses of Capital

Entergy Arkansas requires capital resources for:

- construction and other capital investments;
- debt maturities or retirements;
- working capital purposes, including the financing of fuel and purchased power costs; and
- distribution and interest payments.

Following are the amounts of Entergy Arkansas's planned construction and other capital investments.

	2026	2027	2028	2029
	(In Millions)			
Planned construction and capital investment:				
Generation	$1,510	$1,870	$1,240	$555
Transmission	85	140	175	215
Distribution	310	310	380	400
Utility Support	65	55	65	50
Total	$1,970	$2,375	$1,860	$1,220

In addition to routine capital spending to maintain operations, the planned capital investment estimate for Entergy Arkansas includes investments in generation projects to modernize, decarbonize, expand, and diversify Entergy Arkansas's portfolio, as well as to support customer growth, including Ironwood Power Station (formerly Lake Catherine Unit 5), Jefferson Power Station, and Arkansas Cypress Solar; investments in ANO 1 and 2; distribution and Utility support spending to improve reliability and customer experience; transmission spending to improve reliability while also supporting customer growth and renewables expansion; and other investments. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including the trade-related governmental actions discussed below, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy Arkansas's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy Arkansas's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect Entergy Arkansas's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy Arkansas's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

Entergy Arkansas has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. Entergy Arkansas is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental

programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of Entergy Arkansas's existing debt and lease obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
			(In Millions)		
Long-term debt (a)	$900	$218	$545	$443	$7,054
Operating leases (b)	$20	$18	$15	$17	$13
Finance leases (b)	$7	$6	$6	$9	$21

(a) Long-term debt is discussed in Note 5 to the financial statements.
(b) Lease obligations are discussed in Note 10 to the financial statements.

Other Obligations

Entergy Arkansas currently expects to contribute approximately $29.7 million to its qualified pension plans and approximately $710 thousand to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates** – **Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy Arkansas has $235.4 million of unrecognized tax benefits net of unused tax attributes plus interest for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

In addition, Entergy Arkansas enters into fuel and purchased power agreements that contain minimum purchase obligations. Entergy Arkansas has rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations. See Note 8 to the financial statements for discussion of Entergy Arkansas's obligations under the Unit Power Sales Agreement.

As a wholly-owned subsidiary of Entergy Utility Holding Company, LLC, Entergy Arkansas pays distributions from its earnings at a percentage determined monthly.

Ironwood Power Station

In November 2024, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of Ironwood Power Station (formerly Lake Catherine Unit 5), a 446 MW simple cycle natural gas combustion turbine facility to be located at the existing Lake Catherine facility site in Hot Spring County, Arkansas. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. In December 2024 other parties, including the APSC general staff, filed testimony opposing the resource, although the APSC general staff recognized the capacity need for the resource. Entergy Arkansas filed testimony in January 2025 further supporting its application, and in February 2025 the opposing parties filed responsive rebuttal testimony continuing to dispute the estimated costs and to dispute that Entergy Arkansas performed a market solicitation sufficient to demonstrate that this resource is the most reasonable option for customers. Also in February 2025, Entergy Arkansas filed surrebuttal testimony responding to the opposing parties' testimony. A hearing was held in March 2025, and in April 2025 the APSC issued an order approving certification of the facility. The order also provided a presumption of prudence finding with respect to a benchmark project cost. In May 2025,

Entergy Arkansas filed a motion for clarification concerning the appropriate calculation of the benchmark that was below the estimated cost of Ironwood Power Station and was based upon older technology and dated pricing. Entergy Arkansas will have the opportunity to present later all actual costs to the APSC for review and a prudence determination of final costs, including costs incremental to the benchmark. In June 2025, Entergy Arkansas filed its independent monitor proposal with the APSC and is awaiting direction on the proposal and the motion for clarification. Entergy Arkansas proposes to recover the costs of constructing Ironwood Power Station through the Generating Arkansas Jobs Act rider. The facility is expected to be in service by the end of 2028. See "**State and Local Rate Regulation and Fuel-Cost Recovery** - **Retail Rates** - Generating Arkansas Jobs Act Rider" below for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Jefferson Power Station

In August 2025, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of Jefferson Power Station, an approximately 754 MW natural gas-fired combined cycle combustion turbine facility to be located in Jefferson County, Arkansas. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The estimated cost of the project is $1,602 million. In September 2025 other parties, including the APSC general staff, filed testimony opposing the resource pending further information, although the APSC general staff recognized the capacity need for the resource and that Entergy Arkansas had satisfied the statutory requirements for a certificate of environmental compatibility and public need. Much of the opposition focused on the fact that the resource was not identified through a competitive solicitation. Entergy Arkansas filed testimony further supporting its application in September and October 2025. A hearing was held in October 2025 and November 2025. In January 2026 the APSC issued its order finding that Entergy Arkansas had demonstrated a need for the resource but had not met its burden with respect to supporting the prudence of the costs to construct the resource. The APSC acknowledged that the costs would be greater if Entergy Arkansas waited to pursue the resource. The APSC authorized Entergy Arkansas to proceed with Jefferson Power Station as a strategic investment with estimated costs set at a benchmark, which the APSC erroneously believed reflected the current cost estimate but is, in fact, $90 million below the cost presented. Entergy Arkansas is evaluating whether to make a request for rehearing to correct the benchmark. Additionally, the APSC found that Entergy Arkansas should conduct all-source competitive solicitations moving forward with a limited exception for certain resources associated with customer growth projects. Entergy Arkansas proposes to recover the costs of constructing Jefferson Power Station through the Generating Arkansas Jobs Act rider. Subject to receipt of required regulatory approval and other conditions, the facility is expected to be in service by the end of 2029. See "**State and Local Rate Regulation and Fuel-Cost Recovery** - **Retail Rates** - Generating Arkansas Jobs Act Rider" below for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Special Rate Contract and Arkansas Cypress Solar

In September 2025, Entergy Arkansas filed an application with the APSC seeking approval of a long-term special rate contract between Altitude, LLC, a subsidiary of Alphabet, Inc. (Google) and Entergy Arkansas for the sale of electricity to a new large-scale data center in West Memphis, Arkansas. In October 2025 the APSC general staff filed testimony finding that based on its evaluation of Entergy Arkansas's application and the results of the ratepayer impact measure test, the special rate contract meets the requirements of the APSC's promotional practice rules and is in the public interest. No other parties filed testimony. In December 2025 the APSC issued an order approving the special rate contract but denying the requested ratemaking treatment of Google's upfront payments and deferring a decision on the treatment under the contract pricing providing for the deferral and amortization of the investment tax credits from the Arkansas Cypress Solar facility (discussed below). Also in December 2025, Entergy Arkansas filed a petition with the APSC regarding these findings, noting that they would require renegotiation of the special rate contract. In January 2026 the APSC issued an order maintaining its position on the ratemaking treatment of Google's upfront payments but reversing itself on the treatment of the Arkansas Cypress

Solar facility investment tax credits and allowing those to be used in the pricing of the Arkansas Cypress Solar facility to Google as provided for in the contract.

In September 2025, Entergy Arkansas filed an application with the APSC seeking a certificate of environmental compatibility and public need for the construction and operation of the Arkansas Cypress Solar facility, a planned 600 MW solar photovoltaic array with a 350 MW battery energy storage system and associated transmission facilities interconnecting at Entergy Arkansas's White Bluff substation. The estimated cost of the project is $1,602 million. Entergy Arkansas is seeking public interest and prudence findings from the APSC no later than 180 days from the filing, pursuant to Act 373 of 2025, to construct the Arkansas Cypress Solar facility in support of its long-term special rate contract with Google. In October 2025 the APSC general staff and the Arkansas Attorney General filed responsive testimony opposing the project cost and seeking additional information. Subsequently, the APSC general staff submitted supplemental testimony to update its initial conclusion and recommendations, noting that the Arkansas Cypress Solar facility is a reasonable project and recommending the APSC approve the project under certain conditions. Entergy Arkansas proposes to recover the costs of constructing the Arkansas Cypress Solar facility through the Generating Arkansas Jobs Act rider. A hearing was held in December 2025, and an APSC decision is due in March 2026. Subject to receipt of required regulatory approval and other conditions, the facility is expected to be in service by the end of 2028. See "**State and Local Rate Regulation and Fuel-Cost Recovery** - **Retail Rates** - Generating Arkansas Jobs Act Rider" below for discussion of the Generating Jobs Act rider, which was approved by the APSC in October 2025.

Sources of Capital

Entergy Arkansas's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- debt or preferred membership interest issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- capital contributions; and
- bank financing under new or existing facilities.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, Entergy Arkansas expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt and common and preferred membership interest issuances by Entergy Arkansas require prior regulatory approval. Debt issuances are also subject to requirements set forth in Entergy Arkansas's bond indenture and other agreements. Entergy Arkansas has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

Entergy Arkansas's receivables from (payables to) the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
	(In Thousands)		
$21,715	($15,190)	($145,385)	($180,795)

See Note 4 to the financial statements for a description of the money pool.

Entergy Arkansas has a credit facility in the amount of $300 million scheduled to expire in June 2030. Entergy Arkansas also has a $25 million credit facility scheduled to expire in April 2026. The $300 million credit facility includes fronting commitments for the issuance of letters of credit against $5 million of the borrowing capacity of the facility. As of December 31, 2025, there were no cash borrowings under either credit facility and no letters of credit outstanding under the $300 million credit facility. In addition, Entergy Arkansas is a party to two uncommitted letter of credit facilities as a means to post collateral to support its obligations to MISO. As of December 31, 2025, $93.3 million in letters of credit were outstanding under Entergy Arkansas's uncommitted letter of credit facilities. See Note 4 to the financial statements for further discussion of the credit facilities.

The Entergy Arkansas nuclear fuel company variable interest entity has a credit facility in the amount of $80 million scheduled to expire in June 2027. As of December 31, 2025, there were $13.7 million in loans outstanding under the credit facility for the Entergy Arkansas nuclear fuel company variable interest entity. See Note 4 to the financial statements for further discussion of the nuclear fuel company variable interest entity credit facility.

Entergy Arkansas obtained authorization from the FERC through February 2028 for the following:

- short-term borrowings not to exceed an aggregate amount of $250 million at any time outstanding;
- long-term borrowings and securities issuances; and
- borrowings by its nuclear fuel company variable interest entity.

See Note 4 to the financial statements for further discussion of Entergy Arkansas's short-term borrowing limits. In addition, the APSC has concurrent jurisdiction over Entergy Arkansas's first mortgage bond/secured issuances. Entergy Arkansas has obtained first mortgage bond/secured financing authorization from the APSC that extends through December 2027.

State and Local Rate Regulation and Fuel-Cost Recovery

The rates that Entergy Arkansas charges for its services significantly influence its financial position, results of operations, and liquidity. Entergy Arkansas is regulated, and the rates charged to its customers are determined in regulatory proceedings. A governmental agency, the APSC, is primarily responsible for approval of the rates charged to customers.

Retail Rates

2023 Formula Rate Plan Filing

In July 2023, Entergy Arkansas filed with the APSC its 2023 formula rate plan filing to set its formula rate for the 2024 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the projected year 2024 and a netting adjustment for the historical year 2022. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2024 projected year was 8.11% resulting in a revenue deficiency of $80.5 million. The earned rate of return on common equity for the 2022 historical year was 7.29% resulting in a $49.8 million netting adjustment. The total proposed revenue change for the 2024 projected year and 2022 historical year netting adjustment was $130.3 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $88.6 million. The APSC general staff and intervenors filed their errors and objections report in October 2023, proposing certain adjustments, including the APSC general staff's update to annual filing year revenues which lowers the constraint to $87.7 million. In October 2023, Entergy Arkansas filed with the APSC a settlement agreement reached with other parties resolving all issues in the proceeding, none of which affected Entergy Arkansas's requested recovery up to the constraint of $87.7 million. The settlement agreement provided for amortization of the approximately $39 million regulatory asset for costs associated with the COVID-19 pandemic

over a 10-year period as well as recovery of $34.9 million related to the resolution of the 2016 and 2017 IRS audits from previous tax positions that are no longer uncertain, partially offset by $24.7 million in excess accumulated deferred income taxes from reductions in state income tax rates, each before consideration of their respective tax gross-up. See Note 3 to the financial statements for further discussion of the resolution of the 2016-2018 IRS audit and the State of Arkansas corporate income tax rate changes. In December 2023 the APSC approved the settlement agreement as being in the public interest and approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2024.

2024 Formula Rate Plan Filing

In July 2024, Entergy Arkansas filed with the APSC its 2024 formula rate plan filing to set its formula rate for the 2025 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the 2025 projected year and a netting adjustment for the 2023 historical year. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2025 projected year was 8.43% resulting in a revenue deficiency of $69.5 million. The earned rate of return on common equity for the 2023 historical year was 7.48% resulting in a $33.1 million netting adjustment. The total proposed revenue change for the 2025 projected year and 2023 historical year netting adjustment was $102.6 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $82.6 million. The APSC general staff and intervenors filed their errors and objections report in October 2024, proposing certain adjustments, including the APSC general staff's update to annual filing year revenues that increases the constraint to $83.5 million. Entergy Arkansas filed its rebuttal in October 2024, and later in October 2024 the parties submitted a joint issues list and stipulations setting forth the disputed issues and the noncontested issues. In December 2024 the APSC approved the parties' stipulations without modification, approved Entergy Arkansas's adjustment with respect to storm costs, directed Entergy Arkansas to adjust its projected year distribution reliability capital closings, and deferred the recoverability of Entergy Arkansas's opportunity sales legal fees until the next general rate case. Also in December 2024 the APSC approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2025. As a result of the proceeding, the total revenue change was $82.7 million, including a $63.7 million increase for the 2025 projected year and a $31.4 million netting adjustment for the 2023 historical year. In fourth quarter 2024, Entergy Arkansas recorded a regulatory asset of $15.5 million to reflect the amount of the 2023 historical year netting adjustment that it collected from its customers during the 2025 rate effective period. Pursuant to the terms of the parties' stipulations, Entergy Arkansas made a filing with the APSC in January 2025 to refund customers $30.1 million in excess accumulated deferred income taxes resulting from the reduction in the State of Arkansas's income tax rate from 4.8% to 4.3% in 2024. Entergy Arkansas began refunding this amount over a 24-month period effective with the first billing cycle of February 2025.

2025 Formula Rate Plan Filing

In July 2025, Entergy Arkansas filed with the APSC its 2025 formula rate plan filing to set its formula rate for the 2026 calendar year. The filing contained an evaluation of Entergy Arkansas's earnings for the 2026 projected year and a netting adjustment for the 2024 historical year. The filing showed that Entergy Arkansas's earned rate of return on common equity for the 2026 projected year was 8.45% resulting in a revenue deficiency of $68.9 million. The earned rate of return on common equity for the 2024 historical year was 7.71% resulting in a $48.8 million netting adjustment. The total proposed revenue change for the 2026 projected year and 2024 historical year netting adjustment was $117.7 million. By operation of the formula rate plan, Entergy Arkansas's recovery of the revenue requirement is subject to a four percent annual revenue constraint. Because Entergy Arkansas's revenue requirement in this filing exceeded the constraint, the resulting increase was limited to $92.3 million. The APSC general staff filed their errors and objections report in October 2025, proposing an adjustment to the coupon rate for the projected long-term debt issuance in 2026 and an update to annual filing year revenues that increases the constraint to $93.9 million. Entergy Arkansas filed its rebuttal in October 2025. A hearing was scheduled for November 2025, and an order was expected in December 2025. Due to no contested

issues remaining outstanding among the parties to the proceeding, in October 2025, Entergy Arkansas and the APSC general staff filed a joint motion requesting the APSC cancel the hearing and issue a decision based on the pleadings and testimony in the record. The APSC granted this request. In December 2025 the APSC approved Entergy Arkansas's request as modified by the APSC general staff's errors and objections report and Entergy Arkansas's rebuttal testimony. Also in December 2025 the APSC approved Entergy Arkansas's compliance tariff effective with the first billing cycle of January 2026. As a result of the proceeding, the total revenue change was $93.9 million, including a $65.6 million increase for the 2026 projected year and a $48.8 million netting adjustment for the 2024 historical year. In fourth quarter 2025, Entergy Arkansas recorded a regulatory asset of $28.3 million to reflect the amount of the 2024 historical year netting adjustment that it expects to collect from its customers during the 2026 rate effective period.

Grand Gulf Credit Rider

In June 2024, Entergy Arkansas filed with the APSC a tariff to provide retail customers a credit resulting from the terms of the settlement agreement between Entergy Arkansas, System Energy, additional named Entergy parties, and the APSC pertaining to System Energy's billings for wholesale sales of energy and capacity from the Grand Gulf nuclear plant. See "**Complaints Against System Energy - System Energy Settlement with the APSC**" in Note 2 to the financial statements for discussion of the System Energy settlement with the APSC. In July 2024 the APSC approved the tariff, under which Entergy Arkansas would refund to retail customers a total of $100.6 million. Entergy Arkansas refunded $92.3 million of the total through one-time bill credits under the Grand Gulf credit rider during the August 2024 billing cycle. In March 2025, Entergy Arkansas included the remaining balance as a credit to retail customers in its energy cost recovery rider rate redetermination filing. See further discussion within "**Energy Cost Recovery Rider**" below. In April 2025 the APSC approved Entergy Arkansas's proposal to include the remaining balance in its energy cost recovery rider effective with the first billing cycle of April 2025 and the withdrawal of the Grand Gulf credit rider after all credits had been issued. Credits to retail customers were completed in second quarter 2025, and the Grand Gulf credit rider was subsequently withdrawn.

Generating Arkansas Jobs Act Rider

In March 2025 the State of Arkansas passed the Generating Arkansas Jobs Act of 2025, now Act 373 (Act 373), that authorizes the recovery of financing costs during construction of generation and transmission investments through a rider separate from the formula rate plan. Act 373 also permits cost recovery of those investments, when completed and in service, either through the next general rate case proceeding or under the formula rate plan. Act 373 streamlines and simplifies the regulatory approval process and provides increased timeliness and certainty of cost recovery.

In July 2025, Entergy Arkansas submitted a tariff filing with the APSC requesting approval of a strategic investment recovery rider, consistent with the provisions of Act 373. In October 2025 the APSC issued an order approving the proposed rider with several revisions, including elimination of an annual true-up adjustment, a change in cost allocation methodology, the removal of excess and deficient accumulated deferred income taxes to a separate rider, and the addition of reporting requirements. As directed by the order, in October 2025, Entergy Arkansas made a compliance filing. In November 2025, the APSC general staff recommended additional updates to the compliance filing, including limiting the accumulated deferred income tax adjustment to excess accumulated deferred income taxes. Also, in November 2025, Entergy Arkansas filed a second compliance filing, which was approved by the APSC.

Energy Cost Recovery Rider

Entergy Arkansas's retail rates include an energy cost recovery rider to recover fuel and purchased energy costs in monthly customer bills. The rider utilizes the prior calendar-year energy costs and projected energy sales for the twelve-month period commencing on April 1 of each year to develop an energy cost rate, which is redetermined annually and includes a true-up adjustment reflecting the over- or under-recovery, including carrying

charges, of the energy costs for the prior calendar year. The energy cost recovery rider tariff also allows an interim rate request depending upon the level of over- or under-recovery of fuel and purchased energy costs.

In January 2014, Entergy Arkansas filed a motion with the APSC relating to its upcoming energy cost rate redetermination filing that was made in March 2014. In that motion, Entergy Arkansas requested that the APSC authorize Entergy Arkansas to exclude from the redetermination of its 2014 energy cost rate $65.9 million of incremental fuel and replacement energy costs incurred in 2013 as a result of the ANO stator incident. Entergy Arkansas requested that the APSC authorize Entergy Arkansas to retain that amount in its deferred fuel balance, with recovery to be reviewed in a later period after more information was available regarding various claims associated with the ANO stator incident. In February 2014 the APSC approved Entergy Arkansas's request to retain that amount in its deferred fuel balance. In July 2017, Entergy Arkansas filed for a change in rates pursuant to its formula rate plan rider. In that proceeding, the APSC approved a settlement agreement agreed upon by the parties, including a provision that requires Entergy Arkansas to initiate a regulatory proceeding for the purpose of recovering funds currently withheld from rates and related to the stator incident, including the $65.9 million of deferred fuel and purchased energy costs and costs related to the incremental oversight previously noted, subject to certain timelines and conditions set forth in the settlement agreement. In October 2023, Entergy Arkansas made a commitment to the APSC to make a filing to forgo its opportunity to seek recovery of the incremental fuel and purchased energy expense, among other identified costs, resulting from the ANO stator incident. As a result, in third quarter 2023, Entergy Arkansas recorded a write-off of its regulatory asset for deferred fuel of $68.9 million, which includes interest, related to the ANO stator incident. Consistent with its October 2023 commitment, Entergy Arkansas filed a motion to forgo recovery in November 2023, and the motion was approved by the APSC in December 2023. See the "**ANO Damage, Outage, and NRC Reviews**" section in Note 8 to the financial statements for further discussion of the ANO stator incident and the approved motion to forgo recovery.

In March 2017, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01164 per kWh to $0.01547 per kWh. The APSC staff filed testimony in March 2017 recommending that the redetermined rate be implemented with the first billing cycle of April 2017 under the normal operation of the tariff. Accordingly, the redetermined rate went into effect on March 31, 2017 pursuant to the tariff. In July 2017 the Arkansas Attorney General requested additional information to support certain of the costs included in Entergy Arkansas's 2017 energy cost rate redetermination.

In March 2018, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01547 per kWh to $0.01882 per kWh. The Arkansas Attorney General filed a response to Entergy Arkansas's annual redetermination filing requesting that the APSC suspend the proposed tariff to investigate the amount of the redetermination or, alternatively, to allow recovery subject to refund. Among the reasons the Attorney General cited for suspension were questions pertaining to how Entergy Arkansas forecasted sales and potential implications of the Tax Cuts and Jobs Act. Entergy Arkansas replied to the Attorney General's filing and stated that, to the extent there are questions pertaining to its load forecasting or the operation of the energy cost recovery rider, those issues exceed the scope of the instant rate redetermination. Entergy Arkansas also stated that potential effects of the Tax Cuts and Jobs Act are appropriately considered in the APSC's separate proceeding regarding potential implications of the tax law. The APSC general staff filed a reply to the Attorney General's filing and agreed that Entergy Arkansas's filing complied with the terms of the energy cost recovery rider. The redetermined rate became effective with the first billing cycle of April 2018. Subsequently in April 2018 the APSC issued an order declining to suspend Entergy Arkansas's energy cost recovery rider rate and declining to require further investigation at that time of the issues suggested by the Attorney General in the proceeding. Following a period of discovery, the Attorney General filed a supplemental response in October 2018 raising new issues with Entergy Arkansas's March 2018 rate redetermination and asserting that $45.7 million of the increase should be collected subject to refund pending further investigation. Entergy Arkansas filed to dismiss the Attorney General's supplemental response, the APSC general staff filed a motion to strike the Attorney General's filing, and the Attorney General filed a supplemental response disputing Entergy Arkansas and the APSC staff's filing. Applicable APSC rules and processes authorize its general staff to initiate periodic audits

of Entergy Arkansas's energy cost recovery rider. In late-2018 the APSC general staff notified Entergy Arkansas it initiated an audit of the 2017 fuel costs. The timing of the audit's completion is uncertain at this time.

In March 2023, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.01639 per kWh to $0.01883 per kWh. The primary reason for the rate increase was a large under-recovered balance as a result of higher natural gas prices in 2022 and a $32 million deferral related to the APSC general staff's request in 2022 for Entergy Arkansas to defer its request for recovery related to the February 2021 winter storms until the 2023 energy cost rate redetermination. In February 2023 the APSC issued orders initiating proceedings to address the prudence of costs incurred and appropriate cost allocation of the February 2021 winter storms, and in September 2023 the APSC issued an order finding Entergy Arkansas's practices during the February 2021 winter storms to be prudent. The under-recovered balance included in the March 2023 filing was partially offset by the proceeds of the $41.7 million refund that System Energy made to Entergy Arkansas in January 2023 related to the sale-leaseback renewal costs and depreciation litigation as calculated in System Energy's January 2023 compliance report filed with the FERC. See "**Complaints Against System Energy - Grand Gulf Sale-leaseback Renewal Complaint and Uncertain Tax Position Rate Base Issue**" in Note 2 to the financial statements for discussion of the compliance report filed by System Energy with the FERC in January 2023. The redetermined rate of $0.01883 per kWh became effective with the first billing cycle in April 2023 through the normal operation of the tariff.

In March 2024, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected a decrease in the rate from $0.01883 per kWh to $0.00882 per kWh. Due to a change in law in the State of Arkansas, the annual redetermination included $9 million, recorded as a credit to fuel expense in first quarter 2024, for recovery attributed to net metering costs in 2023. The primary reason for the rate decrease was a large over-recovered balance as a result of lower natural gas prices in 2023. To mitigate the effect of projected increases in natural gas prices in 2024, Entergy Arkansas adjusted the over-recovered balance included in the March 2024 annual redetermination filing by $43.7 million. This adjustment reduced the rate change that was reflected in the 2025 energy cost rate redetermination. The redetermined rate of $0.00882 per kWh became effective with the first billing cycle in April 2024 through the normal operation of the tariff.

In March 2025, Entergy Arkansas filed its annual redetermination of its energy cost rate pursuant to the energy cost recovery rider, which reflected an increase in the rate from $0.00882 per kWh to $0.01333 per kWh. The annual redetermination included a credit related to the remaining balance due to retail customers from the System Energy settlement with the APSC, plus carrying charges and interest. See "**Retail Rates -** Grand Gulf Credit Rider" above for further discussion. The primary reason for the rate increase was an adjustment to account for projected increases in natural gas prices in 2025. This adjustment is expected to reduce the rate change that will be reflected in Entergy Arkansas's 2026 energy cost rate redetermination. The redetermined rate of $0.01333 per kWh became effective with the first billing cycle in April 2025 through the normal operation of the tariff.

Opportunity Sales Proceeding

In June 2009 the LPSC filed a complaint requesting that the FERC determine that certain of Entergy Arkansas's sales of electric energy to third parties: (a) violated the provisions of the System Agreement that allocated the energy generated by Entergy System resources; (b) imprudently denied the Entergy System and its ultimate consumers the benefits of low-cost Entergy System generating capacity; and (c) violated the provision of the System Agreement that prohibited sales to third parties by individual companies absent an offer of a right-of-first-refusal to other Utility operating companies. The LPSC's complaint challenged sales made beginning in 2002 and requested refunds. In July 2009 the Utility operating companies filed a response to the complaint arguing among other things that the System Agreement contemplated that the Utility operating companies may make sales to third parties for their own account, subject to the requirement that those sales be included in the load (or load shape) for the applicable Utility operating company. The FERC subsequently ordered a hearing in the proceeding.

The FERC issued a decision in June 2012 and held that, while the System Agreement was ambiguous, it did provide authority for individual Utility operating companies to make opportunity sales for their own account and Entergy Arkansas made and priced these sales in good faith. The FERC found, however, that the System Agreement did not provide authority for an individual Utility operating company to allocate the energy associated with such opportunity sales as part of its load but provides a different allocation authority. The FERC further found that the after-the-fact accounting methodology used to allocate the energy used to supply the sales was inconsistent with the System Agreement. The FERC in its decision established further hearing procedures to quantify the effect of repricing the opportunity sales in accordance with the FERC's June 2012 decision. The hearing was held in May 2013 and the ALJ issued an initial decision in August 2013.

In April 2016 the FERC issued orders addressing requests for rehearing filed in July 2012 and the ALJ's August 2013 initial decision. The first order denied Entergy's request for rehearing and affirmed the FERC's earlier rulings that Entergy's original methodology for allocating energy costs to the opportunity sales was incorrect and, as a result, Entergy Arkansas must make payments to the other Utility operating companies to put them in the same position that they would have been in absent the incorrect allocation. The FERC clarified that interest should be included with the payments. The second order affirmed in part, and reversed in part, the rulings in the ALJ's August 2013 initial decision regarding the methodology that should be used to calculate the payments Entergy Arkansas is to make to the other Utility operating companies. The FERC affirmed the ALJ's ruling that a full re-run of intra-system bills should be performed but required that methodology be modified so that the sales have the same priority for purposes of energy allocation as joint account sales. The FERC reversed the ALJ's decision that any payments by Entergy Arkansas should be reduced by 20%. The FERC also reversed the ALJ's decision that adjustments to other System Agreement service schedules and excess bandwidth payments should not be taken into account when calculating the payments to be made by Entergy Arkansas. The FERC held that such adjustments and excess bandwidth payments should be taken into account but ordered further proceedings before an ALJ to address whether a cap on any reduction due to bandwidth payments was necessary and to implement the other adjustments to the calculation methodology.

The hearing required by the FERC's second April 2016 order was held in May 2017. In July 2017 the ALJ issued an initial decision addressing whether a cap on any reduction due to bandwidth payments was necessary and whether to implement the other adjustments to the calculation methodology. In August 2017 the Utility operating companies, the LPSC, the APSC, and FERC staff filed individual briefs on exceptions challenging various aspects of the initial decision. In September 2017 the Utility operating companies, the LPSC, the APSC, the MPSC, the City Council, and FERC staff filed separate briefs opposing exceptions taken by various parties.

Based on testimony previously submitted in the case and its assessment of the April 2016 FERC orders, in the first quarter 2016, Entergy Arkansas recorded a liability of $87 million, which included interest, for its estimated increased costs and payment to the other Utility operating companies, and a deferred fuel regulatory asset of $75 million. Following its assessment of the course of the proceedings, including the FERC's denial of rehearing in November 2017 described above, in the fourth quarter 2017, Entergy Arkansas recorded an additional liability of $35 million and a regulatory asset of $31 million.

In October 2018 the FERC issued an order addressing the ALJ's July 2017 initial decision. The FERC reversed the ALJ's decision to cap the reduction in Entergy Arkansas's payment to account for the increased bandwidth payments that Entergy Arkansas made to the other operating companies. The FERC also reversed the ALJ's decision that Grand Gulf sales from January through September 2000 should be included in the calculation of Entergy Arkansas's payment. The FERC affirmed on other grounds the ALJ's rejection of the LPSC's claim that certain joint account sales should be accounted for as part of the calculation of Entergy Arkansas's payment. In November 2018 the LPSC requested rehearing of the FERC's October 2018 decision. In December 2019 the FERC denied the LPSC's request for rehearing.

In December 2018, Entergy made a compliance filing in response to the FERC's October 2018 order. The compliance filing provided a final calculation of Entergy Arkansas's payments to the other Utility operating companies, including interest. Refunds and interest, totaling $135 million, were paid by Entergy Arkansas to the other operating companies in December 2018.

Entergy Arkansas previously recognized a regulatory asset with a balance of $116 million as of December 31, 2018 for a portion of the payments due as a result of this proceeding.

The FERC's opportunity sales orders were appealed to the D.C. Circuit. In February 2020 all of the appeals were consolidated and in April 2020 the D.C. Circuit established a briefing schedule. Briefing was completed in September 2020 and oral argument was heard in December 2020. In July 2021 the D.C. Circuit issued a decision denying all of the petitions for review filed in response to the FERC's opportunity sales orders.

In May 2019, Entergy Arkansas filed an application and supporting testimony with the APSC requesting approval of a special rider tariff to recover the costs of these payments from its retail customers over a 24-month period. In January 2020 the Attorney General and Arkansas Electric Energy Consumers, Inc. filed testimony opposing the recovery by Entergy Arkansas of the opportunity sales payment but also claiming that certain components of the payment should be segregated and refunded to customers. In March 2020, Entergy Arkansas filed rebuttal testimony.

In July 2020 the APSC issued a decision finding that Entergy Arkansas's application is not in the public interest. The order also directed Entergy Arkansas to refund to its retail customers within 30 days of the order the FERC-determined over-collection of $13.7 million, plus interest, associated with a recalculated bandwidth remedy. In addition to these primary findings, the order also denied the Attorney General's request for Entergy Arkansas to prepare a compliance filing detailing all of the retail impacts from the opportunity sales and denied a request by the Arkansas Electric Energy Consumers to recalculate all costs using the revised responsibility ratio. The refunds were issued in the August 2020 billing cycle. Entergy Arkansas believed its actions were prudent and, therefore, the costs, including the $13.7 million, plus interest, were recoverable, and in September 2020, Entergy Arkansas filed a complaint in the U.S. District Court for the Eastern District of Arkansas challenging the APSC's order denying Entergy Arkansas's request to recover the costs of these payments.

In March 2024 the U.S. District Court for the Eastern District of Arkansas issued a judgment in favor of the APSC and against Entergy Arkansas. In March 2024 Entergy Arkansas filed a notice of appeal and a motion to expedite oral arguments with the United States Court of Appeals for the Eighth Circuit and the court granted the motion to expedite. Briefing to the United States Court of Appeals for the Eighth Circuit concluded in July 2024 and oral arguments concluded in September 2024. As a result of the adverse decision by the U.S. District Court for the Eastern District of Arkansas, Entergy Arkansas concluded that it could no longer support the recognition of its $131.8 million regulatory asset reflecting the previously-expected recovery of a portion of the costs at issue in the opportunity sales proceeding and recorded a $131.8 million ($99.1 million net-of-tax) charge to earnings in first quarter 2024. In December 2024 the United States Court of Appeals for the Eighth Circuit affirmed the decision of the U.S. District Court for the Eastern District of Arkansas, and Entergy Arkansas filed a petition for rehearing *en banc*. In January 2025 the United States Court of Appeals for the Eighth Circuit denied Entergy Arkansas's petition. In April 2025, Entergy Arkansas filed a petition for certiorari with the United States Supreme Court. In June 2025 the United States Supreme Court denied Entergy Arkansas's petition for certiorari.

Net Metering Legislation

After the passage of an Arkansas net metering law that was enacted effective July 2019, the APSC approved numerous applications allowing Entergy Arkansas customers to enter into purchase power agreements with third parties and to utilize these purchase power agreements to offset power usage by Entergy Arkansas, despite the lack of proximity between the purchase power agreement and the end-use customer. The APSC also allowed the aggregation of accounts by net metering customers. These decisions by the APSC created subsidies in favor of

eligible net metering customers to the detriment of non-participating customers. The level of this subsidy grew as additional net metering applications were approved by the APSC. The size and number of customers eligible under the 2019 law present a risk of loss of load and shifting of costs to customers.

Another Arkansas law was enacted effective March 2023 that revised the billing arrangements for net metering facilities in order to reduce the cost shift to non-net metering customers. The new law also imposes a new limit of 5 MW for future net metering facilities, allows utilities to recover net metering credits in the same manner as fuel, and grandfathers certain net metering facilities that are online or in process to be online by September 2024. As of October 2024, new net metering facilities are subject to two-channel billing. Because of the new law, in May 2023, the APSC closed its prior cost-shifting proceeding and grandfathering rulemaking relating to the prior net metering rate structure. Under the new law, the APSC had to approve revisions to utilities' net metering tariffs to conform to the new law no later than December 2023. The APSC opened a new rulemaking in April 2023 to consider implementation of the new law and tariffs. In October 2023 the APSC issued new net metering rules to conform to the new law, and utilities, including Entergy Arkansas, filed revised net metering tariffs to comply with the new rules on October 16, 2023. Entergy Arkansas's revised net metering tariff was approved by the APSC in December 2023.

Industrial and Commercial Customers

Entergy Arkansas's large industrial and commercial customers continually explore ways to reduce their energy costs. Entergy Arkansas responds by working with industrial and commercial customers to negotiate electric service contracts with competitive rates that match specific customer needs and load profiles. Additionally, cogeneration is an option available to a portion of Entergy Arkansas's industrial customer base. Entergy Arkansas actively participates in economic development, customer retention, and reclamation activities to increase industrial and commercial demand from both new and existing customers.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Nuclear Matters

Entergy Arkansas owns and, through an affiliate, operates the ANO 1 and 2 nuclear generating plants and is, therefore, subject to the risks related to such ownership and operation. These include risks related to: the acquisition, use, storage, and handling and disposal of high-level and low-level radioactive materials; the substantial financial requirements, both for capital investments and operational needs, including the financial requirements to address emerging issues related to equipment reliability, to position Entergy Arkansas's nuclear fleet to meet its operational goals; the performance and capacity factors of these nuclear plants; regulatory requirements and potential future regulatory changes, including changes affecting the regulations governing nuclear plant ownership, operations, license amendments, and decommissioning; the availability of interim or permanent sites for the disposal of spent nuclear fuel and nuclear waste, including the fees charged for such disposal; the sufficiency of nuclear decommissioning trust fund assets and earnings to complete decommissioning of each site when required; and limitations on the amounts of insurance recoveries for losses in connection with nuclear plant operations and catastrophic events such as a nuclear accident. In the event of an unanticipated early shutdown of either ANO 1 or 2, Entergy Arkansas may be required to file with the APSC a rate mechanism to provide additional funds or credit support to satisfy regulatory requirements for decommissioning. ANO 1's operating license expires in 2034 and ANO 2's operating license expires in 2038. In November 2025, Entergy Arkansas notified the NRC of its intent to submit applications to further extend the operating licenses for ANO 1 and 2. Entergy Arkansas expects to submit the renewal applications for ANO 1 by the end of fourth quarter 2029 and for ANO 2 by the end of fourth quarter 2033.

Environmental Risks

Entergy Arkansas's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy Arkansas is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business - Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of Entergy Arkansas's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy Arkansas's financial position, results of operations, or cash flows.

Nuclear Decommissioning Costs

See "**Nuclear Decommissioning Costs**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of the estimates inherent in accounting for nuclear decommissioning costs.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

Entergy Arkansas's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$652	$22,948
Rate of return on plan assets	(0.25%)	$2,718	$—
Rate of increase in compensation	0.25%	$921	$4,688

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$315	$3,790
Health care cost trend	0.25%	$383	$2,094

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for Entergy Arkansas in 2025 was $20.9 million, including $1.5 million in settlement costs. Entergy Arkansas anticipates 2026 qualified pension cost to be $16.5 million. Entergy Arkansas contributed $35.5 million to its qualified pension plans in 2025 and estimates pension contributions will be approximately $29.7 million in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit income for Entergy Arkansas in 2025 was $6.8 million. Entergy Arkansas expects 2026 postretirement health care and life insurance benefit income of approximately $9.4 million. Entergy Arkansas contributed $1.1 million to its other postretirement plans in 2025 and estimates that 2026 contributions will be approximately $710 thousand.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the member and Board of Directors of
Entergy Arkansas, LLC and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy Arkansas, LLC and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, cash flows and changes in equity (pages 348 through 352 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Rate and Regulatory Matters — Entergy Arkansas, LLC and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to rate regulation by the Arkansas Public Service Commission (the "APSC"), which has jurisdiction with respect to the rates of electric companies in Arkansas, and to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the APSC and the FERC set the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the APSC and the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the APSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the APSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the APSC and the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the APSC's and the FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's filings with the APSC and the FERC and orders issued, and considered the filings with the APSC and the FERC by intervenors that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$2,784,047	$2,460,181	$2,646,396
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	352,535	274,282	514,885
Purchased power	248,901	239,281	257,890
Nuclear refueling outage expenses	43,177	51,840	59,973
Other operation and maintenance	778,445	742,573	737,649
Asset write-offs	—	131,775	78,434
Decommissioning	100,701	93,582	87,321
Taxes other than income taxes	164,045	141,225	141,502
Depreciation and amortization	463,802	422,767	400,944
Other regulatory charges (credits) - net	(62,186)	(152,834)	(87,409)
TOTAL	2,089,420	1,944,491	2,191,189
OPERATING INCOME	694,627	515,690	455,207
OTHER INCOME			
Allowance for equity funds used during construction	24,349	29,569	20,587
Interest and investment income	67,375	70,628	25,024
Miscellaneous - net	(10,536)	(17,995)	(23,216)
TOTAL	81,188	82,202	22,395
INTEREST EXPENSE			
Interest expense	242,216	218,281	188,232
Allowance for borrowed funds used during construction	(11,734)	(14,429)	(8,270)
TOTAL	230,482	203,852	179,962
INCOME BEFORE INCOME TAXES	545,333	394,040	297,640
Income taxes	107,880	74,574	(99,210)
NET INCOME	437,453	319,466	396,850
Net loss attributable to noncontrolling interest	(3,079)	(5,300)	(5,231)
EARNINGS APPLICABLE TO MEMBER'S EQUITY	$440,532	$324,766	$402,081

See Notes to Financial Statements.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$437,453	$319,466	$396,850
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	650,881	588,599	556,780
Deferred income taxes, tax credits, and non-current taxes accrued	341,658	81,911	(102,070)
Asset write-offs	—	131,775	78,434
Changes in assets and liabilities:			
Receivables	(30,391)	114,936	(84,428)
Fuel inventory	10,555	7,558	(6,351)
Accounts payable	36,401	(10,425)	(69,947)
Taxes accrued	21,778	(11,936)	4,625
Interest accrued	1,332	3,007	16,554
Deferred fuel costs	(72,862)	(43,124)	228,021
Other working capital accounts	(46,046)	(29,148)	(29,690)
Provisions for estimated losses	9,060	17,520	(21,039)
Regulatory assets	(43,738)	185,251	(6,197)
Other regulatory liabilities	218,074	97,049	240,762
Customer advances	10,000	—	—
Pension and other postretirement funded status	(79,244)	(135,464)	(109,077)
Other assets and liabilities	(129,863)	(338,295)	(152,206)
Net cash flow provided by operating activities	1,335,048	978,680	941,021
INVESTING ACTIVITIES			
Construction expenditures	(1,046,878)	(812,329)	(946,244)
Allowance for equity funds used during construction	24,349	29,569	20,587
Payment for purchase of plant and assets	(3,517)	(819,014)	—
Nuclear fuel purchases	(120,819)	(151,604)	(137,616)
Proceeds from sale of nuclear fuel	40,601	33,213	32,937
Proceeds from nuclear decommissioning trust fund sales	169,591	718,415	117,123
Investment in nuclear decommissioning trust funds	(202,872)	(730,910)	(139,280)
Change in money pool receivable - net	(21,715)	—	—
Litigation proceeds for reimbursement of spent nuclear fuel storage costs	—	—	17,933
Decrease (increase) in other investments	(36,977)	30	1,608
Other	1,115	—	—
Net cash flow used in investing activities	(1,197,122)	(1,732,630)	(1,032,952)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	439,709	1,154,129	1,093,253
Retirement of long-term debt	(149,422)	(717,121)	(597,720)
Capital contributions from parent	—	695,000	—
Changes in money pool payable - net	(15,190)	(130,195)	(35,410)
Common equity distributions paid	(190,000)	(310,000)	(417,000)
Other	47,800	63,252	47,162
Net cash flow provided by financing activities	132,897	755,065	90,285
Net increase (decrease) in cash and cash equivalents	270,823	1,115	(1,646)
Cash and cash equivalents at beginning of period	4,747	3,632	5,278
Cash and cash equivalents at end of period	$275,570	$4,747	$3,632
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$213,561	$212,691	$169,173
Income taxes - net (includes production tax credit sale proceeds of $215,224 in 2025, $— in 2024, and $— in 2023)	($244,911)	$9,484	$2,705
Noncash investing activities:			
Accrued construction expenditures	$98,219	$37,495	$36,264

See Notes to Financial Statements.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$7,048	$1,306
Temporary cash investments	268,522	3,441
Total cash and cash equivalents	275,570	4,747
Accounts receivable:		
Customer	164,296	139,234
Allowance for doubtful accounts	(7,303)	(4,672)
Associated companies	43,859	35,412
Other	87,029	70,927
Accrued unbilled revenues	130,950	125,824
Total accounts receivable	418,831	366,725
Deferred fuel costs	27,704	—
Fuel inventory - at average cost	39,382	49,937
Materials and supplies	430,662	384,238
Deferred nuclear refueling outage costs	36,718	48,879
Prepayments and other	98,975	41,404
TOTAL	1,327,842	895,930
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	1,816,331	1,604,428
Other	793	797
TOTAL	1,817,124	1,605,225
UTILITY PLANT		
Electric	17,022,476	16,371,182
Construction work in progress	621,218	320,447
Nuclear fuel	302,706	257,533
TOTAL UTILITY PLANT	17,946,400	16,949,162
Less - accumulated depreciation and amortization	6,585,693	6,275,150
UTILITY PLANT - NET	11,360,707	10,674,012
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	1,743,848	1,700,110
Other	221,381	198,706
TOTAL	1,965,229	1,898,816
TOTAL ASSETS	$16,470,902	$15,073,983

See Notes to Financial Statements.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$690,000	$—
Accounts payable:		
Associated companies	103,411	85,137
Other	346,541	210,040
Customer deposits	136,587	129,267
Taxes accrued	114,993	93,215
Interest accrued	39,709	38,377
Deferred fuel costs	—	45,158
Other	56,083	55,313
TOTAL	1,487,324	656,507
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	1,846,713	1,489,169
Accumulated deferred investment tax credits	24,868	26,069
Regulatory liability for income taxes - net	422,740	417,561
Other regulatory liabilities	1,044,060	831,165
Customer advances	10,000	—
Decommissioning	1,791,372	1,691,583
Accumulated provisions	85,539	76,479
Long-term debt	4,733,604	5,122,494
Other	314,495	298,951
TOTAL	10,273,391	9,953,471
Commitments and Contingencies		
EQUITY		
Member's equity	4,699,369	4,448,837
Noncontrolling interest	10,818	15,168
TOTAL	4,710,187	4,464,005
TOTAL LIABILITIES AND EQUITY	$16,470,902	$15,073,983

See Notes to Financial Statements.

ENTERGY ARKANSAS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

	Noncontrolling Interest	Member's Equity	Total
		(In Thousands)	
Balance at December 31, 2022	$27,825	$3,753,990	$3,781,815
Net income (loss)	(5,231)	402,081	396,850
Common equity distributions	—	(417,000)	(417,000)
Distributions to noncontrolling interest	(995)	—	(995)
Balance at December 31, 2023	$21,599	$3,739,071	$3,760,670
Net income (loss)	(5,300)	324,766	319,466
Capital contributions from parent	—	695,000	695,000
Common equity distributions	—	(310,000)	(310,000)
Distributions to noncontrolling interest	(1,131)	—	(1,131)
Balance at December 31, 2024	$15,168	$4,448,837	$4,464,005
Net income (loss)	(3,079)	440,532	437,453
Common equity distributions	—	(190,000)	(190,000)
Distributions to noncontrolling interest	(1,271)	—	(1,271)
Balance at December 31, 2025	$10,818	$4,699,369	$4,710,187

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Winter Storm Fern

See the "**Winter Storm Fern**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of Winter Storm Fern. Entergy Louisiana's preliminary estimate for the cost of mobilizing crews and restoring power is approximately $240 million to $300 million, with the majority of the costs being capital. Natural gas purchases for Entergy Louisiana for January 2026 are $256 million compared to natural gas purchases for January 2025 of $115 million.

Results of Operations

2025 Compared to 2024

Net Income

Net income increased $222.1 million primarily due to expenses of $151.5 million ($110.7 million net-of-tax), recorded in second quarter 2024, primarily consisting of regulatory charges to reflect the effects of an agreement in principle between Entergy Louisiana and the LPSC staff and the intervenors in July 2024 to renew Entergy Louisiana's formula rate plan and resolve a number of other retail dockets and matters, including all formula rate plan test years prior to 2023. Also contributing to the increase was higher other income, higher volume/weather, and a higher return on construction work in progress for certain utility plant investments. The increase was partially offset by higher interest expense, higher other operation and maintenance expenses, and higher depreciation and amortization expenses. See Note 2 to the financial statements for discussion of the agreement in principle and the subsequently filed global stipulated settlement agreement.

Operating Revenues

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$5,144.0
Fuel, rider, and other revenues that do not significantly affect net income	576.1
Volume/weather	31.8
Return on construction work in progress for certain utility plant investments	28.3
Retail electric price	(16.7)
Effect of sale of natural gas distribution business	(31.4)
2025 operating revenues	**$5,732.1**

Entergy Louisiana's results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The volume/weather variance is primarily due to an increase in industrial usage resulting from an increase in demand from large industrial customers, primarily in the petroleum refining, chlor-alkali, industrial gases, and petrochemicals industries.

The return on construction work in progress for certain utility plant investments variance represents the revenue related to the amortization of certain customer advances designed to provide a return on investment in construction work in progress for certain utility plant investment, which is recognized as the related costs are incurred.

The retail electric price variance is primarily due to a decrease in Entergy Louisiana's formula rate plan revenues for a two month period beginning in September 2025, resulting from earnings above the authorized return on common equity for the 2024 test year. The decrease was partially offset by increases in Entergy Louisiana's formula rate plan revenues, including an increase in the distribution recovery mechanism, effective September 2024. See Note 2 to the financial statements for discussion of the formula rate plan proceedings.

The effect of sale of natural gas distribution business variance represents the decrease in operating revenues resulting from the absence of natural gas revenues following the sale of the natural gas distribution business on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of Entergy Louisiana's natural gas distribution business on July 1, 2025.

Total electric energy sales for Entergy Louisiana for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	14,251	14,000	2
Commercial	11,134	11,108	—
Industrial	35,816	34,759	3
Governmental	802	836	(4)
Total retail	62,003	60,703	2
Sales for resale:			
Associated companies	6,477	5,808	12
Non-associated companies	1,388	1,574	(12)
Total	69,868	68,085	3

See Note 19 to the financial statements for additional discussion of Entergy Louisiana's operating revenues.

Other Income Statement Variances

Nuclear refueling outage expenses decreased primarily due to the amortization of lower costs associated with the most recent outages as compared to previous outages.

Other operation and maintenance expenses increased primarily due to:

- an increase of $19.7 million in power delivery expenses primarily due to a higher scope of work performed in 2025 as compared to 2024 and higher vegetation maintenance costs;
- the expensing of $10.8 million of project costs associated with the Bayou Power Station project following Entergy Louisiana's election in 2025 to cancel the project and evaluate an alternative transmission solution. See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources**" below for discussion of the Bayou Power Station project;

- an increase of $10.1 million in bad debt expense;
- an increase of $7.7 million in non-nuclear generation expenses primarily due to a higher scope of work performed during plant outages in 2025 as compared to 2024;
- an increase of $5.6 million in transmission costs allocated by MISO. See Note 2 to the financial statements for discussion of the recovery of these costs;
- an increase of $5.1 million in loss provisions; and
- several individually insignificant items.

The increase was partially offset by:

- an $18.6 million gain, recorded in 2025, resulting from the sale of the natural gas distribution business on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of Entergy Louisiana's natural gas distribution business on July 1, 2025;
- contract costs of $17.4 million in 2024 related to operational performance, customer service, and organizational health initiatives; and
- a decrease of $13.3 million in nuclear generation expenses primarily due to a lower scope of work performed in 2025 as compared to 2024.

Taxes other than income taxes increased primarily due to increases in ad valorem taxes resulting from higher assessments.

Depreciation and amortization expenses increased primarily due to additions to plant in service and an increase in nuclear depreciation rates effective September 2024 and September 2025 in accordance with the global stipulated settlement agreement approved by the LPSC in August 2024. See Note 2 to the financial statements for discussion of the global stipulated settlement agreement.

Other regulatory charges (credits) - net includes regulatory charges of $150.2 million, recorded in second quarter 2024, to reflect the effects of an agreement in principle between Entergy Louisiana and the LPSC staff and the intervenors in July 2024 to renew Entergy Louisiana's formula rate plan and resolve a number of other retail dockets and matters, including all formula rate plan test years prior to 2023. The customer rate credits agreed to in the global stipulated settlement began in September 2024. In addition, Entergy Louisiana records a regulatory charge or credit for the difference between asset retirement obligation-related expenses and nuclear decommissioning trust earnings plus asset retirement obligation-related costs collected in revenue. See Note 2 to the financial statements for discussion of the agreement in principle and the subsequently filed global stipulated settlement agreement.

Other income increased primarily due to:

- an increase of $43.3 million in the amortization of tax gross ups on customer advances, including customer advances for construction;
- an increase of $25.8 million in interest earned on money pool investments;
- an increase in the allowance for equity funds used during construction due to higher construction work in progress in 2025; and
- a $17.1 million true-up of Entergy Louisiana's MISO cost recovery mechanism over-recovery balance to the 2024 formula rate plan filing, which was filed with the LPSC in May 2025. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing.

The increase was partially offset by a decrease of $17.5 million in affiliated dividend income from affiliated preferred membership interests related to storm cost securitizations. See Note 2 to the financial statements for discussion of the storm cost securitizations.

Interest expense increased primarily due to the issuance of $750 million of 5.80% Series mortgage bonds in January 2025, the issuance of $700 million of 5.15% Series mortgage bonds in August 2024, and an increase of $38.4 million in carrying costs on customer advances, including customer advances for construction. The increase was partially offset by an increase in the allowance for borrowed funds used during construction due to higher construction work in progress in 2025.

The effective income tax rates were 17.6% for 2025 and 20.2% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Results of Operations**" in Item 7 of Entergy Louisiana's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Sale of Natural Gas Distribution Business

See the "**Dispositions - Natural Gas Distribution Businesses**" section in Note 14 to the financial statements for discussion of the sale of the Entergy Louisiana natural gas distribution business.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$327,102	$2,772	$56,613
Net cash provided by (used in):			
Operating activities	2,741,721	2,247,563	2,032,120
Investing activities	(2,877,549)	(1,512,147)	(3,039,456)
Financing activities	585,687	(411,086)	953,495
Net increase (decrease) in cash and cash equivalents	449,859	324,330	(53,841)
Cash and cash equivalents at end of period	$776,961	$327,102	$2,772

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities increased $494.2 million in 2025 primarily due to:

- higher collections from customers;
- an increase of $257.7 million in receipts from advance payments related to customer agreements in 2025, which are recorded as current liabilities and included within changes in other working capital accounts;
- net cash proceeds of $170.1 million received by Entergy Louisiana in 2025, including $198.3 million in proceeds received from Entergy Louisiana's transfer of 2024 nuclear production tax credits to third parties in 2025 and net cash payments of $28.2 million to affiliates in 2025 in accordance with the Unit Power Sales Agreement and the MSS-4 replacement tariff related to the transfer of 2024 nuclear production tax credits by Entergy Louisiana and affiliates to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear production tax credits;
- income tax refunds of $146 million in 2025 compared to income tax payments of $16.9 million in 2024. Entergy Louisiana received income tax refunds in 2025 and made income tax payments in 2024, each in accordance with Entergy's tax allocation agreement; and
- a decrease of $18.4 million in storm spending primarily due to Hurricane Francine restoration efforts in 2024.

The increase was partially offset by:

- the timing of payments to vendors;
- the receipt of $80.2 million in settlement proceeds in December 2024 as a result of the System Energy settlement with the LPSC. See Note 2 to the financial statements for discussion of the System Energy settlement agreement with the LPSC;
- an increase of $47.2 million in interest paid;
- an increase of $24.5 million in spending on nuclear refueling outages in 2025 as compared to 2024;
- $21.3 million received in third quarter 2024 related to the wind up of the NISCO partnership. See Note 9 to the financial statements for a discussion of the NISCO partnership; and
- higher fuel and purchased power payments. See Note 2 to the financial statements for a discussion of fuel and purchased power cost recovery.

Investing Activities

Net cash flow used in investing activities increased $1,365.4 million in 2025 primarily due to:

- an increase of $661.5 million in non-nuclear generation construction expenditures primarily due to higher spending on the Franklin Farms Power Station Units 1 and 2 project, the Waterford 5 Power Station project, and the Sterlington facility project;
- an increase of $347 million in transmission construction expenditures primarily due to higher capital expenditures as a result of increased development in Entergy Louisiana's service area, including increased investment in the resilience of the transmission system, higher spending on the Amite South transmission projects, and increased spending on various other transmission projects in 2025;
- an increase of $286 million in distribution construction expenditures primarily due to increased investment in the resilience of the distribution system, partially offset by lower capital expenditures for storm restoration in 2025. The decrease in storm restoration expenditures is primarily due to decreased spending on Hurricane Francine restoration efforts in 2025 as compared to 2024;
- an increase of $126.9 million in nuclear construction expenditures primarily due to increased spending on various nuclear projects in 2025;

- an increase in cash used of $80.8 million as a result of fluctuations in nuclear fuel activity due to variations from year to year in the timing and pricing of fuel reload requirements, materials and services deliveries, and the timing of cash payments during the nuclear fuel cycle;
- cash collateral of $58.4 million posted in 2025 to support Entergy Louisiana's obligations to MISO; and
- payments totaling $41.4 million to Entergy Texas for the transfer of assets related to the Segno Solar and Votaw Solar facilities to Entergy Louisiana in 2025. See "**Uses and Sources of Capital** - Segno Solar and Votaw Solar" below for further discussion of the facilities and transfer.

The increase was partially offset by the receipt of $200 million in proceeds from the sale of the natural gas distribution business on July 1, 2025 and the receipt of $33.5 million from the storm reserve escrow account in first quarter 2025. See Note 14 to the financial statements for discussion of the sale of Entergy Louisiana's natural gas distribution business on July 1, 2025. See Note 2 to the financial statements for a discussion of the storm reserve funds.

Financing Activities

Entergy Louisiana's financing activities provided $585.7 million of cash in 2025 as compared to using $411.1 million of cash in 2024 primarily due to the following activity:

- the repayment, prior to maturity, of $1 billion of 0.95% Series mortgage bonds in August 2024;
- the issuance of $750 million of 5.80% Series mortgage bonds in January 2025;
- an increase of $683.9 million in net customer advances for construction related to transmission, distribution, and generator interconnection agreements;
- the repayment, prior to maturity, of $400 million of 5.40% Series mortgage bonds in April 2024;
- a decrease of $102.9 million in common equity distributions paid in 2025 in order to maintain Entergy Louisiana's capital structure and for future general corporate purposes;
- net long-term borrowings of $56.4 million in 2025 compared to net repayments of $38.5 million in 2024 on the nuclear fuel company variable interest entities' credit facilities;
- the repayment, prior to maturity, of $110 million of 3.78% Series mortgage bonds in March 2025;
- the repayment, prior to maturity, of $190 million of 3.78% Series mortgage bonds in March 2025;
- the issuance of $700 million of 5.15% Series mortgage bonds in August 2024;
- the issuances of $500 million of 5.35% Series mortgage bonds and $700 million of 5.70% Series mortgage bonds in March 2024; and
- money pool activity.

Decreases in Entergy Louisiana's payable to the money pool are a use of cash flow, and Entergy Louisiana's payable to the money pool decreased $156.2 million in 2024. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

See Note 5 to the financial statements for additional details of long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS** - **Liquidity and Capital Resources** - **Cash Flow**" in Item 7 of Entergy Louisiana's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

Entergy Louisiana's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	46.6%	46.0%
Effect of subtracting cash	(2.0%)	(0.8%)
Net debt to net capital (non-GAAP)	44.6%	45.2%

Net debt consists of debt less cash and cash equivalents. Debt consists of short-term borrowings, finance lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt and equity. Net capital consists of capital less cash and cash equivalents. Entergy Louisiana uses the debt to capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Louisiana's financial condition. The net debt to net capital ratio is a non-GAAP measure. Entergy Louisiana also uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Louisiana's financial condition because net debt indicates Entergy Louisiana's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

Entergy Louisiana seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a distribution, to the extent funds are legally available to do so, or both, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments, Entergy Louisiana may issue incremental debt or reduce distributions, or both, to maintain its capital structure. In addition, in certain infrequent circumstances, such as financing of large transactions that would materially alter the capital structure if financed entirely with debt and reduced distributions, Entergy Louisiana may receive equity contributions to maintain its capital structure.

Uses of Capital

Entergy Louisiana requires capital resources for:

- construction and other capital investments;
- debt maturities or retirements;
- working capital purposes, including the financing of fuel and purchased power costs; and
- distribution and interest payments.

Following are the amounts of Entergy Louisiana's planned construction and other capital investments.

	2026	2027	2028	2029
	(In Millions)			
Planned construction and capital investment:				
Generation	$2,550	$4,490	$3,055	$3,300
Transmission	1,670	1,675	1,315	885
Distribution	1,165	830	560	605
Utility Support	90	85	70	70
Total	$5,475	$7,080	$5,000	$4,860

In addition to routine capital spending to maintain operations, the planned capital investment estimate for Entergy Louisiana includes investments in generation projects to modernize, decarbonize, expand, and diversify Entergy

Louisiana's portfolio, as well as to support customer growth, including Segno Solar, Votaw Solar, Bogalusa West Solar, Cypress Harvest Solar, Franklin Farms Power Station Units 1 and 2, Waterford 5 Power Station, Cottonwood Power Station, Westlake Power Station, and other new generation resources; investments in River Bend and Waterford 3; distribution and Utility support spending to improve reliability, resilience, and customer experience; transmission spending to improve reliability and resilience while also supporting customer growth and renewables expansion; and other investments. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including the trade-related governmental actions discussed below, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy Louisiana's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy Louisiana's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect Entergy Louisiana's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy Louisiana's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

Entergy Louisiana has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. Entergy Louisiana is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of Entergy Louisiana's existing debt and lease obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
			(In Millions)		
Long-term debt (a)	$1,134	$1,010	$798	$740	$14,048
Operating leases (b)	$21	$18	$15	$15	$4
Finance leases (b)	$7	$6	$6	$9	$5

(a) Long-term debt is discussed in Note 5 to the financial statements.
(b) Lease obligations are discussed in Note 10 to the financial statements.

Other Obligations

Entergy Louisiana currently expects to contribute approximately $41.6 million to its qualified pension plans and approximately $14.1 million to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates - Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy Louisiana has $425.5 million of unrecognized tax benefits net of unused tax attributes plus interest for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

In addition, Entergy Louisiana enters into fuel and purchased power agreements that contain minimum purchase obligations. Entergy Louisiana has rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations. See Note 8 to the financial statements for discussion of Entergy Louisiana's divestiture from the Unit Power Sales Agreement and its obligations under the Vidalia purchased power agreement.

As a wholly-owned subsidiary of Entergy Utility Holding Company, LLC, Entergy Louisiana pays distributions from its earnings at a percentage determined monthly.

Renewables

2021 Solar Certification and the Geaux Green Option

In November 2021, Entergy Louisiana filed an application seeking LPSC approval and certification of the addition of four new solar photovoltaic resources with a combined nameplate capacity of 475 MW (the 2021 Solar Portfolio) and the implementation of a new green tariff, the Geaux Green Option (Rider GGO). The 2021 Solar Portfolio consisted of four resources that were expected to provide $242 million in net benefits to Entergy Louisiana's customers. These resources, all of which would be constructed in Louisiana, include (i) the Vacherie Facility, a 150 MW resource in St. James Parish; (ii) the Sunlight Road Facility, a 50 MW resource in Washington Parish; (iii) the St. Jacques Facility, a 150 MW resource in St. James Parish; and (iv) the Elizabeth Facility, a 125 MW resource in Allen Parish. The St. Jacques Facility would be acquired through a build-own-transfer agreement; the remaining resources involve power purchase agreements. The Sunlight Road Facility and the Elizabeth Facility each achieved commercial operation in 2024, and the Vacherie Facility and the St. Jacques Facility originally had estimated in service dates in 2025. The filing proposed to recover the costs of the power purchase agreements through the fuel adjustment clause and the formula rate plan and the acquisition costs through the formula rate plan.

The proposed Rider GGO was a voluntary rate schedule designed to enhance Entergy Louisiana's ability to help customers meet their sustainability goals by allowing customers to align some or all of their electricity requirements with renewable energy from the resources. Because subscription fees from Rider GGO participants are expected to help offset the cost of the resources, the design of Rider GGO was also designed to preserve the benefits of the 2021 Solar Portfolio for non-participants by providing them with the reliability and capacity benefits of locally-sited solar generation at a discounted price.

In March 2022 direct testimony from Walmart, the Louisiana Energy Users Group (LEUG), and the LPSC staff was filed. Each party recommended that the LPSC approve the resources proposed in Entergy Louisiana's application, and the LPSC staff witness indicated that the process through which Entergy Louisiana solicited or obtained the proposals for the resources complied with applicable LPSC orders. The LPSC staff and LEUG's witnesses made recommendations to modify the proposed Rider GGO and Entergy Louisiana's proposed rate relief. In April 2022 the LPSC staff and LEUG filed cross-answering testimony concerning each other's proposed modifications to Rider GGO and the proposed rate recovery. Entergy Louisiana filed rebuttal testimony in June 2022. In August 2022 the parties reached a settlement certifying the 2021 Solar Portfolio and approving implementation of Rider GGO. In September 2022 the LPSC approved the settlement. Following the LPSC approval, the St. James Parish council issued a moratorium on new land use permits for solar facilities until the later of March 2023 or the completion of an environmental and economic impact study. In November 2023, St. James Parish lifted the moratorium and adopted an ordinance modifying the parish's land use plan to establish solar as an approved land use and defining corresponding solar regulations. In March 2024 the project developer submitted a

solar energy facility farm permit application to the St. James Parish planning commission to request approval for the Vacherie and St. Jacques Facilities. In June 2024 the St. James Parish council denied the application and following this denial, the project developer and one of the project's ground lessors filed separate lawsuits seeking to overturn the council's decision. The council's decision was subsequently affirmed by the Louisiana 23rd Judicial District Court. Entergy Louisiana is no longer pursuing the addition of resources through an acquisition of the St. Jacques Facility or through a power purchase agreement with the Vacherie Facility.

2022 Solar Portfolio and Expansion of the Geaux Green Option

In February 2023, Entergy Louisiana filed an application seeking LPSC approval and certification of the Iberville/Coastal Prairie facility, which will provide 175 MW of capacity through a PPA with a third party, and the Sterlington facility, a 49 MW self-build project located near the deactivated Sterlington power plant (the 2022 Solar Portfolio). Entergy Louisiana is seeking to include these resources within the portfolio supporting the Rider GGO rate schedule to help fulfill customer interest in access to renewable energy. Entergy Louisiana has requested the costs of these facilities, as offset by Rider GGO revenues, be deemed eligible for recovery in accordance with the terms of the formula rate plan and fuel adjustment clause rate mechanisms that exist at the time the facilities are placed into service. In January 2024, the parties filed an uncontested stipulated settlement agreement on the key issues in the case, which stated that the 2022 Solar Portfolio should be constructed, found that Entergy Louisiana's proposed cost recovery mechanisms were appropriate, and confirmed the resources' eligibility for inclusion in Rider GGO. The settlement was approved by the LPSC in January 2024. The Sterlington facility achieved commercial operation in January 2026.

Bogalusa West Solar

In July 2025, Entergy Louisiana filed an application seeking LPSC approval and certification of the Bogalusa West Solar facility, a 200 MW single axis tracking solar photovoltaic power facility in Washington Parish, Louisiana. In October 2025 the LPSC voted to grant Entergy Louisiana's application and approve the Bogalusa West Solar facility. The facility is expected to be in service by 2028.

Segno Solar and Votaw Solar

In July 2024, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Segno Solar facility, a 170 MW solar facility to be located in Polk County, Texas, and the Votaw Solar facility, a 141 MW solar facility to be located in Hardin County, Texas. In August 2025, Entergy Texas filed, and the ALJs with the State Office of Administrative Hearings granted, an unopposed motion to withdraw the application. In September 2025, Entergy Texas and Entergy Louisiana entered into assignment and assumption agreements pursuant to which Entergy Texas assigned, and Entergy Louisiana assumed, certain interests in the Segno Solar and Votaw Solar facilities, and the associated assets were transferred in third quarter 2025 from Entergy Texas to Entergy Louisiana for approximately $42.1 million, which included adjustments per the assignment and assumption agreements.

In December 2025, Entergy Louisiana filed an application with the LPSC seeking approval and certification to construct the Segno Solar facility and Votaw Solar facility. The application asks that the LPSC approve, subject to certain ongoing discussions, allocation of the two facilities to a designated renewable resources subscription to Entergy Louisiana's Rider Geaux Zero, and further asserts that the two solar resources fall below certain breakeven parameters established in connection with the LPSC's order allowing Entergy Louisiana to procure up to 3 GW of solar resources, thus supporting that the resources should be certified as being in the public interest. The application requests consideration by the LPSC at or before its August 2026 meeting. A procedural schedule has been set with a hearing scheduled for July 2026. The Segno Solar facility and the Votaw Solar facility are expected to be in service by 2029.

Cypress Harvest Solar

In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification for the Cypress Harvest Solar facility, a 200 MW solar facility to be located in Iberville Parish. Entergy Louisiana requested that the LPSC consider the request at its April 2026 meeting.

Other Generation and Transmission

Bayou Power Station

In March 2024, Entergy Louisiana filed an application seeking LPSC approval and certification that the public convenience and necessity would be served by the construction of the Bayou Power Station, a 112 MW aggregated capacity floating natural gas power station with black-start capability in Leeville, Louisiana and an associated microgrid that would serve nearby areas, including Port Fourchon, Golden Meadow, Leeville, and Grand Isle. In its application, Entergy Louisiana noted that the estimated cost of the Bayou Power Station was $411 million, including estimated costs of transmission interconnection and other related costs. In October 2024, Entergy Louisiana filed a motion to suspend the procedural schedule in this proceeding in order to evaluate certain recent developments related to the project including potential changes to the estimated cost of the project. In October 2025, Entergy Louisiana filed with the LPSC a motion to dismiss its application without prejudice, noting that this project has been canceled and that Entergy Louisiana is evaluating an alternative transmission solution. In November 2025 the LPSC granted the motion and dismissed the application, without prejudice. In third quarter 2025, Entergy Louisiana expensed $10.8 million of project costs related to the Bayou Power Station project.

Additional Generation and Transmission Resources

In October 2024, Entergy Louisiana filed an application with the LPSC seeking approval of a variety of generation and transmission resources proposed in connection with establishing service to a new data center to be developed by a subsidiary of Meta Platforms, Inc. in north Louisiana, for which an electric service agreement has been executed. The filing requested LPSC certification of three new combined cycle combustion turbine generation resources totaling 2,262 MW, each of which will be enabled for future carbon capture and storage, a new 500 kV transmission line, and 500 kV substation upgrades. Two of the new combined cycle combustion turbine generation resources are to be located at Franklin Farms in north Louisiana (Franklin Farms Power Station Units 1 and 2). The application also requested approval to implement a corporate sustainability rider applicable to the new customer. The corporate sustainability rider contemplates the new customer contributing to the costs of the future addition of 1,500 MW of new solar and energy storage resources, agreements involving carbon capture and storage at Entergy Louisiana's existing Lake Charles Power Station, and potential future wind and nuclear resources. The combined cost of Franklin Farms Power Station Units 1 and 2 is estimated to be approximately $2,387 million. In testimony filed with its application, Entergy Louisiana noted that the third new generation resource, Waterford 5 Power Station, is expected to have an estimated cost similar to the cost of each of Franklin Farms Power Station Units 1 and 2. Also in its testimony, Entergy Louisiana noted that the cost of the new 500 kV transmission line is estimated to be $546 million. Entergy Louisiana anticipates funding the incremental cost to serve the customer through direct financial contributions from the customer and the revenues it expects to earn under the electric service agreement. The electric service agreement also contains provisions for termination payments that will help ensure that there is no harm to Entergy Louisiana and its customers in the event of early termination. A directive was issued at the LPSC's November 2024 meeting for the matter to be decided by October 2025. In February 2025 intervenors filed a motion asking the LPSC to deny Entergy Louisiana's requested exemption from the LPSC's order addressing competitive solicitation procedures and further asking the LPSC to dismiss the application. The ALJ issued an order denying the motion to dismiss the application and deferring the LPSC's consideration of the motion regarding the competitive solicitation procedures until the hearing. In March 2025 the same intervenors filed a motion requesting the LPSC to require the customer and its parent company to be joined as parties to the proceeding or dismiss the application. In April 2025 the ALJ issued an order denying the March 2025 motion, and the moving parties filed a motion asking the LPSC to review and reverse the ALJ's decision.

In February 2025, Entergy Louisiana filed supplemental testimony with the LPSC stating that the third combined cycle combustion turbine resource presented in the October 2024 application (Waterford 5 Power Station) would be sited at Entergy Louisiana's Waterford site in Killona, Louisiana, alongside existing Entergy Louisiana generation resources. The testimony also notes that Entergy Louisiana is negotiating with the customer in response to the customer's request to increase the load associated with its project in north Louisiana. The testimony indicates further that the additional load can be served without additional generation capacity beyond what was presented in the October 2024 application, but that additional transmission facilities, which will be funded directly by the customer, are needed to serve this additional load.

In April 2025 and May 2025 the LPSC staff and certain intervenors each filed their direct testimony and cross-answering testimony, respectively. The LPSC staff's testimony discussed the significant projected benefits associated with the data center project; however, both the LPSC staff and such intervenors also identified purported risks associated with constructing the requested resources based on the terms and conditions under which the customer would be taking service. Both the LPSC staff and such intervenors also recommended that the LPSC impose certain conditions on its approval which, if adopted, would support approval of Entergy Louisiana's application. The LPSC staff's recommendations included a condition that would require, under specified circumstances, certain sharing of net revenues from service to the project with Entergy Louisiana's other customers. The LPSC staff also recommended that the LPSC deny approval of the corporate sustainability rider terms providing for the customer to supply funding toward the cost of installing carbon capture and storage infrastructure at Entergy Louisiana's Lake Charles Power Station. The Louisiana Energy Users Group and other intervenors recommended that the LPSC require various changes to the terms of the electric service agreement with the customer that would shift additional risk and cost to the customer rather than Entergy Louisiana's broader customer base. Certain intervenors also challenged approval on the basis that Entergy Louisiana did not conduct a request for proposals to procure the proposed generation resources to serve the customer's project; these intervenors also advocated that Entergy Louisiana be required to procure more renewable generation and evaluate transmission alternatives rather than proceeding with development of all of the proposed new generation resources. In May 2025, Entergy Louisiana filed its rebuttal testimony responding to the direct and cross-answering testimony of the LPSC staff and intervenors. The rebuttal testimony expressed support for or no opposition to the LPSC's adoption of certain of the proposed recommendations and identified why other proposed recommendations should not be adopted. In addition, the rebuttal testimony stated that the negotiations related to the increase in the load amount for the customer's project had concluded and that a rider to the electric service agreement reflecting this increase had been executed. In advance of the July 2025 hearing, Entergy Louisiana reached a settlement agreement with the LPSC staff and three separate intervenors. In August 2025 the LPSC issued an order accepting the settlement agreement. Franklin Farms Power Station Units 1 and 2 are expected to be in service in 2028, and Waterford 5 Power Station is expected to be in service in 2029. In January 2026, several months after the LPSC order became final, certain intervenors filed a motion asking the LPSC to investigate the financing arrangements that the customer implemented for its data center project and to initiate a prudence review. The motion questions whether the credit protections for the customer's obligations under the electric service agreement are adversely affected by the change in the customer's financial structure and asks the LPSC to initiate a review of whether Entergy Louisiana withheld relevant information from the LPSC at the time of the LPSC's order. Entergy Louisiana filed its opposition to the motion in February 2026.

Amite South Transmission Projects

In March 2024, Entergy Louisiana filed an application seeking an exemption determination, or alternatively, a certificate of public convenience and necessity, for a transmission project that includes a new 500 kV/230 kV Commodore substation and an approximately 60-mile 230 kV line connecting the new Commodore substation to the Waterford substation. The project, which was approved by MISO in the 2023 MISO Transmission Expansion Plan, also includes certain common elements with, and right-of-way acquisition for, a future transmission project in the same area consisting of 500 kV elements. The estimated cost of the project is $498.8 million. In February 2025, Entergy Louisiana and the LPSC staff jointly filed, for consideration by the LPSC, an uncontested stipulated

settlement agreement resolving all issues in the proceeding. In the motion requesting approval of the uncontested stipulated settlement agreement, the parties requested a settlement hearing in March 2025. The LPSC approved the uncontested stipulated settlement agreement in March 2025 and thereby granted certification of the project.

In December 2024, Entergy Louisiana filed an application with the LPSC seeking a certificate of public convenience and necessity for a 500 kV transmission project that includes the construction of a new 84-mile Commodore to Churchill 500 kV transmission line, the expansion of the Waterford 500 kV substation, the construction of a new Churchill 500 kV substation and improvements to the Churchill 230 kV substation, and the conversion of the existing 230 kV Waterford to Churchill transmission line to 500 kV, forming a 500 kV loop into the Downstream of Gypsy load pocket. The project, which was approved by MISO in the 2023 MISO Transmission Expansion Plan, shares common elements with a future transmission project in the same area consisting of 230 kV elements. The estimated cost of the project is $954.7 million. In April 2025 the LPSC staff and the Louisiana Energy Users Group, an intervenor, filed direct testimony. The LPSC staff's testimony recommends LPSC approval of the project. The Louisiana Energy Users Group's testimony opines that Entergy Louisiana has shown that there is a need for additional transmission investment in the West Bank area of Amite South but recommends that the LPSC withhold approval pending further analysis, including analysis of potential lower cost alternatives to the proposed project, and also pending Entergy Louisiana demonstrating that it has contributions in aid of construction from the customers whose block load additions would be enabled by the proposed transmission project in amounts sufficient to substantially, if not fully, cover the revenue requirement of the proposed project. In June 2025, Entergy Louisiana filed rebuttal testimony. A hearing was held in August 2025. In November 2025 the presiding ALJ issued a proposed recommendation granting the application and the requested certification. The Louisiana Energy Users Group filed exceptions to the proposed recommendation, and the LPSC staff and Entergy Louisiana filed responses in opposition to those exceptions. In December 2025 the ALJ issued a final recommendation granting the application and the requested certification. In December 2025 the LPSC issued an order adopting the final recommendation granting the application and the requested certification.

Cottonwood Power Station

In December 2025, Entergy Louisiana filed an application seeking LPSC approval and a certificate of convenience and necessity to acquire the Cottonwood combined cycle combustion turbine facility, a 1,263 MW combined cycle facility in Deweyville, Texas that was originally placed in commercial service in 2003. The filing seeks findings from the LPSC that the costs of the acquisition, including the approximately $1.5 billion purchase price and $309.3 million in capital upgrades and maintenance items needed to bring Cottonwood into alignment with Entergy Louisiana's fleet standards with respect to operations and safety, are eligible for recovery in customer rates. The application requests an LPSC decision by October 2026. A procedural schedule has been set with a hearing scheduled for September 2026. The acquisition is currently targeted to occur in January 2027.

Babel - Webre 500 kV Transmission Project

In December 2025, Entergy Louisiana filed an application with the LPSC seeking a certificate of public convenience and necessity for a 500 kV transmission project that includes the construction of a new 147-mile Babel to Webre 500 kV transmission line, the reconstruction of the Webre 500 kV switching station in Louisiana, and coordination with Entergy Texas of the construction of an approximately 4-mile 500 kV transmission line in Texas. The project was approved by MISO in the 2025 MISO Transmission Expansion Plan and has an estimated cost of $1,238 million and an estimated in-service date of August 2029. The application requests an LPSC decision by June 2026.

Waterford 6 Power Station and Westlake Power Station

In February 2026, Entergy Louisiana filed an application seeking LPSC approval and certification to construct two 754 MW combined cycle combustion turbine generators, the Waterford 6 Power Station and the Westlake Power Station, to be located at Entergy Louisiana's existing Waterford site near Killona, Louisiana and

existing Roy S. Nelson site in Westlake, Louisiana, respectively. In its application, Entergy Louisiana noted the estimated costs are approximately $2,027 million for the Waterford 6 Power Station and $2,091 million for the Westlake Power Station. Entergy Louisiana asked that the LPSC consider the requests in the application at or before its December 2026 meeting. The estimated in-service dates for the Waterford 6 Power Station and Westlake Power Station are July 2030 and October 2030, respectively.

Resilience and Grid Hardening

In December 2022, Entergy Louisiana filed an application with the LPSC seeking a public interest finding regarding Phase I of Entergy Louisiana's Future Ready resilience plan and approval of a rider mechanism to recover the program's costs. Phase I in the December 2022 application reflected the first five years of a ten-year resilience plan and included investment of approximately $5 billion, including hardening investment, transmission dead-end structures, enhanced vegetation management, and telecommunications improvement. In April 2024 the LPSC approved a framework which includes an initial five-year resilience plan providing for an investment of approximately $1.9 billion with cost recovery via a forward-looking rider with semi-annual true-ups. The plan is subject to specified reporting requirements and includes a performance review of the hardened assets. The LPSC order approving the framework does not include any restrictions on Entergy Louisiana's ability to file applications for approval of additional investments in resilience.

The LPSC had previously opened a formal rulemaking proceeding in December 2021 to investigate efforts to improve resilience of electric utility infrastructure. In April 2023 the LPSC staff issued a draft rule in the rulemaking proceeding related to a requirement to file a grid resilience plan. The procedural schedule entered in the rulemaking proceeding contemplated adoption of a final rule in October 2023, but this did not occur, and a new date has not been set.

The LPSC also has pending rulemakings addressing issues related to pole viability and grid maintenance practices. In December 2023, in those rulemakings, the LPSC staff issued a report and recommendation proposing to impose significant new reporting and compliance obligations related to jurisdictional utilities' distribution and transmission operations, including new obligations related to grid hardening plans, pole inspections, pole replacement, vegetation management, storm restoration plans, new reliability metrics, software for handling customer complaints and complaint resolution, required use of drone technology, and new penalties and incentives for reliability performance and for compliance with the new obligations. In February 2024, Entergy Louisiana and other parties filed comments on the LPSC staff's report. These rulemakings were formally closed in August 2025 without the adoption of any rules or obligations being promulgated by the LPSC.

