



John P. Bethel
Director, Public Affairs
Entergy Arkansas, LLC

October 15, 2026

Hon. Matthew Shepherd
Arkansas Representative, District 97
Arkansas State Capitol
500 Woodlane Street, Suite 350
Little Rock, AR 72201-1089

Hon. Mark Johnson
Arkansas Senator, District 17
Arkansas State Capitol
500 Woodlane Street, Suite 320
Little Rock, AR 72201-1089

Dear Rep. Shepherd and Sen. Johnson:

In preparation for the Joint Energy Committee meeting on Monday, October 19, we have prepared the attached presentation. This presentation provides information about the Generating Arkansas Jobs Act rider and the treatment of the prepayment under the contract with Google that the Arkansas Public Service Commission approved. Further the presentation addresses questions that were raised during the Committee meeting on September 15.

Slide one of the presentation provides information about the three generating units that are currently included in the rider. Slides two through four of the presentation compare the treatment of strategic investments in generating resources under the Generating Arkansas Jobs Act rider approach with the traditional ratemaking treatment for those investments. The Act does not allow the recovery of any costs through the rider that are not allowed under the traditional ratemaking methods. It simply allows for the recovery of financing costs during construction rather than accumulating those costs and recovering them over the life of the resources after the resource is complete and operating. Slide three of the presentation demonstrates that the rider approach enabled by the Act provides substantial savings to customers over the traditional approach. Over the life of the assets, customers see savings of approximately \$2.25 billion. Additionally, slide four shows that customers see a gradual change in rates during construction rather than a single large increase under the traditional regulatory treatment.

Slide five of the presentation also compares the treatment of the prepayment Google made under the contract approved by the Commission with treating that payment as a contribution in aid of construction. As shown in the presentation, Google's rate is designed to cover the entire cost of the Cypress Solar facility. Treating the prepayment as a contribution, as depicted on the right side of the slide, only lowers the rate Google pays and does not provide benefits to other customers. Conversely, as depicted on the left side of the slide, the treatment of the prepayment under the approved contract which applies the prepayment to customer bills over the life of the contract and reduces rates by \$27.5 million annually. This demonstrates that the treatment of the prepayment under the contract is more beneficial to customers than treating that payment as a contribution.

Hon. Matthew Shepherd

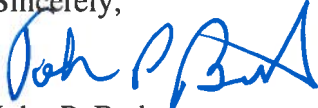
Hon. Mark Johnson

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David Palmer and I will be present at the Committee meeting on Monday to discuss this information and address any questions the Committee members have. Please contact me if you need any additional information.

