



Lynn Fitch
STATE TREASURER

Retiring Entergy Bonds Early Saves Ratepayers \$30 Million

As a member of the State Bond Commission, I was proud to announce this month that by taking proactive steps to retire some Hurricane Katrina utility restoration bonds early, we were able to save Entergy MS ratepayers approximately \$30.6 million on their bills.

Following Hurricane Katrina, the State issued these bonds and others to help rebuild our energy infrastructure. The bonds were paid for by a small system restoration charge (SRC) on ratepayers' bills. While the work has been done, the State has slowly been paying off these bonds.

My staff recently realized that the amount of money necessary to retire the Entergy bonds early was almost entirely collected. We quickly worked with staff for the Public Service Commission and Entergy to ensure that the SRC could be shut off as soon as there were sufficient funds to pay off those bonds early. We didn't want ratepayers to pay any more than absolutely necessary to meet the requirements of the law.

The State Bond Commission is now taking the final steps to pay back these Entergy bonds and return just over \$1 million to the taxpayers' General Fund. Without taking these steps, ratepayers would have been billed more than \$30 million over the next three years. In February, we expect to be able to take similar steps to retire early the very last of the bonds covering Mississippi Power Company's ratepayers, too.