Sources of Capital

Entergy Louisiana's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- storm reserve escrow accounts;
- debt or preferred membership interest issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- capital contributions; and
- bank financing under new or existing facilities.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations,

Entergy Louisiana expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt and common and preferred membership interest issuances by Entergy Louisiana require prior regulatory approval. Debt issuances are also subject to requirements set forth in its bond indentures and other agreements. Entergy Louisiana has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

Entergy Louisiana's receivables from (payables to) the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
(In Thousands)			
$63,435	$32,668	($156,166)	($226,114)

See Note 4 to the financial statements for a description of the money pool.

Entergy Louisiana has a credit facility in the amount of $400 million scheduled to expire in June 2030. The credit facility includes fronting commitments for the issuance of letters of credit against $15 million of the borrowing capacity of the facility. As of December 31, 2025, there were no cash borrowings and no letters of credit outstanding under the credit facility. In addition, Entergy Louisiana is a party to two uncommitted letter of credit facilities as a means to post collateral to support its obligations to MISO. As of December 31, 2025, $164.1 million in letters of credit were outstanding under Entergy Louisiana's uncommitted letter of credit facilities. See Note 4 to the financial statements for additional discussion of the credit facilities.

The Entergy Louisiana nuclear fuel company variable interest entities have two separate credit facilities, each in the amount of $105 million and scheduled to expire in June 2027. As of December 31, 2025, $50.3 million in loans were outstanding under the credit facility for the Entergy Louisiana River Bend nuclear fuel company variable interest entity and $43.7 million in loans were outstanding under the Entergy Louisiana Waterford nuclear fuel company variable interest entity credit facility. See Note 4 to the financial statements for additional discussion of the nuclear fuel company variable interest entity credit facilities.

Entergy Louisiana obtained authorizations from the FERC through January 2027 for the following:

- short-term borrowings not to exceed an aggregate amount of $450 million at any time outstanding;
- long-term borrowings and security issuances; and
- borrowings by its nuclear fuel company variable interest entities.

See Note 4 to the financial statements for further discussion of Entergy Louisiana's short-term borrowing limits.

State and Local Rate Regulation and Fuel-Cost Recovery

The rates that Entergy Louisiana charges for its services significantly influence its financial position, results of operations, and liquidity. Entergy Louisiana is regulated, and the rates charged to its customers are determined in regulatory proceedings. A governmental agency, the LPSC, is primarily responsible for approval of the rates charged to customers.

Retail Rates - Electric

Filings with the LPSC

2022 Formula Rate Plan Filing

In May 2023, Entergy Louisiana filed its formula rate plan evaluation report for its 2022 calendar year operations. The 2022 test year evaluation report produced an earned return on common equity of 8.33%, requiring an approximately $70.7 million increase to base rider revenue. Due to a cap for the 2021 and 2022 test years, however, base rider formula rate plan revenues were only increased by approximately $4.9 million, resulting in a revenue deficiency of approximately $65.9 million and providing for prospective return on common equity opportunity of approximately 8.38%. Other changes in formula rate plan revenue driven by increases in capacity costs, primarily legacy capacity costs, additions eligible for recovery through the transmission recovery mechanism and distribution recovery mechanism, and higher sales during the test period were offset by reductions in net MISO costs as well as credits for FERC-ordered refunds. Also included in the 2022 test year distribution recovery mechanism revenue requirement was a $6 million credit relating to the distribution recovery mechanism performance accountability standards and requirements. In total, the net increase in formula rate plan revenues, including base formula rate plan revenues inside the formula rate plan bandwidth and subject to the cap, as well as other formula rate plan revenues outside of the bandwidth, was $85.2 million. In August 2023 the LPSC staff filed a list of objections/reservations, including outstanding issues from the test years 2017-2021 formula rate plan filings, the calculation of certain refunds from System Energy, and certain calculations relating to the tax reform adjustment mechanism. Subject to LPSC review, the resulting net increase in formula rate plan revenues of $85.2 million became effective for bills rendered during the first billing cycle of September 2023, subject to refund. In September 2024 the LPSC issued an order approving a settlement that resolved, with prejudice, all other issues identified by the staff in the matter and closed the docket. See "2023 Entergy Louisiana Rate Case and Formula Rate Plan Extension Request" below for further discussion.

2023 Entergy Louisiana Rate Case and Formula Rate Plan Extension Request

In August 2023, Entergy Louisiana filed an application for approval of a regulatory blueprint necessary for it to strengthen the electric grid for the State of Louisiana, which contained a dual-path request to update rates through either: (1) extension of Entergy Louisiana's current formula rate plan (with certain modifications) for three years (the Rate Mitigation Proposal), which was Entergy Louisiana's recommended path; or (2) implementation of rates resulting from a cost-of-service study (the Rate Case path). The application complied with Entergy Louisiana's previous formula rate plan extension order requiring that for Entergy Louisiana to obtain another extension of its formula rate plan that included a rate reset, Entergy Louisiana would need to submit a full cost-of-service rate case. Entergy Louisiana's filing supported the need to extend Entergy Louisiana's formula rate plan with credit supportive mechanisms needed to facilitate investment in the distribution, transmission, and generation functions.

In July 2024, Entergy Louisiana reached an agreement in principle with the LPSC staff and the intervenors in the proceeding and filed with the LPSC a joint motion to suspend the procedural schedule to allow for all parties to finalize a stipulated settlement agreement.

In August 2024, Entergy Louisiana and the LPSC staff jointly filed a global stipulated settlement agreement for consideration by the LPSC with key terms as follows:

- continuation of the formula rate plan for 2024-2026 (test years 2023-2025);
- a base formula rate plan revenue increase of $120 million for test year 2023, effective for rates beginning September 2024;
- a $140 million cumulative cap on base formula rate plan revenue increases, if needed, for test years 2024 and 2025, excluding outside the bandwidth items;
- $184 million of customer rate credits to be given over two years, including increasing customer sharing of income tax benefits resulting from the 2016-2018 IRS audit, to resolve any remaining disputed issues stemming from formula rate plan test years prior to test year 2023, including but not limited to the investigation into Entergy Services costs billed to Entergy Louisiana. As discussed in Note 3 to the financial statements, a $38 million regulatory liability was recorded in 2023 in connection with the 2016-2018 IRS audit;
- $75.5 million of customer rate credits, as provided for in the System Energy global settlement, to be credited over three years subject to and conditioned upon FERC approval of the System Energy global settlement, which was approved in November 2024. See "**Complaints Against System Energy – System Energy Settlement with the LPSC**" in Note 2 to the financial statements for further details of the System Energy global settlement;
- $5.8 million of customer rate credits provided for in the Entergy Louisiana formula rate plan global settlement agreement approved by the LPSC in November 2023 credited over one year. See "Formula Rate Plan Global Settlement" below for further discussion of the settlement;
- an increase in the allowed midpoint return on common equity from 9.5% to 9.7%, with a bandwidth of 40 basis points above and below the midpoint, for the extended term of the formula rate plan, except that for test year 2023 in which the authorized return on common equity shall have no bearing on the change in base formula rate plan revenue described above and, for test year 2024, any earnings above the authorized return on common equity shall be returned to customers through a credit;
- an increase in nuclear depreciation rates by $15 million in each of the 2023, 2024, and 2025 test years outside of the formula rate plan bandwidth calculation; and
- for the transmission recovery mechanism and the distribution recovery mechanism, no change to the existing floors, but the caps for both would be $350 million for test year 2023, $375 million for test year 2024, and $400 million for test year 2025. Transmission projects filed with the LPSC will be exempt from the transmission recovery mechanism cap.

The global stipulated settlement agreement was unanimously approved by the LPSC in August 2024 and an order was issued by the LPSC in September 2024 reflecting the approval of the settlement.

Based on the July 2024 agreement in principle, in second quarter 2024 Entergy Louisiana recorded expenses of $151 million ($112 million net-of-tax) primarily consisting of regulatory charges to reflect the effects of the agreement in principle.

Formula Rate Plan Global Settlement

In October 2023 the LPSC staff and Entergy Louisiana reached a global settlement which resolved all outstanding issues related to the 2017, 2018, and 2019 formula rate plan filings and resolved certain issues with respect to the 2020 and 2021 formula rate plan filings. The settlement was approved by the LPSC in November 2023. The settlement resulted in a one-time cost of service credit to customers of $5.8 million, allowed Entergy Louisiana to retain approximately $6.2 million of securitization over-collection as recovery of a regulatory asset associated with late fees related to the 2016 Baton Rouge flood, and resulted in Entergy Louisiana recording the reversal of a $105.6 million regulatory liability, primarily associated with the Hurricane Isaac securitization, initially recognized in 2017 as a result of the Tax Cuts and Jobs Act.

2023 Formula Rate Plan Filing

In August 2024, pursuant to the global stipulated settlement agreement approved by the LPSC also in August 2024, Entergy Louisiana filed its formula rate plan evaluation report for its 2023 calendar year operations. Consistent with the global stipulated settlement agreement, the filing reflected a 9.7% allowed return on common equity with a bandwidth of 40 basis points above and below the midpoint. For the 2023 test year, however, the bandwidth provisions of the formula rate plan were temporarily suspended and, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana implemented the September 2024 formula rate plan rate adjustments effective with the first billing cycle of September 2024. Those adjustments included a $120 million increase in base rider formula rate plan revenue and a $101.8 million one-time incremental net decrease consistent with the terms of the global stipulated settlement. The formula rate plan rate adjustments reflected in the evaluation report also include a redetermination of the transmission recovery mechanism, the distribution recovery mechanism, the additional capacity mechanism, the tax adjustment mechanism, the MISO cost recovery mechanism, and other one-time adjustments. In January 2025, Entergy Louisiana and the LPSC filed a joint report indicating that no disputed issues remained in the proceeding and requesting that the LPSC issue an order accepting Entergy Louisiana's evaluation report and, ultimately, resolving this matter. In March 2025 the LPSC issued an order accepting the evaluation report.

In December 2024, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana filed an interim rate adjustment for the 2023 test year reflecting the return of $25.1 million of refunds from the System Energy settlement with the LPSC to customers from January through August 2025. In February 2025, pursuant to the terms of the global stipulated settlement agreement, Entergy Louisiana filed a second interim rate adjustment for the 2023 test year reflecting the divestiture of Entergy Louisiana's share of Grand Gulf capacity and energy, which was effective as of January 1, 2025. The second interim rate adjustment also reflected a revenue increase of $17.8 million for the recovery of Hurricane Francine costs as approved by the LPSC (on an interim basis). The second interim rate adjustment was implemented with the first billing cycle of March 2025. See further discussion of the Hurricane Francine proceeding in "**Storm Cost Recovery Filings with Retail Regulators** – **Entergy Louisiana** – Hurricane Francine" in Note 2 to the financial statements. See Note 8 to the financial statements for discussion of Entergy Louisiana's divestiture from the Unit Power Sales Agreement.

2024 Formula Rate Plan Filing

In May 2025, Entergy Louisiana filed its formula rate plan evaluation report for its 2024 calendar year operations. Consistent with the global stipulated settlement agreement approved by the LPSC in August 2024, the filing reflected a 9.7% allowed return on common equity with a bandwidth of 40 basis points above and below the midpoint. For the test year 2024, however, any earnings above the allowed return on common equity were to be returned to customers through a credit, pursuant to the terms of the global stipulated settlement agreement. The 2024 test year evaluation produced an earned return on common equity of 9.98%, which was within the approved formula rate plan bandwidth, but above the allowed return on common equity, resulting in customer credits of $31.9 million which were returned to customers during September and October 2025.

Other changes in formula rate plan revenue were driven by higher nuclear depreciation rates, additions to transmission and distribution plant in service reflected through the transmission recovery mechanism and distribution recovery mechanism, and the expiration of customer credits related to the LPSC's order, offset by increased customer credits resulting from an increase in net MISO revenues reflected through the MISO cost recovery mechanism and the reduction in the Louisiana corporate income tax rate effective January 1, 2025, reflected through the tax adjustment mechanism, as discussed below. Excluding the customer credit for earnings above the authorized return on common equity discussed above, the net result of these changes on an annualized basis was a $2 million increase in formula rate plan revenue.

As noted above, the 2024 evaluation report included the effects of the change in Louisiana state tax law that reduced the corporate income tax rate to a flat 5.5% (from the then-current highest marginal rate of 7.5%) effective

January 1, 2025. As such, the 2024 evaluation report reflected the calculation of current and deferred income tax expenses as well as the revaluation of accumulated deferred income taxes based on the income tax laws currently in effect. The 2024 evaluation report proposed that the rate effects associated with the revaluation of accumulated deferred income taxes, including the collection of any net accumulated deferred income tax deficiency and any related effects on rate base, should be reflected in the tax adjustment mechanism consistent with the treatment of similar Tax Cuts and Jobs Act and prior state tax change-related impacts. The effects of the change in tax law on Entergy Louisiana's authorized return on rate base were also reflected in the 2024 evaluation report consistent with the treatment cited above, including a credit in the extraordinary cost change mechanism for the prospective change in Entergy Louisiana's authorized return and a credit within the tax adjustment mechanism for over-collection of income tax expense through August 2025. Subject to LPSC review, the resulting changes from the 2024 formula rate plan evaluation report became effective for bills rendered during the first billing cycle of September 2025, subject to refund. In August 2025 the LPSC staff filed its errors and objections report, as required by the formula rate plan's process, and found that Entergy Louisiana's formula rate plan is in compliance with the LPSC's requirements and the global stipulated settlement agreement. The LPSC staff reserved the right to determine whether Entergy Louisiana appropriately credited certain revenues to customers during the September and October 2025 billing cycles. In December 2025 the LPSC staff and Entergy Louisiana filed a joint report indicating that no unresolved, disputed issues existed and recommending that the LPSC accept the joint report, confirm that no outstanding issues existed, and close the docket. In January 2026 the LPSC issued an order accepting the joint report.

Fuel and purchased power cost recovery

Entergy Louisiana recovers electric fuel and purchased power costs for the billing month based upon the level of such costs incurred two months prior to the billing month. Entergy Louisiana's purchased gas adjustments, which ceased following the sale of its natural gas distribution business on July 1, 2025, included estimates for the billing month adjusted by a surcharge or credit that arose from an annual reconciliation of fuel costs incurred with fuel cost revenues billed to customers, including carrying charges. See Note 14 to the financial statements for discussion of the sale of Entergy Louisiana's natural gas distribution business on July 1, 2025.

In March 2020 the LPSC staff provided notice of an audit of Entergy Louisiana's fuel adjustment clause filings. The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's fuel adjustment clause for the period from 2016 through 2019. The LPSC staff issued its audit report in September 2021, and although certain internal record keeping recommendations were made, the LPSC staff did not recommend any disallowances. The next step is for the LPSC to issue its final report, but there is not a deadline or timing requirement associated with the issuance of the final report.

To mitigate high electric bills, primarily driven by high summer usage and elevated gas prices, Entergy Louisiana deferred approximately $225 million of fuel expense incurred in April, May, June, July, August, and September 2022 (as reflected on June, July, August, September, October, and November 2022 bills). These deferrals were included in the over/under calculation of the fuel adjustment clause, which was intended to recover the full amount of the costs included on a rolling twelve-month basis.

In January 2023 the LPSC staff provided notice of an audit of Entergy Louisiana's fuel adjustment clause filings. The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's fuel adjustment clause for the period from 2020 through 2022. Discovery is ongoing, and no audit report has been filed.

In June 2025 the LPSC staff provided notice of an audit of Entergy Louisiana's purchased gas adjustment clause filings (for Entergy Louisiana's gas operations). The audit includes a review of the reasonableness of charges flowed through Entergy Louisiana's purchased gas adjustment clause for the period from January 2023 through June 2025. Discovery is ongoing, and no audit report has been filed.

Industrial and Commercial Customers

Entergy Louisiana's large industrial and commercial customers continually explore ways to reduce their energy costs. Entergy Louisiana responds by working with industrial and commercial customers to negotiate electric service contracts with competitive rates that match specific customer needs and load profiles. Additionally, cogeneration is an option available to a portion of Entergy Louisiana's industrial customer base. Entergy Louisiana actively participates in economic development, customer retention, and reclamation activities to increase industrial and commercial demand from both new and existing customers.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Nuclear Matters

Entergy Louisiana owns and, through an affiliate, operates the River Bend and Waterford 3 nuclear generating plants and is, therefore, subject to the risks related to such ownership and operation. These include risks related to: the acquisition, use, storage, and handling and disposal of high-level and low-level radioactive materials; the substantial financial requirements, both for capital investments and operational needs, including the financial requirements to address emerging issues related to equipment reliability, to position Entergy Louisiana's nuclear fleet to meet its operational goals; the performance and capacity factors of these nuclear plants; regulatory requirements and potential future regulatory changes, including changes affecting the regulations governing nuclear plant ownership, operations, license amendments, and decommissioning; the availability of interim or permanent sites for the disposal of spent nuclear fuel and nuclear waste, including the fees charged for such disposal; the sufficiency of nuclear decommissioning trust fund assets and earnings to complete decommissioning of each site when required; and limitations on the amounts of insurance recoveries for losses in connection with nuclear plant operations and catastrophic events such as a nuclear accident. In the event of an unanticipated early shutdown of River Bend or Waterford 3, Entergy Louisiana may be required to provide additional funds or credit support to satisfy regulatory requirements for decommissioning. Waterford 3's operating license expires in 2044 and River Bend's operating license expires in 2045.

Environmental Risks

Entergy Louisiana's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy Louisiana is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business - Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of Entergy Louisiana's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy Louisiana's financial position, results of operations, or cash flows.

Nuclear Decommissioning Costs

See "**Nuclear Decommissioning Costs**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of the estimates inherent in accounting for nuclear decommissioning costs.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

Entergy Louisiana's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$887	$24,201
Rate of return on plan assets	(0.25%)	$2,825	$—
Rate of increase in compensation	0.25%	$1,106	$5,453

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$405	$4,434
Health care cost trend	0.25%	$486	$2,504

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for Entergy Louisiana in 2025 was $16.9 million, including $6 million in settlement costs. Entergy Louisiana anticipates 2026 qualified pension cost to be $7.9 million. Entergy Louisiana contributed $41.3 million to its qualified pension plans in 2025 and estimates pension contributions will be approximately $41.6 million in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit income for Entergy Louisiana in 2025 was $5.6 million, including $2.1 million in settlement and curtailment credits. Entergy Louisiana expects 2026 postretirement health care and life insurance benefit costs of approximately $5.3 million. Entergy Louisiana contributed $15.8 million to its other postretirement plans in 2025 and estimates that 2026 contributions will be approximately $14.1 million.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the member and Board of Directors of
Entergy Louisiana, LLC and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy Louisiana, LLC and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, cash flows, and changes in equity (pages 377 through 382 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Rate and Regulatory Matters — Entergy Louisiana, LLC and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to rate regulation by the Louisiana Public Service Commission (the "LPSC"), which has jurisdiction with respect to the rates of electric companies in Louisiana, and to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the LPSC and the FERC set the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the LPSC and the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the LPSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the LPSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the LPSC and the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the LPSC's and the FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's filings with the LPSC and the FERC and orders issued, and considered the filings with the LPSC and the FERC by intervenors that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order, to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$5,687,813	$5,068,158	$5,073,239
Natural gas	44,286	75,860	74,531
TOTAL	5,732,099	5,144,018	5,147,770
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	1,311,773	1,026,343	1,080,485
Purchased power	895,174	670,874	654,721
Nuclear refueling outage expenses	53,638	76,020	63,429
Other operation and maintenance	1,136,573	1,097,283	1,097,233
Decommissioning	78,992	80,663	75,962
Taxes other than income taxes	261,530	248,472	245,191
Depreciation and amortization	806,376	770,904	726,389
Other regulatory charges (credits) - net	(176,001)	41,525	41,209
TOTAL	4,368,055	4,012,084	3,984,619
OPERATING INCOME	1,364,044	1,131,934	1,163,151
OTHER INCOME			
Allowance for equity funds used during construction	54,958	36,782	32,160
Interest and investment income	166,792	146,494	90,316
Interest and investment income - affiliated	299,135	315,433	303,233
Miscellaneous - net	(66,313)	(123,280)	(160,972)
TOTAL	454,572	375,429	264,737
INTEREST EXPENSE			
Interest expense	488,974	403,473	375,295
Allowance for borrowed funds used during construction	(21,071)	(12,290)	(14,996)
TOTAL	467,903	391,183	360,299
INCOME BEFORE INCOME TAXES	1,350,713	1,116,180	1,067,589
Income taxes	237,813	225,409	(205,781)
NET INCOME	1,112,900	890,771	1,273,370
Net income attributable to noncontrolling interests	2,952	3,126	2,988
EARNINGS APPLICABLE TO MEMBER'S EQUITY	$1,109,948	$887,645	$1,270,382

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
Net Income	$1,112,900	$890,771	$1,273,370
Other comprehensive loss			
Pension and other postretirement plan changes			
(net of tax benefit of $8,256, $421, and $211)	(19,742)	(1,140)	(572)
Other comprehensive loss	(19,742)	(1,140)	(572)
Comprehensive Income	1,093,158	889,631	1,272,798
Net income attributable to noncontrolling interests	2,952	3,126	2,988
Comprehensive Income Applicable to Member's Equity	$1,090,206	$886,505	$1,269,810

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$1,112,900	$890,771	$1,273,370
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	973,816	937,246	864,225
Deferred income taxes, tax credits, and non-current taxes accrued	551,267	259,474	(99,812)
Changes in working capital:			
Receivables	(16,151)	4,248	55,140
Fuel inventory	14,249	7,601	(15,959)
Accounts payable	48,350	(6,123)	(100,321)
Taxes accrued	35,778	(37,448)	30,459
Interest accrued	6,163	28,530	(9,680)
Deferred fuel costs	(20,366)	29,494	134,383
Other working capital accounts	335,100	84,692	(129,173)
Changes in provisions for estimated losses	(18,963)	15,754	(52,445)
Changes in other regulatory assets	106,205	1,937	407,327
Changes in other regulatory liabilities	(110,727)	452,731	225,645
Effect of securitization on regulatory asset	—	—	(491,150)
Changes in pension and other postretirement funded status	(72,455)	(117,627)	(117,886)
Other	(203,445)	(303,717)	57,997
Net cash flow provided by operating activities	2,741,721	2,247,563	2,032,120
INVESTING ACTIVITIES			
Construction expenditures	(3,065,462)	(1,633,669)	(1,624,181)
Allowance for equity funds used during construction	54,958	36,782	32,160
Nuclear fuel purchases	(160,003)	(125,315)	(162,079)
Proceeds from sale of nuclear fuel	17,230	63,297	30,214
Payments to storm reserve escrow account	(11,700)	(12,899)	(14,449)
Receipts from storm reserve escrow account	33,456	—	64,036
Purchase of preferred membership interests of affiliate	—	—	(1,457,676)
Redemption of preferred membership interests of affiliate	249,078	239,249	125,002
Proceeds from nuclear decommissioning trust fund sales	727,260	1,185,491	575,596
Investment in nuclear decommissioning trust funds	(792,413)	(1,242,466)	(633,029)
Changes in money pool receivable - net	(30,767)	(32,668)	—
Payment for purchase of assets	(41,435)	—	—
Proceeds from sale of business and assets	200,673	2,109	—
Insurance proceeds received for property damages	—	7,907	19,493
Decrease (increase) in other investments	(58,424)	35	5,457
Net cash flow used in investing activities	(2,877,549)	(1,512,147)	(3,039,456)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	2,098,625	2,743,965	1,410,893
Retirement of long-term debt	(1,605,837)	(2,305,336)	(2,699,235)
Proceeds received by storm trusts related to securitization	—	—	1,457,676
Capital contribution from parent	—	—	1,457,676
Changes in money pool payable - net	—	(156,166)	(69,948)
Customer advances received for construction	1,265,745	285,798	105,622
Customer advances used for construction	(405,057)	(109,058)	(39,714)
Common equity distributions paid	(756,250)	(859,100)	(660,750)
Other	(11,539)	(11,189)	(8,725)
Net cash flow provided by (used in) financing activities	585,687	(411,086)	953,495
Net increase (decrease) in cash and cash equivalents	449,859	324,330	(53,841)
Cash and cash equivalents at beginning of period	327,102	2,772	56,613
Cash and cash equivalents at end of period	$776,961	$327,102	$2,772
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$413,547	$366,384	$376,353
Income taxes - net (includes production tax credit sale proceeds of $198,285 in 2025, $— in 2024, and $— in 2023)	($344,295)	$16,882	($141,143)
Non-cash investing activities:			
Accrued construction expenditures	$267,887	$124,077	$105,859

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$237	$327
Temporary cash investments	776,724	326,775
Total cash and cash equivalents	776,961	327,102
Accounts receivable:		
Customer	292,366	294,089
Allowance for doubtful accounts	(9,069)	(3,036)
Associated companies	164,911	103,055
Other	50,471	39,056
Accrued unbilled revenues	194,429	213,026
Total accounts receivable	693,108	646,190
Deferred fuel costs	15,672	—
Fuel inventory - at average cost	35,968	49,515
Materials and supplies	792,217	782,459
Deferred nuclear refueling outage costs	40,683	31,121
Current assets held for sale	—	2,474
Prepayments and other	187,832	84,236
TOTAL	2,542,441	1,923,097
OTHER PROPERTY AND INVESTMENTS		
Investment in affiliate preferred membership interests	4,007,919	4,256,997
Decommissioning trust funds	2,753,828	2,429,088
Non-utility property - at cost (less accumulated depreciation)	459,706	410,611
Storm reserve escrow account	234,961	256,718
Other	10,132	9,749
TOTAL	7,466,546	7,363,163
UTILITY PLANT		
Electric	30,408,352	28,736,547
Natural gas	—	33,775
Construction work in progress	2,031,650	761,090
Nuclear fuel	323,052	288,084
TOTAL UTILITY PLANT	32,763,054	29,819,496
Less - accumulated depreciation and amortization	11,275,981	10,794,817
UTILITY PLANT - NET	21,487,073	19,024,679
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	1,540,709	1,637,967
Deferred fuel costs	168,122	168,122
Non-current assets held for sale	—	173,669
Other	132,679	57,853
TOTAL	1,841,510	2,037,611
TOTAL ASSETS	$33,337,570	$30,348,550

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$720,000	$300,000
Accounts payable:		
Associated companies	92,126	108,688
Other	761,359	533,087
Customer deposits	172,594	169,544
Taxes accrued	64,793	29,002
Interest accrued	126,349	120,186
Deferred fuel costs	—	5,421
Customer advances	543,312	151,662
Other	94,876	96,426
TOTAL	2,575,409	1,514,016
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	3,093,218	2,477,954
Accumulated deferred investment tax credits	84,177	88,679
Regulatory liability for income taxes - net	312,684	355,432
Other regulatory liabilities	1,630,763	1,692,547
Decommissioning	1,932,412	1,842,855
Accumulated provisions	260,660	279,623
Pension and other postretirement liabilities	159,075	160,577
Long-term debt	9,646,835	9,566,453
Customer advances for construction	1,152,530	291,842
Other	558,621	479,178
TOTAL	18,830,975	17,235,140
Commitments and Contingencies		
EQUITY		
Member’s equity	11,857,063	11,503,030
Accumulated other comprehensive income	33,916	53,658
Noncontrolling interests	40,207	42,706
TOTAL	11,931,186	11,599,394
TOTAL LIABILITIES AND EQUITY	$33,337,570	$30,348,550

See Notes to Financial Statements.

ENTERGY LOUISIANA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

	Noncontrolling Interests	Member's Equity	Accumulated Other Comprehensive Income	Total
		(In Thousands)		
Balance at December 31, 2022	$31,735	$9,406,343	$55,370	$9,493,448
Net income	2,988	1,270,382	—	1,273,370
Other comprehensive loss	—	—	(572)	(572)
Beneficial interest in storm trust	14,577	—	—	14,577
Capital contribution from parent	—	1,457,676	—	1,457,676
Common equity distributions	—	(660,750)	—	(660,750)
Distribution to LURC	(4,193)	—	—	(4,193)
Other	—	(37)	—	(37)
Balance at December 31, 2023	$45,107	$11,473,614	$54,798	$11,573,519
Net income	3,126	887,645	—	890,771
Other comprehensive loss	—	—	(1,140)	(1,140)
Non-cash contribution from parent	—	976	—	976
Common equity distributions	—	(859,100)	—	(859,100)
Distributions to LURC	(5,527)	—	—	(5,527)
Other	—	(105)	—	(105)
Balance at December 31, 2024	$42,706	$11,503,030	$53,658	$11,599,394
Net income	2,952	1,109,948	—	1,112,900
Other comprehensive loss	—	—	(19,742)	(19,742)
Non-cash contribution from parent	—	386	—	386
Common equity distributions	—	(756,250)	—	(756,250)
Distributions to LURC	(5,451)	—	—	(5,451)
Other	—	(51)	—	(51)
Balance at December 31, 2025	$40,207	$11,857,063	$33,916	$11,931,186

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Winter Storm Fern

See the "**Winter Storm Fern**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of Winter Storm Fern. Entergy Mississippi's preliminary estimate for the cost of mobilizing crews and restoring power is approximately $170 million to $200 million, with the majority of the costs being capital. Natural gas purchases for Entergy Mississippi for January 2026 are $85 million compared to natural gas purchases for January 2025 of $28 million.

Results of Operations

2025 Compared to 2024

Net Income

Net income increased $63.3 million primarily due to higher retail electric price, higher volume/weather, higher other income, a return on construction work in progress for certain utility plant investments in 2025, and $10.2 million of liquidated damages, net of customer sharing, recognized in 2025 resulting from a counterparty's termination of a purchased power agreement. The increase was partially offset by higher other operation and maintenance expenses, higher interest expense, and a regulatory charge, recorded in the first quarter 2025, to reflect an adjustment to the grid modernization over/under recovery deferral balance.

Operating Revenues

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$1,764.6
Fuel, rider, and other revenues that do not significantly affect net income	57.4
Retail electric price	53.2
Volume/weather	50.2
Return on construction work in progress for certain utility plant investments	20.1
Purchased power agreement termination proceeds	10.2
2025 operating revenues	**$1,955.7**

Entergy Mississippi's results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The retail electric price variance is primarily due to increases in formula rate plan rates effective April 2024 and July 2024 and an increase in formula rate plan rates resulting from an increase in interim facilities rate adjustment revenues effective January 2025. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing and the interim facilities rate adjustment.

The volume/weather variance is primarily due to an increase in industrial usage and the effect of more favorable weather on residential sales. The increase in industrial usage is primarily due to an increase in demand from large industrial customers, primarily in the data centers and technology industries, partially offset by a decrease in demand from small industrial customers.

The return on construction work in progress for certain utility plant investments variance represents the revenue related to the amortization of certain customer advances designed to provide a return on investment in construction work in progress for certain utility plant investment, which is recognized as the related costs are incurred.

The purchased power agreement termination proceeds variance represents $10.2 million of liquidated damages, net of customer sharing, recognized in 2025 resulting from a counterparty's termination of a purchased power agreement. See Note 2 to the financial statements for discussion of the customer sharing included in the power management cost factor effective for February 2026 bills.

Total electric energy sales for Entergy Mississippi for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	5,586	5,443	3
Commercial	4,609	4,587	—
Industrial	2,761	2,317	19
Governmental	398	397	—
Total retail	13,354	12,744	5
Sales for resale:			
Non-associated companies	4,966	5,568	(11)
Total	18,320	18,312	—

See Note 19 to the financial statements for additional discussion of Entergy Mississippi's operating revenues.

Other Income Statement Variances

Other operation and maintenance expenses increased primarily due to:

- an increase of $32.1 million in power delivery expenses primarily due to higher vegetation maintenance expenses;
- an increase of $13.8 million in non-nuclear generation expenses primarily due to a higher scope of work performed in 2025 as compared to 2024; and
- an increase of $5.8 million in bad debt expense.

The increase was partially offset by contract costs of $7.2 million in 2024 related to operational performance, customer service, and organizational health initiatives.

Taxes other than income taxes increased primarily due to increases in ad valorem taxes resulting from higher assessments and millage rate increases.

Other regulatory charges (credits) – net includes:

- a regulatory charge of $21 million, recorded in first quarter 2025, to reflect an adjustment to the grid modernization over/under recovery deferral balance; and
- regulatory credits of $7.3 million, recorded in second quarter 2024, to reflect the effects of the joint stipulation reached in the 2024 formula rate plan filing proceeding. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing.

Other income increased primarily due to an increase of $14.6 million in interest earned on money pool investments and an increase of $12.1 million in the amortization of tax gross ups on customer advances, including customer advances for construction.

Interest expense increased primarily due to the issuance of $600 million of 5.80% Series mortgage bonds in March 2025, the issuance of $300 million of 5.85% Series mortgage bonds in May 2024, and carrying costs of $12.4 million in 2025 on customer advances, including customer advances for construction. The increase was partially offset by a decrease of $3.8 million in carrying costs related to the deferred fuel balance.

The effective income tax rates were 23.5% for 2025 and 24.7% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Results of Operations**" in Item 7 of Entergy Mississippi's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$155,693	$6,630	$16,979
Net cash provided by (used in):			
Operating activities	704,694	699,455	559,391
Investing activities	(1,446,073)	(705,219)	(527,978)
Financing activities	927,170	154,827	(41,762)
Net increase (decrease) in cash and cash equivalents	185,791	149,063	(10,349)
Cash and cash equivalents at end of period	$341,484	$155,693	$6,630

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities increased $5.2 million in 2025 primarily due to:

- the receipt of $133.4 million in advance payments related to customer agreements in 2025, of which $108.4 million is recorded as current liabilities and included within changes in other working capital accounts;
- the receipt of $69.7 million in payments from System Energy in 2025 in accordance with the Unit Power Sales Agreement related to the transfer of 2024 nuclear production tax credits by System Energy to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear production tax credits;
- higher collections from customers; and
- the receipt of a $15.0 million liquidated damages payment in third quarter 2025 resulting from a counterparty's termination of a purchased power agreement.

The increase was substantially offset by:

- the timing of payments to vendors;
- income tax payments of $82.5 million in 2025 as compared to income tax refunds of $14.2 million in 2024. Entergy Mississippi made income tax payments in 2025 and received income tax refunds in 2024, each in accordance with Entergy's tax allocation agreement; and
- higher fuel and purchased power payments. See Note 2 to the financial statements for a discussion of fuel and purchased power cost recovery.

Investing Activities

Net cash flow used in investing activities increased $740.9 million in 2025 primarily due to an increase of $757.6 million in non-nuclear generation construction expenditures primarily due to higher spending on the Delta Blues Advanced Power Station project, the Vicksburg Advanced Power Station project, the Traceview Advanced Power Station project, the Penton Solar project, and the Delta Solar project and an increase of $42.4 million in distribution construction expenditures primarily due to higher capital expenditures for storm restoration in 2025. The increase was partially offset by:

- a decrease of $23.1 million in transmission construction expenditures primarily due to decreased spending on various transmission projects in 2025;
- the receipt of a $14.5 million initial payment for the sale of transmission rights and excess land related to Entergy Mississippi's interest in the Independence power plant in third quarter 2025; and
- a decrease of $8.9 million in information technology capital expenditures primarily due to decreased spending on various technology projects in 2025.

Financing Activities

Net cash flow provided by financing activities increased $772.3 million in 2025 primarily due to:

- the issuance of $600 million of 5.80% Series mortgage bonds in March 2025;
- capital contributions of $265.5 million received from Entergy Corporation in 2025 in order to maintain Entergy Mississippi's capital structure;
- the repayment, prior to maturity, of $100 million of 3.75% Series mortgage bonds in June 2024;
- money pool activity; and
- $44.6 million in common equity distributions paid in 2024 in order to maintain Entergy Mississippi's capital structure.

The increase was partially offset by the issuance of $300 million of 5.85% Series mortgage bonds in May 2024.

Decreases in Entergy Mississippi's payable to the money pool are a use of cash flow, and Entergy Mississippi's payable to the money pool decreased $73.8 million in 2024. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

See Note 5 to the financial statements for additional details of long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow**" in Item 7 of Entergy Mississippi's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

Entergy Mississippi's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	50.5%	50.4%
Effect of subtracting cash	(2.9%)	(1.6%)
Net debt to net capital (non-GAAP)	47.6%	48.8%

Net debt consists of debt less cash and cash equivalents. Debt consists of short-term borrowings, finance lease obligations, and long-term debt, including the currently maturing portion. Capital consists of debt and equity. Net capital consists of capital less cash and cash equivalents. Entergy Mississippi uses the debt to capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Mississippi's financial condition. The net debt to net capital ratio is a non-GAAP measure. Entergy Mississippi uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Mississippi's financial condition because net debt indicates Entergy Mississippi's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

Entergy Mississippi seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a distribution, to the extent funds are legally available to do so, or both, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments, Entergy Mississippi may issue incremental debt or reduce distributions, or both, to maintain its capital structure. In addition, in certain infrequent circumstances, such as financing of large transactions that would materially alter the capital structure if financed entirely with debt and reduced distributions, Entergy Mississippi may receive equity contributions to maintain its capital structure.

Uses of Capital

Entergy Mississippi requires capital resources for:

- construction and other capital investments;
- debt maturities or retirements;
- working capital purposes, including the financing of fuel and purchased power costs; and
- distributions and interest payments.

Following are the amounts of Entergy Mississippi's planned construction and other capital investments.

	2026	2027	2028	2029
	(In Millions)			
Planned construction and capital investment:				
Generation	$1,460	$1,240	$415	$120
Transmission	230	160	140	110
Distribution	370	345	325	350
Utility Support	45	65	45	35
Total	$2,105	$1,810	$925	$615

In addition to routine capital spending to maintain operations, the planned capital investment estimate includes investments in generation projects to modernize, decarbonize, expand, and diversify Entergy Mississippi's portfolio, as well as to support customer growth, including Delta Blues Advanced Power Station, Delta Solar, Penton Solar, Traceview Advanced Power Station, and Vicksburg Advanced Power Station; distribution and Utility support spending to improve reliability, resilience, and customer experience; transmission spending to improve reliability and resilience while also supporting customer growth and renewables expansion; and other investments. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including the trade-related governmental actions discussed below, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy Mississippi's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy Mississippi's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect Entergy Mississippi's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy Mississippi's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

Entergy Mississippi has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. Entergy Mississippi is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of Entergy Mississippi's existing debt and lease obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
Long-term debt (a)	$133	$283	$497	$235	$4,878
Operating leases (b)	$10	$9	$8	$7	$3
Finance leases (b)	$4	$4	$3	$5	$24

(a) Long-term debt is discussed in Note 5 to the financial statements.
(b) Lease obligations are discussed in Note 10 to the financial statements.

Other Obligations

Entergy Mississippi currently expects to contribute approximately $4 million to its qualified pension plans and approximately $176 thousand to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates – Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy Mississippi has $1.9 million of unrecognized tax benefits net of unused tax attributes plus interest for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

In addition, Entergy Mississippi enters into fuel and purchased power agreements that contain minimum purchase obligations. Entergy Mississippi has rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations. See Note 8 to the financial statements for discussion of Entergy Mississippi's obligations under the Unit Power Sales Agreement.

As a wholly-owned subsidiary of Entergy Utility Holding Company, LLC, Entergy Mississippi pays distributions from its earnings at a percentage determined monthly.

Additional Generation and Transmission Resources

In March 2024, Entergy Mississippi executed a large customer supply and service agreement to serve two data center campuses located in Madison County, Mississippi in which Amazon Web Services is investing. In February 2025, Entergy Mississippi also executed a large customer supply and service agreement to serve a data center campus located in Warren County, Mississippi in which Amazon Web Services is investing. Entergy Mississippi will need generation and transmission resources to reliably serve all Entergy Mississippi customers, including the data centers. The large customer supply and service agreements also contain provisions which cover Entergy Mississippi's incremental investment costs in the event of early termination. Entergy Mississippi anticipates recovering the incremental cost to serve the customer through the revenues it is collecting under the large customer supply and service agreements.

In May 2024 the MPSC approved Entergy Mississippi's revisions to its formula rate plan to comply with state legislation passed in January 2024 allowing Entergy Mississippi to make interim rate adjustments, including the collection of a return on construction work in progress on a cash basis, to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data

processing center projects as specified in the legislation. See further discussion of the interim facilities rate adjustments below.

Delta Blues Advanced Power Station

In September 2024, Entergy Mississippi announced plans to construct, own, and operate the Delta Blues Advanced Power Station, a 754 MW combined cycle combustion turbine facility, to be located in Washington County, Mississippi. The facility will primarily be powered by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The Delta Blues Advanced Power Station is estimated to cost $1.2 billion. Construction of the Delta Blues Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi began recovery of certain costs of construction of the Delta Blues Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the facility is expected to be in service by May 2028.

Delta Solar

In December 2024 the Bolivar County Board of Supervisors approved Entergy Mississippi's plans to construct, own, and operate the Delta Solar facility, an 80 MW solar facility to be located in Bolivar County, Mississippi. The Delta Solar facility is estimated to cost $157.2 million, inclusive of estimated transmission interconnection costs. Construction of the Delta Solar facility qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the Delta Solar facility is expected to be in service by the end of 2027.

Penton Solar

In May 2025 the DeSoto County Board of Supervisors approved Entergy Mississippi's plans to construct, own, and operate the Penton Solar facility, a 190 MW solar facility to be located in DeSoto County, Mississippi. The Penton Solar facility is estimated to cost $327.2 million, inclusive of estimated transmission interconnection and upgrade costs. Construction of the Penton Solar facility qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the Penton Solar facility is expected to be in service by early 2028.

Traceview Advanced Power Station

Entergy Mississippi is constructing a 754 MW combined cycle combustion turbine facility located in the City of Ridgeland, Madison County, Mississippi. The facility will be powered primarily by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The project is estimated to cost in excess of $1 billion. Construction of the Traceview Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi will begin recovery of certain costs of construction of the Traceview Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will

be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed for prudence by the MPSC following the completion of construction. The facility is expected to be in service in 2029.

Vicksburg Advanced Power Station

In October 2025, Entergy Mississippi announced plans to construct, own, and operate the Vicksburg Advanced Power Station, a 754 MW combined cycle combustion turbine facility, to be located in the City of Vicksburg, Warren County, Mississippi. The facility will be powered primarily by natural gas, and it will also be enabled for future carbon capture and storage and for hydrogen co-firing optionality. The Vicksburg Advanced Power Station is estimated to cost $1.2 billion. Construction of the Vicksburg Advanced Power Station qualifies for pre-certification under Mississippi legislation providing for the pre-certification of construction of certain types of facilities that directly or indirectly provide electric service to customers who own certain data processing center projects as specified in the legislation. As provided for in this legislation, Entergy Mississippi will begin recovery of certain costs of construction of the Vicksburg Advanced Power Station through the interim facilities rate adjustments provision of its formula rate plan rider. Non-fuel revenue collected from the data center customer will be included in the formula rate plan to offset the facility's revenue requirement. The project costs will be reviewed for prudence by the MPSC following the completion of construction. Construction is in progress, and the facility is expected to be in service in August 2028.

Sources of Capital

Entergy Mississippi's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- debt or preferred membership interest issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- capital contributions; and
- bank financing under new or existing facilities.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, Entergy Mississippi expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt and preferred membership interest issuances by Entergy Mississippi require prior regulatory approval. Debt issuances are also subject to requirements set forth in its bond indenture and other agreements. Entergy Mississippi has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

Entergy Mississippi's receivables from (payables to) the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
	(In Thousands)		
$27,422	$15,218	($73,769)	$26,879

See Note 4 to the financial statements for a description of the money pool.

Entergy Mississippi has a credit facility in the amount of $300 million scheduled to expire in June 2030. The credit facility includes fronting commitments for the issuance of letters of credit against $5 million of the borrowing capacity of the facility. As of December 31, 2025, there were no cash borrowings and no letters of credit outstanding under the credit facility. In addition, Entergy Mississippi is a party to two uncommitted letter of credit facilities as a means to post collateral to support its obligations to MISO and for other purposes. As of December 31, 2025, $86.1 million in MISO letters of credit and $1.3 million in non-MISO letters of credit were outstanding under Entergy Mississippi's uncommitted letter of credit facilities. See Note 4 to the financial statements for additional discussion of the credit facilities.

Entergy Mississippi obtained authorization from the FERC through January 2027 for short-term borrowings, not to exceed an aggregate amount of $200 million at any time outstanding, and long-term borrowings and security issuances. See Note 4 to the financial statements for further discussion of Entergy Mississippi's short-term borrowing limits.

State and Local Rate Regulation and Fuel-Cost Recovery

The rates that Entergy Mississippi charges for its services significantly influence its financial position, results of operations, and liquidity. Entergy Mississippi is regulated, and the rates charged to its customers are determined in regulatory proceedings. A governmental agency, the MPSC, is primarily responsible for approval of the rates charged to customers.

Filings with the MPSC

Retail Rates

2023 Formula Rate Plan Filing

In March 2023, Entergy Mississippi submitted its formula rate plan 2023 test year filing and 2022 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2022 calendar year to be below the formula rate plan bandwidth and projected earned return for the 2023 calendar year to be below the formula rate plan bandwidth. The 2023 test year filing showed a $39.8 million rate increase was necessary to reset Entergy Mississippi's earned return on rate base to the specified point of adjustment of 6.67%, within the formula rate plan bandwidth. The 2022 look-back filing compared actual 2022 results to the approved benchmark return on rate base and reflected the need for a $19.8 million temporary increase in formula rate plan revenues, including the refund of a $1.3 million over-recovery resulting from the demand-side management costs true-up for 2022. In fourth quarter 2022, Entergy Mississippi recorded a regulatory asset of $18.2 million in connection with the look-back feature of the formula rate plan to reflect that the 2022 estimated earned return was below the formula rate plan bandwidth. In accordance with the provisions of the formula rate plan, Entergy Mississippi implemented a $27.9 million interim rate increase, reflecting a cap equal to 2% of 2022 retail revenues, effective in April 2023.

In May 2023, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed a 2023 test year filing resulting in a total revenue increase of $26.5 million for 2023. Pursuant to the joint stipulation, Entergy Mississippi's 2022 look-back filing reflected an earned return on rate base of 6.10% in calendar year 2022, which was below the look-back bandwidth, resulting in a $19.0 million increase in the formula rate plan revenues on an interim basis through June 2024. Entergy Mississippi recorded a regulatory credit of $0.8 million in June 2023 to reflect the increase in the look-back regulatory asset. In addition, certain long-term service agreement and conductor handling costs were authorized for realignment from the formula rate plan to the annual power management and grid modernization riders effective January 2023, resulting in regulatory credits recorded in June 2023 of $4.1 million and $4.3 million, respectively. Also, the amortization of Entergy Mississippi's COVID-19 bad debt expense deferral was suspended for calendar year 2023, but resumed in July 2024. In June 2023 the MPSC approved the joint stipulation with rates effective in July 2023.

2024 Formula Rate Plan Filing

In March 2024, Entergy Mississippi submitted its formula rate plan 2024 test year filing and 2023 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2023 calendar year to be within the formula rate plan bandwidth and projected earned return for the 2024 calendar year to be below the formula rate plan bandwidth. The 2024 test year filing showed a $63.4 million rate increase was necessary to reset Entergy Mississippi's earned return on rate base to the specified point of adjustment of 7.10%, within the formula rate plan bandwidth. The 2023 look-back filing compared actual 2023 results to the approved benchmark return on rate base and reflected no change in formula rate plan revenues. In accordance with the provisions of the formula rate plan, Entergy Mississippi implemented a $32.6 million interim rate increase, reflecting a cap equal to 2% of 2023 retail revenues, effective April 2024.

In December 2014 the MPSC ordered Entergy Mississippi to file an updated depreciation study at least once every four years. Pursuant to this order and Entergy Mississippi's filing cycle, Entergy Mississippi would have filed an updated depreciation report with its formula rate plan filing in 2023. However, in July 2022 the MPSC directed Entergy Mississippi to file its next depreciation study in connection with its 2024 formula rate plan filing notwithstanding the MPSC's prior order. Accordingly, Entergy Mississippi filed a depreciation study in February 2024. The study showed a need for an increase in annual depreciation expense of $55.2 million. The calculated increase in annual depreciation expense was excluded from Entergy Mississippi's 2024 formula rate plan revenue increase request because the MPSC had not yet approved the proposed depreciation rates.

In June 2024, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed the 2024 test year filing, with the exception of immaterial adjustments to certain operation and maintenance expenses. After performance adjustments, the formula rate plan reflected an earned return on rate base of 6.08% for calendar year 2024, which resulted in a total revenue increase of $64.6 million for 2024. The joint stipulation also recommended approval of a revised customer charge of $31.82 per month for residential customers and $53.10 per month for general service customers. Pursuant to the stipulation, Entergy Mississippi's 2023 look-back filing reflected an earned return on rate base of 6.81%, resulting in an increase of $0.3 million in the formula rate plan revenues for 2023. Finally, the stipulation recommended approval of Entergy Mississippi's proposed depreciation rates with those rates to be implemented upon request and approval at a later date. In June 2024 the MPSC approved the joint stipulation with rates effective in July 2024. The approval also included a reduction to the energy cost factor, resulting in a net bill decrease for a typical residential customer using 1,000 kWh per month. Also in June 2024, Entergy Mississippi recorded regulatory credits of $7.3 million to reflect the difference between interim rates placed in effect in April 2024 and the rates reflected in the joint stipulation.

2025 Formula Rate Plan Filing

In February 2025, Entergy Mississippi submitted its formula rate plan 2025 test year filing and 2024 look-back filing showing Entergy Mississippi's earned return on rate base for the historical 2024 calendar year to be within the formula rate plan bandwidth and projected earned return for the 2025 calendar year to also be within the formula rate plan bandwidth. The 2025 test year filing resulted in an earned return on rate base of 7.64% and reflected no change in formula rate plan revenues. The 2024 look-back filing compared actual 2024 results to the approved benchmark return on rate base and reflected no change in formula rate plan revenues, although Entergy Mississippi proposed to adjust interim rates by $135 thousand to reflect two outside-the-bandwidth changes: (1) the completion of Entergy Mississippi's return to customers of credits under its restructuring credit rider; and (2) a true-up of demand side management costs.

In June 2025, Entergy Mississippi and the Mississippi Public Utilities Staff entered into a joint stipulation that confirmed the 2025 test year filing, with the exception of immaterial adjustments to certain operation and maintenance expenses. The formula rate plan reflected an earned return on rate base of 7.68% for calendar year 2025, resulting in no change in formula rate plan revenues for 2025. Pursuant to the stipulation, Entergy Mississippi's 2024 look-back filing reflected an earned return on rate base of 7.55%, which also resulted in no

change in formula rate plan revenues for 2024. In addition, the stipulation included the recovery of the two outside-the-bandwidth changes discussed above as well as the ratemaking treatment of customer contributions, deferred revenue and prepaid contributions in aid of construction. In June 2025 the MPSC approved the joint stipulation with rates effective in July 2025.

Interim Facilities Rate Adjustments to the Formula Rate Plan

In May 2024, Entergy Mississippi received approval from the MPSC for formula rate plan revisions that were necessary for Entergy Mississippi to comply with state legislation passed in January 2024. The legislation allows Entergy Mississippi to make interim rate adjustments to recover the non-fuel related annual ownership cost of certain facilities that directly or indirectly provide service to customers who own certain data processing center projects as specified in the legislation. Entergy Mississippi filed the first of its annual interim facilities rate adjustment reports in May 2024 to recover approximately $8.7 million of these costs over a six-month period with rates effective the first billing cycle of July 2024. Entergy Mississippi filed its second annual interim facilities rate adjustment report in November 2024 to recover approximately $46.7 million of these costs over a 12-month period with rates effective the first billing cycle of January 2025. In February 2025, Entergy Mississippi filed a true-up interim facilities rate adjustment report to the initial annual interim facilities rate adjustment report filed in May 2024, reflecting the recovery of an additional approximately $1.0 million of costs over a 12-month period with rates effective with the first billing cycle of April 2025. Entergy Mississippi filed its third annual interim facilities rate adjustment report in November 2025 to recover approximately $111.3 million of these costs over a 12-month period, or approximately $64.7 million incremental to the second annual interim facilities rate adjustment report filed in November 2024, with rates effective the first billing cycle of January 2026.

Grand Gulf Capacity Filing

In September 2024, Entergy Mississippi filed a notice of intent with the MPSC to implement revisions to its unit power cost recovery rider that would allow Entergy Mississippi to recover the first year of costs associated with the transfer of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, which consists of Entergy Louisiana's interest in and purchases of Grand Gulf capacity and energy under the revised rider schedule, effective by January 1, 2025. This notice filing related to the divestiture of Entergy Louisiana's 14% share of Grand Gulf capacity and energy under the Unit Power Sales Agreement and 2.43% share of capacity and energy from Entergy Arkansas under the MSS-4 replacement tariff. This divestiture was effectuated initially through Entergy Mississippi's purchases from Entergy Louisiana pursuant to a PPA governed by the MSS-4 replacement tariff, a tariff governing the sales of energy and capacity among the Utility operating companies as described in the System Energy global settlement with the LPSC and Entergy Louisiana. The MSS-4 replacement PPA to effectuate this divestiture was approved by the FERC in November 2024. In February 2025 the MPSC approved Entergy Mississippi's notice of intent, finding that it was just and reasonable for Entergy Mississippi to obtain Entergy Louisiana's entitlements to Grand Gulf capacity and energy and that Entergy Mississippi should be allowed to recover the costs associated with the transfer of such entitlements to Grand Gulf capacity and energy, as described above. The MPSC approved the MSS-4 replacement PPA, effective as of January 1, 2025. An amended Unit Power Sales Agreement became effective as of October 1, 2025, which removed Entergy Louisiana from the entitlement and responsibility to purchase power from Grand Gulf. Thus on October 1, 2025, the MSS-4 replacement PPA was terminated. See "**Complaints Against System Energy - System Energy Settlement with the LPSC**" in Note 2 to the financial statements for further details of the System Energy global settlement with the LPSC and Note 8 to the financial statements for discussion of the amendment to the Unit Power Sales Agreement.

Fuel and purchased power cost recovery

Entergy Mississippi's rate schedules include an energy cost recovery rider and a power management rider, both of which are adjusted annually to reflect accumulated over- or under-recoveries. Entergy Mississippi recovers fuel and purchased energy costs through its energy cost recovery rider and recovers costs associated with natural gas

hedging and capacity payments through its power management rider. Entergy Mississippi's fuel cost recoveries are subject to annual audits conducted pursuant to the authority of the MPSC.

See **"Complaints Against System Energy - System Energy Settlement with the MPSC"** in Note 2 to the financial statements for discussion of the settlement agreement filed with the FERC in June 2022. The settlement, which was approved by the FERC in November 2022, provided for a refund of $235 million from System Energy to Entergy Mississippi. In July 2022 the MPSC directed the disbursement of settlement proceeds, ordering Entergy Mississippi to provide a one-time $80 bill credit to each of its approximately 460,000 retail customers to be effective during the September 2022 billing cycle and to apply the remaining proceeds to Entergy Mississippi's under-recovered deferred fuel balance. In accordance with the MPSC's directive, Entergy Mississippi provided approximately $36.7 million in customer bill credits as a result of the settlement. In November 2022, Entergy Mississippi applied the remaining settlement proceeds in the amount of approximately $198.3 million to Entergy Mississippi's under-recovered deferred fuel balance.

Entergy Mississippi had a deferred fuel balance of approximately $291.7 million under the energy cost recovery rider as of July 31, 2022, along with an over-recovery balance of $51.1 million under the power management rider. Without further action, Entergy Mississippi anticipated a year-end deferred fuel balance of approximately $200 million after application of a portion of the System Energy settlement proceeds, as discussed above. In September 2022, Entergy Mississippi filed for interim adjustments under both the energy cost recovery rider and the power management rider. Entergy Mississippi proposed five monthly incremental adjustments to the net energy cost factor designed to collect the under-recovered fuel balance as of July 31, 2022 and to reflect the recovery of a higher natural gas price. Entergy Mississippi also proposed five monthly incremental adjustments to the power management adjustment factor designed to flow through to customers the over-recovered power management rider balance as of July 31, 2022. In October 2022 the MPSC approved modified interim adjustments to Entergy Mississippi's energy cost recovery rider and power management rider. The MPSC approved dividing the energy cost recovery rider interim adjustment into two components that would allow Entergy Mississippi to (1) recover a natural gas fuel rate that is better aligned with current prices; and (2) recover the estimated under-recovered deferred fuel balance as of September 30, 2022 over a period of 20 months. The MPSC approved six monthly incremental adjustments to the net energy cost factor designed to reflect the recovery of a higher natural gas price. The MPSC also approved six monthly incremental adjustments to the power management adjustment factor designed to flow through to customers the over-recovered power management rider balance. In accordance with the order of the MPSC, Entergy Mississippi did not file an annual redetermination of the energy cost recovery rider or the power management rider in November 2022.

In June 2023 the MPSC approved the joint stipulation agreement between Entergy Mississippi and the Mississippi Public Utilities Staff for Entergy Mississippi's 2023 formula rate plan filing. The stipulation directed Entergy Mississippi to make a compliance filing to revise its power management cost adjustment factor, to revise its grid modernization cost adjustment factor, and to include a revision to reduce the net energy cost factor to a level necessary to reflect an average natural gas price of $4.50 per MMBtu. The MPSC approved the compliance filing in June 2023, effective for July 2023 bills. See "**Retail Rate Proceedings - Filings with the MPSC (Entergy Mississippi)** - Retail Rates - 2023 Formula Rate Plan Filing" in Note 2 to the financial statements for further discussion of the 2023 formula rate plan filing and the joint stipulation agreement.

In November 2023, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $142 million as of January 31, 2024. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $47 million as of January 31, 2024. In January 2024 the MPSC approved the proposed energy cost factor and the proposed power management cost factor effective for February 2024 bills.

In June 2024 the MPSC approved the joint stipulation agreement between Entergy Mississippi and the Mississippi Public Utilities Staff for Entergy Mississippi's 2024 formula rate plan filing. The 2024 formula rate

plan filing included the conclusion of the modified interim adjustments to Entergy Mississippi's energy cost recovery rider and power management rider, which were approved in October 2022 and allowed Entergy Mississippi to recover certain under-collected fuel balances, effective for July 2024 bills. The stipulation provided for Entergy Mississippi to reduce its net energy cost factor. See "**Retail Rate Proceedings - Filings with the MPSC (Entergy Mississippi)** - Retail Rates - 2024 Formula Rate Plan Filing" in Note 2 to the financial statements for further discussion of the 2024 formula rate plan filing and the joint stipulation agreement.

In November 2024, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $144.6 million as of September 30, 2024. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $60.1 million as of September 30, 2024. In January 2025 the MPSC approved a revised energy cost factor, effective for February 2025 bills, that did not reflect the fuel savings associated with Entergy Mississippi's incremental increase in its share of capacity and energy in connection with Entergy Mississippi's assumption of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, which was subject to the MPSC's review at such time. In February 2025 the MPSC approved Entergy Mississippi's notice of intent for Entergy Mississippi's assumption of Entergy Louisiana's entitlements to Grand Gulf capacity and energy, with associated fuel savings to be reflected in Entergy Mississippi's energy cost recovery rider, effective for March 2025 bills. Additionally, in February 2025 the MPSC approved the proposed power management cost adjustment factor, effective for March 2025 bills.

In November 2025, Entergy Mississippi filed its annual redeterminations of the energy cost factor and the power management cost adjustment factor. The calculation of the annual factor for the energy cost recovery rider included a projected over-recovery balance of approximately $21.5 million as of September 30, 2025. The calculation of the annual factor for the power management rider included a projected under-recovery balance of $9.3 million as of September 30, 2025. In January 2026 the MPSC approved the proposed energy cost factor effective for February 2026 bills. In January 2026 the MPSC also approved a power management cost factor effective for February 2026 bills, based on an under-recovery balance that was $4.8 million lower than the previously filed under-recovery balance, due to a rate mitigation adjustment that utilized, for the benefit of customers, certain liquidated damages payments received by Entergy Mississippi.

Storm Cost Recovery Filings with Retail Regulators

Prior to June 2024, Entergy Mississippi had approval from the MPSC to collect a storm damage provision of $1.75 million per month. If Entergy Mississippi's accumulated storm damage provision balance exceeded $15 million, the collection of the storm damage provision ceased until such time that the accumulated storm damage provision became less than $10 million. Entergy Mississippi's storm damage provision balance had been less than $10 million since May 2019, and Entergy Mississippi had been billing the monthly storm damage provision since July 2019.

In December 2023, Entergy Mississippi filed a Notice of Storm Escrow Disbursement and Request for Interim Relief notifying the MPSC that Entergy Mississippi had requested disbursement of approximately $34.5 million of storm escrow funds from its restricted storm escrow account. The filing also requested authorization from the MPSC, on a temporary basis, that the $34.5 million of storm escrow funds be credited to Entergy Mississippi's storm damage provision, pending the MPSC's review of Entergy Mississippi's storm-related costs, and that Entergy Mississippi continue to bill its monthly storm damage provision without suspension in the event the storm damage provision balance exceeded $15 million, in anticipation of a subsequent filing by Entergy Mississippi in this proceeding. The storm damage provision exceeded $15 million upon receipt of the storm escrow funds. Because the MPSC had not entered an order on Entergy Mississippi's filing on the requested relief to continue billing this provision, Entergy Mississippi suspended billing the monthly storm damage provision effective with February 2024 bills.

In March 2024, Entergy Mississippi made a combined dual filing which included a notice of intent to make routine change in rates and schedules and a motion for determination relating to the above-described notice of storm escrow disbursement. The notice of intent proposed a new storm damage mitigation and restoration rider to supersede both the then-current storm damage rate schedule and the vegetation management rider schedule, in which the collection of both expenses would be combined. The proposal requested that the MPSC authorize Entergy Mississippi to collect approximately $5.2 million per month for vegetation management and a storm damage provision. Furthermore, if Entergy Mississippi's accumulated vegetation management and storm damage provision balance were to exceed $70 million, collection under the storm damage mitigation and restoration rider would cease until such time that the accumulated vegetation management and storm damage provision would become less than $60 million.

The Mississippi Public Utilities Staff reviewed the storm-related costs submitted by Entergy Mississippi and found them prudent. In June 2024 the MPSC considered and unanimously granted the relief sought by Entergy Mississippi, including authorization to credit any remaining funds in the storm escrow account to Entergy Mississippi's storm damage provision and to close the storm escrow account and approving the new storm damage mitigation and restoration rider. Entergy Mississippi's storm escrow account was liquidated in July 2024, and the new combined storm damage mitigation and restoration rider became effective with the July 2024 billing cycle. Additionally, Entergy Mississippi made a compliance filing to cease billing under the existing vegetation management rider schedule as of the same billing cycle.

Industrial and Commercial Customers

Entergy Mississippi's large industrial and commercial customers continually explore ways to reduce their energy costs. Entergy Mississippi responds by working with industrial and commercial customers to negotiate electric service contracts with competitive rates that match specific customer needs and load profiles. Additionally, cogeneration is an option available to a portion of Entergy Mississippi's industrial customer base. Entergy Mississippi actively participates in economic development, customer retention, and reclamation activities to increase industrial and commercial demand from both new and existing customers.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Nuclear Matters

See the "**Nuclear Matters**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of nuclear matters.

Environmental Risks

Entergy Mississippi's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy Mississippi is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business - Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of Entergy Mississippi's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy Mississippi's financial position, results of operations, or cash flows.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

Entergy Mississippi's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$170	$5,879
Rate of return on plan assets	(0.25%)	$754	$—
Rate of increase in compensation	0.25%	$241	$1,317

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$92	$1,058
Health care cost trend	0.25%	$109	$588

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for Entergy Mississippi in 2025 was $3.2 million, including $146 thousand in settlement costs. Entergy Mississippi anticipates 2026 qualified pension cost to be $2.6 million. Entergy Mississippi contributed $8.1 million to its qualified pension plans in 2025 and estimates 2026 pension contributions will be approximately $4 million, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit income for Entergy Mississippi in 2025 was $3.9 million. Entergy Mississippi expects 2026 postretirement health care and life insurance benefit income of approximately $3.5 million. Entergy Mississippi contributed $223 thousand to its other postretirement plans in 2025 and estimates that 2026 contributions will be approximately $176 thousand.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the member and Board of Directors of
Entergy Mississippi, LLC and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy Mississippi, LLC and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, cash flows and changes in equity (pages 402 through 406 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Rate and Regulatory Matters — Entergy Mississippi, LLC and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to rate regulation by the Mississippi Public Service Commission (the "MPSC"), which has jurisdiction with respect to the rates of electric companies in Mississippi, and to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the MPSC and the FERC set the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the MPSC and the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the MPSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the MPSC and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the MPSC and the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the MPSC's and FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's filings with the MPSC and the FERC and orders issued, and considered the filings with the MPSC and the FERC by intervenors that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$1,955,705	$1,764,593	$1,802,533
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	165,590	270,015	563,296
Purchased power	374,694	273,580	281,761
Other operation and maintenance	371,096	315,651	320,192
Taxes other than income taxes	181,195	166,195	150,921
Depreciation and amortization	273,301	270,483	262,624
Other regulatory charges (credits) - net	73,111	36,723	(111,376)
TOTAL	1,438,987	1,332,647	1,467,418
OPERATING INCOME	516,718	431,946	335,115
OTHER INCOME (DEDUCTIONS)			
Allowance for equity funds used during construction	9,449	9,095	8,552
Interest and investment income	18,024	3,249	2,275
Miscellaneous - net	3,953	(11,157)	(13,231)
TOTAL	31,426	1,187	(2,404)
INTEREST EXPENSE			
Interest expense	147,881	110,931	99,857
Allowance for borrowed funds used during construction	(3,566)	(3,520)	(3,479)
TOTAL	144,315	107,411	96,378
INCOME BEFORE INCOME TAXES	403,829	325,722	236,333
Income taxes	95,101	80,315	54,364
NET INCOME	308,728	245,407	181,969
Net loss attributable to noncontrolling interest	(3,136)	(10,551)	(10,302)
EARNINGS APPLICABLE TO MEMBER'S EQUITY	$311,864	$255,958	$192,271

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$308,728	$245,407	$181,969
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation and amortization	273,301	270,483	262,624
Deferred income taxes, tax credits, and non-current taxes accrued	43,273	43,245	28,990
Changes in assets and liabilities:			
Receivables	(28,465)	7,221	3,627
Fuel inventory	(3,518)	1,233	(648)
Accounts payable	7,608	60,450	(41,101)
Taxes accrued	(15,804)	63,890	(9,771)
Interest accrued	7,800	(870)	3,329
Deferred fuel costs	(137,073)	(4,329)	273,856
Other working capital accounts	79,721	(32,138)	(23,813)
Provisions for estimated losses	4,364	7,719	1,972
Other regulatory assets	70,133	53,229	(59,616)
Other regulatory liabilities	74,631	17,985	(59,513)
Customer advances - non-current	25,000	—	—
Pension and other postretirement funded status	(20,644)	(33,506)	(49,223)
Other assets and liabilities	15,639	(564)	46,709
Net cash flow provided by operating activities	704,694	699,455	559,391
INVESTING ACTIVITIES			
Construction expenditures	(1,457,803)	(699,690)	(562,118)
Allowance for equity funds used during construction	9,449	9,095	8,552
Payment for purchase of plant	—	—	(35,094)
Proceeds from sale of assets	14,469	818	—
Changes in money pool receivable - net	(12,204)	(15,218)	26,879
Receipts from storm reserve escrow account	—	736	34,493
Decrease (increase) in other investments	16	(960)	(690)
Net cash flow used in investing activities	(1,446,073)	(705,219)	(527,978)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	592,506	395,881	396,833
Retirement of long-term debt	—	(200,000)	(500,000)
Capital contributions from parent	265,500	—	—
Capital contributions from noncontrolling interest	—	—	25,708
Changes in money pool payable - net	—	(73,769)	73,769
Common equity distributions paid	—	(44,633)	(40,000)
Customer advances received for construction	167,731	111,990	23,609
Customer advances used for construction	(95,785)	(32,031)	(19,513)
Other	(2,782)	(2,611)	(2,168)
Net cash flow provided by (used in) financing activities	927,170	154,827	(41,762)
Net increase (decrease) in cash and cash equivalents	185,791	149,063	(10,349)
Cash and cash equivalents at beginning of period	155,693	6,630	16,979
Cash and cash equivalents at end of period	$341,484	$155,693	$6,630
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$118,634	$109,444	$93,961
Income taxes - net	$82,541	($14,170)	$50,869
Noncash investing activities:			
Accrued construction expenditures	$272,321	$141,227	$16,342

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$27	$184
Temporary cash investments	341,457	155,509
Total cash and cash equivalents	341,484	155,693
Accounts receivable:		
Customer	115,813	97,609
Allowance for doubtful accounts	(3,509)	(2,172)
Associated companies	37,723	23,909
Other	20,641	25,148
Accrued unbilled revenues	90,235	75,740
Total accounts receivable	260,903	220,234
Deferred fuel costs	10,757	—
Fuel inventory - at average cost	18,481	14,963
Materials and supplies	112,082	113,256
Prepayments and other	36,911	19,764
TOTAL	780,618	523,910
OTHER PROPERTY AND INVESTMENTS		
Non-utility property - at cost (less accumulated depreciation)	4,467	4,482
Other	864	880
TOTAL	5,331	5,362
UTILITY PLANT		
Electric	8,366,079	7,860,409
Construction work in progress	1,396,075	487,273
TOTAL UTILITY PLANT	9,762,154	8,347,682
Less - accumulated depreciation and amortization	2,635,823	2,511,091
UTILITY PLANT - NET	7,126,331	5,836,591
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	455,714	525,847
Other	108,480	97,260
TOTAL	564,194	623,107
TOTAL ASSETS	$8,476,474	$6,988,970

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Accounts payable:		
Associated companies	$61,135	$58,087
Other	397,756	283,755
Customer deposits	97,875	94,009
Taxes accrued	163,220	179,024
Interest accrued	28,467	20,667
Deferred fuel costs	—	126,316
Customer advances	89,538	—
Other	23,678	20,720
TOTAL	861,669	782,578
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	926,734	870,116
Accumulated deferred investment tax credits	13,191	13,446
Regulatory liability for income taxes - net	170,902	180,851
Other regulatory liabilities	144,124	59,544
Customer advances	25,000	—
Asset retirement cost liabilities	26,538	25,110
Accumulated provisions	51,564	47,200
Long-term debt	3,021,324	2,427,073
Customer advances for construction	184,564	112,618
Other	67,648	61,446
TOTAL	4,631,589	3,797,404
Commitments and Contingencies		
EQUITY		
Member's equity	2,978,150	2,400,786
Noncontrolling interest	5,066	8,202
TOTAL	2,983,216	2,408,988
TOTAL LIABILITIES AND EQUITY	$8,476,474	$6,988,970

See Notes to Financial Statements.

ENTERGY MISSISSIPPI, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

	Noncontrolling Interest	Member's Equity	Total
		(In Thousands)	
Balance at December 31, 2022	$3,347	$2,037,190	$2,040,537
Net income (loss)	(10,302)	192,271	181,969
Common equity distributions	—	(40,000)	(40,000)
Capital contributions from noncontrolling interest	25,708	—	25,708
Balance at December 31, 2023	$18,753	$2,189,461	$2,208,214
Net income (loss)	(10,551)	255,958	245,407
Common equity distributions	—	(44,633)	(44,633)
Balance at December 31, 2024	$8,202	$2,400,786	$2,408,988
Net income (loss)	(3,136)	311,864	308,728
Capital contributions from parent	—	265,500	265,500
Balance at December 31, 2025	$5,066	$2,978,150	$2,983,216

See Notes to Financial Statements.

ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Results of Operations

2025 Compared to 2024

Net Income

Net income increased $34.6 million primarily due to a $78.5 million ($57.4 million net-of-tax) regulatory charge, recorded in first quarter 2024, primarily to reflect a settlement in principle between Entergy New Orleans and the City Council in April 2024 for additional sharing with customers of income tax benefits from the resolution of the 2016-2018 IRS audit. Also contributing to the increase were lower other operation and maintenance expenses, lower taxes other than income taxes, and lower depreciation and amortization expenses. The increase was partially offset by a $12.8 million ($9.6 million net-of-tax) charge, recorded in third quarter 2025, to reflect the write-off of retained natural gas plant assets that were not included in the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025, and which will not be recovered, higher interest expense, and lower other income. See Note 3 to the financial statements for discussion of the April 2024 settlement in principle and discussion of the resolution of the 2016-2018 IRS audit. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

Operating Revenues

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$810.6
Fuel, rider, and other revenues that do not significantly affect net income	11.3
Effect of sale of natural gas distribution business	(45.5)
Volume/weather	(2.8)
Retail electric price	(1.4)
2025 operating revenues	**$772.2**

Entergy New Orleans's results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The effect of sale of natural gas distribution business variance represents the decrease in operating revenues resulting from the absence of natural gas revenues following the sale of the natural gas distribution business on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

The volume/weather variance is primarily due to a decrease in weather-adjusted residential usage and a decrease in commercial usage, partially offset by the effect of more favorable weather on residential sales.

The retail electric price variance is primarily due to a decrease in formula rate plan rates effective September 2025 in accordance with the terms of the 2025 formula rate plan filing, partially offset by an increase in formula rate plan rates effective September 2024 in accordance with the terms of the 2024 formula rate plan filing. See Note 2 to the financial statements for discussion of the formula rate plan filings.

Total electric energy sales for Entergy New Orleans for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	2,370	2,341	1
Commercial	2,046	2,094	(2)
Industrial	384	369	4
Governmental	778	793	(2)
Total retail	5,578	5,597	—
Sales for resale:			
Associated companies	8	—	—
Non-associated companies	1,696	2,123	(20)
Total	7,282	7,720	(6)

See Note 19 to the financial statements for additional discussion of Entergy New Orleans's operating revenues.

Other Income Statement Variances

Other operation and maintenance expenses decreased primarily due to:

- a decrease of $6.6 million in gas operation expenses resulting from the absence of expenses during the last six months of 2025 and a $2.7 million gain, recorded in 2025, both as a result of the sale of the natural gas distribution business on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025;
- contract costs of $3.3 million in 2024 related to operational performance, customer service, and organizational health initiatives;
- $1.8 million in costs recognized in 2024 related to credits provided to customers as part of the rate mitigation plan approved in the settlement of the 2023 formula rate plan filing. See Note 2 to the financial statements for discussion of the 2023 formula rate plan filing; and
- a decrease of $1.6 million in loss provisions.

The decrease was partially offset by an increase of $2.3 million in energy efficiency expenses primarily due to higher energy efficiency costs, partially offset by the timing of recovery from customers.

Asset write-offs includes a $12.8 million charge, recorded in third quarter 2025, to reflect the write-off of retained natural gas plant assets that were not included in the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025, and which will not be recovered. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

Taxes other than income taxes decreased primarily due to decreases in local franchise fees as a result of lower retail revenues in 2025 as compared to 2024, including decreased natural gas revenues resulting from the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025, and decreases in ad valorem taxes resulting from lower assessments. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

Depreciation and amortization expenses decreased primarily due to the absence of depreciation and amortization expenses associated with natural gas plant in service following the sale of the natural gas distribution business on July 1, 2025, partially offset by additions to plant in service. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025.

Other regulatory charges (credits) - net includes a regulatory charge of $78.5 million, recorded in first quarter 2024, primarily to reflect a settlement in principle between Entergy New Orleans and the City Council in April 2024 for additional sharing with customers of income tax benefits from the resolution of the 2016-2018 IRS audit. See Note 3 to the financial statements for discussion of the April 2024 settlement in principle and discussion of the resolution of the 2016-2018 IRS audit.

Other income decreased primarily due to the deferral of certain other postretirement benefit expense credits, effective September 2024, in accordance with the terms of the 2024 formula rate plan filing. See Note 2 to the financial statements for discussion of the 2024 formula rate plan filing and Note 11 to the financial statements for discussion of the other postretirement benefits accounting treatment.

Interest expense increased primarily due to an increase of $8 million in carrying costs on regulatory liability balances, partially offset by lower interest accrued on customer deposits.

The effective income tax rates were 23.9% for 2025 and 15.2% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS** - **Results of Operations**" in Item 7 of Entergy New Orleans's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Sale of Natural Gas Distribution Business

See the "**Dispositions** - **Natural Gas Distribution Businesses**" section in Note 14 to the financial statements for discussion of the sale of the Entergy New Orleans natural gas distribution business.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$31,777	$26	$4,464
Net cash provided by (used in):			
Operating activities	183,699	286,729	202,956
Investing activities	115,385	(163,481)	(18,802)
Financing activities	(220,597)	(91,497)	(188,592)
Net increase (decrease) in cash and cash equivalents	78,487	31,751	(4,438)
Cash and cash equivalents at end of period	$110,264	$31,777	$26

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities decreased $103 million in 2025 primarily due to:

- the receipt of $98.1 million in settlement proceeds in 2024 as a result of the System Energy settlement with the City Council. See Note 2 to the financial statements for discussion of the System Energy settlement with the City Council;
- the timing of payments to vendors; and
- income tax payments of $10.1 million in 2025 compared to income tax refunds of $17.9 million in 2024. Entergy New Orleans made income tax payments in 2025 primarily related to estimated state income taxes and in accordance with Entergy's tax allocation agreement. Entergy New Orleans received income tax refunds in 2024 primarily in accordance with Entergy's tax allocation agreement.

The decrease was partially offset by higher collections from customers and the receipt of $59.9 million in payments from affiliates in 2025 in accordance with the Unit Power Sales Agreement and the MSS-4 replacement tariff related to the transfer of 2024 nuclear production tax credits by affiliates to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear production tax credits.

Investing Activities

Entergy New Orleans's investing activities provided $115.4 million of cash in 2025 compared to using $163.5 million of cash in 2024 primarily due to the following activity:

- $283.9 million in proceeds from the sale of the natural gas distribution business on July 1, 2025. See Note 14 to the financial statements for discussion of the sale of Entergy New Orleans's natural gas distribution business on July 1, 2025;
- an increase of $20.3 million in non-nuclear generation construction expenditures primarily due to a higher scope of work performed during plant outages in 2025 as compared to 2024; and
- the receipt of $13.1 million from the storm reserve escrow account in 2025.

Financing Activities

Net cash flow used in financing activities increased $129.1 million in 2025 primarily due to:

- the issuances of $65 million of 6.41% Series mortgage bonds, $50 million of 6.54% Series mortgage bonds, and $35 million of 6.25% Series mortgage bonds, each in May 2024;
- the repayment, at maturity, of $78 million of 3.00% Series mortgage bonds in March 2025; and
- an increase of $15 million in common equity distributions paid in 2025 in order to maintain Entergy New Orleans's capital structure.

The increase was partially offset by the repayment, at maturity, of an $85 million unsecured term loan in June 2024 and money pool activity.

Decreases in Entergy New Orleans's payable to the money pool are a use of cash flow, and Entergy New Orleans's payable to the money pool decreased $21.7 million in 2024. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

See Note 5 to the financial statements for more details on long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow**" in Item 7 of Entergy New Orleans's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

Entergy New Orleans's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	52.1%	51.5%
Effect of subtracting cash	(4.6%)	(1.1%)
Net debt to net capital, excluding securitization bonds (non-GAAP) (a)	47.5%	50.4%

Net debt consists of debt less cash and cash equivalents. Debt consists of short-term borrowings, finance lease obligations, long-term debt, including the currently maturing portion, and the long-term payable due to an associated company. Capital consists of debt and equity. Net capital consists of capital less cash and cash equivalents. The net debt to net capital ratio is a non-GAAP measure. Entergy New Orleans uses the debt to capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy New Orleans's financial condition. Entergy New Orleans also uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy New Orleans's financial condition because net debt indicates Entergy New Orleans's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

Entergy New Orleans seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a distribution, to the extent funds are legally available to do so, or

both, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments, Entergy New Orleans may issue incremental debt or reduce distributions, or both, to maintain its capital structure. In addition, in certain infrequent circumstances, such as financing of large transactions that would materially alter the capital structure if financed entirely with debt and reduced distributions, Entergy New Orleans may receive equity contributions to maintain its capital structure.

Uses of Capital

Entergy New Orleans requires capital resources for:

- construction and other capital investments;
- working capital purposes, including the financing of fuel and purchased power costs;
- debt maturities or retirements; and
- distribution and interest payments.

Following are the amounts of Entergy New Orleans's planned construction and other capital investments.

	2026	2027	2028	2029
		(In Millions)		
Planned construction and capital investment:				
Generation	$15	$10	$50	$20
Transmission	10	15	15	30
Distribution	185	125	110	150
Utility Support	15	10	10	15
Total	$225	$160	$185	$215

In addition to routine capital spending to maintain operations, the planned capital investment estimate for Entergy New Orleans includes distribution and Utility support spending to improve reliability, resilience, and customer experience; transmission spending to improve reliability and resilience; and other investments. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including the trade-related governmental actions discussed below, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy New Orleans's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy New Orleans's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect Entergy New Orleans's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy New Orleans's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

Entergy New Orleans has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. Entergy New Orleans is not able to predict any

further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of Entergy New Orleans's existing debt and lease obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
			(In Millions)		
Long-term debt (a)	$116	$29	$29	$90	$846
Operating leases (b)	$2	$2	$2	$2	$1
Finance leases (b)	$1	$1	$1	$1	$1

(a) Long-term debt is discussed in Note 5 to the financial statements.
(b) Lease obligations are discussed in Note 10 to the financial statements.

Other Obligations

Entergy New Orleans currently expects to contribute approximately $3.3 million to its qualified pension plans and approximately $336 thousand to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates - Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy New Orleans has $14.8 million of unrecognized tax benefits net of unused tax attributes plus interest for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

In addition, Entergy New Orleans enters into fuel and purchased power agreements that contain minimum purchase obligations. Entergy New Orleans has rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations. See Note 8 to the financial statements for discussion of Entergy New Orleans's obligations under the Unit Power Sales Agreement.

