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

DIVISION OF
CORPORATION FINANCE

March 14, 2018

Daniel T. Falstad
Entergy Services, Inc.
dfalsta@entergy.com

Re: Entergy Corporation
Incoming letter dated January 4, 2018

Dear Mr. Falstad:

This letter is in response to correspondence dated January 4, 2018 and February 13, 2018 concerning the shareholder proposal (the "Proposal") submitted to Entergy Corporation (the "Company") by the Park Foundation et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence on the Proponents' behalf dated February 5, 2018 and February 22, 2018. Copies of all of the correspondence on which this response is based will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Natasha Lamb
Arjuna Capital
natasha@arjuna-capital.com

March 14, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Entergy Corporation
Incoming letter dated January 4, 2018

The Proposal requests that the Company prepare a report describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

We are unable to concur in your view that the Company may exclude the Proposal under rule 14a-8(i)(7). Although your discussion of the board's analysis sets forth several factors the board considered in evaluating the Proposal, it does not provide a sufficient level of detail to reach a determination that exclusion of the Proposal is appropriate. Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

William Mastrianna
Attorney-Adviser

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

February 22, 2018

Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Entergy Corporation Regarding climate change and distributed energy -- Supplemental Reply

Ladies and Gentlemen:

This letter is submitted on behalf of the Park Foundation, John B. and Linda C. Mason and UTE Holdings LLC.[1] by As You Sow and Arjuna Capital, as their designated representative in this matter (the "Proponents"), who are beneficial owners of common stock of Entergy Corporation (the "Company"). I have been asked by the Proponents to respond to the letter dated February 5, 2018 ("Company Supplemental Letter") sent to the Securities and Exchange Commission by Edna M. Chism, Assistant General Counsel, Entergy. In that letter, the Company continues to assert that the Proposal may be excluded from the Company's 2018 proxy statement by virtue of Rule 14a-8(i)(7). A copy of this letter is being emailed concurrently to Edna M. Chism, Assistant General Counsel, Entergy.

The Company in its supplemental letter continues to assert that the Proposal is not properly characterized as "broadly focusing on climate change issues."

Yet, the analysts cited in our prior letter, as well as the further documentation below demonstrate that the proposal is properly focused on an appropriate issue of investor concern—the disruptive impact of climate change on markets and technologies and the need to reduce societal greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

The need for improved disclosures in company reporting to investors, including information on the resilience issues flagged by the Proposal, received a substantial boost in 2017 when the Global Financial Stability Board issued its Task Force on Climate-related Financial Disclosures (TCFD) Final Report. The report focuses on recommendations for disclosure of climate risk in annual financial reports.

In 2015, the G20 (Group of 20) Finance Ministers and Central Bank Governors, an international economic council established to promote international financial stability, requested that its Financial Stability Board (FSB) investigate and address the topic of climate-related financial disclosures. This international body was concerned with the degree to which inadequate

[1] Filed by As You Sow on behalf of the Park Foundation, John B. and Linda C. Mason, and UTE Holdings LLC.

information about climate-related risks could lead to mispricing of assets, misallocation of capital, and potentially severe challenges to global financial stability.

The FSB convened a Task Force on Climate-related Financial Disclosures, which over the course of 18-months consulted public- and private-sector business and finance leaders around the globe. In June 2017, the Task Force presented its Final Report to the global investment community, "Recommendations of the Task Force on Climate-related Financial Disclosures." The report offers recommendations for how companies can better disclose clear, comparable and consistent information about the risks and opportunities presented by climate change, in hopes that improved disclosure will lead to more efficient allocation of capital, and help smooth the transition to a low-carbon economy:

Financial Implications of Climate Change

The reduction in greenhouse gas emissions implies movement away from fossil fuel energy and related physical assets. This coupled with rapidly declining costs and increased deployment of clean and energy-efficient technologies could have significant, near-term financial implications for organizations dependent on extracting, producing, and using coal, oil, and natural gas. While such organizations may face significant climate-related risks, they are not alone. In fact, climate-related risks and the expected transition to a lower-carbon economy affect most economic sectors and industries. While changes associated with a transition to a lower-carbon economy present significant risk, they also create significant opportunities for organizations focused on climate change mitigation and adaptation solutions.

For many investors, climate change poses significant financial challenges and opportunities, now and in the future. The expected transition to a lower-carbon economy is estimated to require around $1 trillion of investments a year for the foreseeable future, generating new investment opportunities. At the same time, the risk-return profile of organizations exposed to climate-related risks may change significantly as such organizations may be more affected by physical impacts of climate change, climate policy, and new technologies. In fact, a 2015 study estimated the value at risk, as a result of climate change, to the total global stock of manageable assets as ranging from $4.2 trillion to $43 trillion between now and the end of the century. The study highlights that "much of the impact on future assets will come through weaker growth and lower asset returns across the board." This suggests investors may not be able to avoid climate-related risks by moving out of certain asset classes as a wide range of asset types could be affected. Both investors and the organizations in which they invest, therefore, should consider their longer-term strategies and most efficient allocation of capital. Organizations that invest in activities that may not be viable in the longer term may be less resilient to the transition to a lower-carbon economy; and their investors will likely experience lower returns. Compounding the effect on longer-term returns is the risk that present valuations do not adequately factor in climate-related risks because of insufficient information. As such, long-term investors need adequate information on how organizations are preparing for a lower-carbon economy.

> Furthermore, because the transition to a lower-carbon economy requires significant and, in some cases, disruptive changes across economic sectors and industries in the near term, financial policymakers are interested in the implications for the global financial system, especially in terms of avoiding financial dislocations and sudden losses in asset values. Given such concerns and the potential impact on financial intermediaries and investors, the G20 Finance Ministers and Central Bank Governors asked the Financial Stability Board to review how the financial sector can take account of climate-related issues. As part of its review, the Financial Stability Board identified the need for better information to support informed investment, lending, and insurance underwriting decisions and improve understanding and analysis of climate-related risks and opportunities. Better information will also help investors engage with companies on the resilience of their strategies and capital spending, which should help promote a smooth rather than an abrupt transition to a lower-carbon economy.

The Task Force recommends that organizations with more significant exposure to "transition risk"[2] - like Entergy here - should undertake more rigorous analysis with respect to the key drivers and trends that affect their operations.

The Report offers the following disclosure considerations as guidance:

Figure 8

Disclosure Considerations for Non-Financial Organizations

Organizations with more significant exposure to climate-related issues should consider disclosing key aspects of their scenario analysis, such as the ones described below.

1	The scenarios used, including the 2°C or lower scenario[47]
2	Critical input parameters, assumptions, and analytical choices for the scenarios used, including such factors as: – Assumptions about possible technology responses and timing (e.g., evolution of products/services, the technology used to produce them, and costs to implement) – Assumptions made around potential differences in input parameters across regions, countries, asset locations, and/or markets – Approximate sensitivities to key assumptions
3	Time frames used for scenarios, including short-, medium-, and long-term milestones (e.g., how organizations consider timing of potential future implications under the scenarios used)
4	Information about the resiliency of the organization's strategy, including strategic performance implications under the various scenarios considered, potential qualitative or directional implications for the organization's value chain, capital allocation decisions, research and development focus, and potential material financial implications for the organization's operating results and/or financial position

The current Proposal is in line with the TCFD requirements to consider and disclose strategies for resilience. For instance, TCFD flags the issue of Technology Risk:

[2] "Transition risk scenarios are particularly relevant for resource-intensive organizations with high GHG emissions within their value chains, where policy actions, technology, or market changes aimed at emissions reductions, energy efficiency, subsidies or taxes, or other constraints or incentives may have a particularly direct effect. Recommendations of the Task Force on Climate-related Financial Disclosures, page 27.

> Technological improvements or innovations that support the transition to a lower-carbon, energy efficient economic system can have a significant impact on organizations. For example, the development and use of emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage will affect the competitiveness of certain organizations, their production and distribution costs, and ultimately the demand for their products and services from end users. To the extent that new technology displaces old systems and disrupts some parts of the existing economic system, winners and losers will emerge from this "creative destruction" process. The timing of technology development and deployment, however, is a key uncertainty in assessing technology risk

In addition, TCFD notes the need for the type of transition in energy sources that is the focus of the proposal:

> According to the International Energy Agency (IEA), to meet global emission-reduction goals, countries will need to transition a major percentage of their energy generation to low emission alternatives such as wind, solar, wave, tidal, hydro, geothermal, nuclear, biofuels, and carbon capture and storage. IEA, "Global energy investment down 8% in 2015 with flows signaling move towards cleaner energy," September 14, 2016.
>
> For the fifth year in a row, investments in renewable energy capacity have exceeded investments in fossil fuel generation. Frankfurt School-United Nations Environmental Programme Centre and Bloomberg New Energy Finance, "Global Trends in Renewable Energy Investment 2017," 201. The trend toward decentralized clean energy sources, rapidly declining costs, improved storage capabilities, and subsequent global adoption of these technologies are significant. Organizations that shift their energy usage toward low emission energy sources could potentially save on annual energy costs.