Sincerely,



John P. Bethel

Cc: All members of the Arkansas General Assembly

Ms. Michelle Nelson



Joint Energy Committee

October 19, 2026

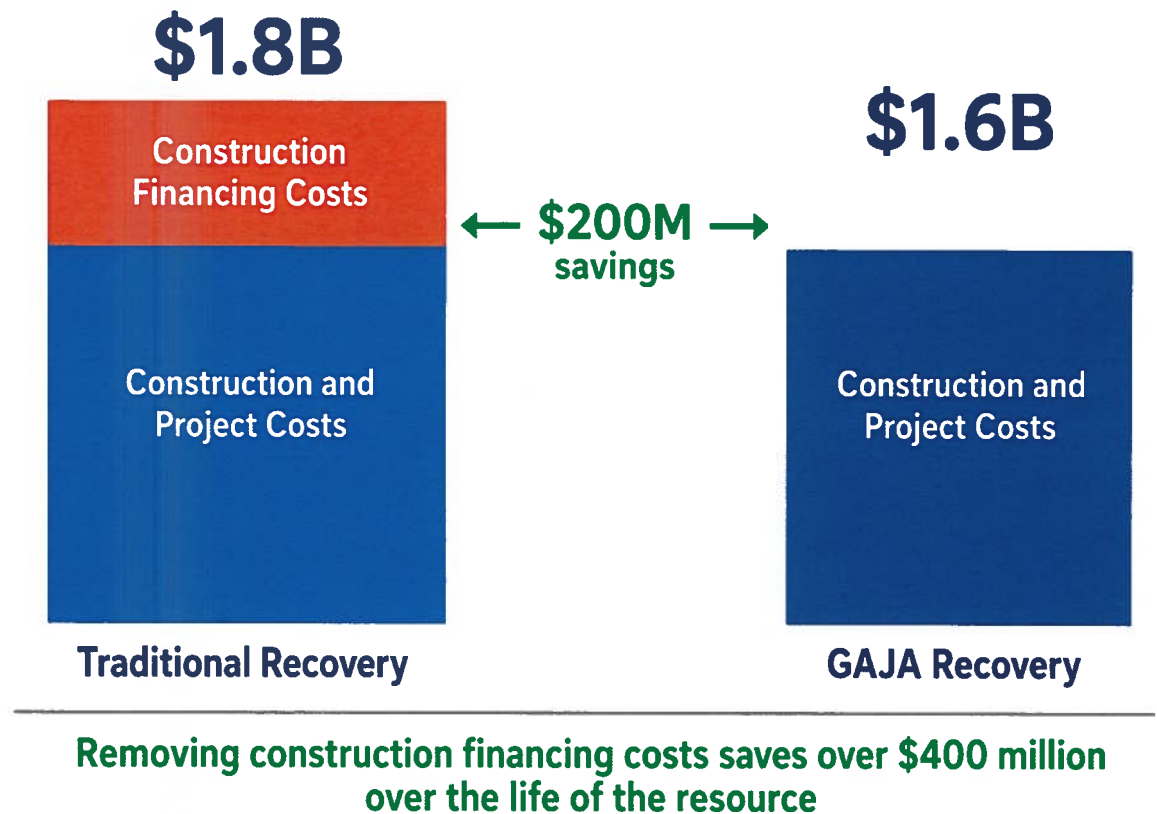
GAJA RESOURCES

Docket 26-008-TF EAL Response To Order No. 6

	JPS	Ironwood	Arkansas Cypress and BES
Estimated Total Cost	\$1,602,682,621	\$700,167,388	\$1,605,323,733
Annual Estimated Revenue Requirement for the GAJA Rider			
2026	\$42,418,225	\$33,891,840	\$33,667,626
2027	\$96,454,385	\$47,686,462	\$98,693,017
2028	\$126,317,632	\$61,584,605	\$124,649,702
2029	\$137,903,081	\$72,084,612	\$145,955,558
2030	\$169,502,084	\$70,850,062	\$144,581,814
Estimated In-Service Date	Dec-29	Dec-28	Dec-28
Commission Approved Cost¹	\$1,512,000,000	\$542,336,000	\$1,601,500,000
Installed capacity in megawatts	754 (nominal)	446	Solar – 600 Battery - 350
Fuel and technology type	Natural Gas, 1x1 combined-cycle combustion turbine	Natural Gas, Simple Cycle, Mitsubishi M501JAC Combustion Turbine	Single-Axis Tracking Bifacial Solar Photovoltaic Modules from Canadian Solar and Lithium 4-hour battery energy storage from Hithium
Location	1121 White Bluff Road, Redfield, AR 72132	141 W. County Line Road, Malvern, AR 72104	N. Collector - 10365 Hwy 256, Tucker, AR 72168

¹ EAL is providing the benchmark costs included in the Commission's orders in Docket Nos. 24-072-U, 25-047-U, and 25-054-U. Consistent with the Commission's orders in those dockets, final project costs will be subject to a final prudence review, including with respect to any costs incurred over the respective benchmark.

For Jefferson Power Station, the GAJA Rider will save customers 25% over the life of the resource

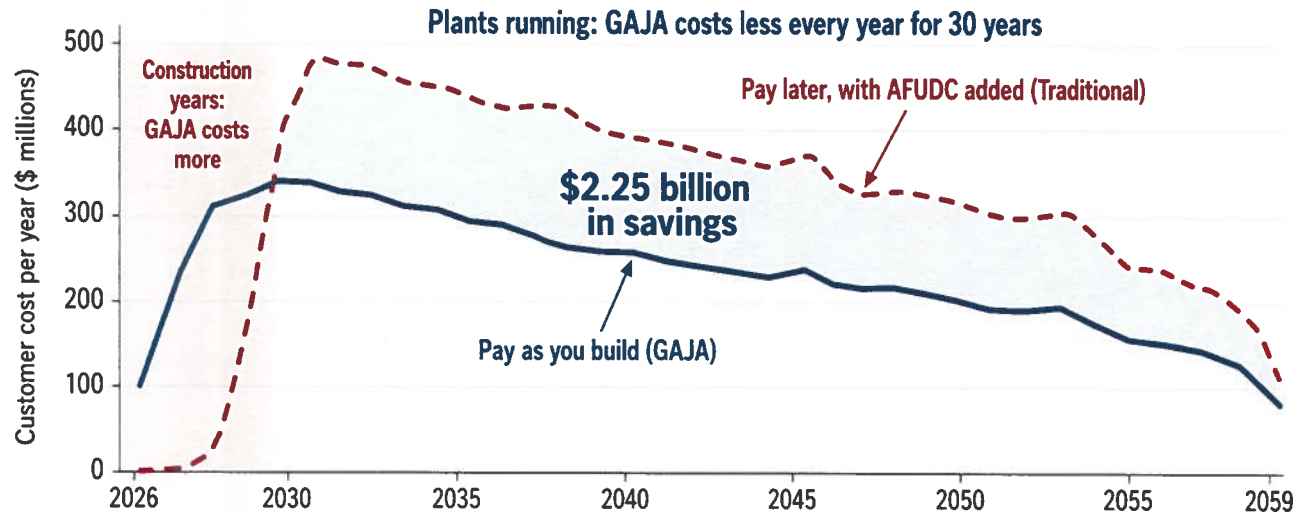


GAJA Rider provides significant long-term savings compared to traditional approach

20.5% cost savings for JPS, Ironwood, and Cypress Solar

Paying for New Power Plants: Now or Later?