As a wholly-owned subsidiary of Entergy Utility Holding Company, LLC, Entergy New Orleans pays distributions from its earnings at a percentage determined monthly.

Resilience and Grid Hardening

In October 2021 the City Council passed a resolution and order establishing a docket and procedural schedule with respect to system resiliency and storm hardening. In July 2022, Entergy New Orleans filed with the City Council a response identifying a preliminary plan for storm hardening and resiliency projects, including microgrids, to be implemented over ten years at an approximate cost of $1.5 billion. In February 2023 the City Council approved a revised procedural schedule requiring Entergy New Orleans to make a filing in April 2023 containing a narrowed list of proposed hardening projects. In April 2023, Entergy New Orleans filed the required application and supporting testimony seeking City Council approval of the first phase (five years and $559 million) of a ten-year infrastructure hardening plan totaling approximately $1 billion. Entergy New Orleans also sought, among other relief, City Council approval of a resilience and storm hardening cost recovery rider to recover from customers the costs of the infrastructure hardening plan. In February 2024 the City Council approved a resolution authorizing Entergy New Orleans to implement a resilience project to be partially funded by $55 million of matching funding through the DOE's Grid Resilience and Innovation Partnerships program. The resolution also

required Entergy New Orleans to submit, no later than July 2024, a revised resilience plan consisting of projects over a three-year period. In March 2024, Entergy New Orleans filed with the City Council for approval the requested three-year resilience plan, which included $168 million in hardening projects. The three-year resilience plan was to be in addition to the previously authorized resilience project to be partially funded by the DOE's Grid Resilience and Innovation Partnerships program. In October 2024 the City Council approved a resolution authorizing a two-year resilience plan totaling $100 million and approved the requested resilience and storm hardening cost recovery rider. In December 2024, Entergy New Orleans notified the City Council of the subset of hardening projects from the revised three-year resilience plan to be included in the two-year resilience plan. Entergy New Orleans implemented the approved resilience and storm hardening cost recovery rider effective with the first billing cycle of January 2025. In December 2025, the City Council issued a resolution establishing certain metrics and reporting requirements for the approved hardening projects. Also in December 2025, Entergy New Orleans filed an application and supporting testimony seeking the City Council's approval of the second phase of its infrastructure hardening plan totaling approximately $400 million over a five-year period (2027 to 2031). Entergy New Orleans also sought, among other relief, the City Council's approval to continue to use the resilience and storm hardening cost recovery rider to recover from customers the costs of the plan. Entergy New Orleans requested the City Council approve the application by October 2026.

Sources of Capital

Entergy New Orleans's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- storm reserve escrow accounts;
- debt and preferred membership interest issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- capital contributions; and
- bank financing under new or existing facilities.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, Entergy New Orleans expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt and common and preferred membership interest issuances by Entergy New Orleans require prior regulatory approval. Debt issuances are also subject to requirements set forth in its bond indenture and other agreements. Entergy New Orleans has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

Entergy New Orleans's receivables from (payables to) the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
	(In Thousands)		
$9,009	$3,146	($21,651)	$147,254

See Note 4 to the financial statements for a description of the money pool.

Entergy New Orleans has a credit facility in the amount of $25 million scheduled to expire in June 2027. The credit facility includes fronting commitments for the issuance of letters of credit against $10 million of the

borrowing capacity of the facility. As of December 31, 2025, there were no cash borrowings and no letters of credit outstanding under the credit facility. In addition, Entergy New Orleans is a party to an uncommitted letter of credit facility as a means to post collateral to support its obligations to MISO. As of December 31, 2025, a $0.5 million letter of credit was outstanding under Entergy New Orleans's uncommitted letter of credit facility. See Note 4 to the financial statements for additional discussion of the credit facilities.

Entergy New Orleans obtained authorization from the FERC through January 2027 for short-term borrowings not to exceed an aggregate amount of $150 million at any time outstanding and long-term borrowings and securities issuances. See Note 4 to the financial statements for further discussion of Entergy New Orleans's short-term borrowing limits. The long-term securities issuances of Entergy New Orleans are limited to amounts authorized not only by the FERC, but also by the City Council, and the current City Council authorization extends through December 2027.

State and Local Rate Regulation

The rates that Entergy New Orleans charges for its services significantly influence its financial position, results of operations, and liquidity. Entergy New Orleans is regulated, and the rates charged to its customers are determined in regulatory proceedings. A governmental agency, the City Council, is primarily responsible for approval of the rates charged to customers.

Retail Rates

2023 Formula Rate Plan Filing

In April 2023, Entergy New Orleans submitted to the City Council its formula rate plan 2022 test year filing. The 2022 test year evaluation report produced an electric earned return on equity of 7.34% and a gas earned return on equity of 3.52% compared to the authorized return on equity for each of 9.35%. Entergy New Orleans sought approval of a $25.6 million rate increase based on the formula set by the City Council in the 2018 rate case. The formula would result in an increase in authorized electric revenues of $17.4 million and an increase in authorized gas revenues of $8.2 million. Entergy New Orleans also sought to commence collecting $3.4 million in electric revenues that were previously approved by the City Council for collection through the formula rate plan. In July 2023, Entergy New Orleans filed a report to decrease its requested formula rate plan revenues by approximately $0.5 million to account for minor errors discovered after the filing. The City Council advisors issued a report seeking a reduction in the requested formula rate plan revenues of approximately $8.3 million, combined for electric and gas, due to alleged errors. The City Council advisors proposed additional rate mitigation in the amount of $12 million through offsets to the formula rate plan rate increase by certain regulatory liabilities. In September 2023 the City Council approved an agreement to settle the 2023 formula rate plan filing. Effective with the first billing cycle of September 2023, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate plan implementation. The agreement provided for a total increase in electric revenues of $10.5 million and a total increase in gas revenues of $6.9 million. The agreement also provided for a minor storm accrual of $0.5 million per year and the distribution of $8.9 million of then-held customer credits to implement the City Council advisors' mitigation recommendations.

Request for Extension and Modification of Formula Rate Plan

In September 2023, Entergy New Orleans filed a motion seeking City Council approval of a three-year extension of Entergy New Orleans's electric and gas formula rate plans. In October 2023 the City Council granted Entergy New Orleans's request for an extension, subject to minor modifications which included a 55% equity ratio for rate setting purposes.

2024 Formula Rate Plan Filing

In April 2024, Entergy New Orleans submitted to the City Council its formula rate plan 2023 test year filing. Without the requested rate change in 2024, the 2023 test year evaluation report produced an electric earned return on equity of 8.66% and a gas earned return on equity of 5.87% compared to the authorized return on equity for each of 9.35%. Entergy New Orleans sought approval of a $12.6 million rate increase based on the formula set by the City Council in the 2018 rate case and approved again by the City Council in 2023. The formula would result in an increase in authorized electric revenues of $7.0 million and an increase in authorized gas revenues of $5.6 million. Following City Council review, the City Council's advisors issued a report in July 2024 seeking a reduction in Entergy New Orleans's requested formula rate plan revenues in an aggregate amount of approximately $1.6 million for electric and gas together due to alleged errors. Effective with the first billing cycle of September 2024, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate plan implementation. The total formula rate plan increase implemented was $11.2 million, which included an increase of $5.8 million in electric revenues and an increase of $5.4 million in gas revenues.

2025 Formula Rate Plan Filing

In April 2025, Entergy New Orleans submitted to the City Council its formula rate plan 2024 test year filing. The 2024 evaluation report produced an electric earned return on equity of 10.98% compared to the authorized return on equity of 9.35%. Without adjustments, this would have resulted in a decrease in electric rates of $13.8 million. The decrease in electric rates was driven by the realignment of regulatory liabilities into the formula from a separate rate mechanism, partially offset by the cost of known and measurable electric capital additions. The filing also commenced the previously authorized recovery of certain regulatory costs and requested a revenue-neutral recovery to offset a proposed reduction in bill payment late fees. Taking into account these proposed adjustments, the filing presented a decrease in authorized electric revenues of $8.6 million. The City Council's advisors issued a report in July 2025 seeking a reduction in Entergy New Orleans's requested electric formula rate plan revenues of approximately $7.2 million due to certain proposed cost realignments and disallowances, of which $4.1 million was associated with Entergy New Orleans's proposed implementation, on a revenue neutral basis, of a proposed reduction in customer late fees. The City Council's advisors also proposed rate mitigation in the amount of $4.4 million through offsets to the formula rate plan funded by certain regulatory liabilities. In August 2025 the City Council approved an agreement to settle the 2025 formula rate plan filing. Effective with the first billing cycle of September 2025, Entergy New Orleans implemented rates reflecting an amount agreed upon by Entergy New Orleans and the City Council, per the approved process for formula rate implementation. The electric formula rate plan decrease implemented was $19.2 million.

Fuel and purchased power cost recovery

Entergy New Orleans's electric rate schedules include a fuel adjustment tariff designed to reflect no more than targeted fuel and purchased power costs, adjusted by a surcharge or credit for deferred fuel expense arising from the monthly reconciliation of actual fuel and purchased power costs incurred with fuel cost revenues billed to customers, including carrying charges.

Distributed Energy Resources Program

In October 2024 the City Council opened a docket to evaluate potential opportunities to increase the availability of distributed energy resources, battery storage, and related facilities in New Orleans. In December 2025 the City Council issued a resolution establishing a distributed energy resources program to be implemented and operated under the existing Energy Smart program, with $28 million in customer incentives available through credits funded by credits from the System Energy settlement with the City Council. See "**Complaints Against System Energy - System Energy Settlement with the City Council**" in Note 2 to the financial statements for discussion of the System Energy settlement with the City Council.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Nuclear Matters

See the "**Nuclear Matters**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of nuclear matters.

Environmental Risks

Entergy New Orleans's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy New Orleans is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business - Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of Entergy New Orleans's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy New Orleans's financial position, results of operations, or cash flows.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

Entergy New Orleans's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$64	$2,147
Rate of return on plan assets	(0.25%)	$247	$—
Rate of increase in compensation	0.25%	$98	$343

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$8	$353
Health care cost trend	0.25%	$14	$179

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for Entergy New Orleans in 2025 was $6.4 million, including $6.2 million in settlement costs. Entergy New Orleans anticipates 2026 qualified pension cost to be $1 million. Entergy New Orleans contributed $5 million to its qualified pension plans in 2025 and estimates 2026 pension contributions will be approximately $3.3 million, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit costs for Entergy New Orleans in 2025 was $12.3 million, including $1.6 million in settlement and curtailment credits. Entergy New Orleans expects 2026 postretirement health care and life insurance benefit income of approximately $4.7 million. Entergy New Orleans contributed $97 thousand to its other postretirement plans in 2025 and estimates 2026 contributions will be approximately $336 thousand.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the member and Board of Directors of
Entergy New Orleans, LLC and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy New Orleans, LLC and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, cash flows, and changes in member's equity (pages 421 through 426 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Rate and Regulatory Matters — Entergy New Orleans, LLC and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to rate regulation by the Council of the City of New Orleans, Louisiana (the "City Council"), which has jurisdiction with respect to the rates of electric companies in the City of New Orleans, Louisiana, and to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the City Council and the FERC set the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the City Council and the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the City Council and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the City Council and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the City Council and the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the City Council's and the FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's filings with the City Council and the FERC and orders issued, and considered the filings with the City Council and the FERC by intervenors that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$703,893	$708,354	$737,974
Natural gas	68,321	102,210	105,959
TOTAL	772,214	810,564	843,933
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	92,621	99,055	122,400
Purchased power	271,170	252,863	268,478
Other operation and maintenance	157,415	172,101	167,719
Asset write-offs	12,795	—	—
Taxes other than income taxes	57,282	60,476	62,979
Depreciation and amortization	81,830	84,937	81,282
Other regulatory charges (credits) - net	(12,654)	85,136	69,211
TOTAL	660,459	754,568	772,069
OPERATING INCOME	111,755	55,996	71,864
OTHER INCOME			
Allowance for equity funds used during construction	1,857	2,118	1,470
Interest and investment income	2,650	2,144	7,154
Miscellaneous - net	(3,695)	(115)	(4,119)
TOTAL	812	4,147	4,505
INTEREST EXPENSE			
Interest expense	47,322	42,337	38,118
Allowance for borrowed funds used during construction	(1,021)	(883)	(714)
TOTAL	46,301	41,454	37,404
INCOME BEFORE INCOME TAXES	66,266	18,689	38,965
Income taxes	15,855	2,842	(189,973)
NET INCOME	$50,411	$15,847	$228,938

See Notes to Financial Statements.

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ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$50,411	$15,847	$228,938
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation and amortization	81,830	84,937	81,282
Deferred income taxes, tax credits, and non-current taxes accrued	(1,040)	12,271	(191,326)
Asset write-offs	12,795	—	—
Changes in assets and liabilities:			
Receivables	18,909	(6,955)	29,944
Fuel inventory	3,295	(813)	2,574
Accounts payable	(19,309)	(4,864)	(11,924)
Prepaid taxes and taxes accrued	7,550	10,360	(11,882)
Interest accrued	(1,842)	137	454
Deferred fuel costs	7,110	2,247	4,005
Other working capital accounts	(2,913)	192	(9,184)
Provisions for estimated losses	(11,360)	2,169	1,076
Other regulatory assets	47,257	25,424	19,745
Other regulatory liabilities	26,316	175,808	66,022
Pension and other postretirement funded status	5,711	(21,638)	(16,371)
Other assets and liabilities	(41,021)	(8,393)	9,603
Net cash flow provided by operating activities	183,699	286,729	202,956
INVESTING ACTIVITIES			
Construction expenditures	(176,058)	(158,257)	(164,279)
Allowance for equity funds used during construction	1,857	2,118	1,470
Changes in money pool receivable - net	(5,863)	(3,146)	147,254
Payments to storm reserve escrow account	(3,194)	(5,011)	(3,731)
Receipts from storm reserve escrow account	13,114	—	—
Proceeds from sale of business	283,918	—	—
Changes in securitization account	1,611	815	(191)
Decrease in other investments	—	—	675
Net cash flow provided by (used in) investing activities	115,385	(163,481)	(18,802)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	79,678	148,913	14,610
Retirement of long-term debt	(158,004)	(91,245)	(112,525)
Repayment of long-term payable due to associated company	(1,140)	(1,275)	(1,306)
Contributions from customer for construction	—	—	15,000
Changes in money pool payable - net	—	(21,651)	21,651
Common equity distributions paid	(140,000)	(125,000)	(125,000)
Other	(1,131)	(1,239)	(1,022)
Net cash flow used in financing activities	(220,597)	(91,497)	(188,592)
Net increase (decrease) in cash and cash equivalents	78,487	31,751	(4,438)
Cash and cash equivalents at beginning of period	31,777	26	4,464
Cash and cash equivalents at end of period	$110,264	$31,777	$26
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$35,205	$40,312	$36,263
Income taxes - net	$10,097	($17,903)	$14,120
Noncash investing activities:			
Accrued construction expenditures	$12,721	$2,865	$7,068

See Notes to Financial Statements.

ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$26	$374
Temporary cash investments	110,238	31,403
Total cash and cash equivalents	110,264	31,777
Securitization recovery trust account	—	1,611
Accounts receivable:		
Customer	55,972	65,731
Allowance for doubtful accounts	(3,845)	(6,735)
Associated companies	10,459	5,844
Other	3,668	9,467
Accrued unbilled revenues	28,303	33,296
Total accounts receivable	94,557	107,603
Fuel inventory - at average cost	816	320
Materials and supplies	30,539	25,516
Current assets held for sale	—	13,100
Prepayments and other	12,992	12,128
TOTAL	249,168	192,055
OTHER PROPERTY AND INVESTMENTS		
Storm reserve escrow account	73,822	83,742
Other	9,485	832
TOTAL	83,307	84,574
UTILITY PLANT		
Electric	2,267,691	2,160,165
Natural gas	—	43,279
Construction work in progress	43,055	18,269
TOTAL UTILITY PLANT	2,310,746	2,221,713
Less - accumulated depreciation and amortization	778,401	768,305
UTILITY PLANT - NET	1,532,345	1,453,408
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	109,690	133,261
Deferred fuel costs	4,080	4,080
Non-current assets held for sale	—	284,738
Other	80,090	71,037
TOTAL	193,860	493,116
TOTAL ASSETS	$2,058,680	$2,223,153

See Notes to Financial Statements.

ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$85,000	$78,000
Payable due to associated company	720	1,140
Accounts payable:		
Associated companies	47,709	45,479
Other	32,067	43,750
Customer deposits	30,632	28,834
Taxes accrued	16,336	8,786
Interest accrued	6,829	8,671
Deferred fuel costs	3,209	980
Other	10,659	14,427
TOTAL	233,161	230,067
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	201,345	201,541
Accumulated deferred investment tax credits	15,425	15,617
Regulatory liability for income taxes - net	15,656	15,000
Other regulatory liabilities	312,962	260,312
Accumulated provisions	78,933	90,293
Long-term debt	565,985	650,463
Long-term payable due to associated company	5,144	5,864
Other	22,057	56,395
TOTAL	1,217,507	1,295,485
Commitments and Contingencies		
EQUITY		
Member's equity	608,012	697,601
TOTAL	608,012	697,601
TOTAL LIABILITIES AND EQUITY	$2,058,680	$2,223,153

See Notes to Financial Statements.

ENTERGY NEW ORLEANS, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

	Member's Equity (In Thousands)
Balance at December 31, 2022	$702,816
Net income	228,938
Common equity distributions	(125,000)
Balance at December 31, 2023	$806,754
Net income	15,847
Common equity distributions	(125,000)
Balance at December 31, 2024	$697,601
Net income	50,411
Common equity distributions	(140,000)
Balance at December 31, 2025	$608,012

See Notes to Financial Statements.

ENTERGY TEXAS, INC. AND SUBSIDIARIES

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

Results of Operations

2025 Compared to 2024

Net Income

Net income increased $40.5 million primarily due to higher retail electric price, higher volume/weather, and higher other income, partially offset by higher purchased power costs related to the procurement of capacity through MISO's annual planning resource auction, higher interest expense, higher other operation and maintenance expenses, higher taxes other than income taxes, and higher depreciation and amortization expenses.

Operating Revenues

Following is an analysis of the change in operating revenues comparing 2025 to 2024:

	Amount
	(In Millions)
2024 operating revenues	$2,050.2
Fuel, rider, and other revenues that do not significantly affect net income	(37.7)
Retail electric price	66.5
Volume/weather	48.6
2025 operating revenues	**$2,127.6**

Entergy Texas's results include revenues from rate mechanisms designed to recover fuel, purchased power, and other costs such that the revenues and expenses associated with these items generally offset and do not affect net income. "Fuel, rider, and other revenues that do not significantly affect net income" includes the revenue variance associated with these items.

The retail electric price variance is primarily due to the implementation of the distribution cost recovery factor rider effective with the first billing cycle in October 2024 and increases in the distribution cost recovery factor rider effective in December 2024 and June 2025. See Note 2 to the financial statements for discussion of the distribution cost recovery factor rider filings.

The volume/weather variance is primarily due to an increase in industrial usage and the effect of more favorable weather on residential sales. The increase in industrial usage is primarily due to an increase in demand from large industrial customers, primarily in the transportation, petroleum refining, wood products, and primary metals industries.

Total electric energy sales for Entergy Texas for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024	% Change
	(GWh)		
Residential	6,991	6,597	6
Commercial	5,035	4,879	3
Industrial	9,825	9,457	4
Governmental	271	269	1
Total retail	22,122	21,202	4
Sales for resale:			
Non-associated companies	402	687	(41)
Total	22,524	21,889	3

See Note 19 to the financial statements for additional discussion of Entergy Texas's operating revenues.

Other Income Statement Variances

Purchased power includes an increase in 2025 of $33.8 million in costs related to the procurement of capacity through MISO's annual planning resource auction, including the effect of a significant increase in MISO's seasonal auction clearing price, due in part to the implementation of a reliability-based demand curve, for capacity transactions during the summer months. Although Entergy Texas does not have the ability to recover its MISO capacity costs incurred to date beyond the level included in base rates, in June 2025, Texas legislation established a capacity cost recovery rider mechanism that would allow for the recovery of costs related to the procurement of capacity through MISO's annual planning resource auction outside of base rates through a rider that is updated annually. Entergy Texas plans in second quarter 2026 to file for such a rider to recover future capacity procurement costs at the earliest opportunity.

Other operation and maintenance expenses increased primarily due to:

- an increase of $8.0 million in bad debt expense;
- an increase of $7.9 million in power delivery expenses primarily due to higher vegetation maintenance costs;
- an increase of $3.7 million in loss provisions;
- an increase of $1.8 million in transmission costs allocated by MISO;
- an increase of $1.7 million in insurance expense primarily due to higher premiums in 2025 as compared to 2024;
- an increase of $1.6 million in energy efficiency costs primarily due to the timing of recovery from customers; and
- several individually insignificant items.

The increase was partially offset by:

- contract costs of $8.1 million in 2024 related to operational performance, customer service, and organizational health initiatives;
- a decrease of $6.9 million in non-nuclear generation expenses primarily due to a lower scope of work, including during plant outages, in 2025 as compared to 2024; and
- a decrease of $1.8 million in storm damage provisions.

Taxes other than income taxes increased primarily due to increases in ad valorem taxes resulting from higher assessments.

Depreciation and amortization expenses decreased primarily due to the recognition of $27.6 million in depreciation expense in 2024 for the 2022 base rate case relate back period, effective over six months beginning January 2024. The recognition of depreciation expense for the relate back period was effective over the same period as collections from the relate back surcharge rider and resulted in no effect on net income. See Note 2 to the financial statements for discussion of the 2022 base rate case. The decrease was partially offset by additions to plant in service.

Other income increased primarily due to an increase in the allowance for equity funds used during construction due to higher construction work in progress in 2025, including the Legend Power Station project, the Orange County Advanced Power Station project, and the Lone Star Power Station project, partially offset by lower interest earned on money pool investments.

Interest expense increased primarily due to the issuance of $500 million of 5.25% Series mortgage bonds in February 2025 and the issuance of $350 million of 5.55% Series mortgage bonds in August 2024, partially offset by an increase in the allowance for borrowed funds used during construction due to higher construction work in progress in 2025, including the Orange County Advanced Power Station project, the Legend Power Station project, and the Lone Star Power Station project.

The effective income tax rates were 16.4% for 2025 and 18.3% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Results of Operations**" in Item 7 of Entergy Texas's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$184,997	$21,986	$3,497
Net cash provided by (used in):			
Operating activities	627,913	823,649	641,691
Investing activities	(1,241,307)	(928,418)	(1,125,948)
Financing activities	703,505	267,780	502,746
Net increase in cash and cash equivalents	90,111	163,011	18,489
Cash and cash equivalents at end of period	$275,108	$184,997	$21,986

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities decreased $195.7 million in 2025 primarily due to the timing of recovery of fuel and purchased power costs and higher fuel and purchased power payments, an increase of $32.7 million in interest paid, and the timing of payments to vendors. The decrease was partially offset by the receipt of $45.6 million in payments from affiliates in 2025 in accordance with the MSS-4 replacement tariff related to the transfer of 2024 nuclear production tax credits by affiliates to third parties in 2025 and a decrease of $19 million in storm spending primarily due to Hurricane Beryl restoration efforts in 2024. See Note 2 to the financial statements for a discussion of fuel and purchased power cost recovery. See Note 3 to the financial statements for discussion of the nuclear production tax credits.

Investing Activities

Net cash flow used in investing activities increased $312.9 million in 2025 primarily due to an increase of $514.4 million in non-nuclear generation construction expenditures primarily due to higher spending on the Legend Power Station project, the Lone Star Power Station project, and the Orange County Advanced Power Station project and money pool activity. The increase was partially offset by:

- the receipt of $358.8 million in proceeds from the sale of assets related to the Legend Power Station project in 2025. See Note 8 to the financial statements for discussion of the Entergy Texas build-to-suit lease arrangement for the Legend Power Station;
- a decrease of $53.2 million in transmission construction expenditures primarily due to decreased spending on various transmission projects in 2025;
- proceeds of $41.4 million received in 2025 from the transfer of assets related to the Segno Solar and Votaw Solar facilities from Entergy Texas to Entergy Louisiana. See "**Uses and Sources of Capital** - Segno Solar and Votaw Solar" below for discussion of the facilities and transfer; and
- a decrease of $23.0 million in distribution construction expenditures primarily due to lower capital expenditures for storm restoration in 2025, partially offset by higher capital expenditures as a result of increased development in Entergy Texas's service area. The decrease in storm restoration expenditures is primarily due to Hurricane Beryl restoration efforts in 2024.

Increases in Entergy Texas's receivable from the money pool are a use of cash flow, and Entergy Texas's receivable from the money pool increased $4.0 million in 2025 compared to decreasing by $299.4 million in 2024. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

Financing Activities

Net cash flow provided by financing activities increased $435.7 million in 2025 primarily due to:

- the issuance of $500 million of 5.25% Series mortgage bonds in February 2025;
- a capital contribution of $225 million received from Entergy Corporation in 2025 in order to maintain Entergy Texas's capital structure and in anticipation of various capital expenditures; and
- the payment of $69 million of common stock dividends in 2024. No common stock dividends were paid in 2025 in order to maintain Entergy Texas's capital structure.

The increase was partially offset by a decrease of $20.9 million in advance payments from customers for construction related to transmission, distribution, and generator interconnection agreements and the issuance of $350 million of 5.55% Series mortgage bonds in August 2024.

See Note 5 to the financial statements for additional details of long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow**" in Item 7 of Entergy Texas's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

Entergy Texas's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	50.9%	51.6%
Effect of excluding securitization bonds	(1.4%)	(1.7%)
Debt to capital, excluding securitization bonds (non-GAAP) (a)	49.5%	49.9%
Effect of subtracting cash	(1.9%)	(1.5%)
Net debt to net capital, excluding securitization bonds (non-GAAP) (a)	47.6%	48.4%

(a) Calculation excludes the securitization bonds, which are non-recourse to Entergy Texas.

Net debt consists of debt less cash and cash equivalents. Debt consists of finance lease obligations and long-term debt, including the currently maturing portion. Capital consists of debt and equity. Net capital consists of capital less cash and cash equivalents. The debt to capital ratio excluding securitization bonds and net debt to net capital ratio excluding securitization bonds are non-GAAP measures. Entergy Texas uses the debt to capital ratios excluding securitization bonds in analyzing its financial condition and believes they provide useful information to its investors and creditors in evaluating Entergy Texas's financial condition because the securitization bonds are non-recourse to Entergy Texas, as more fully described in Note 5 to the financial statements. Entergy Texas also uses the net debt to net capital ratio excluding securitization bonds in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating Entergy Texas's financial condition

because net debt indicates Entergy Texas's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

Entergy Texas seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a dividend, to the extent funds are legally available to do so, or both, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments, Entergy Texas may issue incremental debt or reduce dividends, or both, to maintain its capital structure. In addition, Entergy Texas may receive equity contributions to maintain its capital structure for certain circumstances such as financing of large transactions that would materially alter the capital structure if financed entirely with debt and reduced dividends.

Uses of Capital

Entergy Texas requires capital resources for:

- construction and other capital investments;
- debt maturities or retirements;
- working capital purposes, including the financing of fuel and purchased power costs; and
- dividend and interest payments.

Following are the amounts of Entergy Texas's planned construction and other capital investments.

	2026	2027	2028	2029
		(In Millions)		
Planned construction and capital investment:				
Generation	$685	$285	$1,435	$80
Transmission	385	615	680	645
Distribution	525	445	335	340
Utility Support	35	30	45	35
Total	$1,630	$1,375	$2,495	$1,100

In addition to routine capital spending to maintain operations, the planned capital investment estimate for Entergy Texas includes investments in generation projects to modernize, decarbonize, expand, and diversify Entergy Texas's portfolio, including Orange County Advanced Power Station, Lone Star Power Station, and Legend Power Station; distribution and Utility support spending to improve reliability, resilience, and customer experience; transmission spending to improve reliability and resilience while also supporting renewables expansion and customer growth; and other investments. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including trade-related governmental actions, such as tariffs and other measures, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies. Entergy Texas is not able to predict the effect of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact Entergy Texas's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with Entergy Texas's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified,

skilled labor, or raw materials sourcing disruptions which may affect Entergy Texas's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect Entergy Texas's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

Entergy Texas has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. Entergy Texas is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as loans, grants, guarantees, and other subsidiaries, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of Entergy Texas's existing debt and lease obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
			(In Millions)		
Long-term debt (a)	$316	$334	$179	$636	$5,415
Operating leases (b)	$8	$7	$6	$6	$1
Finance leases (b)	$3	$3	$2	$3	$2

(a) Long-term debt is discussed in Note 5 to the financial statements.
(b) Lease obligations are discussed in Note 10 to the financial statements.

Other Obligations

Entergy Texas currently expects to contribute approximately $5.9 million to its qualified pension plans and approximately $149 thousand to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates - Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

Entergy Texas has $103.5 million of unrecognized tax benefits net of unused tax attributes plus interest and payments for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

See below for discussion of the build-to-suit lease arrangement for the Legend Power Station.

In addition, Entergy Texas enters into fuel and purchased power agreements that contain minimum purchase obligations. Entergy Texas has rate mechanisms in place to recover fuel, purchased power, and associated costs incurred under these purchase obligations.

As a subsidiary, Entergy Texas dividends its earnings to Entergy Corporation at a percentage determined monthly.

Orange County Advanced Power Station

In September 2021, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Orange County Advanced Power Station, a new 1,215 MW combined cycle combustion turbine facility to be located in Bridge City, Texas at an initially-estimated expected total cost of $1.2 billion inclusive of the estimated costs of the generation facilities, transmission upgrades, contingency, an allowance for funds used during construction, and necessary regulatory expenses, among others. The project includes combustion turbine technology with dual fuel capability, able to co-fire up to 30% hydrogen by volume upon commercial operation and upgradable to support 100% hydrogen operations in the future. In December 2021 the PUCT referred the proceeding to the State Office of Administrative Hearings. In March 2022 certain intervenors filed testimony opposing the hydrogen co-firing component of the proposed project and others filed testimony opposing the project outright. Also in March 2022 the PUCT staff filed testimony opposing the hydrogen co-firing component of the proposed project, but otherwise taking no specific position on the merits of the project. The PUCT staff also proposed that the PUCT establish a maximum amount that Entergy Texas may recover in rates attributable to the project. In April 2022, Entergy Texas filed rebuttal testimony addressing and rebutting these various arguments. The hearing on the merits was held in June 2022, and post-hearing briefs were submitted in July 2022. In September 2022 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application for certification of Orange County Advanced Power Station subject to certain conditions, including a cap on cost recovery at $1.37 billion, the exclusion of investment associated with co-firing hydrogen, weatherization requirements, and customer receipt of any contractual benefits associated with the facility's guaranteed heat rate. In October 2022 the parties in the proceeding filed exceptions and replies to exceptions to the proposal for decision. Also in October 2022, Entergy Texas filed with the PUCT information regarding a new fixed pricing option for an estimated project cost of approximately $1.55 billion associated with Entergy Texas's issuance of limited notice to proceed by mid-November 2022. In November 2022 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Orange County Advanced Power Station without the investment associated with hydrogen co-firing capability, without a cap on cost recovery, and subject to certain conditions, including weatherization requirements and customer receipt of any contractual benefits associated with the facility's guaranteed heat rate.

In December 2022, Texas Industrial Energy Consumers and Sierra Club filed motions for rehearing of the PUCT's final order alleging the PUCT erred in granting the certification of the Orange County Advanced Power Station, in not imposing a cost cap, in including certain findings related to the reasonableness of Entergy Texas's request for proposals from which the Orange County Advanced Power Station was selected, and in other regards. Also in December 2022, Entergy Texas filed a response to the motions for rehearing refuting the points raised therein. In January 2023 the PUCT issued letters noting that it voted to consider Texas Industrial Energy Consumers' motion for rehearing at its upcoming January 2023 open meeting and voted not to consider Sierra Club's motion for rehearing at an open meeting. At the January 2023 open meeting, the PUCT voted to grant Texas Industrial Energy Consumers' motion for rehearing for the limited purpose of issuing an order on rehearing that excludes three findings related to Entergy Texas's request for proposals. The order on rehearing does not change the PUCT's certification of the Orange County Advanced Power Station or the conditions placed thereon in the PUCT's November 2022 final order. Construction is in progress, and subject to receipt of required permits, the facility is expected to be in service by mid-2026.

Legend Power Station and Lone Star Power Station

In June 2024, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Legend Power Station, a 754 MW combined cycle combustion turbine facility, which will be enabled for future carbon capture and storage and for hydrogen co-firing optionality, to be located in Jefferson County, Texas, and the Lone Star Power Station, a 453 MW simple cycle combustion turbine facility, which will be enabled with hydrogen co-firing optionality, to be located in Liberty County, Texas. In its application, Entergy Texas noted that the Legend Power Station was

expected to cost an estimated $1.46 billion and the Lone Star Power Station was expected to cost an estimated $735.3 million, in each case inclusive of the estimated costs of the generation facilities, interconnection costs, transmission network upgrades, and an allowance for funds used during construction. In July 2024 the PUCT referred the proceeding to the State Office of Administrative Hearings and, also in July 2024, the ALJ with the State Office of Administrative Hearings adopted a procedural schedule, with a hearing on the merits scheduled to begin in October 2024. In September 2024, Entergy Texas filed, and the ALJ with the State Office of Administrative Hearings granted, a motion to extend the procedural schedule in this proceeding in order to address certain developments relating to the cost and scope of the Legend Power Station and the Lone Star Power Station. In December 2024, Entergy Texas filed supplemental testimony and exhibits addressing the cost and scope developments associated with the Legend Power Station and the Lone Star Power Station in further support of its application. The cost and scope developments include cost estimate increases of $139 million for Legend Power Station and $63.7 million for Lone Star Power Station and the consideration of an alternate site for Lone Star Power Station, which would reduce the estimated cost increase of the Lone Star Power Station to $36.2 million. In March 2025, Entergy Texas filed testimony explaining that Entergy Texas planned to move forward with building the Lone Star Power Station on a more cost-effective alternative site in San Jacinto County, Texas. A hearing on the merits was held in April 2025. Also in April 2025, Entergy Texas, intervenors, and the PUCT staff filed initial briefs. In its initial brief, the PUCT staff recommended denial of Entergy Texas's application or, in the alternative, approval subject to conditions that include a prudence review by an external consultant if actual project costs exceed estimated costs by more than 10%, transmission cost reporting, and weatherization of both the Legend Power Station and the Lone Star Power Station. Certain intervenors requested that the PUCT impose various conditions upon the approval of the resources, including, among others, cost recovery limitations, a direction that Entergy Texas initiate a competitive tariff proceeding to facilitate industrial sleeving, a requirement for additional regulatory approvals related to hydrogen or carbon capture and storage implementation, limits on the recovery of supplemental filing costs, and calculation of AFUDC based on an adjusted weighted average cost of capital. Reply briefs were filed in May 2025. In June 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision, in which they recommended rejection of Entergy Texas's application to construct the Legend Power Station and the Lone Star Power Station based upon their finding that Entergy Texas did not demonstrate the resources to be cost-effective alternatives to address the uncontested need for additional generation. In the alternative, the ALJs recommended that if the PUCT approves the resources, that conditions be imposed, including a deferral of the finding that the resources were prudently selected until Entergy Texas's next rate case, a prudence review by an external consultant if actual project costs exceed estimated costs by more than 10%, weatherization requirements, and a requirement that Entergy Texas obtain additional regulatory approvals prior to implementing hydrogen co-firing or carbon capture and storage. The ALJs' proposal for decision was an interim step in the certification process and was not binding upon the PUCT. Entergy Texas filed exceptions in July 2025. In September 2025 the PUCT issued a decision granting the application, subject to conditions that include a cost cap at Entergy Texas's previously-filed modified estimated costs of $1.6 billion for the Legend Power Station and $799 million for the Lone Star Power Station, weatherization requirements, environmental compliance requirements, and a requirement to request additional authorization prior to implementing hydrogen co-firing or carbon capture and storage. In October 2025 an intervenor filed a motion for rehearing requesting that the PUCT modify the Lone Star Power Station cost cap to reflect the estimated project costs associated with a new project site, clarify that the cost cap is inclusive of transmission upgrades, and reconsider the intervenor's prior proposal for a "soft cost cap" below the estimated project costs, and that Entergy Texas be directed to initiate a competitive tariff proceeding to facilitate industrial sleeving of purchased power. Entergy Texas filed a response to the motion for rehearing in October 2025. In December 2025 the PUCT issued an order on rehearing modifying the Lone Star Power Station cost cap to $771.5 million to reflect the estimated project costs associated with a new project site and clarifying that the cost cap is inclusive of transmission upgrades, but denying the other relief requested in the motion for rehearing. See Note 8 to the financial statements for discussion of the build-to-suit lease arrangement for the Legend Power Station. Construction is underway, and subject to receipt of required permits and other conditions, both facilities are expected to be in service by mid-2028.

Segno Solar and Votaw Solar

In July 2024, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate the Segno Solar facility, a 170 MW solar facility to be located in Polk County, Texas, and the Votaw Solar facility, a 141 MW solar facility to be located in Hardin County, Texas. In August 2025, Entergy Texas filed, and the ALJs with the State Office of Administrative Hearings granted, an unopposed motion to withdraw the application. In September 2025, Entergy Texas and Entergy Louisiana entered into assignment and assumption agreements pursuant to which Entergy Texas assigned, and Entergy Louisiana assumed, certain interests in the Segno Solar and Votaw Solar facilities, and the associated assets were transferred in third quarter 2025 from Entergy Texas to Entergy Louisiana for approximately $42.1 million, which included adjustments per the assignment and assumption agreements.

Southeast Texas Area Reliability Project (SETEX)

In February 2025, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate a new single-circuit 500 kV transmission line and associated stations and 138/230 kV facilities. The transmission line is expected to be approximately 131 to 160 miles in length and the estimated cost of the project ranges from $1.3 billion to $1.5 billion, depending upon the route ultimately approved by the PUCT. Also in February 2025 the PUCT referred the proceeding to the State Office of Administrative Hearings. A hearing on the merits was held in May 2025. In July 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application to construct SETEX and recommending the PUCT's approval include selection of a specific route with an estimated cost of $1.4 billion. In October 2025 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the new single-circuit 500 kV transmission line and associated stations and 138/230 kV facilities, and selecting the final route for the project, which has an estimated cost of $1.36 billion. In November 2025, multiple parties filed motions for rehearing primarily challenging the routing of the transmission line. In December 2025 the PUCT issued an order on rehearing reaffirming and providing additional support for its initial decision. Subject to receipt of required permits and other conditions, the facility is expected to be in service by the end of 2029.

Legend to Sandling 230kV Transmission Line

In April 2025, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate a new single-circuit 230 kV transmission line. The transmission line is expected to be approximately 9 to 10 miles in length and the estimated cost of the project ranges from $87.4 million to $88.6 million, depending on the route ultimately approved by the PUCT. Also in April 2025 the PUCT referred the proceeding to the State Office of Administrative Hearings. In July 2025, Entergy Texas filed an unopposed settlement agreement resolving all issues in the proceeding and a joint motion, which the ALJ with the State Office of Administrative Hearings granted, on behalf of the parties to the proceeding to cancel the remaining procedural schedule, to admit evidence, and to remand the proceeding to the PUCT to consider the unopposed settlement agreement. In September 2025 the PUCT issued a notice of approval for the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the new single-circuit 230 kV transmission line, with a selected route at an estimated cost of $87.6 million. Subject to receipt of required permits and other conditions, the facility is expected to be in service by second quarter 2027.

Cypress to Legend 500 kV Transmission Line

In May 2025, Entergy Texas filed an application seeking PUCT approval to amend Entergy Texas's certificate of convenience and necessity to construct, own, and operate a new single-circuit 500 kV transmission line. The transmission line is expected to be approximately 40 to 49 miles in length and the estimated cost of the project ranges from $392.7 million to $436.2 million, depending on the route ultimately approved by the PUCT. In June 2025 the PUCT referred the proceeding to the State Office of Administrative Hearings and a hearing on the

merits was held in August 2025. In October 2025 the ALJs with the State Office of Administrative Hearings issued a proposal for decision recommending the PUCT approve Entergy Texas's application to construct the transmission line and recommending the PUCT's approval include selection of a specific route with an estimated cost of $398.7 million. In December 2025 the PUCT issued a final order approving the requested amendment to Entergy Texas's certificate of convenience and necessity to construct, own, and operate the new single-circuit 500 kV transmission line, and selecting the final route previously recommended. In February 2026, landowners not party to the PUCT proceeding filed in the 345th District Court of Travis County, Texas a petition for declaratory relief and temporary and permanent injunction against the PUCT's final order. The petition, which names the PUCT, its commissioners, and Entergy Texas as defendants, challenges Entergy Texas's notice, the application of the PUCT's notice rule, and the PUCT order's approval of a route the petitioner's assert was not adequately noticed. Entergy Texas expects to file an answer disputing all aspects of the petition by the applicable deadline. Subject to receipt of required permits and other conditions, the facility is expected to be in service by the end of 2028.

Resilience and Grid Hardening

In June 2024, Entergy Texas filed an application with the PUCT requesting approval of Phase I of its Texas Future Ready Resiliency Plan, a set of measures to begin accelerating the resiliency of Entergy Texas's transmission and distribution system. Phase I is comprised of projects totaling approximately $335.1 million, including approximately $137 million of projects to be funded by Entergy Texas and approximately $198 million of projects contingent upon Entergy Texas's receipt of grant funds in that amount from the Texas Energy Fund. The projects in Phase I include distribution and transmission hardening and modernization projects and targeted vegetation management projects to mitigate the risk of wildfire. These projects are expected to be implemented within approximately three years of PUCT approval. In January 2025 the PUCT unanimously approved Phase I of Entergy Texas's Texas Future Ready Resiliency Plan, including the approximately $137 million of projects to be funded by Entergy Texas and application of performance metrics consistent with the unopposed settlement. The PUCT clarified that, while not part of Entergy Texas's Phase I plan, Entergy Texas is permitted to pursue the remaining $198 million of identified projects and Texas Energy Fund grant funding for those projects. In February 2025 the PUCT issued an order adopting a new rule establishing the procedures for application to the grant fund. In July 2025, Entergy Texas submitted an application for approximately $200 million in grant funding from the Texas Energy Fund to implement the resilience projects originally included in its Texas Future Ready Resiliency Plan. In October 2025 the PUCT voted to approve the approximately $200 million grant request in full. The portion of the projects funded by Entergy Texas will be eligible for recovery through Entergy Texas's transmission or distribution cost recovery factor riders, as applicable.

Sources of Capital

Entergy Texas's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- debt or preferred stock issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- capital contributions; and
- bank financing under new or existing facilities.

Circumstances such as weather patterns, fuel and purchased power price fluctuations, and unanticipated expenses, including unscheduled plant outages and storms, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, Entergy Texas expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt and common and preferred stock issuances by Entergy Texas require prior regulatory approval. Debt issuances are also subject to requirements set forth in its bond indenture and other agreements. Entergy Texas has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

Entergy Texas's receivables from the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
	(In Thousands)		
$22,467	$18,504	$317,882	$99,468

See Note 4 to the financial statements for a description of the money pool.

Entergy Texas has a credit facility in the amount of $300 million scheduled to expire in June 2030. The credit facility includes fronting commitments for the issuance of letters of credit against $25 million of the borrowing capacity of the facility. As of December 31, 2025, there were no cash borrowings and $1.1 million in letters of credit outstanding under the credit facility. In addition, Entergy Texas is a party to two uncommitted letter of credit facilities as a means to post collateral to support its obligations to MISO. As of December 31, 2025, $59.6 million in letters of credit were outstanding under one of Entergy Texas's uncommitted letter of credit facilities. See Note 4 to the financial statements for additional discussion of the credit facilities.

Entergy Texas obtained authorizations from the FERC through January 2027 for short-term borrowings, not to exceed an aggregate amount of $200 million at any time outstanding, and long-term borrowings and security issuances. See Note 4 to the financial statements for further discussion of Entergy Texas's short-term borrowing limits.

Build-to-Suit Lease Arrangement for the Legend Power Station

In December 2025, Entergy Texas entered into a build-to-suit lease arrangement for the Legend Power Station as the lessee with a consortium of investors (the Investors). Under the terms of the arrangement, the Investors purchased the in-process Legend Power Station construction project from Entergy Texas at a cost of $359 million and will spend up to $1.45 billion (including the initial purchase price) to construct the Legend Power Station project as designed by Entergy Texas. Entergy Texas is engaged to serve as the construction agent for the Legend Power Station project. The Investors, however, control the asset during construction. If Entergy Texas defaults in its role as construction agent, the Investors have various options available to remedy the default, including by accelerating the lease balance payable by Entergy Texas, causing a sale of the Legend Power Station project to a third party, or certain other options. If there are certain changes to the terms of the PUCT approval of the Legend Power Station project or certain other circumstances outside of Entergy Texas's control, then either the Investors or Entergy Texas could exercise the right to terminate the arrangement, in which case Entergy Texas would be required to purchase the in-process Legend Power Station project from the Investors at an amount equal to their costs incurred to date, including carrying costs. Since Entergy Texas does not control the in-process construction project, it will not recognize the asset (i.e., construction work in progress) or an associated liability during construction.

Upon the Legend Power Station's readiness for first synchronization to the grid, expected in early 2028, a triple-net lease will commence under which Entergy Texas will have control of the Legend Power Station and receive all output from the plant. The initial term of the lease will end seven years from the closing of the arrangement, or approximately five years after the Legend Power Station's expected readiness for first synchronization to the grid. The lease cost will be equal to the Secured Overnight Financing Rate plus a margin which is based on the credit rating of Entergy Texas, multiplied by the total costs (including carrying costs) incurred by the Investors as of the commencement of the lease. Entergy Texas will have the option to purchase the Legend Power Station at any time during the lease term at a price equal to the total cost of the plant to the Investors, plus

any fees and carrying charges owed to the Investors. If the purchase price option is exercised within two years of commencement of the triple-net lease, Entergy Texas must enter into a secured note payable to the Investors for the amount of the purchase price. The note payable would be due at the end of the initial lease term, but may be prepaid at any time beginning two years after the commencement date of the lease. The note will be secured by the Legend Power Station and related equipment and collateral.

At the end of the initial lease term, Entergy Texas must exercise one of the following options: 1) renew the lease for an additional five year term, subject to unanimous consent of the Investors, 2) purchase the plant at a price equal to the total cost of the plant to Investors, plus any fees and carrying charges owed to the Investors, or 3) sell the plant on behalf of the Investors. If Entergy Texas chooses the third option, then it will owe or be owed any difference between the total cost of the plant to Investors and the sale price.

State and Local Rate Regulation and Fuel-Cost Recovery

The rates that Entergy Texas charges for its services significantly influence its financial position, results of operations, and liquidity. Entergy Texas is regulated, and the rates charged to its customers are determined in regulatory proceedings. A governmental agency, the PUCT, is primarily responsible for approval of the rates charged to customers.

Filings with the PUCT and Texas Cities

Retail Rates

2022 Base Rate Case

In July 2022, Entergy Texas filed a base rate case with the PUCT seeking a net increase in base rates of approximately $131.4 million. The base rate case was based on a 12-month test year ending December 31, 2021. Key drivers of the requested increase were changes in depreciation rates as the result of a depreciation study and an increase in the return on equity. In addition, Entergy Texas included capital additions placed into service for the period of January 1, 2018 through December 31, 2021, including those additions reflected in the then-effective distribution and transmission cost recovery factor riders and the generation cost recovery rider, all of which were reset to zero in June 2023 as a result of this proceeding. In July 2022 the PUCT referred the proceeding to the State Office of Administrative Hearings. In October 2022 intervenors filed direct testimony challenging and supporting various aspects of Entergy Texas's rate case application. The key issues addressed included the appropriate return on equity, generation plant deactivations, depreciation rates, and proposed tariffs related to electric vehicles. In November 2022 the PUCT staff filed direct testimony addressing a similar set of issues and recommending a reduction of $50.7 million to Entergy Texas's overall cost of service associated with the requested net increase in base rates of approximately $131.4 million. Entergy Texas filed rebuttal testimony in November 2022.

In May 2023, Entergy Texas filed on behalf of the parties an unopposed settlement resolving all issues in the proceeding, except for issues related to electric vehicle charging infrastructure which were eventually severed to a separate proceeding and resolved in October 2024, and Entergy Texas filed an agreed motion for interim rates, subject to refund or surcharge to the extent that the interim rates differ from the final approved rates. The unopposed settlement reflected a net base rate increase to be effective and relate back to December 2022 of $54 million, exclusive of, and incremental to, the costs being realigned from the distribution and transmission cost recovery factor riders and the generation cost recovery rider and $4.8 million of rate case expenses to be recovered through a rider over a period of 36 months. The net base rate increase of $54 million includes updated depreciation rates and a total annual revenue requirement of $14.5 million for the accrual of a self-insured storm reserve and the recovery of the regulatory assets for the pension and postretirement benefits expense deferral, costs associated with the COVID-19 pandemic, and retired non-advanced metering system electric meters. In May 2023 the ALJ with the State Office of Administrative Hearings granted the motion for interim rates, which became effective in June 2023. Additionally, the ALJ remanded the proceeding to the PUCT to consider the settlement. In August 2023 the PUCT

issued an order approving the unopposed settlement. Concurrently, Entergy Texas recorded the reversal of $21.9 million of regulatory liabilities to reflect the recognition of certain receipts by Entergy Texas under affiliated PPAs that have been resolved.

Following the PUCT's approval of the unopposed settlement in August 2023, Entergy Texas recorded a regulatory liability of $10.3 million, which reflected the net effects of higher depreciation and amortizations for the relate back period, partially offset by the relate back of base rate revenues that would have been collected had the approved rates been in effect for the period from December 2022 through June 2023, the date the new base rates were implemented on an interim basis. In October 2023, Entergy Texas filed a relate back surcharge rider to collect over six months beginning in January 2024 an additional approximately $24.6 million, which was the revenue requirement associated with the relate back of rates from December 2022 through June 2023, including carrying costs, as authorized by the PUCT's August 2023 order. In November 2023, Entergy Texas filed an amended relate back surcharge rider to collect approximately $24.1 million based on a revised carrying cost rate. The amended relate back surcharge rider was approved by the PUCT in December 2023. The higher depreciation and amortizations for the relate back period were also recognized over the six months beginning in January 2024, resulting in no effect on net income from the collection of the relate back surcharge rider.

Distribution Cost Recovery Factor (DCRF) Rider

In June 2024, Entergy Texas filed with the PUCT a request to set a new DCRF rider. The new rider was designed to collect from Entergy Texas's retail customers approximately $40.3 million annually based on its capital invested in distribution between January 1, 2022 and March 31, 2024. In September 2024 the PUCT approved the DCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective with the first billing cycle in October 2024.

In September 2024, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $48.9 million annually, or $8.6 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between April 1, 2024 and June 30, 2024. In December 2024, Entergy Texas filed an errata to revise its DCRF application for minor corrections, which decreased the requested annual revenue requirement to $48.5 million. The amended request represented an incremental increase of $8.2 million in annual revenues beyond Entergy Texas's then-effective DCRF rider. Also in December 2024 the PUCT approved the DCRF rider, consistent with Entergy Texas's filed errata, and rates became effective on December 20, 2024.

In April 2025, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $77.8 million annually, or $29.3 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between July 1, 2024 and December 31, 2024, including distribution-related restoration costs associated with Hurricane Beryl. In June 2025 the PUCT approved the DCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective on June 25, 2025.

In September 2025, Entergy Texas filed with the PUCT a request to amend its DCRF rider. The amended rider was designed to collect from Entergy Texas's retail customers approximately $94.7 million annually, or $16.9 million in incremental annual revenues beyond Entergy Texas's then-effective DCRF rider based on its capital invested in distribution between January 1, 2025 and June 30, 2025. In November 2025, Entergy Texas filed an errata to revise its DCRF application for minor corrections, which decreased the requested annual revenue requirement to $92.1 million. The amended request represented an incremental increase of $14.3 million in annual revenues beyond Entergy Texas's then-effective DCRF filing. In December 2025 the PUCT approved the DCRF rider, consistent with Entergy Texas's filed errata, and rates became effective on December 15, 2025.

Transmission Cost Recovery Factor (TCRF) Rider

In December 2018, Entergy Texas filed with the PUCT a request to set a new TCRF rider. The new TCRF rider was designed to collect approximately $2.7 million annually from Entergy Texas's retail customers based on its capital invested in transmission between January 1, 2018 and September 30, 2018. In April 2019 parties filed testimony proposing a load growth adjustment, which would fully offset Entergy Texas's proposed TCRF revenue requirement. In July 2019 the PUCT granted Entergy Texas's application as filed to begin recovery of the requested $2.7 million annual revenue requirement, rejecting opposing parties' proposed adjustment; however, the PUCT found that the question of prudence of the actual investment costs should be determined in Entergy Texas's next rate case similar to the procedure used for the costs recovered through the DCRF rider. In October 2019 the PUCT issued an order on a motion for rehearing, clarifying and affirming its prior order granting Entergy Texas's application as filed. Also in October 2019 a second motion for rehearing was filed, and Entergy Texas filed a response in opposition to the motion. The second motion for rehearing was overruled by operation of law. In December 2019, Texas Industrial Energy Consumers filed an appeal to the PUCT order in district court alleging that the PUCT erred in declining to apply a load growth adjustment.

In October 2024, Entergy Texas filed with the PUCT a request to amend its TCRF rider, which was previously reset to zero in June 2023 as a result of the 2022 base rate case. The amended rider was designed to collect from Entergy Texas's retail customers approximately $9.7 million annually based on its capital invested in transmission between January 1, 2022 and June 30, 2024 and changes in other transmission charges. In April 2025 the PUCT approved the TCRF rider, consistent with Entergy Texas's as-filed request, and rates became effective for usage on and after April 7, 2025.

In October 2025, Entergy Texas filed with the PUCT a request to amend its TCRF rider. The proposed rider is designed to collect from Entergy Texas's retail customers approximately $30.3 million annually, or $20.6 million in incremental annual revenues beyond Entergy Texas's currently effective TCRF rider based on its capital invested in transmission between July 1, 2024 and June 30, 2025 and changes in other transmission charges. In January 2026 the PUCT staff filed a recommendation that the PUCT approve Entergy Texas's as-filed application.

Generation Cost Recovery Rider

In December 2020, Entergy Texas also filed an application to amend its generation cost recovery rider to reflect its acquisition of the Hardin County Peaking Facility, which closed in June 2021. Because the facility was to be acquired in the future, the initial generation cost recovery rider rates proposed in the application represented no change from the generation cost recovery rider rates established in Entergy Texas's previous generation cost recovery rider proceeding. In July 2021 the PUCT issued an order approving the application. In August 2021, Entergy Texas filed an update application to recover its actual investment in the acquisition of the Hardin County Peaking Facility, and in January 2022, Entergy Texas filed an update to its application to align the requested revenue requirement with the terms of the generation cost recovery rider settlement approved by the PUCT in January 2022. In April 2022, Entergy Texas filed on behalf of the parties a unanimous settlement agreement that would adjust its generation cost recovery rider to recover an annual revenue requirement of approximately $92.8 million, which was $4.5 million in incremental annual revenue above the revenue requirement approved in January 2022 described above and related to Entergy Texas's investment in the Montgomery County Power Station. The PUCT approved the settlement agreement and rates became effective in August 2022. In September 2022, Entergy Texas filed a relate-back rider designed to collect over three months an additional approximately $5.7 million, which is the revenue requirement, plus carrying costs, associated with Entergy Texas's acquisition of Hardin County Peaking Facility from June 2021 through August 2022 when the updated revenue requirement took effect. In April 2023 the PUCT approved Entergy Texas's as-filed request with rates effective over three months beginning in May 2023.

Fuel and purchased power cost recovery

Entergy Texas's rate schedules include a fixed fuel factor to recover fuel and purchased power costs, including interest, not recovered in base rates. Historically, semi-annual revisions of the fixed fuel factor have been made in March and September based on the market price of natural gas and changes in fuel mix. The amounts collected under Entergy Texas's fixed fuel factor and any interim surcharge or refund are subject to fuel reconciliation proceedings before the PUCT. In 2023 the Texas legislature modified the Texas Utilities Code with regard to how material over- and under-recovered fuel balances are to be addressed and directed that fuel reconciliations must be filed at least once every two years. In July 2025 the PUCT initiated a rulemaking to effectuate the new legislation. In December 2025 the PUCT adopted amendments to its fuel rules that maintain a periodic revision to utility fuel factors coupled with accelerated processing of surcharges and refunds to address material over- and under-recovered amounts.

In September 2022, Entergy Texas filed an application with the PUCT to reconcile its fuel and purchased power costs for the period from April 2019 through March 2022. During the reconciliation period, Entergy Texas incurred approximately $1.7 billion in eligible fuel and purchased power expenses, net of certain revenues credited to such expenses and other adjustments. As of the end of the reconciliation period, Entergy Texas's cumulative under-recovery balance was approximately $103.1 million, including interest, which Entergy Texas requested authority to carry over as the beginning balance for the subsequent reconciliation period beginning April 2022, pending future surcharges or refunds as approved by the PUCT. In November 2022 the PUCT referred the proceeding to the State Office of Administrative Hearings. In July 2023, Entergy Texas filed an unopposed settlement, supporting testimony, and an agreed motion to admit evidence and remand the proceeding to the PUCT. Pursuant to the unopposed settlement, Entergy Texas would receive no disallowance of fuel costs incurred over the three-year reconciliation period and retain $9.3 million in margins from off-system sales made during the reconciliation period, resulting in a cumulative under-recovery balance of approximately $99.7 million, including interest, as of the end of the reconciliation period. In July 2023 the ALJ with the State Office of Administrative Hearings granted the motion to admit evidence and remanded the proceeding to the PUCT for consideration of the unopposed settlement. The PUCT approved the settlement in September 2023.

In September 2024, Entergy Texas filed an application with the PUCT to reconcile its fuel and purchased power costs for the period from April 2022 through March 2024. During the reconciliation period, Entergy Texas incurred approximately $1.6 billion in eligible fuel and purchased power expenses to generate and purchase electricity to serve its customers, net of certain revenues credited to such expenses and other adjustments. Entergy Texas's cumulative under-recovery balance for the reconciliation period was approximately $30 million, including interest, which Entergy Texas requested authority to carry over as part of the cumulative fuel balance for the subsequent reconciliation period beginning April 2024. In March 2025, Texas Industrial Energy Consumers, an intervenor, filed testimony regarding the recovery of capacity costs for a certain power purchase agreement, arguing the capacity costs should be imputed and treated as non-reconcilable fuel expense, recovered in Entergy Texas's base rates. In April 2025 the PUCT staff filed testimony and later in April 2025, Entergy Texas filed rebuttal testimony. In August 2025, Entergy Texas filed an unopposed settlement agreement that results in no disallowance and establishes a regulatory asset for the future recovery of imputed capacity costs and associated carrying costs related to a certain purchased power agreement, with recovery effective retroactive to June 1, 2024. In October 2025 the PUCT approved the unopposed settlement agreement.

In December 2024, Entergy Texas filed an application with the PUCT to implement an interim fuel refund of $45.5 million, including interest. Entergy Texas proposed that the interim fuel refund be implemented over a three-month period beginning with the first billing cycle in February 2025 for residential and other small customers and through a one-time credit, or surcharge depending on historical usage for the respective customer, for certain transmission voltage level and seasonal agricultural customers in February 2025. Also in December 2024 the PUCT referred the proceeding to the State Office of Administrative Hearings. In January 2025 the ALJ with the State Office of Administrative Hearings issued an order approving the interim fuel refund consistent with Entergy

Texas's application and, because no hearing was requested in the proceeding, dismissing the case from the State Office of Administrative Hearings and the PUCT.

Industrial and Commercial Customers

Entergy Texas's large industrial and commercial customers continually explore ways to reduce their energy costs. Entergy Texas responds by working with industrial and commercial customers to negotiate electric service contracts, under existing rate schedules, with competitive rates that match specific customer needs and load profiles. Additionally, cogeneration is an option available to a portion of Entergy Texas's industrial customer base. Entergy Texas actively participates in economic development, customer retention, and reclamation activities to increase industrial and commercial demand from both new and existing customers.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Nuclear Matters

See the "**Nuclear Matters**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of nuclear matters.

Environmental Risks

Entergy Texas's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that Entergy Texas is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business - Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of Entergy Texas's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of Entergy Texas's financial position, results of operations, or cash flows.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

Entergy Texas's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$141	$4,530
Rate of return on plan assets	(0.25%)	$571	$—
Rate of increase in compensation	0.25%	$198	$893

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$31	$1,003
Health care cost trend	0.25%	$44	$592

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for Entergy Texas in 2025 was $2.7 million, including $617 thousand in settlement costs. Entergy Texas anticipates 2026 qualified pension cost to be $1.5 million. Entergy Texas contributed $7.7 million to its qualified pension plans in 2025 and estimates 2026 pension contributions will be approximately $5.9 million, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit income for Entergy Texas in 2025 was $10.6 million. Entergy Texas expects 2026 postretirement health care and life insurance benefit income to approximate $9.6 million. In 2025, Entergy Texas' contributions to its other postretirement plans, specifically contributions to the external trusts plus claims payments, were offset by trust claims reimbursements, resulting in a net reimbursement of $171 thousand. Entergy Texas estimates that 2026 contributions will be approximately $149 thousand.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and Board of Directors of
Entergy Texas, Inc. and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Entergy Texas, Inc. and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, cash flows, and changes in equity (pages 449 through 454 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Rate and Regulatory Matters — Entergy Texas, Inc. and Subsidiaries — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to rate regulation by the Public Utility Commission of Texas (the "PUCT"), which has jurisdiction with respect to the rates of electric companies in Texas, and to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the PUCT and the FERC set the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the PUCT and the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the PUCT and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the PUCT and the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the PUCT and the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the PUCT's and the FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's filings with the PUCT and the FERC and orders issued, and considered the filings with the PUCT and the FERC by intervenors that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

Entergy Texas Build-to-Suit Lease Arrangement for the Legend Power Station—Entergy Texas, Inc. and Subsidiaries — Refer to Note 8 to the financial statements

Critical Audit Matter Description

In December 2025, the Company entered into a build-to-suit lease arrangement for the Legend Power Station (the "Facility") as the lessee with a consortium of investors ("the Investors"). Under the terms of the arrangement, the Investors purchased the in-process Facility from the Company at cost of $359 million and will spend up to $1.45 billion (including the initial purchase price) to construct the Facility as designed by the Company. The Company is engaged to serve as the construction agent for the Facility. The Investors, however, control the Facility during

construction. If the Company defaults in its role as construction agent, the Investors have various options available to remedy the default, including by accelerating the lease balance payable by the Company, causing a sale of the Facility to a third party, or certain other options. If there are certain changes to the terms of the PUCT approval of the Facility or certain other circumstances outside of the Company's control, then either the Investors or the Company could exercise the right to terminate the arrangement, in which case the Company would be required to purchase the in-process Facility from the Investors at an amount equal to their costs incurred to date, including carrying costs. Since the Company does not control the in-process Facility, it will not recognize the Facility (i.e., construction work in progress) or an associated liability during construction.

Upon the Facility's readiness for first synchronization to the grid, expected in early 2028, a triple-net lease will commence under which the Company will have control of the Facility and receive all output from the plant.

We identified management's conclusion that the Company does not control the Facility being constructed before the commencement of the lease (i.e., during the construction period) and thus is not the deemed accounting owner of the Facility during the construction period as a critical audit matter due to the judgments made by management to support its conclusion. Auditing management's judgments involved especially subjective judgment and specialized knowledge of accounting for lease transactions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the build-to-suit lease arrangement for the Facility included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the accounting impact of this build-to-suit lease arrangement, including the conclusion that the Company does not control the Facility being constructed before the commencement of the lease.
- We evaluated the Company's disclosures related to the impacts of the build-to-suit lease arrangement.
- We read relevant transaction documents between the Company and the Investors as well as regulatory orders issued by the PUCT for the Company and evaluated the external information to compare to management's conclusions.
- We obtained an analysis from management to assess management's assertion that the Company does not control the Facility being constructed before the commencement date of the lease.
- With the assistance of professionals in our firm having expertise and experience in addressing the accounting for build-to-suit lease arrangements, we evaluated the Company's analysis, including the conclusion that the Company does not control the Facility being constructed before the commencement date of the lease.
- We obtained representation from management regarding the conclusion that the Company does not control the Facility being constructed before the commencement date of the lease.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

ENTERGY TEXAS, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$2,127,584	$2,050,150	$2,028,586
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	351,554	482,486	403,111
Purchased power	497,113	373,036	468,511
Other operation and maintenance	359,812	340,956	323,797
Taxes other than income taxes	120,919	101,993	117,852
Depreciation and amortization	325,185	338,890	278,311
Other regulatory charges (credits) - net	13,732	(13,884)	7,324
TOTAL	1,668,315	1,623,477	1,598,906
OPERATING INCOME	459,269	426,673	429,680
OTHER INCOME			
Allowance for equity funds used during construction	81,771	47,833	28,193
Interest and investment income	5,964	15,107	11,116
Miscellaneous - net	(8,824)	(11,113)	(10,411)
TOTAL	78,911	51,827	28,898
INTEREST EXPENSE			
Interest expense	173,565	137,820	114,978
Allowance for borrowed funds used during construction	(34,822)	(18,626)	(10,545)
TOTAL	138,743	119,194	104,433
INCOME BEFORE INCOME TAXES	399,437	359,306	354,145
Income taxes	65,366	65,684	62,872
NET INCOME	334,071	293,622	291,273
Preferred dividend requirements	2,072	2,072	2,072
EARNINGS APPLICABLE TO COMMON STOCK	$331,999	$291,550	$289,201

See Notes to Financial Statements.

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ENTERGY TEXAS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$334,071	$293,622	$291,273
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation and amortization	325,185	338,890	278,311
Deferred income taxes, tax credits, and non-current taxes accrued	37,714	35,631	53,507
Changes in assets and liabilities:			
Receivables	(43,441)	(13,201)	24,249
Fuel inventory	15,137	4,877	(24,097)
Accounts payable	10,245	41,216	(22,046)
Taxes accrued	10,706	(2,413)	(14,146)
Interest accrued	3,204	7,418	7,357
Deferred fuel costs	(47,918)	198,290	119,096
Other working capital accounts	(50,423)	(38,672)	(36,097)
Provisions for estimated losses	3,573	505	1,887
Other regulatory assets	38,902	46,898	(17,924)
Other regulatory liabilities	84,253	(45,301)	(20,122)
Pension and other postretirement funded status	(29,430)	(29,062)	(36,131)
Other assets and liabilities	(63,865)	(15,049)	36,574
Net cash flow provided by operating activities	627,913	823,649	641,691
INVESTING ACTIVITIES			
Construction expenditures	(1,720,604)	(1,287,518)	(946,543)
Allowance for equity funds used during construction	81,771	47,833	28,193
Proceeds from sale of assets	400,266	2,396	11,000
Changes in money pool receivable - net	(3,963)	299,378	(218,414)
Changes in securitization account	1,223	2,493	5,684
Decrease (increase) in other investments	—	7,000	(5,868)
Net cash flow used in investing activities	(1,241,307)	(928,418)	(1,125,948)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	493,515	343,124	344,895
Retirement of long-term debt	(18,847)	(18,334)	(17,835)
Capital contributions from parent	225,000	—	150,000
Dividends paid:			
Common stock	—	(69,000)	—
Preferred stock	(2,072)	(2,072)	(2,072)
Other	5,909	14,062	27,758
Net cash flow provided by financing activities	703,505	267,780	502,746
Net increase in cash and cash equivalents	90,111	163,011	18,489
Cash and cash equivalents at beginning of period	184,997	21,986	3,497
Cash and cash equivalents at end of period	$275,108	$184,997	$21,986
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest - net of amount capitalized	$160,072	$127,342	$104,766
Income taxes - net	$23,517	$34,077	$28,969
Noncash investing activities:			
Accrued construction expenditures	$102,988	$279,480	$257,467

See Notes to Financial Statements.

ENTERGY TEXAS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$200	$291
Temporary cash investments	274,908	184,706
Total cash and cash equivalents	275,108	184,997
Securitization recovery trust account	1,480	2,703
Accounts receivable:		
Customer	107,287	84,842
Allowance for doubtful accounts	(8,598)	(1,304)
Associated companies	28,747	26,564
Other	67,400	43,773
Accrued unbilled revenues	80,503	74,060
Total accounts receivable	275,339	227,935
Fuel inventory - at average cost	30,833	45,970
Materials and supplies	190,322	157,241
Prepayments and other	49,161	34,803
TOTAL	822,243	653,649
OTHER PROPERTY AND INVESTMENTS		
Investments in affiliates - at equity	56	107
Other	15,607	15,878
TOTAL	15,663	15,985
UTILITY PLANT		
Electric	9,491,159	8,628,625
Construction work in progress	1,761,028	1,513,170
TOTAL UTILITY PLANT	11,252,187	10,141,795
Less - accumulated depreciation and amortization	2,764,308	2,548,961
UTILITY PLANT - NET	8,487,879	7,592,834
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets (includes securitization property of $216,107 as of December 31, 2025 and $234,112 as of December 31, 2024)	510,806	549,708
Other	191,555	157,904
TOTAL	702,361	707,612
TOTAL ASSETS	$10,028,146	$8,970,080

See Notes to Financial Statements.

ENTERGY TEXAS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$130,000	$—
Accounts payable:		
Associated companies	73,178	65,335
Other	518,613	361,404
Customer deposits	42,109	40,782
Taxes accrued	87,180	76,474
Interest accrued	41,907	38,703
Deferred fuel costs	11,353	59,271
Other	16,801	20,836
TOTAL	921,141	662,805
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	947,067	868,849
Accumulated deferred investment tax credits	6,467	7,215
Regulatory liability for income taxes - net	57,755	93,766
Other regulatory liabilities	138,969	18,705
Asset retirement cost liabilities	15,097	17,688
Accumulated provisions	13,558	9,985
Long-term debt (includes securitization bonds of $221,139 as of December 31, 2025 and $239,622 as of December 31, 2024)	3,900,188	3,552,443
Other	129,693	397,412
TOTAL	5,208,794	4,966,063
Commitments and Contingencies		
EQUITY		
Common stock, no par value, authorized 200,000,000 shares; issued and outstanding 46,525,000 shares in 2025 and 2024	49,452	49,452
Paid-in capital	1,425,125	1,200,125
Retained earnings	2,384,884	2,052,885
Total common shareholder's equity	3,859,461	3,302,462
Preferred stock without sinking fund	38,750	38,750
TOTAL	3,898,211	3,341,212
TOTAL LIABILITIES AND EQUITY	$10,028,146	$8,970,080

See Notes to Financial Statements.

ENTERGY TEXAS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

		Common Equity			
	Preferred Stock	Common Stock	Paid-in Capital	Retained Earnings	Total
			(In Thousands)		
Balance at December 31, 2022	$38,750	$49,452	$1,050,125	$1,541,134	$2,679,461
Net income	—	—	—	291,273	291,273
Capital contribution from parent	—	—	150,000	—	150,000
Preferred stock dividends	—	—	—	(2,072)	(2,072)
Balance at December 31, 2023	$38,750	$49,452	$1,200,125	$1,830,335	$3,118,662
Net income	—	—	—	293,622	293,622
Common stock dividends	—	—	—	(69,000)	(69,000)
Preferred stock dividends	—	—	—	(2,072)	(2,072)
Balance at December 31, 2024	$38,750	$49,452	$1,200,125	$2,052,885	$3,341,212
Net income	—	—	—	334,071	334,071
Capital contribution from parent	—	—	225,000	—	225,000
Preferred stock dividends	—	—	—	(2,072)	(2,072)
Balance at December 31, 2025	$38,750	$49,452	$1,425,125	$2,384,884	$3,898,211

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.

MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS

System Energy's principal asset consists of an ownership interest and a leasehold interest in Grand Gulf. The capacity and energy from its 90% interest is sold under the Unit Power Sales Agreement to its only three customers, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans. System Energy's operating revenues are derived from the allocation of the capacity, energy, and related costs associated with its 90% interest in Grand Gulf pursuant to the Unit Power Sales Agreement. See Note 8 to the financial statements for additional information regarding the amended Unit Power Sales Agreement. Payments under the Unit Power Sales Agreement are System Energy's only source of operating revenues. As discussed in "**Complaints Against System Energy**" in Note 2 to the financial statements, System Energy and the Unit Power Sales Agreement have been the subject of several litigation proceedings at the FERC. Settlements that resolve all significant aspects of these complaints have been reached with the MPSC, the APSC, the City Council, and the LPSC, and these settlements have been approved by the FERC.

Results of Operations

2025 Compared to 2024

Net Income

Net income decreased $15.4 million primarily due to a lower rate of return on rate base, including the effects of the lower authorized rate of return on equity and capital structure limitations reflected in monthly bills issued to Entergy Louisiana effective with the September 2024 service month per the settlement agreement with the LPSC and the lower authorized rate of return on equity and capital structure limitations reflected in monthly bills issued to Entergy New Orleans effective with the June 2024 service month per the settlement agreement with the City Council. See Note 2 to the financial statements for discussion of the settlements with the City Council and the LPSC.

Income Taxes

The effective income tax rates were 18.2% for 2025 and 22.2% for 2024. See Note 3 to the financial statements for a reconciliation of the federal statutory rate of 21% to the effective income tax rates and for additional discussion regarding income taxes.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Results of Operations**" in Item 7 of System Energy's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of results of operations for 2024 compared to 2023.

Income Tax Legislation and Regulation

See the "**Income Tax Legislation and Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of income tax legislation and regulation.

Liquidity and Capital Resources

Cash Flow

Cash flows for the years ended December 31, 2025, 2024, and 2023 were as follows:

	2025	2024	2023
		(In Thousands)	
Cash and cash equivalents at beginning of period	$28,908	$60	$2,940
Net cash provided by (used in):			
Operating activities	251,740	31,505	273,572
Investing activities	(191,229)	(317,935)	(75,806)
Financing activities	(89,363)	315,278	(200,646)
Net increase (decrease) in cash and cash equivalents	(28,852)	28,848	(2,880)
Cash and cash equivalents at end of period	$56	$28,908	$60

2025 Compared to 2024

Operating Activities

Net cash flow provided by operating activities increased $220.2 million in 2025 primarily due to:

- the receipt of $133.8 million related to the transfer of the 2024 nuclear production tax credits to third parties in 2025. See Note 3 to the financial statements for discussion of the nuclear production tax credits;
- the refund of $98.1 million made in 2024 to Entergy New Orleans as a result of the settlement with the City Council. See Note 2 to the financial statements for discussion of the settlement with the City Council;
- the refund of $92.7 million made in 2024 to Entergy Arkansas as a result of the settlement with the APSC. See Note 2 to the financial statements for discussion of the settlement with the APSC;
- the refund of $80.2 million made in 2024 to Entergy Louisiana as a result of the settlement with the LPSC. See Note 2 to the financial statements for discussion of the settlement with the LPSC; and
- a decrease of $16.8 million in spending on nuclear refueling outage costs in 2025 as compared to 2024.

The increase was partially offset by $174.4 million in payments to Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans in 2025 related to the net proceeds from the transfers of the 2024 nuclear production tax credits in accordance with the Unit Power Sales Agreement. See Note 3 to the financial statements for discussion of the nuclear production tax credits.

Investing Activities

Net cash flow used in investing activities decreased by $126.7 million in 2025 primarily due to a decrease in cash used of $99.1 million as a result of fluctuations in nuclear fuel activity due to variations from year to year in the timing and pricing of fuel reload requirements, materials and services deliveries, and the timing of cash payments during the nuclear fuel cycle and a decrease of $32.7 million in nuclear construction expenditures primarily due to higher spending in 2024 on Grand Gulf outage projects and upgrades.

Financing Activities

System Energy's financing activities used $89.4 million of cash in 2025 compared to providing $315.3 million of cash in 2024 primarily due to the following activity:

- the issuance of $300 million of 5.30% Series mortgage bonds in December 2024;
- the repayment, prior to maturity, of $200 million of 2.14% Series mortgage bonds in June 2025;
- a capital contribution of $150 million received from Entergy Corporation in January 2024 in order to maintain System Energy's capital structure;
- net repayments of $36.3 million in 2025 compared to net long-term borrowings of $51.2 million in 2024 on the nuclear fuel company variable interest entity's credit facility;
- money pool activity;
- a decrease of $70 million in common stock dividends and distributions paid in 2025 in order to maintain System Energy's capital structure; and
- the issuance of $240 million of 5.30% Series mortgage bonds in May 2025.

Increases in System Energy's payable to the money pool are a source of cash flow, and System Energy's payable to the money pool increased $16.3 million in 2025 compared to decreasing by $12.2 million in 2024. The money pool is an intercompany cash management program that makes possible intercompany borrowing and lending arrangements, and the money pool and other borrowing arrangements are designed to reduce the Registrant Subsidiaries' dependence on external short-term borrowings.

See Note 5 to the financial statements for additional details of long-term debt.

2024 Compared to 2023

See "**MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS - Liquidity and Capital Resources - Cash Flow**" in Item 7 of System Energy's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 18, 2025, for discussion of operating, investing, and financing cash flow activities for 2024 compared to 2023.

Capital Structure

System Energy's debt to capital ratio is shown in the following table.

	December 31, 2025	December 31, 2024
Debt to capital	53.1%	52.9%
Effect of subtracting cash	—%	(0.7%)
Net debt to net capital (non-GAAP)	53.1%	52.2%

Net debt consists of debt less cash and cash equivalents. Debt consists of short-term borrowings and long-term debt, including the currently maturing portion. Capital consists of debt and common equity. Net capital consists of capital less cash and cash equivalents. System Energy uses the debt to capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating System Energy's financial condition. The net debt to net capital ratio is a non-GAAP measure. System Energy uses the net debt to net capital ratio in analyzing its financial condition and believes it provides useful information to its investors and creditors in evaluating System Energy's financial condition because net debt indicates System Energy's outstanding debt position that could not be readily satisfied by cash and cash equivalents on hand.

System Energy seeks to optimize its capital structure in accordance with its regulatory requirements and to control its cost of capital while also maintaining equity capitalization at a level consistent with investment-grade

debt ratings. To the extent that operating cash flows are in excess of planned investments, cash may be used to reduce outstanding debt or may be paid as a dividend or a capital distribution, to the extent funds are legally available to do so, or a combination of the three, in appropriate amounts to maintain the capital structure. To the extent that operating cash flows are insufficient to support planned investments and other uses of cash such as the payment of expenses in the ordinary course, System Energy may issue incremental debt or reduce dividends, or both, to maintain its capital structure. In addition, System Energy may receive equity contributions to maintain its capital structure for certain circumstances that would materially alter the capital structure if financed entirely with debt and reduced dividends.

Uses of Capital

System Energy requires capital resources for:

- construction and other capital investments;
- debt maturities or retirements;
- working capital purposes, including the financing of fuel costs and tax payments; and
- dividend, distribution, and interest payments.

Following are the amounts of System Energy's planned construction and other capital investments.

	2026	2027	2028	2029
		(In Millions)		
Planned construction and capital investment:				
Generation	$130	$115	$135	$140
Utility Support	25	5	5	25
Total	$155	$120	$140	$165

In addition to routine spending to maintain operations, the planned capital investment estimate includes amounts associated with Grand Gulf investments and initiatives. Estimated capital expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints and requirements, governmental actions, including trade-related governmental actions discussed below, environmental compliance, business opportunities, market volatility, economic trends, business restructuring, changes in project plans, and the ability to access capital, including any changes to governmental programs, such as loans, grants, guarantees, and other subsidies.

Recent announcements of changes to international trade policy and tariffs and further similar changes may impact System Energy's business, operations, results of operations, and liquidity and capital resources. Potential impacts may include increases in costs associated with System Energy's capital investments or operation and maintenance expenses; operational impacts, such as supply chain, manufacturing, cost and availability of qualified, skilled labor, or raw materials sourcing disruptions which may affect System Energy's ability to make planned capital investments as and when expected and needed; legal uncertainties, such as potential legal or other challenges to presidential tariff authority; or broader economic risks, including changes to domestic monetary policy, shifting customer demand, impacts on customer investment decisions, and volatile or uncertain credit and capital markets, which may affect System Energy's ability to access needed capital. The nature and extent of any such effects will depend on, among other things, the specifics of the changes that are ultimately implemented both domestically and internationally, the responses of vendors, suppliers, and other counterparties to those changes, indirect effects on the price and availability of non-tariffed goods, and the effectiveness of mitigation measures.

System Energy has incurred incremental cost increases due to certain tariff-exposed inputs, including select equipment, components, or underlying raw materials. As of the date of this Form 10-K, such increases have not had a material effect on its current and planned capital projects. System Energy is not able to predict any further effects of such tariffs or the effects of potential changes in regulation and law, changes to governmental programs, such as

loans, grants, guarantees, and other subsidies, and trade-related governmental actions, such as tariffs and other measures, on its current and planned capital projects.

Following are the amounts of System Energy's existing debt obligations (includes estimated interest payments).

	2026	2027	2028	2029-2030	After 2030
			(In Millions)		
Long-term debt (a)	$71	$196	$378	$96	$865

(a) Long-term debt is discussed in Note 5 to the financial statements.

Other Obligations

System Energy currently expects to contribute approximately $13.2 million to its qualified pension plans and approximately $49 thousand to its other postretirement plans in 2026, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026, valuations are completed, which is expected by April 1, 2026. See "**Critical Accounting Estimates – Qualified Pension and Other Postretirement Benefits**" below and Note 11 to the financial statements for a discussion of qualified pension and other postretirement benefits funding.