Along with issues of resilience, the TCFD highlighted the issue of "energy source" including the "shift toward decentralized energy generation" as among the opportunities presented by climate change:

Table 2

Examples of Climate-Related Opportunities and Potential Financial Impacts

Type	Climate-Related Opportunities[33]	Potential Financial Impacts
Resource Efficiency	– Use of more efficient modes of transport – Use of more efficient production and distribution processes – Use of recycling – Move to more efficient buildings – Reduced water usage and consumption	– Reduced operating costs (e.g., through efficiency gains and cost reductions) – Increased production capacity, resulting in increased revenues – Increased value of fixed assets (e.g., highly rated energy-efficient buildings) – Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction) resulting in lower costs
Energy Source	– Use of lower-emission sources of energy – Use of supportive policy incentives – Use of new technologies – Participation in carbon market – Shift toward decentralized energy generation	– Reduced operational costs (e.g., through use of lowest cost abatement) – Reduced exposure to future fossil fuel price increases – Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon – Returns on investment in low-emission technology – Increased capital availability (e.g., as more investors favor lower-emissions producers) – Reputational benefits resulting in increased demand for goods/services
Products and Services	– Development and/or expansion of low emission goods and services – Development of climate adaptation and insurance risk solutions – Development of new products or services through R&D and innovation – Ability to diversify business activities – Shift in consumer preferences	– Increased revenue through demand for lower emissions products and services – Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services) – Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Markets	– Access to new markets – Use of public-sector incentives – Access to new assets and locations needing insurance coverage	– Increased revenues through access to new and emerging markets (e.g., partnerships with governments, development banks) – Increased diversification of financial assets (e.g., green bonds and infrastructure)
Resilience	– Participation in renewable energy programs and adoption of energy-efficiency measures – Resource substitutes/diversification	– Increased market valuation through resilience planning (e.g., infrastructure, land, buildings) – Increased reliability of supply chain and ability to operate under various conditions – Increased revenue through new products and services related to ensuring resiliency

[33] The opportunity categories are not mutually exclusive, and some overlap exists.

The Company's supplemental letter also reiterated its arguments that the issues associated with distributed energy are complicated, and that there is no *explicit* enterprise-wide policy on distributed energy, and that the Board of Directors found the Proposal not to transcend ordinary business.

While the Company and its board are within their rights and discretion to constrain Entergy's adoption of distributed energy, and to deploy other forms of energy to obtain climate goals, the role of distributed energy as a disruptive technology and economic force being driven by climate change remains an appropriate policy focus for a proposal, and for debate by the company's shareholders. It is not an issue that is too complex for shareholder consideration and deliberation, as documented by analysts and the TCFD. The Company and its board are free to articulate to shareholders why they believe shareholder should not vote in favor of the proposal, but it is still an appropriate topic of discussion among shareholders, including engaging in oversight of the Company's continuing resistance to this emerging and debated solution, including any related efforts to discourage distributed energy in its service areas.

We continue to believe that the proposal is not excludable pursuant to Rule 14a-8(i)(7), and urge the SEC to advise the company that is denying the no action relief. If you have any questions, please contact me at natasha@arjuna-capital.com or 978-704-0114.

Sincerely,

Natasha Lamb,
Managing Partner
Arjuna Capital

cc: Edna M. Chism

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New Orleans, LA 70113
Tel: 504 576 2095
dfalsta@entergy.com

Daniel T. Falstad
Vice President, Deputy General Counsel
& Secretary

February 13, 2018

Via Electronic Mail

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street N.E.
Washington, DC 20549

Re: Entergy Corporation – Shareholder Proposal Submitted by As You Sow

Ladies and Gentlemen:

This letter is submitted by Entergy Corporation, a Delaware corporation ("Entergy" or the "Company"), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, in response to a letter (the "February 5 Letter") from Natasha Lamb, managing partner of Arjuna Capital, dated February 5, 2018, concerning a shareholder proposal (the "Proposal") previously submitted by As You Sow on behalf of the Park Foundation, John B. and Linda C. Mason and UTE Holdings LLC (each, a "Proponent" and collectively, the "Proponents").

In accordance with *Staff Legal Bulletin 14D* ("SLB 14D"), this letter is being submitted via e-mail. It addresses certain issues raised by Ms. Lamb in the February 5 Letter and should be read in conjunction with the Company's original January 4, 2018 letter requesting no-action relief (the "Original Submission"). A copy of this letter will also be sent to the agent of the Proponents, As You Sow, and Ms. Lamb. Pursuant to Rule 14a-8(k) and SLB 14D, the Company requests that the Proponents and its representatives copy the undersigned on any correspondence that they submit to submit to the Staff in response to this letter.

The Company has reviewed the February 5 Letter. Having done so, the Company wishes to inform the Staff that it continues to stand by the arguments made in the Original Submission and believes that the Proposal may be excluded from its proxy materials for the 2018 Annual Meeting of Shareholders pursuant to Rule 14a-8(i)(7).

The Company believes that the characterization of the Proposal is critical to the assessment as to whether it may be excluded pursuant to Rule 14a-8(i)(7). If the Staff takes the position that the Proposal is properly characterized as focusing on climate change issues broadly, the Company agrees that it may not be excluded. As the Company explained in the Original Letter, however, the Proposal is not properly characterized as broadly focusing on climate

change issues; rather , as explained in the Original Letter, the Proposal is focused on the desirability of supporting a very specific type and scale of technology– namely effecting a "significant increase" on an "enterprise-wide" basis of "distributed-scale noncarbon-emitting electricity resources" (which in the Company's service territory, as explained in the Original Letter, generally means rooftop-scale solar photovoltaic generation systems). The Original Letter further explains that the decision of which technology will best achieve the goal of reducing the Company's greenhouse gas emissions is complex and takes into account a wide range of factors including operational and cost considerations, customer rate impacts, reliability, geographic considerations, technical issues and limitations, results from pilot programs, applicable regulations and policies of the Company's regulators, available ratemaking frameworks, customer and community needs, resource and capital planning considerations, and anticipated changes in all of these factors. Weighing and balancing each of these complex factors and considerations—which vary across the jurisdictions served by the Company's five public utility operating companies—is at the core of Entergy's ordinary business operations.

Further, the Proposal asks that the Company prepare a report "describing how the Company could adapt its *enterprise-wide* business model to significantly increase deployment of distributed-scale noncarbon-emitting electricity resources . . ." (emphasis added). In its Original Letter, the Company explained that operational scale decisions of this type are squarely within the purview of management, as the Company has to consider the different regulatory policies, demographics, geographies and other factors that vary across the various markets in which it operates—clearly, there is no single solution that fits all of its markets. In response to this argument, the February 5 Letter stated: "Yet, examination of the Company's practices and policies demonstrates that the Company currently ***has*** an enterprise-wide approach — positioning itself as a sectoral laggard on adoption of renewable energy of all forms, including distributed energy." This statement is simply untrue; the Company has adopted and is continuing to adopt specific renewable technologies on a market-by-market basis, taking into account all relevant factors as further explained in the Original Letter. This statement also fails to take into account the fact that increasing renewable energy resources is but one of multiple strategies that can be employed to mitigate greenhouse gas emissions.[1]

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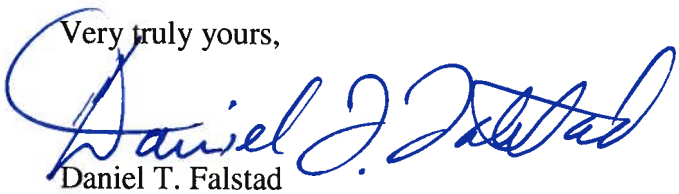
[1]By asserting that "Entergy falls far short of greenhouse gas reduction efforts commonly understood to be necessary to meet global climate goals", the February 5 Letter further presumes that greenhouse gas reduction goals can only be met properly through renewable energy and, more particularly, through DG-scale renewable energy (i.e., rooftop solar PV in our footprint) and disregards the great strides the Company has made in controlling greenhouse gas emissions through a holistic and diversified approach. In seeking to argue the merits of the Proposal, the February 5 Letter makes numerous other misleading claims and arguments, including comparisons that fail to take into account important differences between our service area and other parts of the country where renewables represent a greater proportion of the generation mix due to more widespread availability (e.g., states located in areas with much better wind resources). These differences include differences in the wholesale cost of power, which impact the cost-competitiveness of renewables in our service areas; the importance of cost considerations to our customers, a significant percentage of whom live at or below the poverty level; differences in the regulatory environment, including applicable ratemaking frameworks and regulatory mandates; and differences in geography and weather which belie the February 5 Letter's simplistic claim that our service areas lie in a sunny region "where solar potential is maximum." Rather than debate these points, we would simply point out that these factors vary across and within the various service areas in which our utility operating company subsidiaries operate and are indicative of the complexity of the business decisions that must be made by the Company and its subsidiaries as they seek to determine the right approach to controlling greenhouse gas emissions in a given time and place.

