



Vermont Yankee Nuclear
Power Station
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News Release

Vermont Yankee’s Decommissioning to be Accelerated by Decades *Sale and license transfer to NorthStar Group Services would expedite cleanup*

VERNON, Vermont – Entergy Corp. (NYSE: ETR) announced today an agreement to sell Entergy Nuclear Vermont Yankee and transfer the US Nuclear Regulatory Commission licenses to subsidiaries of NorthStar Group Services, Inc. to accelerate decommissioning and site restoration by decades. In addition, Entergy announced plans to accelerate the transfer of all spent nuclear fuel to dry cask storage at the Vermont Yankee Nuclear Power Station, from 2020 to 2018.

The sale of Entergy Nuclear Vermont Yankee (ENVY) is subject to closing conditions, including approval by the NRC and the Vermont Public Service Board. Entergy and NorthStar will ask the Public Service Board to approve proposed site restoration standards that are generally consistent with those of other regional decommissioning projects. The companies anticipate that the transaction will close by the end of 2018.

“By accelerating decommissioning, we are fulfilling a commitment we made in 2013 to decommission Vermont Yankee as soon as reasonably possible,” said Bill Mohl, President, Entergy Wholesale Commodities. “Decommissioning and site restoration, drawing on NorthStar’s expertise, will provide economic development for the region.”

Mohl added, “For Entergy, this transaction enables us to manage financial risk and reduce our company’s merchant power footprint.”

NorthStar, based in New York, is one of the premier US dismantling and remediation companies and is partnering through a subsidiary with industry leaders AREVA, Waste Control

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Specialists and Burns & McDonnell to perform specialized services drawing on each company's core competencies. The NorthStar team members have collectively worked on more than 300 nuclear and non-nuclear power plant projects over the past 15 years and bring deep expertise in complex and specialized tasks such as reactor vessel segmentation, waste packaging/transportation/disposal, environmental remediation, site closure and spent fuel management.

"Our in-house expertise, combined with the proven track record of our partners, provides the complete package of skills needed to ensure the timely, safe, cost-efficient decommissioning and restoration of the Vermont Yankee site," said Scott State, NorthStar's chief executive officer. "Our primary objective is to complete the decommissioning of the non-Independent Spent Fuel Storage Installation portion of the site decades earlier than originally planned so that a majority of Vermont Yankee can be re-developed to promote business for the region."

Under Entergy's original schedule, as outlined in its Post Shutdown Decommissioning Activities Report filed with the NRC, Entergy expected to initiate decontamination and dismantlement in 2068, with projected completion of both decommissioning and site restoration by 2075. Under the agreement with Entergy, NorthStar has committed to initiate decontamination and dismantlement by 2021 and to complete decommissioning and restoration of the Vermont Yankee site (with the exception of the ISFSI), by 2030. Thereafter, NorthStar will continue to operate and maintain the ISFSI until the US Department of Energy fulfills its statutory and contractual obligations to remove all of the spent nuclear fuel from Vermont Yankee. NorthStar will then decommission the ISFSI, terminate the NRC license and complete site restoration.

Holtec International, the manufacturer of the dry storage systems used at Vermont Yankee, submitted license amendment requests to the NRC earlier this year, which if approved, will support complete transfer of all of Vermont Yankee's spent nuclear fuel to dry storage by the end of 2018.

Financial Information

As consideration for its interest in ENVY, Entergy will receive nominal cash consideration and a promissory note payable to Entergy in an amount equal to the amount owed at the time of closing under a credit facility to finance Vermont Yankee's dry fuel storage costs, which facility will be either assumed or refinanced by an Entergy subsidiary at or before the closing. The transfer of ENVY to NorthStar will include the transfer of ENVY's nuclear decommissioning trust and its obligations for spent fuel management and decommissioning. As a result, the nuclear decommissioning trust and associated asset retirement obligation will be removed from Entergy's balance sheet at closing. The

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transaction is expected to result in a loss at closing, the amount of which cannot be determined at this time, based on the difference between Entergy's book basis in ENVY at the time of closing and the sale price plus any agreed adjustments. Subject to satisfaction or waiver of the conditions to closing, the transaction is expected to be completed in late 2018. On an ongoing basis, the sale is expected to be mildly accretive to operational results once the transaction is completed, primarily due to the elimination of future decommissioning accretion expenses.