System Energy has $140.9 million of unrecognized tax benefits and interest net of unused tax attributes and payments for which the timing of payments beyond 12 months cannot be reasonably estimated due to uncertainties in the timing of effective settlement of tax positions. See Note 3 to the financial statements for additional information regarding unrecognized tax benefits.

In addition, System Energy enters into nuclear fuel purchase agreements that contain minimum purchase obligations. As discussed in Note 8 to the financial statements, System Energy recovers these costs through charges under the Unit Power Sales Agreement.

As a wholly-owned subsidiary, System Energy dividends its earnings to Entergy Corporation at a percentage determined monthly.

Sources of Capital

System Energy's sources to meet its capital requirements include:

- internally generated funds;
- cash on hand;
- the Entergy system money pool;
- debt issuances, including debt issuances to refund or retire currently outstanding or maturing indebtedness;
- equity contributions; and
- bank financing under new or existing facilities.

Circumstances such fuel and purchased power price fluctuations and unanticipated expenses, including unscheduled plant outages, could affect the timing and level of internally generated funds in the future. In addition to the financings necessary to meet capital requirements and contractual obligations, System Energy expects to continue, when economically feasible, to retire higher-cost debt and replace it with lower-cost debt if market conditions permit.

All debt issuances by System Energy require prior regulatory approval. Debt issuances are also subject to requirements set forth in its bond indenture and other agreements. System Energy has sufficient capacity under these tests to meet its foreseeable capital needs for the next twelve months and beyond.

System Energy's receivables from (payables to) the money pool were as follows as of December 31 for each of the following years.

2025	2024	2023	2022
	(In Thousands)		
($16,299)	$2,851	($12,246)	$94,981

See Note 4 to the financial statements for a description of the money pool.

The System Energy nuclear fuel company variable interest entity has a credit facility in the amount of $120 million scheduled to expire in June 2027. As of December 31, 2025, $36.4 million in loans were outstanding under the System Energy nuclear fuel company variable interest entity credit facility. See Note 4 to the financial statements for additional discussion of the variable interest entity credit facility.

System Energy obtained authorizations from the FERC through January 2027 for the following:

- short-term borrowings not to exceed an aggregate amount of $200 million at any time outstanding;
- long-term borrowings and security issuances; and
- borrowings by its nuclear fuel company variable interest entity.

See Note 4 to the financial statements for further discussion of System Energy's short-term borrowing limits.

Federal Regulation

See the "**Rate, Cost-recovery, and Other Regulation – Federal Regulation**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 2 to the financial statements for a discussion of federal regulation.

Complaints Against System Energy

System Energy's operating revenues are derived from the allocation of the capacity, energy, and related costs associated with its 90% ownership/leasehold interest in Grand Gulf. System Energy sells its Grand Gulf capacity and energy to Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans, and sold to Entergy Louisiana through September 30, 2025, pursuant to the Unit Power Sales Agreement. System Energy and the Unit Power Sales Agreement have been the subject of several litigation proceedings at the FERC, including challenges with respect to System Energy's authorized return on equity and capital structure, renewal of its sale-leaseback arrangement, treatment of uncertain tax positions, a broader investigation of rates under the Unit Power Sales Agreement, and two prudence complaints, one challenging the extended power uprate completed at Grand Gulf in 2012 and the operation and management of Grand Gulf, particularly in the 2016-2020 time period, and the second challenging the operation and management of Grand Gulf in the 2021-2022 time period. Settlements that resolve all significant aspects of these complaints have been reached with the MPSC, the APSC, the City Council, and the LPSC, and these settlements have been approved by the FERC. See "**Complaints Against System Energy**" in Note 2 to the financial statements for discussion of these complaint proceedings and settlements.

Unit Power Sales Agreement

System Energy Formula Rate Annual Protocols Formal Challenges Concerning 2020-2022 Calendar Year Bills

System Energy's Unit Power Sales Agreement includes formula rate protocols that provide for the disclosure of cost inputs, an opportunity for informal discovery procedures, and a challenge process. In February 2022, pursuant to the protocols procedures, the LPSC, the APSC, the MPSC, the City Council, and the Mississippi Public Utilities Staff filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2020. In March 2023, pursuant to the protocols procedures discussed above, the LPSC, the APSC, and the City Council filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2021. In February 2024, pursuant to the protocols procedures, the LPSC and the City Council filed with the FERC a formal challenge to System Energy's implementation of the formula rate during calendar year 2022. These formal challenges were ultimately settled as a result of System Energy's global settlements with the MPSC, the APSC, the City Council, and the LPSC. See "**Complaints Against System Energy**" in Note 2 to the financial statements for further discussion of the System Energy settlements with the MPSC, the APSC, the City Council, and the LPSC.

Depreciation Amendment Proceeding

In December 2021, System Energy submitted to the FERC proposed amendments to the Unit Power Sales Agreement to adopt updated rates for use in calculating Grand Gulf plant depreciation and amortization expenses. The proposed amendments would result in higher charges to the Utility operating companies that buy capacity and energy from System Energy under the Unit Power Sales Agreement. In February 2022 the FERC accepted System Energy's proposed increased depreciation rates with an effective date of March 1, 2022, subject to refund pending the outcome of the settlement and/or hearing procedures. In June 2023 System Energy filed with the FERC an unopposed offer of settlement that it had negotiated with intervenors to the proceeding. In August 2023 the FERC approved the settlement, which resolves the proceeding. In third quarter 2023, System Energy recorded a reduction in depreciation expense of $41 million representing the cumulative difference in depreciation expense resulting from the depreciation rates used from March 2022 through June 2023 and the depreciation rates included in the settlement filing approved by the FERC. In October 2023, System Energy filed a refund report with the FERC. The refund provided for in the refund report was included in the September 2023 service month bills under the Unit Power Sales Agreement. No comments or protests to the refund report were filed.

Pension Costs Amendment Proceeding

In October 2021, System Energy submitted to the FERC proposed amendments to the Unit Power Sales Agreement to include in rate base the prepaid and accrued pension costs associated with System Energy's qualified pension plans. Based on data ending in 2020, the increased annual revenue requirement associated with the filing is approximately $8.9 million. In March 2022 the FERC accepted System Energy's proposed amendments with an effective date of December 1, 2021, subject to refund pending the outcome of the settlement and/or hearing procedures. In August 2023 the FERC chief ALJ terminated settlement procedures and designated a presiding ALJ to oversee hearing procedures. Testimony was filed by the parties from October 2023 through April 2024, and the hearing concluded in June 2024.

In September 2024 the presiding ALJ issued an initial decision recommending that the FERC approve inclusion of a line item in rate base for prepaid and accrued pension costs; however, the presiding ALJ did not agree with System Energy's proposed methodology to calculate the value of the prepaid and accrued pension cost input. Instead, the presiding ALJ recommended limiting System Energy's recovery to the prepaid and accrued pension costs that were incurred beginning in 2015 and later. The ALJ's initial decision was not binding on the FERC and was an interim step in the hearing process.

System Energy disputed the presiding ALJ's determination concerning the methodology used to calculate the prepaid and accrued pension input, and System Energy filed exceptions to these rulings in October 2024. In October 2024, the LPSC, the APSC, and the FERC trial staff filed separate briefs on exceptions; these parties generally argue that the presiding ALJ should have rejected System Energy's filing entirely, rather than limit System Energy's recovery of the prepaid and accrued pension costs. Later in October 2024, System Energy, the LPSC, the APSC, and the FERC trial staff filed separate briefs opposing exceptions.

In November 2025 the FERC issued an order on the initial decision and reversed the ALJ's decision. The FERC approved System Energy's proposed prepaid and accrued pension recovery mechanism. System Energy has been utilizing this methodology in billings since December 1, 2022 and will continue to utilize it going forward. As a result of the FERC's order, System Energy does not owe any refunds. In December 2025 the APSC filed a request for rehearing of the November 2025 order. In January 2026 the FERC denied the APSC's rehearing request by operation of law. The FERC indicated that the APSC's request for rehearing will be addressed substantively in a future order. This proceeding is not covered by the global settlements described in Note 2 to the financial statements.

Nuclear Matters

System Energy owns and, through an affiliate, operates the Grand Gulf nuclear generating plant and is, therefore, subject to the risks related to such ownership and operation. These include risks related to: the acquisition, use, storage, and handling and disposal of high-level and low-level radioactive materials; the substantial financial requirements, both for capital investments and operational needs, including the financial requirements to address emerging issues related to equipment reliability, to position Grand Gulf to meet its operational goals; the performance and capacity factors of Grand Gulf; regulatory requirements and potential future regulatory changes, including changes affecting the regulations governing nuclear plant ownership, operations, license amendments, and decommissioning; the availability of interim or permanent sites for the disposal of spent nuclear fuel and nuclear waste, including the fees charged for such disposal; the sufficiency of nuclear decommissioning trust fund assets and earnings to complete decommissioning of the site when required; and limitations on the amounts of insurance recoveries for losses in connection with nuclear plant operations and catastrophic events such as a nuclear accident. In the event of an unanticipated early shutdown of Grand Gulf, System Energy may be required to provide additional funds or credit support to satisfy regulatory requirements for decommissioning. Grand Gulf's operating license expires in 2044.

Environmental Risks

System Energy's facilities and operations are subject to regulation by various governmental authorities having jurisdiction over air quality, water quality, control of toxic substances and hazardous and solid wastes, and other environmental matters. Management believes that System Energy is in substantial compliance with environmental regulations currently applicable to its facilities and operations, with reference to possible exceptions noted in "**Regulation of Entergy's Business** - **Environmental Regulation**" in Part I, Item 1. Because environmental regulations are subject to change, future compliance costs cannot be precisely estimated.

Critical Accounting Estimates

The preparation of System Energy's financial statements in conformity with GAAP requires management to apply appropriate accounting policies and to make estimates and judgments that can have a significant effect on reported financial position, results of operations, and cash flows. Management has identified the following accounting estimates as critical because they are based on assumptions and measurements that involve a high degree of uncertainty, and the potential for future changes in these assumptions and measurements could produce estimates that would have a material effect on the presentation of System Energy's financial position, results of operations, or cash flows.

Nuclear Decommissioning Costs

See "**Nuclear Decommissioning Costs**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of the estimates inherent in accounting for nuclear decommissioning costs.

Utility Regulatory Accounting

See "**Utility Regulatory Accounting**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for discussion of accounting for the effects of rate regulation.

Taxation and Uncertain Tax Positions

See "**Taxation and Uncertain Tax Positions**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion.

Qualified Pension and Other Postretirement Benefits

System Energy's qualified pension and other postretirement reported costs, as described in Note 11 to the financial statements, are affected by numerous factors including the provisions of the plans, changing employee demographics, and various actuarial calculations, assumptions, and accounting mechanisms. See "**Qualified Pension and Other Postretirement Benefits**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for further discussion. Because of the complexity of these calculations, the long-term nature of these obligations, and the importance of the assumptions utilized, Entergy's estimate of these costs is a critical accounting estimate.

Cost Sensitivity

The following chart reflects the sensitivity of qualified pension cost and qualified projected benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Qualified Pension Cost	Impact on 2025 Qualified Projected Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$197	$6,054
Rate of return on plan assets	(0.25%)	$704	$—
Rate of increase in compensation	0.25%	$245	$1,138

The following chart reflects the sensitivity of postretirement benefits cost and accumulated postretirement benefit obligation to changes in certain actuarial assumptions (dollars in thousands).

Actuarial Assumption	Change in Assumption	Impact on 2026 Postretirement Benefits Cost	Impact on 2025 Accumulated Postretirement Benefit Obligation
		Increase/(Decrease)	
Discount rate	(0.25%)	$49	$963
Health care cost trend	0.25%	$51	$548

Each fluctuation above assumes that the other components of the calculation are held constant.

Costs and Employer Contributions

Total qualified pension cost for System Energy in 2025 was $5.9 million, including $512 thousand in settlement costs. System Energy anticipates 2026 qualified pension cost to be $4.4 million. System Energy contributed $15.7 million to its qualified pension plans in 2025 and estimates 2026 pension contributions will be approximately $13.2 million, although the 2026 required pension contributions will be known with more certainty when the January 1, 2026 valuations are completed, which is expected by April 1, 2026.

Total postretirement health care and life insurance benefit income for System Energy in 2025 was $855 thousand. System Energy expects 2026 postretirement health care and life insurance benefit income to approximate $257 thousand. System Energy contributed $1.2 million to its other postretirement plans in 2025 and expects 2026 contributions to approximate $49 thousand.

Other Contingencies

See "**Other Contingencies**" in the "**Critical Accounting Estimates**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis for a discussion of the estimates associated with environmental, litigation, and other risks.

New Accounting Pronouncements

See the "**New Accounting Pronouncements**" section of Note 1 to the financial statements for a discussion of new accounting pronouncements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and Board of Directors of
System Energy Resources, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of System Energy Resources, Inc. (the "Company") as of December 31, 2025 and 2024, the related statements of income, cash flows, and changes in common equity (pages 467 through 472 and applicable items in pages 53 through 246), for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that is material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relate.

Rate and Regulatory Matters — System Energy Resources, Inc. — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is subject to wholesale rate regulation by the Federal Energy Regulatory Commission ("FERC"). Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economics of rate regulation impacts multiple financial statement line items and disclosures.

The Company's rates are subject to regulatory rate-setting processes and annual earnings oversight. Because the FERC sets the rates the Company is allowed to charge customers based on allowable costs, including a reasonable return on equity, the Company applies accounting standards that require the financial statements to reflect the effects of rate regulation, including the recording of regulatory assets and liabilities. The Company assesses whether the regulatory assets and regulatory liabilities continue to meet the criteria for probable future recovery or settlement at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs, and factors such as changes in applicable regulatory and political environments. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the FERC will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation as a critical audit matter due to the judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of recovery in future rates of incurred costs and the likelihood of refunds to customers. Auditing management's judgments regarding the outcome of future decisions by the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities involved specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and auditor judgment to evaluate management estimates and the subjectivity of audit evidence.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of future decisions by the FERC, recovery in future rates of regulatory assets and refunds or future reductions in rates related to regulatory liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of regulatory assets, and (2) a refund or a future reduction in rates that should be reported as regulatory liabilities. We also tested the effectiveness of management's controls over the initial recognition of amounts as regulatory assets or liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the FERC for the Company to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the FERC's treatment of similar costs under similar circumstances. We evaluated external information and compared to management's recorded regulatory asset and liability balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the FERC and FERC orders issued for any evidence that might contradict management's assertions.
- We obtained an analysis from management and support from internal and external legal counsel, as appropriate, regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery or refund or a future reduction in rates.
- We obtained representation from management regarding probability of recovery for regulatory assets or refund or future reduction in rates for regulatory liabilities to assess management's assertion that amounts are probable of recovery, refund, or a future reduction in rates.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

We have served as the Company's auditor since 2001.

SYSTEM ENERGY RESOURCES, INC.
INCOME STATEMENTS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING REVENUES			
Electric	$581,481	$585,049	$586,603
OPERATING EXPENSES			
Operation and Maintenance:			
Fuel, fuel-related expenses, and gas purchased for resale	64,507	62,433	71,762
Nuclear refueling outage expenses	16,614	19,158	26,745
Other operation and maintenance	189,628	192,300	207,765
Decommissioning	45,255	43,478	41,773
Taxes other than income taxes	26,868	27,260	29,224
Depreciation and amortization	123,846	121,386	90,858
Other regulatory charges (credits) - net	2,453	(2,799)	(57,429)
TOTAL	469,171	463,216	410,698
OPERATING INCOME	112,310	121,833	175,905
OTHER INCOME			
Allowance for equity funds used during construction	8,342	7,647	7,531
Interest and investment income	54,971	47,953	13,131
Miscellaneous - net	106	672	(9,101)
TOTAL	63,419	56,272	11,561
INTEREST EXPENSE			
Interest expense	72,148	48,121	48,416
Allowance for borrowed funds used during construction	(4,089)	(3,019)	(1,754)
TOTAL	68,059	45,102	46,662
INCOME BEFORE INCOME TAXES	107,670	133,003	140,804
Income taxes	19,575	29,503	32,032
NET INCOME	$88,095	$103,500	$108,772

See Notes to Financial Statements.

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SYSTEM ENERGY RESOURCES, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2025	2024	2023
		(In Thousands)	
OPERATING ACTIVITIES			
Net income	$88,095	$103,500	$108,772
Adjustments to reconcile net income to net cash flow provided by operating activities:			
Depreciation, amortization, and decommissioning, including nuclear fuel amortization	225,844	217,250	195,045
Deferred income taxes, tax credits, and non-current taxes accrued	153,647	41,142	32,982
Changes in assets and liabilities:			
Receivables	(21,208)	10,697	8,359
Accounts payable	(9,231)	(89,911)	78,655
Taxes accrued	(4,167)	(11,549)	19,804
Interest accrued	(127)	388	1,363
Other working capital accounts	1,580	(15,353)	20,749
Other regulatory assets	(174,691)	19,866	(31,239)
Other regulatory liabilities	144,604	(37,713)	11,009
Pension and other postretirement funded status	(20,947)	(30,717)	(21,259)
Other assets and liabilities	(131,659)	(176,095)	(150,668)
Net cash flow provided by operating activities	251,740	31,505	273,572
INVESTING ACTIVITIES			
Construction expenditures	(138,849)	(174,257)	(121,075)
Allowance for equity funds used during construction	8,342	7,647	7,531
Nuclear fuel purchases	(73,471)	(145,567)	(80,663)
Proceeds from sale of nuclear fuel	43,549	16,531	46,242
Decrease (increase) in other investments	—	23	(3)
Proceeds from nuclear decommissioning trust fund sales	613,146	901,239	390,004
Investment in nuclear decommissioning trust funds	(646,797)	(920,700)	(412,823)
Changes in money pool receivable - net	2,851	(2,851)	94,981
Net cash flow used in investing activities	(191,229)	(317,935)	(75,806)
FINANCING ACTIVITIES			
Proceeds from the issuance of long-term debt	764,028	1,325,581	715,545
Retirement of long-term debt	(769,690)	(978,057)	(758,437)
Capital contribution from parent	—	150,000	—
Changes in money pool payable - net	16,299	(12,246)	12,246
Common stock dividends and distributions paid	(100,000)	(170,000)	(170,000)
Net cash flow provided by (used in) financing activities	(89,363)	315,278	(200,646)
Net increase (decrease) in cash and cash equivalents	(28,852)	28,848	(2,880)
Cash and cash equivalents at beginning of period	28,908	60	2,940
Cash and cash equivalents at end of period	$56	$28,908	$60
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the period for:			
Interest - net of amount capitalized	$64,252	$57,599	$45,196
Income taxes - net (includes production tax credit sale proceeds of $133,752 in 2025, $— in 2024, and $— in 2023)	($131,297)	$624	($19,810)
Noncash investing activities:			
Accrued construction expenditures	$16,830	$6,290	$25,301

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
ASSETS

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT ASSETS		
Cash and cash equivalents:		
Cash	$56	$448
Temporary cash investments	—	28,460
Total cash and cash equivalents	56	28,908
Accounts receivable:		
Associated companies	65,083	48,134
Other	6,833	5,425
Total accounts receivable	71,916	53,559
Materials and supplies	149,847	163,814
Deferred nuclear refueling outage costs	9,096	19,884
Prepayments and other	5,101	5,768
TOTAL	236,016	271,933
OTHER PROPERTY AND INVESTMENTS		
Decommissioning trust funds	1,730,722	1,529,059
TOTAL	1,730,722	1,529,059
UTILITY PLANT		
Electric	5,753,963	5,668,253
Construction work in progress	123,172	85,127
Nuclear fuel	208,932	220,044
TOTAL UTILITY PLANT	6,086,067	5,973,424
Less - accumulated depreciation and amortization	3,679,886	3,578,709
UTILITY PLANT - NET	2,406,181	2,394,715
DEFERRED DEBITS AND OTHER ASSETS		
Regulatory assets:		
Other regulatory assets	601,185	426,494
Other	34,301	20,273
TOTAL	635,486	446,767
TOTAL ASSETS	$5,008,405	$4,642,474

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
BALANCE SHEETS
LIABILITIES AND EQUITY

	December 31,	
	2025	2024
	(In Thousands)	
CURRENT LIABILITIES		
Currently maturing long-term debt	$140	$200,090
Accounts payable:		
Associated companies	25,528	18,477
Other	66,611	45,017
Taxes accrued	11,685	15,852
Interest accrued	13,215	13,342
Other	4,089	4,473
TOTAL	121,268	297,251
NON-CURRENT LIABILITIES		
Accumulated deferred income taxes and taxes accrued	625,165	451,830
Accumulated deferred investment tax credits	43,045	42,984
Regulatory liability for income taxes - net	99,960	105,467
Other regulatory liabilities	897,301	747,190
Decommissioning	1,172,967	1,127,712
Long-term debt	1,088,563	889,646
Other	2	8,355
TOTAL	3,927,003	3,373,184
Commitments and Contingencies		
COMMON EQUITY		
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 789,350 shares in 2025 and 2024	908,944	958,944
Retained earnings	51,190	13,095
TOTAL	960,134	972,039
TOTAL LIABILITIES AND EQUITY	$5,008,405	$4,642,474

See Notes to Financial Statements.

SYSTEM ENERGY RESOURCES, INC.
STATEMENTS OF CHANGES IN COMMON EQUITY
For the Years Ended December 31, 2025, 2024, and 2023

	Common Stock	Retained Earnings (Accumulated Deficit)	Total
		(In Thousands)	
Balance at December 31, 2022	$1,086,850	($137,083)	$949,767
Net income	—	108,772	108,772
Common stock dividends and distributions	(170,000)	—	(170,000)
Balance at December 31, 2023	$916,850	($28,311)	$888,539
Net income	—	103,500	103,500
Capital contributions from parent	150,000	—	150,000
Common stock dividends and distributions	(107,906)	(62,094)	(170,000)
Balance at December 31, 2024	$958,944	$13,095	$972,039
Net income	—	88,095	88,095
Common stock dividends and distributions	(50,000)	(50,000)	(100,000)
Balance at December 31, 2025	$908,944	$51,190	$960,134

See Notes to Financial Statements.

Item 2. Properties

Information regarding the registrant's properties is included in Part I, Item 1. - Entergy's Business under the sections titled "**Utility - Property and Other Generation Resources**" and "**Other Business Activities - Property**" in this report.

Item 3. Legal Proceedings

Details of the registrant's material environmental regulation and proceedings and other regulatory proceedings and litigation that are pending or those terminated in the fourth quarter of 2025 are discussed in Part I, Item 1. - Entergy's Business under the sections titled "**Retail Rate Regulation**," "**Environmental Regulation**," and "**Litigation**."

Item 4. Mine Safety Disclosures

Not applicable.

INFORMATION ABOUT EXECUTIVE OFFICERS OF ENTERGY CORPORATION

Executive Officers

Name	Age	Position	Period
Andrew S. Marsh (a)	54	Chief Executive Officer of Entergy Corporation	2022-Present
		Chair of the Board of Entergy Corporation	2023-Present
		Executive Vice President and Chief Financial Officer of Entergy Corporation	2013-2022
		Director of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy	2013-2022
		Executive Vice President and Chief Financial Officer of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy	2014-2022
Kimberly A. Fontan (a)	52	Executive Vice President and Chief Financial Officer of Entergy Corporation	2022-Present
		President and Chair of the Board of System Energy	2024-Present
		Director of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy Texas, and System Energy	2022-Present
		Executive Vice President and Chief Financial Officer of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy	2022-Present
		Senior Vice President and Chief Accounting Officer of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy	2019-2022

Name	Age	Position	Period
Marcus V. Brown	64	Executive Legal Advisor to the Chief Executive Officer of Entergy Corporation	2025-Present
		Executive Vice President and General Counsel of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Entergy	2013-2025
Jason Chapman (a)	55	Senior Vice President, Chief Technology and Business Services Officer of Entergy Corporation	2023-Present
		Acting Senior Vice President, Corporate Business Services of Entergy Services	2023
		Vice President, Enterprise Shared Services of Entergy Services	2019-2023
Kathryn A. Collins (a)	62	Senior Vice President and Chief Human Resources Officer of Entergy Corporation	2020-Present
Kimberly Cook-Nelson (a)	53	Executive Vice President and Chief Operating Officer of Entergy Corporation	2025-Present
		Director of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy Texas, and System Energy	2025-Present
		Executive Vice President and Chief Nuclear Officer of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and System Energy	2022-2025
		Director of System Energy	2022-2025
		Chief Operating Officer, Nuclear Operations, Entergy Services	2021-2022
		Vice President, System Planning of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas	2019-2021
John C. Dinelli (a)	56	Executive Vice President and Chief Nuclear Officer of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, and System Energy	2025-Present
		Director of System Energy	2025-Present
		Chief Operating Officer, Nuclear Operations of Entergy Services	2022-2025
		Vice President, Independent Oversight, Nuclear Operations of Entergy Services	2022
		Vice President, Site of Entergy Operations, Inc.	2017-2022
Daniel T. Falstad (a)	65	Senior Vice President, General Counsel and Secretary of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Entergy	2025-Present
		Vice President, Deputy General Counsel and Secretary of Entergy Services	2016-2025

Name	Age	Position	Period
John O. Hudson, III	55	Chief External Affairs Officer of Entergy Corporation	2024-Present
		Senior Vice President, Federal Policy, Regulatory and Government Affairs of Entergy Services	2022-2024
		President, Entergy Charitable Foundation	2022-Present
		President and Chief Executive Officer, Nicor Gas	2020-2022
Anastasia Minor	56	Chief Transformation Officer of Entergy Services	2023-Present
		Senior Vice President, Strategy and Financial Planning of Entergy Services	2022-2023
		Vice President, Finance Business Partners of Entergy Services	2017-2022
Reginald T. Jackson (a)	59	Senior Vice President and Chief Accounting Officer of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy	2022-Present
		Vice President, Internal Audit and General Auditor of Entergy Services	2020-2022

(a) In addition, this officer is an executive officer and/or director of various other wholly owned subsidiaries of Entergy Corporation and its operating companies.

Each officer of Entergy Corporation is elected yearly by the Board of Directors. Each officer's age and title are provided as of December 31, 2025.

PART II

Item 5. Market for Registrants' Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Entergy Corporation

The shares of Entergy Corporation's common stock are listed on the New York Stock Exchange LLC and the NYSE Texas, Inc. under the ticker symbol ETR. As of January 31, 2026, there were 17,784 stockholders of record of Entergy Corporation. See "Dividends and Stock Repurchases" in the "**Capital Expenditure Plans and Other Uses of Capital**" section of Entergy Corporation and Subsidiaries Management's Financial Discussion and Analysis and Note 7 to the financial statements for details of Entergy Corporation's payment of dividends.

Issuer Purchases of Equity Securities (1)

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan	Maximum $ Amount of Shares that May Yet be Purchased Under a Plan (2)
10/01/2025 - 10/31/2025	—	$—	—	$350,052,918
11/01/2025 - 11/30/2025	—	$—	—	$350,052,918
12/01/2025 - 12/31/2025	—	$—	—	$350,052,918
Total	—	$—	—	

In accordance with Entergy's stock-based compensation plans, Entergy periodically grants stock options to key employees, which may be exercised to obtain shares of Entergy's common stock. According to the plans, these shares can be newly issued shares, treasury stock, or shares purchased on the open market. Entergy's management has been authorized by the Board to repurchase on the open market shares up to an amount sufficient to fund the exercise of grants under the plans. In addition to this authority, the Board has authorized share repurchase programs to enable opportunistic purchases in response to market conditions. In October 2010 the Board granted authority for a $500 million share repurchase program. The amount of share repurchases under these programs may vary as a result of material changes in business results or capital spending or new investment opportunities. In addition, in the first quarter 2025, Entergy withheld 61,042 shares of its common stock at $78.79 per share, 1,300 shares of its common stock at $81.31 per share, 213,368 shares of its common stock at $81.99 per share, 171,525 shares of its common stock at $82.52 per share, and 1,118 shares of its common stock at $82.82 per share to pay income taxes due upon vesting of restricted stock granted and payout of performance units as part of its long-term incentive program.

(1) See Note 12 to the financial statements for additional discussion of the stock-based compensation plans.

(2) Maximum amount of shares that may yet be repurchased relates only to the $500 million share repurchase program plan and does not include an estimate of the amount of shares that may be purchased to fund the exercise of grants under the stock-based compensation plans.

Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy

There is no market for the common equity of the Registrant Subsidiaries.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Refer to **"MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS"** of each of Entergy Corporation and Subsidiaries, Entergy Arkansas, LLC and Subsidiaries, Entergy Louisiana, LLC and Subsidiaries, Entergy Mississippi, LLC and Subsidiaries, Entergy New Orleans, LLC and Subsidiaries, Entergy Texas, Inc. and Subsidiaries, and System Energy Resources, Inc.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Refer to **"MANAGEMENT'S FINANCIAL DISCUSSION AND ANALYSIS OF ENTERGY CORPORATION AND SUBSIDIARIES - Market and Credit Risk Sensitive Instruments."**

Item 8. Financial Statements and Supplementary Data

Refer to **"TABLE OF CONTENTS - Entergy Corporation and Subsidiaries, Entergy Arkansas, LLC and Subsidiaries, Entergy Louisiana, LLC and Subsidiaries, Entergy Mississippi, LLC and Subsidiaries, Entergy New Orleans, LLC and Subsidiaries, Entergy Texas, Inc. and Subsidiaries, and System Energy Resources, Inc."**

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

No event that would be described in response to this item has occurred with respect to Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, or System Energy.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

As of December 31, 2025, evaluations were performed under the supervision and with the participation of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy (each individually a "Registrant" and collectively the "Registrants") management, including their respective Principal Executive Officers (PEO) and Principal Financial Officers (PFO). The evaluations assessed the effectiveness of the Registrants' disclosure controls and procedures. Based on the evaluations, each PEO and PFO has concluded that, as to the Registrant or Registrants for which they serve as PEO or PFO, the Registrant's or Registrants' disclosure controls and procedures are effective to ensure that information required to be disclosed by each Registrant in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms; and that the Registrant's or Registrants' disclosure controls and procedures are also effective in reasonably assuring that such information is accumulated and communicated to the Registrant's or Registrants' management, including their respective PEOs and PFOs, as appropriate to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

The managements of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy (each individually a "Registrant" and collectively the "Registrants") are responsible for establishing and maintaining adequate internal control over financial reporting for the Registrants. Each Registrant's internal control system is designed to provide reasonable assurance regarding the preparation and fair presentation of each Registrant's financial statements presented in accordance with generally accepted accounting principles.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Each Registrant's management assessed the effectiveness of each Registrant's internal control over financial reporting as of December 31, 2025. In making this assessment, each Registrant's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. The 2013 COSO Framework was utilized for management's assessment.

Based on each management's assessment and the criteria set forth by the 2013 COSO Framework, each Registrant's management believes that each Registrant maintained effective internal control over financial reporting as of December 31, 2025.

The report of Deloitte & Touche LLP, Entergy Corporation's independent registered public accounting firm, regarding Entergy Corporation's internal control over financial reporting is included herein. The report of Deloitte & Touche LLP is not applicable to Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy because these Registrants are non-accelerated filers.

Changes in Internal Control over Financial Reporting

Under the supervision and with the participation of each Registrant's management, including its respective PEO and PFO, each Registrant evaluated changes in internal control over financial reporting that occurred during the quarter ended December 31, 2025 and found no change that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

Attestation Report of Registered Public Accounting Firm

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and Board of Directors of
Entergy Corporation and Subsidiaries

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Entergy Corporation and Subsidiaries (the "Corporation") as of December 31, 2025, based on criteria established in *Internal Control —Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025 of the Corporation and our report dated February 19, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Item 9A, Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Corporation's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Corporation in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

Item 9B. Other Information

U.S. Securities and Exchange Commission Investigation

The Staff of the Division of Enforcement of the U.S. Securities and Exchange Commission conducted an investigation regarding Entergy's processes and controls relating to its accounting for materials and supplies inventory. In December 2024, Entergy reached a settlement with the SEC to resolve the previously disclosed SEC investigation into Entergy's internal controls and books and records concerning potential surplus materials and supplies inventory. Under the settlement terms, in which Entergy neither admitted nor denied the SEC's allegations, Entergy consented to the entry of an injunction, paid a $12 million civil penalty, which was accrued in 2024 and paid in January 2025, and agreed to engage a consultant to conduct an assessment and make recommendations concerning Entergy's internal controls related to the accounting for surplus materials and supplies. In September 2025 the independent consultant completed its assessment and submitted a report to Entergy and the SEC. Entergy has implemented the independent consultant's recommendations and the independent consultant will conduct a follow-up audit in December 2026.

Rule 10b5-1 Trading Arrangements

During the three months ended December 31, 2025, the following directors or officers of Entergy or the Registrant Subsidiaries adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, relating to shares of Entergy Corporation common stock:

Name and Title	Action	Date of Action	Type of Trading Arrangement (a)	Aggregate Number of Shares to be Purchased or Sold	Expiration Date (b)
Andrew S. Marsh, Chair of the Board and Chief Executive Officer of Entergy	Adopted	12/1/2025	Rule 10b5-1 trading arrangement	Up to 88,000 shares to be sold	1/26/2027

(a) Each trading arrangement marked as a Rule 10b5-1 trading arrangement is intended to satisfy the affirmative defense of Rule 10b5-1(c).

(b) Except as indicated by footnote, each trading arrangement permitted or permits transactions through and including the earlier to occur of (a) the completion of all purchases or sales or (b) the expiration date listed in the table. Each trading arrangement marked as a "Rule 10b5-1 Plan" only permitted or only permits transactions upon expiration of the applicable mandatory cooling-off period under Rule 10b5-1(c), as amended.

Other than those disclosed above, no director or officer of Entergy or any of the Registrant Subsidiaries adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" during the three months ended December 31, 2025.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance of the Registrants (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas)

Information required by this item concerning directors of Entergy Corporation is set forth under the heading "Proposal 1 – Election of Directors" contained in the Proxy Statement of Entergy Corporation, to be filed in connection with its Annual Meeting of Stockholders to be held May 8, 2026 (the "2026 Entergy Proxy Statement"), and is incorporated herein by reference.

All officers and directors listed below held the specified positions with their respective companies as of the date of filing this report, unless otherwise noted.

Name	Age	Position	Period
Entergy Arkansas, LLC			
Directors			
Laura R. Landreaux	52	President and Chief Executive Officer of Entergy Arkansas	2018-Present
		Director of Entergy Arkansas	2018-Present
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly Cook-Nelson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Officers			
Marcus V. Brown		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
John C. Dinelli		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Daniel T. Falstad		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Reginald T. Jackson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Laura R. Landreaux		See information under the Entergy Arkansas Directors Section above.	
Andrew S. Marsh		See information under the Information about Executive Officers of Entergy Corporation in Part I.	

ENTERGY LOUISIANA, LLC

Directors			
Phillip R. May, Jr.	63	President and Chief Executive Officer of Entergy Louisiana	2013-Present
		Director of Entergy Louisiana	2013-Present
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly Cook-Nelson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Officers			
Marcus V. Brown		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
John C. Dinelli		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Daniel T. Falstad		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Reginald T. Jackson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Andrew S. Marsh		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Phillip R. May, Jr.		See information under the Entergy Louisiana Directors Section above.	

ENTERGY MISSISSIPPI, LLC

Directors			
Haley R. Fisackerly	60	President and Chief Executive Officer of Entergy Mississippi	2008-Present
		Director of Entergy Mississippi	2008-Present
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly Cook-Nelson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Officers			
Marcus V. Brown		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Daniel T. Falstad		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Haley R. Fisackerly		See information under the Entergy Mississippi Directors Section above.	
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Reginald T. Jackson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Andrew S. Marsh		See information under the Information about Executive Officers of Entergy Corporation in Part I.	

ENTERGY NEW ORLEANS, LLC

Directors			
Deanna D. Rodriguez	61	President and Chief Executive Officer of Entergy New Orleans	2021-Present
		Director of Entergy New Orleans	2021-Present
		Vice President, Regulatory and Public Affairs of Entergy Texas	2014-2021
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly Cook-Nelson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Officers			
Marcus V. Brown		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Daniel T. Falstad		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Reginald T. Jackson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Andrew S. Marsh		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Deanna D. Rodriguez		See information under the Entergy New Orleans Directors Section above.	

ENTERGY TEXAS, INC.

Directors			
Eliecer Viamontes	43	President and Chief Executive Officer of Entergy Texas	2021-Present
		Director of Entergy Texas	2021-Present
		Vice President, Utility Distribution Operations of Entergy Services	2020-2021
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly Cook-Nelson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Officers			
Marcus V. Brown		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Daniel T. Falstad		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Kimberly A. Fontan		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Reginald T. Jackson		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Andrew S. Marsh		See information under the Information about Executive Officers of Entergy Corporation in Part I.	
Eliecer Viamontes		See information under the Entergy Texas Directors Section above.	

The directors and officers of Entergy Texas are elected annually to serve by the unanimous consent of its sole common stockholder. The directors and officers of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans are elected annually to serve by the unanimous consent of the sole common membership owner, Entergy Utility Holding Company, LLC. Entergy Corporation's directors are elected annually at the annual meeting of shareholders. Entergy Corporation's officers are elected annually at a meeting of its Board of Directors, which immediately follows the annual meeting of shareholders. The age of each officer and director for whom information is presented above is as of December 31, 2025.

Directors, Director Nomination Process and Audit Committee

The information required under Item 10 concerning directors and nominees for election as directors of Entergy Corporation at the annual meeting of shareholders (Item 401 of Regulation S-K), the director nomination process (Item 407(c)(3) of Regulation S-K), the audit committee (Item 407(d)(4) and (d)(5) of Regulation S-K), and the compliance with the reporting requirements of Section 16 ("Section 16") of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (Item 405 of Regulation S-K) is incorporated herein by reference to information to be contained in the 2026 Entergy Proxy Statement to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

Code of Ethics

Entergy Corporation's Code of Business Conduct and Ethics (Code of Business Conduct) is the code of ethics that applies to Entergy's Chief Executive Officer and other senior financial officers, including those of the Registrant Subsidiaries. The Code of Business Conduct is filed as Exhibit 14 to this report and is available on Entergy Corporation's website at www.entergy.com. The Code of Business Conduct will be made available, without charge, in print to any shareholder who requests such document from Entergy Corporation's Corporate Secretary at Entergy Corporation, 639 Loyola Avenue, New Orleans, Louisiana 70113.

If any substantive amendments to the Code of Business Conduct are made or any waivers are granted, including any implicit waiver, from a provision of the Code of Business Conduct, for any director or executive officer of Entergy Corporation, Entergy will disclose the nature of such amendment or waiver on Entergy's website, www.entergy.com. Entergy is providing the address to its internet site solely for the information of investors and does not intend the address to be an active link. Notwithstanding this reference or any references to the website in this report, the contents of the website are not incorporated into this report.

Insider Trading Policies and Procedures

Entergy Corporation and each of the Registrant Subsidiaries has adopted an insider trading policy which is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations and which governs the purchase, sale, and/or other dispositions of Entergy Corporation's and the Registrant Subsidiaries' securities, by any directors, officers and employees of Entergy Corporation and its subsidiaries, including the Registrant Subsidiaries, and by Entergy Corporation and the Registrant Subsidiaries themselves as well as the applicable rules and regulations of the New York Stock Exchange. A copy of the insider trading policy that has been adopted by Entergy Corporation and each of the Registrant Subsidiaries is filed as Exhibit 19 to this report.

Item 11. Executive Compensation

ENTERGY CORPORATION

Information concerning compensation earned by the directors and officers of Entergy Corporation is set forth in the 2026 Entergy Proxy Statement, to be filed in connection with the Annual Meeting of Shareholders to be held May 8, 2026, under the headings "Compensation Discussion and Analysis," "Annual Compensation Programs Risk Assessment," "Compensation Tables," "Pay Ratio Disclosure," and "2025 Non-Employee Director Compensation," all of which information is incorporated herein by reference. In this section, Entergy Corporation is also referred to as "Entergy" or the "Company."

ENTERGY ARKANSAS, ENTERGY LOUISIANA, ENTERGY MISSISSIPPI, ENTERGY NEW ORLEANS, AND ENTERGY TEXAS

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("CD&A") describes the executive compensation policies, programs, philosophy, and decisions regarding the Named Executive Officers ("NEOs") for 2025. It also explains how and why the Talent and Compensation Committee of Entergy Corporation's Board of Directors arrived at the compensation decisions involving the NEOs in 2025, who were:

Name[1]	Title
Marcus V. Brown	Executive Legal Advisor to the Chief Executive Officer
Kimberly Cook-Nelson	Executive Vice President and Chief Operating Officer
Haley R. Fisackerly	President and Chief Executive Officer, Entergy Mississippi
Kimberly A. Fontan	Executive Vice President and Chief Financial Officer, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas
Laura R. Landreaux	President and Chief Executive Officer, Entergy Arkansas
Andrew S. Marsh	Chair of the Board and Chief Executive Officer
Phillip R. May, Jr.	President and Chief Executive Officer, Entergy Louisiana
Deanna D. Rodriguez	President and Chief Executive Officer, Entergy New Orleans
Eliecer Viamontes	President and Chief Executive Officer, Entergy Texas

(1) Mr. Marsh and Mses. Cook-Nelson and Fontan hold the positions referenced above as executive officers of Entergy Corporation. Mr. Brown served as our Executive Vice President and General Counsel until December 1, 2025, on which date he transitioned to his current executive role in connection with a planned leadership transition and his planned retirement from the Company. Ms. Cook-Nelson served as our Executive Vice President and Chief Nuclear Officer until May 1, 2025, on which date she was promoted to her current role. No additional compensation was paid in 2025 to any of these officers for their service as NEOs of the Utility operating companies.

All of Entergy Arkansas's, Entergy Louisiana's, Entergy Mississippi's, Entergy New Orleans's, and Entergy Texas's directors are employees of Entergy or its subsidiaries and do not receive any additional compensation for their services as director.

Entergy Corporation's Compensation Principles and Philosophy

Entergy Corporation's executive compensation programs are based on a philosophy of pay for performance aimed at achieving the Company's strategy and business objectives. Entergy Corporation believes its executive compensation programs advance the interests of all of its stakeholders, as they are thoughtfully designed to:

- **Motivate and reward** the achievement of results that are deemed by the Talent and Compensation Committee to be consistent with the overall goals and strategic direction that the Board has approved for the Company.
- **Attract and retain** a highly experienced, engaged, qualified, and successful management team.
- **Create** sustainable value for the benefit of all of Entergy Corporation's stakeholders, including its customers, employees, communities, and owners.
- **Align** the interests of Entergy Corporation's executive officers with the Company's long-term business strategy by tying equity-based awards to performance metrics designed to focus Entergy Corporation's executives on driving continuous improvement in operational and financial results to the benefit of all stakeholders, including Entergy Corporation's customers, employees, communities, and owners.

Compensation Best Practices

The Talent and Compensation Committee reviews Entergy's executive compensation programs on an ongoing basis to evaluate whether they support the Company's executive compensation principles and philosophy and are aligned with the interests of our stakeholders. The Company's executive compensation practices include the following, each of which the Talent and Compensation Committee believes reinforces our executive compensation principles and philosophy:

Practice	Description
Pay for Performance	The executive compensation programs are designed to yield pay outcomes that the Company believes are highly correlated with performance and support long-term value creation.
Annual and Long-Term Incentive Measures Drive Desired Employee Behaviors	Performance measures for the annual and long-term incentive programs are designed to incentivize employee behaviors that serve the Company's key stakeholders. Executive compensation is weighted toward long-term incentive ("LTI") compensation.
Double Trigger Change-in-Control	The Company requires both a change-in-control and an involuntary termination without cause or voluntary termination with good reason for cash severance payments and immediate vesting of unvested equity awards.
Long-Term Incentives Paid in Stock	All long-term incentive awards are settled in shares of Entergy common stock.
Stock Ownership Guidelines	The Company requires executive officers to own a significant amount of Entergy Corporation common stock.
Cap on Incentive Awards for OCE Members	The maximum payout for members of the Office of the Chief Executive ("OCE"), which members include all of the NEOs, is capped at 200% of the target opportunity for the annual incentive and long-term Performance Unit Program ("PUP") awards.
Rigorous Goals	The Company sets financial goals based on externally disclosed annual and multi-year guidance and outlooks and non-financial goals based on a rigorous internal review. The Company uses a balance of absolute and relative performance measures in its incentive programs.

Practice	Description
Clawback Policies Beyond Dodd-Frank Requirements	Entergy's officers (as defined under Section 16 of the Exchange Act), including the NEOs, are subject to a recoupment policy that complies with and, in certain respects, goes beyond, the requirements of the SEC rules and NYSE Listing Standards for the recovery of any erroneously awarded performance-based incentive compensation. Additionally, all executive officers of Entergy and its subsidiaries, including the NEOs, are subject to a discretionary recoupment policy that allows for recovery of incentive compensation, including time-based awards, from an officer who engages in certain detrimental conduct. See "Policy for Recoupment of Compensation (Clawback Provisions)" for additional information about these policies.
No Hedging of Company Stock	Directors, executive officers, and employees of Entergy and its subsidiaries may not directly or indirectly engage in transactions intended to hedge or offset the market value of the Company's common stock owned by them.
No Pledging of Company Stock	Directors and executive officers of Entergy and its subsidiaries may not directly or indirectly pledge Entergy common stock as collateral for any obligation.
No Excessive Perquisites	Executive officers receive limited ongoing perquisites that make up a small portion of total compensation.
No Tax Gross-Ups	The Company does not provide tax gross-ups to the members of the OCE other than certain relocation benefits.
No Dividends on Unearned Performance Awards	The Company does not pay dividends on unearned PUP awards.
No Repricing or Exchange of Underwater Stock Options	The Company's equity incentive plan does not permit repricing or the exchange of underwater stock options without the approval of its shareholders.
No Employment Agreements	The Company does not have employment contracts with its executive officers.
Independent Compensation Consultant	The Talent and Compensation Committee retains an independent compensation consultant to advise on the executive compensation programs and practices.
Annual Say-on-Pay	The Company values the input of its shareholders on the executive compensation programs and holds annual say-on-pay votes. The Talent and Compensation Committee carefully considers the results of the Company's annual say-on-pay vote, on an advisory, non-binding basis, as part of its ongoing evaluation of the Company's executive compensation decisions.
Annual Compensation Risk Assessment	A risk assessment of the compensation programs is performed on an annual basis to ensure that the programs and policies do not incentivize unnecessary or excessive risk-taking behavior.

What Entergy Corporation Pays and Why

How Entergy Corporation Makes Compensation Decisions

Role of the Talent and Compensation Committee

The Talent and Compensation Committee, which is composed solely of independent directors, determines the compensation for each member of the OCE and oversees the design and administration of Entergy's executive compensation programs. Each year, the Talent and Compensation Committee reviews and considers a comprehensive assessment and analysis of the executive compensation programs, including the elements of each OCE member's compensation, with input from the committee's independent compensation consultant. When establishing the compensation programs for the NEOs, the Talent and Compensation Committee also considers input and recommendations from management, including Entergy's Chief Executive Officer and Entergy's Chief

Human Resources Officer, who attend the Talent and Compensation Committee meetings when requested by the committee. The Talent and Compensation Committee regularly conducts executive sessions without management present.

Role of the Independent Compensation Consultant

In 2025, the Talent and Compensation Committee continued to retain Pay Governance, LLC ("Pay Governance") as its independent compensation consultant. Pay Governance attends all Talent and Compensation Committee meetings and provides advice, including through reviewing and commenting on market compensation data used as an input in establishing the compensation of the executive officers and Entergy Corporation's directors, the terms and performance goals applicable to incentive program awards, the process for certifying achievement of the incentive goals, and analysis with respect to specific projects and information regarding trends and competitive practices. Pay Governance also meets with the Talent and Compensation Committee members without management present. The committee annually conducts an independence assessment of its advisors including the compensation consultant, consistent with applicable NYSE listing standards and SEC rules.

ompetitive Positioning

Market Data for Compensation Comparison

Annually, the Talent and Compensation Committee reviews:

- published and private compensation survey data analyzed and provided by Pay Governance;
- both utility and general industry data to help determine total direct compensation (base salary, annual, and long-term incentive) for non-industry specific roles; and
- data from utility companies to help determine total direct compensation for management roles that are utility-specific.

The Talent and Compensation Committee uses this survey data to develop compensation opportunities that are designed to deliver total direct compensation within a targeted range of approximately the 50th percentile of the surveyed companies in the aggregate. In general, compensation levels for executive officers who are new to a position tend to be closer to the 25th percentile of surveyed companies, while seasoned executive officers whose experience and skill set are viewed as critical to retain may be positioned at or above the market median within surveyed companies.

Compensation Peer Group

Although the survey data described above is the primary data used in benchmarking compensation, the Talent and Compensation Committee used compensation information from the companies included in the Philadelphia Utility Index to evaluate the overall reasonableness of the Company's executive compensation programs and to determine relative total shareholder return ("Relative TSR") performance levels for the 2025–2027 PUP. The Talent and Compensation Committee identified the Philadelphia Utility Index as the appropriate industry peer group for determining Relative TSR performance levels because the companies included in this index, in the aggregate, are viewed as comparable to the Company in terms of business and scale.

The Talent and Compensation Committee approved the 2025 compensation model and framework based on compensation information from the companies included in the Philadelphia Utility Index as of October 31, 2024, which were (in addition to Entergy):

AES Corporation	Consolidated Edison Inc.	Edison International	Pinnacle West Capital Corporation
Ameren Corporation	Constellation Energy Corporation	Eversource Energy	Public Service Enterprise Group, Inc.
American Electric Power Co. Inc.	Dominion Energy	Exelon Corporation	Southern Company
American Water Works Company, Inc.	DTE Energy Company	FirstEnergy Corporation	WEC Energy, Inc.
CenterPoint Energy Inc.	Duke Energy Corporation	NextEra Energy, Inc.	Xcel Energy, Inc.

2025 Compensation Structure and Incentive Metrics

In 2025, the executive compensation programs consisted of base salary and annual and long-term incentives as outlined in the table below:

Compensation Element	Form	Objective	Metrics/Performance Period
Base Salary	Cash	Provides a base level of competitive cash compensation for executive talent.	Adjustments consider individual performance
Annual Incentive Program Awards	Cash	Motivates and rewards executives for performance on key strategic measures during the year; incentivizes behaviors that serve the Company's four stakeholders - customers, employees, communities, and owners.	• ETR Adjusted EPS • Adjusted FFO/Debt Ratio • Safety • Customer net promoter score ("NPS") • Talent, Culture and Commerce Measured over a one-year performance period
2025–2027 PUP Awards (60% of total LTI)	Equity	Provides market competitive compensation designed to retain skills and knowledge while increasing our executives' ownership in the Company to further enhance their focus on driving continuous improvement in operational results to the benefit of all stakeholders. Designed to focus our executives on driving customer-centric utility growth, building long-term shareholder value, making progress toward quantitative environmental goals aligning with desired customer outcomes for clean energy, reliable operations, and reduced storm restoration costs and delivering positive outcomes for customers from capital investments relating to both the energy transition and environmental risks.	• Relative TSR • Environmental Stewardship, consisting of a resilience measure and a non-greenhouse gas generation achievement measure Measured over a three-year performance period

Compensation Element	Form	Objective	Metrics/Performance Period
Stock Options (20% of total LTI)	Equity	Enhances management's focus on driving continuous improvement in operational results to the benefit of all stakeholders. Designed to align interests of management with long-term shareholder value as demonstrated by increases in our share price, provide market competitive compensation, retain talent, and increase management's ownership in the Company.	Share price appreciation with three-year pro rata vesting
Restricted Stock (20% of total LTI)	Equity	Enhances management's focus on driving continuous improvement in customer-centric operational results to the benefit of all stakeholders. Designed to provide market competitive compensation, retain talent, and increase management's ownership in the Company.	Service-based with three-year pro rata vesting

2025 Compensation Decisions

Base Salary

The salary for each NEO is based on the outcome of an annual merit review, results of the annual market assessment of NEO compensation as provided by Pay Governance, the need to retain an experienced team, job promotion, individual performance, scope of responsibility, leadership skills, and behaviors, current compensation, and internal equity. The Talent and Compensation Committee considers changes in the base salaries of the NEOs at least annually and in connection with promotions, and in 2025, all of the NEOs received annual merit increases in their base salaries ranging from approximately 3.5% to 11%, which were effective April 1, 2025, and were based on the factors above. In addition, in May 2025, the base salary for Ms. Cook-Nelson was further increased as a result of her promotion from Executive Vice President and Chief Nuclear Officer to her current position of Executive Vice President and Chief Operating Officer, considering market data as well as the compensation received by the predecessor in her role. Additionally, the base salaries of each of Messrs. May and Viamontes and Ms. Landreaux were further increased effective August 3, 2025 in recognition of their performance in their positions over the past year and certain additional responsibilities and work assumed by each of them.

The following table sets forth the 2024 and 2025 annual base salaries for each of the NEOs, after adjusting for the annual merit increases and subsequent increases discussed above, as applicable:

Named Executive Officer	2024 Base Salary	2025 Base Salary
Marcus V. Brown	$791,754	$819,465
Kimberly Cook-Nelson[(1)]	$660,000	$745,000
Haley R. Fisackerly	$458,019	$474,050
Kimberly A. Fontan	$706,250	$748,625
Laura R. Landreaux[(1)]	$430,983	$470,000
Andrew S. Marsh	$1,250,000	$1,300,000
Phillip R. May, Jr.[(1)]	$472,863	$535,000
Deanna D. Rodriguez	$375,924	$389,081
Eliecer Viamontes[(1)]	$418,077	$465,000

(1) Following the annual merit increases and prior to their subsequent base salary increases in August 2025, the base salaries of Messrs. May and Viamontes and Ms. Landreaux were $494,142, $434,800, and $454,687, respectively. Following the annual merit increase and prior to her subsequent salary increase relating to her promotion to her current position in May 2025, the base salary of Ms. Cook-Nelson was $732,600.

Annual Incentive Compensation

The NEOs are eligible for annual incentive awards pursuant to the executive annual incentive program established under our 2019 Omnibus Incentive Plan ("2019 OIP"). The maximum funding available for the program is determined by a payout factor referred to as the Entergy Achievement Multiplier ("EAM"). Each year, after a review of the Company's strategic plan, the Talent and Compensation Committee engages in a rigorous process to determine the performance measures and the minimum, target, and maximum performance goals for each measure that will be used to determine the EAM. The Talent and Compensation Committee also annually establishes target opportunities, as a percentage of base salary, for each member of the OCE, which includes all of the NEOs. The target opportunities for Mr. Marsh and Ms. Fontan were increased as compared to 2024 from 130% to 135% and from 85% to 90%, respectively, to align more closely with the market median due to their increased tenure in their roles and performance in their roles since their promotions to those roles in 2022. The target opportunity for Ms. Cook-Nelson was also increased from 75% to 80% as a result of her promotion to her current position, effective May 1, 2025. The 2025 target award opportunities for Messrs. Fisackerly, May, and Viamontes and Mses. Landreaux and Rodriguez, were increased by 5% as a result of their performance in their roles in 2024 and due to the increased responsibilities each of them assumed upon becoming members of the OCE in November 2024. The target opportunity for Mr. Brown remained at the same level as was established for 2024.

Each January, after the end of the fiscal year, the Finance and Talent and Compensation Committees jointly review the Company's results, and the Talent and Compensation Committee determines the EAM based on the payout factor against the target for each performance measure goal. The Talent and Compensation Committee retains discretion to modify the EAM based on its assessment of the degree of management's success in achieving the Company's strategic objectives during the year, taking into account the business and operating environment.

Individual executive officer annual incentive awards are determined based on the Talent and Compensation Committee's consideration of not only each executive officer's role in executing the Company's strategies and delivering the financial and operational performance achieved, but also the individual's accountability for any challenges and achievements the Company experienced during the year.

2025 Annual Incentive Program Performance Measures and Methodology

The measures that the Talent and Compensation Committee approved to determine the EAM for 2025 were: ETR Adjusted EPS; Adjusted FFO/Debt Ratio; Safety; Customer NPS; and Talent, Culture, and Commerce, with ETR Adjusted EPS being the most heavily weighted at 60% and the remaining measures each weighted at 10%. The performance measures for the 2025 annual incentive program awards were determined by the Talent and Compensation Committee in December 2024, with the Talent, Culture, and Commerce measure and goals being finalized by the committee at its March 2025 meeting.

Minimum, target, and maximum performance goals were established for each of the measures, with no payout for results less than the designated minimum, a 25% payout opportunity for results at the minimum, a 100% payout opportunity for results at target, and a 200% payout opportunity for results equal to or exceeding the maximum. Payout opportunities for results between the minimum and target, and target and maximum performance achievement levels, respectively, were determined by straight line interpolation, with the EAM result being determined formulaically by the weighted average of the payouts determined for each of the performance measures.

Quantitative Performance Measures

All the performance measures used to determine the EAM except for the Talent, Culture and Commerce performance measure are purely quantitative measures. Following are summary descriptions of each of the quantitative performance measures, including the rationale for their selection and targets set for 2025:

Measure	Rationale	Goal
ETR Adjusted EPS Non-GAAP measure, which is the earnings measure by which Entergy provides external guidance, adjusted to eliminate the effects of: (i) major storms, including the adjustment to total debt for pending securitizations; (ii) resolutions during the year of certain unresolved regulatory litigation matters; (iii) income tax law changes; and (iv) any adjustments to contributions to qualified and non-qualified pension investments or trusts related to post-retirement benefits that are elective and above or below plan assumptions (collectively, the "Pre-Determined Exclusions")	• Based on an objective financial measure that we and our investors consider to be important in evaluating our financial performance • Based on the same measure we use for internal and external financial reporting • Provides both discipline and transparency	• Target performance was set above prior year actual performance and was set to equal management's expectation for the Company's Adjusted EPS as reflected in its financial plan, or $3.85 per share • Minimum performance (also set above prior year actual performance): $3.75 per share • Maximum performance: $3.95 per share
Adjusted FFO/Debt Ratio Non-GAAP measure, which is the ratio of: (i) adjusted funds from operations calculated as consolidated operating cash flow adjusted for allowance for funds used during construction, working capital, 50% of interest on hybrid debt instruments, securitization regulatory charges, and the Pre-Determined Exclusions to (ii) total consolidated debt, excluding current and pending securitization debt and 50% of principal of hybrid debt instruments, in each case calculated to reflect rating agency treatment of interest and principal on Entergy's junior subordinated debentures	• Helps emphasize the importance of managing capital and operations and maintenance ("O&M") spending, which directly impacts this metric • Key measure evaluated by credit rating agencies • Management of cash flows enables Entergy to strengthen its balance sheet, which reduces borrowing costs and supports affordability for customers	• Target performance was set to equal 14.6%, which was believed to be a reasonable stretch goal because it exceeded the projected Adjusted FFO/Debt Ratio forecast as reflected in Entergy's financial plan • Minimum performance: 14.1% • Maximum performance: 15.1%

Measure	Rationale	Goal
Safety Quantitative measure based on Entergy's serious injury and fatality ("SIF") count as defined by the Edison Electric Institute ("EEI"), Entergy's Total Recordable Incident Rate ("TRIR"), Entergy's priority pole replacement and Entergy's vegetation trimming backlog, with the results of the SIF and TRIR sub-metrics each being weighted at 1/3 and the results of the remaining two sub-metrics each being weighted at 1/6 • SIF count is the number of Entergy employee and contractor serious injuries and fatalities over a one-year period, with employee and contractor targets and results are combined to arrive at reported results and one fatality automatically setting the sub-metric result to zero • TRIR is based on Occupational Safety and Health Administration reporting guidelines and measures the number of work-related injuries and illnesses per 100 full-time employees over a one-year period • Priority Pole Replacement is based on the number of high priority ("P1") poles remaining in backlog for longer than six months at the end of the performance period • Vegetation Trimming Backlog is based on the reduction of overdue vegetation miles in backlog over the performance period	• The SIF and TRIR goals support Entergy's goal of maintaining a safe and incident-free workplace for all of our employees and contractors • TRIR is a target that can be impacted by everyone since not all employees are exposed to high energies that could lead to SIF events • Improvements in TRIR are associated with improvements in enterprise safety culture, which should contribute to a reduction in SIF events • The priority pole replacement and the vegetation trimming backlog sub-metrics were incorporated in 2025 because they directly impact public safety and system reliability, consistent with Entergy's commitment to reducing risks and improving system performance	*SIF count* • Target performance was set at 2 SIFs, which equates to top quartile performance among electric utilities for 2025, as reported by the EEI • No payout if any fatalities *TRIR* • Target performance was set at 0.38, which represents an improvement from the 2024 result of 0.41 and equates to 2/3 of the distance between 2024 performance and top decile in EEI benchmarking *Priority Pole Replacement* • Target performance was set to equal a monthly average of less than 10 high priority replacement poles in backlog *Vegetation Trimming Backlog* • Target performance was set to equal a 5% reduction of vegetation trimming backlog

Measure	Rationale	Goal
Customer NPS Quantitative measure based on a benchmark blind survey process for residential and business customers and a custom survey for large commercial and industrial ("C&I") customers, with the final result determined based on a composite of relative quartile ranking for residential and business customers and a numerical score for large C&I customers, equally weighted • The blind survey of residential and business customers asks how likely they are to recommend Entergy, on a scale of 0 to 10 • The NPS is the percentage of promoters (scores 9-10) less the percentage of detractors (scores of 6 or less) • A custom survey is used to determine large C&I NPS because a satisfactory benchmark survey is not available	• Incentivizes actions that drive positive customer outcomes (as measured through customer feedback), including impacts on reliability improvements, responsiveness, price/ affordability and brand/ reputation • Signals overall health and loyalty of our customer relationships	*Residential and Business NPS* • Target performance goals are designed to set a trajectory towards long-term, first quartile customer NPS among industry peers based on achievable near-term outcomes • For Residential NPS, target performance was set at a rank equating to the top of the second quartile • For Business NPS, target performance was set at a rank equating to first quartile *Large C&I NPS* • Target performance was set at a one point improvement from the 2024 rank

Qualitative Performance Measure: Talent, Culture, and Commerce

The Talent, Culture, and Commerce measure is an overall qualitative assessment of talent, culture, and commerce outcomes determined by a combination of qualitative assessments and quantitative key performance indicators. Qualitative assessments include succession planning; leadership training; employee development; inclusion and organizational health programs; and programs on economic development and supply chain outreach. Quantitative key performance indicators are compared to external benchmarks and include voluntary regrettable turnover (i.e., voluntary termination of employees whose most recent performance rating is exceptional or exceeds); inclusive climate survey results; and local supplier managed spend.

The Talent, Culture, and Commerce measure was used in the annual incentive program because:

- It reinforces Entergy's commitment to offer a work environment that is welcoming to all and which allows us to attract and retain superb talent supporting the execution of Entergy's strategy.
- It rewards progress toward developing and retaining a workforce with a variety of backgrounds, experiences and perspectives and maintaining our commitment to hiring and retaining the most qualified employees.
- It drives an engaged workforce, customer-centric service and solutions, enhancement of owner value, and community partnerships.
- It supports Entergy's efforts to incorporate local suppliers, which benefits the communities we serve and helps us build a stronger, healthier, and more resilient supply chain.

2025 Annual Incentive Program Target Performance Goal Considerations

In determining the targets for 2025, the Talent and Compensation Committee reviewed anticipated drivers and risks to the Company's expectations for ETR Adjusted EPS and Adjusted FFO/Debt Ratio for 2025 as set forth in the Company's financial plan, as well as factors driving the strong financial performance achieved in 2024. The Talent and Compensation Committee noted that the proposed targets for ETR Adjusted EPS reflected year-to-year growth in the core earnings measure underlying the annual incentive program target consistent with Entergy's stated objective at the beginning of the year of steady, predictable growth in ETR Adjusted EPS at a compound annual rate greater than 8% estimated through 2028. The Talent and Compensation Committee also considered the potential impact of a wide range of identified risks and opportunities and confirmed that the annual incentive program targets for each of the performance measures reflected a reasonable balancing of such risks and opportunities and an appropriate degree of challenge. The goals were designed to be achievable, but also to require the strong coordinated performance of the management team.

2025 Annual Incentive Program Performance Assessment

In January 2026, the Finance and Talent and Compensation Committees jointly reviewed the Company's financial and operational results and assessed management's performance against the performance measures and goals described above in order to determine the EAM. The following table summarizes the annual incentive program performance goals and results for 2025:

Performance Measure	Performance Goals and Results					
	Weighting	Minimum	Target	Maximum	2025 Results	Payout Factor
ETR Adjusted EPS ($)[1]	60%	3.75	3.85	3.95	3.91	156%
Adjusted FFO/Debt Ratio[2]	10%	14.1%	14.6%	15.1%	15.2%	200%
Safety[3]	10%	SIF: 4 TRIR: 0.45 P1 Poles: <20 Veg. Miles: 3% (605)	SIF: 2 TRIR: 0.38 P1 Poles: <10 Veg. Miles: 5% (1,008)	SIF: 1 TRIR: 0.35 P1 Poles: 0 + 1,200 P2 poles replaced Veg. Miles: 7% (1,411)	SIF: 12 TRIR: 0.46 P1 Poles: 3 Veg. Miles: 1,630	50%
Customer NPS[4]	10%	Residential: 48 (2nd quartile) Business: 37 (2nd quartile) Large C&I: 49	Residential: 25 (top of 2nd quartile) Business: 19 (1st quartile) Large C&I: 50	Residential: 24 (1st quartile) Business: 15 (midway to top decile) Large C&I: 51	Residential: 20 (1st quartile) Business: 14 (1st quartile) Large C&I: 55	200%
Talent, Culture, & Commerce	10%	Qualitative assessment				104%
EAM[5]	100%					149%

(1) ETR Adjusted EPS is a non-GAAP measure. See "What Entergy Corporation Pays and Why—2025 Compensation Decisions—2025 Annual Incentive Program Performance Measures and Methodology " for information regarding this non-GAAP financial measure.

(2) The Adjusted FFO/Debt Ratio, a non-GAAP measure, is the ratio of: (i) adjusted funds from operations calculated as consolidated operating cash flow adjusted for allowance for funds used during construction, working capital (including deferred fuel), securitization regulatory charges, 50% of interest on hybrid debt instruments and the Pre-Determined Exclusions to (ii) total consolidated debt, excluding current and

pending securitization debt and 50% of principal of hybrid debt instruments, in each case calculated to reflect rating agency treatment of interest and principal on Entergy's junior subordinated debentures.

(3) For 2025, the Safety measure calculation was based on four sub-metrics: Entergy's SIF count as defined by the EEI; Entergy's TRIR; Entergy's priority pole replacement; and Entergy's vegetation trimming backlog, with results of the SIF and TRIR sub-metrics being weighted at 1/3 each and the results of the remaining two sub-metrics being weighted at 1/6 each. The committees assessed management's performance at below minimum (0%) on each of the SIF and TRIR sub-metrics, 100% of target on the priority replacement pole sub-metric, and 200% of target on the vegetation trimming backlog sub-metric, resulting in an overall payout factor of 50% for the Safety measure.

(4) For 2025, the Customer NPS measure was calculated based on equally weighted categories of residential, business and large C&I customer NPS scores.

(5) Reflects the EAM as a percentage of target and as calculated in accordance with the annual incentive program.

In assessing the Talent, Culture, and Commerce measure, the committees performed a qualitative assessment of management's performance in the areas of talent, culture and commerce, informed by certain key performance indicators and quantitative measures described above. In evaluating talent-related outcomes, which were collectively weighted at 40% of the Talent, Culture, and Commerce measure, the committees assessed management's performance at 153% of target on voluntary turnover of highly rated employees and 100% of target on succession planning, leadership training, and employee development initiatives. In evaluating culture-related outcomes, which were collectively weighted at 40% of the Talent, Culture, and Commerce measure, the committees assessed management's performance at 25% of target on the Company's inclusive climate score and 100% of target on inclusion and organizational health initiatives. In evaluating commerce-related outcomes, which were collectively weighted at 20% of the Talent, Culture, and Commerce measure, the committees assessed management's performance at 155% of target on local supplier managed spend and 125% of target on economic development and supply chain outreach initiatives. This resulted in an assessment of 104% of target overall for the Talent, Culture, and Commerce performance measure.

To determine the individual NEO annual incentive program awards, the Talent and Compensation Committee considered individual performance in executing on the Company's strategies, including its large customer growth strategy, and delivering the strong financial performance and operational successes achieved in 2025, as well as the executive's success in achieving individual goals within the executive's scope of responsibilities. With these considerations in mind, the Talent and Compensation Committee approved the following annual incentive payouts to each of the NEOs, ranging from 149% to 155% of target.

Named Executive Officer	Year-End Base Salary	Target as Percentage of Year-End Base Salary	2025 Target Award[1]	Payout as Percentage of Target[1]	2025 Annual Incentive Award
Marcus V. Brown	$819,465	80%	$655,572	149%	$976,802
Kimberly Cook-Nelson	$745,000	80%	$596,000	149%	$864,920
Haley R. Fisackerly	$474,050	60%	$284,430	155%	$440,867
Kimberly A. Fontan	$748,625	90%	$673,763	155%	$1,044,333
Laura R. Landreaux	$470,000	60%	$282,000	149%	$420,180
Andrew S. Marsh	$1,300,000	135%	$1,755,000	149%	$2,614,950
Phillip R. May, Jr.	$535,000	65%	$347,750	155%	$539,013
Deanna D. Rodriguez	$389,081	55%	$213,995	149%	$318,853
Eliecer Viamontes	$465,000	60%	$279,000	155%	$432,450

(1) Based on performance against the performance measures, the NEOs could earn a payout ranging from 0%-200% of their target opportunity. For Ms. Cook-Nelson, the payout is stated as a percentage of the officer's pro-rated incentive target, which was determined based on the period of time served in each of the

positions held by such officer during the year and the base salary and target percentage for each such position.

Long-Term Incentive Compensation

Long-term incentive compensation delivered in shares of Entergy common stock represents the largest portion of executive officer compensation. The Company believes the combination of long-term incentives it employs provides a compelling performance-based compensation opportunity, is effective at retaining a strong senior management team, and aligns the interests of the executive officers with the interests of Entergy's customers and shareholders by enhancing executive officers' focus on the Company's long-term goals.

For each NEO, a target dollar value is established to determine that NEO's long-term incentive awards. The long-term incentive award target value for each NEO is determined based on utility industry and general industry market median compensation data for the officer's role, as applicable, adjusted to reflect internal equity and individual performance, including each NEO's degree of success in achieving various strategic, operational, and regulatory objectives and in overcoming certain challenges that arose in the business during the course of the year.

2025 Long-Term Compensation Incentive Compensation Mix

In February 2025, the Talent and Compensation Committee approved the 2025 long-term incentive award target values for each NEO. This value for each NEO was then converted into the number of performance units, stock options, and shares of restricted stock granted to each NEO based on an allocation of 60% performance units, 20% stock options, and 20% restricted stock.

NEO	Long-Term Incentive Target Grant Date Value[(1)] (As of February 6, 2025)	2025-2027 Target Performance Units	Stock Options	Shares of Restricted Stock
Marcus V. Brown[3]	$1,647,871	9,252	18,111	3,948
Kimberly Cook-Nelson	$1,373,974	7,714	15,101	3,292
Haley R. Fisackerly	$483,511	2,715	5,314	1,158
Kimberly A. Fontan	$1,908,215	10,714	20,974	4,571
Laura R. Landreaux	$463,137	2,600	5,090	1,110
Andrew S. Marsh[2]	$8,599,377	48,282	94,520	20,600
Phillip R. May, Jr.	$596,470	3,349	6,555	1,429
Deanna D. Rodriguez	$326,811	1,835	3,591	783
Eliecer Viamontes	$406,112	2,280	4,464	973

(1) Due to fluctuations in stock price, grant date value may differ from the value on the date the long-term incentive award target dollar values are established for each NEO.
(2) The target value of Mr. Marsh's long-term incentive award granted in February 2025 was increased from the grant he received in 2024 to better align his total compensation with market level compensation and recognize his and Entergy's strong performance.
(3) The target value of Mr. Brown's long-term incentive award granted in February 2025 was increased from the grant he received in 2024 to maintain his positioning with market.

All the performance units, shares of restricted stock and stock options granted to the NEOs in 2025 were granted pursuant to the 2019 OIP. The 2019 OIP requires a "double trigger," meaning both a change in control of Entergy and an involuntary job loss without cause or a resignation by the NEO for good reason within 24 months following the change in control, for accelerated vesting of these awards upon a change in control.

Performance Units

The NEOs are issued performance unit awards under the PUP with payout opportunities established by the Talent and Compensation Committee at the beginning of each three-year performance period. The PUP specifies minimum, target, and maximum performance goals, the achievement of which determines the number of performance units that may be earned by each participant.

2025–2027 PUP Performance Measures and Goals

For the 2025–2027 PUP, the Talent and Compensation Committee chose to use the same two performance measures used in the 2024-2026 PUP to determine PUP payouts: Relative TSR and Environmental Stewardship.

Relative TSR

The Talent and Compensation Committee continued to use Relative TSR as a PUP performance measure because it reflects Entergy's creation of shareholder value relative to other electric utilities included in the Philadelphia Utility Index over the performance period. By measuring performance in relation to an industry benchmark, this measure is intended to isolate, and reward management for, the creation of shareholder value that is not driven by events that affect the industry as a whole.

The Talent and Compensation Committee identified the Philadelphia Utility Index as the appropriate industry peer group for determining Relative TSR because the companies included in this index, in the aggregate, are viewed as comparable to Entergy in terms of business and scale.

Minimum, target, and maximum performance goals are determined by reference to the ranking of Entergy's total shareholder return ("TSR") in relation to the TSR of the companies in the Philadelphia Utility Index.

Environmental Stewardship

The Talent and Compensation Committee continued to use the Environmental Stewardship measure, which was first introduced into the PUP for the 2024–2026 performance period, because:

- It measures progress towards quantitative goals that align with desired customer and owner outcomes for clean energy, reliable operation, and reduced storm restoration costs.
- It aligns with interests of regulators to see positive outcomes from capital investments in managing both transition and physical risk.

The Environmental Stewardship measure consists of two components designed to capture the key dimensions of Entergy's current efforts to respond to climate change:

- A Climate Resilience component, sub-weighted at 60%, which is focused on reduction in storm restoration costs attributable to completed infrastructure improvement investments.
- A Carbon-Free Generation component, sub-weighted at 40%, which is focused on generation of electricity from carbon emission-free sources as compared to the Company's projection for the 2025–2027 performance period.

A Carbon Capture Modifier applies to the Carbon-Free Generation component in the range of -9% to +9% based on the Talent and Compensation Committee's assessment of achievement (or lack of achievement) of specific carbon capture and storage ("CCS") objectives, subject to CCS continuing to be a viable, competitive option.

In December 2024, the Talent and Compensation Committee established the following goals for the 2025–2027 PUP performance measures:

Performance Measures[1]	**PUP Measure Weight**	**Goals**[2]
Relative TSR	80%	Minimum (25%) - Bottom of 3rd Quartile Target (100%) - Median Maximum (200%) - 1st Quartile
Environmental Stewardship	20%	*Climate Resilience* (60%)[3] 2025: Minimum – 1%; Target – 3%; Maximum – 8% 2026: Minimum – 4%; Target – 9%; Maximum – 14% 2027: Minimum – 6%; Target – 11%; Maximum – 16% *Carbon-Free Generation* (40%)[4] Minimum – 133,200 GWh Target – 139,000 GWh Maximum – 144,800 GWh

(1) Payouts for performance between achievement levels are calculated using straight-line interpolation, between minimum and target and between target and maximum, with no payouts for performance below the minimum achievement level with respect to the applicable performance measure, and payouts capped at the maximum achievement level with respect to the applicable performance measure.

(2) There is no payout if the Relative TSR falls within the lowest quartile of the peer companies in the Philadelphia Utility Index and if both Climate Resilience and Carbon-Free Generation are below the minimum achievement levels.

(3) The achievement levels established for the Climate Resilience sub-metric are based on annual restoration cost reduction impacts of projects scheduled to be completed with funding under the financial plan based on a model approved by the Talent and Compensation Committee in December 2024.

(4) The goals for the Carbon-Free Generation sub-metric are based on cumulative GWhs generated over the three year period. The result of the Carbon-Free Generation sub-metric is subject to a carbon capture modifier in the range of -9% to +9% of the Carbon-Free Generation component based on the Talent and Compensation Committee's assessment of progress toward specific CCS objectives, subject to CCS continuing to be a viable, competitive option.

2023–2025 PUP Performance Measures, Goals and Payouts

In December 2022, the Talent and Compensation Committee chose Relative TSR and Adjusted FFO/Debt Ratio as the performance measures for the 2023–2025 PUP, with Relative TSR weighted 80% and Adjusted FFO/Debt Ratio weighted 20%. In January 2023, the Talent and Compensation Committee established the following minimum, target and maximum performance goals for the 2023–2025 PUP performance measures:

Performance Measures[1]	PUP Measure Weight	Goals[2]
Relative TSR	80%	Minimum (25%) - Bottom of 3rd Quartile Target (100%) - Median Maximum (200%) - 1st Quartile
Adjusted FFO/Debt Ratio[3]	20%	2023: Minimum (25%) – 14.0% Target (100%) – 14.5% Maximum (200%) – 15.5% 2024: Minimum (25%) – 14.0% Target (100%) – 15.0% Maximum (200%) – 16.0% 2025: Minimum (25%) – 14.0% Target (100%) – 15.0% Maximum (200%) – 16.0% (Modifier of ±10 basis points for a favorable or unfavorable change in Entergy's corporate credit outlook and ± 20 basis points for an upgrade or downgrade in the corporate credit rating for the Company, with a maximum adjustment of ±20 basis points)

(1) Payouts for performance between achievement levels are calculated using straight-line interpolation. There is no payout for performance below the minimum achievement level and payouts are capped at 200% for performance at or above the maximum achievement level.

(2) There is no payout if the Relative TSR falls within the lowest quartile of the peer companies in the Philadelphia Utility Index and the FFO/Debt Ratio is below the minimum achievement level.

(3) The Adjusted FFO/Debt Ratio, a non-GAAP financial measure, is the ratio of: (i) adjusted funds from operations calculated as consolidated operating cash flow adjusted for allowance for funds used during construction, working capital, excluding securitization regulatory charges, and the Pre-Determined Exclusions to (ii) total consolidated debt, excluding current and pending securitization debt, in each case calculated to reflect rating agency treatment of interest and principal on Entergy’s junior subordinated debentures. The Adjusted FFO/Debt Ratio is evaluated on an annual basis against the target set for each year, which, for 2023, was 14.5%, and for both 2024 and 2025, was 15.0%. The annual results are then averaged to determine the Adjusted FFO/Debt Ratio overall result, which is then further adjusted by the modifier described above. The Talent and Compensation Committee decided to calculate the Adjusted FFO/Debt Ratio in a manner consistent with the rating agency treatment of such debt, as updated in early 2024, in order to ensure that management’s incentives remained aligned with the goal of optimizing Entergy's capital structure while maintaining its credit rating.

In January 2026, the Talent and Compensation Committee reviewed Entergy's Relative TSR and Adjusted FFO/Debt Ratio for the 2023–2025 performance period in order to determine the vesting level of the 2023–2025 PUP. The Talent and Compensation Committee compared Entergy's TSR against the TSR of the companies that were included in the Philadelphia Utility Index as of the last day of the year preceding the beginning of the three-year performance period, which were (in addition to Entergy):

- AES Corporation
- Ameren Corporation
- American Electric Power Co. Inc.
- American Water Works Company, Inc.
- CenterPoint Energy Inc.
- Consolidated Edison Inc.
- Constellation Energy Corporation
- Dominion Energy
- DTE Energy Company
- Duke Energy Corporation
- Edison International
- Eversource Energy
- Exelon Corporation
- FirstEnergy Corporation
- NextEra Energy, Inc.
- Pinnacle West Capital Corporation
- Public Service Enterprise Group, Inc.
- Southern Company
- WEC Energy Group, Inc.
- Xcel Energy, Inc.

As recommended by the Finance Committee, the Talent and Compensation Committee concluded that Entergy Corporation's Relative TSR for the 2023– 2025 PUP was in the 1st Quartile, resulting in an achievement level of 200% of target, and that the Adjusted FFO/Debt Ratio was 14.3% for 2023, 15.0% for 2024 and 17.2% for 2025, plus an upward adjustment of 10% due to the Company's improved credit outlook in 2024, resulting in an achievement level of 132% of target. These results yielded an overall payout of 186% of target for the NEOs.

Named Executive Officer	2023 - 2025 Target Performance Units	Number of Shares Issued(1)	Value of Shares Actually Issued(2)	Grant Date Fair Value(3)
Marcus V. Brown	14,690	29,374	$2,810,301	$927,042
Kimberly Cook-Nelson	9,966	19,928	$1,906,566	$628,954
Haley R. Fisackerly	5,432	10,862	$1,039,180	$342,814
Kimberly A. Fontan	13,954	27,903	$2,669,499	$880,595
Laura R. Landreaux	4,516	9,030	$863,943	$285,005
Andrew S. Marsh	61,790	123,558	$11,820,865	$3,899,382
Phillip R. May, Jr.	5,502	11,002	$1,052,571	$347,231
Deanna D. Rodriguez	3,240	6,478	$619,835	$204,476
Eliecer Viamontes	3,988	7,974	$762,933	$251,683

(1) Includes accrued dividend equivalents.
(2) Value determined based on the closing price of Entergy Corporation common stock on January 15, 2026 ($95.67), the date the Talent and Compensation Committee certified the 2023–2025 PUP results.
(3) Represents the aggregate grant date fair value calculated in accordance with applicable accounting rules.