Finally, the February 5 Letter in a number of places asserts that the disposition of this matter is controlled by the Staff's letter in *DTE Energy Company* (Jan 26, 2015). For a number of reasons, the Company disagrees. First, the proposal at issue in *DTE* is clearly distinguishable from the Proposal. These distinctions are explained in footnote 6 to the Original Letter. Second, even to the extent that there are similarities between the proposals, the Staff is of course free to reach a different conclusion in this case. It simply seems anomalous to the Company that the Staff would conclude that a proposal that seeks a vote on the highly fact-specific question of whether a particular technology should be applied on an enterprise-wide basis is not excludable as relating to the Company's "ordinary business operations." Third, and significantly, post *DTE Energy* the Staff has issued Staff Legal Bulletin 14I ("SLB 14I"). SLB 14I correctly recognizes the important role of the Board of Directors in assessing whether the issue to which a proposal relates is one to which the significant policy exception to Rule 14a-8(i)(7) would apply. As explained in the Original Letter, the Company's Board of Directors has considered the matter and concluded that the Proposal, with its focus on adopting and championing a specific choice of technology, does not present a social policy issue that transcends the Company's ordinary business operations. The fact that a significant number of the Company's shareholders supported similar proposals in 2016 and 2017 is not inconsistent with the Board's view that the Proposal involves matters that are at the core of the Company's ordinary business operations, given the Proposal's narrow focus on the pursuit of greenhouse gas reduction through a single type and scale of technology.

Conclusion

Based on the foregoing, I respectfully request your concurrence that the Proposal may be excluded from Entergy's proxy materials for the 2018 Annual Meeting of Shareholders. If you have any questions regarding this request or desire additional information, please contact me at (504) 576-4548.

Very truly yours,



Daniel T. Falstad

Attachments

cc: Edna M. Chism, Entergy Corporation
Raechelle M. Munna, Entergy Corporation
Lila Holzman, Energy Program Manager, As You Sow
Natasha Lamb, Managing Partner, Arjuna Capital

February 5, 2018
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Entergy Corporation regarding climate change and distributed energy

Ladies and Gentlemen:

This letter is submitted on behalf of the Park Foundation, John B. and Linda C. Mason and UTE Holdings LLC.[1] by As You Sow and Arjuna Capital, as their designated representative in this matter (the "Proponents"), who are beneficial owners of common stock of Entergy Corporation (the "Company"). I have been asked by the Proponents to respond to the letter dated January 4, 2018 ("Company Letter") sent to the Securities and Exchange Commission by Edna M. Chism, Assistant General Counsel, Entergy. In that letter, the Company contends that the Proposal may be excluded from the Company's 2018 proxy statement by virtue of Rule 14a-8(i)(7). A copy of this letter is being emailed concurrently to Edna M. Chism, Assistant General Counsel, Entergy.

SUMMARY

The Proposal requests that Entergy prepare a report (at reasonable cost and omitting proprietary information) describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources (DER) to increase its greenhouse gas emission reduction efforts consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

The Company asserts that the Proposal is excludable under Rule 14a-8(i)(7) as micromanaging the Company's choice of technology . The Company asserts whether, when and where to deploy distributed energy resources is a complex, state-by-state and market-by-market determination suited to management and not appropriate for shareholder consideration of an enterprise-wide approach. Yet, examination of the Company's practices and policies demonstrates that the Company currently ***has*** an enterprise-wide approach — positioning itself as a sectoral laggard on adoption of renewable energy of all forms, including distributed energy.

Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, delivering electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi and Texas. At best, the Company's current renewable energy deployments represent about 2.5 percent of its generated power leaving it a laggard among its peers. (The mean renewable energy deployment of utilities is 10%.) Entergy falls far short of greenhouse gas

[1] Filed by As You Sow on behalf of the Park Foundation, John B. and Linda C. Mason, and UTE Holdings LLC.

reduction efforts commonly understood to be necessary to meet global climate goals, particularly as nuclear plants are decommissioned and fossil fuel assets represent a larger percentage of their portfolio. In contrast, there is ample evidence to suggest that encouraging residential participation in energy generation by distributed energy strategies can accelerate the shift to clean energy.

Investment analysts warn investors in the utility sector that as a result of, and in response to climate change, distributed energy generation is coming and will be disruptive to existing utility models. Consumers are interested in adding distributed energy to the grid, where encouraged by utilities and the public policy environment and cost efficiencies are making this economically viable much sooner than anticipated. The Proponents believe that resisting the emerging, disruptive energy economy — as indicated by the Company's current enterprise-wide deployment as compared to peers— could be holding back the opportunity to scale renewable energy in its service areas.

Because the Proposal addresses the big picture question of concern to investors of the role that distributed energy is playing in the Company's climate change strategy, the Proposal does not micromanage. Moreover, the argument that this model of a proposal micromanages has been previously considered and rejected in Staff decisions at three other utilities: *DTE Energy* (Jan. 26, 2015), *Duke Energy* (February 22, 2016) and *NorthWestern Energy* (January 8, 2016).

THE PROPOSAL

REPORT ON DISTRIBUTED ENERGY

WHEREAS: Utilities face unprecedented disruptions to their business model driven by growth in non-carbon-emitting sources of electric power, and by state driven climate policy imperatives working toward the goal of limiting global warming to well below 2 degrees Celsius.

Utility leaders recognize the need for change; a PwC Global Power & Utilities Survey found that 97 percent of international electric power industry representatives expect the power utility business model to experience medium to high levels of disruption by 2020.

The effects are evident. In 2014, Barclays downgraded bonds for the entire United States electric utility sector due to the rapidly declining costs of solar power and energy storage technologies. UBS projects solar systems and batteries will cause a huge disruption, noting, "Large-scale power stations could be on a path to extinction." In 2016, credit rating agency Moody's announced it would begin assessing carbon transition risk based on scenarios consistent with the Paris Accord, noting the high carbon risk exposure of the power sector.

Over half of global utility executives believe distributed generation will cause revenue destruction, according to an Accenture survey. Accenture further noted that those who embrace distributed generation can turn the threat into an opportunity. Moody's stated, "a proactive regulatory response to distributed generation is credit positive as it gives utilities improved rate designs and helps in the long-term planning for their infrastructure." Navigant Research noted,

"Utilities that proactively engage with their customers to accommodate distributed generation - and even participate in the market themselves - limit their risk and stand to benefit the most." Distributed generation of electricity is expanding through residential rooftop solar and corporate installations of renewable power. As of November 2017, 114 major brands had committed to work towards 100 percent renewable energy by signing on to the RE100 Pledge. Utilities must either meet these customers' demand, or risk losing them as they pursue solutions like distributed renewable generation independently.

International growth in distributed energy portends changes in the United States. EY reported approximately half of Germany's installed capacity is distributed generation.

Though Entergy is the 7th largest United States utility, and has the 16th highest level of carbon emissions among United States power producers (Ceres, Benchmarking Utility Air Emissions 2015), the Company is among the lowest ranked investor-owned utilities on clean energy deployment with very little distributed energy. Entergy ranked 26th of 30 on clean energy sales; 28th of 30 on incremental annual energy efficiency; and 29th of 30 on lifecycle energy efficiency. (Ceres, Benchmarking Utility Clean Energy Deployment 2016).

RESOLVED: With board oversight, shareholders request that Entergy prepare a report (at reasonable cost and omitting proprietary information) describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

ANALYSIS

1. The Proposal directly focuses on a significant policy issue that is quite significant to the Company.

The Company letter asserts that the Proposal is excludable because its subject matter relates to the Company's ordinary business operations and micromanages. However, because the Proposal directly focuses on a significant policy issue facing the Company and does not micromanage in its focus or in its level of detail, the Proposal transcends ordinary business and therefore is not excludable under Rule 14a-8(i)(7). SEC Release 34-40,018 (May 21, 1998).

