



Entergy Unit and Dynegy Inc. Reach Agreement for Purchase of Calcasieu Generating Facility

February 1, 2007

New Orleans, La. - Entergy Corporation (NYSE: ETR) announced that its subsidiary, Entergy Gulf States, Inc. (EGS), has signed a Purchase and Sales Agreement (PSA) to acquire the Calcasieu Generating Facility, a 322 megawatt power plant, from Dynegy Inc. (DYN), for approximately \$57 million.

"The acquisition of a modern, quick-start peaking generation resource such as Calcasieu will help meet the demand of our utilities' customers and provides long term savings for those customers when compared to other alternatives," said J. Wayne Leonard, Entergy's chairman and chief executive officer. "This transaction is well aligned with our disciplined, market point of view for capital deployment. In addition, the Facility's location in southwestern Louisiana is clearly advantageous because of its close proximity to large customer loads with large potential load swings. The quick-start nature of Calcasieu allows it to be dispatched with short notice and will be beneficial due to limitations on the ability to import power into the region."

EGS plans to invest approximately \$6 million in facility upgrades at the Calcasieu generating facility with transaction costs estimated at \$3 million, bringing the total capital cost of the project to approximately \$66 million or \$205 per kilowatt.

The facility is a nominal 322 megawatt Siemens simple-cycle gas-fired generating facility located near the city of Sulphur in southwestern Louisiana. Units 1 and 2 of the facility entered commercial service in 2000 and 2001, respectively.

The plant will be 100 percent owned by EGS and closing is expected to be completed in early 2008. The purchase is contingent upon obtaining necessary approvals, including full cost recovery, from various federal agencies, state regulatory and permitting agencies and the filing of notification under the Hart-Scott-Rodino antitrust law.

Entergy Corporation is an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, and it is the second-largest nuclear generator in the United States. The Entergy System delivers electricity to 2.6 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of more than \$10 billion and approximately 14,000 employees.

Entergy's online address is www.entergy.com

In this release and from time to time, Entergy Corporation makes statements concerning its expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. Such statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although Entergy Corporation believes that these forward-looking statements and the underlying assumptions are reasonable, it cannot provide assurance that they will prove correct. Except to the extent required by the federal securities laws, Entergy Corporation 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, and there are factors that could cause actual results to differ materially from those expressed or implied in these statements. Some of those factors (in addition to the risk factors in the Form 10-K as well as others described in the Form 10-Q for Entergy Corporation and its affiliates and in subsequent securities filings) include: resolution of pending and future rate cases and negotiations, including various performance-based rate discussions and implementation of new Texas legislation, and other proceedings, including those related to the Entergy System Agreement, Entergy's utilities' supply plan, recovery of storm costs, and recovery of fuel and purchased power costs, Entergy's utilities' ability to manage its operation and maintenance costs, the performance of Entergy's Utility and non-utility generating plants, and particularly the capacity factor at its nuclear generating facilities, prices for power generated by Entergy's unregulated generating facilities, the ability to hedge, sell power forward or otherwise reduce the market price risk associated with those facilities, including the Non-Utility Nuclear plants, and the prices and availability of fuel and power Entergy's utilities must purchase for their customers, and Entergy's utilities' ability to meet credit support requirements for fuel and power supply contracts, Entergy Corporation's ability to develop and execute on a point of view regarding prices of electricity, natural gas, and other energy-related commodities, changes in the financial markets, particularly those affecting the availability of capital and Entergy Corporation's ability to refinance existing debt, execute its share repurchase program, 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, interest rates, and foreign currency exchange rates, Entergy Corporation's ability to purchase and sell assets at attractive prices and on other attractive terms, volatility and changes in markets for electricity, natural gas, uranium, and other energy-related commodities, changes in utility regulation, including the beginning or end of retail and wholesale competition, the ability to recover net utility assets and other potential stranded costs, the establishment of a regional transmission organization that includes the areas served by Entergy's utilities, and the application of market power criteria by the Federal Energy Regulatory Commission, changes in regulation of nuclear generation facilities and nuclear materials and fuel, including possible shutdown of nuclear generating facilities, particularly those in the northeastern United States, uncertainty regarding the establishment of interim or permanent sites for spent nuclear fuel storage and disposal, resolution of pending or future applications for license extensions or modifications of nuclear generating facilities, changes in law resulting from federal energy legislation, including the effects of the Public Utilities Holding Company Act of 1935 repeal, changes in environmental, tax, and other laws, including requirements for reduced emissions of sulfur, nitrogen, carbon, mercury, and other substances, the economic climate, particularly growth in the areas served by Entergy's utilities, variations in weather and the occurrence of hurricanes and other storms and disasters, including uncertainties associated with efforts to remediate the effects of Hurricanes Katrina and Rita and recovery of costs associated with restoration including Entergy's utilities' ability to obtain financial assistance from governmental authorities in connection with these storms, the outcome of the Chapter 11 bankruptcy proceeding of Entergy New Orleans, Inc. and the impact of this proceeding on other Entergy companies, advances in technology, the potential effects of threatened or actual terrorism and war, the effects of Entergy Corporation's strategies to reduce tax payments, the effects of litigation and government investigations, changes in accounting standards, corporate governance, and securities law requirements, Entergy Corporation's ability to attract and retain talented management and directors.

Contact:

Chanel Lagarde (News Media)
(504) 840-2599
clagar1@entergy.com

Michele Lopiccio (Investor Relations)
(504) 576-4879
mlopicc@entergy.com