Stock Options and Restricted Stock

The Company grants stock options and shares of restricted stock as part of its long-term incentive award mix because it aligns the interests of the executive officers with long-term shareholder value, provides competitive compensation, and increases the executives' ownership in Entergy's common stock. Generally, stock options are granted annually on a pre-established schedule with a maximum term of ten years and vest one-third on each of the first three anniversaries of the date of grant. The exercise price for each option granted in February 2025 was $82.79, which was based on the closing price of Entergy's common stock on the date of grant. Shares of restricted

stock vest one-third on each of the first three anniversaries of the date of grant, are paid dividends which are reinvested in shares of Entergy common stock, and have full voting rights. The dividend reinvestment shares are subject to the same vesting conditions as the underlying shares of restricted stock.

Pre-Determined Exclusions

The Pre-Determined Exclusions for the 2025 annual incentive program EAM and for the 2023–2025 PUP included effects of: (i) major storms, including the adjustment to total debt for pending securitizations; (ii) resolutions during the year of certain unresolved regulatory litigation matters; (iii) income tax law changes; and (iv) any adjustments to contributions to qualified and non-qualified pension investments or trusts related to post-retirement benefits that are elective and above or below plan assumptions. The Pre-Determined Exclusions are calculated using plan assumptions at the time the target is set.

The Talent and Compensation Committee also considered, both at the time it chose ETR Adjusted EPS and the Adjusted FFO/Debt Ratio as the 2025 EAM performance measures and at the time it chose the Adjusted FFO/Debt Ratio as a performance measure in the 2023–2025 PUP, as well as when it was establishing the targets for these measures, the appropriateness of excluding the effect of each of the specific Pre-Determined Exclusions it had identified. It viewed the exclusion of major storms as appropriate because although Entergy includes estimates for minor storm costs in its financial plan, it does not include estimates for a major storm event, such as a hurricane, given management's inability to control or predict acts of nature. The Talent and Compensation Committee considered the exclusion of the effects of any unanticipated changes in income tax law to be appropriate because of the inability of management to impact those results. It approved the exclusion of elective adjustments to Entergy contributions to pension and post-retirement benefit plan trusts because such elective adjustments are not viewed as reflective of the underlying performance of the business. The Talent and Compensation Committee approved the exclusion for the impact of certain unresolved legacy regulatory litigation primarily because of management's inability to influence the related outcomes.

Health, Welfare, Retirement and other Benefit Elements

The NEOs are eligible to participate in or receive the following benefits:

Plan Type	Description
Retirement Plans	Entergy Corporation-sponsored: Entergy Retirement Plan - a tax-qualified final average pay defined benefit pension plan that covers a broad group of employees hired before July 1, 2014. As used in this CD&A, "Entergy Retirement Plan" refers to the final average pay defined benefit pension plan benefit provided to eligible employees pursuant to the Entergy Corporation Retirement Plan for Non-Bargaining Employees. Cash Balance Plan - a tax-qualified cash balance defined benefit pension plan that covers a broad group of employees hired on or after July 1, 2014 and before January 1, 2021. Effective January 1, 2022, the Cash Balance Plan was merged with and into the Entergy Retirement Plan, while maintaining the same cash balance pension benefit formula. As used in this CD&A, "Cash Balance Plan" refers to the cash balance defined benefit pension plan benefit provided to eligible employees. Pension Equalization Plan (PEP) - a non-qualified pension restoration plan for certain highly compensated non-bargaining employees who participate in the Entergy Retirement Plan. Cash Balance Equalization Plan (CBEP) - a non-qualified restoration plan for certain highly compensated non-bargaining employees who participate in the Cash Balance Plan. System Executive Retirement Plan (SERP) - a legacy non-qualified supplemental retirement plan for a select group of individuals who became executive officers before July 1, 2014. See "2025 Pension Benefits" for additional information regarding the operation of and NEO participation in the plans described above.
Savings Plan	Entergy Corporation-sponsored 401(k) Savings Plan that covers a broad group of employees and provides for an employer matching contribution.
Health & Welfare Benefits	Medical, dental and vision coverage, health care and dependent care reimbursement plans, life and accidental death and dismemberment insurance, business travel accident insurance, and basic long-term disability insurance. Eligibility, coverage levels, potential employee contributions, and other plan design features are the same for the NEOs as for the broad employee population.
2025 Perquisites	Corporate aircraft usage, annual mandatory physical exams, relocation benefits and personal security assessments of the executive team's residences in 2025. The Board believes that providing these assessments was a reasonable and appropriate business expense and an important component of the Company's overall risk oversight and security program. The NEOs do not receive tax gross ups on any benefits, except for certain relocation benefits. For additional information regarding perquisites during 2025, see the "All Other Compensation" column in the 2025 Summary Compensation Table.
Deferred Compensation	The NEOs are eligible to defer up to 100% of their base salary and annual incentive awards into the Entergy Corporation sponsored Executive Deferred Compensation Plan. As of December 31, 2025, none of the NEOs have deferred any amounts under this plan.
Executive Disability Plan	This plan pays eligible individuals a supplemental long-term disability (LTD) benefit if they are disabled and receiving LTD benefits from the broad-based LTD Plan. The benefit payable under this plan is equal to 65% of the difference between their annual base salary and the annual base salary that produces the maximum disability payment under our broad-based LTD plan, which is $15,000.

Entergy Corporation provides these benefits to the NEOs as part of its effort to provide a competitive executive compensation program and because it believes that these benefits are important retention and recruitment tools since many of the companies with which it competes for executive talent provide similar arrangements to their senior executive officers. In addition, in the case of benefits such as the annual physical examination and the personal security assessment, Entergy provides such benefits because it believes they are in the interests of Entergy and its shareholders.

Severance and Retention Arrangements

System Executive Continuity Plan

The Talent and Compensation Committee believes that retention and transitional compensation arrangements are an important part of overall compensation as they help to secure the continued employment and dedication of the NEOs, notwithstanding any concern that they might have at the time of a change in control regarding their own continued employment. In addition, the Talent and Compensation Committee believes that these arrangements are important as recruitment and retention devices, as many of the companies with which Entergy Corporation competes for executive talent have similar arrangements in place for their senior employees.

To achieve these objectives, Entergy Corporation has established a System Executive Continuity Plan ("Continuity Plan") under which each of our NEOs is entitled to receive "change in control" payments and benefits if such officer's employment is involuntarily terminated without cause or if the officer resigns for good reason, in each case, in connection with a change in control of the Company. Entergy strives to ensure that the benefits and payment levels under the Continuity Plan are consistent with market practices. Entergy's executive officers, including the NEOs, are not entitled to any tax gross up payments on any severance benefits received under this plan. For more information regarding our severance arrangements, see "2025 Potential Payments Upon Termination or Change in Control."

Non-Qualified Pension Plan

Mr. Brown participates in both the SERP and the PEP but is entitled to receive a benefit from only one of the plans upon his retirement. In 2022, the Company entered into an agreement with Mr. Brown and amended the PEP and the SERP. Pursuant to such agreement and amendments, if certain contingencies are met, Mr. Brown (or his surviving spouse) under the SERP when he separates from employment with the Company is fixed and will be determined as if such separation from employment occurred as of November 30, 2022, including the use of final average monthly compensation, service and actuarial assumptions applicable to separations as of such date (the "Qualifying Transition Benefit"). If Mr. Brown separates from service and the contingencies are not met, then Mr. Brown (or his surviving spouse) will receive the lesser of (i) the previously described benefit amount under the SERP or (ii) the benefit that would have been payable to Mr. Brown under the SERP or the PEP, without regard to the above-described amendments to the SERP and PEP.

On November 6, 2025, the Company announced that Mr. Brown will retire from Entergy in the spring of 2026. In connection with Mr. Brown's anticipated retirement, the Company granted Mr. Brown permission to retire under the SERP in the spring of 2026 prior to attaining age 65, and upon such retirement Mr. Brown will become entitled to the Qualifying Transition Benefit. However, Mr. Brown's SERP benefit remains subject to forfeiture in the event of a termination for "Cause" and also remains subject to the forfeiture provisions of Sections 6.01(c) and 6.01(d) of the SERP (relating to certain noncompete and confidentiality obligations).

Risk Mitigation and Other Pay Practices

Policy for Recoupment of Compensation (Clawback Provisions)

Under the amended and restated policy regarding the recoupment of certain compensation adopted by each of Entergy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas (the "Clawback Policy"), which exceeds the requirements of the Dodd-Frank Wall Street Reform and Consumer

Protection Act (the "Dodd-Frank Act"), Entergy will seek reimbursement of certain compensation from current or former executive officers subject to Section 16, including all of the NEOs, where:

- Entergy is required to restate its financial statements due to noncompliance with any financial reporting requirement under securities laws; or
- there is a material miscalculation of a performance measure related to incentive compensation, regardless of whether Entergy's financial statements are restated.

In addition, Entergy may seek reimbursement of certain compensation from current or former executive officers subject to Section 16, including all of the NEOs, if the Board determines that such executive officer engaged in fraud that resulted in either a restatement of Entergy's financial statements or a material miscalculation of a performance measure relative to incentive compensation.

The Clawback Policy applies to incentive compensation, including cash or equity-based bonus or incentive or profit-sharing awards paid in respect of the three-year period prior to the year in which Entergy is required to prepare such restatement or in respect of the three-year period preceding the material miscalculation. The amount required to be reimbursed is equal to the excess of the gross incentive payment actually paid over the gross payment that would have been paid if the original payment had been determined based on the restated financial results or correct calculation. Entergy may enforce all or part of any executive officer's repayment obligation under the policy by reducing any amounts that may be owed from time-to-time by Entergy or any of its subsidiaries to such individual, whether as wages, severance or vacation pay or in the form of any other benefit or for any other reason. In addition, Entergy will seek to recover any compensation received by its Chief Executive Officer and Chief Financial Officer that is required to be reimbursed under the Sarbanes-Oxley Act of 2002 following a material restatement of our financial statements.

In addition to the above-described Clawback Policy, the Entergy Board adopted an additional discretionary recoupment policy applicable to all officers of Entergy System companies, including the NEOs, that allows recoupment of incentive compensation from an officer who engages in certain detrimental conduct, including (i) commission of a felony or other crime that affects the officer's ability to perform their duties, (ii) fraud in contravention of the officer's duties to the enterprise, (iii) unauthorized disclosure of confidential or proprietary information of an Entergy System company or material violation of a material written Entergy System company policy or material agreement between the officer and an Entergy System company in either case that results in, or could have resulted in, termination for Cause as defined in the 2019 OIP or that results in significant financial or operational loss, or significant reputational harm to Entergy; and (iv) other conduct that the officer knew or should have known could result in termination for Cause as defined in the 2019 OIP (regardless whether it does) and that results in significant financial or operational loss or significant reputational harm to Entergy. The discretionary recoupment policy for detrimental conduct applies to all incentive compensation, including time-based awards, and allows for the claw back of compensation received after the detrimental conduct and within the three-year period preceding the detrimental conduct, provided the recoupment efforts are commenced within five years after the detrimental conduct and before a change in control. The additional discretionary recoupment policy applies to detrimental conduct committed on or after January 26, 2024, the effective date of the policy.

Stock Ownership Guidelines and Share Retention Requirements

Entergy Corporation requires its NEOs to own Entergy stock to further align their interests with Entergy's shareholders' interests. Stock ownership levels are achieved through ownership of any Entergy shares held by the officer, including shares held in the 401(k) plan, restricted stock, dividends earned on restricted shares during the period of restriction, and restricted stock units. Performance units held under the PUP and stock options, whether vested or unvested, do not count toward achievement of stock ownership levels. Annually, the Talent and Compensation Committee monitors the executive officers' compliance with these guidelines with all of the NEOs being in compliance with the applicable ownership guidelines at the time of the most recent annual review. The ownership guidelines are as follows:

Role	Value of Common Stock to be Owned
Chief Executive Officer	6 x base salary
Executive Vice Presidents	3 x base salary
Senior Vice Presidents	2 x base salary
Vice Presidents	1 x base salary

To facilitate compliance with the guidelines, until an executive officer satisfies the stock ownership guidelines, the officer must retain:

- all net after-tax shares paid out under the PUP;
- all net after-tax shares of our restricted stock and all net after-tax shares received upon the vesting of restricted stock units; and
- at least 75% of the after-tax net shares received upon the exercise of Entergy Corporation stock options.

Trading Controls

Entergy and each of the Registrant Subsidiaries have adopted an insider trading policy which is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations and which governs the purchase, sale, and/or other dispositions of Entergy's securities, by any directors, officers and employees the Company and its subsidiaries, and by Entergy and the subsidiaries themselves as well as the applicable rules and regulations of the New York Stock Exchange. A copy of the insider trading policy adopted by Entergy and each of the Registrant Subsidiaries is filed as Exhibit 19 to the Company's Annual Report on Form 10-K.

Executive officers, including the NEOs, are subject to Entergy's insider trading policy and thus are required to receive permission from Entergy's General Counsel or his designee prior to entering into any transaction involving Entergy securities, including gifts, other than an exercise of employee stock options that is not funded through a sale in the market. Employees who are subject to trading restrictions, including the NEOs, are generally only permitted to trade during specified open trading windows beginning shortly after the release of earnings. Employees, including the NEOs, may enter into trading plans under Rule 10b5-1 of the Exchange Act, but these trading plans or any amendment to or termination of an existing plan may be entered into only during an open trading window and must be approved in advance by Entergy's General Counsel or his designee.

No Pledging/Hedging

Entergy Corporation also prohibits directors and executive officers, including the NEOs, from pledging any Entergy Corporation securities or entering into margin accounts involving Entergy Corporation securities. Entergy Corporation prohibits these transactions because of the potential that sales of Entergy Corporation securities could occur outside trading periods and without the required approval of the General Counsel. In addition, Entergy Corporation prohibits directors and executive officers, including the NEOs, from engaging in any hedging transactions with respect to Entergy securities.

Compensation Consultant Independence

Annually, the Talent and Compensation Committee reviews the relationship with its compensation consultant to determine whether any conflicts of interest exist that would prevent the consultant from independently advising the Talent and Compensation Committee. When assessing the independence of Pay Governance, its current compensation consultant, in 2025, the committee considered the following factors, among others:

- Pay Governance has policies in place to prevent conflicts of interest;
- No member of Pay Governance's consulting team serving the committee has a business relationship with any member of the committee or any of Entergy Corporation's executive officers;
- Neither Pay Governance nor any of its principals own any shares of Entergy Corporation's common stock; and
- The amount of fees paid to Pay Governance is less than 1% of Pay Governance's total consulting income.

Based on these factors, the Talent and Compensation Committee concluded that Pay Governance is independent in accordance with SEC and NYSE rules and that no conflicts of interest exist that would prevent Pay Governance from independently advising either the Talent and Compensation Committee or the Corporate Governance Committee.

In addition, Pay Governance has agreed that it will not accept any engagement with management without prior approval from the Talent and Compensation Committee, and Entergy Corporation's Board has adopted a policy that prohibits a compensation consultant from providing other services to it if the aggregate amount for those services would exceed $120,000 in any year. During 2025, Pay Governance did not provide any services to Entergy Corporation other than the services it performed on behalf of the Talent and Compensation and Corporate Governance Committees, and it worked with Entergy Corporation's management only as directed by those committees.

TALENT AND COMPENSATION COMMITTEE REPORT

The Talent and Compensation Committee Report included in the 2026 Entergy Proxy Statement is incorporated by reference, but will not be deemed to be "filed" in this Annual Report on Form 10-K. None of the Registrant Subsidiaries has a compensation committee or other board committee performing equivalent functions. The board of directors of each of the Registrant Subsidiaries is comprised of individuals who are officers or employees of Entergy Corporation or one of the Registrant Subsidiaries. These boards do not make determinations regarding the compensation paid to executive officers of the Registrant Subsidiaries.

EXECUTIVE COMPENSATION TABLES

2025 Summary Compensation Table

The following table summarizes the total compensation paid or earned by each of the NEOs for the fiscal year ended December 31, 2025, and to the extent required by SEC executive compensation disclosure rules, the fiscal years ended December 31, 2024 and 2023. For information on the principal positions held by each of the NEOs, see Item 10, "Directors, Executive Officers, and Corporate Governance of the Registrants."

The compensation set forth in the table represents the aggregate compensation paid by all Entergy System companies. For additional information regarding the material terms of the awards reported in the following table, including a general description of the formula or criteria to be applied in determining the amounts payable, see "Compensation Discussion and Analysis."

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Name and Principal Position (1)	**Year**	**Salary (2)**	**Bonus (3)**	**Stock Awards (4)**	**Option Awards (5)**	**Non-Equity Incentive Plan Compen-sation (6)**	**Change in Pension Value and Non-qualified Deferred Compen-sation Earnings (7)**	**All Other Compen-sation (8)**	**Total**	**Total Without Change in Pension Value (9)**
Marcus V. Brown	2025	$811,898	$100,000	$1,332,196	$315,675	$976,802	$784,500	$126,455	$4,447,526	$3,663,026
Executive Legal	2024	$783,555	$—	$1,185,567	$307,642	$924,768	$455,800	$67,092	$3,724,424	$3,268,624
Advisor to the CEO -	2023	$753,419	$—	$1,226,636	$290,192	$950,104	$731,700	$77,328	$4,029,379	$3,297,679
Entergy Corp.										
Kimberly Cook-Nelson	2025	$720,749	$—	$1,110,763	$263,210	$864,920	$874,200	$183,900	$4,017,742	$3,143,542
Executive Vice										
President and Chief										
Operating Officer -										
Entergy Corp.										
Haley R. Fisackerly	2025	$469,325	$—	$390,888	$92,623	$440,867	$731,300	$74,292	$2,199,295	$1,467,995
CEO - Entergy	2024	$452,266	$—	$377,721	$98,000	$400,537	$319,800	$50,558	$1,698,882	$1,379,082
Mississippi	2023	$431,421	$—	$453,653	$107,294	$325,368	$247,800	$47,415	$1,612,951	$1,365,151
Kimberly A. Fontan	2025	$737,033	$—	$1,542,638	$365,577	$1,044,333	$880,600	$98,647	$4,668,828	$3,788,228
Executive Vice	2024	$684,375	$—	$1,477,716	$383,422	$876,457	$433,100	$34,937	$3,890,007	$3,456,907
President and CFO -	2023	$625,000	$—	$1,165,112	$275,621	$646,875	$409,600	$31,860	$3,154,068	$2,744,468
Entergy Corp.,										
Entergy Arkansas,										
Entergy Louisiana,										
Entergy Mississippi,										
Entergy New										
Orleans, and										
Entergy Texas										
Laura R. Landreaux	2025	$453,353	$—	$374,418	$88,719	$420,180	$216,400	$49,564	$1,602,634	$1,386,234
CEO - Entergy	2024	$425,320	$—	$483,864	$125,543	$331,857	$89,900	$23,491	$1,479,975	$1,390,075
Arkansas	2023	$406,405	$—	$377,082	$89,191	$305,428	$175,600	$23,719	$1,377,425	$1,201,825

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Name and Principal Position (1)	Year	Salary (2)	Bonus (3)	Stock Awards (4)	Option Awards (5)	Non-Equity Incentive Plan Compen-sation (6)	Change in Pension Value and Non-qualified Deferred Compen-sation Earnings (7)	All Other Compen-sation (8)	Total	Total Without Change in Pension Value (9)
Andrew S. Marsh	2025	$1,286,346	$—	$6,951,893	$1,647,484	$2,614,950	$3,972,100	$279,816	$16,752,589	$12,780,489
Chair of the	2024	$1,209,615	$—	$5,709,300	$1,481,523	$2,307,500	$2,043,600	$94,837	$12,846,375	$10,802,775
Board and CEO -	2023	$1,100,000	$—	$5,159,370	$1,220,557	$1,821,600	$982,400	$89,281	$10,373,208	$9,390,808
Entergy Corp.										
Phillip R. May, Jr.	2025	$504,046	$—	$482,216	$114,254	$539,013	$642,900	$82,908	$2,365,337	$1,722,437
CEO - Entergy	2024	$467,944	$—	$456,010	$118,322	$451,112	$146,500	$36,357	$1,676,245	$1,529,745
Louisiana	2023	$449,491	$—	$459,481	$108,679	$340,945	$114,400	$36,586	$1,509,582	$1,395,182
Deanna D. Rodriguez	2025	$385,488	$—	$264,219	$62,591	$318,853	$413,200	$56,834	$1,501,185	$1,087,985
CEO - Entergy	2024	$372,249	$—	$242,151	$62,809	$263,147	$197,300	$26,228	$1,163,884	$966,584
New Orleans	2023	$358,208	$—	$270,525	$63,983	$226,421	$270,200	$23,671	$1,213,008	$942,808
Eliecer Viamontes	2025	$441,841	$—	$328,304	$77,808	$432,450	$44,600	$68,440	$1,393,443	$1,348,843
CEO - Entergy	2024	$384,887	$—	$303,748	$78,813	$321,919	$34,200	$33,055	$1,156,622	$1,122,422
Texas	2023	$361,284	$—	$333,024	$78,755	$251,202	$28,700	$25,846	$1,078,811	$1,050,111

(1) No compensation information is provided for Ms. Cook-Nelson for 2024 and 2023, as she was not an NEO of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans or Entergy Texas for the years ended December 31, 2024 and December 31, 2023.

(2) The amounts in column (c) represent the actual base salary paid to the NEOs in the applicable year. The 2025 merit increases in base salaries noted in the CD&A were effective in April 2025. The subsequent base salary increase noted in the CD&A for Ms. Cook-Nelson was effective in May 2025, and the subsequent base salary increases for each of Messrs. May and Viamontes and Ms. Landreaux were effective August 2025.

(3) The cash bonus paid to Mr. Brown was to recognize his work serving as Chair of the Super Bowl LIX Host Committee on behalf of Entergy Corporation, the founding sponsor of the Host Committee.

(4) The amounts in column (e) represent the aggregate grant date fair value of restricted stock and performance units granted under the 2019 OIP, each calculated in accordance with FASB ASC Topic 718, without taking into account estimated forfeitures. The grant date fair value of the restricted stock, restricted stock units, and the portion of the performance units with vesting based on the Adjusted FFO/Debt Ratio (within the 2023–2025 PUP) and the Environmental Stewardship measure (used within the 2024–2026 PUP and 2025–2027 PUP) is determined using the closing price of Entergy common stock on the date of grant. The grant date fair value of the portion of the performance units attributable to Relative TSR was measured using a Monte Carlo simulation valuation model. The simulation model applies a risk-free interest rate and an expected volatility assumption. The risk-free interest rate is assumed to equal the yield on a three-year treasury bond on the grant date. Volatility is based on historical volatility for the 36-month period preceding the grant date. The performance units in the table are also valued based on the probable outcome of the applicable performance condition at the time of grant. The maximum value of shares that would be received if the highest achievement level is attained with respect to both the Relative TSR and Environmental Stewardship measures, for performance units granted in 2025 are as follows: Mr. Brown, $1,531,946; Ms. Cook-Nelson, $1,277,284; Mr. Fisackerly, $449,550; Ms. Fontan, $1,774,024; Ms. Landreaux, $430,508; Mr. Marsh, $7,994,534; Mr. May, $554,527; Ms. Rodriguez, $303,839; and Mr. Viamontes, $377,522.

(5) The amounts in column (f) represent the aggregate grant date fair value of stock options granted under the 2019 OIP calculated in accordance with FASB ASC Topic 718. For a discussion of the relevant assumptions used in valuing these awards, see Note 12 to the financial statements.

(6) The amounts in column (g) represent annual incentive award cash payments made pursuant to the annual incentive program established under the 2019 OIP.

(7) The amounts in column (h) include the annual actuarial change in the present value of these NEOs' benefits under all pension plans established by Entergy Corporation using interest rate and mortality rate assumptions consistent with those used in Entergy Corporation's financial statements. None of the increases for any of the NEOs are attributable to above-market or preferential earnings on non-qualified deferred compensation and includes any amounts which the NEOs may not currently be entitled to receive because such amounts are not vested. See "2025 Pension Benefits" for additional information.

(8) The amounts in column (i) for 2025 include (a) matching contributions by Entergy Corporation under the Savings Plan to each of the NEOs; (b) dividends and dividend equivalents paid on restricted stock and performance units when vested; (c) life insurance premiums; (d) tax reimbursements on club dues; and (e) perquisites and other compensation as described further below. The 2025 amounts are listed in the following table:

Named Executive Officer	Company Matching Contribution – Savings Plan	Dividends Paid on Restricted Stock and PUP Awards	Life Insurance Premium	Tax Reimbursement	Perquisites and Other Compensation	Total
Marcus V. Brown	$14,700	$75,271	$11,484	$—	$25,000	$126,455
Kimberly Cook-Nelson	$14,700	$41,013	$4,002	$37,763	$86,422	$183,900
Haley R. Fisackerly	$14,700	$19,758	$11,484	$—	$28,350	$74,292
Kimberly A. Fontan	$14,700	$52,463	$1,896	$—	$29,588	$98,647
Laura R. Landreaux	$—	$20,826	$3,738	$—	$25,000	$49,564
Andrew S. Marsh	$14,700	$231,599	$4,049	$—	$29,468	$279,816
Phillip R. May, Jr.	$14,490	$32,163	$11,255	$—	$25,000	$82,908
Deanna D. Rodriguez	$14,700	$14,474	$2,660	$—	$25,000	$56,834
Eliecer Viamontes	$21,000	$17,538	$1,265	$—	$28,637	$68,440

(9) The Total Without Change in Pension Value represents total compensation, as determined under applicable SEC rules, minus the change in pension value reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column for the applicable year. The amounts reported in the Total Without Change in Pension Value column may differ substantially from the amounts reported in the Total column required under SEC rules and are not a substitute for total compensation. The change in pension value is subject to many external variables, such as interest rates, assumptions about life expectancy, and changes in the discount rate determined at each year end, which are functions of economic factors and actuarial calculations that are not related to Entergy's performance and are outside of the control of the Talent and Compensation Committee.

Perquisites and Other Compensation

The amounts set forth in column (i) also include perquisites and other personal benefits that Entergy provides to its NEOs as part of providing a competitive executive compensation program and for employee retention. The following perquisites were provided to the NEOs in 2025.

Named Executive Officer	Personal Security	Executive Physical Exams	Relocation
Marcus V. Brown	X	X	
Kimberly Cook-Nelson	X	X	X
Haley R. Fisackerly	X	X	
Kimberly A. Fontan	X	X	
Laura R. Landreaux	X	X	
Andrew S. Marsh	X	X	
Phillip R. May, Jr.	X	X	
Deanna D. Rodriguez	X	X	
Eliecer Viamontes	X	X	

Entergy requires its executive officers who are members of the OCE, including all of the NEOs, to have a comprehensive annual physical exam at Entergy’s expense, and executive officers may have the occasional personal use of tickets to athletic and cultural events when such tickets are not being used for business purposes, for which there is no incremental cost to the Company.

Personal security assessments were performed on the homes of the Company's senior executive team, including all of the NEOs, as part of a broader initiative to enhance Entergy’s executive protection program. These assessments were designed to identify vulnerabilities, recommend improvements, and establish a consistent security standard for our executives’ homes. The cost of these assessments was $25,000 for each of the NEOs. The amount reflected as the incremental cost to the Company is based on the amount reimbursed directly to the third-party service provider.

Entergy also provides relocation benefits to a broad base of employees, which include assisting with moving expenses, transportation of household goods and in certain circumstances, assistance with the sale of the employee's existing home. In connection with her promotion to Executive Vice President and Chief Operating Officer, and in accordance with Entergy's relocation policies, Entergy paid $94,491 in relocation expenses for Ms. Cook-Nelson in 2025. The relocation assistance amount reported above represents the amount paid to Entergy’s relocation service provider or Ms. Cook-Nelson, as applicable. If Ms. Cook-Nelson separates from the Company prior to the two-year anniversary of her promotion, certain of Ms. Cook-Nelson's relocation benefits are subject to repayment.

None of the other perquisites referenced above exceeded $25,000 for any of the NEOs.

2025 Grants of Plan-Based Awards

The following table summarizes award grants during 2025 to the NEOs.

(a)	(b)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards [1]			Estimated Future Payouts under Equity Incentive Plan Awards [2]			(i)	(j)	(k)	(l)
		(c)	(d)	(e)	(f)	(g)	(h)				
Name	Grant Date	Thresh-old ($)	Target ($)	Maximum ($)	Thresh-old (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#) (3)	All Other Option Awards: Number of Securities Under-lying Options (#) (4)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($) (5)
Marcus V.	2/6/25	$-	$655,572	$1,311,144							
Brown	2/6/25				2,313	9,252	18,504				$1,005,341
	2/6/25							3,948			$326,855
	2/6/25								18,111	$82.79	$315,675
Kimberly	2/6/25	$-	$596,000	$1,192,000							
Cook-Nelson	2/6/25				1,929	7,714	15,428				$838,219
	2/6/25							3,292			$272,545
	2/6/25								15,101	$82.79	$263,210
Haley R.	2/6/25	$-	$284,430	$568,860							
Fisackerly	2/6/25				679	2,715	5,430				$295,017
	2/6/25							1,158			$95,871
	2/6/25								5,314	$82.79	$92,623
Kimberly A.	2/6/25	$-	$673,763	$1,347,525							
Fontan	2/6/25				2,679	10,714	21,428				$1,164,205
	2/6/25							4,571			$378,433
	2/6/25								20,974	$82.79	$365,577
Laura R.	2/6/25	$-	$282,000	$564,000							
Landreaux	2/6/25				650	2,600	5,200				$282,521
	2/6/25							1,110			$91,897
	2/6/25								5,090	$82.79	$88,719
Andrew S.	2/6/25	$-	$1,755,000	$3,510,000							
Marsh	2/6/25				12,071	48,282	96,564				$5,246,419
	2/6/25							20,600			$1,705,474
	2/6/25								94,520	$82.79	$1,647,484
Phillip R.	2/6/25	$-	$347,750	$695,500							
May, Jr.	2/6/25				837	3,349	6,698				$363,909
	2/6/25							1,429			$118,307
	2/6/25								6,555	$82.79	$114,254

(a)	(b)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards [1] (c)	(d)	(e)	Estimated Future Payouts under Equity Incentive Plan Awards [2] (f)	(g)	(h)	(i)	(j)	(k)	(l)
Name	Grant Date	Thresh-old ($)	Target ($)	Maximum ($)	Thresh-old (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#) (3)	All Other Option Awards: Number of Securities Under-lying Options (#) (4)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($) (5)
Deanna D.	2/6/25	$-	$213,995	$427,990							
Rodriguez	2/6/25				459	1,835	3,670				$199,395
	2/6/25							783			$64,825
	2/6/25								3,591	$82.79	$62,591
Eliecer	2/6/25	$-	$279,000	$558,000							
Viamontes	2/6/25				570	2,280	4,560				$247,749
	2/6/25							973			$80,555
	2/6/25								4,464	$82.79	$77,808

(1) The amounts in columns (c), (d), and (e) represent minimum, target, and maximum payment levels under the annual incentive program. The actual amounts awarded are reported in column (g) of the 2025 Summary Compensation Table.

(2) The amounts in columns (f), (g), and (h) represent the minimum, target, and maximum payment levels under the 2025–2027 PUP. Performance units granted under the 2025–2027 PUP pursuant to the 2019 OIP will vest on December 31, 2027 based on two performance measures—Relative TSR, weighted 80%, and Environmental Stewardship, weighted 20%, as described under "What Entergy Pays and Why – Long-Term Incentive Compensation – 2025 Long-Term Incentive Compensation Mix – Performance Units" in the CD&A. Subject to the achievement of performance targets, each unit will be converted into one share of Entergy's common stock on the last day of the performance period for the 2025-2027 PUP cycle (December 31, 2027). Accrued dividends on the shares earned will also be paid in Entergy common stock.

(3) The amounts in column (i) represent shares of restricted stock granted under the 2019 OIP. Shares of restricted stock vest one-third on each of the first, second and third anniversaries of the grant date, have voting rights, and accrue dividends during the vesting period.

(4) The amounts in column (j) represent options to purchase shares of Entergy Corporation's common stock granted under the 2019 OIP. The options vest one-third on each of the first, second and third anniversaries of the grant date and have a ten-year term from the date of grant.

(5) The amounts in column (l) are valued based on the aggregate grant date fair value of the award calculated in accordance with FASB ASC Topic 718 and, in the case of the performance units, are based on the probable outcome of the applicable performance conditions. See footnotes 4 and 5 to the 2025 Summary Compensation Table for a discussion of the relevant assumptions used in calculating the grant date fair value.

2025 Outstanding Equity Awards at Fiscal Year-End

The following table summarizes, for each NEO, their outstanding unexercised options, outstanding restricted stock that has not vested, and equity incentive plan awards outstanding as of December 31, 2025.

	Option Awards					Stock Awards			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexer-cised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Marcus V.	—	18,111 [1]		$82.79	2/06/2035				
Brown	—	22,042 [2]		$49.54	1/25/2034				
	—	9,640 [3]		$54.24	1/26/2033				
								18,504 [4]	$1,710,325
								29,696 [5]	$2,744,801
						4,058 [6]	$375,081		
						4,284 [7]	$395,970		
						2,055 [8]	$189,944		
Kimberly	—	15,101 [1]		$82.79	2/6/2035				
Cook-Nelson	—	20,296 [2]		$49.54	1/25/2034				
	—	6,540 [3]		$54.24	1/26/2033				
								15,428 [4]	$1,426,010
								27,344 [5]	$2,527,406
						3,384 [6]	$312,783		
						3,947 [7]	$364,821		
						1,394 [8]	$128,847		
						18,640 [9]	$1,722,895		
Haley R.	—	5,314 [1]		$82.79	2/6/2035				
Fisackerly	—	7,022 [2]		$49.54	1/25/2034				
	3,564	3,564 [3]		$54.24	1/26/2033				
	8,600	—		$65.86	1/30/2030				
								5,430 [4]	$501,895
								9,460 [5]	$874,388
						1,190 [6]	$109,992		
						1,367 [7]	$126,352		
						760 [8]	$70,247		

	Option Awards					Stock Awards			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexer-cised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Kimberly A.	—	20,974 [1]		$82.79	2/06/2035				
Fontan	13,734	27,472 [2]		$49.54	1/25/2034				
	18,310	9,156 [3]		$54.24	1/26/2033				
	9,910	—		$54.80	1/27/2032				
	12,800	—		$65.86	1/30/2030				
								21,428 [4]	$1,980,590
								37,012 [5]	$3,421,019
						4,698 [6]	$434,236		
						5,342 [7]	$493,761		
						1,952 [8]	$180,423		
Laura R.	—	5,090 [1]		$82.79	2/6/2035				
Landreaux	4,496	8,996 [2]		$49.54	1/25/2034				
	5,924	2,964 [3]		$54.24	1/26/2033				
	7,704	—		$54.80	1/27/2032				
	7,746	—		$47.94	1/28/2031				
	8,600	—		$65.86	1/30/2030				
	10,200	—		$44.60	1/31/2029				
								5,200 [4]	$480,636
								12,120 [5]	$1,120,252
						1,141 [6]	$105,463		
						1,749 [7]	$161,660		
						631 [8]	$58,323		
Andrew S.	—	94,520 [1]		$82.79	2/06/2035				
Marsh	53,072	106,146 [2]		$49.54	1/25/2034				
	81,086	40,544 [3]		$54.24	1/26/2033				
	50,960	—		$54.80	1/27/2032				
	58,392	—		$47.94	1/28/2031				
	72,158	—		$65.86	1/30/2030				
	90,364	—		$44.60	1/31/2029				
	98,000	—		$39.04	1/25/2028				
	88,000	—		$35.27	1/26/2027				
								96,564 [4]	$8,925,411
								143,004 [5]	$13,217,860
						21,176 [6]	$1,957,298		
						20,636 [7]	$1,907,385		
						8,640 [8]	$798,595		

(a)	Option Awards (b)	(c)	(d)	(e)	(f)	Stock Awards (g)	(h)	(i)	(j)
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexer-cised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Phillip R.	—	6,555 [1]		$82.79	2/6/2035				
May, Jr.	4,238	8,478 [2]		$49.54	1/25/2034				
	7,220	3,610 [3]		$54.24	1/26/2033				
	14,914	—		$54.80	1/27/2032				
	14,600	—		$65.86	1/30/2030				
								6,698 [4]	$619,096
								11,420 [5]	$1,055,551
						1,468 [6]	$135,687		
						1,649 [7]	$152,417		
						769 [8]	$71,079		
Deanna D.	—	3,591 [1]		$82.79	2/6/2035				
Rodriguez	2,250	4,500 [2]		$49.54	1/25/2034				
	1,610	2,126 [3]		$54.24	1/26/2033				
								3,670 [4]	$339,218
								6,064 [5]	$560,496
						804 [6]	$74,314		
						875 [7]	$80,876		
						452 [8]	$41,778		
Eliecer	—	4,464 [1]		$82.79	2/6/2035				
Viamontes	—	5,648 [2]		$49.54	1/25/2034				
	—	2,616 [3]		$54.24	1/26/2033				
								4,560 [4]	$421,481
								7,608 [5]	$703,207
						1,000 [6]	$92,430		
						1,097 [7]	$101,396		
						557 [8]	$51,484		

(1) Consists of options granted under the 2019 OIP; 1/3 of the options vested on February 6, 2026 and 1/2 of the remaining options will vest on each of February 6, 2027 and February 6, 2028.

(2) Consists of options granted under the 2019 OIP; 1/2 of the options vested on January 25, 2026 and the remaining options will vest on January 25, 2027.

(3) Consists of options granted under the 2019 OIP that vested on January 26, 2026.

(4) Consists of 2025–2027 PUP performance units granted under the 2019 OIP that will vest on December 31, 2027 based on two performance measures - Entergy Corporation's Relative TSR performance and Environmental Stewardship with Relative TSR weighted eighty percent and Environmental Stewardship weighted twenty percent, as described under "What Entergy Corporation Pays and Why - Long-Term Incentive Compensation - 2025 Long-Term Incentive Compensation Mix - Performance Units" in the CD&A.

(5) Consists of 2024–2026 PUP performance units granted under the 2019 OIP that will vest on December 31, 2026 based on two performance measures - Relative TSR, weighted 80%, and Environmental Stewardship, weighted 20%.

(6) Consists of shares of restricted stock granted under the 2019 OIP; 1/3 of the shares of restricted stock vested on February 6, 2026, 1/3 will vest on February 6, 2027, and 1/3 will vest on February 6, 2028.

(7) Consists of shares of restricted stock granted under the 2019 OIP; 1/2 of the shares of restricted stock vested on January 25, 2026 and the remaining shares will vest on January 25, 2027.

(8) Consists of shares of restricted stock granted under the 2019 OIP that vested on January 26, 2026.

(9) Consists of restricted stock units granted under the 2019 OIP which will vest in two installments of 40% of the units and 60% of the units on February 1, 2027 and August 1, 2029, respectively.

2025 Option Exercises and Stock Vested

The following table provides information concerning each exercise of stock options and each vesting of stock during 2025 for the NEOs.

	Options Awards		Stock Awards	
(a) Name	(b) Number of Shares Acquired on Exercise (#)	(c) Value Realized on Exercise ($)	(d) Number of Shares Acquired on Vesting (#)	(e) Value Realized on Vesting [1] ($)
Marcus V. Brown	135,694	$3,906,392	41,400	$3,299,295
Kimberly Cook-Nelson	21,160	$806,105	28,012	$2,237,243
Haley R. Fisackerly	22,980	$871,465	30,764	$1,965,683
Kimberly A. Fontan	27,890	$1,033,119	38,029	$3,085,175
Laura R. Landreaux	—	$—	12,842	$1,019,574
Andrew S. Marsh	—	$—	166,288	$13,572,998
Phillip R. May, Jr.	23,184	$907,107	32,028	$2,023,906
Deanna D. Rodriguez	2,500	$69,814	8,890	$718,082
Eliecer Viamontes	14,642	$466,621	10,880	$881,428

(1) Represents the value of performance units which vested under the 2023–2025 PUP (payable solely in shares based on the closing stock price of Entergy on the date of vesting) under the PUP and the vesting of restricted stock and restricted stock units, if applicable, in 2025.

2025 Pension Benefits

The following table shows the present value as of December 31, 2025, of accumulated benefits payable to each of the NEOs, including the number of years of service credited to each NEO, under the retirement plans sponsored by Entergy Corporation, determined using interest rate and mortality rate assumptions set forth in Note 11 to the financial statements. The amount of the SERP benefit provided in this table is the present value of the SERP benefit due at age 65 discounted using the interest rates that we used for financial reporting for the non-qualified pension liability at December 31, 2025, with the exception of Mr. Brown as discussed in the footnotes accompanying the table. Additional information regarding these retirement plans follows this table.

Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit	Payments During 2025
Marcus V. Brown[(1)(2)]	System Executive Retirement Plan	30.74	$11,065,100	$—
	Entergy Retirement Plan	30.74	$1,649,400	$—
Kimberly Cook-Nelson	Pension Equalization Plan	29.35	$2,127,500	$—
	Entergy Retirement Plan	29.35	$950,800	$—
Haley R. Fisackerly[(1)]	System Executive Retirement Plan	30.08	$3,255,700	$—
	Entergy Retirement Plan	30.08	$1,355,500	$—
Kimberly A. Fontan	Pension Equalization Plan	29.56	$2,235,100	$—
	Entergy Retirement Plan	29.56	$907,000	$—
Laura R. Landreaux	Pension Equalization Plan	18.48	$647,400	$—
	Entergy Retirement Plan	18.48	$557,200	$—
Andrew S. Marsh	System Executive Retirement Plan	27.37	$12,099,500	$—
	Entergy Retirement Plan	27.37	$857,700	$—
Phillip R. May, Jr. [(1)(3)]	System Executive Retirement Plan	39.56	$3,496,800	$—
	Entergy Retirement Plan	39.56	$2,038,600	$—
Deanna D. Rodriguez[(1)]	Pension Equalization Plan	31.19	$1,124,100	$—
	Entergy Retirement Plan	31.19	$1,507,100	$—
Eliecer Viamontes	Cash Balance Equalization Plan	5.95	$71,500	$—
	Cash Balance Plan	5.95	$82,200	$—

(1) As of December 31, 2025, Messrs. Brown, Fisackerly, and May, and Ms. Rodriguez were retirement eligible under the Entergy Retirement Plan.

(2) In 2022, the Company entered into an agreement with Mr. Brown and amended the PEP and the SERP, and pursuant to such agreement and amendments, the benefit payable to Mr. Brown (or to his surviving spouse) will be entitled to the Qualifying Transition Benefit under the SERP when he separates from employment with the Company if certain contingencies are met. See “Severance and Retention Arrangements – Non-qualified Pension Plan” for additional information on the Qualifying Transition Benefit. If Mr. Brown separates from service and the contingencies are not met, then Mr. Brown (or his surviving spouse) will receive the lesser of (i) the previously described benefit amount under the SERP or (ii) the benefit that would have been payable to Mr. Brown under the SERP or the PEP, without regard to the above-described amendments to the SERP and PEP.

On November 6, 2025, the Company announced that Mr. Brown will retire from Entergy in the spring of 2026. In connection with Mr. Brown's anticipated retirement, the Company granted Mr. Brown permission to retire under the SERP in the spring of 2026 prior to attaining age 65, and upon such retirement Mr. Brown will become entitled to the Qualifying Transition Benefit. However, Mr. Brown's SERP benefit remains subject to forfeiture in the event of a termination for "Cause" and also remains subject to the forfeiture provisions of Sections 6.01(c) and 6.01(d) of the SERP (relating to certain noncompete and confidentiality obligations).

(3) Service under the SERP is granted from the date of hire. Service under the qualified Entergy Retirement Plan is granted from the later of the date of hire or the plan participation date. The SERP amount reflected in the table for Mr. May is calculated based on 30 years of service pursuant to the terms of the SERP.

The tables below contain summaries of the pension benefit plans sponsored by Entergy that the NEOs participated in during 2025. Benefits for the NEOs who participate in these plans are determined using the same formulas as for other eligible employees.

Qualified Retirement Benefits

All of our NEOs, except for Mr. Viamontes, participate in the Entergy Retirement Plan, a tax-qualified final average pay defined benefit pension plan sponsored by Entergy. Mr. Viamontes participates in the Cash Balance Plan, which is a tax-qualified cash balance defined benefit pension plan Entergy sponsors for employees hired after June 30, 2014 and before January 1, 2021. Summaries of these plans are provided below. Benefits for the NEOs are determined using the same formulas as for other eligible employees:

	Entergy Retirement Plan	**Cash Balance Plan[1]**
Eligible Named Executive Officers	Marcus V. Brown Haley R. Fisackerly Andrew S. Marsh Laura R. Landreaux Kimberly Cook-Nelson Phillip R. May, Jr. Kimberly A. Fontan Deanna D. Rodriguez	Eliecer Viamontes
Eligibility	Non-bargaining employees hired before July 1, 2014	Non-bargaining employees hired on or after July 1, 2014 and before January 1, 2021.
Vesting	A participant becomes vested in the Entergy Retirement Plan upon attainment of at least 5 years of vesting service or upon attainment of age 65 while actively employed by an Entergy system company.	A participant becomes vested in the Cash Balance Plan upon attainment of at least 3 years of vesting service or upon attainment of age 65 while actively employed by an Entergy system company.
Form of Payment Upon Retirement	Benefits are payable as an annuity. For employees who separate from service on or after January 1, 2018, a single lump sum distribution may be elected by the participant if eligibility criteria are met.	Benefits are payable as an annuity or single lump sum distribution.

	Entergy Retirement Plan	Cash Balance Plan[1]
Retirement Benefit Formula	Benefits are calculated as a single life annuity payable at age 65 and generally are equal to 1.5% of a participant's Final Average Monthly Earnings ("FAME") multiplied by years of service (not to exceed 40). Earnings for the purpose of calculating FAME generally include the employee's base salary and eligible annual incentive awards subject to limitations imposed by the Internal Revenue Code of 1986, as amended ("Code"), and exclude all other bonuses. Executive annual incentive awards are not eligible for inclusion in earnings under this plan. FAME is calculated using the employee's average monthly earnings for the 60 consecutive months in which the employee's earnings were highest during the 120 month period immediately preceding the employee's retirement and includes up to 5 eligible annual incentive awards paid during the 60 month period, except that executive annual incentive awards are not included in the FAME calculation.	The normal retirement benefit at age 65 is determined by converting the sum of an employee's annual pay credits and his or her annual interest credits into an actuarially equivalent annuity. Pay credits ranging from 4-8% of an employee's eligible earnings are allocated annually to a notional account for the employee based on an employee's age and years of service. Earnings for purposes of calculating an employee's pay credit include the employee's base salary and annual incentive awards, subject to Code limitations, and exclude all other bonuses. Executive annual incentive program awards are eligible for inclusion in earnings under this plan. Interest credits are calculated based upon the annual rate of interest on 30-year U.S. Treasury securities, as specified by the Internal Revenue Service, for the month of August preceding the first day of the applicable calendar year subject to a minimum rate of 2.6% and a maximum rate of 9%.
Benefit Timing[2]	Normal retirement age under the plan is 65. A reduced terminated vested benefit may be commenced as early as age 55. The amount of this benefit is determined by reducing the normal retirement benefit by 7% per year for the first 5 years commencement precedes age 65 and 6% per year for each additional year commencement precedes age 65. A subsidized early retirement benefit may be commenced by employees who are at least age 55 with 10 years of service at the time they separate from service. The amount of this benefit is determined by reducing the normal retirement benefit by 2% per year for each year that early retirement precedes age 65.	Normal retirement age under the plan is 65. A vested cash balance benefit may be commenced as early as the first day of the month following separation from service. The amount of the benefit is determined in the same manner as the normal retirement benefit described above in the "Retirement Benefit Formula" section.

(1) Effective January 1, 2022, the Entergy Corporation Cash Balance Plan for Non-Bargaining Employees merged into and became Appendix J of the Entergy Corporation Retirement Plan for Non-Bargaining Employees, but retained its eligibility, benefit formula, and all benefits, rights, and features.

(2) As of December 31, 2025, Messrs. Brown, Fisackerly, and May and Ms. Rodriguez were eligible for early retirement under the Entergy Retirement Plan.

Non-qualified Retirement Benefits

The NEOs are eligible to participate in certain non-qualified retirement benefit plans that provide retirement income in addition to the benefit provided under the qualified retirement plans, including the PEP, the Cash Balance Equalization Plan ("CBEP"), and the SERP. Upon separation from the Company, those NEOs who participate in both the PEP and the SERP will be paid only the greater of the benefit under the PEP or the SERP. Each of the SERP, PEP, and CBEP is an unfunded non-qualified defined benefit pension plan that provides benefits to key

management employees. In general, upon disability, participants in the PEP and the SERP remain eligible for continued service credits until the earliest of recovery, separation from service due to disability, or retirement eligibility. Generally, spouses of participants who die before commencement of benefits may be eligible for a portion of the participant's accrued benefit under these plans.

	Pension Equalization Plan	Cash Balance Equalization Plan	System Executive Retirement Plan
Eligible Named Executive Officers	Marcus V. Brown Kimberly Cook-Nelson Haley R. Fisackerly Laura R. Landreaux Andrew S. Marsh Philip R. May, Jr. Kimberly A. Fontan Deanna D. Rodriguez	Eliecer Viamontes	Marcus V. Brown Haley R. Fisackerly Andrew S. Marsh Philip R. May, Jr.
Eligibility[(1)]	Management or highly compensated employees who participate in the Entergy Retirement Plan	Management or highly compensated employees who participate in the Cash Balance Plan	Certain individuals who became executive officers before July 1, 2014
Form of Payment Upon Retirement	Single lump sum distribution	Single lump sum distribution	Single lump sum distribution
Retirement Benefit Formula	Benefits generally are equal to the actuarial present value of the difference between (1) the amount that would have been payable as an annuity under the qualified defined benefit pension plan, including executive annual incentive program awards as eligible earnings and without applying the limitations of the Code on pension benefits and earnings that may be considered in calculating tax-qualified pension benefits, and (2) the amount actually payable as an annuity under the qualified pension plan. Executive annual incentive awards are taken into account as eligible earnings under this plan.	Benefits generally are equal to the difference between the amount that would have been payable as a lump sum under the Cash Balance Plan, but for the Code limitations on pension benefits and earnings that may be considered in calculating tax-qualified cash balance plan benefits, and the amount actually payable as a lump sum under the Cash Balance Plan.	Benefits generally are equal to the actuarial present value of a specified percentage, based on the participant's years of service and management level of the participant's "Final Average Monthly Compensation" (which is generally 1/36th of the sum of the participant's base salary and annual incentive plan award for the three highest years during the last 10 years preceding separation from service), after first being reduced by the value of the participant's Entergy Retirement Plan benefit.

	Pension Equalization Plan	Cash Balance Equalization Plan	System Executive Retirement Plan
Benefit Timing[2]	Payable at age 65 Benefits payable prior to age 65 are subject to the same reduced terminated vested or early retirement reduction factors as benefits payable under the qualified pension plan as described above. Payable upon separation from service subject to six month delay if the participant is a "specified employee" under Code Section 409A.	Payable upon separation from service subject to six month delay required under the Code Section 409A.	Payable at age 65 Prior to age 65, vesting is conditioned on the prior written consent of the officer's Entergy employer.[3] Benefits payable prior to age 65 are subject to the same reduced terminated vested or subsidized early retirement reduction factors as benefits payable under the Entergy Retirement Plan as described above. Payable upon separation from service subject to six month delay if the participant is a "specified employee" under Code Section 409A.

(1) The SERP was closed to new executive officers effective July 1, 2014. Effective July 1, 2014, no new grants of supplemental service may be provided to participants in the PEP. Participants in Entergy Corporation's Cash Balance Plan are not eligible to participate in the PEP and instead may be eligible to participate in the CBEP.

(2) Benefits accrued under the SERP, PEP, and CBEP, if any, will become fully vested if a participant is involuntarily terminated without cause or terminates his or her employment for good reason in connection with a change in control with payment generally made in a lump-sum payment as soon as reasonably practicable following the first day of the month after the termination of employment, unless delayed six months under Code Section 409A.

(3) On November 6, 2025 the Company announced that Mr. Brown will retire from Entergy in the spring of 2026. In connection with Mr. Brown's anticipated retirement, the Company granted Mr. Brown permission to retire under the SERP in the spring of 2026 prior to attaining age 65, and upon such retirement Mr. Brown will become entitled to the Qualifying Transition Benefit described above in "Severance and Retention Arrangements – Non-qualified Pension Plan." However, Mr. Brown's SERP benefit remains subject to forfeiture in the event of a termination for "Cause" and also remains subject to the forfeiture provisions of Sections 6.01(c) and 6.01(d) of the SERP (relating to certain noncompete and confidentiality obligations).

2025 Non-Qualified Deferred Compensation

As of December 31, 2025, Mr. May had a deferred account balance under a frozen Defined Contribution Restoration Plan. The amount is deemed invested, as chosen by Mr. May, in certain T. Rowe Price investment funds that are also available to participants under the Savings Plan. Mr. May has elected to receive the deferred account balance after he retires. The Defined Contribution Restoration Plan, until it was frozen in 2005, credited eligible employees' deferral accounts with employer contributions to the extent contributions under the qualified savings plan in which the employee participated were subject to limitations imposed by the Code.

Defined Contribution Restoration Plan

Name	Executive Contributions in 2025	Registrant Contributions in 2025	Aggregate Earnings in 2025[1]	Aggregate Withdrawals/Distributions	Aggregate Balance at December 31, 2025
(a)	(b)	(c)	(d)	(e)	(f)
Phillip R. May, Jr.	$—	$—	$1,073	$—	$6,101

(1) Amounts in this column are not included in the Summary Compensation Table.

2025 Potential Payments Upon Termination or Change in Control

Entergy has plans and other arrangements that provide compensation to an NEO if his or her employment terminates under specified conditions, including following a change in control of Entergy.

Change in Control

Entergy does not have any plans or agreements that provide for payments or benefits to any of our NEOs solely upon a Change in Control (as defined below). Under the Continuity Plan, executive officers, including each of the NEOs are eligible to receive the cash severance payment and welfare plan benefits described below if their employment is terminated by their Entergy System employer other than for Cause (as defined below) or if they terminate their employment for Good Reason during a period beginning with a potential change in control and ending 24 months following the effective date of a Change in Control (a "Qualifying Termination"). A participant will not be eligible for benefits under the Continuity Plan if such participant: accepts employment with Entergy or any of its subsidiaries; elects to receive the benefits of another severance or separation program; removes, copies, or fails to return any property belonging to Entergy Corporation or any of its subsidiaries or violates the non-compete provision of the Continuity Plan (which generally runs for two years but extends to three years if permissible under applicable law). The Continuity Plan does not include any provisions for the waiver of a breach of any of these restrictive covenants.

In addition, under the 2019 OIP or an applicable equity award agreement issued under the 2019 OIP, upon a Qualifying Termination, our executive officers, including the NEOs, are eligible for the payments and benefits described in the table below under "Performance Units" and "Equity Awards." Further, in the event of a Qualifying Termination, our executive officers, including the NEOs, are eligible for the benefits described in the table below for "Retirement Benefits" under the terms of the SERP, PEP, and/or CBEP, as applicable.

In the event of a Qualifying Termination, the executive officers, including the NEOs would receive lump sum severance payments and welfare benefits described below. In the event of a Qualifying Termination, all of the NEOs would receive the treatment described below for their retirement benefits and their outstanding performance units and equity awards:

Compensation Element	Payment and/or Benefit
Severance[1]	A lump sum severance payment equal to a multiple of the sum of: (a) the participant's annual base salary as in effect at any time within one year prior to the commencement of a Change in Control period or, if higher, immediately prior to a circumstance constituting good reason, plus (b) the participant's annual incentive award, calculated using the average annual target opportunity derived under the annual incentive program for the two calendar years immediately preceding the calendar year in which termination occurs.
Performance Units	For outstanding performance units, participants would receive a number of shares of Entergy common stock equal to the greater of (1) the target number of performance units subject to the performance unit agreement or (2) the number of units that would vest under the performance unit agreement calculated based on Company performance through the participant's termination date, in either case pro-rated based on the portion of the performance period that occurs through the termination date.
Equity Awards	All unvested stock options and restricted stock units will vest immediately, and restrictions will lift on restricted shares, upon a Qualifying Termination pursuant to the terms of Entergy's equity plans.
Retirement Benefits	Benefits already accrued under the SERP, PEP, and CBEP, if any, will become fully vested.
Welfare Benefits	Participants who are not retirement-eligible would be eligible to receive Entergy-subsidized COBRA benefits for a period of 18 months.

(1) Cash severance payments are capped at 2.99 times the sum of (a) an executive's annual base salary in effect at any time within one year before commencement of the Change in Control period, or, if higher, immediately prior to a circumstance constituting Good Reason under the Continuity Plan in effect at any time within one year before commencement of the change in control period or, if higher, immediately prior to a circumstance constituting Good Reason under the Continuity Plan, plus (b) the higher of the executive's actual annual incentive payment under the annual incentive program for the year immediately preceding the calendar year in which termination occurs or the average of the executive's target annual incentive award for the two calendar years preceding the year in which termination occurs. Any cash severance payments to be paid under the Continuity Plan in excess of this cap will be forfeited by the participant.

To protect shareholders and Entergy Corporation's business model, executives are required to comply with non-compete provisions (which generally run for two years but extend to three years if permissible under applicable law) and confidentiality provisions. Subject to applicable law and the terms of the Continuity Plan, if an executive discloses non-public data or information concerning Entergy Corporation or any of its subsidiaries or violates his or her non-compete provision, he or she will be required to repay any benefits previously received under the Continuity Plan.

For purposes of the Continuity Plan, the following events are generally defined as:

- ***Change in Control***: (a) the purchase of 30% or more of either Entergy Corporation's common stock or the combined voting power of Entergy Corporation's voting securities; (b) the merger or consolidation of Entergy Corporation (unless its Board members constitute at least a majority of the board members of the surviving entity); (c) the liquidation, dissolution, or sale of all or substantially all of Entergy Corporation's assets; or (d) a change in the composition of Entergy Corporation's Board such that, during any two-year period, the individuals serving at the beginning of the period no longer constitute a majority of Entergy Corporation's Board at the end of the period.

- ***Potential Change in Control***: (a) Entergy Corporation or an affiliate enters into an agreement, the consummation of which would constitute a Change in Control; (b) the Entergy Corporation Board adopts resolutions determining that, for purposes of the Continuity Plan, a potential Change in Control has occurred; (c) a System Company or other person or entity publicly announces an intention to take actions that would constitute a Change in Control; or (d) any person or entity becomes the beneficial owner (directly or indirectly) of Entergy Corporation's outstanding shares of common stock constituting 20% or more of the voting power or value of the Entergy Corporation's outstanding common stock.

- ***Cause****:* The participant's (a) willful and continuous failure to perform substantially his or her duties after written demand for performance; (b) engagement in conduct that is materially injurious to Entergy Corporation or any of its subsidiaries; (c) conviction or entry of a plea of guilty or no contest to a felony or other crime that materially and adversely affects the participant's ability to perform his or her duties or Entergy Corporation's reputation; (d) material violation of any agreement with Entergy Corporation or any of its subsidiaries; or (e) unauthorized disclosure of any of Entergy Corporation's confidential information.

- ***Good Reason***: The participant's (a) nature or status of duties and responsibilities is substantially altered or reduced; (b) salary is reduced by 5% or more; (c) primary work location is relocated outside the continental United States; (d) compensation plans are discontinued without an equitable replacement; (e) benefits or number of vacation days are substantially reduced; or (f) employment is terminated by an Entergy employer for reasons other than in accordance with the Continuity Plan.

Other Termination Events

For termination events, other than in connection with a Change in Control, the executive officers, including the NEOs, generally will receive the benefits set forth below:

Termination Event	Compensation Element				
	Severance	Annual Incentive	Stock Options	Restricted Stock[2]	Performance Units
Voluntary Resignation (Not Retirement)	None	Forfeited[1]	Unvested options are forfeited. Vested options expire on the earlier of (i) 90 days from the last day of active employment and (ii) the option's normal expiration date.	Forfeited	Forfeited[3]
Termination for Cause	None	Forfeited	Forfeited	Forfeited	Forfeited
Retirement	None	Pro-rated based on number of days employed during the performance period	Unvested stock options continue to vest following retirement, in accordance with the original vesting schedule and expire on the earlier of (i) five years from the retirement date and (ii) the option's normal expiration date.	Forfeited	Officers with a minimum of 12 months of participation are eligible for a pro-rated award based on actual performance and full months of service during the performance period
Death/Disability	None	Pro-rated based on number of days employed during the performance period	Unvested stock options vest on the termination date and expire on the earlier of (i) five years from the termination date and (ii) the option's normal expiration date	Fully Vest	Officers are eligible for pro-rated award based on actual performance and full months of service during the performance period

(1) If an officer resigns after the completion of an annual incentive program performance period, but before the payment date of the annual incentive payment, he or she may receive, at Entergy's discretion, an annual incentive payment.

(2) This column refers solely to restricted stock awards. Certain officers are occasionally granted restricted stock units for retention purposes, to offset forfeited compensation from a previous employer or for other limited purposes. The treatment of restricted stock units depends on the terms of the individual restricted stock unit agreement, which terms can vary. The standard off-cycle restricted stock unit agreement approved by the Talent and Compensation Committee provides that the units are forfeited if employment is terminated for any reason before the vesting date, except in the case of a termination other than for cause or voluntary termination for Good Reason during a Change in Control period. However, individual restricted stock unit agreements may provide for accelerated vesting in certain events, such as death or disability. Ms. Cook-Nelson has outstanding restricted stock units, the treatment of which upon various events of termination is disclosed in connection with the table below.

(3) If an officer resigns after the completion of a PUP performance period, he or she will receive a payout under the PUP based on actual performance during the performance period.

Aggregate Termination Payments

The tables below reflect the amount of compensation each of the NEOs would have received if his or her employment had been terminated as of December 31, 2025 under the various scenarios described above. For purposes of these tables, a stock price of $92.43 was used, which was the closing market price of Entergy Corporation stock on December 31, 2025, the last trading day of the year.

Benefits and Payments Upon Termination	Voluntary Resignation	For Cause	Termination for Good Reason or Not for Cause	Retirement	Disability	Death	Termination Related to a Change in Control
Marcus V. Brown[1]							
Severance Payment	$—	$—	$—	$—	$—	$—	$4,425,111
Performance Units[3]	$—	$—	$—	$1,200,019	$1,200,019	$1,200,019	$1,200,019
Stock Options[4]	$—	$—	$—	$—	$1,488,123	$1,488,123	$1,488,123
Restricted Stock	$—	$—	$—	$—	$961,144	$961,144	$961,144
Welfare Benefits[5]	$—	$—	$—	$—	$—	$—	$—
Kimberly Cook-Nelson[2]							
Severance Payment	$—	$—	$—	$—	$—	$—	$3,911,250
Performance Units[3]	$—	$—	$—	$—	$1,080,229	$1,080,229	$1,080,229
Stock Options	$—	$—	$—	$—	$1,265,832	$1,265,832	$1,265,832
Restricted Stock	$—	$—	$—	$—	$806,567	$806,567	$806,567
Welfare Benefits[6]	$—	$—	$—	$—	$—	$—	$36,027
Unvested Restricted Stock Units[7]	$—	$—	$—	$—	$—	$—	$1,722,895
Haley R. Fisackerly[1]							
Severance Payment	$—	$—	$—	$—	$—	$—	$1,469,555
Performance Units[3]	$—	$—	$—	$375,173	$375,173	$375,173	$375,173
Stock Options[4]	$—	$—	$—	$—	$488,510	$488,510	$488,510
Restricted Stock	$—	$—	$—	$—	$306,722	$306,722	$306,722
Welfare Benefits[5]	$—	$—	$—	$—	$—	$—	$—
Kimberly A. Fontan[2]							
Severance Payment	$—	$—	$—	$—	$—	$—	$4,042,575
Performance Units[3]	$—	$—	$—	$—	$1,470,561	$1,470,561	$1,470,561
Stock Options	$—	$—	$—	$—	$1,730,131	$1,730,131	$1,730,131
Restricted Stock	$—	$—	$—	$—	$1,108,582	$1,108,582	$1,108,582
Welfare Benefits[6]	$—	$—	$—	$—	$—	$—	$36,027
Laura R. Landreaux[2]							
Severance Payment	$—	$—	$—	$—	$—	$—	$1,457,000
Performance Units[3]	$—	$—	$—	$—	$453,554	$453,554	$453,554
Stock Options	$—	$—	$—	$—	$548,101	$548,101	$548,101
Restricted Stock	$—	$—	$—	$—	$325,540	$325,540	$325,540
Welfare Benefits[6]	$—	$—	$—	$—	$—	$—	$36,027

Benefits and Payments Upon Termination	Voluntary Resignation	For Cause	Termination for Good Reason or Not for Cause	Retirement	Disability	Death	Termination Related to a Change in Control
Andrew S. Marsh[2]							
Severance Payment	$—	$—	$—	$—	$—	$—	$8,775,000
Performance Units[3]	$—	$—	$—	$—	$5,893,521	$5,893,521	$5,893,521
Stock Options	$—	$—	$—	$—	$7,012,150	$7,012,150	$7,012,150
Restricted Stock	$—	$—	$—	$—	$4,663,393	$4,663,393	$4,663,393
Welfare Benefits[6]	$—	$—	$—	$—	$—	$—	$36,027
Phillip R. May, Jr.[1]							
Severance Payment	$—	$—	$—	$—	$—	$—	$1,712,000
Performance Units[3]	$—	$—	$—	$455,125	$455,125	$455,125	$455,125
Stock Options[4]	$—	$—	$—	$—	$564,677	$564,677	$564,677
Restricted Stock	$—	$—	$—	$—	$359,358	$359,358	$359,358
Welfare Benefits[5]	$—	$—	$—	$—	$—	$—	$—
Deanna D. Rodriguez[1]							
Severance Payment	$—	$—	$—	$—	$—	$—	$1,167,243
Performance Units[3]	$—	$—	$—	$243,460	$243,460	$243,460	$243,460
Stock Options[4]	$—	$—	$—	$—	$308,814	$308,814	$308,814
Restricted Stock	$—	$—	$—	$—	$197,217	$197,217	$197,217
Welfare Benefits[5]	$—	$—	$—	$—	$—	$—	$—
Eliecer Viamontes[2]							
Severance Payment	$—	$—	$—	$—	$—	$—	$1,441,500
Performance Units[3]	$—	$—	$—	$—	$304,649	$304,649	$304,649
Stock Options	$—	$—	$—	$—	$385,181	$385,181	$385,181
Restricted Stock	$—	$—	$—	$—	$245,497	$245,497	$245,497
Welfare Benefits[6]	$—	$—	$—	$—	$—	$—	$36,027

(1) As of December 31, 2025, Mr. Brown, Mr. Fisackerly, Mr. May and Ms. Rodriguez were retirement eligible and would retire rather than voluntarily resign, and in addition to the payments and benefits in the table, each also would be entitled to receive their vested pension benefits under the Entergy Retirement Plan and their benefit under the PEP or the SERP, to the extent applicable, the latter of which requires the prior written consent of the officer's Entergy employer to separate prior to age 65. Mr. Brown participates in the SERP and the PEP, but is entitled to receive a benefit only from the SERP or the PEP, but not both, depending on whether his retirement is a qualifying transition termination under the SERP. In connection with Mr. Brown's anticipated retirement, the Company granted Mr. Brown permission to retire under the SERP in the spring of 2026 prior to attaining age 65, and upon such retirement Mr. Brown will become entitled to the Qualifying Transition Benefit described above in "Severance and Retention Arrangements – Non-qualified Pension Plan." However, Mr. Brown's SERP benefit remains subject to forfeiture in the event of a termination for "Cause" and also remains subject to the forfeiture provisions of Sections 6.01(c) and 6.01(d) of the SERP (relating to certain noncompete and confidentiality obligations). As previously discussed, Ms. Rodriguez does not participate in the SERP. For a description of these benefits, see "2025 Pension Benefits." In addition, Mr. Brown would be entitled to continue to vest in any outstanding unvested stock options following retirement in accordance with the original vesting schedule thereof, which options would expire five years after retirement date. Mr. Brown would not be eligible to receive the Change in Control and other severance benefits due to his planned retirement in the spring of 2026.

(2) See "2025 Pension Benefits" for a description of the pension benefits Ms. Cook-Nelson, Ms. Fontan, Ms. Landreaux, Mr. Marsh, and Mr. Viamontes may receive upon the occurrence of certain termination events since they are not yet retirement eligible.

(3) For purposes of the table, in the event of a qualifying termination related to a Change in Control, each NEO would receive a number of performance units for the 2024–2026 PUP performance period and a number of performance units for the 2025–2027 PUP performance period, calculated as follows:

The greater of (1) the target number of performance units subject to the performance unit agreements or (2) the number of performance units that would vest under the performance unit agreements calculated based on Entergy Corporation's actual performance through the NEO's termination date, in either case pro-rated based on the portion of the performance period that occurs through the termination date.

For purposes of the table, the values of the performance unit awards for the open PUP performance periods for each NEO were calculated as follows, based on the assumption that the target number of performance units was the greater number:

Mr. Brown:
2024–2026 PUP Performance Period: 9,899 (24/36x14,848) performance units at target, assuming a stock price of $92.43 = $914,965
2025–2027 PUP Performance Period: 3,084 (12/36x9,252) performance units at target, assuming a stock price of $92.43 = $285,054
Total: $1,200,019

Ms. Cook-Nelson:
2024 – 2026 PUP Performance Period: 9,115 (24/36x13,672) performance units at target, assuming a stock price of $92.43 = $842,499
2025 – 2027 PUP Performance Period: 2,572 (12/36x7,714) performance units at target, assuming a stock price of $92.43 = $237,730
Total: $1,080,229

Mr. Fisackerly:
2024 – 2026 PUP Performance Period: 3,154 (24/36x4,730) performance units at target, assuming a stock price of $92.43 = $291,524
2025 – 2027 PUP Performance Period: 905 (12/36x2,715) performance units at target, assuming a stock price of $92.43 = $83,649
Total: $375,173

Ms. Fontan:
2024 – 2026 PUP Performance Period: 12,338 (24/36x18,506) performance units at target, assuming a stock price of $92.43 = $1,140,401
2025 – 2027 PUP Performance Period: 3,572 (12/36x10,714) performance units at target, assuming a stock price of $92.43 = $330,160
Total: $1,470,561

Ms. Landreaux:
2024 – 2026 PUP Performance Period: 4,040 (24/36x6,060) performance units at target, assuming a stock price of $92.43 = $373,417
2025 – 2027 PUP Performance Period: 867 (12/36x2,600) performance units at target, assuming a stock price of $92.43 = $80,137
Total: $453,554

Mr. Marsh:
2024 – 2026 PUP Performance Period:47,668 (24/36x71,502) performance units at target, assuming a stock price of $92.43 = $4,405,953
2025 – 2027 PUP Performance Period: 16,094 (12/36x48,282) performance units at target, assuming a stock price of $92.43 = $1,487,568
Total: $5,893,521

Mr. May:
2024 – 2026 PUP Performance Period: 3,807 (24/36x5,710) performance units at target, assuming a stock price of $92.43 = $351,881
2025 – 2027 PUP Performance Period: 1,117 (12/36x3,349) performance units at target, assuming a stock price of $92.43 = $103,244
Total: $455,125

Ms. Rodriguez:
2024 – 2026 PUP Performance Period: 2,022 (24/36x3,032) performance units at target, assuming a stock price of $92.43 = $186,893
2025 – 2027 PUP Performance Period: 612 (12/36x1,835) performance units at target, assuming a stock price of $92.43 = $56,567
Total: $243,460

Mr. Viamontes:
2024 – 2026 PUP Performance Period: 2,536 (24/36x3,804) performance units at target, assuming a stock price of $92.43 = $234,402
2025 – 2027 PUP Performance Period: 760 (12/36x2,280) performance units at target, assuming a stock price of $92.43 = $70,247
Total: $304,649

In the event of retirement, in the case of Mr. Brown, Mr. Fisackerly, Mr. May or Ms. Rodriguez each would receive a pro-rated portion of the applicable achievement level of PUP performance units for each open PUP performance period, based on his or her full months of participation in such PUP performance period, provided he or she has completed a minimum of 12 months of full-time employment in the applicable PUP performance period. For purposes of calculating for the above table the number of performance units Mr. Brown, Mr. Fisackerly, Mr. May and Ms. Rodriguez would receive in the event of retirement, it is assumed the achievement levels for the 2024–2026 PUP Performance Period and the 2025–2027 PUP performance period are at target. The resulting number of performance units and values are the same as calculated above for a qualifying termination related to a change in control.

In the event of death or disability of any NEO, the NEO or his or her estate would receive a pro-rated portion of the applicable achievement level of PUP performance units for each open PUP performance period, based on his or her full months of participation in such PUP performance period, with no required minimum amount of full-time employment in the applicable PUP performance period.

(4) As discussed previously, upon retirement, unvested stock options would continue to vest for each of Mr. Brown, Mr. Fisackerly, Mr. May and Ms. Rodriguez in accordance with the original vesting schedule and expire on the earlier of (i) five years from the retirement date and (ii) the option's normal expiration date. See "2025 Outstanding Equity Awards at Fiscal Year-End" for information regarding each of these NEOs' unvested stock options as of December 31, 2025. Assuming a stock price as of December 31, 2025 on the vesting dates of each of these NEOs' unvested stock options, the in-the-money value of their stock options in the event of retirement (including stock options that remain unvested) would be the same as is set forth in the table above within the Death, Disability and Termination Related to a Change in Control columns.

(5) Upon retirement, Mr. Brown, Mr. Fisackerly, Mr. May and Ms. Rodriguez would be eligible for post-retirement medical and life insurance benefits, the same as all other eligible retirees.

(6) Pursuant to the Executive Continuity Plan, in the event of a termination related to a Change in Control, Ms. Cook-Nelson, Ms. Fontan, Ms. Landreaux, Mr. Marsh and Mr. Viamontes would be eligible to receive Entergy-subsidized COBRA benefits for 18 months.

(7) Ms. Cook-Nelson's 18,640 restricted stock units are scheduled to vest as to 7,456 units on February 1, 2027 and 11,184 on August 1, 2029. Pursuant to her restricted stock unit agreement, Ms. Cook-Nelson is subject to certain restrictions on her ability to compete with Entergy and its affiliates during and for 12 months after her employment with Entergy, or to solicit its employees or customers during and for 12 months after her employment with Entergy. In addition, the restricted stock unit agreement limits Ms. Cook-Nelson's ability to disparage Entergy and its affiliates. In the event of a breach of any of these restrictions, Ms. Cook-Nelson must repay to Entergy any shares of Entergy stock paid to her in respect of the restricted stock units and any amounts she received upon the sale or transfer of any such shares. In the event of a Change in Control, the unvested restricted stock units will fully vest upon Ms. Cook-Nelson's Qualifying Termination during the Change in Control period and she will no longer be subject to the above-described noncompete, nonsolicitation, and nondisparagement provisions.

Pay Ratio

As required by Section 953(b) of the Dodd-Frank Act, the following disclosure is being provided about the relationship of the annual total compensation of the employees of each of the Utility operating companies to the annual total compensation of their respective Presidents and Chief Executive Officers. The pay ratio estimate for each of the Utility operating companies has been calculated in a manner consistent with Item 402(u) of Regulation S-K.

Identification of Median Employee

For each of the Utility operating companies, October 17, 2025 was selected as the date on which to determine the median employee. This date is different from the date used in the prior year; however, the methodology used to determine the date is consistent with that used in the prior year. This date corresponds to the first day of the three month period prior to fiscal year-end for which information can be obtained about employees and all subsidiaries have the same number of pay cycles. To identify the median employee from each of the Utility operating companies' employee population base, all compensation included in Box 5 of Form W-2 was considered with all before-tax deductions added back to this compensation ("Box 5 Compensation"). For purposes of determining the median employee of each Utility operating company, Box 5 Compensation was selected as it is believed to be representative of the compensation received by the employees of each respective Utility operating company and is readily available. The calculation of annual total compensation of the median employee for each Utility operating company is the same calculation used to determine total compensation for purposes of the 2024 Summary Compensation Table with respect to each of the NEOs.

Entergy Arkansas Ratio

For 2025,

- The median of the annual total compensation of all of Entergy Arkansas's employees, other than Ms. Landreaux, was $159,924.
- Ms. Landreaux's annual total compensation, as reported in the Total column of the 2025 Summary Compensation Table, was $1,602,634.
- Based on this information, the ratio of the annual total compensation of Ms. Landreaux to the median of the annual total compensation of all employees is estimated to be 10:1.

Entergy Louisiana Ratio

For 2025,

- The median of the annual total compensation of all of Entergy Louisiana's employees, other than Mr. May, was $169,146.
- Mr. May's annual total compensation, as reported in the Total column of the 2025 Summary Compensation Table, was $2,365,337.
- Based on this information, the ratio of the annual total compensation of Mr. May to the median of the annual total compensation of all employees is estimated to be 14:1.

Entergy Mississippi Ratio

For 2025,

- The median of the annual total compensation of all of Entergy Mississippi's employees, other than Mr. Fisackerly, was $161,269.
- Mr. Fisackerly's annual total compensation, as reported in the Total column of the 2025 Summary Compensation Table, was $2,199,295.
- Based on this information, the ratio of the annual total compensation of Mr. Fisackerly to the median of the annual total compensation of all employees is estimated to be 14:1.

Entergy New Orleans Ratio

For 2025,

- The median of the annual total compensation of all of Entergy New Orleans's employees, other than Ms. Rodriguez, was $180,558.
- Ms. Rodriguez's annual total compensation, as reported in the Total column of the 2025 Summary Compensation Table, was $1,501,185.
- Based on this information, the ratio of the annual total compensation of Ms. Rodriguez to the median of the annual total compensation of all employees is estimated to be 8:1.

Entergy Texas Ratio

For 2025,

- The median of the annual total compensation of all of Entergy Texas's employees, other than Mr. Viamontes, was $157,240.
- Mr. Viamontes' annual total compensation, as reported in the Total column of the 2025 Summary Compensation Table, was $1,393,443.
- Based on this information, the ratio of the annual total compensation of Mr. Viamontes to the median of the annual total compensation of all employees is estimated to be 9:1.

Policies and Practices Related to the Timing of Grants of Certain Equity Awards

The Talent and Compensation Committee and senior management monitor the Company's equity grant practices to evaluate whether such policies comply with governing regulations and are consistent with good corporate practices. When making regular annual equity grants, including stock options, the Talent and Compensation Committee's practice is to approve them at a regularly scheduled meeting in late January or in the first week of February of each year, which is near the beginning of the Company's fiscal year, as part of its annual compensation review. In addition, the Talent and Compensation Committee may make grants at other times during the year for new hires or for other reasons, including, for example, job promotions or for retention purposes. Because the Talent and Compensation Committee's regular meeting schedule is generally determined in the prior fiscal year and, as noted above, the Company generally makes annual equity awards to our NEOs at approximately the same time each year, the proximity of any awards to other significant corporate events is coincidental. The Company does not time its equity awards to take advantage of the release of earnings or other major announcements by the Company or market conditions.

During 2025, no stock option grants were made to any of our NEOs during any period beginning four business days before the filing or furnishing of a periodic report or current report and ending one business day after the filing or furnishing of any such report with the SEC.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Entergy Corporation owns 100% of the outstanding common stock of Entergy Texas and indirectly 100% of the outstanding common membership interests of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, and Entergy New Orleans. The information with respect to (i) the beneficial ownership of Entergy Corporation's directors and NEOs is included under the heading "Entergy Share Ownership - Directors and Executive Officers;" and (ii) persons known by Entergy Corporation to be beneficial owners of more than 5% of Entergy Corporation's outstanding common stock is included under the heading "Entergy Share Ownership - Beneficial Owners of More Than Five Percent of Entergy Common Stock" in the 2026 Entergy Proxy Statement, which information is incorporated herein by reference. The registrants know of no contractual arrangements that may, at a subsequent date, result in a change in control of any of the registrants.

The following table sets forth the beneficial ownership of common stock of Entergy Corporation and stock-based units as of January 31, 2026 for the directors and NEOs of Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas. Unless otherwise noted, each person had sole voting and investment power over the number of shares of common stock and stock-based units of Entergy Corporation set forth across from his or her name.