In evaluating a proposal in the context of Rule 14a-8(i)(7), the Staff has stated that its ordinary business assessment revolves around the subject matter of the proposal:

> In those cases, in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company. Staff Legal Bulletin 14E

The Proposal clearly focuses on a significant policy issue: climate change and the role of

distributed low-carbon energy in reducing GHG emissions. The issue also poses a significant policy risk for the Company, something the Board of Directors did not deny in its short discussion. The overwhelming evidence that climate change policy and its impact on companies represents a significant policy issue is well reflected in Staff ordinary business decisions to date. In addition, as distributed low-carbon energy has become increasingly competitive to centralized and fossil fuel-based strategies, the vigorous national public debate as to its value and role in climate protection strategies has increased.

A lively state by state debate is underway throughout the country, including in the Company's operating regions, regarding the disruptive capabilities of distributed low-carbon energy to address climate change. Because the Proposal directly focuses on this significant policy issue and does not seek to impermissibly micromanage the Company's handling of the issue, it is not excludable under Rule 14a-8(i)(7).

The core argument of the Company Letter is that it probes too deeply "into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." Specifically, the company asserts that questions of distributed energy are managed by the company on a state by state and region by region basis:

> Operational scale decisions of the type described above are squarely within the purview of management, as the Company has to consider the different regulatory policies, demographics, geographies and other factors that vary across the various markets in which it operates—there is no single solution that fits all of its markets.

The essence of the shareholder concern, and the thrust of the proposal however, is that the Company's overall approach to these issues leaves it vulnerable and lagging in its approach, despite the environmental and market conditions which otherwise lead one to conclude that the Company is ideally situated to utilize these opportunities in its service areas. In essence, the Company's reply implies that there is no enterprise-wide approach to these issues when in fact the company's overall performance and ranking in relation to its peers demonstrates that there is and that it is adverse to these climate solutions and opportunities.

The implication of the micromanagement argument is that these are issues that are too complex for shareholders to comprehend or consider in their investing and proxy voting strategies. Yet, past investor votes on this proposal at Entergy have been supported by over 1/3 of shareholders, and financial research firms are preparing analyses noting the substantial risks and opportunities distributed energy technologies pose to investors in utilities. These include mainstream financial research firms, such as Barclays, UBS, and Sanford C. Bernstein.

The disruptive scenario that is becoming a focus of multiple investment analysts is that the pressure toward climate related solutions has resulted in a confluence of events. Battery storage technologies and solar photovoltaic technologies have both become become cost efficient and competitive. The model of households using an electric car and photovoltaic generation instead of grid power is quickly becoming competitive with grid powered electricity, and is expected to be a disruptive force, especially where utilities are not attended to the opportunities and risks associated with it.

The traditional electric utility business model relies on making large investments in centralized generating plants and related transmission and distribution infrastructure, and recovering those investments, plus a fair return, from a captive customer base over a period of decades. In contrast, distributed energy involves generation of power throughout the grid. There are a variety of technologies that fall into this broad category of generation, including fuel cells, small scale wind power, small scale hydro, and various combined heat and power technologies. Distributed low-carbon energy sources are exemplified by solar power photovoltaic units installed on homes, businesses and in community scale solar-generation fields, localized wind generation facilities, batteries (when paired with low-carbon generation sources), energy conservation, and other measures for reducing energy demand or increasing supply by affecting energy in the grid.

Solar power is referenced in the Proposal as a leading example of low-carbon generation that utility customers in many states are already installing to reduce their electric bills, but not as the only choice of technology.

Distributed low-carbon energy as a key climate protection strategy is advancing due to a number of factors, including:[2]

- Falling costs of distributed generation and other distributed energy resources, especially solar photovoltaic systems and storage;
- Government action to mitigate climate change and incentivize clean energy;
- Increasing appetite for clean energy from major energy users; and
- Increasing regulatory burden on fossil generating resources.

In May 2014 Barclays[3] wrote:

> In the 100+ year history of the electric utility industry, there has never before been a truly cost-competitive substitute available for grid power. We believe that solar + storage could reconfigure the organization and regulation of the electric power business over the coming decade. We see near-term risks to credit from regulators and utilities falling behind the solar + storage adoption curve and long-term risks from a comprehensive re-imagining of the role utilities play in providing electric power.
>
> Electric utilities... are seen by many investors as a sturdy and defensive subset of the investment grade universe. Over the next few years, however, we believe that a confluence of declining cost trends in distributed solar photovoltaic (PV) power generation and residential-scale power storage is likely to disrupt the status quo. Based on our analysis, the cost of solar + storage for residential consumers of electricity is already competitive with the price of utility grid power in Hawaii. Of the other major markets, California could follow in 2017, New York and Arizona in 2018, and many other states soon after.

[2] Edison Electric Institute, "Disruptive Challenges: Financial Implications and Strategic Responses to a Changing Retail Electric Business," January 2013. http://roedel.faculty.asu.edu/PVGdocs/EEI-2013-report.pdf

[3] In May 2014, Barclays downgraded bonds for the entire U.S. electric utility sector due to risk of rapidly improving solar power and energy storage technologies. (https://www.barrons.com/articles/barclays-downgrades-electric-utility-bonds-sees-viable-solar-competition-1400859916)

The issues related to distributed energy as a response to climate change should be, according to Barclay's, of concern to any investor, Main Street or Wall Street, who is concerned that the companies and markets have not caught up with the understanding of disruptive technologies on their way. Or, as Barclays writes:

> Whether because of biases or analytical complexity, the market (and its constituent prognosticators) has tended to be late in pricing technology-driven shifts, particularly in industries that have had stable operating models (such as telcos and airlines).

Barclays says it sees "a rare opportunity for investors to express views about a potential for a major change at low cost and with good liquidity," and recommends investors who can do so should underweight the electric sector versus the broader U.S. Corporate index, and rotate out of bonds issued by utilities in areas "where solar + storage is closer to competitiveness" into bonds issued by companies "where solar + storage grid parity are more distant."

The early adopters of distributed energy will be those who want to both have an economically competitive energy source and at the same time feel that they can contribute to solutions to climate change. This combination of factors will complement with the emergence of an economically viable model of households with electric cars, on-site energy generation and storage.

Further, UBS found in August 2014 that solar systems and batteries will be disruptive technologies for utilities due to steeply declining costs and estimates that, by 2020, the unsubsidized payback time will be as low as 6-8 years for homeowners making a combined investment in an electric vehicle and a solar power system with battery storage. http://energypost.eu/ubs-citigroup-warn-investors-massive-revolution-energy-industry/

Deutsche Bank predicted solar PV will reach grid parity in 47 U.S. states as soon as 2016.[4]

Navigant Research indicated that: "Utilities that proactively engage with their customers to accommodate distributed generation - and even participate in the market themselves - limit their risk and stand to benefit the most." https://www.businesswire.com/news/home/20171109005078/en/Navigant-Research-Expects-Global-Customer-Engagement-Spending

In contrast to Entergy's enterprise-wide approach of limited focus on distributed energy, others in the field are moving smartly. For instance, consider the following information from GTM Research[5]:

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[4] The prediction was based on an assumption that a 30 percent solar investment tax credit (ITC) is extended. https://www.db.com/cr/en/concrete-deutsche-bank-report-solar-grid-parity-in-a-low-oil-price-era.htmThe solar tax credit was extended in a December 2016 spending bill and in the December 2017 tax bill. https://www.nytimes.com/2017/12/16/climate/tax-bill-wind-solar.html

[5] www.ourenergypolicy.org/wp-content/uploads/2017/03/GTMR-Utility-Investments-in-Distributed-Energy-report.pdf

- Utility companies in North America and Europe have invested over **$2.9 billion** in **130 individual distributed energy companies** since 2010
- Investment volumes have increased substantially over the past two years, and over **$1 billion** of the total came in 2016 alone
- **42 utilities** have made investments or acquisitions in this market, and 10 of these companies have made at least five investments
- Five of the seven most active utility investors are headquartered in Europe, but a larger number of North American utilities have made at least one investment
- North American utilities have focused more on **distributed solar**, while European utilities have invested more in **combined heat and power**
- Most investments have resulted in minority equity stakes, but **37 distributed energy companies have been acquired by utility companies**

Top Ten Utility Investors in Distributed Energy Companies

Rank	Utility Holding Company	HQ	HQ Region	No. of Portfolio Companies
1	Engie	France	Europe	15
1	E.ON	Germany	Europe	14
3	Exelon	USA	North America	13
4	RWE	Germany	Europe	12
5	Centrica	United Kingdom	Europe	9
5	EDF	France	Europe	9
5	NRG	USA	North America	9
8	Edison International	USA	North America	8
9	Great Plains Energy	USA	North America	7
10	Vattenfall	Sweden	Europe	5
10	Southern Company	USA	North America	5
10	Duke Energy	USA	North America	5