A contractually agreed minimum level of funding at close in Vermont Yankee's nuclear decommissioning trust ("NDT") is a condition to close. The amount of any contribution to the NDT that may be required to meet the minimum funding level is highly uncertain and will depend on, among other things, the level of future reimbursements from the NDT for work performed prior to closing and the market performance of the investments in the NDT through closing. However, assuming a December 31, 2018, closing and a level of expenditures from the NDT for work prior to the closing that is consistent with Entergy's current estimates, Entergy estimates that no contribution would be required to meet this condition if the rate of return on the NDT assets from September 30, 2016, through closing is at least 5.5% per annum and that a contribution of approximately \$10 million to \$12 million would be required for every 1.0% by which the rate of return falls below 5.5% over such period. Entergy is not required to make any contribution to the NDT to cause this condition to be satisfied, but would have the option to do so prior to closing.

About Vermont Yankee and Entergy

The Vermont Yankee Nuclear Power Station, a single unit boiling water reactor, began commercial operation in 1972. Entergy purchased the plant in 2002 from the Vermont Yankee Nuclear Power Corp. It permanently ceased operations on Dec. 29, 2014. At full power, Vermont Yankee supplied nearly one-third of all electricity consumed in Vermont. More information is available at www.entergy.com and www.vydecommissioning.com.

Entergy, based in New Orleans, 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, including nearly 10,000 megawatts of nuclear power. Entergy delivers electricity to 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of approximately \$11.5 billion and more than 13,000 employees.

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About the NorthStar Team

NorthStar is the world's most comprehensive facility and environmental solutions company with over \$600 million in annual sales and licensed in all 50 states. The company was ranked the #1 Demolition & Wrecking Contractor and #1 Asbestos Abatement Contractor in the USA by *Engineering News-Record* in 2016. NorthStar owns and maintains a large, nationwide inventory of specialized dismantling equipment and employs over 3,000 people. NorthStar's team includes:

- AREVA, based in Paris with US decommissioning headquarters in Washington, DC, will be responsible for reactor vessel and internals segmentation and used nuclear fuel management support, including waste disposal transportation services. AREVA is a world leader in nuclear decommissioning services and used nuclear fuel management representing 10,000 employees worldwide and 600 US employees.
- Waste Control Specialists (WCS) will be responsible for waste management, packaging, transportation and disposal. Based in Dallas, WCS operates a radioactive waste disposal site in Andrews, Texas, that is the most comprehensive solution in the nation for low-level radioactive waste. WCS and partners AREVA and NAC International have submitted an application to the NRC to construct and operate a Consolidated Interim Storage Facility for spent fuel at its Andrews, Texas site.
- Burns & McDonnell, based in Kansas City, Mo., will provide engineering and regulatory support. Burns & McDonnell is a global full service engineering and environmental solutions firm with 5,500 employees worldwide

Cautionary Note Regarding Forward-Looking Statements

In this news release, and from time to time, Entergy Corporation makes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, among other things, Entergy's plans and expectations with respect to the Vermont Yankee Nuclear Power Station, and other statements of Entergy's plans, beliefs or expectations included in this news release. Except to the extent required by the federal securities laws, Entergy 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 are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements, including (a) those factors discussed elsewhere in this news release and in Entergy's most recent Annual Report on Form 10-K, any subsequent Quarterly Reports on Form 10-Q and Entergy's other reports and filings

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made under the Securities Exchange Act of 1934; (b) nuclear plant relicensing, operating and regulatory risks; (c) changes in decommissioning trust fund values or earnings or in the timing or cost of decommissioning Entergy's nuclear plant sites; (d) legislative and regulatory actions and risks and uncertainties associated with claims or litigation by or against Entergy and its subsidiaries; (e) risks and uncertainties associated with strategic transactions that Entergy or its subsidiaries may undertake, including the risk that any such transaction may not be completed as and when expected and the risk that the anticipated benefits of the transaction may not be realized and (f) the effects of technological changes and changes in economic conditions and conditions in commodity and capital markets during the periods covered by the forward-looking statements.