Name	Shares [1]	Options Exercisable Within 60 Days	Stock Units [2]
Entergy Arkansas			
Marcus V. Brown**	48,684	20,660	—
Kimberly Cook-Nelson***	36,145	16,688	—
Kimberly A. Fontan***	68,800	77,646	—
Laura R. Landreaux***	28,304	52,132	—
Andrew S. Marsh**	455,917	685,648	—
All directors and executive officers as a group (8 persons)	703,520	907,250	—
Entergy Louisiana			
Marcus V. Brown**	48,684	20,660	—
Kimberly Cook-Nelson***	36,145	16,688	—
Kimberly A. Fontan***	68,800	77,646	—
Andrew S. Marsh**	455,917	685,648	—
Phillip R. May, Jr.***	56,411	48,820	32
All directors and executive officers as a group (8 persons)	731,627	903,938	32
Entergy Mississippi			
Marcus V. Brown**	48,684	20,660	—
Kimberly Cook-Nelson***	36,145	16,688	—
Haley R. Fisackerly***	24,326	19,238	—
Kimberly A. Fontan***	68,800	77,646	—
Andrew S. Marsh**	455,917	685,648	—
All directors and executive officers as a group (7 persons)	664,301	847,000	—

Name	Shares [1]	Options Exercisable Within 60 Days	Stock Units [2]
Entergy New Orleans			
Marcus V. Brown**	48,684	20,660	—
Kimberly Cook-Nelson***	36,145	16,688	—
Kimberly A. Fontan***	68,800	77,646	—
Andrew S. Marsh**	455,917	685,648	—
Deanna D. Rodriguez***	18,560	8,236	—
All directors and executive officers as a group (7 persons)	658,535	835,998	—
Entergy Texas			
Marcus V. Brown**	48,684	20,660	—
Kimberly Cook-Nelson***	36,145	16,688	—
Kimberly A. Fontan***	68,800	77,646	—
Andrew S. Marsh**	455,917	685,648	—
Eliecer Viamontes***	19,385	5,440	—
All directors and executive officers as a group (7 persons)	659,360	833,202	—

* Director of the respective company

** NEO of the respective company

*** Director and NEO of the respective company

(1) The number of shares of Entergy Corporation common stock owned by each individual and by all non-employee directors and executive officers as a group does not exceed 1% of the outstanding shares of Entergy Corporation common stock. This column also includes shares of Entergy Corporation common stock held in the Entergy Savings Plan (401(k)) by Messrs. Brown, Fisackerly, Marsh, May, and Viamontes and Mses. Fontan and Rodriguez. For Mr. Viamontes, this column includes shares of Entergy Corporation common stock held by him indirectly through his spouse.

(2) Represents the balances of phantom units each director or executive holds under the defined contribution restoration plan and the deferral provisions of Entergy Corporation's equity ownership plans. These units will be paid out in either Entergy Corporation common stock or cash equivalent to the value of one share of Entergy Corporation common stock per unit on the date of payout, including accrued dividends. The deferral period is determined by the individual and is at least two years from the award of the bonus.

Equity Compensation Plan Information

The following table summarizes the equity compensation plan information as of December 31, 2025. Information is included for equity compensation plans approved by the shareholders. There are no shares authorized for issuance under equity compensation plans not approved by the shareholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights (b)[2]	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders [1]	2,923,646	$56.52	12,559,567
Equity compensation plans not approved by security holders	—	—	—
Total	2,923,646	$56.52	12,559,567

(1) Includes the 2011 Equity Ownership Plan, the 2015 EOP, and the 2019 OIP (collectively, the "Plans"). The 2011 Equity Ownership Plan was approved by Entergy Corporation shareholders on May 6, 2011 and only applies to awards granted between May 6, 2011 and May 7, 2015. The 2015 EOP was approved by Entergy Corporation shareholders on May 8, 2015 and only applies to awards granted between May 8, 2015 and May 3, 2019. The Entergy Corporation shareholders approved the 2019 OIP on May 3, 2019 and approved the issuance of 14,600,000 shares of Entergy Corporation common stock from the 2019 OIP for equity-based incentive awards. On May 5, 2023, the Entergy Corporation shareholders approved Amendment No. 1 to the 2019 OIP, which increased the aggregate number of shares available for equity-based incentive awards under the 2019 OIP by 9,800,000 shares of Entergy Corporation common stock, and extended the term of the 2019 OIP by approximately four years to January 27, 2033. The Plans are administered by the Talent and Compensation Committee of the Entergy Corporation Board of Directors (other than with respect to awards granted to non-employee directors, which awards are administered by the entire Board of Directors). Eligibility under the Plans is limited to the non-employee directors and to the officers and employees of an Entergy employer or an affiliate of Entergy Corporation. The Plans provide for the issuance of stock options, restricted stock, equity awards (units whose value is related to the value of shares of the common stock but do not represent actual shares of common stock), performance awards (performance shares or units valued by reference to shares of common stock or performance units valued by reference to financial measures or property other than common stock), restricted stock unit awards, and other stock-based awards.

(2) The weighted-average exercise price reported in this column does not include outstanding performance awards.

Item 13. Certain Relationships and Related Party Transactions and Director Independence

The additional information required by this item will be set forth under Director Independence and Review and Approval of Related Party Transactions in the 2026 Entergy Proxy Statement, to be filed in connection with the Annual Meeting of Shareholders to be held May 8, 2026, which is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

Aggregate fees billed to Entergy Corporation (consolidated), Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy for the years ended December 31, 2025 and 2024 by Deloitte & Touche LLP (PCAOB ID No. 34) were as follows:

	2025	2024
Entergy Corporation (consolidated)		
Audit Fees (a)	$10,538,650	$10,675,300
Audit-Related Fees (b)	1,710,000	1,475,000
Total Audit and Audit-Related Fees	12,248,650	12,150,300
Tax Fees	—	—
All Other Fees (c)	1,895	151,895
Total Fees (d)	$12,250,545	$12,302,195
Entergy Arkansas		
Audit Fees (a)	$1,435,236	$1,251,629
Audit-Related Fees (b)	—	—
Total Audit and Audit-Related Fees	1,435,236	1,251,629
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$1,435,236	$1,251,629
Entergy Louisiana		
Audit Fees (a)	$2,112,320	$2,487,155
Audit-Related Fees (b)	600,000	625,000
Total Audit and Audit-Related Fees	2,712,320	3,112,155
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$2,712,320	$3,112,155
Entergy Mississippi		
Audit Fees (a)	$1,291,036	$1,251,629
Audit-Related Fees (b)	400,000	150,000
Total Audit and Audit-Related Fees	1,691,036	1,401,629
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$1,691,036	$1,401,629
Entergy New Orleans		
Audit Fees (a)	$1,050,786	$1,042,729
Audit-Related Fees (b)	210,000	210,000
Total Audit and Audit-Related Fees	1,260,786	1,252,729
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$1,260,786	$1,252,729

	2025	2024
Entergy Texas		
Audit Fees (a)	$1,365,586	$1,341,629
Audit-Related Fees (b)	—	—
Total Audit and Audit-Related Fees	1,365,586	1,341,629
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$1,365,586	$1,341,629
System Energy		
Audit Fees (a)	$1,205,736	$1,176,629
Audit-Related Fees (b)	—	—
Total Audit and Audit-Related Fees	1,205,736	1,176,629
Tax Fees	—	—
All Other Fees	—	—
Total Fees (d)	$1,205,736	$1,176,629

(a) Audit Fees include fees for the audit of the registrant's annual financial statements and internal control over financial reporting, reviews of financial statements including in the registrant's quarterly reports, services that are normally provided in connection with statutory and regulatory filings or engagements, and services associated with securities filings, such as comfort letters and consents.

(b) Audit-Related Fees includes fees for employee benefit plan audits and other attestation services.

(c) Includes the license fee for an accounting research tool in 2025 and 2024, as well as the fees for the SEC climate related disclosure rules readiness assessment and a training provided in 2024.

(d) 100% of fees in 2025 and 2024 were pre-approved by the Entergy Corporation Audit Committee in accordance with the policy described below.

Entergy Audit Committee Guidelines for Pre-approval of Independent Auditor Services

The Audit Committee has adopted the following guidelines regarding the engagement of Entergy's independent auditor to perform services for Entergy:

1. The independent auditor will provide the Audit Committee, for approval, an annual engagement letter outlining the scope of services proposed to be performed during the fiscal year, including audit services and other permissible non-audit services (e.g. audit-related services, tax services, and all other services).
2. For other permissible services not included in the engagement letter, Entergy management will submit a description of the proposed service, including a budget estimate, to the Audit Committee for pre-approval. Management and the independent auditor must agree that the requested service is consistent with the SEC's rules on auditor independence prior to submission to the Audit Committee. The Audit Committee, at its discretion, will pre-approve permissible services and has established the following additional guidelines for permissible non-audit services provided by the independent auditor:
    a. Aggregate non-audit service fees are targeted at fifty percent or less of the approved audit service fee.
    b. All other services should only be provided by the independent auditor if it is a highly qualified provider of that service or if the Audit Committee pre-approves the independent audit firm to provide the service.
3. The Audit Committee will be informed quarterly as to the status of pre-approved services actually provided by the independent auditor.
4. To ensure prompt handling of unexpected matters, the Audit Committee delegates to the Audit Committee Chair or its designee the authority to approve permissible services and fees. The Audit Committee Chair or designee will report action taken to the Audit Committee at the next scheduled Audit Committee meeting.

5. The Vice President and General Auditor will be responsible for tracking all independent auditor fees and will report quarterly to the Audit Committee.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)1. Financial Statements and Independent Auditors' Reports for Entergy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy are listed in the Table of Contents.

(a)2. Financial Statement Schedules

Schedules are omitted because they are not required, not applicable, or the required information is shown in the financial statements or notes thereto.

(a)3. Exhibits

Exhibits for Entergy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy are listed in the Exhibit Index (see page 540 and are incorporated by reference herein). Each management contract or compensatory plan or arrangement required to be filed as an exhibit hereto is identified as such by footnote in the Exhibit Index.

Item 16. Form 10-K Summary (Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy)

None.

EXHIBIT INDEX

The following exhibits indicated by an asterisk preceding the exhibit number are filed herewith. The balance of the exhibits have previously been filed with the SEC as the exhibits and in the file numbers indicated and are incorporated herein by reference. The exhibits marked with a (+) are management contracts or compensatory plans or arrangements required to be filed herewith and required to be identified as such by Item 15 of Form 10-K.

Some of the agreements included or incorporated by reference as exhibits to this Form 10-K contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties were made solely for the benefit of the other parties to the applicable agreement and (i) were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii) may have been qualified in such agreement by disclosures that were made to the other party in connection with the negotiation of the applicable agreement; (iii) may apply contract standards of "materiality" that are different from the standard of "materiality" under the applicable securities laws; and (iv) were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement.

Entergy acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this Form 10-K not misleading.

(2) Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession

Entergy Arkansas

(a) 1 -- Plan of Merger of Entergy Arkansas, Inc. and Entergy Arkansas Power, LLC (2.1 to Form 8-K12B filed December 3, 2018 in 1-10764).

Entergy Louisiana

(b) 1 -- Plan of Merger of Entergy Gulf States Power, LLC and Entergy Gulf States Louisiana, LLC (2.1 to Form 8-K12B filed October 1, 2015 in 1-32718).

(b) 2 -- Plan of Merger of Entergy Louisiana, LLC and Entergy Louisiana Power, LLC (2.2 to Form 8-K12B filed October 1, 2015 in 1-32718).

(b) 3 -- Plan of Merger of Entergy Gulf States Power, LLC and Entergy Louisiana Power, LLC (2.3 to Form 8-K12B filed October 1, 2015 in 1-32718).

Entergy Mississippi

(c) 1 -- Plan of Merger of Entergy Mississippi, Inc. and Entergy Mississippi Power and Light, LLC (2.1 to Form 8-K12B filed December 3, 2018 in 1-31508).

Entergy New Orleans

(d) 1 -- Plan of Merger of Entergy New Orleans, Inc. and Entergy New Orleans Power, LLC (2.1 to Form 8-K12B filed December 1, 2017 in 1-35747).

(3) Articles of Incorporation and Bylaws

Entergy Corporation

(a) 1-- Restated Certificate of Incorporation of Entergy Corporation, dated January 16, 2025 (3(a)1 to Form 10-K for the year ended December 31, 2024 in 1-11299).

(a) 2-- Amended and Restated Bylaws of Entergy Corporation, effective as of December 6, 2024 (3.1 to Form 8-K filed December 6, 2024 in 1-11299).

System Energy

(b) 1 -- Amended and Restated Articles of Incorporation of System Energy effective April 28, 1989 (3(b)1 to Form 10-K for the year ended December 31, 2017 in 1-9067).

(b) 2 -- By-Laws of System Energy effective July 6, 1998 (3(f) to Form 10-Q for the quarter ended June 30, 1998 in 1-9067).

Entergy Arkansas

(c) 1 -- Amended and Restated Certificate of Formation of Entergy Arkansas effective December 1, 2018 (3.3 to Form 8-K12B filed December 3, 2018 in 1-10764).

(c) 2 -- Amended and Restated Company Agreement of Entergy Arkansas effective December 1, 2018 (3.4 to Form 8-K12B filed December 3, 2018 in 1-10764).

Entergy Louisiana

(d) 1 -- Certificate of Formation of Entergy Louisiana Power, LLC (including Certificate of Amendment to Certificate of Formation to change the company name to Entergy Louisiana, LLC) effective July 7, 2015 (3.3 to Form 8-K12B filed October 1, 2015 in 1-32718).

(d) 2 -- Company Agreement of Entergy Louisiana Power, LLC (including First Amendment to Company Agreement to change the company name to Entergy Louisiana, LLC) effective July 7, 2015 (3.4 to Form 8-K12B filed October 1, 2015 in 1-32718).

Entergy Mississippi

(e) 1 -- Amended and Restated Certificate of Formation of Entergy Mississippi effective December 1, 2018 (3(e)1 to Form 10-K for the year ended December 31, 2018 in 1-31508).

(e) 2 -- Amended and Restated Company Agreement of Entergy Mississippi effective December 1, 2018 (3.4 to Form 8-K12B filed December 3, 2018 in 1-31508).

Entergy New Orleans

(f) 1 -- Composite Certificate of Formation of Entergy New Orleans effective December 1, 2017 (3.3 to Form 8-K12B filed December 1, 2017 in 1-35747).

(f) 2 -- Composite Company Agreement of Entergy New Orleans effective December 1, 2017 (3.4 to Form 8-K12B filed December 1, 2017 in 1-35747).

Entergy Texas

(g) 1 -- Amended and Restated Certificate of Formation of Entergy Texas effective August 21, 2019 (3.1 to Form 8-K filed August 21, 2019 in 1-34360), as amended by Statement of Resolution Establishing the 5.375% Series A Preferred Stock, Cumulative, No Par Value (Liquidation Value $25 Per Share) of Entergy Texas (3.3 to Form 8-A filed September 4, 2019 in 1-34360) and by Statement of Resolution Establishing the 5.10% Series B Preferred Stock, Cumulative, No Par Value (Liquidation Value $25 Per Share) of Entergy Texas (3.1 to Form 8-K filed November 9, 2021 in 1-34360).

(g) 2 -- Amended and Restated Bylaws of Entergy Texas effective August 19, 2019 (3.2 to Form 8-K filed August 21, 2019 in 1-34360).

(4) Instruments Defining Rights of Security Holders, Including Indentures

Entergy Corporation

(a) 1 -- See (4)(b) through (4)(g) below for instruments defining the rights of security holders of System Energy, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, and Entergy Texas.

(a) 2 -- Indenture (For Unsecured Debt Securities), dated as of September 1, 2010, between Entergy Corporation and Wells Fargo Bank, National Association (4.01 to Form 8-K filed September 16, 2010 in 1-11299).

(a) 3 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 2.95% Senior Notes due September 1, 2026 (4.02 to Form 8-K filed August 19, 2016 in 1-11299).

(a) 4 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 4.50% Senior Note due December 16, 2028 (4(a)7 to Form 10-K for the year ended December 31, 2013 in 1-11299).

(a) 5 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 2.80% Senior Notes due June 15, 2030 (4.02(a) to Form 8-K filed May 19, 2020 in 1-11299).

(a) 6 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 3.75% Senior Notes due June 15, 2050 (4.02(b) to Form 8-K filed May 19, 2020 in 1-11299).

(a) 7 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 1.90% Senior Notes due June 15, 2028 (4.02(a) to Form 8-K filed March 5, 2021 in 1-11299).

(a) 8 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Debt Securities) of Entergy Corporation, dated as of September 1, 2010, establishing the terms of Entergy Corporation's 2.40% Senior Notes due June 15, 2031 (4.02(b) to Form 8-K filed March 5, 2021 in 1-11299).

(a) 9 -- Indenture (For Unsecured Subordinated Debt Securities), dated as of May 1, 2024, between Entergy Corporation and The Bank of New York Mellon (4(a) to Form 8-K filed May 23, 2024 in 1-11299).

(a) 10 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Subordinated Debt Securities) of Entergy Corporation, dated as of May 1, 2024, establishing the terms of Entergy Corporation's Junior Subordinated Debentures due December 1, 2054, dated as of May 20, 2024 (4(b) to Form 8-K filed May 23, 2024 in 1-11299).

(a) 11 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Subordinated Debt Securities) of Entergy Corporation, dated as of May 1, 2024, establishing the terms of Entergy Corporation's Series 2025A Junior Subordinated Debentures due June 15, 2056, dated as of November 4, 2025 (4(b) to Form 8-K filed November 7, 2025 in 1-11299).

(a) 12 -- Officer's Certificate for Entergy Corporation supplemental to Indenture (For Unsecured Subordinated Debt Securities) of Entergy Corporation, dated as of May 1, 2024, establishing the terms of Entergy Corporation's Series 2025B Junior Subordinated Debentures due June 15, 2056, dated as of November 4, 2025 (4(b) to Form 8-K filed November 7, 2025 in 1-11299).

(a) 13 -- Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Corporation, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent and LC Issuing Bank, MUFG Bank, Ltd., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (4.1 to Form 8-K filed June 13, 2024 in 1-11299).

(a) 14 -- Extension to the Fourth Amended and Restated Credit Agreement dated as of June 27, 2025, among Entergy Corporation, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, each LC Issuing Bank, and Citibank, N.A., as Administrative Agent (4(a) to Form 10-Q for the quarter ended June 30, 2025 in 1-11299).

*(a) 15 -- Global Assignment and Assumption effective June 27, 2025, among the Assignors and Assignees identified therein, relating to, among other things, the Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Arkansas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto.

*(a) 16 -- Description of Entergy Corporation's securities registered under Section 12 of the Securities Exchange Act of 1934.

System Energy

(b) 1 -- Mortgage and Deed of Trust, dated as of June 15, 1977, as amended and restated by the following Supplemental Indenture: (4.42 to Form 8-K filed September 25, 2012 in 1-9067 (Twenty-fourth)).

(b) 2 -- Officer's Certificate No. 2-B-2 for System Energy supplemental to Mortgage and Deed of Trust of System Energy, dated as of June 15, 1977, establishing the terms of System Energy's First Mortgage Bonds, MBFC Series due 2044 (4(a) to Form 8-K filed June 15, 2021 in 1-09067).

(b) 3 -- Officer's Certificate No. 4-B-4 for System Energy supplemental to Mortgage and Deed of Trust of System Energy, dated as of June 15, 1977, establishing the terms of System Energy's First Mortgage Bonds, 6.00% Series due April 15, 2028 (4.75 to Form 8-K filed March 14, 2023 in 1-09067).

(b) 4 -- Officer's Certificate No. 5-B-5 for System Energy supplemental to Mortgage and Deed of Trust of System Energy, dated as of June 15, 1977, establishing the terms of System Energy's First Mortgage Bonds, 5.30% Series due December 15, 2034 (4.75 to Form 8-K filed December 6, 2024 in 1-09067).

(b) 5 -- Officer's Certificate for System Energy, dated as of October 1, 2025, supplemental to Mortgage and Deed of Trust of System Energy, dated as of June 15, 1977, establishing additional events of default and provisions relating to Assignments of Availability Agreement for each of System Energy's First Mortgage Bonds, MBFC Series due 2044, First Mortgage Bonds, 6.00% Series due April 15, 2028, and First Mortgage Bonds, 5.30% Series due December 15, 2034 (4.01 to Form 8-K filed October 3, 2025 in 1-09067).

(b) 6 -- Fuel Lease, dated as of February 24, 1989, between River Fuel Funding Company #3, Inc. and System Energy (4(b)3 to Form 10-K for the year ended December 31, 2017 in 1-9067).

(b) 7 -- Trust Indenture, dated as of June 1, 2021, between the Mississippi Business Finance Corporation and The Bank of New York Mellon, as Indenture Trustee, authorizing Revenue Refunding Bonds (System Energy Resources, Inc. Project) Series 2021 (4(c) to Form 8-K filed June 15, 2021 in 1-09067).

(b) 8 -- Loan Agreement, dated as of June 1, 2021, between the Mississippi Business Finance Corporation and System Energy relating to Revenue Refunding Bonds (System Energy Resources, Inc. Project) Series 2021 (4(d) to Form 8-K filed June 15, 2021 in 1-09067).

Entergy Arkansas

(c) 1 -- Mortgage and Deed of Trust, dated as of October 1, 1944, as amended by the following Supplemental Indentures: (7(d) in 2-5463 (Mortgage); 7(b) in 2-7121 (First); 4(a)-7 in 2-10261 (Seventh); 2(b)-10 in 2-15767 (Tenth); 2(c) in 2-28869 (Sixteenth); 2(c) in 2-35107 (Eighteenth); 2(d) in 2-36646 (Nineteenth); 2(c) in 2-39253 (Twentieth); 4(c)1 to Form 10-K for the year ended December 31, 2017 in 1-10764 (Thirtieth); 4(c)1 to Form 10-K for the year ended December 31, 2017 in 1-10764 (Thirty-first); 4(c)1 to Form 10-K for the year ended December 31, 2017 in 1-10764 (Thirty-ninth); 4(c)1 to Form 10-K for the year ended December 31, 2017 in 1-10764 (Forty-first); 4(d)(2) in 33-54298 (Forty-sixth); C-2 to Form U5S for the year ended December 31,1995 (Fifty-third); 4(c)1 to Form 10-K for the year ended December 31, 2008 in 1-10764 (Sixty-eighth); 4.06 to Form 8-K filed October 8, 2010 in 1-10764 (Sixty-ninth); 4.06 to Form 8-K filed December 13, 2012 in 1-10764 (Seventy-first); 4(e) to Form 8-K filed January 9, 2013 in 1-10764 (Seventy-second); 4.05 to Form 8-K filed December 9, 2014 in 1-10764 (Seventy-seventh); 4.05 to Form 8-K filed January 8, 2016 in 1-10764 (Seventy-eighth); 4.05 to Form 8-K filed August 16, 2016 in 1-10764 (Seventy-ninth); 4(a) to Form 10-Q for the quarter ended September 30, 2018 (Eightieth); 4.1 to Form 8-K12B filed December 3, 2018 in 1-10764 (Eighty-first); 4.39 to Form 8-K filed March 19, 2019 in 1-10764 (Eighty-second); 4.49 to Form 8-K filed September 11, 2020 in 1-10764 (Eighty-third); 4.49 to Form 8-K filed March 30, 2021 in 1-10764 (Eighty-fourth); 4.66 to Form 8-K filed January 6, 2023 in 1-1-764 (Eighty-fifth); 4.66 to Form 8-K filed August 17, 2023 in 1-10764 (Eighty-sixth); 4.66 to Form 8-K filed May 10, 2024 in 1-10764 (Eighty-seventh); and 4.66 to Form 8-K filed January 8, 2026 in 1-10764 (Eighty-eighth)).

(c) 2 -- Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Arkansas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (4.2 to Form 8-K filed June 13, 2024 in 1-10764).

(c) 3 -- Extension to the Fourth Amended and Restated Credit Agreement dated as of June 27, 2025, among Entergy Arkansas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, each LC Issuing Bank, and Citibank, N.A., as Administrative Agent (4(b) to Form 10-Q for the quarter ended June 30, 2025 in 1-10764).

(c) 4 -- Global Assignment and Assumption effective June 27, 2025, among the Assignors and Assignees identified therein, relating to, among other things, the Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Arkansas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (filed herewith as Exhibit 4(a)15).

(c) 5 -- Fuel Lease, dated as of December 22, 1988, between River Fuel Trust #1 and Entergy Arkansas (4(c)9 to Form 10-K for the year ended December 31, 2017 in 1-10764).

*(c) 6 -- Description of Entergy Arkansas's securities registered under Section 12 of the Securities Exchange Act of 1934.

Entergy Louisiana

(d) 1 -- Mortgage and Deed of Trust, dated as of April 1, 1944, as amended by the following Supplemental Indentures: (7(d) in 2-5317 (Mortgage); 7(b) in 2-7408 (First); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Sixth); 2(c) in 2-34659 (Twelfth); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Thirteenth); 2(b)-2 in 2-38378 (Fourteenth); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Twenty-first); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Twenty-fifth); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Twenty-ninth); 4(d)1 to Form 10-K for the year ended December 31, 2017 in 1-32718 (Forty-second); A-2(a) to Rule 24 Certificate filed April 4, 1996 in 70-8487 (Fifty-first); B-4(i) to Rule 24 Certificate filed January 10, 2006 in 70-10324 (Sixty-third); B-4(ii) to Rule 24 Certificate filed January 10, 2006 in 70-10324 (Sixty-fourth); 4(a) to Form 10-Q for the quarter ended September 30, 2008 in 1-32718 (Sixty-fifth); 4.08 to Form 8-K filed September 24, 2010 in 1-32718 (Sixty-eighth); 4(a) to Form 10-Q for the quarter ended June 30, 2011 in 1-32718 (Seventy-second); 4.08 to Form 8-K filed June 24, 2014 in 1-32718 (Seventy-ninth); 4.08 to Form 8-K filed July 1, 2014 in 1-32718 (Eightieth); 4.08 to Form 8-K filed November 21, 2014 (Eighty-first); 4.1 to Form 8-K12B filed October 1, 2015 (Eighty-second); 4.33 to Form 8-K filed March 24, 2016 in 1-32718 (Eighty-fourth); 4.33 to Form 8-K filed August 17, 2016 in 1-32718 (Eighty-sixth); 4.43 to Form 8-K filed October 4, 2016 in 1-32718 (Eighty-seventh); 4.43 to Form 8-K filed May 23, 2017 in 1-32718 (Eighty-eighth); 4.43 to Form 8-K filed March 23, 2018 in 1-32718 (Eighty-ninth); 4.43 to Form 8-K filed August 14, 2018 in 1-32718 (Ninetieth); 4.43 to Form 8-K filed March 12, 2019 in 1-32718 (Ninety-first); 4.53 to Form 8-K filed March 6, 2020 in 1-32718 (Ninety-second); 4.53(b) to Form 8-K filed November 13, 2020 in 1-32718 (Ninety-third); 4.53 to Form 8-K filed March 10, 2021 in 1-32718 (Ninety-fifth); 4.70 to Form 8-K filed August 24, 2022 in 1-32718 (Ninety-seventh); 4.70 to Form 8-K filed March 8, 2024 in 1-32718 (Ninety-eighth); 4.70 to Form 8-K filed August 9, 2024 in 1-32718 (Ninety-ninth); and 4.70 to Form 8-K filed January 7, 2025 in 1-32718 (One-hundredth)).

(d) 2 -- Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Louisiana, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, Wells Fargo Bank, National Association and BNP Paribas, as LC Issuing Banks, and the other LC Issuing Banks from time to time parties thereto (4.3 to Form 8-K filed June 13, 2024 in 1-32718).

(d) 3 -- Extension to the Fourth Amended and Restated Credit Agreement dated as of June 27, 2025, among Entergy Louisiana, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, each LC Issuing Bank, and Citibank, N.A., as Administrative Agent (4(c) to Form 10-Q for the quarter ended June 30, 2025 in 1-32718).

(d) 4 -- Global Assignment and Assumption effective June 27, 2025, among the Assignors and Assignees identified therein, relating to, among other things, the Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Louisiana, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, Wells Fargo Bank, National Association and BNP Paribas, as LC Issuing Banks, and the other LC Issuing Banks from time to time parties thereto (filed herewith as Exhibit 4(a)15).

(d) 5 -- Fuel Lease, dated as of January 31, 1989, between River Fuel Company #2, Inc., and Entergy Louisiana (4(d)10 to Form 10-K for the year ended December 31, 2017 in 1-32718).

(d) 6 -- Nuclear Fuel Lease Agreement between Entergy Gulf States, Inc. and River Bend Fuel Services, Inc. to lease the fuel for River Bend Unit 1, dated February 7, 1989 (4(d)11 to Form 10-K for the year ended December 31, 2017 in 1-32718).

(d) 7 -- Exhibit A to Trust Indenture dated as of February 7, 1989 between River Bend Fuel Services, Inc. and U.S. Bank National Association (as successor Trustee) (4(d)12 to Form 10-K for the year ended December 31, 2017 in 1-32718).

(d) 8 -- Loan Agreement, dated as of April 1, 2021, between the Louisiana Local Government Environmental Facilities and Community Development Authority and Entergy Louisiana relating to Revenue Refunding Bonds (Entergy Louisiana, LLC Project) Series 2021A (4(c) to Form 8-K filed April 1, 2021 in 1-32718).

(d) 9 -- Trust Indenture, dated as of April 1, 2021, between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon authorizing Revenue Refunding Bonds (Entergy Louisiana, LLC Project) Series 2021A (4(d) to Form 8-K filed April 1, 2021 in 1-32718).

(d) 10 -- Loan Agreement, dated as of April 1, 2021, between the Louisiana Local Government Environmental Facilities and Community Development Authority and Entergy Louisiana relating to Revenue Refunding Bonds (Entergy Louisiana, LLC Project) Series 2021B (4(e) to Form 8-K filed April 1, 2021 in 1-32718).

(d) 11 -- Trust Indenture, dated as of April 1, 2021, between the Louisiana Local Government Environmental Facilities and Community Development Authority and The Bank of New York Mellon authorizing Revenue Refunding Bonds (Entergy Louisiana, LLC Project) Series 2021B (4(f) to Form 8-K filed April 1, 2021 in 1-32718).

(d) 12 -- Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, as amended by the following Supplemental Indentures: (4.38 in Registration No. 333-190911-07 (Mortgage); 4.40 to Form 8-K filed March 24, 2016 in 1-32718 (Second); 4(h) to Form 10-Q for the quarter ended March 31, 2016 in 1-32718 (Fourth); 4.40 to Form 8-K filed May 19, 2016 in 1-32718 (Fifth); 4.40 to Form 8-K filed August 17, 2016 in 1-32718 (Sixth); 4.41 to Form 8-K filed October 4, 2016 in 1-32718 (Seventh); 4.41 to Form 8-K filed May 23, 2017 in 1-32718 (Eighth); 4.41 to Form 8-K filed March 23, 2018 in 1-32718 (Ninth); 4.41 to Form 8-K filed August 14, 2018 in 1-32718 (Tenth); 4.41 to Form 8-K filed March 12, 2019 in 1-32718 (Eleventh); 4.51 to Form 8-K filed March 6, 2020 in 1-32718 (Twelfth); 4.51(b) to Form 8-K filed November 13, 2020 in 1-32718 (Thirteenth); 4.51 to Form 8-K filed March 10, 2021 in 1-32718 (Fifteenth); 4(b) to Form 8-K filed April 1, 2021 in 1-32718 (Sixteenth); 4.68 to Form 8-K filed August 24, 2022 in 1-32718 (Eighteenth); 4.68 to Form 8-K filed March 8, 2024 in 1-32718 (Nineteenth); 4.68 to Form 8-K filed August 9, 2024 in 1-32718 (Twentieth); and 4.68 to Form 8-K filed January 7, 2025 in 1-32718 (Twenty-first)).

(d) 13 -- Officer's Certificate No. 2-B-2, dated March 17, 2016, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 3.25% Series due April 1, 2028 (4.39 to Form 8-K filed March 24, 2016 in 1-32718).

(d) 14 -- Officer's Certificate No. 4-B-4, dated May 16, 2016, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 3.05% Series due June 1, 2031 (4.39 to Form 8-K filed May 19, 2016 in 1-32718).

(d) 15 -- Officer's Certificate No. 6-B-5, dated August 10, 2016, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 4.875% Series due September 1, 2066 (4.39 to Form 8-K filed August 17, 2016 in 1-32718).

(d) 16 -- Officer's Certificate No. 7-B-6, dated September 28, 2016, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 2.40% Series due October 1, 2026 (4.40 to Form 8-K filed October 4, 2016 in 1-32718).

(d) 17 -- Officer's Certificate No. 8-B-7, dated May 17, 2017, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 3.12% Series due September 1, 2027 (4.40 to Form 8-K filed May 23, 2017 in 1-32718).

(d) 18 -- Officer's Certificate No. 10-B-8, dated March 20, 2018, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 4.00% Series due March 15, 2033 (4.40 to Form 8-K filed March 23, 2018 in 1-32718).

(d) 19 -- Officer's Certificate No. 12-B-9, dated August 8, 2018, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 4.20% Series due March 15, 2033 (4.40 to Form 8-K filed August 14, 2018 in 1-32718).

(d) 20 -- Officer's Certificate No. 14-B-10, dated March 6, 2019, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015 , establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 4.20% Series due April 1, 2050 (4.40 to Form 8-K filed March 12, 2019 in 1-32718).

(d) 21 -- Officer's Certificate No. 16-B-11, dated March 3, 2020, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 2.90% Series due March 15, 2051 (4.50 to Form 8-K filed March 6, 2020 in 1-32718).

(d) 22 -- Officer's Certificate No. 19-B-13, dated November 9, 2020, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 1.60% Series due December 15, 2030 (4.50(b) to Form 8-K filed November 13, 2020 in 1-32718).

(d) 23 -- Officer's Certificate No. 21-B-15, dated March 4, 2021, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 2.35% Series due June 15, 2032 (4.50(a) to Form 8-K filed March 10, 2021 in 1-32718).

(d) 24 -- Officer's Certificate No. 21-B-16, dated March 4, 2021, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 3.10% Series due June 15, 2041 (4.50(b) to Form 8-K filed March 10, 2021 in 1-32718).

(d) 25 -- Officer's Certificate No. 22-B-17, dated March 23, 2021, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, LCDA 2021A Series due 2030 and Collateral Trust Mortgage Bonds, LCDA 2021B Series due 2036 (4(a) to Form 8-K filed April 1, 2021 in 1-32718).

(d) 26 -- Officer's Certificate No. 25-B-19, dated August 18, 2022, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 4.75% Series due September 15, 2052 (4.67 to Form 8-K filed August 24, 2022 in 1-32718).

(d) 27 -- Officer's Certificate No. 28-B-20, dated March 4, 2024, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015 establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 5.35% Series due March 15, 2034 (4.67(a) to Form 8-K filed March 8, 2024 in 1-32718).

(d) 28 -- Officer's Certificate No. 28-B-21, dated March 4, 2024, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 5.35% Series due March 15, 2054 (4.67(b) to Form 8-K filed March 8, 2024 in 1-32718).

(d) 29-- Officer's Certificate No. 30-B-22, dated August 6, 2024, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 5.15% Series due September 15, 2034 (4.67 to Form 8-K filed August 9, 2024 in 1-32718).

(d) 30 -- Officer's Certificate No. 32-B-23, dated as of January 2, 2025, supplemental to Mortgage and Deed of Trust of Entergy Louisiana, dated as of November 1, 2015, establishing the terms of Entergy Louisiana's Collateral Trust Mortgage Bonds, 5.80% Series due March 15, 2055 (4(d)(30) to Form 10-K for the year ended December 31, 2024 in 1-32718).

*(d) 31 -- Description of Entergy Louisiana's securities registered under Section 12 of the Securities Exchange Act of 1934.

Entergy Mississippi

(e) 1 -- Mortgage and Deed of Trust, dated as of February 1, 1988, as amended by the following Supplemental Indentures: (4(e)1 to Form 10-K for the year ended December 31, 2017 in 1-31508 (Mortgage); 4(e)1 to Form 10-K for the year ended December 31, 2017 in 1-31508 (Sixth); A-2(c) to Rule 24 Certificate filed May 14, 1999 in 70-8719 (Thirteenth); 4(b) to Form 10-Q for the quarter ended June 30, 2009 in 1-31508 (Twenty-sixth); 4.38 to Form 8-K filed December 11, 2012 in 1-31508 (Thirtieth); 4.05 to Form 8-K filed March 21, 2014 in 1-31508 (Thirty-first); 4.05 to Form 8-K filed May 13, 2016 in 1-31508 (Thirty-second); 4.16 to Form 8-K filed September 15, 2016 in 1-31508 (Thirty-third); 4.16 to Form 8-K filed November 14, 2017 in 1-31508 (Thirty-fourth); 4.1 to Form 8-K filed November 21, 2018 in 1-31508 (Thirty-fifth); 4.1 to Form 8-K-12B filed December 3, 2018 in 1-31508 (Thirty-sixth); 4(a) to Form 8-K filed December 12, 2018 in 1-31508 (Thirty-seventh); 4.46 to Form 8-K filed June 5, 2019 in 1-31508 (Thirty-eighth); 4.56 to Form 8-K filed May 22, 2020 in 1-31508 (Thirty-ninth); 4.56 to Form 8-K filed November 16, 2021 in 1-31508 (Fortieth); 4.73 to Form 8-K filed May 12, 2023 in 1-31508 (Forty-first); 4.73 to Form 8-K filed May 16, 2024 in 1-31508 (Forty-second); and 4.73 to Form 8-K filed March 13, 2025 in 1-31508 (Forty-third)).

(e) 2 -- First Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Mississippi, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (4.4 to Form 8-K filed June 13, 2024 in 1-31508).

(e) 3 -- Extension to the First Amended and Restated Credit Agreement dated as of June 27, 2025, among Entergy Mississippi, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, each LC Issuing Bank, and Citibank, N.A., as Administrative Agent (4(d) to Form 10-Q for the quarter ended June 30, 2025 in 1-31508).

(e) 4 -- Global Assignment and Assumption effective June 27, 2025, among the Assignors and Assignees identified therein, relating to, among other things, the First Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Mississippi, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., as LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (filed herewith as Exhibit 4(a)15).

*(e) 5 -- Description of Entergy Mississippi's securities registered under Section 12 of the Securities Exchange Act of 1934.

Entergy New Orleans

(f) 1 -- Mortgage and Deed of Trust, dated as of May 1, 1987, as amended by the following Supplemental Indentures: (4(f)1 to Form 10-K for the year ended December 31, 2017 in 1-35747 (Mortgage); 4(f)1 to Form 10-K for the year ended December 31, 2017 in 1-35747 (Third); 4(b) to Form 10-Q for the quarter ended June 30, 1998 in 0-5807 (Seventh); 4.02 to Form 8-K filed November 23, 2010 in 0-5807 (Fifteenth); 4.02 to Form 8-K filed November 29, 2012 in 1-35747 (Sixteenth); 4.02 to Form 8-K filed June 21, 2013 in 1-35747 (Seventeenth); 4(m) to Form 10-Q for the quarter ended March 31, 2016 in 1-35747 (Eighteenth); 4.02 to Form 8-K filed March 22, 2016 in 1-35747 (Nineteenth); 4.02 to Form 8-K filed May 24, 2016 in 1-35747 (Twentieth); 4.1 to Form 8-K12B filed December 1, 2017 in 1-35747 (Twenty-first); 4(a) to Form 8-K filed September 27, 2018 in 1-35747 (Twenty-second); 4(a) to Form 8-K filed March 26, 2020 in 1-35747 (Twenty-third); 4(a) to Form 8-K filed November 19, 2021 in 1-35747 (Twenty-fourth); and 4(a) to Form 10-Q for the quarter ended June 30, 2024 in 1-35747 (Twenty-fifth)).

(f) 2 -- Fourth Amended and Restated Credit Agreement dated as of June 18, 2024, among Entergy New Orleans, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Bank of America, N.A., as Administrative Agent and LC Issuing Bank, and the other LC Issuing Banks from time to time parties thereto (4 to Form 8-K filed June 18, 2024 in 1-35747).

*(f) 3 -- Description of Entergy New Orleans's securities registered under Section 12 of the Securities Exchange Act of 1934.

Entergy Texas

(g) 1 -- Indenture, Deed of Trust and Security Agreement dated as of October 1, 2008, between Entergy Texas and The Bank of New York Mellon, as trustee, as amended by the following Supplemental Indenture: (4(h)2 to Form 10-K for the year ended December 31, 2008 in 0-53134 (Indenture) and 4.61 to Form 8-K filed September 20, 2019 in 1-34360 (First)).

(g) 2 -- Officer's Certificate No. 8-B-6 dated May 18, 2015, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 5.15% Series due June 1, 2045 (4.40 to Form 8-K filed May 21, 2015 in 1-34360).

(g) 3 -- Officer's Certificate No. 10-B-8 dated November 14, 2017, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 3.45% Series due December 1, 2027 (4.48 to Form 8-K filed November 17, 2017 in 1-34360).

(g) 4 -- Officer's Certificate No. 12-B-9 dated January 3, 2019, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 4.0% Series due March 30, 2029 (4.47(a) to Form 8-K filed January 8, 2019 in 1-34360).

(g) 5 -- Officer's Certificate No. 12-B-10 dated January 3, 2019, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 4.5% Series due March 30, 2039 (4.47(b) to Form 8-K filed January 8, 2019 in 1-34360).

(g) 6 -- Officer's Certificate No. 13-B-11 dated September 16, 2019, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 3.55% Series due September 30, 2049 (4.57 to Form 8-K filed September 20, 2019 in 1-34360).

(g) 7 -- Officer's Certificate No. 16-B-13 dated September 28, 2020, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 1.75% Series due March 15, 2031 (4.57 to Form 8-K filed October 1, 2020 in 1-34360).

(g) 8 -- Officer's Certificate No. 18-B-14 dated August 11, 2021, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 1.50% Series due September 1, 2026 (4.57 to Form 8-K filed August 17, 2021 in 1-34360).

(g) 9 -- Officer's Certificate No. 20-B-15, dated August 22, 2022, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 5.00% Series due September 15, 2052 (4.74 to Form 8-K filed August 25, 2022 in 1-34360).

(g) 10 -- Officer's Certificate No. 21-B-16, dated August 8, 2023, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 5.80% Series due September 1, 2053 (4.74 to Form 8-K filed August 11, 2023 in 1-34360).

(g) 11 -- Officer's Certificate No. 23-B-17, dated August 12, 2024, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 5.55% Series due September 15, 2054 (4.74 to Form 8-K filed August 15, 2024 in 1-34360).

(g) 12 -- Officer's Certificate No. 24-B-18, dated February 24, 2025, supplemental to Indenture, Deed of Trust and Security Agreement of Entergy Texas, establishing the terms of Entergy Texas's First Mortgage Bonds, 5.25% Series due April 15, 2035 (4.74 to Form 8-K filed February 27, 2025 in 1-34360).

(g) 13 -- Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Texas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., BNP Paribas, Mizuho Bank, Ltd. and The Bank of Nova Scotia, as LC Issuing Banks, and the other LC Issuing Banks from time to time parties thereto (4.5 to Form 8-K filed June 13, 2024 in 1-34360).

(g) 14 -- Extension to the Fourth Amended and Restated Credit Agreement dated as of June 27, 2025, among Entergy Texas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, each LC Issuing Bank, and Citibank, N.A., as Administrative Agent (4(e) to Form 10-Q for the quarter ended June 30, 2025 in 1-34360).

(g) 15 -- Global Assignment and Assumption effective June 27, 2025, among the Assignors and Assignees identified therein, relating to, among other things, the Fourth Amended and Restated Credit Agreement dated as of June 11, 2024, among Entergy Texas, as Borrower, the banks and other financial institutions listed on the signature pages thereof, as Lenders, Citibank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., BNP Paribas, Mizuho Bank, Ltd. and The Bank of Nova Scotia, as LC Issuing Banks, and the other LC Issuing Banks from time to time parties thereto (filed herewith as Exhibit 4(a)15).

(g) 16 -- Statement of Resolution Establishing the 5.375% Series A Preferred Stock, Cumulative, No Par Value (Liquidation Value $25 Per Share) of Entergy Texas (3.3 to Form 8-A filed September 4, 2019 in 1-34360).

(g) 17 -- Statement of Resolution Establishing the 5.10% Series B Preferred Stock, Cumulative, No Par Value (Liquidation Value $25 Per Share) of Entergy Texas (3.1 to Form 8-K filed November 9, 2021 in 1-34360).

(g) 18 -- Description of Entergy Texas's securities registered under Section 12 of the Securities Exchange Act of 1934 (4(g)12 to Form 10-K for the year ended December 31, 2021 in 1-34360).

(10) Material Contracts

Entergy Corporation

+(a) 1-- 2011 Equity Ownership and Long Term Cash Incentive Plan of Entergy Corporation and Subsidiaries (Annex A to Entergy Corporation's Definitive Proxy Statement filed on March 24, 2011 in 1-11299).

+(a) 2 -- 2015 Equity Ownership Plan of Entergy Corporation and Subsidiaries (Appendix C to 2015 Entergy Corporation's Definitive Proxy Statement filed on March 20, 2015 in 1-11299).

+(a) 3 -- Supplemental Retirement Plan of Entergy Corporation and Subsidiaries, as amended and restated effective January 1, 2009 (10(a)57 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 4 -- First Amendment of the Supplemental Retirement Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)58 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 5 -- Second Amendment of the Supplemental Retirement Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)57 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 6 -- Third Amendment of the Supplemental Retirement Plan of Entergy Corporation and Subsidiaries, effective July 25, 2013 (10(b) to Form 10-Q for the quarter ended September 30, 2014 in 1-11299).

+(a) 7 -- Fourth Amendment of the Supplemental Retirement Plan of Entergy Corporation and Subsidiaries, effective July 1, 2014 (10(c) to Form 10-Q for the quarter ended September 30, 2014 in 1-11299).

+(a) 8 -- Defined Contribution Restoration Plan of Entergy Corporation and Subsidiaries, as amended and restated effective January 1, 2009 (10(a)59 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 9 -- First Amendment of the Defined Contribution Restoration Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)60 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 10 -- Second Amendment of the Defined Contribution Restoration Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)60 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 11 -- Third Amendment of the Defined Contribution Restoration Plan of Entergy Corporation and Subsidiaries, effective January 1, 2024 (10(a)11 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 12 -- Executive Disability Plan of Entergy Corporation and Subsidiaries (10(a)74 to Form 10-K for the year ended December 31, 2001 in 1-11299).

+(a) 13 -- Executive Deferred Compensation Plan of Entergy Corporation and Subsidiaries, as amended and restated effective January 1, 2009 (10(a)62 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 14 -- First Amendment of the Executive Deferred Compensation Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)63 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 15 -- Second Amendment of the Executive Deferred Compensation Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)64 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 16 -- Third Amendment of the Executive Deferred Compensation Plan of Entergy Corporation and Subsidiaries, effective January 1, 2024 (10(a)16 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 17 -- System Executive Continuity Plan of Entergy Corporation and Subsidiaries, effective January 1, 2009 (10(a)77 to Form 10-K for the year ended December 31, 2009 in 1-11299).

+(a) 18 -- First Amendment of the System Executive Continuity Plan of Entergy Corporation and Subsidiaries, effective January 1, 2010 (10(a)78 to Form 10-K for the year ended December 31, 2009 in 1-11299).

+(a) 19 -- Second Amendment of the System Executive Continuity Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)69 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 20 -- Third Amendment of the System Executive Continuity Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)71 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 21 -- Fourth Amendment of the System Executive Continuity Plan of Entergy Corporation and Subsidiaries, effective January 1, 2024 (10(a)21 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 22 -- Pension Equalization Plan of Entergy Corporation and Subsidiaries, as amended and restated effective January 1, 2009 (10(a)74 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 23 -- First Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)75 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 24 -- Second Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)76 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 25-- Third Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective June 19, 2013 (10(b) to Form 10-Q for the quarter ended June 30, 2013 in 1-11299).

+(a) 26 -- Fourth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective July 25, 2013 (10(c) to Form 10-Q for the quarter ended June 30, 2013 in 1-11299).

+(a) 27 -- Fifth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective July 1, 2014 (10(a) to Form 10-Q for the quarter ended September 30, 2014 in 1-11299).

+(a) 28 -- Sixth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective December 1, 2014 (10(a)25 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 29 -- Seventh Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective August 25, 2021 (10(a)26 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 30 -- Eighth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective November 2, 2021 (10(a)27 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 31 -- Ninth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective December 1, 2022 (10(a)28 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 32 -- Tenth Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective January 1, 2024 (10(a)32 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 33 -- Eleventh Amendment of the Pension Equalization Plan of Entergy Corporation and Subsidiaries, effective January 1, 2025 (10(a)33 to Form 10-K for the year ended December 2024 in 1-11299).

+(a) 34 -- Cash Balance Equalization Plan of Entergy Corporation effective July 1, 2014 (10(a)31 to Form 10-K for the year ended December 31, 2019 in 1-11299).

+(a) 35 -- First Amendment of the Cash Balance Equalization Plan of Entergy Corporation effective January 1, 2021 (10(a)34 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 36 -- Second Amendment of the Cash Balance Equalization Plan of Entergy Corporation effective January 1, 2021 (10(a)35 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 37 -- Third Amendment of the Cash Balance Equalization Plan of Entergy Corporation effective January 1, 2022 (10(a)36 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 38 -- Fourth Amendment of the Cash Balance Equalization Plan of Entergy Corporation effective January 1, 2024 (10(a)37 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 39 -- System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective January 1, 2009 (10(a)78 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 40 -- First Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective December 30, 2010 (10(a)79 to Form 10-K for the year ended December 31, 2010 in 1-11299).

+(a) 41 -- Second Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective January 27, 2011 (10(a)81 to Form 10-K for the year ended December 31, 2011 in 1-11299).

+(a) 42 -- Third Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective January 1, 2009 (10(a)81 to Form 10-K for the year ended December 31, 2013 in 1-11299).

+(a) 43 -- Fourth Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective July 25, 2013 (10(d) to Form 10-Q for the quarter ended June 30, 2013 in 1-11299).

+(a) 44 -- Fifth Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective July 1, 2014 (10(d) to Form 10-Q for the quarter ended September 30, 2014 in 1-11299).

+(a) 45 -- Sixth Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective November 2, 2021 (10(a)35 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 46 -- Seventh Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective December 14, 2021 (10(a)37 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 47 -- Eighth Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, effective December 1, 2022 (10(a)38 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 48 -- Ninth Amendment of the System Executive Retirement Plan of Entergy Corporation and Subsidiaries, executed December 13, 2023 (10(a)47 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 49 -- Shareholder Approval of Future Severance Agreements Policy, effective March 8, 2004 (10(f) to Form 10-Q for the quarter ended March 31, 2004 in 1-11299).

+(a) 50 -- Entergy Nuclear Retention Plan, as amended and restated effective January 1, 2007 (10(a)107 to Form 10-K for the year ended December 31, 2007 in 1-11299).

+(a) 51 -- First Amendment to the Entergy Nuclear Retention Plan, effective May 2, 2019 (10(a)47 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 52 -- Second Amendment to the Entergy Nuclear Retention Plan, effective June 27, 2022 (10(a)48 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 53 -- Third Amendment to the Entergy Nuclear Retention Plan, effective December 15, 2022 (10(a)49 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 54 -- 2019 Entergy Corporation Omnibus Incentive Plan (Appendix B to 2019 Proxy Statement, dated March 22, 2019 in 1-11299).

+(a) 55 -- Form of Stock Option Grant Agreement (10(a)45 to Form 10-K for the year ended December 31, 2019 in 1-11299).

+(a) 56 -- Form of Long Term Incentive Program Performance Unit Agreement (10(a)46 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 57 -- Form of Restricted Stock Grant Agreement (10(a)47 to Form 10-K for the year ended December 31, 2019 in 1-11299).

+(a) 58 -- Form of Restricted Stock Units Grant Agreement (10(a)48 to Form 10-K for the year ended December 31, 2019 in 1-11299).

+(a) 59 -- Defined Contribution Restoration Plan for the Savings Plan of Entergy Corporation and Subsidiaries VIII effective as of January 1, 2021 (10(a)46 to Form 10-K for the year ended December 31, 2020 in 1-11299).

+(a) 60 -- First Amendment of the Defined Contribution Restoration Plan for the Savings Plan of Entergy Corporation and Subsidiaries VIII effective January 1, 2024 (10(a)60 to Form 10-K for the year ended December 31, 2023 in 1-11299).

+(a) 61 -- First Amended and Restated 2019 Entergy Corporation Non-Employee Director Service Recognition Program effective as of December 3, 2021 (10(a)52 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 62 -- Amendment No. 1 to First Amended and Restated 2019 Entergy Corporation Non-Employee Director Service Recognition Program, effective June 1, 2024 (10(a) to Form 10-Q for the quarter ended June 30, 2024 in 1-11299).

+(a) 63 -- Amendment No. 2 to First Amended and Restated 2019 Entergy Corporation Non-Employee Director Service Recognition Program, effective June 1, 2025 (10(b) to Form 10-Q for the quarter ended June 30, 2025 in 1-11299).

+(a) 64 -- First Amended and Restated 2019 Entergy Corporation Non-Employee Director Stock Program effective as of December 3, 2021 (10(a)53 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 65 -- Second Amended and Restated 2019 Entergy Corporation Non-Employee Director Stock Program effective as of June 1, 2022 (10(b) to Form 10-Q for the quarter ended September 30, 2022 in 1-11299).

+(a) 66 -- Third Amended and Restated 2019 Entergy Corporation Non-Employee Director Stock Program, effective June 1, 2024 (10(b) to Form 10-Q for the quarter ended June 30, 2024 in 1-11299).

+(a) 67 -- Entergy Corporation Non-Employee Director Cash Deferral Plan effective as of December 3, 2021 (10(a)54 to Form 10-K for the year ended December 31, 2021 in 1-11299).

+(a) 68 -- First Amended and Restated Entergy Corporation Non-Employee Director Cash Deferral Plan effective July 29, 2022 (10(a) to Form 10-Q for the quarter ended September 30, 2022 in 1-11299).

+(a) 69 -- Restricted Stock Units Agreement Under the Entergy Corporation 2019 Omnibus Incentive Plan by and between Haley Fisackerly and Entergy Corporation effective November 10, 2022 (10(a)63 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 70 -- Restricted Stock Units Agreement Under the Entergy Corporation 2019 Omnibus Incentive Plan by and between Phillip May and Entergy Corporation effective November 10, 2022 (10(a)64 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 71 -- Restricted Stock Units Agreement Under the Entergy Corporation 2019 Omnibus Incentive Plan by and between Roderick West and Entergy Corporation effective November 10, 2022 (10(a)65 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 72 -- Amendment No. 1 to 2019 Entergy Corporation Omnibus Incentive Plan, dated May 5, 2023 (99.2 to Form 8-K filed May 10, 2023 in 1-11299).

+(a) 73 -- Retirement Benefit Agreement, dated as of November 30, 2022, between Marcus V. Brown and Entergy Corporation (10(a)66 to Form 10-K for the year ended December 31, 2022 in 1-11299).

+(a) 74 -- Form of Long Term Incentive Program Performance Unit Agreement (10(a)72 to Form 10-K for the year ended December 31, 2023 in 1-11299).

(a) 75 -- Confirmation of Forward Sale Transaction, dated March 17, 2025, between Entergy Corporation and Morgan Stanley & Co. LLC in its capacity as a Forward Purchaser (10.1 to Form 8-K filed March 19, 2025 in 1-11299).

(a) 76 -- Confirmation of Forward Sale Transaction, dated March 17, 2025, between Entergy Corporation and Bank of America, N.A. in its capacity as a Forward Purchaser (10.2 to Form 8-K filed March 19, 2025 in 1-11299).

(a) 77 -- Confirmation of Forward Sale Transaction, dated March 17, 2025, between Entergy Corporation and JPMorgan Chase Bank, National Association, New York Branch in its capacity as a Forward Purchaser (10.3 to Form 8-K filed March 19, 2025 in 1-11299).

(a) 78 -- Confirmation of Forward Sale Transaction, dated March 17, 2025, between Entergy Corporation and Mizuho Markets Americas LLC (with Mizuho Securities USA LLC acting as agent) in its capacity as a Forward Purchaser (10.4 to Form 8-K filed March 19, 2025 in 1-11299).

(a) 79 -- Confirmation of Additional Forward Sale Transaction, dated March 19, 2025, between Entergy Corporation and Morgan Stanley & Co. LLC in its capacity as a Forward Purchaser (10.1 to Form 8-K filed March 21, 2025 in 1-11299).

(a) 80 -- Confirmation of Additional Forward Sale Transaction, dated March 19, 2025, between Entergy Corporation and Bank of America, N.A. in its capacity as a Forward Purchaser (10.2 to Form 8-K filed March 21, 2025 in 1-11299).

(a) 81 -- Confirmation of Additional Forward Sale Transaction, dated March 19, 2025, between Entergy Corporation and JPMorgan Chase Bank, National Association, New York Branch in its capacity as a Forward Purchaser (10.3 to Form 8-K filed March 21, 2025 in 1-11299).

(a) 82 -- Confirmation of Additional Forward Sale Transaction, dated March 19, 2025, between Entergy Corporation and Mizuho Markets Americas LLC (with Mizuho Securities USA LLC acting as agent) in its capacity as a Forward Purchaser (10.4 to Form 8-K filed March 21, 2025 in 1-11299).

System Energy

(b) 1 -- Facility Lease No. 1, dated as of December 1, 1988, between Meridian Trust Company and Stephen M. Carta (Stephen J. Kaba, successor), as Owner Trustees, and System Energy (10(b)11 to Form 10-K for the year ended December 31, 2017 in 1-9067).

(b) 2 -- Lease Supplement No. 4, dated as of January 15, 2014, to Facility Lease No. 1 (10(b)12 to Form 10-K for the year ended December 31, 2016 in 1-11299).

(b) 3 -- Facility Lease No. 2, dated as of December 1, 1988 between Meridian Trust Company and Stephen M. Carta (Stephen J. Kaba, successor), as Owner Trustees, and System Energy (10(b)13 to Form 10-K for the year ended December 31, 2017 in 1-9067).

(b) 4 -- Lease Supplement No. 4, dated as of May 28, 2014, to Facility Lease No. 2 (10(b)14 to Form 10-K for the year ended December 31, 2016 in 1-11299).

(b) 5 -- Availability Agreement, dated October 1, 2025, among System Energy and Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans (1.01 to Form 8-K filed October 3, 2025 in 1-09067).

(b) 6 -- First Assignment of Availability Agreement, Consent and Agreement, dated as of October 1, 2025, among System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans and The Bank of New York Mellon, as Mortgage Trustee (1.02 to Form 8-K filed October 3, 2025 in 1-09067).

(b) 7 -- Second Assignment of Availability Agreement, Consent and Agreement, dated as of October 1, 2025, among System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans and The Bank of New York Mellon, as Mortgage Trustee (1.03 to Form 8-K filed October 3, 2025 in 1-09067).

(b) 8 -- Third Assignment of Availability Agreement, Consent and Agreement, dated as of October 1, 2025, among System Energy, Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans and The Bank of New York Mellon, as Mortgage Trustee (1.04 to Form 8-K filed October 3, 2025 in 1-09067).

(b) 9 -- Unit Power Sales Agreement, as amended effective as of October 1, 2025, among System Energy and Entergy Arkansas, Entergy Mississippi, and Entergy New Orleans (1.05 to Form 8-K filed October 3, 2025 in 1-09067).

Entergy New Orleans

(c) 1 -- Purchase and Sale Agreement, between Entergy New Orleans, as Seller, and Delta State Utilities NO, LLC, as Buyer, dated October 28, 2023 (1.01 to Form 8-K filed October 30, 2023 in 1-11299).

Entergy Texas

(d) 1 -- Participation Agreement, dated as of December 9, 2025, by and among Entergy Texas, as Lessee and Construction Agent, BA Leasing BSC, LLC, as Lessor, Bank of America, N.A., acting in the capacity as Administrative Agent, and the persons named on Schedule II thereto, as “Rent Assignees” (10.1 to Form 8-K filed December 11, 2025 in 1-34360).

(d) 2 -- Construction Agency Agreement, dated as of December 9, 2025, by and between Entergy Texas, as Construction Agent, and BA Leasing BSC, LLC, as Lessor (10.2 to Form 8-K filed December 11, 2025 in 1-34360).

(d) 3 -- Lease, Deed of Trust and Security Agreement, dated as of December 9, 2025, by and between Entergy Texas, as Lessee, and BA Leasing BSC, LLC, as Lessor (10.3 to Form 8-K filed December 11, 2025 in 1-34360).

(14) Code of Ethics

Entergy Corporation

(a) Entergy Corporation Code of Business Conduct and Ethics (14(a) to Form 10-K for the year ended December 31, 2020 in 1-32718).

***(19) Entergy System Insider Trading Policy adopted separately by each of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Entergy Texas, and System Energy .**

***(21) Subsidiaries of the Registrants**

(23) Consents of Experts and Counsel

*(a) The consents of Deloitte & Touche LLP are contained herein at page 566.

***(24) Powers of Attorney**

(31) Rule 13a-14(a)/15d-14(a) Certifications

*(a) Rule 13a-14(a)/15d-14(a) Certification for Entergy Corporation.

*(b) Rule 13a-14(a)/15d-14(a) Certification for Entergy Corporation.

*(c) Rule 13a-14(a)/15d-14(a) Certification for Entergy Arkansas.

*(d) Rule 13a-14(a)/15d-14(a) Certification for Entergy Arkansas.

*(e) Rule 13a-14(a)/15d-14(a) Certification for Entergy Louisiana.

*(f) Rule 13a-14(a)/15d-14(a) Certification for Entergy Louisiana.

*(g) Rule 13a-14(a)/15d-14(a) Certification for Entergy Mississippi.

*(h) Rule 13a-14(a)/15d-14(a) Certification for Entergy Mississippi.

*(i) Rule 13a-14(a)/15d-14(a) Certification for Entergy New Orleans.

*(j) Rule 13a-14(a)/15d-14(a) Certification for Entergy New Orleans.

*(k) Rule 13a-14(a)/15d-14(a) Certification for Entergy Texas.

*(l) Rule 13a-14(a)/15d-14(a) Certification for Entergy Texas.

*(m) Rule 13a-14(a)/15d-14(a) Certification for System Energy.

(32) Section 1350 Certifications

**(a) Section 1350 Certification for Entergy Corporation.

**(b) Section 1350 Certification for Entergy Corporation.

**(c) Section 1350 Certification for Entergy Arkansas.

**(d) Section 1350 Certification for Entergy Arkansas.

**(e) Section 1350 Certification for Entergy Louisiana.

**(f) Section 1350 Certification for Entergy Louisiana.

**(g) Section 1350 Certification for Entergy Mississippi.

**(h) Section 1350 Certification for Entergy Mississippi.

**(i) Section 1350 Certification for Entergy New Orleans.

**(j) Section 1350 Certification for Entergy New Orleans.

**(k) Section 1350 Certification for Entergy Texas.

**(l) Section 1350 Certification for Entergy Texas.

**(m) Section 1350 Certification for System Energy.

(97) Entergy System Policy Regarding Recoupment of Certain Compensation adopted separately by each of Entergy Corporation, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans and Entergy Texas, effective October 2, 2023 (97 to Form 10-K for the year ended December 31, 2023 in 1-32718).

(101) Interactive Data File

*INS - Inline XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

*SCH - Inline XBRL Schema Document.

*CAL - Inline XBRL Calculation Linkbase Document.

*DEF - Inline XBRL Definition Linkbase Document.

*LAB - Inline XBRL Label Linkbase Document.

*PRE - Inline XBRL Presentation Linkbase Document.

***(104) Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibits 101)**

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* Filed herewith.

** Furnished, not filed, herewith.

+ Management contracts or compensatory plans or arrangements.

ENTERGY CORPORATION

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY CORPORATION

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer

Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Andrew S. Marsh (Chair of the Board, Chief Executive Officer and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President and Chief Financial Officer; Principal Financial Officer); Gina F. Adams, John H. Black, John R. Burbank, J. Frank Caldwell, Jr., Kirkland H. Donald, Brian W. Ellis, Philip L. Frederickson, M. Elise Hyland, Stuart L. Levenick, Karen A. Puckett, and R. Lewis Ropp (Directors).

By: /s/ Reginald T. Jackson
(Reginald T. Jackson, Attorney-in-fact)

February 19, 2026

ENTERGY ARKANSAS, LLC

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY ARKANSAS, LLC

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer
Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Laura R. Landreaux (Chair of the Board, President, Chief Executive Officer, and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President, Chief Financial Officer, and Director; Principal Financial Officer); and Kimberly Cook-Nelson (Director).

By: /s/ Reginald T. Jackson February 19, 2026
(Reginald T. Jackson, Attorney-in-fact)

ENTERGY LOUISIANA, LLC

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY LOUISIANA, LLC

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer

Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Phillip R. May, Jr. (Chairman of the Board, President, Chief Executive Officer, and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President, Chief Financial Officer, and Director; Principal Financial Officer); and Kimberly Cook-Nelson (Director).

By: /s/ Reginald T. Jackson
(Reginald T. Jackson, Attorney-in-fact)

February 19, 2026

ENTERGY MISSISSIPPI, LLC

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY MISSISSIPPI, LLC

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer

Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Haley R. Fisackerly (Chairman of the Board, President, Chief Executive Officer, and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President, Chief Financial Officer, and Director; Principal Financial Officer); and Kimberly Cook-Nelson (Director).

By: /s/ Reginald T. Jackson
(Reginald T. Jackson, Attorney-in-fact)

February 19, 2026

ENTERGY NEW ORLEANS, LLC

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY NEW ORLEANS, LLC

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer

Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Deanna D. Rodriguez (Chair of the Board, President, Chief Executive Officer, and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President, Chief Financial Officer, and Director; Principal Financial Officer); and Kimberly Cook-Nelson (Director).

By: /s/ Reginald T. Jackson
(Reginald T. Jackson, Attorney-in-fact)

February 19, 2026

ENTERGY TEXAS, INC.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ENTERGY TEXAS, INC.

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer

Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Eliecer Viamontes (Chairman of the Board, President, Chief Executive Officer, and Director; Principal Executive Officer); Kimberly A. Fontan (Executive Vice President, Chief Financial Officer, and Director; Principal Financial Officer); and Kimberly Cook-Nelson (Director).

By: /s/ Reginald T. Jackson
(Reginald T. Jackson, Attorney-in-fact)

February 19, 2026

SYSTEM ENERGY RESOURCES, INC.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

SYSTEM ENERGY RESOURCES, INC.

By /s/ Reginald T. Jackson
Reginald T. Jackson
Senior Vice President and Chief Accounting Officer
Date: February 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

Signature	Title	Date
/s/ Reginald T. Jackson Reginald T. Jackson	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 19, 2026

Kimberly A. Fontan (Chair of the Board, President, Chief Financial Officer, and Director; Principal Executive Officer and Principal Financial Officer); John C. Dinelli and Barrett E. Green (Directors).

By: /s/ Reginald T. Jackson February 19, 2026
(Reginald T. Jackson, Attorney-in-fact)

EXHIBIT 23(a)

CONSENTS OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-289302 on Form S-3 and in Registration Statements Nos. 333-174148, 333-204546, 333-231800, 333-251819 and 333-275398 on Form S-8 of our reports dated February 19, 2026, relating to the financial statements of Entergy Corporation and Subsidiaries, and the effectiveness of Entergy Corporation and Subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K of Entergy Corporation for the year ended December 31, 2025.

We consent to the incorporation by reference in Registration Statement No. 333-289302-05 on Form S-3 of our reports dated February 19, 2026, relating to the financial statements of Entergy Arkansas, LLC and Subsidiaries appearing in this Annual Report on Form 10-K of Entergy Arkansas, LLC for the year ended December 31, 2025.

We consent to the incorporation by reference in Registration Statement No. 333-289302-04 on Form S-3 of our reports dated February 19, 2026, relating to the financial statements of Entergy Louisiana, LLC and Subsidiaries appearing in this Annual Report on Form 10-K of Entergy Louisiana, LLC for the year ended December 31, 2025.

We consent to the incorporation by reference in Registration Statement No. 333-289302-02 on Form S-3 of our reports dated February 19, 2026, relating to the financial statements of Entergy Mississippi, LLC and Subsidiaries appearing in this Annual Report on Form 10-K of Entergy Mississippi, LLC for the year ended December 31, 2025.

We consent to the incorporation by reference in Registration Statement No. 333-289302-01 on Form S-3 of our reports dated February 19, 2026, relating to the financial statements of Entergy Texas, Inc. and Subsidiaries appearing in this Annual Report on Form 10-K of Entergy Texas, Inc. for the year ended December 31, 2025.

We consent to the incorporation by reference in Registration Statement No. 333-289302-03 on Form S-3 of our report dated February 19, 2026, relating to the financial statements of System Energy Resources, Inc. appearing in this Annual Report on Form 10-K of System Energy Resources, Inc. for the year ended December 31, 2025.

/s/ DELOITTE & TOUCHE LLP

New Orleans, Louisiana
February 19, 2026

Exhibit 4(a)15
Execution Version

GLOBAL ASSIGNMENT AND ASSUMPTION

This Global Assignment and Assumption (the "***Assignment and Assumption***") is dated as of the Effective Date set forth below and is entered into by and between the Assignor identified in item 1 below (the "***Assignor***") and each Assignee identified in item 2 below (each, an "***Assignee***"). It is understood and agreed that the rights and obligations of each Assignee hereunder are several and not joint. Capitalized terms used but not defined herein shall have the meanings given to them in each applicable Credit Agreement identified below (each, as further amended, a "***Credit Agreement***" and collectively, the "***Credit Agreements***"), receipt of copies of which is hereby acknowledged by each Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to each respective Assignee, and each Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and each Credit Agreement, as of the Effective Date inserted by the Administrative Agent (or its counsel) as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under each Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, and guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender against any Person, whether known or unknown, arising under or in connection with each Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to any Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as an "***Assigned Interest***"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

For purposes of the extensions of the Credit Agreements to be effective as of the date hereof, each of the Assignor, each Assignee and the undersigned consenting parties confirms the Assignor is a Non-Extending Lender (as defined in each Credit Agreement) and each Assignee is an Additional Commitment Lender (as defined in each Credit Agreement) to the extent of its Assigned Interests hereunder.

1. Assignor: Goldman Sachs Bank USA
2. Assignees: The Toronto-Dominion Bank, New York Branch

   Barclays Bank PLC

   Royal Bank of Canada

3. Borrowers: Entergy Corporation

Entergy Louisiana, LLC

Entergy Arkansas, LLC

Entergy Texas, Inc.

Entergy Mississippi, LLC

4. Administrative Agent: Citibank, N.A., as the administrative agent under each Credit Agreement

5. Credit Agreements: $3,000,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Corporation, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto (the "***ETR Credit Agreement***")

$400,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Louisiana, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto (the "***ELL Credit Agreement***")

$300,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Arkansas, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto (the "***EAL Credit Agreement***")

$300,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Texas, Inc., the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto (the "***ETI Credit Agreement***")

$300,000,000 First Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Mississippi, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto (the "***EML Credit Agreement***")

6. Assigned Interests:

Assignor	Assignees	Applicable Credit Agreement	Facility Assigned	Aggregate Amount of Commitment/Advances for all Lenders	Amount of Commitment/ Advances Assigned	Percentage Assigned of Commitment/ Advances	CUSIP Number
Goldman Sachs Bank USA	The Toronto-Dominion Bank, New York Branch	ETR Credit Agreement	Senior unsecured revolving credit commitments	$3,000,000,000	$96,718,192.64	3.22394%	29364VAP5

Goldman Sachs Bank USA	Barclays Bank PLC	ETR Credit Agreement	Senior unsecured revolving credit commitments	$3,000,000,000	$44,904,875.16	1.49683%	29364VAP5
Goldman Sachs Bank USA	Royal Bank of Canada	ETR Credit Agreement	Senior unsecured revolving credit commitments	$3,000,000,000	$34,542,211.64	1.15141%	29364VAP5
Goldman Sachs Bank USA	The Toronto-Dominion Bank, New York Branch	ELL Credit Agreement	Senior unsecured revolving credit commitments	$400,000,000	$13,317,479.19	3.32937%	29365CAL5
Goldman Sachs Bank USA	Barclays Bank PLC	ELL Credit Agreement	Senior unsecured revolving credit commitments	$400,000,000	$6,183,115.34	1.54578%	29365CAL5
Goldman Sachs Bank USA	Royal Bank of Canada	ELL Credit Agreement	Senior unsecured revolving credit commitment	$400,000,000	$4,756,242.57	1.18906%	29365CAL5
Goldman Sachs Bank USA	The Toronto-Dominion Bank, New York Branch	EAL Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$9,988,109.39	3.32937%	29366PAD3
Goldman Sachs Bank USA	Barclays Bank PLC	EAL Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$4,637,336.50	1.54578%	29366PAD3
Goldman Sachs Bank USA	Royal Bank of Canada	EAL Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$3,567,181.93	1.18906%	29366PAD3
Goldman Sachs Bank USA	The Toronto-Dominion Bank, New York Branch	ETI Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$9,988,109.39	3.32937%	29365UAK7
Goldman Sachs Bank USA	Barclays Bank PLC	ETI Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$4,637,336.50	1.54578%	29365UAK7
Goldman Sachs Bank USA	Royal Bank of Canada	ETI Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$3,567,181.93	1.18906%	29365UAK7
Goldman Sachs Bank USA	The Toronto-Dominion Bank, New York Branch	EML Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$9,988,109.39	3.32937%	29366XAD6

Goldman Sachs Bank USA	Barclays Bank PLC	EML Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$4,637,336.50	1.54578%	29366XAD6
Goldman Sachs Bank USA	Royal Bank of Canada	EML Credit Agreement	Senior unsecured revolving credit commitments	$300,000,000	$3,567,181.93	1.18906%	29366XAD6

[Signature pages follow]

Effective Date: June 27, 2025

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

GOLDMAN SACHS BANK USA

By:/s/ Andrew Vernon
Name: Andrew Vernon
Title: Authorized Signatory

ASSIGNEES

THE TORONTO-DOMINION BANK, NEW YORK BRANCH

By: /s/ Paul Yoon
Name: Paul Yoon
Title: Director

BARCLAYS BANK PLC

By: /s/ Sydney G. Dennis
Name: Sydney G. Dennis
Title: Director

ROYAL BANK OF CANADA

By: /s/ Emilee Scott
Name: Emilee Scott
Title: Authorized Signatory

Consented to and Accepted for each Assigned Interest under each Credit Agreement:

CITIBANK, N.A., as Administrative Agent under each Credit Agreement and an LC Issuing Bank under the ETR Credit Agreement

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

Consented to for each Assigned Interest under each Credit Agreement identified with respect to the undersigned:

MUFG BANK. LTD., as an LC Issuing Bank under the ETR Credit Agreement

By: /s/ Matthew Bly
Name: Matthew Bly
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an LC Issuing Bank under the ELL Credit Agreement

By: /s/ Whitney Shellenberg
Name: Whitney Shellenberg
Title: Executive Director

BNP PARIBAS, as an LC Issuing Bank under the ELL Credit Agreement and the ETI Credit Agreement

By: /s/ Francis Delaney
Name: Francis Delaney
Title: Managing Director

By: /s/ Victor Padilla
Name: Victor Padilla
Title: Director

JPMORGAN CHASE BANK, N.A., as an LC Issuing Bank under the EAL Credit Agreement and the ETI Credit Agreement

By: /s/ Eduardo Lopez Peiro
Name: Eduardo Lopez Peiro
Title: Vice President

MIZUHO BANK, LTD., as an LC Issuing
Bank under the ETI Credit Agreement

By: /s/ Edward Sacks
Name: Edward Sacks
Title: Managing Director

THE BANK OF NOVA SCOTIA as an
LC Issuing Bank under the ETI Credit Agreement and the EML Credit Agreement

By: /s/ David Dewar
Name: David Dewar
Title: Director

Consented to for each Assigned Interest under each Credit Agreement:

ENTERGY CORPORATION

By: /s/ Barrett E. Green
Name: Barrett E. Green
Title: Vice President and Treasurer

ENTERGY LOUISIANA, LLC

By: /s/ Kevin J. Marino
Name: Kevin J. Marino
Title: Assistant Treasurer

ENTERGY ARKANSAS, LLC

By: /s/ Kevin J. Marino
Name: Kevin J. Marino
Title: Assistant Treasurer

ENTERGY TEXAS, INC.

By: /s/ Kevin J. Marino
Name: Kevin J. Marino
Title: Assistant Treasurer

ENTERGY MISSISSIPPI, LLC

By: /s/ Kevin J. Marino
Name: Kevin J. Marino
Title: Assistant Treasurer

ANNEX 1

(a) $3,000,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Corporation, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto;

(b) $400,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Louisiana, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto;

(c) $300,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Arkansas, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto;

(d) $300,000,000 Fourth Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Texas, Inc., the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto; and

(e) $300,000,000 First Amended and Restated Credit Agreement, dated as of June 11, 2024, among Entergy Mississippi, LLC, the Lenders party thereto, Citibank, N.A., as Administrative Agent, and the LC Issuing Banks parties thereto.

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. ***Representations and Warranties.***

1.1 ***Assignor.*** The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the relevant Assigned Interest, (ii) such Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender or a Potential Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of any Borrower, any of their respective Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by any Borrower, any of their respective Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. ***Assignees.*** Each Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under each Credit Agreement, (ii) it meets all the requirements to

be an assignee under Section 8.07 of each Credit Agreement (subject to such consents, if any, as may be required thereunder), (iii) from and after the Effective Date, it shall be bound by the provisions of each Credit Agreement as a Lender thereunder and, to the extent of the relevant Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by such Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire such Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of each Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Sections 5.01(c)(i) and 5.01(c)(ii) thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase such Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase such Assigned Interest, and (vii) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of each Credit Agreement, duly completed and executed by such Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. ***Payments.*** From and after the Effective Date, the Administrative Agent shall make all payments in respect of each Assigned Interest (including payments of principal, interest, fees and other amounts) to each relevant Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and each Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to each relevant Assignee.

3. ***General Provisions.*** This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Exhibit 4(a)16

DESCRIPTION OF ENTERGY CORPORATION'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

References in this exhibit to "we," "us," or "our" are to Entergy Corporation, and does not include our subsidiaries.

As of February 19, 2026, the only security registered by us under Section 12(b) of the Securities Exchange Act of 1934, as amended, is our common stock, par value $0.01 per share.

The following descriptions of our common stock and the relevant provisions of our certificate of incorporation, as amended and restated (the "Restated Certificate of Incorporation"), and our bylaws, as amended and restated (the "Bylaws") are summaries and are qualified by reference to the Restated Certificate of Incorporation and the Bylaws that are filed as exhibits to the Annual Report on Form 10-K to which this is filed as an exhibit. The following also summarizes certain applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL") and that summary is qualified by reference to the DGCL.

General

Our authorized capital stock consists of 998,000,000 shares of common stock, par value $.01 per share, and 1,000,000 shares of preferred stock, no par value.

Our Board of Directors (the "Board") is authorized to establish, from time to time, series of the preferred stock and to fix the rights and preferences of each series of preferred stock, including dividend rates and preferences, conversion provisions, voting rights, redemption provisions, liquidation rights and preferences, preemption rights and other matters; provided that no share of preferred stock shall have more than one vote per share.

Dividend Rights

We will pay dividends on our common stock as determined by the Board out of legally available funds. Our ability to pay dividends depends primarily upon the ability of our subsidiaries to pay dividends or distributions or otherwise transfer funds to us. Various financing arrangements, charter provisions and regulatory requirements may impose certain restrictions on the ability of our subsidiaries to transfer funds to us in the form of cash dividends or distributions, loans or advances. If the Board fixes the rights of a series of preferred stock and we issue that series of preferred stock, holders of such series of preferred stock may be entitled, in preference to holders of the common stock, to dividends at the rate fixed for that series by the Board. Those dividends may be cumulative or noncumulative as determined by the Board.

We have junior subordinated debentures outstanding. In accordance with the terms of the junior subordinated debentures, we have the right, from time to time, to defer the payment of interest on our outstanding junior subordinated debentures on one or more occasions for up to ten consecutive years. We may issue, from time to time, additional junior subordinated debentures or

other securities that (i) provide us with rights to defer the payment of interest or other payments and (ii) contain dividend restrictions in the event of the exercise of such rights. In the event that we were to exercise any right to defer interest or other payments on currently outstanding or future series of junior subordinated debentures or other securities, or if there were to occur certain payment defaults on those securities, we would not be able, with limited exceptions, to pay dividends on our common stock during the periods in which such payments were deferred or such payment defaults continued. In addition, we might issue other securities in the future containing similar or other restrictions on, or that affect, our ability to pay dividends on our common stock.

Voting Rights

Holders of common stock are entitled to one vote for each share held by them on all matters submitted to our stockholders. Holders of our common stock do not have cumulative voting rights in the election of directors. Unless otherwise required by law and subject to any special voting rights that may vest in the holders of preferred stock, in all matters other than the election of directors, the affirmative vote of the holders of a majority of the shares represented at a stockholder meeting and entitled to vote on the subject matter shall be the act of the stockholders. Under the DGCL, the Restated Certificate of Incorporation may be amended by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote on the proposed amendment (which would include the common stock and any series of preferred stock which, by its terms or applicable law, was so entitled to vote), and, if any class or series of shares is entitled to vote as a class, then the proposed amendment must be approved by the required vote of each class or series of shares entitled to vote as a class. At a meeting for the election of directors at which a quorum is present, subject to the rights, if any, of holders of preferred stock outstanding at that time, directors are elected by a majority of votes cast with respect to such director; provided, however, that, if the number of nominees is greater than the number of directors who will be elected, the nominees receiving a plurality of the votes cast will be elected as directors. If our Board fixes the rights of a series of preferred stock and we issue that series of preferred stock, such series of preferred stock may or may not be entitled to voting rights; provided, that no share of preferred stock shall have more than one vote per share.

Liquidation Rights

In the event of any liquidation, dissolution or winding up of our affairs, voluntarily or involuntarily, the holders of our common stock, subject to any rights of any holders of our preferred stock outstanding at that time, will be entitled to receive the remainder, if any, of our assets after the payment of all our debts and liabilities. In addition, if the Board fixes the rights of a series of preferred stock and we issue that series of preferred stock, holders of such series of preferred stock may be entitled, in preference to holders of the common stock, in voluntary and involuntary liquidation, to the amounts fixed for that series by the Board, which may include unpaid accumulated dividends.