Top Utility Investors: North America

Rank (by # of investments)	Utility Holding Company	HQ	Owner of a Regulated Subsidiary?	Primary Investment Arm (if relevant)	Number of Portfolio Companies	Number of Direct Investments	Known Amount Invested ($M)
1	Exelon	USA	Yes	Constellation Technology Ventures	13	13	$257
2	NRG	USA	No	-	9	9	$114
3	Edison International	USA	Yes	Edison Energy Group	8	8	$60
4	Great Plains Energy	USA	Yes	GXP Investments, Energy Impact Partners	7	4	$49
5	Southern Company	USA	Yes	Energy Impact Partners	5	1	$472
5	Duke Energy	USA	Yes	-	5	5	$127
7	Xcel Energy	USA	Yes	Energy Impact Partners	4	0	$41
8	Ameren	USA	Yes	Energy Impact Partners	3	0	$21
9	NextEra Energy	USA	Yes	ClearSky Power & Technology Fund	2	2	$37
9	Sempra Energy	USA	Yes	-	2	2	$75
9	AEP	USA	Yes	-	2	2	$33
9	Fortis	Canada	Yes	Energy Impact Partners	2	0	$7
9	Avista	USA	Yes	Energy Impact Partners	2	1	$15

Notes: Direct investments are those made through an in-house entity, as opposed to those made through an independently run investment firm; number of investments excludes follow-on investments; amount invested ($) may reflect total size of funding rounds rather than the individual utility's contribution to the rounds

2. The Proposal is consistent with Staff precedents at several utilities finding that the approach of the Proposal is not excludable pursuant to Rule 14a-8(i)(7) because it addresses a significant policy issue and does not micromanage the Company.

The proposal follows several direct precedents where the Staff has previously rejected both the "choice of technology" and "sale of a particular product" lines of argument related to essentially the identical proposal. This includes *DTE Energy* (Jan. 26, 2015), *Duke Energy* (February 22, 2016) and *NorthWestern Energy* (January 8, 2016). In each instance, the companies argued as Entergy does that the proposal engaged in micromanagement, and focused on "choice of technology" or "sale of a particular product." The Staff has consistently found that the proposal focuses on reducing greenhouse gas emissions and is not excludable under Rule 14a-8(i)(7).

As the Company Letter notes, in *DTE Energy Company* (Jan. 26, 2015) the Staff declined to concur that a utility company could exclude a proposal requesting the company assess how it is adapting its business model to enable increased deployment of distributed low-carbon electricity generation resources. This follows a long line of Staff precedents finding that proposals relating to climate change solutions addressed transcendent policy issues and are not excludable under Rule 14a-8(i)(7).[6]

In the DTE no action request, the Company made many of the same arguments that Entergy is making in the present instance. The Company finds itself in the same circumstances as DTE, facing the same kinds of challenges that DTE was facing, but with at least an equally poor record of performance in advancing the renewable and DER piece of its energy portfolio as DTE. The

[6] This follow the Staff's long recognition that climate change and GHG reduction strategies as addressing a significant policy issue that transcends ordinary business matters. Dominion Resources (February 27, 2014), Devon Energy Corp. (March 19, 2014), PNC Financial Services Group, Inc. (February 13, 2013), NRG Inc. (March 12, 2009), Exxon Mobil Corp. (March 23, 2007), Exxon Mobil Corp. (March 12, 2007), General Electric Co. (January 31, 2007), Goldman Sachs Group, Inc. (February 7, 2011).

Company is asking the Staff to find that the Proposal micromanages or otherwise imposes on the company's ordinary business, as DTE did. Thus, a key question posed by this Proposal is whether the Staff will stand by the DTE precedent in the present no action request given the similar facts and arguments.

As in the DTE example, at Entergy shareholders deserve a report that does not micromanage but identifies the hurdles, glide path, plans and goals of the Company – its enterprise-wide approach to escalating the use of distributed energy resources in the mix of its climate responsive strategies. The Proposal does not engage in drilling down to the level of a state-by-state assessment but stays big picture, asking for a report that describes only how the Company could adapt its *enterprise-wide business model* to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

The same arguments were considered and rejected as well in *Duke Energy* (February 22, 2016) and *NorthWestern Energy* (January 8, 2016).

The proposal is not overly prescriptive. Typical micromanagement issues are exemplified by overly prescriptive proposals in *Marriott International Inc.* (March 17, 2010) wherein the proposal addressed minutia of operations – prescribing the flow limits on showerheads. In *Duke Energy Corporation* (February 16, 2001), the proposal attempted to set what were essentially regulatory limits on the company — 80% reduction in nitrogen oxide emissions from the company's coal-fired plant and limit of 0.15 lbs of nitrogen oxide per million British Thermal Units of heat input for each boiler excludable despite proposal's objective of addressing significant environmental policy issues. The recent Staff allowance of exclusion of the Apple Inc. (Jantz) (December 21, 2017) and Deere & Company (Dec. 27, 2017), net zero greenhouse gas proposals also fits into this category, because the proposals contained prescriptive detail regarding how each company should account for, calculate and scope its net zero greenhouse gas accomplishments. Those proposals asked the company prepare a report that evaluates the potential for the Company to achieve, by a fixed date, "net-zero" emissions of greenhouse gases relative to operations directly owned by the Company and major suppliers. The supporting statement was directive in describing the scope of the report: Achieving "net-zero greenhouse gas emissions status" would involve reducing GHG emissions from company operations and then offsetting the remaining GHG emissions by negative emissions strategies established by the company or purchased as offsets, such as from tree-planting and technological solutions that draw carbon from the air. The proposals also suggested that the company consider the potential for net zero GHG from manufacturing and distribution, executive and administrative offices, data centers, product development offices, customer service offices, and employee transportation and include fixed dates for fulfilling net zero GHG.

The approach of the Proposal follows numerous staff precedents in which greenhouse gas emission related proposals have focused on particular technological areas of vulnerability or opportunity for a given company in addressing climate change issues and on which the Staff has consistently rejected Rule 14a-8(i)(7) assertions. This includes both energy company and non-energy company settings. For instance, rejecting Rule 14a-8(i)(7) assertions regarding choice of

technology or sale of particular product: *Dominion Resources* (February 27, 2014) report on using biomass as a key renewable energy and climate mitigation strategy, *Duke Energy* (February 13, 2001) requesting that Duke Energy invest resources to build new electrical generation from solar and wind power sources. *Exxon Mobil Corporation* (March 23, 2000) asking the company to adopt a policy to promote renewable energy sources, develop plans to help bring bioenergy and other renewable energy sources into Exxon's energy mix and advise shareholders regularly on these efforts. *Exxon Mobil Corporation* (March 12, 2007) requesting that the board adopt a policy of significantly increasing renewable energy sourcing globally. See also *Exxon Mobil Corporation*(March 23, 2016) Requesting that the company quantify and report to shareholders its reserve replacements in British Thermal Units, by resource category, to assist the company in responding appropriately to climate change induced market changes.

Even at retailers, where energy production is not the primary business, it is not considered micromanagement for shareholders to ask the company to step up their role in greenhouse gas reduction through deployment of energy efficiency or renewable energy. *CVS Health Inc.*, (January 6, 2017), *Lowes Cos. Inc.* (March 10, 2017) a report assessing the climate benefits and feasibility of adopting enterprise-wide, quantitative, time-bound targets for increasing the company's renewable energy sourcing and/or production. In each of these decisions, the Staff rejected micromanagement arguments under Rule 14a-8(i)(7).[7]

The present proposal is unlike the proposals cited by the Company as addressing ordinary business. See *FirstEnergy Corp.* (Mar. 8, 2013), *Dominion Resources. Inc.* (Feb. 3, 2011). In those instances, the proposal did not focus as the present proposal on the significant policy issue of climate change, but only on a particular technology issue such as improving renewable energy

[7] See also *Exxon Mobil Corp.* (March 23, 2007) (adopt quantitative goals for GHG reduction); *Exxon Mobil Corp.* (March 12, 2007) (adopt policy to increase percentage of renewables in generation portfolio); *General Electric Co.* (January 31, 2007) (create report on global warming); *Goldman Sachs Group, Inc.* (February 7, 2011) (proposal requesting report disclosing the business risk related to developments in the political, legislative, regulatory and scientific landscape regarding climate change not excludable as ordinary business); and, *PNC Financial Services Group, Inc.* (February 13, 2013) (proposal requesting report to shareholders assessing GHG emissions resulting from the Company's lending portfolio and its exposure to climate risk in its lending, investing and financing activities not excludable as ordinary business). Such Staff determinations go back much further. The Staff has long found that proposals at utilities addressing alternative energy programs as a climate impact and GHG reduction strategy are not excludable as ordinary business because they address a significant policy matter. *Philadelphia Electric Co.* (February 28, 1983) (a proposal requesting the company's board affirm management's intention to move forward with comprehensive conservation and alternative energy programs); *Pacific Gas and Electric Co.* (February 2, 1983) (proposal requesting establishment of a wind power advisory board to research and make recommendations regarding the development of wind power); *Kansas Gas and Electric Co.* (March 27, 1980) (proposal recommending significant capital investment in energy conservation in the use of alternative energy sources). *Chevron Inc.* (March 23, 2016), requesting that the company publish an annual assessment of long-term portfolio impacts to 2035 of possible public climate change policies. Dominion Resources Inc. (February 11, 2014) requested the company adopt quantitative goals, taking into account International Panel on Climate Change guidance, for reducing total greenhouse-gas emissions from the company's products and operations and report on its plans to achieve these goals. *Hess Inc.* (Feb. 29, 2016) requested that Hess prepare and publish a report disclosing the "financial risks to the Company of stranded assets related to climate change and associated demand reductions. The report should evaluate a range of stranded asset scenarios, such as scenarios in which 10, 20, 30, and 40 percent of the Company's oil reserves cannot be monetized" and "Provide a range of capital allocation strategies to address the growing potential of low-demand scenarios, including diversifying capital investment or returning capital to shareholders; Provide information on assumptions used in each scenario, including carbon price and crude oil price."

or energy efficiency. In contrast, the end goal and target of the present proposal is on climate change.