The GAJA rider changes when customers pay the financing cost of Ironwood, Jefferson and Cypress. It does not add a new cost, and over the life of the plants customers pay less.

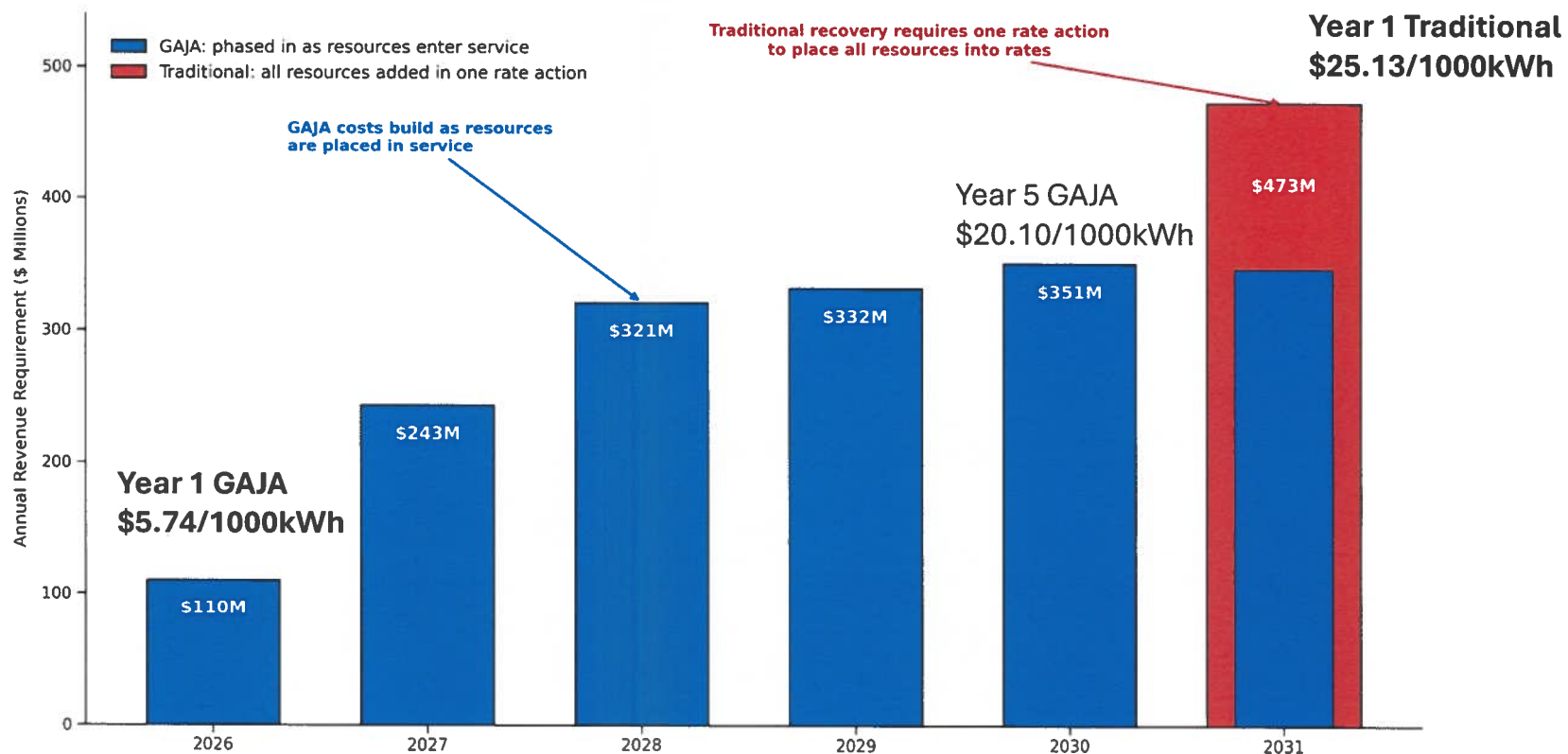


Annual retail cost of the three plants under each method, 2026–2059.¹

	GAJA rider	Traditional (AFUDC)	Difference
Construction years, 2026–2029	\$1,006 million	\$234 million	GAJA \$772 million more
Plants running, 2030–2059	\$7.78 billion	\$10.80 billion	GAJA \$3.03 billion less
Total over plants' lives	\$8.78 billion	\$11.04 billion	GAJA \$2.25 billion less
In today's dollars (present value)	\$3.61 billion	\$3.97 billion	GAJA \$368 million less

GAJA Rider gradually increases rates and results in lower bills overall

Same Investments, Different Timing of Cost Recovery



Treatment of Google's contribution creates additional benefits over traditional CIAC (contribution in aid of construction)