Preemptive Rights

The holders of our common stock do not have a preemptive right to purchase shares of our common stock or securities convertible into such shares nor are they liable for future capital calls or assessments by us. If our Board fixes the rights of a series of preferred stock and issues that series of preferred stock, holders of such series of preferred stock may be entitled to preemptive rights to purchase shares of our common stock or securities convertible into such shares.

Listing

Our common stock is listed under the symbol "ETR" on both the New York Stock Exchange and the NYSE Texas.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Equiniti Trust Company, doing business as EQ Shareowner Services.

Certain Anti-Takeover Effects

General.

Certain provisions of the Restated Certificate of Incorporation, the Bylaws and the DGCL could have the effect of delaying, deferring or preventing an acquisition of control of us by means of a tender offer, a proxy fight, open market purchases or otherwise in a transaction not approved by the Board. The provisions described below may reduce our vulnerability to an unsolicited proposal for the restructuring or sale of all or substantially all of our assets or an unsolicited takeover attempt which is unfair to our stockholders.

Business Combinations.

Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the time the stockholder became an interested stockholder, subject to certain exceptions, including if, prior to such time, the board of directors approved the business combination or the transaction which resulted in the stockholder becoming an interested stockholder. "Business combinations" include mergers, asset sales and other transactions resulting in a financial benefit to the "interested stockholder." Subject to various exceptions, an "interested stockholder" is a person who, together with his, her or its affiliates and associates, owns, or within the prior three years did own, 15% or more of the corporation's outstanding voting stock. The restrictions on business combinations with interested stockholders contained in Section 203 of the DGCL do not apply to a corporation whose certificate of incorporation or bylaws contains a provision expressly electing not to be governed by the statute; however, neither the Restated Certificate of Incorporation nor the Bylaws contain a provision electing to "opt-out" of Section 203 of the DGCL.

Special Meetings.

Pursuant to the DGCL, a special meeting of stockholders may be called by the Board or by any other person authorized to do so in the Restated Certificate of Incorporation or the Bylaws. The Restated Certificate of Incorporation and the Bylaws provide that special meetings of stockholders may only be called by: the Board, the Chairman of the Board, a majority of the members of the entire Executive Committee of the Board, the Chief Executive Officer, or the holders of a majority of the outstanding shares of our common stock entitled to vote at the special meeting.

Advance Notice Requirements for Stockholder Nominations and Proposals.

The Bylaws establish advance notice procedures with respect to stockholder proposals for annual meetings and the nomination of candidates for election as directors, other than nominations made by or at the direction of the Board or a committee of the Board. A stockholder who wishes to bring a matter before a meeting must comply with our advance notice requirements and provide us with certain information. Additionally, vacancies and newly created directorships may be filled only by a vote of a majority of the directors then in office, even in the case that such directors may represent less than a quorum.

Exhibit 4(c)6

DESCRIPTION OF ENTERGY ARKANSAS, LLC'S SECURITIES

REGISTERED PURSUANT TO SECTION 12

OF THE SECURITIES EXCHANGE ACT OF 1934

References in this exhibit to "we," "us," or "our" are to Entergy Arkansas, LLC.

We have issued, and may from time to time issue, bonds in one or more series under one or more separate supplemental indentures to the Mortgage and Deed of Trust dated as of October 1, 1944, with Deutsche Bank Trust Company Americas, successor corporate trustee, and, as to property in Missouri, The Bank of New York Mellon Trust Company, N.A., successor co-trustee, together referred to in this exhibit as "trustees." This Mortgage and Deed of Trust, as it has heretofore been and may be amended or supplemented from time to time, is referred to in this exhibit as the "mortgage." All first mortgage bonds issued or to be issued under the mortgage, including the Bonds (as defined below), are referred to herein as "first mortgage bonds."

As of February 19, 2026, we have one series of first mortgage bonds outstanding that is registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our First Mortgage Bonds, 4.875% Series due September 1, 2066, issued in an aggregate principal amount of $410,000,000 under the Seventy-Ninth Supplemental Indenture, dated as of August 1, 2016, to the mortgage and traded on the New York Stock Exchange under the ticker EAI (the "Bonds"). The full aggregate principal amount of the Bonds is currently outstanding.

The mortgage, including the supplemental indenture relating to the Bonds, contains the full legal text of the matters described herein. Because this is a summary, it does not describe every aspect of the mortgage, the supplemental indenture relating to the Bonds, or the outstanding first mortgage bonds, including the Bonds. The mortgage and the supplemental indentures that relate to the outstanding first mortgage bonds, including the Bonds, are filed as exhibits to the Annual Report on Form 10-K to which this is filed as an exhibit. You should read the mortgage for provisions that may be important to you. This summary is subject to and qualified in its entirety by reference to all the provisions of the mortgage, including the definitions of some of the terms used in the mortgage, and to the particular terms of the supplemental indenture that relates to the Bonds. The mortgage has been qualified under the Trust Indenture Act of 1939, and you should also refer to the Trust Indenture Act of 1939 for provisions that apply to the Bonds.

General

The mortgage permits us to issue first mortgage bonds from time to time subject to the limitations described below under "Issuance of Additional First Mortgage Bonds." All first

mortgage bonds of any one series need not be issued at the same time, and a series may be reopened for issuances of additional first mortgage bonds of that series. This means that we may from time to time, without notice to or consent of the existing holders of the first mortgage bonds of any series, including the Bonds, create and issue additional first mortgage bonds of a series having the same terms and conditions as the previously issued first mortgage bonds of that series in all respects, except for issue date, price to public and, if applicable, the initial interest payment on those additional first mortgage bonds. Additional first mortgage bonds issued in this manner will be consolidated with, and will form a single series with, the previously issued first mortgage bonds of that series. For more information, see the discussion below under "Issuance of Additional First Mortgage Bonds."

Payment

The principal amount of the Bonds and interest thereon is and will be paid in any coin or currency of the United States of America that at the time of payment is legal tender at the corporate trust office of the corporate trustee in the Borough of Manhattan, City and State of New York.

Interest on the Bonds accrues at the rate of 4.875% per year. Interest started to accrue from the date that the Bonds were issued. Interest payments on the Bonds are made on March 1, June 1, September 1 and December 1 of each year. As long as the Bonds are registered in the name of The Depository Trust Company ("DTC") or its nominee, the record date for interest payable on any interest payment date shall be the close of business on the Business Day (defined as any day other than a Saturday or a Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or a day on which the corporate trust office of the corporate trustee is closed for business) immediately preceding such interest payment date. We have agreed to pay interest on any overdue principal and, if such payment is enforceable under applicable law, on any overdue installment of interest on the Bonds at a rate of 6% per year to holders of record at the close of business on the Business Day immediately preceding our payment of such interest.

Interest on the Bonds is computed on the basis of a 360-day year of twelve 30-day months. If any interest payment date or the maturity date of the Bonds falls on a day that is not a Business Day, the payment due on that interest payment date or the maturity date will be made on the next Business Day, and without any interest or other payment in respect of such delay.

As long as the Bonds are registered in the name of DTC or its nominee, we will pay principal and interest due on the Bonds to DTC. DTC will then make payment to its participants for disbursement to the beneficial owners of the Bonds as described under the heading "Book-Entry Only Securities."

Redemption

We may redeem the Bonds prior to maturity, in whole or in part, at our option, upon notice to holders by mail not less than 30 days' nor more than 60 days prior to the redemption date, at any time, at a redemption price equal to 100% of the principal amount of the Bonds

being redeemed plus any accrued and unpaid interest thereon to, but not including, the redemption date. Unless the Bonds are held in book-entry only form through the facilities of DTC, in which case DTC's procedures for selection shall apply (see "Book-Entry Only Securities"), if less than all of the Bonds are to be redeemed, the corporate trustee will select the Bonds to be redeemed.

Unless we default in the payment of the redemption price and accrued interest, if any, in the case of an unconditional notice of redemption, the Bonds subject to such notice of redemption will cease to bear interest on the redemption date. We will pay the redemption price and any accrued interest to the redemption date upon surrender of any Bond for redemption. If only part of a Bond is redeemed, the corporate trustee will deliver to the holder of the Bond a new Bond for the remaining portion without charge.

We may make any redemption at our option conditional upon the receipt by the corporate trustee, prior to the date fixed for redemption, of money sufficient to pay the redemption price and accrued interest, if any. If the corporate trustee has not received the money by the date fixed for redemption, we will not be required to redeem the Bonds.

Form and Exchange

The Bonds are fully-registered bonds without coupons, issued in denominations of $25 and integral multiples of $25 in excess thereof. The Bonds are represented by a global certificate without coupons registered in the name of a nominee of DTC.

The Bonds are exchangeable for other Bonds in equal aggregate principal amounts. No service charge will be made for any registration of transfer or exchange of the Bonds. However, we may require payment to cover any tax or other governmental charge that may be imposed in connection with a registration of transfer or exchange. We will not be required to provide for the transfer or exchange of any Bond:

1. during the 10 days before an interest payment date,
2. during the 10 days before any designation of such Bond to be redeemed, or
3. selected for redemption.

Security

The Bonds, together with all other first mortgage bonds now or in the future outstanding under the mortgage, are and will be secured, equally and ratably, by the lien of the mortgage. As of December 31, 2025, we had approximately $5.06 billion principal amount of first mortgage bonds outstanding, $600 million of which was repaid prior to maturity on February 9, 2026, with a portion of the proceeds of our issuance of $1 billion principal amount of first mortgage bonds on January 8, 2026. The mortgage constitutes a first mortgage lien on substantially all of our property (the "mortgaged property") subject to bankruptcy law and to:

1. leases of minor portions of our mortgaged property to others for uses which do not interfere with our business;

2. leases of certain of our mortgaged property not used in our business; and
3. excepted encumbrances (as defined below).

There is excepted from the lien certain of our property, including:

1. cash and securities;
2. certain equipment, materials and supplies;
3. automobiles and other vehicles and aircraft, timber, minerals, mineral rights and royalties;
4. receivables, contracts, leases and operating agreements; and
5. certain unimproved lands sold or to be sold.

"Excepted encumbrances" mean the following:

- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of our employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- specified judgment liens and prepaid liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, our property;
- liens securing indebtedness or other obligations relating to real property we acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights-of-way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of governmental authorities and specified liens required by law or governmental regulations;
- liens to secure public or statutory obligations; rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by us or by others on our property;
- rights and interests of persons other than us arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in the property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation; and
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

The mortgage contains provisions that impose the lien of the mortgage on property that we acquire after the date of the mortgage, other than excepted property, subject to pre-existing liens. However, if we consolidate or merge with, or convey or transfer all or substantially all of our mortgaged property to, a successor, the lien created by the mortgage will generally not cover the property of the successor, other than the mortgaged property it acquires from us and improvements, replacements and additions to such property.

The mortgage also provides that the trustees shall have a lien upon the mortgaged property to ensure the payment of their reasonable compensation, expenses and disbursements and for indemnity against certain liabilities. This lien takes priority over the lien securing the first mortgage bonds, including the Bonds.

The mortgage also contains restrictions on the issuance of debt secured by a prior lien on the mortgaged property ("qualified lien bonds").

Issuance of Additional First Mortgage Bonds

The maximum principal amount of first mortgage bonds that may be issued under the mortgage is limited to $100 billion at any time outstanding under the mortgage, subject to property additions and other limitations of the mortgage. First mortgage bonds of any series may be issued from time to time on the basis of:

1. 60% of the cost or fair value, whichever is less, of unfunded property additions after adjustments to offset retirements;
2. retirements of first mortgage bonds or qualified lien bonds; or
3. deposit of cash with the corporate trustee.

Property additions generally include, among other things, electric, gas, steam or hot water property acquired after June 30, 1944. Securities, automobiles or other vehicles or aircraft, or property used principally for the production or gathering of natural gas, are not included as property additions.

There is no "earnings" or similar test required under the mortgage as a condition to the issuance of first mortgage bonds under the mortgage.

We have the right to amend the mortgage at any time without the consent or other action of the holders of any first mortgage bonds, including the Bonds, to permit the issuance of first mortgage bonds on the basis of 80% of the cost or fair value, whichever is less, of unfunded property additions after adjustments to offset retirements.

We have the right to amend the mortgage at any time without any consent or other action of the holders of any first mortgage bonds, including the Bonds, to make any form of space satellites including solar power satellites, space stations and other analogous facilities available as property additions.

As of December 31, 2025, we had approximately $1.539 billion of available property additions, entitling us to issue approximately $923 million principal amount of additional first mortgage bonds on the basis of property additions, and we could have issued approximately $1.023 billion principal amount of additional first mortgage bonds on the basis of retired first mortgage bonds, $1 billion of which capacity was used on January 8, 2026, as the basis for our issuance of $1 billion principal amount of first mortgage bonds, a portion of the proceeds of which were used to redeem on February 9, 2026, $600 million principal amount of outstanding first mortgage bonds, such that we could have issued approximately $623 million principal amount of additional first mortgage bonds on the basis of retired first mortgage bonds as of February 19, 2026. The Bonds were issued on the basis of property additions.

No first mortgage bonds may be issued on the basis of property additions subject to qualified liens if the qualified lien bonds secured thereby exceed 50% of such property additions, or if the qualified lien bonds and first mortgage bonds then outstanding which have been issued against property additions subject to continuing qualified liens and certain other items would in the aggregate exceed 15% of the first mortgage bonds and qualified lien bonds outstanding.

Other than the security afforded by the lien of the mortgage and restrictions on the issuance of additional first mortgage bonds described above, there are no provisions of the mortgage that grant the holders of the first mortgage bonds protection in the event of a highly leveraged transaction involving us.

Release and Substitution of Property

We may release property from the lien of the mortgage on the bases of:

1. the deposit of cash or, to a limited extent, purchase money mortgages;
2. property additions, after adjustments in certain cases to offset retirements and after making adjustments for qualified lien bonds, if any, outstanding against property additions; and
3. (i) the aggregate principal amount of first mortgage bonds that we would be entitled to issue on the basis of retired qualified lien bonds; or (ii) 10/6ths of the aggregate principal amount of first mortgage bonds that we would be entitled to issue on the basis of retired first mortgage bonds; in each case with the entitlement being waived by operation of the release.

We can withdraw cash upon the bases stated in clauses (2) and/or (3) above. Should we amend the mortgage as described under “Issuance of Additional First Mortgage Bonds” above to permit the issuance of first mortgage bonds on the basis of an increased percentage of the cost or fair value, whichever is less, of unfunded property additions after adjustments to offset retirements, the ratio specified in clause (3)(ii) above would change to the reciprocal of such increased percentage.

The mortgage also contains special provisions with respect to qualified lien bonds pledged and the disposition of moneys received on pledged prior lien bonds. We may also release unfunded property if after such release at least one dollar in unfunded property remains

subject to the lien of the mortgage. We have the right to amend the mortgage at any time without the consent or other action of the holders of any first mortgage bonds, including the Bonds, to modify the definition of "Funded Property" in the mortgage to mean property specified by us with a fair value determined by an independent expert not less than 10/8ths of the sum of the amount of the outstanding first mortgage bonds and retired first mortgage bonds.

We may, without any release or consent by the corporate trustee,

- grant, free from the lien of the mortgage, easements, ground leases or rights-of-way in, upon, over and/or across our property for the purpose of roads, pipe lines, transmission lines, distribution lines, communication lines and similar purposes, or for the joint or common use of real property, rights-of-way, facilities and/or equipment, but only if such grant shall not materially impair the use of the property or rights-of-way for the purposes for which such property or rights-of-way are held by us, and
- cancel or make changes or alterations in or substitutions for any and all easements, servitudes, rights-of-way and similar rights and/or interests.

Modification

Modification Without Consent

Without the consent of any holder of first mortgage bonds, we and the trustees may enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of our covenants in the mortgage and in the first mortgage bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series of first mortgage bonds, or to surrender any right or power conferred upon us;
- to add additional defaults under the mortgage for all or any series of first mortgage bonds;
- to correct or amplify the description of the mortgaged property or to subject additional property to the lien of the mortgage;
- to change, eliminate or add any provision to the mortgage; provided that no such change, elimination or addition will adversely affect the interests of the holders of first mortgage bonds of any series in any material respect;
- to establish the form or terms of first mortgage bonds of any other series as permitted by the mortgage;
- to provide for the procedures required for use of a non-certificated system of registration for the first mortgage bonds of all or any series;
- to change any place where principal, premium, if any, and interest, if any, shall be payable, first mortgage bonds may be surrendered for registration of transfer or exchange, and notices and demands to us may be served; or
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the mortgage if such changes or additions will not adversely affect the interests of first mortgage bonds of any series in any material respect.

Modification Requiring Consent

Except as provided below, the consent of the holders of a majority in aggregate principal amount of then outstanding first mortgage bonds, considered as one class, is required for all other amendments or modifications to the mortgage. However, if less than all of the series of first mortgage bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding first mortgage bonds of all series that are directly affected, considered as one class, will be required. Notwithstanding the foregoing, no amendment or modification may be made without the consent of the holder of each directly affected first mortgage bond then outstanding to:

- extend the maturity of the principal of, or interest on, any first mortgage bond, or reduce the principal amount of any first mortgage bond or its rate of interest or modify the terms of payment of such principal or interest;
- create any lien ranking prior to or on a parity with the lien of the mortgage with respect to the mortgaged property, or deprive any non-assenting holder of a first mortgage bond of a lien on the mortgaged property for the security of such holder's first mortgage bonds (subject only to excepted encumbrances); or
- reduce the percentage in principal amount of the outstanding first mortgage bonds of any series the consent of the holders of which is required for any amendment or modification.

The mortgage provides that first mortgage bonds owned by us, for our benefit or by any entity of which we own 25% or more of the outstanding voting stock shall not be deemed outstanding for the purpose of certain votes, consents or quorums; provided that first mortgage bonds that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the corporate trustee its right to vote or give consents with respect to such first mortgage bonds and such pledgee is not us or an entity of which we own 25% or more of the outstanding voting stock.

Any request, consent or vote of the owner of any first mortgage bond will bind every future holder and owner of that first mortgage bond and the holder and owner of every first mortgage bond issued upon the registration of transfer of or in exchange for that first mortgage bond.

Defaults

Defaults under the mortgage include:

1. failure to pay the principal of any first mortgage bond when due and payable;
2. failure to pay interest on any first mortgage bond or any installments of any fund required to be applied to the purchase or redemption of any first mortgage bond for a period of 60 days after the same shall have become due and payable;
3. failure to pay interest upon or principal of any qualified lien bonds beyond any applicable grace period;
4. certain events of bankruptcy, insolvency or reorganization; and

5. the expiration of 90 days after the mailing by the corporate trustee to us of a written demand, or by holders of 15% in principal amount of the first mortgage bonds at the time outstanding under the mortgage to us and to the corporate trustee of a written demand, that we perform a specified covenant or agreement contained in the mortgage, which specified covenant or agreement we have failed to perform prior to such mailing, unless during such period we shall have performed such specified covenant or agreement. The corporate trustee may, and, if requested to do so in writing by the holders of a majority in principal amount of the first mortgage bonds then outstanding, shall, make such demand.

The trustees may withhold notice of default, except in payment of principal, interest or funds for purchase or redemption of first mortgage bonds, if they in good faith determine it is in the interests of the holders of the first mortgage bonds.

Remedies

Acceleration of Maturity

If a default under the mortgage occurs, then the corporate trustee, by written notice to us, or the holders of at least 25% in principal amount of the outstanding first mortgage bonds, by written notice to us and the corporate trustee, may declare the principal amount of all of the first mortgage bonds to be due and payable immediately, and upon the giving of such notice, such principal amount and accrued and unpaid interest will become immediately due and payable.

There is no automatic acceleration, even in the event of our bankruptcy, insolvency or reorganization.

Annulment of Acceleration

At any time after such a declaration of acceleration has been made but before any sale of the mortgaged property, the holders of a majority in principal amount of all outstanding first mortgage bonds may annul such declaration of acceleration, by written notice to us and the trustees, if the default under the mortgage giving rise to such declaration of acceleration has been cured, and we have paid or deposited with the corporate trustee a sum sufficient to pay:

1. all overdue interest on all outstanding first mortgage bonds;
2. the principal of and premium, if any, on the outstanding first mortgage bonds that have become due otherwise than by such declaration of acceleration and overdue interest thereon;
3. interest on overdue interest, if any, to the extent lawful, at the rate of 6% per year; and
4. all amounts due to the trustees under the mortgage.

Trustees' Powers

Subject to the mortgage, under specified circumstances and to the extent permitted by law, if a default under the mortgage occurs, the trustees shall be entitled to the appointment of a

receiver for the mortgaged property and are entitled to all other remedies available under applicable law.

Control by Holders

The holders of a majority in principal amount of the first mortgage bonds then outstanding may direct the time, method and place of conducting any proceedings for any remedy available to the trustees or exercising any trust or power conferred on the trustees. The trustees are not obligated to comply with directions that conflict with law or other provisions of the mortgage or that the corporate trustee determines in good faith would involve the trustees in personal liability, would be unjustifiably prejudicial to non-assenting holders or would be in circumstances where indemnity would not be sufficient. The trustees are not required to risk their funds or incur personal liability if there is reasonable ground for believing that repayment is not reasonably assured.

Limitation on Holders' Right to Institute Proceedings

No holder of first mortgage bonds will have any right to institute any proceeding or remedy under or with respect to the mortgage or the first mortgage bonds, unless:

- the holder has previously given to the trustees written notice of a default under the mortgage;
- the holders of 25% in aggregate principal amount of the outstanding first mortgage bonds of all series have made a written request to the trustees and have offered the trustees reasonable opportunity and indemnity satisfactory to the trustees to institute proceedings; and
- the trustees have failed to institute any proceeding for 60 days after notice;

provided that no holder or holders of first mortgage bonds shall have any right in any manner to affect or prejudice the lien of the mortgage or to obtain priority over other holders of outstanding first mortgage bonds. However, these limitations do not apply to the absolute and unconditional right of a holder of a first mortgage bond to institute suit for payment of the principal, premium, if any, or interest on the first mortgage bond on or after the applicable due date.

Evidence to be Furnished to the Trustee

Compliance with the mortgage provisions is evidenced by written statements of our officers or persons we select or pay. In certain cases, opinions of counsel and certifications of an engineer, accountant, appraiser or other expert (who in some cases must be independent) must be furnished. We must give the corporate trustee an annual certificate as to whether or not we have fulfilled our obligations under the mortgage throughout the preceding year.

Satisfaction and Discharge of Mortgage

The mortgage may be satisfied and discharged if and when we provide for the payment of all of the first mortgage bonds and all other sums due under the mortgage.

Consolidation, Merger and Conveyance of Assets

The mortgage provides that we may consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the mortgaged property, if:

- (a) the surviving or successor entity to such merger or consolidation has authority to carry on the electric, gas, steam or hot water business, or (b) the successor entity that acquires by conveyance or transfer or that leases our mortgaged property as, or substantially as, an entirety, is authorized to acquire, lease or operate the mortgaged property so conveyed or transferred;
- such merger, consolidation, conveyance, transfer or lease is upon such terms as to preserve, and in no respect impair, the lien and security of the mortgage and the rights and powers of the trustees and the holders of first mortgage bonds;
- the survivor or successor entity expressly assumes by supplemental indenture our obligations on all first mortgage bonds then outstanding and under the mortgage; and
- in the case of a lease, such lease is made expressly subject to termination by us or by the trustees and by the purchaser of the property so leased at any sale thereof at any time during the continuance of a default under the mortgage.

In the case of the conveyance or other transfer of the mortgaged property as, or substantially as, an entirety to another entity, upon the satisfaction of all the conditions described above, we would be released and discharged from all our obligations and covenants under the mortgage and on the first mortgage bonds then outstanding unless we elect to waive such release and discharge.

The mortgage does not prevent or restrict:

- any conveyance or other transfer, or lease, of any part of the mortgaged property that does not constitute the entirety, or substantially the entirety, of the mortgaged property; or
- any conveyance, transfer or lease of any part of the mortgaged property where we retain mortgaged property with a fair value in excess of 167% of the aggregate principal amount of all outstanding first mortgage bonds and any other outstanding debt secured by a purchase money lien that ranks equally with, or senior to, the first mortgage bonds with respect to the mortgaged property. This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent engineer that we select.

Although the successor entity may, in its sole discretion, subject to the lien of the mortgage property then owned or thereafter acquired by the successor entity, the lien of the mortgage generally will not cover the property of the successor entity other than the mortgaged property it acquires from us and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the mortgage.

The terms of the mortgage do not restrict mergers in which we are the surviving entity. In the case of a consolidation or merger after the consummation of which we would be the surviving or resulting entity, unless we otherwise provide in a supplemental indenture to the mortgage, the lien of the mortgage will not cover any of the properties acquired by us in or as a result of such transaction or any improvements, extensions or additions to those properties.

The mortgage provides that a statutory merger in which our assets and liabilities may be allocated among one or more entities shall not be considered to be a merger, consolidation or conveyance of mortgaged property subject to the provisions of the mortgage relating to a merger, consolidation or conveyance of all or substantially all of the mortgaged property unless all or substantially all of the mortgaged property is allocated to one or more other entities.

Information about the Corporate Trustee

The corporate trustee is Deutsche Bank Trust Company Americas. In addition to acting as corporate trustee, Deutsche Bank Trust Company Americas and its affiliate, Deutsche Bank AG New York Branch, also act, and may act, as trustee under various other of our and our affiliates' indentures, trusts and guarantees. We and our affiliates maintain credit and liquidity facilities and conduct other banking transactions with the corporate trustee and its affiliates in the ordinary course of our respective businesses.

Information about the Co-Trustee

The co-trustee is The Bank of New York Mellon Trust Company, N.A. In addition to acting as co-trustee, The Bank of New York Mellon Trust Company, N.A. and its affiliate, The Bank of New York Mellon, also act, and may act, as trustee under various other of our and our affiliates' indentures, trusts and guarantees. We and our affiliates maintain deposit accounts and credit and liquidity facilities and conduct other banking transactions with the co-trustee and its affiliates in the ordinary course of our respective businesses.

Resignation and Replacement of a Trustee

Any trustee may resign at any time by giving written notice to us or may be removed at any time by an act of the holders of a majority in principal amount of first mortgage bonds then outstanding delivered to the trustee and us. So long as no default or event that, after notice or lapse of time, or both, would become a default has occurred and is continuing and except with respect to a trustee appointed by act of the holders, if we have delivered to the trustees a board resolution appointing a successor for any trustee and the successor has accepted the appointment in accordance with the terms of the mortgage, the applicable trustee will be deemed to have resigned and the successor will be deemed to have been appointed as trustee in accordance with the mortgage.

Book-Entry Only Securities

The Bonds trade through DTC. The Bonds are represented by a global certificate and registered in the name of Cede & Co., DTC's nominee. The global certificate was deposited with

the corporate trustee as custodian for DTC. Ownership of beneficial interests in the global certificate is limited to institutions that have accounts with DTC or its participants or persons that may hold interests through participants.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a participant. DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds within the DTC system must be made by or through participants, who will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") will be recorded on the appropriate participant's records. Beneficial Owners do not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the participants through whom they purchased Bonds. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of the participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates for their Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to Beneficial Owners, are governed by arrangements among them, subject to any

statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the mortgage. Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds has agreed to obtain and transmit notices to the Beneficial Owners.

Redemption notices will be sent to Cede & Co., as registered holder of the Bonds. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of Bonds held by each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Bonds, unless authorized by a participant in accordance with DTC's procedures. Under its usual procedures, DTC would mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

Payments of redemption proceeds, principal of, and interest on the Bonds are and will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the corporate trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners are and will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and are the responsibility of participants and not of DTC, the corporate trustee, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the corporate trustee or us, disbursement of such payments to participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of participants.

Other than in the circumstances described herein, a Beneficial Owner will not be entitled to receive physical delivery of the Bonds. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Bonds at any time by giving reasonable notice to us or the corporate trustee. In the event no successor securities depositary is obtained, certificates for the Bonds will be printed and delivered. We may decide to replace DTC or any successor depositary. Additionally, subject to the procedures of DTC, we may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to some or all of the Bonds. In that event or if an event of default with respect to a series of New Bonds has occurred and is continuing, certificates for the Bonds will be printed and delivered. If certificates for the Bonds are printed and delivered,

- the Bonds will be issued in fully registered form without coupons;

- a holder of certificated Bonds would be able to exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds having the same issue date and with identical terms and provisions; and
- a holder of certificated Bonds would be able to transfer those Bonds without cost to another holder, other than for applicable stamp taxes or other governmental charges.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we do not take any responsibility for the accuracy of this information.

Exhibit 4(d)31

DESCRIPTION OF ENTERGY LOUISIANA, LLC'S SECURITIES

REGISTERED PURSUANT TO SECTION 12

OF THE SECURITIES EXCHANGE ACT OF 1934

References in this exhibit to the "we," "us," or "our" are to Entergy Louisiana, LLC, a limited liability company organized under the laws of the State of Texas and, as of October 1, 2015, the successor by merger to the regulated utility operations of the Texas limited liability companies Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC, each formerly a public utility company providing services to customers in the State of Louisiana.

As of February 19, 2026, we have one series of collateral trust mortgage bonds outstanding that is registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our Collateral Trust Mortgage Bonds, 4.875% Series due September 1, 2066, issued in an aggregate principal amount of $270,000,000 with their terms established by Officer's Certificate 6-B-5, dated August 10, 2016 (the "Officer's Certificate"), pursuant to our Mortgage and Deed of Trust dated as of November 1, 2015, as it has been and may be amended or supplemented from time to time (the "Mortgage"), between us and The Bank of New York Mellon, as trustee (the "Trustee"), and traded on the New York Stock Exchange under the ticker ELC (the "Bonds").

The full aggregate principal amount of the Bonds is currently outstanding.

We have issued, and may from time to time issue, bonds in one or more series, under the Mortgage. All bonds issued or to be issued under the Mortgage, including the Bonds, are referred to herein as "Collateral Trust Mortgage Bonds." As summarized below, the Collateral Trust Mortgage Bonds have and will have the benefit of the lien of our Mortgage and Deed of Trust dated as of April 1, 1944 (as amended and supplemented, the "ELL Mortgage") to the extent of the aggregate principal amount of first mortgage bonds (the "ELL Class A Bonds") issued under the ELL Mortgage held by the Trustee and the lien of the Mortgage on our Mortgaged Property (as described below).

The Mortgage, including the Officer's Certificate, and the ELL Mortgage contain the full legal text of the matters described herein. Because this is a summary, it does not describe every aspect of the Mortgage, the ELL Mortgage, the supplemental indentures relating to the Bonds and the related ELL Class A Bonds, the Officer's Certificate, the outstanding Collateral Trust Mortgage Bonds, including the Bonds, or the ELL Class A Bonds, including those issued in connection with the Bonds. The Mortgage, the Officer's Certificate, the ELL Mortgage, and the officer's certificates and the supplemental indentures that relate to the outstanding Collateral Trust Mortgage Bonds and bonds under the ELL Mortgage, including the Bonds and the related ELL Class A Bonds, are filed as exhibits to the Annual Report on Form 10-K to which this is

filed as an exhibit. You should read these documents for provisions that may be important to you. This summary is subject to and qualified in its entirety by reference to all the provisions of the Mortgage and the ELL Mortgage, including the definitions of some of the terms used in the Mortgage and the ELL Mortgage, and to the particular terms of the Officer's Certificate. We also include references in parentheses to some of the sections of the Mortgage. The Mortgage and the ELL Mortgage have been qualified under the Trust Indenture Act of 1939, and you should also refer to the Trust Indenture Act of 1939 for provisions that apply to the Bonds.

General

The Mortgage permits us to issue Collateral Trust Mortgage Bonds from time to time subject to the limitations described under "—Issuance of Additional Collateral Trust Mortgage Bonds." All Collateral Trust Mortgage Bonds of any one series need not be issued at the same time, and a series may be reopened for issuances of additional Collateral Trust Mortgage Bonds of that series. This means that we may from time to time, without notice to or consent of the existing holders of the Collateral Trust Mortgage Bonds of any series, including the Bonds, create and issue additional Collateral Trust Mortgage Bonds of a series having the same terms and conditions as the previously issued Collateral Trust Mortgage Bonds of that series in all respects, except for issue date, price to public and, if applicable, the initial interest payment on those additional Collateral Trust Mortgage Bonds. Additional Collateral Trust Mortgage Bonds issued in this manner will be consolidated with, and will form a single series with, the previously issued Collateral Trust Mortgage Bonds of that series. For more information, see the discussion below under "—Issuance of Additional Collateral Trust Mortgage Bonds."

Other than the security afforded by the lien of the Mortgage and restrictions on the issuance of additional Collateral Trust Mortgage Bonds described above, the covenants contained in the Mortgage will not afford holders of the Collateral Trust Mortgage Bonds protection in the event of a highly-leveraged or a change of control transaction involving us.

Redemption

We may redeem the Bonds prior to maturity, in whole or in part, at our option, upon notice to holders by mail at least 30 days but not more than 60 days prior to the redemption date, at any time, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed plus any accrued and unpaid interest thereon to, but not including, the redemption date. Unless the Bonds are held in book-entry only form through the facilities of The Depository Trust Company ("DTC"), in which case DTC's procedures for selection shall apply (see "—Book-Entry Only Securities"), if less than all of the Bonds are to be redeemed, the Trustee will select the Bonds to be redeemed. (Mortgage, Section 503.)

Unless we default in the payment of the redemption price and accrued interest, if any, in the case of an unconditional notice of redemption, the Bonds subject to such notice of redemption will cease to bear interest on the redemption date. (Mortgage, Section 505.) We will pay the redemption price and any accrued interest to the redemption date upon surrender of any Bond for redemption. (Mortgage, Section 505.) If only part of a Bond is redeemed, the Trustee

will deliver to the holder of the Bond a new Bond for the remaining portion at our expense. (Mortgage, Section 506.)

We may make any redemption at our option conditional upon the receipt by the paying agent, on or prior to the date fixed for such redemption, of money sufficient to pay the redemption price and accrued interest, if any. If the paying agent has not received the money by the date fixed for redemption, we will not be required to redeem the Bonds. (Mortgage, Section 504.)

Payment and Paying Agents

Interest on the Bonds accrues at the rate of 4.875% per year. Interest started to accrue from the date that the Bonds were issued. Interest payments on the Bonds are made on March 1, June 1, September 1 and December 1 of each year. As long as the Bonds are registered in the name of DTC or its nominee, the record date for interest payable on any interest payment date shall be the close of business on the Business Day (defined as any day other than a Saturday or a Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or a day on which the corporate trust office of the Trustee is closed for business) immediately preceding such interest payment date. We have agreed to pay interest on any overdue principal and, if such payment is enforceable under applicable law, on any overdue installment of interest on the Bonds at a rate of 4.875% per year, to holders of record at the close of business on the Business Day immediately preceding our payment of such interest.

Interest on each Bond payable on any interest payment date will be paid to the person in whose name the Bond is registered at the close of business on the regular record date for that interest payment date. However, interest payable at maturity will be paid to the person to whom the principal is paid. Interest on the Bonds is computed on the basis of a 360-day year of twelve 30-day months. If any interest payment date or the maturity date of the Bonds falls on a day that is not a Business Day, the payment due on that interest payment date or the maturity date will be made on the next Business Day and without any interest or other payment in respect of such delay.

If there has been a default in the payment of interest on the Bonds, the defaulted interest may be paid to the holders as of the close of business on a date between 10 and 15 days before the date proposed by us for payment of the defaulted interest (and not less than 10 days after the Trustee receives notice of our proposal) or in any other manner permitted by any securities exchange on which the Bonds may be listed, if the Trustee finds it practicable. (Mortgage, Section 307.)

The principal amount of the Bonds and interest thereon is and will be paid in any coin or currency of the United States of America that at the time of payment is legal tender at the corporate trust office of The Bank of New York Mellon in The City of New York, as our paying agent. However, we may choose to make payment of interest by check mailed to the address of the persons entitled to payment as they may appear or have appeared in the security register for the Bonds. We may change the place of payment on the Bonds, appoint one or more additional

paying agents (including us) and remove any paying agent, all at our discretion. (Mortgage, Section 702.)

As long as the Bonds are registered in the name of DTC or its nominee, we will pay principal and interest due on the Bonds to DTC. DTC will then make payment to its participants for disbursement to the beneficial owners of the Bonds as described under the heading "—Book-Entry Only Securities."

Form and Exchange

The Bonds are fully-registered bonds without coupons, issued in denominations of $25 and integral multiples of $25 in excess thereof. The Bonds are represented by a global certificate without coupons registered in the name of a nominee of DTC.

The transfer of Bonds may be registered, and Bonds may be exchanged for other Bonds of authorized denominations and with the same terms and principal amount, at the corporate trust office of the Trustee in The City of New York. (Mortgage, Section 305.) We may, upon prompt written notice to the Trustee and the holders of the Bonds, designate one or more additional places, or change the place or places previously designated, for registration of transfer and exchange of the Bonds. (Mortgage, Section 702.) No service charge will be made for any registration of transfer or exchange of the Bonds. However, we may require payment to cover any tax or other governmental charge that may be imposed in connection with a registration of transfer or exchange of the Bonds. We will not be required to execute or to provide for the registration of transfer of or the exchange of any Bond:

- during the 15 days before an interest payment date;
- during the 15 days before giving any notice of redemption; or
- selected for redemption except the unredeemed portion of any Bond being redeemed in part.

(Mortgage, Section 305.)

Security

The Mortgage imposes a lien on all of our tangible electric and gas utility property located in Louisiana, whether real, personal or mixed, together with our franchises, permits and licenses that are transferable and necessary for the operation of such property and our recorded easements and rights of way and our electric utility property located in Union County, Arkansas and certain related properties, in each case, other than Excepted Property (as defined below) and subject to Permitted Liens (as defined below). These properties are sometimes referred to as our "Mortgaged Property." As of December 31, 2025, we had approximately $9.347 billion aggregate principal amount of Collateral Trust Mortgage Bonds outstanding.

The Bonds, together with all other Collateral Trust Mortgage Bonds now or in the future outstanding under the Mortgage, have and will have the equal and ratable benefit of: (1) the first mortgage lien of any mortgage on the part of the Mortgaged Property covered thereby (together

with the ELL Mortgage, any such mortgage herein referred to as a "Class A Mortgage"), as described below, to the extent of the aggregate principal amount of the first mortgage bonds issued under such Class A Mortgage, including the ELL Class A Bonds ("Class A Bonds") held by the Trustee, subject to liens permitted under such Class A Mortgage, and (2) the first mortgage lien of the Mortgage on any of our Mortgaged Property that is not subject to the lien of any Class A Mortgage, subject to Permitted Liens. In addition, the Bonds, together with all other Collateral Trust Mortgage Bonds now or in the future outstanding under the Mortgage, have and will have the equal and ratable benefit of a second mortgage lien on all of our Mortgaged Property that is subject to the lien of a Class A Mortgage, subject to Permitted Liens. To the extent that any Class A Bonds do not bear interest, which is permissible under the Mortgage, holders of the Collateral Trust Mortgage Bonds do not have the benefit of the lien of the related Class A Mortgage in respect of an amount equal to the accrued interest, if any, on the related Collateral Trust Mortgage Bonds (but would have the benefit of the first mortgage lien of the related Class A Mortgage in respect of an amount equal to the principal of the related Collateral Trust Mortgage Bonds and the benefit of the second mortgage lien of the Mortgage in respect of an amount equal to the principal of, and any accrued interest or premium on, the related Collateral Trust Mortgage Bonds).

Class A Bonds

Class A Bonds are first mortgage bonds issued and outstanding under any Class A Mortgage. We currently have one Class A Mortgage – the ELL Mortgage. The ELL Class A Bonds are and will be secured by a first mortgage lien (subject to liens permitted by the ELL Mortgage) on substantially all of our Mortgaged Property that was owned by us just before the merger of Entergy Gulf States Power, LLC ("EGSP LLC") into us on October 1, 2015, together with replacements, additions and extensions of or to such property acquired by us. The ELL Mortgage will not cover additional property acquired by us after the date of the aforesaid merger except property that constitutes a replacement, addition or extension of the property covered by the ELL Mortgage. If we merge or consolidate with an entity that has a first mortgage indenture on its property, we may designate that mortgage indenture as an additional Class A Mortgage and issue Class A Bonds under such Class A Mortgage.

If the Trustee holds all of the Class A Bonds outstanding under a particular Class A Mortgage, we may discharge that Class A Mortgage, and the lien of the Mortgage will become a first mortgage lien on the Mortgaged Property that was subject to that Class A Mortgage, subject only to Permitted Liens. As of December 31, 2025, we had approximately $6.75 billion principal amount of ELL Class A Bonds outstanding under the ELL Mortgage, $250 million of which was repaid at maturity on January 15, 2026.

Permitted Liens

The lien of the Mortgage is subject to permitted liens described in the Mortgage (the "Permitted Liens"). These Permitted Liens include, among others,

- liens existing at November 1, 2015 (the "Execution Date"), that have not been discharged, including the liens of the ELL Mortgage;

- as to property acquired by us after the Execution Date, liens existing or placed on such property at the time we acquire such property, including the liens of any Class A Mortgage and any purchase money liens;
- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of our employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- specified judgment liens and prepaid liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, our property;
- liens securing indebtedness or other obligations relating to real property we acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights-of-way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of Governmental Authorities and specified liens required by law or governmental regulations;
- liens to secure public or statutory obligations;
- rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by us or by others on our property;
- rights and interests of persons other than us arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in the property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation; and
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

(Mortgage, Granting Clauses and Section 101.)

The Mortgage provides that the Trustee has a lien, prior to the lien on the Mortgaged Property securing the Bonds, for the payment of its reasonable compensation and expenses and for indemnity against specified liabilities. (Mortgage, Section 1007.) This lien would be a Permitted Lien under the Mortgage.

The first mortgage lien of the ELL Mortgage is subject to similar, although not identical, permitted liens.

Excepted Property

The lien of the Mortgage does not cover, among other things, the following types of property:

- all cash, deposit accounts, securities and all policies of insurance on the lives of our officers not paid or delivered to or deposited with or held by the Trustee or required so to be;
- all contracts, leases, operating agreements and other agreements of all kinds and rights thereunder (other than our franchises, permits and licenses that are transferable and necessary for the operation of the Mortgaged Property), bills, notes and other instruments, revenues, income and earnings, all accounts, accounts receivable, rights to payment, payment intangibles and unbilled revenues, rights created by statute or governmental action to bill and collect revenues or other amounts from customers or others, credits, claims, demands and judgments;
- all governmental and other licenses, permits, franchises, consents and allowances (other than our franchises, permits and licenses that are transferable and necessary for the operation of Mortgaged Property);
- all unrecorded easements and rights of way;
- all intellectual property rights and other general intangibles;
- all vehicles, movable equipment, aircraft and vessels and all parts, accessories and supplies used in connection with any of the foregoing;
- all personal property of such character that the perfection of a security interest therein or other lien thereon is not governed by the Uniform Commercial Code in effect where we are organized;
- all merchandise and appliances acquired for the purpose of resale in the ordinary course and conduct of our business, any nuclear fuel and all fuel, materials and supplies held for consumption in use or operation of any of our properties or held in advance of use thereof for fixed capital purposes;
- all electric energy and capacity, gas, steam and other materials and products generated, manufactured, produced or purchased by us for sale, distribution or use in the ordinary course and conduct of our business;
- all property that is the subject of a lease agreement designating us as lessee, and all our right, title and interest in and to the property and in, to and under the lease agreement, whether or not the lease agreement is intended as security; and the last day of the term of any lease or leasehold which may become subject to the lien of the Mortgage;
- all property, real, personal and mixed, that has been released from the lien of any Class A Mortgage, whether before or after the Execution Date, and any improvements, extensions and additions to such property and renewals, replacements, substitutions of or for any parts thereof;
- all timber, minerals, mineral rights and royalties;
- all natural gas wells, natural gas leases, natural gas lines or other property used in the production of natural gas or in the transmission of natural gas up to the point of connection with any gas distribution system owned by us (other than any transmission

system or systems used for the transmission of natural gas between any gas distribution systems owned by us); and

- all property, real, personal and mixed, that, after the Execution Date, has been released from the lien of the Mortgage, and any improvements, extensions and additions to such property and renewals, replacements, substitutions of or for any parts thereof.

We sometimes refer to property of ours not covered by the lien of the Mortgage as "Excepted Property." (Mortgage, Granting Clauses.)

The ELL Mortgage has similar, although not identical, exceptions to the property subject thereto.

Funded Property

The Mortgaged Property that is owned by us at any particular time is sometimes referred to as "Property Additions." Property Additions will be or become Funded Property:

- when designated by us to be funded in connection with the discharge of a Class A Mortgage; or
- when used under the Mortgage for the issuance of Collateral Trust Mortgage Bonds, the release or retirement of Funded Property, or the withdrawal of funded cash deposited with the Trustee.

(Mortgage, Section 102.)

Issuance of Additional Bonds

Issuance of Additional Collateral Trust Mortgage Bonds

Collateral Trust Mortgage Bonds of any series may be issued from time to time, subject to the limitation that the aggregate principal amount of Collateral Trust Mortgage Bonds issued under the Mortgage at any one time outstanding shall not exceed $200 billion, on the basis of:

- the aggregate principal amount of Class A Bonds (which need not bear interest) issued to the Trustee;
- 70% of the cost or fair value to us (whichever is less) of Property Additions that do not constitute Funded Property after specified deductions and additions, primarily including adjustments to offset property retirements;
- the aggregate principal amount of Retired Securities, as defined below; or
- an amount of cash deposited with the Trustee.

(Mortgage, Sections 102, 1601, 1602, 1603, 1604 and 1605.)

"Retired Securities" means any Collateral Trust Mortgage Bonds authenticated and delivered under the Mortgage which:

- no longer remain outstanding;

- have not been made the basis of the authentication and delivery of Collateral Trust Mortgage Bonds, the release of Mortgaged Property or the withdrawal of funded cash; and
- have not been paid, redeemed, purchased or otherwise retired by the application thereto of funded cash.

(Mortgage, Section 101.)

There is no "earnings" or similar test required under the Mortgage as a condition to the issuance of Collateral Trust Mortgage Bonds under the Mortgage.

Issuance of Additional ELL Class A Bonds

The maximum principal amount of bonds that may be issued under the ELL Mortgage is limited to $100 billion at any time outstanding under the ELL Mortgage, subject to property additions and other limitations of the ELL Mortgage. ELL Class A Bonds may be issued from time to time under the ELL Mortgage on the basis of:

- 80% of the cost or fair value, whichever is less, of unfunded property additions after adjustments to offset retirements;
- retirements of bonds issued under the ELL Mortgage or qualified lien bonds; or
- deposit of cash with the trustee under the ELL Mortgage.

Property additions under the ELL Mortgage generally include the Mortgaged Property that was acquired by us after December 31, 1943, and was owned by us just before the merger of EGSP LLC into us, together with replacements, additions and extensions of or to such property acquired by us. Unfunded property additions are generally those that have not been used under the ELL Mortgage to issue bonds, release property, withdraw cash or replace retired property that has been used for such purposes.

There is no "earnings" or similar test required under the ELL Mortgage as a condition to the issuance of ELL Class A Bonds under the ELL Mortgage.

As of December 31, 2025, we could have issued approximately $2.792 billion principal amount of additional ELL Class A Bonds under the ELL Mortgage on the basis of retired bonds (which amount does not include an additional $250 million which could have been issued on the basis of retired bonds as of January 15, 2026), and we had approximately $1.438 billion of unfunded property additions, entitling us to issue approximately $1.150 billion principal amount of additional ELL Class A Bonds under the ELL Mortgage on the basis of property additions.

As of December 31, 2025, we had approximately $4.179 billion of unfunded property additions under the Mortgage, entitling us to issue approximately $2.925 billion principal amount of Collateral Trust Mortgage Bonds on the basis of property additions. As of December 31, 2025, we could have issued $400 million of additional Collateral Trust Mortgage Bonds on the basis of retired Collateral Trust Mortgage Bonds. Class A Bonds, property additions and cash used as a basis for the issuance of Collateral Trust Mortgage Bonds under the Mortgage from time to time

will be for the benefit of the holders of all Collateral Trust Mortgage Bonds outstanding under the Mortgage from time to time, including the holders of the Bonds.

Release of Property

Special Release Provision – While Class A Mortgage is in Effect

Unless an event of default under the Mortgage has occurred and is continuing, we may obtain the release from the lien of the Mortgage of any Mortgaged Property that is subject to a Class A Mortgage by obtaining the release of that property from the applicable Class A Mortgage. (Mortgage, Section 1808.)

Release of Property from ELL Mortgage

Properties subject to the lien of the ELL Mortgage may be released on the bases of:

- the deposit of cash or purchase money mortgages;
- property additions, after adjustments in certain cases to offset retirements and after making adjustments for qualified lien bonds, if any, outstanding against property additions; and
- (i) the aggregate principal amount of bonds that we would be entitled to issue under the ELL Mortgage on the basis of retired qualified lien bonds; or (ii) 10/6ths of the aggregate principal amount of bonds that we would be entitled to issue under the ELL Mortgage on the basis of retired bonds that were issued prior to June 9, 2010; or (iii) 10/8ths of the aggregate principal amount of bonds that we would be entitled to issue under the ELL Mortgage on the basis of retired bonds that were issued after June 9, 2010; in each case with the entitlement being waived by operation of the release.

General Release Provisions

Unless an event of default under the Mortgage has occurred and is continuing, we may obtain the release from the lien of the Mortgage of any Mortgaged Property, except for funded cash, upon delivery to the Trustee of an amount in cash equal to the amount, if any, as calculated by us, by which the lower of the cost or fair value of the property to be released exceeds the aggregate of:

- an amount equal to the aggregate principal amount of any obligations secured by purchase money liens upon the property to be released and delivered to the Trustee;
- an amount equal to the cost or fair value to us (whichever is less) of Property Additions not constituting Funded Property after specified deductions and additions, primarily including adjustments to offset property retirements (except that these adjustments need not be made if the Property Additions were acquired, made or constructed within the 90-day period preceding the release);
- 10/7ths of the aggregate principal amount of Collateral Trust Mortgage Bonds that we would be entitled to issue on the basis of Retired Securities or Class A Bonds (with such entitlement being waived by operation of the release);

- any amount in cash and/or an amount equal to the aggregate principal amount of any obligations secured by purchase money liens delivered to a holder of a prior lien on Mortgaged Property in consideration for the release of such Mortgaged Property from such prior lien; and
- any taxes and expenses incidental to any sale, exchange, dedication or other disposition of the property to be released.

(Mortgage, Section 1803.)

Unless an event of default under the Mortgage has occurred and is continuing, we may obtain the release from the lien of the Mortgage of any part of the Mortgaged Property or any interest therein, which does not constitute Funded Property or funded cash held by the Trustee, without depositing any cash or property with the Trustee as long as (a) the aggregate amount of cost or fair value to us (whichever is less) of all Property Additions which do not constitute Funded Property (excluding the property to be released) after specified deductions and additions, primarily including adjustments to offset property retirements, is not less than zero or (b) the cost or fair value (whichever is less) of property to be released does not exceed the aggregate amount of the cost or fair value to us (whichever is less) of Property Additions acquired, made or constructed within the 90-day period preceding the release. (Mortgage, Section 1804.)

The Mortgage provides simplified procedures for the release of Mortgaged Property with an aggregate cost or fair value (whichever is less) of up to the greater of $10 million or 3% of the sum of outstanding Collateral Trust Mortgage Bonds and Class A Bonds (other than Class A Bonds held by the Trustee) during a calendar year and for the release of Mortgaged Property taken or sold in connection with the power of eminent domain; the Mortgage also provides for dispositions of certain obsolete or unnecessary Mortgaged Property and for grants or surrender of certain easements, leases or rights of way without any release or consent by the Trustee. (Mortgage, Sections 1802, 1805 and 1807.)

If we retain any interest in any property released from the lien of the Mortgage, the Mortgage will not become a lien on that property or the interest in that property or any improvements, extensions or additions to, or any renewals, replacements or substitutions of or for, any part or parts of that property unless we subject that property to the lien of the Mortgage. (Mortgage, Section 1810.)

The Mortgage also provides that we may terminate, abandon, surrender, cancel, release, modify or dispose of any of our franchises, permits or licenses that are Mortgaged Property without any consent of the Trustee or the holders of outstanding Collateral Trust Mortgage Bonds, provided that such action is, in our opinion, necessary, desirable or advisable in the conduct of our business. In addition, the Mortgage provides that, if any of our franchises, permits or licenses that are Mortgaged Property because they are necessary for the operation of other Mortgaged Property cease to be necessary, in our opinion, for the operation of the Mortgaged Property, such franchises, permits or licenses shall automatically cease to be Mortgaged Property without any release or consent, or report to, the Trustee. (Mortgage, Section 1802.)

Withdrawal of Cash

Unless an event of default under the Mortgage has occurred and is continuing, and subject to specified limitations, cash held by the Trustee may generally, (1) be withdrawn by us (a) to the extent of the cost or fair value to us (whichever is less) of Property Additions not constituting Funded Property, after specified deductions and additions, primarily including adjustments to offset retirements (except that these adjustments need not be made if the Property Additions were acquired, made or constructed within the 90-day period preceding the withdrawal) or (b) in an amount equal to the aggregate principal amount of Collateral Trust Mortgage Bonds that we would be entitled to issue on the basis of Retired Securities or Class A Bonds (with the entitlement to the issuance being waived by operation of the withdrawal) or (c) in an amount equal to the aggregate principal amount of any outstanding Collateral Trust Mortgage Bonds delivered to the Trustee (with the Collateral Trust Mortgage Bonds being cancelled by the Trustee), or (2) upon our request, be applied to (a) the purchase of Collateral Trust Mortgage Bonds or (b) the payment (or provision for payment) at stated maturity of any Collateral Trust Mortgage Bonds or the redemption (or provision for payment) prior to stated maturity of any Collateral Trust Mortgage Bonds which are redeemable. (Mortgage, Section 1806.)

Satisfaction and Discharge of Bonds

Subject to certain conditions, the Bonds, or any portion of the Bonds, will be deemed paid and no longer outstanding under the Mortgage and we can be discharged from our obligations on such Bonds, or such portion of the Bonds, if we irrevocably deposit with the Trustee or any paying agent, other than us, sufficient cash or government securities to pay the principal, any interest and any other sums when due on such Bonds, or such portion of such Bonds, on the stated maturity date or a redemption date of the Bonds, or such portion of the Bonds. (Mortgage, Section 801.)

Consolidation, Merger and Conveyance of Assets

Under the terms of the Mortgage, we may not consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the Mortgaged Property, unless:

- the surviving or successor entity, or an entity that acquires by conveyance or transfer or that leases our Mortgaged Property as, or substantially as, an entirety, is organized and validly existing under the laws of any domestic jurisdiction, and it expressly assumes our obligations on all Collateral Trust Mortgage Bonds then outstanding and under the Mortgage and confirms the lien of the Mortgage on the Mortgaged Property (as constituted immediately prior to the time such transaction becomes effective), including subjecting to the lien of the Mortgage all property thereafter acquired by the successor entity that constitutes an improvement, extension or addition to the Mortgaged Property (as so constituted) or a renewal, replacement or substitution of or for any part thereof, but only to the extent that such improvement, extension or addition is so affixed or attached to real property as to be regarded a part of such real property or is an improvement,

extension or addition to personal property that is made to maintain, renew, repair or improve the function of such personal property and is physically installed in or affixed to such personal property;

- in the case of a lease, such lease is made expressly subject to termination by us or by the Trustee and by the purchaser of the property so leased at any sale thereof at any time during the continuance of an event of default under the Mortgage;
- we shall have delivered to the Trustee an officer's certificate and an opinion of counsel as provided in the Mortgage; and
- immediately after giving effect to such transaction (and treating any debt that becomes an obligation of the successor entity as a result of such transaction as having been incurred by the successor entity at the time of such transaction), no event of default under the Mortgage, or event that, after notice or lapse of time or both, would become an event of default under the Mortgage, shall have occurred and be continuing.

(Mortgage, Section 1201.) In the case of the conveyance or other transfer of the Mortgaged Property as, or substantially as, an entirety to another entity, upon the satisfaction of all the conditions described above, we would be released and discharged from all our obligations and covenants under the Mortgage and on the Collateral Trust Mortgage Bonds then outstanding unless we elect to waive such release and discharge. (Mortgage, Section 1204.)

The Mortgage does not prevent or restrict:

- any conveyance or other transfer, or lease, of any part of the Mortgaged Property that does not constitute the entirety, or substantially the entirety, of the Mortgaged Property; or (Mortgage, Section 1205.)
- any conveyance, transfer or lease of any of our properties where we retain Mortgaged Property with a fair value in excess of 143% of the aggregate principal amount of all outstanding Collateral Trust Mortgage Bonds, and any other outstanding debt secured by a Class A Mortgage or a purchase money lien that ranks equally with, or senior to, the Collateral Trust Mortgage Bonds with respect to the Mortgaged Property (other than Class A Bonds held by the Trustee). This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent expert that we select. (Mortgage, Section 1206.)

Although the successor entity may, in its sole discretion, subject to the lien of the Mortgage property then owned or thereafter acquired by the successor entity, the lien of the Mortgage generally will not cover the property of the successor entity other than the mortgaged property it acquires from us and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the Mortgage, as described above. (Mortgage, Section 1203.)

The terms of the Mortgage do not restrict mergers in which we are the surviving entity. (Mortgage, Section 1205.) A statutory merger pursuant to which our assets and liabilities are allocated to one or more entities shall not be considered to be a merger subject to the provisions of the Mortgage described above unless all of our assets and liabilities are allocated to an entity other than us and we do not survive such statutory merger. In all other cases of a statutory

merger pursuant to which any Mortgaged Property is allocated to one or more entities other than us, each allocation of any Mortgaged Property to an entity other than us shall be deemed, for purposes of the Mortgage, to be a transfer of such Mortgaged Property to such entity and not a merger. (Mortgage, Section 1207.)

Events of Default

Events of Default under the Mortgage

"Event of default," when used in the Mortgage with respect to Collateral Trust Mortgage Bonds, means any of the following:

- failure to pay interest on any Collateral Trust Mortgage Bond for 30 days after it is due unless we have made a valid extension of the interest payment period with respect to such Collateral Trust Mortgage Bond as provided in the Mortgage;
- failure to pay the principal of or any premium on any Collateral Trust Mortgage Bond when due unless we have made a valid extension of the maturity of such Collateral Trust Mortgage Bond as provided in the Mortgage;
- failure to perform or breach of any other covenant or warranty in the Mortgage that continues for 90 days after we receive written notice from the Trustee, or we and the Trustee receive written notice from the holders of at least 33% in aggregate principal amount of the outstanding Collateral Trust Mortgage Bonds, unless the Trustee, or the Trustee and the holders of a principal amount of Collateral Trust Mortgage Bonds not less than the principal amount of Collateral Trust Mortgage Bonds the holders of which gave such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Collateral Trust Mortgage Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is initiated by us within such period and is being diligently pursued;
- events of our bankruptcy, insolvency or reorganization as specified in the Mortgage;
- so long as the Trustee holds any Class A Bonds under the Mortgage corresponding to outstanding Collateral Trust Mortgage Bonds, any matured event of default under the applicable Class A Mortgage resulting in acceleration of such Class A Bonds; provided that any cure or waiver of such event of default and any rescission or annulment of such acceleration under the applicable Class A Mortgage shall constitute a cure, waiver, rescission or annulment under the Mortgage; or
- any other event of default included in any supplemental indenture, board resolution or officer's certificate establishing a series of Collateral Trust Mortgage Bonds.

(Mortgage, Sections 301, 901 and 1301.)

The Trustee is required to give notice of any default under the Mortgage known to the Trustee in the manner and to the extent required to do so by the Trust Indenture Act of 1939, as amended, unless such default shall have been cured or waived. However, in the case of any default of the character specified in the third bullet in the preceding paragraph, no such notice to holders of the Collateral Trust Mortgage Bonds shall be given until at least 60 days after the

occurrence thereof. The Trustee shall give to the trustee under each Class A Mortgage a copy of each notice of default given to the holders of Collateral Trust Mortgage Bonds. In addition, the Trustee shall give to the holders of Collateral Trust Mortgage Bonds copies of each notice of default under any Class A Mortgage given to the Trustee in its capacity as owner and holder of Class A Bonds under that Class A Mortgage. (Mortgage, Section 1002.)

So long as the Trustee holds any Class A Bonds under the Mortgage corresponding to outstanding Collateral Trust Mortgage Bonds, such Class A Bonds shall be redeemed by us, in whole at any time, or in part from time to time, at a redemption price equal to the principal amount thereof, upon receipt by the trustee under the related Class A Mortgage of a written notice from the Trustee to us and such trustee stating that an Event of Default under the Mortgage has occurred and is continuing and that, as a result, there is due and payable a specified amount with respect to such Collateral Trust Mortgage Bonds, for the payment of which the Trustee has not received funds and specifying the principal amount of such Class A Bonds to be redeemed.

Defaults under the ELL Mortgage

Defaults under the ELL Mortgage include default in payment of principal or premium, if any, when due; default, for 60 days in the payment of interest; certain events of bankruptcy, insolvency or reorganization; and default in other covenants for 90 days after notice by the trustee or the holders of a specified percentage of bonds outstanding under the ELL Mortgage.

Remedies

Acceleration of Maturity

If an event of default under the Mortgage occurs and is continuing, then the Trustee, by written notice to us, or the holders of at least 33% in aggregate principal amount of the outstanding Collateral Trust Mortgage Bonds, by written notice to us and the Trustee, may declare the principal amount of all of the Collateral Trust Mortgage Bonds to be due and payable immediately, and upon our receipt of such notice, such principal amount, together with premium, if any, and accrued and unpaid interest will become immediately due and payable. (Mortgage, Section 902.)

There is no automatic acceleration, even in the event of our bankruptcy, insolvency or reorganization.

Rescission of Acceleration

At any time after such a declaration of acceleration has been made but before any sale of the Mortgaged Property and before a judgment or decree for payment of the money due has been obtained by the Trustee, the event of default under the Mortgage giving rise to such declaration of acceleration will be considered cured, and such declaration and its consequences will be considered rescinded and annulled, if:

- we have paid or deposited with the Trustee a sum sufficient to pay:
  (1) all overdue interest on all outstanding Collateral Trust Mortgage Bonds;
  (2) the principal of and premium, if any, on the outstanding Collateral Trust Mortgage Bonds that have become due otherwise than by such declaration of acceleration and overdue interest thereon;
  (3) interest on overdue interest, if any, to the extent lawful; and
  (4) all amounts due to the Trustee under the Mortgage; and
- any other event of default under the Mortgage with respect to the Collateral Trust Mortgage Bonds has been cured or waived as provided in the Mortgage.

(Mortgage, Section 902.)

Trustee Powers

Subject to the Mortgage, under specified circumstances and to the extent permitted by law, if an event of default under the Mortgage occurs and is continuing, the Trustee is entitled to the appointment of a receiver for the Mortgaged Property and is entitled to all other remedies available to mortgagees and secured parties under the Uniform Commercial Code or any other applicable law. (Mortgage, Section 916.) In addition, the Trustee may exercise any right or remedy available to the Trustee as a holder of Class A Bonds which arises as a result of a default or event of default under any Class A Mortgage. (Mortgage, Section 917.)

Control by Holders

Other than its duties in the case of an event of default under the Mortgage, the Trustee is not obligated to exercise any of its rights or powers under the Mortgage at the request, order or direction of any of the holders, unless the holders offer the Trustee an indemnity satisfactory to it. (Mortgage, Section 1003.) If an event of default under the Mortgage has occurred and is continuing and they provide this indemnity, the holders of a majority in principal amount of the outstanding Collateral Trust Mortgage Bonds will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee. The Trustee is not obligated to comply with directions that conflict with law or other provisions of the Mortgage or that could involve the Trustee in personal liability in circumstances where indemnity would not, in the Trustee's sole discretion, be adequate. (Mortgage, Section 912.)

Limitation on Holders' Right to Institute Proceedings

No holder of Collateral Trust Mortgage Bonds will have any right to institute any proceeding or any remedy under or with respect to the Mortgage or the Collateral Trust Mortgage Bonds, unless:

- the holder has previously given to the Trustee written notice of a continuing event of default under the Mortgage;

- the holders of a majority in aggregate principal amount of the outstanding Collateral Trust Mortgage Bonds of all series have made a written request to the Trustee and have offered indemnity satisfactory to the Trustee to institute proceedings; and
- the Trustee has failed to institute any proceeding for 60 days after notice and has not received during that period any direction from the holders of a majority in aggregate principal amount of the outstanding Collateral Trust Mortgage Bonds inconsistent with the written request of holders referred to above;

provided that no holder or holders of Collateral Trust Mortgage Bonds shall have any right in any manner to affect or prejudice the rights of other holders of Collateral Trust Mortgage Bonds or to obtain priority over such other holders. (Mortgage, Section 907.) However, these limitations do not apply to the absolute and unconditional right of a holder of a Collateral Trust Mortgage Bond to institute suit for payment of the principal, premium, if any, or interest on the Collateral Trust Mortgage Bond on or after the applicable due date. (Mortgage, Section 908.)

Evidence to be Furnished to the Trustee

Compliance with the Mortgage provisions is evidenced by written statements of our officers or persons we select or pay. In certain cases, opinions of counsel and certifications of an engineer, accountant, appraiser or other expert (who in some cases must be independent) must be furnished. We must give the Trustee an annual certificate as to whether or not we have fulfilled our obligations under the Mortgage throughout the preceding year. (Mortgage, Section 705.)

Modification and Waiver

Modification Without Consent

Without the consent of any holder of Collateral Trust Mortgage Bonds, we and the Trustee may enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of our covenants in the Mortgage and in the Collateral Trust Mortgage Bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series or tranche of Collateral Trust Mortgage Bonds, or to surrender any right or power conferred upon us;
- to add additional events of default under the Mortgage for all or any series of Collateral Trust Mortgage Bonds;
- to change, eliminate or add any provision to the Mortgage; provided, however, if the change, elimination or addition will adversely affect the interests of the holders of Collateral Trust Mortgage Bonds of any series in any material respect, the change, elimination or addition will become effective only:
  (1) when the consent of the holders of Collateral Trust Mortgage Bonds of such series has been obtained in accordance with the Mortgage; or
  (2) when no Collateral Trust Mortgage Bonds of the affected series remain outstanding under the Mortgage;
- to provide additional security for any Collateral Trust Mortgage Bonds;

- to establish the form or terms of Collateral Trust Mortgage Bonds of any other series as permitted by the Mortgage;
- to provide for the authentication and delivery of bearer securities with or without coupons;
- to evidence and provide for the acceptance of appointment by a separate or successor Trustee or co-trustee;
- to provide for the procedures required for us to use a noncertificated system of registration for the Collateral Trust Mortgage Bonds of all or any series;
- to change any place where principal, premium, if any, and interest shall be payable, Collateral Trust Mortgage Bonds may be surrendered for registration of transfer or exchange, and notices and demands to us may be served;
- to amend and restate the Mortgage as originally executed and as amended from time to time, with additions, deletions and other changes that do not adversely affect the interests of the holders of Collateral Trust Mortgage Bonds of any series in any material respect;
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the Mortgage if such changes or additions will not adversely affect the interests of the holders of Collateral Trust Mortgage Bonds of any series in any material respect; or
- to increase or decrease the maximum amount of Collateral Trust Mortgage Bonds that may be outstanding at any one time under the Mortgage to an amount that is not less than the aggregate principal amount of Collateral Trust Mortgage Bonds then outstanding.

(Mortgage, Section 1301.)

Modification and Waiver Requiring Consent

Except as provided below, the consent of the holders of a majority in aggregate principal amount of then outstanding Collateral Trust Mortgage Bonds, considered as one class, is required for all other amendments or modifications to the Mortgage. However, if less than all of the series of Collateral Trust Mortgage Bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding Collateral Trust Mortgage Bonds of all series that are directly affected, considered as one class, will be required. Notwithstanding the foregoing, no amendment or modification may be made without the consent of the holder of each directly affected Collateral Trust Mortgage Bond then outstanding to:

- change the stated maturity of the principal of, or any installment of principal of or interest on, any Collateral Trust Mortgage Bond, or reduce the principal amount of any Collateral Trust Mortgage Bond or its rate of interest or change the method of calculating that interest rate or reduce any premium payable upon redemption, or change the currency in which payments are made, or impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any Collateral Trust Mortgage Bond;
- create any lien ranking prior to or on a parity with the lien of the Mortgage with respect to the Mortgaged Property, terminate the lien of the Mortgage on the Mortgaged Property

or deprive any holder of a Collateral Trust Mortgage Bond of the benefits of the security of the lien of the Mortgage;

- reduce the percentage in principal amount of the outstanding Collateral Trust Mortgage Bonds of any series the consent of the holders of which is required for any amendment or modification or any waiver of compliance with a provision of the Mortgage or of any default thereunder and its consequences, or reduce the requirements thereunder for a quorum or voting; or
- modify certain provisions of the Mortgage relating to supplemental indentures, waivers of some covenants and waivers of past defaults with respect to the Collateral Trust Mortgage Bonds of any series.

A supplemental indenture that changes the Mortgage solely for the benefit of one or more particular series of Collateral Trust Mortgage Bonds, or modifies the rights of the holders of Collateral Trust Mortgage Bonds of one or more series, will not affect the rights under the Mortgage of the holders of the Collateral Trust Mortgage Bonds of any other series. (Mortgage, Section 1302.)

The holders of a majority in aggregate principal amount of then outstanding Collateral Trust Mortgage Bonds, considered as one class, may waive compliance by us with some restrictive provisions of the Mortgage. (Mortgage, Section 706.) The holders of a majority in principal amount of then outstanding Collateral Trust Mortgage Bonds may waive any past default under the Mortgage, except a default in the payment of principal, premium, if any, or interest on any outstanding Collateral Trust Mortgage Bonds and certain covenants and provisions of the Mortgage that cannot be modified or amended without the consent of the holder of each outstanding Collateral Trust Mortgage Bond of any affected series. (Mortgage, Section 913.)

The Mortgage provides that Collateral Trust Mortgage Bonds owned by us or anyone else required to make payment on the Collateral Trust Mortgage Bonds shall be disregarded and considered not to be outstanding in determining whether the required holders have given a request or consent. (Mortgage, Section 101.)

We may fix in advance a record date to determine the holders entitled to give any request, demand, authorization, direction, notice, consent, waiver or similar act of the holders, but we have no obligation to do so. If we fix a record date, that request, demand, authorization, direction, notice, consent, waiver or other act of the holders may be given before or after that record date, but only the holders of record at the close of business on that record date will be considered holders for the purposes of determining whether holders of the required percentage of the outstanding Collateral Trust Mortgage Bonds have authorized or agreed or consented to the request, demand, authorization, direction, notice, consent, waiver or other act of the holders. For that purpose, the outstanding Collateral Trust Mortgage Bonds will be computed as of the record date.

Any request, demand, authorization, direction, notice, consent, election, waiver or other act of a holder of any Collateral Trust Mortgage Bond will bind every future holder of that Collateral Trust Mortgage Bond and the holder of every Collateral Trust Mortgage Bond issued

upon the registration of transfer of or in exchange for that Collateral Trust Mortgage Bond. A transferee will also be bound by acts of the Trustee or us in reliance thereon, whether or not notation of that action is made upon the Collateral Trust Mortgage Bond. (Mortgage, Section 106.)

Voting of Class A Bonds

The Mortgage provides that the Trustee will, as holder of Class A Bonds delivered as the basis for the issuance of Collateral Trust Mortgage Bonds, attend meetings of holders of bonds under the related Class A Mortgage, or deliver its proxy in connection with those meetings, that relate to matters with respect to which it, as a holder, is entitled to vote or consent. The Mortgage provides that, so long as no event of default under the Mortgage has occurred and is continuing and except for the rights and remedies of the Trustee in case of a default or matured event of default under a Class A Mortgage, the Trustee will, as holder of the Class A Bonds, vote or consent (without any consent or other action by the holders of the Collateral Trust Mortgage Bonds, except as described in the proviso of clause (2) below) in favor of any amendments or modifications to the applicable Class A Mortgage as follows:

(1) to conform any provision of a Class A Mortgage in all material respects to the correlative provision of the Mortgage, to add to a Class A Mortgage any provision not otherwise contained therein which conforms in all material respects to a provision contained in the Mortgage, to delete from a Class A Mortgage any provision to which the Mortgage contains no correlative provision and any combination of the foregoing and/or, without limiting the generality of the foregoing, to effect certain amendments included in supplemental indentures to the ELL Mortgage; and/or
(2) with respect to any amendments or modifications to any Class A Mortgage other than those amendments or modifications referred to in clause (1) above, vote all the Class A Bonds delivered under such Class A Mortgage, or consent with respect thereto, proportionately with the vote or consent of holders of all other Class A Bonds outstanding under such Class A Mortgage the holders of which are eligible to vote or consent, as evidenced by a certificate delivered by the trustee under such Class A Mortgage; provided, however, that the Trustee will not vote in favor of, or consent to, any amendment or modification of a Class A Mortgage which, if it were an amendment or modification of the Mortgage, would require the consent of holders of Collateral Trust Mortgage Bonds as described under "—Modification and Waiver," without the prior consent of holders of Collateral Trust Mortgage Bonds which would be required for an amendment or modification of the Mortgage.

(Mortgage, Section 1705.)

We may make amendments to, or eliminate some of the covenants in, the ELL Mortgage with the consent of the holders of a majority of the bonds outstanding under the ELL Mortgage considered as one class, provided that, if less than all series of such bonds are affected, only the consent of holders of a majority of such bonds of each series affected, considered as one class, is required for such modification, but no such modification shall, without the consent of the holder of any such bond affected by such modification, permit:

- the extension of the maturity or reduction of the principal of or interest on such bond or other modification in the terms of payment of such principal or interest;
- the creation of a lien that is prior or equal to the lien of the ELL Mortgage with respect to the mortgaged property under the ELL Mortgage or the deprivation of any non-assenting holder of such bonds of the benefit of a lien on the mortgaged property under the ELL Mortgage (subject only to excepted encumbrances as defined in the ELL Mortgage); or
- the reduction of the percentage required for modification of the ELL Mortgage.

If we amend the ELL Mortgage to eliminate one or more covenants as described above, a holder of Collateral Trust Mortgage Bonds would no longer benefit from such covenants.

Resignation of a Trustee; Removal

The Trustee may resign at any time by giving written notice to us or may be removed at any time by an act of the holders of a majority in principal amount of Collateral Trust Mortgage Bonds then outstanding delivered to the Trustee and us at least 31 days prior to such removal. No resignation or removal of the Trustee and no appointment of a successor Trustee will be effective until the acceptance of appointment by a successor Trustee. So long as no event of default or event that, after notice or lapse of time, or both, would become an event of default has occurred and is continuing and except with respect to a Trustee appointed by act of the holders, if we have delivered to the Trustee a board resolution appointing a successor Trustee and the successor has accepted the appointment in accordance with the terms of the Mortgage, the Trustee will be deemed to have resigned and the successor will be deemed to have been appointed as Trustee in accordance with the Mortgage. (Mortgage, Section 1010.)

Notices

Notices to holders of Bonds are given by mail in writing to the addresses of such holders as they may appear in the security register for the Bonds. (Mortgage, Section 108.)

Title

We, the Trustee, and any of our or the Trustee's agents, may treat the person in whose name Bonds are registered as the absolute owner thereof, whether or not the Bonds may be overdue, for the purpose of making payments and for all other purposes irrespective of notice to the contrary. (Mortgage, Section 308.)

Governing Law

The Mortgage and the Bonds are governed by, and construed in accordance with, the laws of the State of New York, without giving effect to its conflicts of laws principles, except where otherwise required by law, including with respect to the creation, perfection, priority or enforcement of the lien of the Mortgage. (Mortgage, Section 114.)

Information about the Trustee

The Trustee is The Bank of New York Mellon. In addition to acting as Trustee, The Bank of New York Mellon also acts, and may act, as trustee under the ELL Mortgage and various other of our and our affiliates' indentures, trusts and guarantees. We and our affiliates maintain deposit accounts and credit and liquidity facilities and conduct other banking transactions with the Trustee and its affiliates in the ordinary course of our respective businesses.

Book-Entry Only Securities

The Bonds trade through DTC. The Bonds are represented by a global certificate and registered in the name of Cede & Co., DTC's nominee. The global certificate was deposited with the Trustee as custodian for DTC. Ownership of beneficial interests in the global certificate is limited to institutions that have accounts with DTC or its participants or persons that may hold interests through participants.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a participant. DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds within the DTC system must be made by or through participants, who will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") will be recorded on the appropriate participant's records. Beneficial Owners do not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the participants through whom they purchased Bonds. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of the participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates for their Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to Beneficial Owners, are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the Mortgage. Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds has agreed to obtain and transmit notices to the Beneficial Owners.

Redemption notices will be sent to Cede & Co., as registered holder of the Bonds. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of Bonds held by each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Bonds, unless authorized by a participant in accordance with DTC's procedures. Under its usual procedures, DTC would mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

Payments of redemption proceeds, principal of, and interest on the Bonds are and will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the Trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners are and will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and are the responsibility of participants and not of DTC, the Trustee, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or us, disbursement of such payments to participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of participants.

Other than in the circumstances described herein, a Beneficial Owner will not be entitled to receive physical delivery of the Bonds. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Bonds at any time by giving reasonable notice to us or the Trustee. In the event no successor securities depositary is obtained, certificates for the Bonds will be printed and delivered. We may decide to replace DTC or any successor depositary. Additionally, subject to the procedures of DTC, we may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to some or all of the Bonds. In that event or if an Event of Default with respect to the Bonds has occurred and is continuing, certificates for the Bonds will be printed and delivered. If certificates for the Bonds are printed and delivered,

- the Bonds will be issued in fully registered form without coupons;
- a holder of certificated Bonds would be able to exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds having the same issue date and with identical terms and provisions; and
- a holder of certificated Bonds would be able to transfer those Bonds without cost to another holder, other than for applicable stamp taxes or other governmental charges.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we do not take any responsibility for the accuracy of this information.

Exhibit 4(e)5

DESCRIPTION OF ENTERGY MISSISSIPPI, LLC'S SECURITIES

REGISTERED PURSUANT TO SECTION 12

OF THE SECURITIES EXCHANGE ACT OF 1934

References in this exhibit to "we," "us," or "our" are to Entergy Mississippi, LLC.

We have issued, and may from time to time issue, bonds in one or more series under one or more separate supplemental indentures to the Mortgage and Deed of Trust dated as of February 1, 1988, with The Bank of New York Mellon, successor trustee (the "trustee"). This Mortgage and Deed of Trust, as it has heretofore been and may be amended or supplemented from time to time, is referred to in this exhibit as the "mortgage." All first mortgage bonds issued or to be issued under the mortgage, including the Bonds (as defined below), are referred to herein as "first mortgage bonds."

As of February 19, 2026, we have one series of first mortgage bonds outstanding that is registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our First Mortgage Bonds, 4.90% Series due October 1, 2066, issued in an aggregate principal amount of $260,000,000 under the Thirty-Third Supplemental Indenture, dated as of September 1, 2016, to the mortgage and traded on the New York Stock Exchange under the ticker EMP (the "Bonds").

The full aggregate principal amount of the Bonds is currently outstanding.

The mortgage, including the applicable supplemental indenture relating to the Bonds, contains the full legal text of the matters described herein. Because this is a summary, it does not describe every aspect of the mortgage, the supplemental indenture relating to the Bonds, or the outstanding first mortgage bonds, including the Bonds. The mortgage and the supplemental indentures that relate to the outstanding first mortgage bonds, including the Bonds, are filed as exhibits to the Annual Report on Form 10-K to which this is filed as an exhibit. You should read the mortgage for provisions that may be important to you. This summary is subject to and qualified in its entirety by reference to all the provisions of the mortgage, including the definitions of some of the terms used in the mortgage, and to the particular terms of the supplemental indenture that relates to the Bonds. The mortgage has been qualified under the Trust Indenture Act of 1939, and you should also refer to the Trust Indenture Act of 1939 for provisions that apply to the Bonds.

General

The mortgage permits us to issue first mortgage bonds from time to time in an unlimited aggregate amount subject to the limitations described below under "—Issuance of Additional First Mortgage Bonds." All first mortgage bonds of any one series need not be issued at the same time, and a series may be reopened for issuances of additional first mortgage bonds of that series.

This means that we may from time to time, without notice to or consent of the existing holders of the first mortgage bonds of any series, including the Bonds, create and issue additional first mortgage bonds of a series having the same terms and conditions as the previously issued first mortgage bonds of that series in all respects, except for issue date, price to public and, if applicable, the initial interest payment on those additional first mortgage bonds. Additional first mortgage bonds issued in this manner will be consolidated with, and will form a single series with, the previously issued first mortgage bonds of that series. For more information, see the discussion below under "—Issuance of Additional First Mortgage Bonds."

Payment

The principal amount of the Bonds and interest thereon is and will be paid in any coin or currency of the United States of America that at the time of payment is legal tender at the corporate trust office of the trustee in the Borough of Manhattan, City and State of New York. Interest on the Bonds accrues at the rate of 4.90% per year and started to accrue from the date that the Bonds were issued. Interest payments on the Bonds are made on March 1, June 1, September 1 and December 1 of each year. As long as the Bonds are registered in the name of The Depository Trust Company ("DTC") or its nominee, the record date for interest payable on any interest payment date shall be the close of business on the Business Day (defined as any day other than a Saturday or a Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or a day on which the corporate trust office of the trustee is closed for business) immediately preceding such interest payment date. We have agreed to pay interest on any overdue principal and, if such payment is enforceable under applicable law, on any overdue installment of interest on the Bonds at a rate of 5.90% per year to holders of record at the close of business on the Business Day immediately preceding our payment of such interest.