The Commission anticipated the type of issues raised by the proposal as significant issues for companies and investors in its "Guidance to Public Companies Regarding the Commission's Existing Disclosure Requirements as they Apply to Climate Change Matters" (Release Nos. 33-9106; 34-61469; FR-82) (“SEC Release”). That guidance noted needs and interests of investors in disclosures that come about as a result of changes driven by climate change:

> **C. Indirect consequences of regulation or business trends.**
> Legal, technological, political and scientific developments regarding climate change may create new opportunities or risks for registrants. These developments may create demand for new products or services, or decrease demand for existing products or services. For example, possible indirect consequences or opportunities may include:
>
> - Decreased demand for goods that produce significant greenhouse gas emissions;
> - Increased demand for goods that result in lower emissions than competing products;
> - Increased competition to develop innovative new products;
> - Increased demand for generation and transmission of energy from alternative energy sources; and
> - Decreased demand for services related to carbon based energy sources, such as drilling services or equipment maintenance services.

Nor does the proposal spell out in exacting detail a approach that the company must take. So it is unlike *Ford Motor Company* (March 2, 2004) where the proposal outlined with extraordinary specificity the precise details sought in a scientific report regarding the existence of global warming or cooling. The proposal sought to prescribe the methods used for measuring and calculating climate change, even the means of measuring temperature increase, in a highly prescriptive way down to tiny increments and cost/benefits of climate change. Particularly for a report that went beyond the company's core mission, asking for these tiny increments of detail rose to the level of micromanagement.

The Staff has long agreed that proposals on climate change related issues can and should contain reasonable levels of detail on relevant information that avoids micromanagement but also avoids vagueness. As one example, in *ExxonMobil* (March 19, 2014) the Staff made it clear that it is not considered excludable micromanagement to request specifics in a report from a company, and to make technical aspects of such a report clear. The proposal in that instance sought a report to shareholders using quantitative indicators on the results of company policies and practices, above and beyond regulatory requirements, to minimize the adverse environmental and community impacts from the company’s hydraulic fracturing operations associated with shale formations and that such report address, at a minimum, and on a regional basis or by each play in which the company operates:

> Percentage of wells using “green completions;”

- Methane leakage as a percentage of total production;
- Percentage of drilling residuals managed in closed-loop systems;
- Goals to eliminate the use of open pits for storage of drilling fluid and flowback water, with updates on progress;
- Goals and quantitative reporting on progress to reduce toxicity of drilling fluids;
- A system for managing naturally occurring radioactive materials;
- Numbers and categories of community complaints of alleged impacts, and their resolution;
- A systematic approach for reporting community concern statistics upward within the company.

There are a few possible distinctions in the present instance from DTE and the other utility examples where the current proposal model was previously tested and found not to micromanage or otherwise be excludable pursuant to Rule 14a-8(i)(7)— the language of the proposal, the different service areas and responses of the companies, and the existence of the board opinion as invited under Staff Legal Bulletin 14I. We will respond to each of these in turn in the following sections.

3. The Wording of the Proposal Is Not Significantly Different from that in DTE and the other predecessor distributed energy decisions

In order to draw a distinction from DTE, the Company attempts to parse the words of the proposal to find greater micromanagement in the current proposal than the DTE energy proposal. In fact, they are in all material aspects the same. In DTE Energy, the question was whether to adapt its business model to “enable increased deployment” of distributed energy, and the current Proposal seeks to adapt the Company’s “enterprise-wide” model to “significantly increase deployment.” The Company Letter stretches credulity to suggest that the difference between this is “clearly contemplating a greater micromanagement of the Company than was contemplated by the *DTE Energy* letter” (emphasis added).

The Company goes on to assert that the DTE Energy proposal is significantly less prescriptive in terms of the goal to be pursued, referencing simply the objective of *"a means to reduce societal greenhouse gas emissions,"* whereas the Proposal specifies a goal of *"reducing [the Company's] greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels."* (emphasis added) In fact, the DTE energy proposal in question also referenced the 2°C scenario in its supporting statement:

> The IPCC estimates that a 50% reduction in GPIG emissions globally is needed by 2050 (from 1990 levels) to stabilize global temperatures, entailing a U.S. target reduction of 80%.

Thus, for all intents and purposes, there is no distinction between the prior DTE proposal precedent and the current Proposal.

4. The Company's management of distributed and renewable energy is ranked worse than DTE's.

As with DTE, Entergy lags behind its peers in its efforts to integrate distributed energy resources to its energy mix.

Figure 10: Renewable Energy Sales as a Percentage of Retail Sales (2014)

Holding Company	Rank	Percentage	Mean: [10.31%]	MWh	Mean: [4,902,738]
Sempra Energy	1	36.45%		6,002,000	
PG&E	2	25.90%		19,456,767	
Edison International	3	23.15%		17,558,000	
Xcel Energy	4	20.63%		18,495,000	
PSEG	5	13.28%		2,599,898	
National Grid	6	13.19%		3,881,856	
Eversource Energy	7	13.08%		3,058,302	
Berkshire Hathaway	8	12.99%		14,114,750	
OGE Energy	9	11.59%		3,129,474	
Exelon	10	11.49%		4,793,000	
Ameren	11	11.22%		5,179,826	
FirstEnergy	12	10.31%		5,810,517	
Puget Sound Energy	13	10.29%		2,116,470	
Pinnacle West	14	10.22%		2,819,880	
Alliant Energy	15	10.11%		2,642,000	
Pepco Holdings	16	9.79%		1,888,311	
CMS Energy	17	9.36%		3,114,000	
We Energies	18	9.03%		2,194,000	
DTE Energy	19	8.74%		3,662,195	
Portland General Electric	20	8.46%		1,489,000	
American Electric Power	21	6.00%		6,738,000	
AES Corporation	22	3.82%		688,722	
Duke	23	2.79%		5,477,000	
Dominion Resources	24	2.18%		1,741,787	
Entergy	25	2.06%		2,285,411	
SCANA	26	1.81%		404,525	
PPL Corp	27	1.02%		413,000	
ConEdison	28	0.94%		208,714	
FPL	29	0.17%		177,000	
Southern Company	No Data				

Mean: 10.31%

Source: Ceres, Benchmarking Utility Clean Energy Deployment: 2016 Ranking 30 of the Largest U.S. Investor-Owned Electric Utilities on Renewable Energy & Energy Efficiency, June 2016.

5. Despite climate change opportunities, utilities have played a controversial role in stalling distributed energy deployment nationally and in the Company's service areas:

While ratings agencies and Wall Street firms including Moody's and Barclays have raised a red flag highlighting the disruption climate change poses to current utility business models, utility leaders have acknowledged the same concerns. 97% note they expect medium to high levels of disruption according to a PwC Global Power & Utilities Survey and over half of global utility executives believe distributed generation will cause revenue destruction, according to a Accenture survey. Yet, Accenture, Moody's, and Navigant Research all note the opportunity for utilities to participate in distributed generation as an opportunity.

Despite the opportunity, there has been industry-wide controversy and pushback. Distributed energy is a topic of widespread controversy in part because installations rely on the infrastructure of the utilities but do not necessarily bear the costs of upkeep of the transmission system, potentially shifting the burden to the wider array of ratepayers and to the utilities themselves. This tension is playing out around the issue of "net metering." Net metering policies provide that utilities pay consumers the full retail price for electricity generated by customers when they invest in distributed energy systems, typically solar panels on homes or in localized solar panel "farms."[8] Such policies are leading to rapid growth in solar and other distributed energy sources as a part of the solution to climate change in which many individual households and communities can participate. However, a vigorous state-by-state debate is underway regarding the role of net metering and whether the decentralized generators should be held financially responsible for more of the transmission infrastructure. Numerous states[9] have had policy developments related to net metering policies for distributed generation.