Interest on the Bonds is computed on the basis of a 360-day year of twelve 30-day months. If any interest payment date or the maturity date of a Bond falls on a day that is not a Business Day, the payment due on that interest payment date or the maturity date will be made on the next Business Day, and without any interest or other payment in respect of such delay.

As long as the Bonds are registered in the name of DTC or its nominee, we will pay principal and interest due on the Bonds to DTC. DTC will then make payment to its participants for disbursement to the beneficial owners of the Bonds as described under the heading "Book-Entry Only Securities."

Redemption and Retirement

We may redeem the Bonds prior to maturity, in whole or in part, at our option, upon notice to holders by mail at least 30 days but not more than 60 days prior to the redemption date, at any time, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed plus any accrued and unpaid interest thereon to, but not including, the redemption date.

Unless the Bonds are held in book-entry only form through the facilities of DTC, in which case DTC's procedures for selection shall apply (see "Book-Entry Only Securities"), if less than all of the Bonds are to be redeemed, the trustee will select the Bonds to be redeemed.

Unless we default in the payment of the redemption price and accrued interest, if any, in the case of an unconditional notice of redemption, the Bonds subject to such notice of redemption will cease to bear interest on the redemption date. We will pay the redemption price and any accrued interest to the redemption date upon presentation and surrender of any Bond for redemption. If only part of a Bond is redeemed, the trustee will deliver to the holder of the Bond a new Bond for the remaining portion without charge.

We may make any redemption at our option conditional upon the receipt by the trustee, prior to the date fixed for redemption, of money sufficient to pay the redemption price and accrued interest, if any. If the trustee has not received the money by the date fixed for redemption, we will not be required to redeem the Bonds.

Form and Exchange

The Bonds are fully-registered bonds without coupons, issued in denominations of $25 and integral multiples of $25 in excess thereof. The Bonds are represented by a global certificate without coupons registered in the name of a nominee of DTC.

The Bonds are exchangeable for other Bonds in equal aggregate principal amounts. No service charge will be made for any registration of transfer or exchange of the Bonds. However, we may require payment to cover any tax or other governmental charge that may be imposed in connection with a registration of transfer or exchange. We will not be required to provide for the transfer or exchange of any Bond:

1. during the 15 days before an interest payment date (unless such Bond has a record date for the payment of interest),
2. during the 15 days before any designation of such Bond to be redeemed, or
3. selected for redemption.

Security

The Bonds, together with all other first mortgage bonds now or in the future outstanding under the mortgage, are and will be secured, equally and ratably, by the lien of the mortgage. As of December 31, 2025, we had approximately $3.045 billion principal amount of first mortgage bonds outstanding. The mortgage constitutes a first mortgage lien on substantially all of our property (the "mortgaged property"), subject to bankruptcy law and:

1. minor defects and encumbrances customarily found in similar properties that do not materially impair the use of the mortgaged property in the conduct of our business;
2. other liens, defects and encumbrances, if any, existing or created at the time of our acquisition of the mortgaged property; and
3. excepted encumbrances.

The mortgage does not create a lien on the following "excepted property":

1. cash and securities;
2. all merchandise, equipment, apparatus, materials or supplies held for sale or other disposition in the usual course of business or consumable during use;

3. automobiles, vehicles and aircraft, timber, minerals, mineral rights and royalties; and
4. accounts receivable, contracts, leases and operating agreements.

"Excepted encumbrances" mean the following:

- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of our employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- specified judgment liens and prepaid liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, our property;
- liens securing indebtedness or other obligations relating to real property we acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights-of-way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of governmental authorities and specified liens required by law or governmental regulations;
- liens to secure public or statutory obligations;
- rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by us or by others on our property;
- rights and interests of persons other than us arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in the property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation; and
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

The mortgage contains provisions that impose the lien of the mortgage on property we acquire after the date of the mortgage, other than excepted property, subject to pre-existing liens. However, if we consolidate or merge with, or convey or transfer all or substantially all of our mortgaged property to, another entity, the lien created by the mortgage will generally not cover the property of the successor company, other than the mortgaged property it acquires from us and improvements, replacements and additions to such property.

The mortgage also provides that the trustee has a lien on the mortgaged property to ensure the payment of its reasonable compensation, expenses and disbursements and for indemnity against

certain liabilities. This lien takes priority over the lien securing the first mortgage bonds, including the Bonds.

Issuance of Additional First Mortgage Bonds

Subject to the issuance restrictions described below, the aggregate principal amount of first mortgage bonds that we can issue under the mortgage is unlimited. First mortgage bonds of any series may be issued from time to time on the basis of:

1. 70% of property additions after adjustments to offset retirements;
2. retirements of first mortgage bonds; or
3. deposit of cash with the trustee.

Property additions generally include, among other things, electric, gas, steam or hot water property acquired after December 31, 1987. Securities, automobiles, vehicles or aircraft, or property used principally for the production or gathering of natural gas, are not included as property additions. Deposited cash may be withdrawn upon the bases stated in clauses (1) or (2) above.

The mortgage contains restrictions on the issuance of first mortgage bonds against property subject to liens.

As of December 31, 2025, we could have issued approximately $714 million principal amount of additional first mortgage bonds on the basis of retired first mortgage bonds, and we had approximately $1.141 billion of unfunded property additions, entitling us to issue approximately $799 million principal amount of additional first mortgage bonds on the basis of property additions. The Bonds were issued on the basis of property additions.

Other than the security afforded by the lien of the mortgage and restrictions on the issuance of additional first mortgage bonds described above, there are no provisions of the mortgage that grant the holders of the first mortgage bonds protection in the event of a highly leveraged transaction involving us.

Release and Substitution of Property

Property may be released from the lien of the mortgage on the basis of:

1. the deposit with the trustee of cash or purchase money mortgages;
2. the lower of cost or fair value to us of unfunded property additions designated by us, after adjustments in certain cases to offset retirements and after making adjustments for certain prior lien bonds, if any, outstanding against property additions; or
3. an amount equal to the principal amount of the retired first mortgage bonds that we elect to use as the basis for such release times the reciprocal of the bonding ratio in effect at the time such retired first mortgage bonds were originally issued.

Property owned by us on December 31, 1987, may be released from the lien of the mortgage at its depreciated book value on December 31, 1987; all other property may be released at its cost, as defined in the mortgage. Unfunded property may also be released without

complying with clauses (1), (2) or (3) above if, after its release, we would have at least one dollar of unfunded property that remains subject to the lien of the mortgage.

We can withdraw cash upon the bases stated in clauses (2) and/or (3) above.

Generally, "Funded Property" under the mortgage means all mortgaged property owned by us on December 31, 1987, and all property additions used as the basis for the issuance of first mortgage bonds, the release of mortgaged property or the withdrawal of cash held by the trustee. We may at any time, without further consent of any holders of first mortgage bonds, change the definition of "Funded Property" to mean any mortgaged property specified by us with a fair value, to be determined by an independent expert, of not less than 10/7ths of the sum of the amount of the outstanding first mortgage bonds and retired bond credits, together with all property additions thereafter used as the basis for the issuance of first mortgage bonds, the release of mortgaged property or the withdrawal of cash held by the trustee.

We may, without any release or consent by the trustee,

- grant, free from the lien of the mortgage, easements, ground leases or rights-of-way in, upon, over and/or across our property for the purpose of roads, pipe lines, transmission lines, distribution lines, communication lines and similar purposes, or for the joint or common use of real property, rights-of-way, facilities and/or equipment, but only if such grant shall not materially impair the use of the property or rights-of-way for the purposes for which such property or rights-of-way are held by us, and
- cancel or make changes or alterations in or substitutions for any and all easements, servitudes, rights-of-way and similar rights and/or interests.

Modification

Modification Without Consent

Without the consent of any holder of first mortgage bonds, we and the trustee may enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of our covenants in the mortgage and in the first mortgage bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series of first mortgage bonds, or to surrender any right or power conferred upon us;
- to add additional defaults under the mortgage for all or any series of first mortgage bonds;
- to correct or amplify the description of the mortgaged property or to subject additional property to the lien of the mortgage;
- to change, eliminate or add any provision to the mortgage; provided that no such change, elimination or addition will adversely affect the interests of the holders of first mortgage bonds of any series in any material respect;
- to establish the form or terms of first mortgage bonds of any other series as permitted by the mortgage;
- to provide for the procedures required for use of a non-certificated system of registration for the first mortgage bonds of all or any series;

- to change any place where principal, premium, if any, and interest, if any, shall be payable, first mortgage bonds may be surrendered for registration of transfer or exchange, and notices and demands to us may be served; or
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the mortgage if such changes or additions will not adversely affect the interests of first mortgage bonds of any series in any material respect.

Modification Requiring Consent

Except as provided below, the consent of the holders of a majority in aggregate principal amount of then outstanding first mortgage bonds, considered as one class, is required for all other amendments or modifications to the mortgage. However, if less than all of the series of first mortgage bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding first mortgage bonds of all series that are directly affected, considered as one class, will be required. Notwithstanding the foregoing, no amendment or modification may be made without the consent of the holder of each directly affected first mortgage bond then outstanding to:

- impair or affect the right of such holder to receive payment of the principal of (and premium, if any) and interest on such first mortgage bond, on or after the respective due dates expressed in such first mortgage bond, or to institute suit for the enforcement of any such payment on or after such respective dates;
- permit the creation of any lien ranking prior to or on a parity with the lien of the mortgage with respect to the mortgaged property, or permit the deprivation of any non-assenting holder of a first mortgage bond of a lien on the mortgaged property for the security of such holder's first mortgage bonds (subject only to certain tax, assessment and governmental liens and certain prior liens); or
- permit the reduction of the percentage in principal amount of the outstanding first mortgage bonds of any series the consent of the holders of which is required for any amendment or modification.

The mortgage provides that first mortgage bonds owned by us, for our benefit or by any affiliate of ours shall not be deemed outstanding for the purpose of certain votes, consents or quorums; provided that first mortgage bonds that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the trustee its right to vote such first mortgage bonds and such pledgee is not our affiliate.

Any request, consent or vote of the owner of any first mortgage bond will bind every future holder and owner of that first mortgage bond and the holder and owner of every first mortgage bond issued upon the registration of transfer of or in exchange for that first mortgage bond.

Defaults and Notices Thereof

Defaults under the mortgage include:

1. failure to pay the principal of any first mortgage bond after it is due and payable;

2. failure to pay interest upon any first mortgage bond for a period of 30 days after it is due and payable;
3. certain events of bankruptcy, insolvency or reorganization;
4. defaults under a supplemental indenture; and
5. the expiration of a period of 90 days after the mailing by the trustee to us of a written demand, or by the holders of 15% in principal amount of the first mortgage bonds at the time outstanding to us and the trustee of a written demand, that we perform a specified covenant or agreement in the mortgage or a first mortgage bond, which specified covenant or agreement we shall have failed to perform prior to such mailing, unless during such period we shall have performed such covenant or agreement or shall have in good faith commenced efforts to perform the same. The trustee may, and, if requested to do so in writing by the holders of a majority in principal amount of the first mortgage bonds outstanding, shall, make such demand.

The trustee may withhold notice of default, except in payment of principal, interest or funds for purchase or redemption of first mortgage bonds, if the trustee in good faith determines it is in the interests of the holders of first mortgage bonds.

Remedies

Acceleration of Maturity

If a default under the mortgage occurs and is continuing, then the trustee, by written notice to us, or the holders of at least 25% in aggregate principal amount of the outstanding first mortgage bonds, by written notice to us and the trustee, may declare the principal amount of all of the first mortgage bonds to be due and payable immediately, and upon the giving of such notice, such principal amount and accrued and unpaid interest will become immediately due and payable.

There is no automatic acceleration, even in the event of our bankruptcy, insolvency or reorganization.

Annulment of Acceleration

At any time after such a declaration of acceleration has been made but before any sale of the mortgaged property, the holders of a majority in principal amount of all outstanding first mortgage bonds may annul such declaration of acceleration, by written notice to us and the trustee, if the default under the mortgage giving rise to such declaration of acceleration has been cured, and we have paid or deposited with the trustee a sum sufficient to pay:

1. all overdue interest on all outstanding first mortgage bonds;
2. the principal of and premium, if any, on the outstanding first mortgage bonds that have become due otherwise than by such declaration of acceleration and overdue interest thereon;
3. interest on overdue interest, if any, to the extent lawful, at the rate borne by the first mortgage bonds for which interest is overdue plus 1% per year; and
4. all amounts due to the trustee under the mortgage.

Trustee Powers

Subject to the mortgage, under specified circumstances and to the extent permitted by law, if a default under the mortgage occurs, the trustee shall be entitled to the appointment of a receiver for the mortgaged property and is entitled to all other remedies available under applicable law.

Control by Holders

The holders of a majority in principal amount of the first mortgage bonds then outstanding may direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee. The trustee is not obligated to comply with directions that conflict with law or other provisions of the mortgage or that the trustee determines in good faith would involve the trustee in personal liability, would be unjustifiably prejudicial to non-assenting holders or would be in circumstances where indemnity would not be sufficient. The trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that repayment is not reasonably assured.

Limitation on Holders' Right to Institute Proceedings

No holder of first mortgage bonds will have any right to institute any proceeding or remedy under or with respect to the mortgage or the first mortgage bonds, unless:

- the holder has previously given to the trustee written notice of a default under the mortgage;
- the holders of 25% in aggregate principal amount of the outstanding first mortgage bonds of all series have made a written request to the trustee and have offered the trustee reasonable opportunity and indemnity satisfactory to the trustee to institute proceedings; and
- the trustee has failed to institute any proceeding for 60 days after notice;

provided that no holder or holders of first mortgage bonds shall have any right in any manner to affect or prejudice the lien of the mortgage or to obtain priority over other holders of outstanding first mortgage bonds. However, these limitations do not apply to the absolute and unconditional right of a holder of a first mortgage bond to institute suit for payment of the principal, premium, if any, or interest on the first mortgage bond on or after the applicable due date.

Evidence to be Furnished to the Trustee

Compliance with the mortgage provisions is evidenced by written statements of our officers or persons we select or pay. In certain cases, opinions of counsel and certifications of an engineer, accountant, appraiser or other expert (who in some cases must be independent) must be furnished. We must give the trustee an annual certificate as to whether or not we have fulfilled our obligations under the mortgage throughout the preceding year.

Satisfaction and Discharge of Mortgage

After we provide for the payment of all of the first mortgage bonds (including the Bonds) and after paying all other sums due under the mortgage, the mortgage may be satisfied and discharged. The first mortgage bonds will be deemed to have been paid when money or Eligible Obligations (as defined below) sufficient to pay the first mortgage bonds (in the opinion of an independent accountant in the case of Eligible Obligations) at maturity or upon redemption have been irrevocably set apart or deposited with the trustee; provided that the trustee shall have received an opinion of counsel to the effect that the setting apart or deposit does not require registration under the Investment Company Act of 1940, as amended, does not violate any applicable laws and does not result in a taxable event with respect to the holders of the first mortgage bonds prior to the time of their right to receive payment. "Eligible Obligations" means obligations of the United States of America that do not permit the redemption thereof at the issuer's option.

Consolidation, Merger and Conveyance of Assets

The mortgage provides that we may consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the mortgaged property, if:

- (a) the surviving or successor entity to such merger or consolidation has authority to carry on the energy, fuel, water or steam business, or (b) the successor entity that acquires by conveyance or transfer or that leases our mortgaged property as, or substantially as, an entirety, is authorized to acquire, lease or operate the mortgaged property so conveyed or transferred;
- such merger, consolidation, conveyance, transfer or lease is upon such terms as to preserve, and in no respect impair, the lien and security of the mortgage and the rights and powers of the trustee and the holders of first mortgage bonds;
- the survivor or successor entity expressly assumes by supplemental indenture our obligations on all first mortgage bonds then outstanding and under the mortgage;
- immediately after giving effect to such transaction, no default under the mortgage shall have occurred and be continuing; and
- in the case of a lease, such lease is made expressly subject to termination by us or by the trustee and by the purchaser of the property so leased at any sale thereof at any time during the continuance of a default under the mortgage.

In the case of the conveyance or other transfer of the mortgaged property as, or substantially as, an entirety to another entity, upon the satisfaction of all the conditions described

above, the successor entity would be substituted for us under the mortgage, but we would not be released and discharged from our obligations on the first mortgage bonds then outstanding.

If we transfer as an entirety all or substantially all of our mortgaged property to a successor, the successor will assume all of our obligations under the mortgage and the first mortgage bonds and we may be released from all such obligations.

The mortgage does not prevent or restrict any conveyance or other transfer or lease of any part of the mortgaged property that does not constitute the entirety, or substantially the entirety, of the mortgaged property.

Although the successor entity may, in its sole discretion, subject to the lien of the mortgage property then owned or thereafter acquired by the successor entity, the lien of the mortgage generally will not cover the property of the successor entity other than the mortgaged property it acquires from us and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the mortgage.

The terms of the mortgage do not restrict mergers in which we are the surviving entity.

The mortgage provides:

1. that a statutory merger pursuant to which our assets and liabilities are allocated to one or more entities shall not be considered to be a merger subject to the provisions of the mortgage relating to a merger, consolidation or conveyance of all or substantially all of the mortgaged property unless all of our assets and liabilities are allocated to an entity other than us and we do not survive such statutory merger; in all other cases of a statutory merger pursuant to which any mortgaged property is allocated to one or more entities other than us, each allocation of any mortgaged property to an entity other than us shall be deemed, for purposes of the mortgage, to be a transfer of such mortgaged property to such entity and not a merger;
2. that any conveyance, transfer or lease of any of our properties where we retain mortgaged property with a fair value in excess of 143% of the aggregate principal amount of all outstanding first mortgage bonds, and any other outstanding debt secured by a purchase money lien that ranks equally with, or senior to, the first mortgage bonds with respect to the mortgaged property, shall not be deemed to be a conveyance, transfer or lease of all or substantially all of our mortgaged property. This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent expert selected by us; and
3. that, in the case of a consolidation or merger after the consummation of which we would be the surviving or resulting entity, unless we otherwise provide in a supplemental indenture to the mortgage, the lien of the mortgage will generally not cover any of the properties acquired by us in or as a result of such transaction or any improvements, extensions or additions to those properties.

Information about the Trustee

The trustee is The Bank of New York Mellon. In addition to acting as trustee, The Bank of New York Mellon also acts, and may act, as trustee under various other of our and our affiliates' indentures, trusts and guarantees. We and our affiliates maintain deposit accounts and

credit and liquidity facilities and conduct other banking transactions with the trustee and its affiliates in the ordinary course of our respective businesses.

So long as no default or event that, after notice or lapse of time, or both, would become a default has occurred and is continuing and except with respect to a trustee appointed by act of the holders, if we have delivered to the trustee a board resolution appointing a successor trustee and the successor has accepted the appointment in accordance with the terms of the mortgage, the trustee will be deemed to have resigned and the successor will be deemed to have been appointed as trustee in accordance with the mortgage.

Book-Entry Only Securities

The Bonds trade through DTC. The Bonds are represented by a global certificate and registered in the name of Cede & Co., DTC's nominee. The global certificate was deposited with the trustee as custodian for DTC. Ownership of beneficial interests in the global certificate is limited to institutions that have accounts with DTC or its participants or persons that may hold interests through participants.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a participant. DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds within the DTC system must be made by or through participants, who will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") will be recorded on the appropriate participant's records. Beneficial Owners do not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the participants through whom they purchased Bonds. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of the participants acting on behalf of Beneficial

Owners. Beneficial Owners will not receive certificates for their Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to Beneficial Owners, are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the mortgage. Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds has agreed to obtain and transmit notices to the Beneficial Owners.

Redemption notices will be sent to Cede & Co., as registered holder of the Bonds. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of Bonds held by each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Bonds, unless authorized by a participant in accordance with DTC's procedures. Under its usual procedures, DTC would mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

Payments of redemption proceeds, principal of, and interest on the Bonds are and will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners are and will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and are the responsibility of participants and not of DTC, the trustee, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the trustee or us, disbursement of such payments to participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of participants.

Other than in the circumstances described herein, a Beneficial Owner will not be entitled to receive physical delivery of the Bonds. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Bonds at any time by giving reasonable notice to us or the trustee. In the event no successor securities depositary is obtained, certificates for the Bonds will be printed and delivered. We may decide to replace DTC or any successor depositary. Additionally, subject to the procedures of DTC, we may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to some or all of the Bonds. In that event or if an event of default with respect to the Bonds has occurred and is continuing, certificates for the Bonds will be printed and delivered. If certificates for the Bonds are printed and delivered,

- the Bonds will be issued in fully registered form without coupons;
- a holder of certificated Bonds would be able to exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds having the same issue date and with identical terms and provisions; and
- a holder of certificated Bonds would be able to transfer those Bonds without cost to another holder, other than for applicable stamp taxes or other governmental charges.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we do not take any responsibility for the accuracy of this information.

DESCRIPTION OF ENTERGY NEW ORLEANS, LLC'S SECURITIES

REGISTERED PURSUANT TO SECTION 12

OF THE SECURITIES EXCHANGE ACT OF 1934

References in this exhibit to "we," "us," or "our" are to Entergy New Orleans, LLC.

We have issued, and may from time to time issue, bonds in one or more series under one or more separate supplemental indentures to the Mortgage and Deed of Trust dated as of May 1, 1987 with The Bank of New York Mellon, successor trustee (the "trustee"). This Mortgage and Deed of Trust, as it has heretofore been and may be amended or supplemented from time to time, is referred to in this exhibit as the "mortgage." All first mortgage bonds issued or to be issued under the mortgage, including the Bonds (as defined below), are referred to herein as "first mortgage bonds."

As of February 19, 2026, we have two series of first mortgage bonds outstanding that are registered under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

- our First Mortgage Bonds, 5.0% Series due December 1, 2052, issued in an aggregate principal amount of $30,000,000 under the Sixteenth Supplemental Indenture, dated as of November 1, 2012, to the mortgage and traded on the New York Stock Exchange (the "NYSE") under the ticker ENJ (the "2052 Bonds"); and
- our First Mortgage Bonds, 5.50% Series due April 1, 2066, issued in an aggregate principal amount of $110,000,000 under the Nineteenth Supplemental Indenture, dated as of March 15, 2016, to the mortgage and traded on the NYSE under the ticker ENO (the "2066 Bonds," and together with the 2052 Bonds, the "Bonds").

The full aggregate principal amount of each series of the Bonds is currently outstanding.

The mortgage, including the applicable supplemental indentures relating to the Bonds, contains the full legal text of the matters described herein. Because this is a summary, it does not describe every aspect of the mortgage, the supplemental indentures relating to each series of Bonds, or the outstanding first mortgage bonds, including the Bonds. The mortgage and the supplemental indentures that relate to the outstanding first mortgage bonds, including the Bonds, are filed as exhibits to the Annual Report on Form 10-K to which this is filed as an exhibit. You should read the mortgage for provisions that may be important to you. This summary is subject to and qualified in its entirety by reference to all the provisions of the mortgage, including the definitions of some of the terms used in the mortgage, and to the particular terms of the supplemental indenture that relates to each series of Bonds. The mortgage has been qualified under the Trust Indenture Act of 1939, and you should also refer to the Trust Indenture Act of 1939 for provisions that apply to the Bonds.

General

The mortgage permits us to issue first mortgage bonds from time to time subject to limitations described under "—Issuance of Additional First Mortgage Bonds." All first mortgage bonds of any one series need not be issued at the same time, and a series may be reopened for issuances of additional first mortgage bonds of that series. This means that we may from time to time, without notice to or consent of the existing holders of the first mortgage bonds of any series, including the Bonds, create and issue additional first mortgage bonds of a series having the same terms and conditions as the previously issued first mortgage bonds of that series in all respects, except for issue date, price to public and, if applicable, the initial interest payment on those additional first mortgage bonds. Additional first mortgage bonds issued in this manner will be consolidated with, and will form a single series with, the previously issued first mortgage bonds of that series. For more information, see the discussion below under "—Issuance of Additional First Mortgage Bonds."

Payment

The principal amount of the Bonds and interest thereon is and will be paid in any coin or currency of the United States of America that at the time of payment is legal tender at the corporate trust office of the trustee in the Borough of Manhattan, City and State of New York.

Interest on the 2052 Bonds accrues at the rate of 5.0% per year. Interest on the 2066 Bonds accrues at the rate of 5.50% per year. In each case, interest started to accrue from the date that the respective series of Bonds was issued. Interest payments on the 2052 Bonds are made on March 1, June 1, September 1 and December 1 of each year, and on the 2066 Bonds are made on January 1, April 1, July 1 and October 1 of each year. As long as the Bonds are registered in the name of The Depository Trust Company ("DTC") or its nominee, the record date for interest payable on any interest payment date shall be the close of business on the Business Day (defined as any day other than a Saturday or a Sunday or a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or a day on which the corporate trust office of the trustee is closed for business) immediately preceding such interest payment date. We have agreed to pay interest on any overdue principal and, if such payment is enforceable under applicable law, on any overdue installment of interest, in the case of the 2052 Bonds at a rate of 6.0% per year, and in the case of the 2066 Bonds at a rate of 6.50% per year, to the holders of record at the close of business on the Business Day immediately preceding our payment of such interest.

Interest on the Bonds is computed on the basis of a 360-day year of twelve 30-day months. If any interest payment date or the maturity date of a Bond falls on a day that is not a Business Day, the payment due on that interest payment date or the maturity date will be made on the next Business Day, and without any interest or other payment in respect of such delay.

As long as the Bonds are registered in the name of DTC or its nominee, we will pay principal and interest due on the Bonds to DTC. DTC will then make payment to its participants for disbursement to the beneficial owners of the Bonds as described under the heading "Book-Entry Only Securities."

Redemption and Purchase

Optional Redemption

We may redeem the Bonds prior to maturity, in whole or in part, at our option, upon notice to holders by mail at least 30 days but not more than 60 days prior to the redemption date, at any time, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed plus any accrued and unpaid interest thereon to, but not including, the redemption date.

Unless the Bonds are held in book-entry only form through the facilities of DTC, in which case DTC's procedures for selection shall apply (see "Book-Entry Only Securities"), if less than all of the Bonds of any series are to be redeemed, the trustee will select the Bonds to be redeemed.

Unless we default in the payment of the redemption price and accrued interest, if any, in the case of an unconditional notice of redemption, the Bonds subject to such notice of redemption will cease to bear interest on the redemption date. We will pay the redemption price and any accrued interest to the redemption date upon presentation and surrender of any Bond for redemption. If only part of a Bond is redeemed, the trustee will deliver to the holder of the Bond a new Bond of the same series for the remaining portion without charge.

We may make any redemption at our option conditional upon the receipt by the trustee, prior to the date fixed for redemption, of money sufficient to pay the redemption price and accrued interest, if any. If the trustee has not received the money by the date fixed for redemption, we will not be required to redeem the Bonds.

Redemption of Bonds at Option of Holders

The terms of the franchise ordinances pursuant to which we provide electric and gas service to the City of New Orleans state that the City has a continuing option to purchase our electric and gas properties. If all or substantially all of our property subject to the mortgage is taken or acquired by the City of New Orleans or any instrumentality or designee thereof, upon the consummation of this taking or acquisition, we have agreed to direct the trustee to send a written notice to each registered holder of bonds then outstanding stating that each such holder has the right to require us to redeem its bonds, in whole or in part, at the special redemption price of 101% of the principal amount of the bonds being redeemed plus accrued and unpaid interest thereon to, but not including, the redemption date.

Upon the mailing of notice by the trustee, each holder will have 45 days to deliver written notice to the trustee of such holder's intent to have its bonds redeemed by us in accordance with the preceding paragraph on the 60th day following the date of the notice upon delivery and surrender of such bond.

Exchange or Redemption of Bonds upon Merger or Consolidation

Although we do not currently have any plans to merge or consolidate with Entergy Louisiana, LLC, one of our affiliates, the mortgage provides that, in the event of such a merger or consolidation, we would have the right to offer to exchange all outstanding Bonds for a like principal amount of the new merged or consolidated company's first mortgage bonds with the

same interest rates, interest payment dates, maturity dates and redemption provisions. Unless we waive this right, the holders of outstanding Bonds must either accept such first mortgage bonds in exchange for all or a portion of their Bonds or tender to us for redemption any Bonds not so exchanged. The redemption price applicable for these purposes to the Bonds will be 100% of the principal amount plus accrued interest thereon to, but not including, the redemption date.

Form and Exchange

The Bonds are fully-registered bonds without coupons, issued in denominations of $25 and integral multiples of $25 in excess thereof. Each series of the Bonds is represented by a global certificate without coupons registered in the name of a nominee of DTC.

The Bonds are exchangeable for other Bonds of the same series in equal aggregate principal amounts. No service charge will be made for any registration of transfer or exchange of the Bonds. However, we may require payment to cover any tax or other governmental charge that may be imposed in connection with a registration of transfer or exchange. We will not be required to provide for the transfer or exchange of any Bond:

- during the 15 days before an interest payment date (unless such Bond has a record date for the payment of interest),
- during the 15 days before any designation of such Bond to be redeemed, or
- selected for redemption.

Security

The Bonds, together with all other first mortgage bonds now or in the future outstanding under the mortgage, are and will be secured, equally and ratably, by the lien of the mortgage. As of December 31, 2025, we had approximately $657 million principal amount of first mortgage bonds outstanding. The mortgage constitutes a first mortgage lien on substantially all of our property (the "mortgaged property"), subject to bankruptcy law and:

1. minor defects and encumbrances customarily found in similar properties that do not materially impair the use of the mortgaged property in the conduct of our business;
2. other liens, defects and encumbrances, if any, existing or created at the time of our acquisition of the mortgaged property; and
3. excepted encumbrances.

The mortgage does not create a lien on the following "excepted property":

- cash and securities;
- all merchandise, equipment, apparatus, materials or supplies held for sale or other disposition in the usual course of business or consumable during use;
- automobiles, vehicles and aircraft, timber, minerals, mineral rights and royalties; and
- accounts receivable, contracts, leases and operating agreements.

The mortgage contains provisions that impose the lien of the mortgage on property we acquire after the date of the mortgage, other than excepted property, subject to pre-existing liens. However, if we consolidate or merge with, or convey or transfer all or substantially all of our

mortgaged property to, another entity, the lien created by the mortgage will generally not cover the property of the successor company, other than the mortgaged property it acquires from us and improvements, replacements and additions to such property.

The mortgage also provides that the trustee has a lien on the mortgaged property to ensure the payment of its reasonable compensation, expenses and disbursements and for indemnity against certain liabilities. This lien takes priority over the lien securing the first mortgage bonds, including the Bonds.

We have reserved the right to amend the mortgage without the consent or other action by the holders of any first mortgage bonds created after November 30, 2017, to revise the definition of "excepted encumbrances" to mean the following:

- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of our employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to our general counsel or to such other person designated by us to receive such notices;
- specified judgment liens and prepaid liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, our property;
- liens securing indebtedness or other obligations relating to real property we acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights-of-way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of governmental authorities and specified liens required by law or governmental regulations;
- liens to secure public or statutory obligations;
- rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by us or by others on our property;
- rights and interests of persons other than us arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in the property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation; and
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

Issuance of Additional First Mortgage Bonds

The maximum principal amount of first mortgage bonds that may be issued under the mortgage is limited to $10 billion at any time outstanding under the mortgage, subject to the issuance restrictions described below. First mortgage bonds of any series may be issued from time to time on the basis of:

1. 70% of property additions after adjustments to offset retirements;
2. retirements of first mortgage bonds; or
3. deposit of cash with the trustee.

Property additions generally include, among other things, electric, gas, steam or hot water property acquired after December 31, 1986. Securities, automobiles, vehicles or aircraft, or property used principally for the production or gathering of natural gas, are not included as property additions. Deposited cash may be withdrawn upon the bases stated in clauses (1) or (2) above.

The mortgage contains restrictions on the issuance of first mortgage bonds against property subject to liens.

As of December 31, 2025, we could have issued approximately $193 million principal amount of additional first mortgage bonds on the basis of retired first mortgage bonds, and we had approximately $344 million of unfunded property additions, entitling us to issue approximately $241 million principal amount of additional first mortgage bonds on the basis of property additions. The 2052 Bonds were issued on the basis of retired bond credits, and the 2066 Bonds were issued on the basis of property additions.

Other than the security afforded by the lien of the mortgage and restrictions on the issuance of additional first mortgage bonds described above, there are no provisions of the mortgage that grant the holders of the first mortgage bonds protection in the event of a highly leveraged transaction involving us.

Release and Substitution of Property

Property other than the Municipalization Interest (as defined in the mortgage) may be released from the lien of the mortgage on the basis of:

1. the deposit with the trustee of cash or purchase money mortgages;
2. the lower of cost or fair value to us of unfunded property additions designated by us, after adjustments in certain cases to offset retirements and after making adjustments for certain prior lien bonds, if any, outstanding against property additions; or
3. an amount equal to the principal amount of the retired first mortgage bonds that we elect to use as the basis for such release times the reciprocal of the bonding ratio in effect at the time such retired first mortgage bonds were originally issued.

Property owned by us on December 31, 1986 may be released from the lien of the mortgage at its depreciated book value on December 31, 1986; all other property may be released at its cost, as defined in the mortgage. Unfunded property may also be released without

complying with clauses (1), (2) or (3) above if, after its release, we would have at least one dollar of unfunded property that remains subject to the lien of the mortgage.

We can withdraw cash upon the bases stated in clauses (2) or (3) above.

Generally, "funded property" under the mortgage means all mortgaged property owned by us on December 31, 1986 and all property additions used as the basis for the issuance of first mortgage bonds, the release of mortgaged property or the withdrawal of cash held by the trustee. We may at any time, without the further consent of any holders of first mortgage bonds, change the definition of "funded property" to mean any mortgaged property specified by us with a fair value, to be determined by an independent expert, of not less than 10/7ths of the sum of the amount of the outstanding first mortgage bonds and retired bond credits, together with all property additions thereafter used as the basis for the issuance of first mortgage bonds, the release of mortgaged property or the withdrawal of cash held by the trustee.

We may, without any release or consent by the trustee, cancel or make changes or alterations in or substitutions for any and all easements, servitudes, rights of way and similar rights and/or interests.

Modification

Modification Without Consent

Without the consent of any holder of first mortgage bonds, we and the trustee may enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of our covenants in the mortgage and in the first mortgage bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series of first mortgage bonds, or to surrender any right or power conferred upon us;
- to add additional defaults under the mortgage for all or any series of first mortgage bonds;
- to correct or amplify the description of the mortgaged property or to subject additional property to the lien of the mortgage;
- to change, eliminate or add any provision to the mortgage; provided that no such change, elimination or addition will adversely affect the interests of the holders of first mortgage bonds of any series in any material respect;
- to establish the form or terms of first mortgage bonds of any other series as permitted by the mortgage;
- to provide for the procedures required for use of a non-certificated system of registration for the first mortgage bonds of all or any series;
- to change any place where principal, premium, if any, and interest, if any, shall be payable, first mortgage bonds may be surrendered for registration of transfer or exchange, and notices and demands to us may be served; or
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the mortgage if such changes or additions will not adversely affect the interests of first mortgage bonds of any series in any material respect.

Modification Requiring Consent

Except as provided below, the consent of the holders of a majority in aggregate principal amount of then outstanding first mortgage bonds, considered as one class, is required for all other amendments or modifications to the mortgage. However, if less than all of the series of first mortgage bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding first mortgage bonds of all series that are directly affected, considered as one class, will be required. Notwithstanding the foregoing, no amendment or modification may be made without the consent of the holder of each directly affected first mortgage bond then outstanding to:

- impair or affect the right of such holder to receive payment of the principal of (and premium, if any) and interest on such first mortgage bond, on or after the respective due dates expressed in such first mortgage bond, or to institute suit for the enforcement of any such payment on or after such respective dates;
- permit the creation of any lien ranking prior to or on a parity with the lien of the mortgage with respect to the mortgaged property, or permit the deprivation of any non-assenting holder of a first mortgage bond of a lien on the mortgaged property for the security of such holder's first mortgage bonds (subject only to certain tax, assessment and governmental liens and certain prior liens); or
- permit the reduction of the percentage in principal amount of the outstanding first mortgage bonds of any series the consent of the holders of which is required for any amendment or modification.

The mortgage provides that first mortgage bonds owned by us, for our benefit or by any affiliate of ours shall not be deemed outstanding for the purpose of certain votes, consents or quorums; provided that first mortgage bonds that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the trustee its right to vote such first mortgage bonds and such pledgee is not our affiliate.

Any request, consent or vote of the owner of any first mortgage bond will bind every future holder and owner of that first mortgage bond and the holder and owner of every first mortgage bond issued upon the registration of transfer of or in exchange for that first mortgage bond.

Defaults and Notices Thereof

Defaults under the mortgage include:

1. failure to pay the principal of any first mortgage bond after it is due and payable;
2. failure to pay interest upon any first mortgage bond for a period of 30 days after it is due and payable;
3. certain events of bankruptcy, insolvency or reorganization;
4. defaults under a supplemental indenture; and
5. the expiration of a period of 90 days after the mailing by the trustee to us of a written demand, or by the holders of 15% in principal amount of the first mortgage bonds at the time outstanding to us and the trustee of a written demand, that we perform a specified

covenant or agreement in the mortgage or a first mortgage bond, which specified covenant or agreement we shall have failed to perform prior to such mailing, unless during such period we shall have performed such covenant or agreement or shall have in good faith commenced efforts to perform the same. The trustee may, and, if requested to do so in writing by the holders of a majority in principal amount of the first mortgage bonds outstanding, shall, make such demand.

The trustee may withhold notice of default, except in payment of principal, interest or funds for purchase or redemption of first mortgage bonds, if the trustee in good faith determines it is in the interests of the holders of first mortgage bonds.

Remedies

Acceleration of Maturity

If a default under the mortgage occurs and is continuing, then the trustee, by written notice to us, or the holders of at least 25% in aggregate principal amount of the outstanding first mortgage bonds, by written notice to us and the trustee, may declare the principal amount of all of the first mortgage bonds to be due and payable immediately, and upon the giving of such notice, such principal amount and accrued and unpaid interest will become immediately due and payable.

There is no automatic acceleration, even in the event of our bankruptcy, insolvency or reorganization.

Annulment of Acceleration

At any time after such a declaration of acceleration has been made but before any sale of the mortgaged property, the holders of a majority in principal amount of all outstanding first mortgage bonds may annul such declaration of acceleration, by written notice to us and the trustee, if the default under the mortgage giving rise to such declaration of acceleration has been cured, and we have paid or deposited with the trustee a sum sufficient to pay:

1. all overdue interest on all outstanding first mortgage bonds;
2. the principal of and premium, if any, on the outstanding first mortgage bonds that have become due otherwise than by such declaration of acceleration and overdue interest thereon;
3. interest on overdue interest, if any, to the extent lawful, at the rate borne by the first mortgage bonds for which interest is overdue plus 1% per year; and
4. all amounts due to the trustee under the mortgage.

Trustee Powers

Subject to the mortgage, under specified circumstances and to the extent permitted by law, if a default under the mortgage occurs, the trustee shall be entitled to the appointment of a receiver for the mortgaged property and is entitled to all other remedies available under applicable law.

Control by Holders

The holders of a majority in principal amount of the first mortgage bonds may direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee. The trustee is not obligated to comply with directions that conflict with law or other provisions of the mortgage or that the trustee determines in good faith would involve the trustee in personal liability, would be unjustifiably prejudicial to non-assenting holders or would be in circumstances where indemnity would not be sufficient. The trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that repayment is not reasonably assured.

Limitation on Holders' Right to Institute Proceedings

No holder of first mortgage bonds will have any right to institute any proceeding under the mortgage, or any remedy under the mortgage, unless:

- the holder has previously given to the trustee written notice of a default under the mortgage;
- the holders of 25% in aggregate principal amount of the outstanding first mortgage bonds of all series have made a written request to the trustee and have offered the trustee reasonable opportunity and indemnity satisfactory to the trustee to institute proceedings; and
- the trustee has failed to institute any proceeding for 60 days after notice;

provided that no holder or holders of first mortgage bonds shall have any right in any manner to affect or prejudice the lien of the mortgage or to obtain priority over other holders of outstanding first mortgage bonds. However, these limitations do not apply to the absolute and unconditional right of a holder of a first mortgage bond to institute suit for payment of the principal, premium, if any, or interest on the first mortgage bond on or after the applicable due date.

We have the right to amend the mortgage, without any consent or other action by the holders of any first mortgage bonds, including the Bonds, to revise the limitations described in the first sentence of the immediately preceding paragraph to apply to any proceeding or remedy under or with respect to the mortgage or the first mortgage bonds.

Evidence to be Furnished to the Trustee

Compliance with the mortgage provisions is evidenced by written statements of our officers or persons we select or pay. In certain cases, opinions of counsel and certifications of an engineer, accountant, appraiser or other expert (who in some cases must be independent) must be furnished. We must give the trustee an annual certificate as to whether or not we have fulfilled our obligations under the mortgage throughout the preceding year.

Satisfaction and Discharge of Mortgage

After we provide for the payment of all of the first mortgage bonds (including the Bonds) and after paying all other sums due under the mortgage, the mortgage may be satisfied and discharged. The first mortgage bonds will be deemed to have been paid when money or Eligible

Obligations (as defined below) sufficient to pay the first mortgage bonds (in the opinion of an independent accountant in the case of Eligible Obligations) at maturity or upon redemption have been irrevocably set apart or deposited with the trustee; provided that the trustee shall have received an opinion of counsel to the effect that the setting apart or deposit does not require registration under the Investment Company Act of 1940, as amended, does not violate any applicable laws and does not result in a taxable event with respect to the holders of the first mortgage bonds prior to the time of their right to receive payment. "Eligible Obligations" means obligations of the United States of America that do not permit the redemption thereof at the issuer's option.

Consolidation, Merger and Conveyance of Assets

The mortgage provides that we may consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the mortgaged property, if:

- (a) the surviving or successor entity to such merger or consolidation has authority to carry on the energy, fuel, water or steam business, or (b) the successor entity that acquires by conveyance or transfer or that leases our mortgaged property as, or substantially as, an entirety, is authorized to acquire, lease or operate the mortgaged property so conveyed or transferred;
- such merger, consolidation, conveyance, transfer or lease is upon such terms as to preserve, and in no respect impair, the lien and security of the mortgage and the rights and powers of the trustee and the holders of first mortgage bonds;
- the survivor or successor entity expressly assumes by supplemental indenture our obligations on all first mortgage bonds then outstanding and under the mortgage;
- immediately after giving effect to such transaction, no default under the mortgage shall have occurred and be continuing; and
- in the case of a lease, such lease is made expressly subject to termination by us or by the trustee and by the purchaser of the property so leased at any sale thereof at any time during the continuance of a default under the mortgage.

In the case of the conveyance or other transfer of the mortgaged property as, or substantially as, an entirety to another entity, upon the satisfaction of all the conditions described above, the successor entity would be substituted for us under the mortgage, but we would not be released and discharged from our obligations on the first mortgage bonds then outstanding.

If we transfer as an entirety all or substantially all of our mortgaged property to a successor, the successor will assume all of our obligations under the mortgage and the first mortgage bonds and we may be released from all such obligations.

The mortgage does not prevent or restrict any conveyance or other transfer, or lease, of any part of the mortgaged property that does not constitute the entirety, or substantially the entirety, of the mortgaged property.

Although the successor entity may, in its sole discretion, subject to the lien of the mortgage property then owned or thereafter acquired by the successor entity, the lien of the

mortgage generally will not cover the property of the successor entity other than the mortgaged property it acquires from us and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the mortgage.

The terms of the mortgage do not restrict mergers in which we are the surviving entity.

We have the right to amend the mortgage, without any consent or other action by the holders of any first mortgage bonds, including the Bonds, as follows:

1. to provide that a statutory merger pursuant to which our assets and liabilities are allocated to one or more entities shall not be considered to be a merger subject to the provisions of the mortgage relating to a merger, consolidation or conveyance of all or substantially all of the mortgaged property unless all of our assets and liabilities are allocated to an entity other than us and we do not survive such statutory merger; in all other cases of a statutory merger pursuant to which any mortgaged property is allocated to one or more entities other than us, each allocation of any mortgaged property to an entity other than us shall be deemed, for purposes of the mortgage, to be a transfer of such mortgaged property to such entity and not a merger;
2. to provide that any conveyance, transfer or lease of any of our properties where we retain mortgaged property with a fair value in excess of 143% of the aggregate principal amount of all outstanding first mortgage bonds, and any other outstanding debt secured by a purchase money lien that ranks equally with, or senior to, the first mortgage bonds with respect to the mortgaged property, shall not be deemed to be a conveyance, transfer or lease of all or substantially all of our mortgaged property. This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent expert selected by us; and
3. to provide that, in the case of a consolidation or merger after the consummation of which we would be the surviving or resulting entity, unless we otherwise provide in a supplemental indenture to the mortgage, the lien of the mortgage will generally not cover any of the properties acquired by us in or as a result of such transaction or any improvements, extensions or additions to those properties.

Information about the Trustee

The trustee is The Bank of New York Mellon. In addition to acting as trustee, The Bank of New York Mellon also acts, and may act, as trustee under various other of our and our affiliates' indentures, trusts and guarantees. We and our affiliates maintain deposit accounts and credit and liquidity facilities and conduct other banking transactions with the trustee and its affiliates in the ordinary course of our respective businesses.

We have the right to amend the mortgage, without any consent or other action by the holders of any first mortgage bonds, including the Bonds, to provide that, so long as no default or event that, after notice or lapse of time, or both, would become a default has occurred and is continuing and except with respect to a trustee appointed by act of the holders, if we have delivered to the trustee a board resolution appointing a successor trustee and the successor has accepted the appointment in accordance with the terms of the mortgage, the trustee will be

deemed to have resigned and the successor will be deemed to have been appointed as trustee in accordance with the mortgage.

Book-Entry Only Securities

The Bonds trade through DTC. Each series of Bonds is represented by a separate global certificate and registered in the name of Cede & Co., DTC's nominee. The global certificates were deposited with the trustee as custodian for DTC. Ownership of beneficial interests in the global certificates is limited to institutions that have accounts with DTC or its participants or persons that may hold interests through participants.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a participant. DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds within the DTC system must be made by or through participants, who will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") will be recorded on the appropriate participant's records. Beneficial Owners do not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the participants through whom they purchased Bonds. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of the participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates for their Bonds of a given series, except in the event that use of the book-entry system for the Bonds of that series is discontinued.

To facilitate subsequent transfers, all Bonds deposited by participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the participants to whose accounts such Bonds are credited, which may or may not

be the Beneficial Owners. Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to participants, and by participants to Beneficial Owners, are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the mortgage. Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds has agreed to obtain and transmit notices to the Beneficial Owners.

Redemption notices will be sent to Cede & Co., as registered holder of the Bonds. If less than all of the Bonds of a series are being redeemed, DTC's practice is to determine by lot the amount of Bonds of such series held by each participant to be redeemed.

Neither DTC nor Cede & Co. will itself consent or vote with respect to Bonds, unless authorized by a participant in accordance with DTC's procedures. Under its usual procedures, DTC would mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

Payments of redemption proceeds, principal of, and interest on the Bonds are and will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners are and will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and are the responsibility of participants and not of DTC, the trustee, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the trustee or us, disbursement of such payments to participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of participants.

Other than in the circumstances described herein, a Beneficial Owner will not be entitled to receive physical delivery of the Bonds. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Bonds.

DTC may discontinue providing its services as securities depositary with respect to the Bonds at any time by giving reasonable notice to us or the trustee. In the event no successor securities depositary is obtained, certificates for the Bonds will be printed and delivered. We may decide to replace DTC or any successor depositary. Additionally, subject to the procedures of DTC, we may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depositary) with respect to some or all of the Bonds. In that event or if an event of

default with respect to the Bonds has occurred and is continuing, certificates for the Bonds will be printed and delivered. If certificates for the Bonds are printed and delivered,

- the Bonds will be issued in fully registered form without coupons;
- a holder of certificated Bonds would be able to exchange those Bonds, without charge, for an equal aggregate principal amount of Bonds of the same series, having the same issue date and with identical terms and provisions; and
- a holder of certificated Bonds would be able to transfer those Bonds without cost to another holder, other than for applicable stamp taxes or other governmental charges.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we do not take any responsibility for the accuracy of this information.

Insider Trading

Entergy system policy

Rev. 6.2 | 12/5/2025

SME: Mia Jahncke
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Responsible Officer: Dan Falstad

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Entergy core values

Safety **Teamwork** **Always learning** **Integrity** **Respect**

Why do we need this policy?

1.1 What is the purpose of the Insider Trading policy?

This Policy prohibits Covered Persons from trading in Entergy Securities while in possession of Material Nonpublic Information or taking any action that takes advantage of or passes on to others, such information. This Policy also establishes additional trading restrictions applicable only to Directors, Executive Officers and Restricted Employees. This Policy applies not only to Covered Persons and certain other persons affiliated with the Company, but also to their spouses, minor children, adult family members sharing the same household and any other person over whom the Covered Person (or other affiliated person) exercises substantial control over his, her or its securities trading decisions. This Policy also applies to any trust or other estate in which a Covered Person (or other affiliated person) has a substantial beneficial interest or as to which he or she serves as trustee or in a similar fiduciary capacity.

1.2 What are our responsibilities?

- **1.2.1 The General Counsel and the Legal Department** are responsible for providing legal advice on securities law matters (including insider trading issues) and administering all insider trading procedures, including those focused on compliance with Section 16 of the Exchange Act and related matters.
- **1.2.2 Covered Persons** shall immediately report known, suspected, or potential violations of this Policy by following the procedures described in the Reporting Violations Policy.

What do we need to know?

2.1 Prohibited transactions

- **2.1.1 Purchases and sales of Entergy securities.** No Covered Person may buy, sell or transact in Entergy Securities in any manner when in possession of Material Nonpublic Information (other than those transactions permitted by Section 2.2 below or transactions effected pursuant to a trading plan that complies with SEC Rule 10b5-1 and established in accordance with the procedures set forth in Section 2.3.3 below).
- **2.1.2 “Tipping” information.** No Covered Person may communicate Material Nonpublic Information to someone else, including family members, if there is reason to believe that such other person may act on it by buying or selling Entergy stock or other Entergy Securities.
- **2.1.3 Trading in securities of other companies.** No Covered Person may buy, sell or transact in the securities of any company or entity while in possession of Material Nonpublic Information with respect to such company or entity obtained in the course of conducting business for an Entergy System Company or communicate such information

to another person if there is reason to believe that the other person may act on it by buying or selling such company's or entity's securities.

- **2.1.4 Short sales.** Covered Persons may not engage in a short sale of Entergy Securities. A short sale is a sale of securities not owned by the seller or, if owned, not delivered against such sale within twenty (20) days thereafter (a "short against the box"). Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and, therefore, signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance.
- **2.1.5 Investments in derivatives of the Company's securities.** No Director or Employee shall invest in Company-based derivative securities. "Derivative Securities" are options, warrants, stock appreciation rights or similar rights whose value is derived from the value of an equity security, such as the Company's common stock. This prohibition includes, but is not limited to, trading in Company-based put or call option contracts, trading in straddles and the like. However, holding and exercising stock options, restricted stock units or other derivative securities granted under the Company's equity compensation plans is not prohibited by this Policy. This Policy does not prohibit Covered Persons from purchasing market indexes, mutual funds, or broadly marketed investment vehicles that may include Entergy stock.
- **2.1.6 Hedging.** Covered Persons are prohibited from entering into hedging or monetization transactions or similar arrangements with respect to any Company securities that they hold directly or indirectly. This prohibition extends to the hedging of equity compensation.
- **2.1.7 Pledging or margin purchases.** Directors and Entergy System Officers are prohibited from pledging any Entergy Securities, including equity compensation, or entering into margin accounts involving the Company's securities. This means such persons are prohibited from borrowing from a brokerage firm, bank or other entity in order to purchase the Company's securities (other than in connection with "cashless" exercises of stock options under the Company's equity compensation plans).
- **2.1.8 Transactions in Entergy savings plans.** The prohibition against transacting in Entergy Securities at a time when in possession of Material Nonpublic Information also applies to the following transactions effected pursuant to the Entergy Savings Plans:
    - Initial elections under the Savings Plans involving the Entergy stock fund;
    - Changes in existing elections under Savings Plan Accounts involving the Entergy stock fund;
    - Reallocation of funds in Savings Plan accounts involving the Entergy stock fund; and
    - Borrowing money against a Savings Plan account if the loan will result in a liquidation of some or all of an Entergy stock fund balance, or pre-paying a plan

loan if the pre-payment will result in allocation of loan proceeds to the Entergy stock fund.

- **2.1.9 Dividend Reinvestment Plan and Direct Stock Purchase Plan.** The prohibition against transacting in Entergy Securities while in possession of Material Nonpublic Information also applies to elections to make new cash investments in the Entergy Corporation Dividend Reinvestment Plan and Direct Stock Purchase Plan or changes to any such election.

2.2 Permitted transactions

The transactions listed below are permitted while in possession of Material Nonpublic Information and, except as indicated below, are not subject to the Window Period or pre-clearance requirements of Section 2.3.1 or Section 2.3.2:

- **2.2.1 Stock option exercises.** Stock options may be exercised while in possession of Material Nonpublic Information; however, the sale or transfer of stock acquired as a result of such option exercise while still in possession of Material Nonpublic Information is prohibited. A “cash free” option exercise (i.e., where part of the shares subject to the option are sold to pay the exercise price and fees) is deemed a sale of Entergy Securities for purposes of this Policy, and therefore, may not be executed when in possession of Material Nonpublic Information.
- **2.2.2 Entergy savings plan transactions.** Purchases made in the Entergy Corporation stock fund in Entergy Corporation’s Savings Plans resulting from periodic contributions to the Savings Plans pursuant to payroll deductions.
- **2.2.3 Dividend reinvestment plan transactions.** Purchases of Entergy stock through the Entergy Corporation Dividend Reinvestment Plan resulting from the reinvestment of dividends paid on Entergy stock.
- **2.2.4 Trading plans transactions.** Transactions effected pursuant to a trading plan that complies with SEC Rule 10b5-1 and approved in accordance with Section 2.3.3 below, if applicable.
- **2.2.5 Gifts.** Gifts of Entergy securities unless the donor has reason to believe that the recipient intends to sell the securities at a time when the donor would not be permitted to sell such securities under this Policy. However, all gifts by Directors, Officers and Restricted Employees are subject to the pre-clearance requirement of Section 2.3.2.

2.3 Additional restrictions for Directors, Executive Officers, and Restricted Employees

- **2.3.1 Window Periods.** Directors, Executive Officers, and Restricted Employees are only permitted to trade in Entergy Securities during a Window Period.
    - A Window Period begins after one full trading day has elapsed following the issuance of Entergy Corporation’s quarterly earnings release and ends at the

close of trading on the 15th day of the third month of the Company's fiscal quarter or, if such day is not a trading day, on the last preceding trading day. Notwithstanding the above, the General Counsel may determine that the trading window will not be opened or may close the trading window and terminate the Window Period at any time and for any reason.

- The General Counsel may waive application of the Window Period to an individual in hardship circumstances if the General Counsel determines, based on the representation of the affected Director, Executive Officer or Restricted Employee, that the affected person does not possess Material Nonpublic Information.

- **2.3.2 Pre-clearance policy**
  - All transactions in Entergy Securities by Directors, Executive Officers and Restricted Employees, including transactions executed by their immediate family members, by entities controlled by any of the foregoing persons or by family trusts, must be pre-cleared by a Compliance Officer. Transactions that require pre-clearance include, without limitation:

    Open-market purchases and sales of Entergy Securities;

    Cashless exercise of stock options;

    Transfers into or out of the Entergy stock fund of an Entergy Savings Plan, or changes in elections which impact any investment in the Entergy stock fund;

    Gifts or any other transfer of Entergy Securities; and

    New elections to participate in the Dividend Reinvestment Plan or Direct Stock Purchase Plan, or changes to any such election.
  - A request for pre-clearance should be submitted by e-mail to either of the Compliance Officers at least two business days in advance of the proposed transaction. If pre-clearance is granted, the transaction must be completed within two business days after the date of such pre-clearance (or before the end of the Window Period, if sooner).
  - If pre-clearance is denied, the person making the request must treat the request and the denial of pre-clearance as if it is Material Nonpublic Information until otherwise instructed by the Compliance Officer.

- **2.3.3 Rule 10b5-1 trading plans**
  - Directors, Executive Officers and Restricted Employees who are subject to the Window Period and other employees may establish a trading plan under SEC Rule 10b5-1 subject to the prior written approval of a Compliance Officer. Written approval is also required in order to amend or terminate any existing Rule 10b5-1 Trading Plan.

- 10b5-1 trading plans may be established, amended or terminated only during a Window Period and at a time when the person establishing, amending or terminating the plan is not in possession of Material Nonpublic Information.
- All 10b5-1 trading plans must be approved by a Compliance Officer and must meet the requirements of SEC Rule 10b5-1 and the Company's guidelines for Rule 10b5-1 Plans, which may be obtained from a Compliance Officer.
- Transactions effected pursuant to a trading plan established pursuant to this Section 2.3.3 will not require further pre-clearance at the time of the transaction.

2.4 Additional restrictions applicable only to Directors and Executive Officers

- **2.4.1 Section 16 compliance manual.** Directors and Executive Officers must comply with the reporting and other obligations of Section 16 set forth in the Compliance Manual for Directors and Section 16 Reporting Officers referenced below.
- **2.4.2 Pension fund blackout periods**. Directors and Executive Officers may not, directly or indirectly, purchase, sell or otherwise acquire or transfer Entergy Securities during any pension fund "blackout period." Directors and Executive Officers will receive notice of any pension fund blackout period as provided in applicable law.

2.5 Policies regarding disclosure and protection of Material Nonpublic Information

- **2.5.1 Communication of Material Nonpublic Information.** Material Nonpublic Information may not be disclosed to anyone, except the persons within an Entergy System Company or third party agents of an Entergy System Company whose positions require them to know such information, until such information has been Publicly Disclosed. The prohibition against disclosure of Material Nonpublic Information extends to anonymous posting of information on the Internet or social media.
- **2.5.2 Confidentiality of Nonpublic Information.** Nonpublic information relating to Entergy is the property of Entergy, and the unauthorized disclosure of such information is forbidden. In the event any Covered Person receives any inquiry from outside Entergy, such as a stock analyst, for information (such as financial results and/or projections), the inquiry should be referred to the appropriate individual or department as provided in the Disclosure and Public Communication Policy.
- **2.5.3 Material Nonpublic Information regarding other companies.** In the ordinary course of doing business, employees may come into possession of Material Nonpublic Information with respect to other companies. An individual receiving Material Nonpublic Information in such a manner has the same duty not to disclose the information to others or to use that information in connection with securities transactions of such other

company as such individual has with respect to Material Nonpublic Information about the Company.

If the Company is in the process of negotiating a significant transaction with another company, employees are cautioned not to trade in the stock of that company if they are in possession of Material Nonpublic Information concerning such company. If an employee is not certain whether it is permissible to trade in the stock of such company, the employee should contact a Compliance Officer before making any trades.

- **2.5.4 Internet.** Any written or verbal statement that would be prohibited under the law or under this Policy is equally prohibited if made on the Internet or by social media.
- **2.5.5 Inadvertent disclosure of Material Nonpublic Information.** If Material Nonpublic Information regarding the Company is inadvertently disclosed, no matter what the circumstances, by any employee, the person making or discovering that disclosure should immediately report the facts to Entergy's General Counsel.

2.6 Potential criminal and civil liability and/or disciplinary action

- **2.6.1 Liability for insider trading.** Pursuant to federal and state securities laws, Covered Persons may be subject to criminal and civil fines and penalties as well as imprisonment for engaging in transactions in Entergy's securities at a time when they have knowledge of Material Nonpublic Information regarding Entergy.
- **2.6.2 Liability for tipping**. Covered Persons may also be liable for improper transactions by any person to whom they have disclosed Material Nonpublic Information regarding Entergy or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in Entergy's securities (commonly referred to as a "tippee"). The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the Financial Industry Regulatory Authority use sophisticated electronic surveillance techniques to uncover insider trading.
- **2.6.3 Individual responsibility.** Individuals subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not trade in Entergy Securities (or the securities of another firm) while in possession of Material Nonpublic Information. In all cases, the ultimate responsibility for adhering to this Policy and avoiding improper trading rests with you, and any action on the part of the Company, the Compliance Officers or any other employee or director pursuant to this Policy does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. Employees of Entergy who violate this Policy shall also be subject to disciplinary action by Entergy which may include termination of employment.

2.7 Questions and interpretation requests

Consult the Compliance Officers with any questions concerning the interpretation of the foregoing requirements, including whether particular information is Material Nonpublic Information or whether such information has been Publicly Disclosed, prior to engaging in a transaction in Entergy Securities.

2.8 Contact the Entergy Ethics Line

All Employees, agents and contractors of Entergy shall immediately report known, suspected, or potential violations of this policy by following the procedures described in the Reporting Violations Policy. That includes reporting the matter to the online Entergy Ethics Line or by calling **1-888-257-ETHIC (3844**).

If you are unsure of whether to contact the Ethics Line, use the **Should I call the Ethics Line decision tool** to guide you in finding the best company resources to discuss and report issues.

Helpful information

Terms to know

- **Compliance Officer** – The General Counsel or the senior-most attorney responsible for securities law matters within the Legal Department.
- **Covered Persons** – Directors, Employees, contractors or any agent of the Company.
- **Director** – Any member of the Board of Directors of Entergy Corporation.
- **Employee** – Any full-time or part-time payroll employee of an Entergy System Company.
- **Entergy Securities** – All securities issued by an Entergy System Company including common and preferred stock, bonds, debentures, notes, options, stock units in benefit plans and other equity or debt securities including derivatives.
- **Entergy, Entergy System Company or Company** – Entergy Corporation and all of its subsidiaries and any affiliates in which Entergy Corporation has a direct or indirect majority ownership interest.
- **Entergy System Officer** – Any officer of an Entergy System Company at System Management Level 1 through 4.
- **Executive Officers** – Entergy System Officers subject to the reporting requirements of Section 16 of the Exchange Act, as designated by the Board of Directors or otherwise identified by the Compliance Officers.
- **Material Information** – Information is considered to be Material Information if there is a substantial likelihood a reasonable investor would consider the information important in making a decision to buy, hold or sell Entergy Securities. Examples of information that may be deemed to be Material Information include, but are not limited to, the following:

- earnings information, including earnings guidance;
- mergers, acquisitions, tender offers, joint ventures or changes in assets;
- new products or discoveries or developments regarding customers or suppliers (e.g., the acquisition or loss of a contract);
- changes in control of the Company or in management;
- changes in auditors or auditor notification that the issuer may no longer rely on an audit report;
- events regarding the Company's securities (e.g., defaults on senior securities, calls of securities for redemption, repurchase plans, stock splits, changes in dividends, changes to the rights of security holders or public or private sales of additional securities);
- a major cybersecurity incident;
- bankruptcies or receivership; and
- actual or threatened major litigation or the resolution of such litigation.

Both positive and negative information may be Material Information. Guidance about earnings estimates, including whether anticipated earnings will be higher than, lower than, or even the same as what the Company has previously estimated or what analysts have been forecasting likely will be considered Material Information.

Because materiality is an area that sometimes requires specialized judgment, if there is a question about materiality, persons subject to this policy should contact a Compliance Officer.

- **Material Nonpublic Information** – Material Information that has not been Publicly Disclosed.
- **Policy** – This Insider Trading Policy.
- **Publicly Disclosed** – Information that has been disclosed in a manner reasonably designed to provide broad, non-exclusionary distribution of the information to investors generally, such as by means of a press release, a public filing with the SEC, a pre-announced public webcast or another broad, non-exclusionary form of public communication. Once information has been widely disseminated, it may still be necessary to afford the investing public with sufficient time to absorb the information. As a rule of thumb, information should be considered nonpublic until at least one full trading day has elapsed since the information has been Publicly Disclosed. Any question about whether information has been Publicly Disclosed within the meaning of this Policy should be directed to a Compliance Officer.
- **Restricted Employee** – Any Entergy System Officer who is not a Director or Executive Officer and any employee who, by virtue of his or her relationship with the Company, is identified by a Compliance Officer as a Restricted Employee under this Policy.

- **SEC** – The U.S. Securities and Exchange Commission.
- **Window Period** – The Window Period as defined in Section 2.3.1 of this Policy.

Other useful documents

- **Insider Trading and Securities Fraud Enforcement Act of 1988,** Pub. L. No. 100-704, 102 Stat. 4677
- **Regulation FD,** 17 CFR, Part 243, SEC Release Nos. 33-7881, 34-43154, IC- 24599
- **Securities Act of 1933**, 15 U.S.C.A. Sections 77a-77zzz
- **Securities Exchange Act of 1934,** 15 U.S.C.A. Sections 78a-78i (the “Exchange Act”
- **Sarbanes Oxley Act of 2002**, Pub. L. No.107-204, 116 Stat 745 (codified in scattered sections of 12 &15 U.S.C.)
- **Compliance Manual for Directors and Section 16 Reporting Officers**
- **Entergy System Policies and Procedures**
  - Code of Business Conduct and Ethics for Members of the Board of Directors
  - Code of Entegrity – refer to section titled Insider Trading
  - Disclosure and Public Communication
  - Disclosure for Compliance with Regulation FD
  - Protection of Information
  - Reporting Violations

Need more information?

If you have questions related to this Policy, please contact your manager, the Ethics and Compliance department **(ethics@entergy.com)** or a representative from the legal department.

Approvals

Title: Insider Trading	**Last revision:** 12/5/2025	**Rev. 6.2**
Subject matter expert: Mia Jahncke mjahnc1@entergy.com	**Responsible officer:** Dan Falstad, General Counsel	**Approved by:** Board of Directors

This Policy applies to any and all Directors and Employees of any Entergy System company, unless otherwise expressly excluded, as well as any agents and contractors of any Entergy System Company.

Nothing contained in this Policy should be construed to suggest that employees of a particular subsidiary or affiliate of Entergy Corporation are also Employees of Entergy Corporation or any other affiliate or subsidiary of Entergy Corporation. Moreover, this Policy does not create any employment relationship between any person and any Entergy System Company, nor does this Policy confer any contractual right to any person to become or remain an Employee of any Entergy System Company.

Exhibit 21

Subsidiaries of Entergy Corporation as of December 31, 2025

Certain subsidiaries, which if considered in the aggregate as a single subsidiary would not constitute a significant subsidiary as of December 31, 2025, have been omitted.

Name of Company		State of Incorporation
Entergy Utility Affiliates Holdings, Inc.		Texas
Entergy Utility Affiliates, LLC		Texas
Entergy Utility Assets Holdings, Inc.		Texas
Entergy Utility Group, Inc.		Texas
Entergy Utility Enterprises, Inc.		Texas
Entergy Utility Property, Inc.		Texas
EUHC Holdings, LLC		Texas
Entergy Utility Holding Company, LLC		Texas
Entergy Finance Company LLC		Delaware
Entergy Arkansas, LLC		Texas
Arkansas Power & Light Company, LLC		Arkansas
AR Searcy Partnership, LLC		Delaware
AR Searcy Project Company, LLC		Delaware
Entergy Louisiana, LLC		Texas
Prudential Oil & Gas L.L.C. (57.5%)		Texas
Gulf States Utilities Company		Texas
Varibus L.L.C.		Texas
Southern Gulf Railway LLC (57.5%)		Texas
Restoration Law Trust I		Louisiana
Restoration Law Trust II		Louisiana
Louisiana Power & Light Company, LLC		Delaware
Entergy New Orleans, LLC		Texas
New Orleans Public Service Inc.		Louisiana
Entergy Mississippi, LLC		Texas
Entergy Power & Light Company		Mississippi
The Light, Heat and Water Company of Jackson, Mississippi		Mississippi
Mississippi Power & Light Company		Mississippi
MS Sunflower Partnership, LLC		Delaware
MS Sunflower Project Company, LLC		Delaware
Entergy Texas, Inc.		Texas
Entergy Texas Restoration Funding, LLC		Delaware
Entergy Texas Restoration Funding II, LLC		Delaware
Prudential Oil & Gas L.L.C. (42.5%)		Texas
Southern Gulf Railway LLC (42.5%)		Texas
System Energy Resources, Inc.		Arkansas
Entergy Services Holding, Inc.		Delaware
Entergy Services, LLC		Louisiana
Entergy Account Services, LLC		Delaware
Entergy Operations, Inc.		Delaware
Entergy Enterprises, Inc.		Louisiana
Entergy Nuclear, Inc.		Delaware
Entergy Finance Holding, Inc.		Arkansas
Entergy Nuclear Holding Company # 1		Delaware

Entergy Nuclear New York Investment Company, LLC		Delaware
Entergy Nuclear Indian Point 3, LLC		Delaware
Entergy Northeast Holdings, LLC		Delaware
Merchant Holdings Properties, LLC		Delaware
Entergy Nuclear Power Marketing, LLC		Delaware
Entergy Nuclear Operations, Inc.		Delaware
Entergy Nuclear Holding Company, LLC		Delaware
Entergy Nuclear Palisades, LLC		Delaware
Entergy Nuclear Holding Company #3, LLC		Delaware
Entergy Nuclear Indian Point 2, LLC		Delaware
Entergy Nuclear Nebraska, LLC		Delaware
Entergy Assets Management Company, LLC		Delaware
Entergy Assets Management Operations, LLC		Delaware
TLG Services, LLC		Delaware
Entergy Power Marketing Holding I, Inc.		Delaware
Entergy Power Marketing Properties, LLC		Delaware
Entergy Power Marketing Holding II, Inc.		Delaware
Entergy Amalgamated Competitive Holdings, LLC		Delaware
Entergy Power Operations U.S. Inc.		Delaware
Entergy Power Gas Operations, LLC		Delaware
EWO Marketing, LLC		Delaware
EAM Nelson Holding, LLC		Delaware
Entergy Power Investment Holding, Inc.		Delaware
Entergy Asset Management, Inc.		Delaware
Entergy Power, LLC		Delaware

Exhibit 24

February 19, 2026

TO: Reginald T. Jackson
Daniel T. Falstad

Re: Power of Attorney - Form 10-K

Entergy Corporation, referred to herein as the Company, will file with the Securities and Exchange Commission its Annual Report on Form 10-K for the year ended December 31, 2025, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

The Company and the undersigned persons, in their respective capacities as directors and/or officers of the Company, as specified in Attachment I, do each hereby make, constitute and appoint Reginald T. Jackson and Daniel T. Falstad and each of them, their true and lawful Attorneys (with full power of substitution) for each of the undersigned and in his or her name, place and stead to sign and cause to be filed with the Securities and Exchange Commission the aforementioned Annual Report on Form 10-K and any amendments thereto.

Yours very truly,

ENTERGY CORPORATION

By: /s/ Andrew S. Marsh
Andrew S. Marsh
Director, Chair of the Board
and Chief Executive Officer

/s/ Gina F. Adams

Gina F. Adams
Director

/s/ John H. Black

John H. Black
Director

/s/ John R. Burbank

John R. Burbank
Director

/s/ J. Frank Caldwell, Jr.

J. Frank Caldwell, Jr.
Director

/s/ Kirkland H. Donald

Kirkland H. Donald
Director

/s/ Brian W. Ellis

Brian W. Ellis
Director

/s/ Philip L. Frederickson

Philip L. Frederickson
Director

/s/ M. Elise Hyland

M. Elise Hyland
Director

/s/ Stuart L. Levenick

Stuart L. Levenick
Director

/s/ Andrew S. Marsh

Andrew S. Marsh
Director, Chair of the Board and
Chief Executive Officer

/s/ Karen A. Puckett

Karen A. Puckett
Director

/s/ R. Lewis Ropp

R. Lewis Ropp
Director

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and
Chief Financial Officer

ATTACHMENT I

Entergy Corporation

Chair of the Board and Chief Executive Officer - Andrew S. Marsh (principal executive officer)
Executive Vice President and Chief Financial Officer - Kimberly A. Fontan (principal financial officer)

Directors - Gina F. Adams, John H. Black, John R. Burbank, J. Frank Caldwell, Jr., Kirkland H. Donald, Brian W. Ellis, Philip L. Frederickson, M. Elise Hyland, Stuart L. Levenick, Andrew S. Marsh, Karen A. Puckett and R. Lewis Ropp

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February 19, 2026

TO: Reginald T. Jackson
Daniel T. Falstad

Re: Power of Attorney - Form 10-K

Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc. and System Energy Resources, Inc. (collectively referred to herein as the Companies) will each file with the Securities and Exchange Commission its Annual Report on Form 10-K for the year ended December 31, 2025, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

The Companies and the undersigned persons, in their respective capacities as directors and/or officers of the Companies, as specified in Attachment I, do each hereby make, constitute and appoint Reginald T. Jackson and Daniel T. Falstad and each of them, their true and lawful Attorneys (with full power of substitution) for each of the undersigned and in his or her name, place and stead to sign and cause to be filed with the Securities and Exchange Commission the aforementioned Annual Report on Form 10-K and any amendments thereto.

Yours very truly,

ENTERGY ARKANSAS, LLC
ENTERGY LOUISIANA, LLC
ENTERGY MISSISSIPPI, LLC
ENTERGY NEW ORLEANS, LLC
ENTERGY TEXAS, INC.
SYSTEM ENERGY RESOURCES, INC.

/s/ John C. Dinelli

John C. Dinelli
Director of System Energy Resources, Inc.

/s/ Phillip R. May, Jr.

Phillip R. May, Jr.
Director, Chairman of the Board, President and Chief Executive Officer of Entergy Louisiana, LLC

/s/ Haley R. Fisackerly

Haley R. Fisackerly
Director, Chairman of the Board, President and Chief Executive Officer of Entergy Mississippi, LLC

/s/ Kimberly S. Cook-Nelson

Kimberly S. Cook-Nelson
Director of Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC and Entergy Texas, Inc.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Director, Executive Vice President and Chief Financial Officer of Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc.
Director, Chair of the Board, President and Chief Financial Officer of System Energy Resources, Inc.

/s/ Deanna D. Rodriguez

Deanna D. Rodriguez
Director, Chair of the Board, President and Chief Executive Officer of Entergy New Orleans, LLC

/s/ Barrett E. Green

Barrett E. Green
Director of System Energy Resources, Inc.

/s/ Eliecer Viamontes

Eliecer Viamontes
Director, Chairman of the Board, President and Chief Executive Officer of Entergy Texas, Inc.

/s/ Laura R. Landreaux

Laura R. Landreaux
Director, Chair of the Board of Directors, President and Chief Executive Officer of Entergy Arkansas, LLC

ATTACHMENT I

Entergy Arkansas, LLC

Chair of the Board of Directors, President and Chief Executive Officer - Laura R. Landreaux (principal executive officer)
Executive Vice President and Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors – Kimberly S. Cook-Nelson,. Kimberly A. Fontan, and Laura R. Landreaux

Entergy Louisiana, LLC

Chairman of the Board, President and Chief Executive Officer - Phillip R. May, Jr. (principal executive officer)
Executive Vice President and Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors – Kimberly S. Cook-Nelson, Kimberly A. Fontan and Phillip R. May, Jr.

Entergy Mississippi, LLC

Chairman of the Board, President and Chief Executive Officer - Haley R. Fisackerly (principal executive officer)
Executive Vice President and Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors - Kimberly S. Cook-Nelson , Haley R. Fisackerly and Kimberly A. Fontan

Entergy New Orleans, LLC

Chair of the Board, President and Chief Executive Officer - Deanna D. Rodriguez (principal executive officer)
Executive Vice President and Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors – Kimberly S. Cook-Nelson, Kimberly A. Fontan and Deanna D. Rodriguez

Entergy Texas, Inc.

Chairman of the Board, President and Chief Executive Officer - Eliecer Viamontes (principal executive officer)
Executive Vice President and Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors – Kimberly S. Cook-Nelson, Kimberly A. Fontan and Eliecer Viamontes

System Energy Resources, Inc.

Chair of the Board and President - Kimberly A. Fontan (principal executive officer)
Chief Financial Officer – Kimberly A. Fontan (principal financial officer)

Directors – John C. Dinelli, Kimberly A. Fontan and Barrett E. Green

Exhibit 31(a)

CERTIFICATIONS

I, Andrew S. Marsh, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Andrew S. Marsh

Andrew S. Marsh
Chair of the Board and Chief Executive Officer
of Entergy Corporation

Date: February 19, 2026

Exhibit 31(b)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and
Chief Financial Officer of Entergy Corporation

Date: February 19, 2026

Exhibit 31(c)

CERTIFICATIONS

I, Laura R. Landreaux, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Arkansas, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Laura R. Landreaux

Laura R. Landreaux
Chair of the Board, President, and
Chief Executive Officer of Entergy Arkansas, LLC

Date: February 19, 2026

Exhibit 31(d)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Arkansas, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Arkansas, LLC

Date: February 19, 2026

Exhibit 31(e)

CERTIFICATIONS

I, Phillip R. May, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Louisiana, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Phillip R. May, Jr.

Phillip R. May, Jr.
Chairman of the Board, President, and Chief Executive
Officer of Entergy Louisiana, LLC

Date: February 19, 2026

Exhibit 31(f)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Louisiana, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Louisiana, LLC

Date: February 19, 2026

Exhibit 31(g)

CERTIFICATIONS

I, Haley R. Fisackerly, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Mississippi, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Haley R. Fisackerly

Haley R. Fisackerly
Chairman of the Board, President, and
Chief Executive Officer
of Entergy Mississippi, LLC

Date:February 19, 2026

Exhibit 31(h)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Mississippi, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Mississippi, LLC

Date: February 19, 2026

Exhibit 31(i)

CERTIFICATIONS

I, Deanna D. Rodriguez, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy New Orleans, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Deanna D. Rodriguez

Deanna D. Rodriguez
Chair of the Board, President, and
Chief Executive Officer of Entergy New Orleans, LLC

Date: February 19, 2026

Exhibit 31(j)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy New Orleans, LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer of
Entergy New Orleans, LLC

Date: February 19, 2026

Exhibit 31(k)

CERTIFICATIONS

I, Eliecer Viamontes, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Texas, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Eliecer Viamontes

Eliecer Viamontes
Chairman of the Board, President, and
Chief Executive Officer of Entergy Texas, Inc.

Date: February 19, 2026

Exhibit 31(l)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of Entergy Texas, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Texas, Inc.

Date: February 19, 2026

Exhibit 31(m)

CERTIFICATIONS

I, Kimberly A. Fontan, certify that:

1. I have reviewed this annual report on Form 10-K of System Energy Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Chair of the Board, President, and Chief Financial
Officer of System Energy Resources, Inc.

Date: February 19, 2026

Exhibit 32(a)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew S. Marsh, Chairman of the Board and Chief Executive Officer of Entergy Corporation (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Andrew S. Marsh

Andrew S. Marsh
Chair of the Board and
Chief Executive Officer
of Entergy Corporation

Date: February 19, 2026

Exhibit 32(b)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy Corporation (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and
Chief Financial Officer of Entergy Corporation

Date: February 19, 2026

Exhibit 32(c)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Laura R. Landreaux, Chair of the Board, President, and Chief Executive Officer of Entergy Arkansas, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Laura R. Landreaux

Laura R. Landreaux
Chair of the Board, President, and
Chief Executive Officer of Entergy Arkansas, LLC

Date: February 19, 2026

Exhibit 32(d)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy Arkansas, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Arkansas, LLC

Date: February 19, 2026

Exhibit 32(e)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Phillip R. May, Jr., Chairman of the Board, President, and Chief Executive Officer of Entergy Louisiana, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Phillip R. May, Jr.

Phillip R. May, Jr.
Chairman of the Board, President,
and Chief Executive Officer of Entergy Louisiana, LLC

Date: February 19, 2026

Exhibit 32(f)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy Louisiana, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Louisiana, LLC

Date: February 19, 2026

Exhibit 32(g)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Haley R. Fisackerly, Chairman of the Board, President, and Chief Executive Officer of Entergy Mississippi, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Haley R. Fisackerly

Haley R. Fisackerly
Chairman of the Board, President, and Chief Executive
Officer of Entergy Mississippi, LLC

Date: February 19, 2026

Exhibit 32(h)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy Mississippi, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Mississippi, LLC

Date: February 19, 2026

Exhibit 32(i)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Deanna D. Rodriguez, Chair of the Board, President, and Chief Executive Officer of Entergy New Orleans, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Deanna D. Rodriguez

Deanna D. Rodriguez
Chair of the Board, President, and
Chief Executive Officer of
Entergy New Orleans, LLC

Date: February 19, 2026

Exhibit 32(j)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy New Orleans, LLC (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy New Orleans, LLC

Date: February 19, 2026

Exhibit 32(k)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Eliecer Viamontes, Chairman of the Board, President, and Chief Executive Officer of Entergy Texas, Inc. (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Eliecer Viamontes

Eliecer Viamontes
Chairman of the Board, President, and
Chief Executive Officer
of Entergy Texas, Inc.

Date: February 19, 2026

Exhibit 32(l)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Executive Vice President and Chief Financial Officer of Entergy Texas, Inc. (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Executive Vice President and Chief Financial Officer
of Entergy Texas, Inc.

Date: February 19, 2026

Exhibit 32(m)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kimberly A. Fontan, Chair of the Board, President, and Chief Executive Officer of System Energy Resources, Inc. (the "Company"), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the Report.

/s/ Kimberly A. Fontan

Kimberly A. Fontan
Chair of the Board, President, and Chief Financial
Officer of System Energy Resources, Inc.

Date: February 19, 2026