The pitched nationwide battle over these issues has grassroots renewable energy advocates squaring off against utility industry groups and their grassroots allies. A report by the Energy and Policy Institute, "Attacks on Renewable Energy Standards and Net Metering Policies By Fossil Fuel Interests & Front Groups 2013-2014" states:

> [F]ront groups funded by fossil fuel and utility interests utilize every medium to influence the policy-making process. First, groups like the Beacon Hill Institute provide … reports or analysis claiming clean energy policies have negative impacts. Next, allied front groups or 'think tanks' use the … data in testimony, opinion columns, and in the media. Then, front groups, like Americans for Prosperity, spread disinformation through their grassroots networks, in postcards mailed to the public, and in television ads attacking the clean energy policy.[10]

This is a topic of widespread debate as seen by recent regulatory battles around the country. In Florida, the Public Service Commission voted to phase out a solar energy purchases rebate program. In Wisconsin, fixed rates were increased for many consumers, which will have the effect of decreasing investment in distributed energy because consumers will not be able to recover their investment for a longer period of time. A renewable rollback in Kansas fell a few votes short of passing, but is expected to pass given the change in political makeup of the state's legislature resulting from recent elections. West Virginia's legislature is in the process of repealing a law requiring utilities to purchase a certain amount of their energy from renewable energy sources.[11] States like North Carolina, Arizona, California, and Colorado have had battles over whether utilities can charge extra fees to customers who put solar panels on their roofs. In Hawaii, high electricity costs has led to massive private investment in rooftop solar panels, and

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[8] Energy and Policy Institute, "Attacks on Renewable Energy Standards and Net Metering Policies by Fossil Fuel Interests & Front Groups 2013-2014," May 2014 (p. 3). http://d3n8a8pro7vhmx.cloudfront.net/energyandpolicy/pages/99/attachments/original/1400726723/Report-State-Renewable-Energy-Attacks-by-Fossil-Fuel-Front-Groups.pdf?1400726723

[9] AZ, CA, CO, CT, HI, IN, KS, ME, MN, NH, NV, OK, OR, RI, SC, UT, and VT. National Conference of State Legislatures cited in http://www.latimes.com/nation/la-na-no-solar-20140810-story.html

[10] Energy and Policy Institute, p. 5.

[11] Ibid.

as a result, Hawaiian Electric has been implementing policies that discourage solar power.[12] "The battle is playing out among energy executives, lawmakers, and regulators across the country."[13]

California has continued to be at the forefront of green technologies, and is using distributed energy as well as solar rooftop power to push forward a plan for fifty percent of the state's electricity to be generated by renewable sources over the next 15 years.[14] The net metering credits that are paid back to consumers with distributed energy systems are among the most generous in the country and utilities have been fighting hard to repeal or otherwise limit the credits.[15]

The evidence shows that the Company's enterprise-wide strategy is resisting DER and renewable energy as a scaled part of its portfolio of greenhouse gas reduction strategies. The Proposal seeks consideration of integrating DER as necessary to achieve needed scale of greenhouse gas reduction. Below we will discuss further how these issues are playing out in the Company's own service areas.

The Company faces particular challenges in its core service regions with regard to distributed energy controversies and demands. The thrust of and rationale for the Proposal is that the Company's resistance to the disruptive power of distributed energy is holding back its efforts to reduce greenhouse gases. Despite the Company's admirable efforts on CO2 reduction, due in large part to legacy nuclear assests, some of which are phasing out, the point of the Proposal is that the Company's efforts are posing a risk to the climate and to its investors by neglecting DER and therefore neglecting a key opportunity to scale its energy resource pool to meet the urgency of the 2°C scenario. The Proposal suggests that one of the Company's greatest weaknesses in responding to climate challenges is its failure to work toward synergies in alignment with the otherwise disruptive challenges posed by distributed energy.

Although it is appropriate for the management to weigh and balance "complex factors and considerations" in choice of energy technologies, it is equally appropriate, and not at all consistent, for the Company to also have an enterprise-wide policy approach. Such a policy addresses questions such as: Are we encouraging or discouraging DER generally? Are we or our trade associations and funded allies lobbying against it at the State and Federal level? Do we have a preference for nonrenewable energy strategies? Do we encourage DER in particular in service areas such as Texas where available solar resources mean a high potential for DER adoption?

It is clearly appropriate for shareholders to question and dialogue with management on such considerations. These issues are neither impractical nor too complex to be subject to shareholder

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[12] Schwartz, John, "Fissures in GOP as Some Conservative Embrace Renewable Energy," New York Times (Jan. 25, 2014). https://www.nytimes.com/2014/01/26/us/politics/fissures-in-gop-as-some-conservatives-embrace-renewable-energy.html

[13] Cardwell, Diane, "On Rooftops, a Rival for Utilities," New York Times (July 26, 2013). http://www.nytimes.com/2013/07/27/business/energy-environment/utilities-confront-fresh-threat-do-it-yourself-power.html

[14] Reuters Summary of California Governor Jerry Brown, Jan. 5, 2015. http://www.reuters.com/article/2015/01/05/california-renewables-idUSL1N0UK1MY20150105

[15] Ibid.

oversight at the level sought by the Proposal. These issues are being actively debated in regions where Entergy does business and Entergy is actively involved in shaping policy on these matters.

The Company Letter largely acknowledges that the Company is involved in the debate and helping to determine whether or not DER is an approach of choice for consumers:

> The Company must participate actively in the political and regulatory spheres as part of its everyday business, and parties in interest on all sides will strive for advantage through the political process. It, therefore, cannot be the case that simply because a matter is controversial in that context, it should be deemed a policy matter that transcends the ordinary business operations of a company like Entergy.

This is the essence of a significant policy issue - the positioning of the Company *vis-à-vis* the potentially disruptive impact of distributed energy. Does the Company advocate for policy and regulations that support the expansion of such energy sources, or does it seek to limit those sources as competitors with the Company's centralized generation capacity?

Service Area Issues for Entergy

It has been noted that with the federal government playing a lesser role in promoting renewable energy, the action on this issue has shifted to the states. What would appear a clear advantage and opportunity for Entergy is the location of its service areas in sunny regions where solar potential is maximum. Yet there is little evidence that the Company is seizing these opportunities.

According to utility sector leaders, state-by-state determinations and policy are shaping the future of utilities as well as the future of existing utilities. According to Anne Pramaggiore, CEO, Commonwealth Edison:

> State policy has never been more important. Policy for renewables and distributed generation is set at the state level, as are energy prices that are central to the competitive success of different energy sources. Carbon pricing, apparently gridlocked at the federal level, seems to be shifting to the states. And the business model of the future utility – driven by the three trends noted above – will be determined by state policy.
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> * * *
>
> The new business model, as well as the clean energy future it will drive, requires diverse players, both traditional and emergent, to be at the policy table. Who sets the table and who takes part will vary by state – but the policy changes that will rule the impact of technology's advance require that these tables be convened.[16]

Texas

[16] Shallenberger, Krysti, "Predictions 2017: 8 sector insiders on what's next for power markets and regulation – From technology innovation to wholesale electric market changes, industry insiders have bold forecasts for the year ahead, January 5, 2017. https://www.utilitydive.com/news/predictions-2017-8-sector-insiders-on-whats-next-for-power-markets-and-re/433358/

Although the Company Letter notes that Texas utilities are required to meet minimum goals related to renewable energy as well as for energy efficiency,[17] the Letter does not note the distinctively different approach being taken in other service areas in Texas where distributed energy resources are on the verge of being effectively aggregated and promoted.[18] In contrast in the southeastern part of the state where Entergy has its service area, the company's apparent enterprise-wide reticence is manifested in its weaker distributed energy efforts.

Arkansas

Similarly, the Company Letter references that in February 2014, Entergy Arkansas, Inc. ("EAI") issued a request for proposals ("RFP") seeking renewable resources and has constructed or contracted for some specific centralized facilities. While the Company asserts that the wide availability of suitable rural land, utility-scale, ground-mounted solar PV is the most cost-effective approach to pursuing renewable resources, examining the capacity that the Company has on the drawing board in Arkansas shows that it is a drop in the bucket compared with the level of renewable resources that may possible through combining those efforts with distributed energy. Centralized facilities and distributed energy resources are not mutually inconsistent, and we would expect a report prepared consistent with the Proposal to analyze whether these efforts are synergistic or competitive.

Louisiana

In Louisiana, the Company Letter notes that within the city limits of New Orleans it may be difficult to produce residential solar due to zoning, etc., and that the Company has constructed an approximately 1 MW ground-mounted solar and advanced battery installation on approximately 14 acres of property owned by ENO. Nevertheless, in sunny Louisiana the Company has enormous opportunities to promote distributed energy resources, but absent an enterprise-wide vision and strategy driving such efforts, it seems most likely that the Company will continue to lag others efforts.

The Company's business is focused in regions where the role of distributed energy is a widely debated issue, and shows significant potential to expand renewable energy generation due to regional conditions favorable to solar energy. Yet the Company has provided little information to investors as to whether it could adapt its business model to tap this added GHG reduction potential by encouraging increased deployment of distributed low-carbon electricity generation. Given the contested public policy turf and potentially disruptive impact of the technologies, it is a significant policy issue of vital

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[17] . Tex. Util. Code § 39.904 (renewable energy); Tex. Util. Code §§ 39.905 — 39.9055 (energy efficiency).

[18] "Over the past few months, Texas grid operator ERCOT has been quietly crafting a proposal that could set up just this kind of regime for distributed energy. The ideas in play include allowing aggregated DERs to earn a broad, averaged-out wholesale price for the energy they export to the grid, opening up access to payments based on the cost of wholesale power at specific points on the grid, or even creating opportunities to play in ERCOT's lucrative energy and ancillary services markets."Texas Mulls New Grid Markets for Aggregated Distributed Energy Resources:
How ERCOT's idea for aggregating solar, storage and other DERs could unlock the state's grid-edge potential
JEFF ST. JOHN JUNE 05, 2015 https://www.greentechmedia.com/articles/read/texas-looks-to-distributed-energy-resources-as-market-players#gs.4BQjUwc

importance for the Company's investors to understand where it stands on this issue.

6. The Board of Directors findings are contradicted by extensive evidence that the Company is a sectoral laggard in adoption of renewable energy and distributed energy resources.

The other possible distinction from DTE is the inclusion of the Board's findings, in response to the invitation of Staff Legal Bulletin 14I. Staff Legal Bulletin 14I invited boards of directors to weigh in as to whether an issue is "significant to the company" for purposes of ordinary business. Apple Inc. (Jing Zhao) (December 21, 2017).

Notably, however, the Company and Board did not and could not assert that the issues related to distributed energy are not a significant issue for the Company. ***Indeed, the votes on this proposal as it appeared on the company's proxy statement for the last two years, garnering support of more than a third of the company's voting investors, shows that this is a significant issue of concern to investors.***

Instead, the Board attempted to circumvent this reality by asserting that the proposal "implicates precisely the kinds of ordinary business decisions that, due to their complexity and the number and variety of considerations that must be taken into account, are fundamental to management's ability to run the Company on a day-to-day basis and could not, as a practical matter, be subject to direct shareholder oversight." Yet, As documented throughout this letter, the Proposal does not attempt to probe those day to day considerations, but asks the big picture, enterprise-wide question regarding the company's approach to these disruptive trends. What makes it a significant policy issue for the Company is that the Company is in a position where it must respond, one way or another to these climate-driven developments.

CONCLUSION

Based on the foregoing, we believe it is clear that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2018 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the company that it is denying the no action letter request. If you have any questions, please contact me at natasha@arjuna-capital.com or 978-704-0114.

Sincerely,

Natasha Lamb, Managing Partner, Arjuna Capital

Cc: Edna M. Chism

Entergy

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January 4, 2018

Via Electronic Mail

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street N.E.
Washington, DC 20549

Re: Entergy Corporation – Shareholder Proposal Submitted by As You Sow

Ladies and Gentlemen:

Pursuant to Exchange Act Rule 14a-8(j), Entergy Corporation, a Delaware corporation ("Entergy" or the "Company"), hereby notifies the Division of Corporation Finance of its intention to exclude a shareholder proposal and supporting statement (the "Proposal") submitted by As You Sow on behalf of the Park Foundation, John B and Linda C Mason and UTE Holdings LLC (each, a "Proponent" and collectively, the "Proponents") from Entergy's proxy materials for its 2018 Annual Meeting of Shareholders (the "2018 Proxy Materials") for the reasons stated below.

This letter, together with the Proposal, is being submitted via email in lieu of mailing paper copies. A copy of this letter and the attachments are being sent on this date to the Proponents advising them of Entergy's intention to omit the Proposal from its 2018 Proxy Materials. We respectfully remind the Proponents that if they elect to submit additional correspondence to the Commission or the staff of the Division of Corporation Finance (the "Staff") with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned pursuant to Rule 14a-8(k).

A copy of the Proposal and all related correspondence with the Proponents is attached hereto as Exhibit A.

The Proposal

The Proposal and its supporting statement read as follows:

"REPORT ON DISTRIBUTED ENERGY

WHEREAS: Utilities face unprecedented disruptions to their business model driven by growth in non-carbon-emitting sources of electric power, and by state driven climate policy imperatives working toward the goal of limiting global warming to well below 2 degrees Celsius.

Utility leaders recognize the need for change; a PwC Global Power & Utilities Survey found that 97 percent of international electric power industry representatives expect the power utility business model to experience medium to high levels of disruption by 2020.

The effects are evident. In 2014, Barclays downgraded bonds for the entire United States electric utility sector due to the rapidly declining costs of solar power and energy storage technologies. UBS projects solar systems and batteries will cause a huge disruption, noting, "Large-scale power stations could be on a path to extinction." In 2016, credit rating agency Moody's announced it would begin assessing carbon transition risk based on scenarios consistent with the Paris Accord, noting the high carbon risk exposure of the power sector.

Over half of global utility executives believe distributed generation will cause revenue destruction, according to an Accenture survey. Accenture further noted that those who embrace distributed generation can turn the threat into an opportunity. Moody's stated, "a proactive regulatory response to distributed generation is credit positive as it gives utilities improved rate designs and helps in the long-term planning for their infrastructure." Navigant Research noted, "Utilities that proactively engage with their customers to accommodate distributed generation - and even participate in the market themselves - limit their risk and stand to benefit the most."

Distributed generation of electricity is expanding through residential rooftop solar and corporate installations of renewable power. As of November 2017, 114 major brands had committed to work towards 100 percent renewable energy by signing on to the RE 100 Pledge. Utilities must either meet these customers' demand, or risk losing them as they pursue solutions like distributed renewable generation independently. International growth in distributed energy portends changes in the United States. EV reported approximately half of Germany's installed capacity is distributed generation.

Though Entergy is the 7th largest United States utility, and has the 16th highest level of carbon emissions among United States power producers (Ceres, Benchmarking Utility Air Emissions 2015), the Company is among the lowest

ranked investor-owned utilities on clean energy deployment with very little distributed energy. Entergy ranked 26th of 30 on clean energy sales; 28th of 30 on incremental annual energy efficiency; and 29th of 30 on lifecycle energy efficiency. (Ceres, Benchmarking Utility Clean Energy Deployment 2016).

RESOLVED: With board oversight, shareholders request that Entergy prepare a report (at reasonable cost and omitting proprietary information) describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale noncarbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels."

Analysis

I. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because it Relates to Matters of the Company's Ordinary Business.

A. Background

Under Rule 14(a)-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." The purpose of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting."[1] Two considerations underlie this exclusion. The first relates to the subject matter of the proposal: "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight."[2] The second consideration relates to the "degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."[3]

In applying Rule 14a-8(i)(7) to proposals requesting companies to prepare reports on specific aspects of their business, the Staff has determined that it will consider whether the subject matter of the report involves a matter of ordinary business. If it does, the proposal can be excluded even if it requests only the preparation of the report and not the taking of any action with respect to such ordinary business matter, as set forth in Release No. 34-40018 (May 21, 1998) (the "1998 Release").

The 1998 Release also provided a social policy exception to the general rule of allowing a company to exclude shareholder proposals if they deal with matters relating to a company's ordinary business operations. The Staff has indicated that, "[i]n those cases in which a

[1] Release No. 34-40018 (May 21, 1998).

[2] *Id.*

[3] *Id.*

proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company." Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E").

On November 1, 2017, the Staff published Staff Legal Bulletin 14I ("SLB 14I"), which announced a new Staff policy regarding the application of Rule 14a-8(i)(7). In SLB 14I, the Staff explained that in determining whether the significant policy exception would apply, the Staff would consider "the connection between the significant policy issue and the company's business operations." Whether a policy is of sufficient significance to a particular company to warrant exclusion of a proposal that touches upon any issue may involve a "difficult judgment call" which the company's board of directors "is generally in a better position to determine" than the Staff. The Staff explained that a well-informed board exercising its fiduciary duty to oversee management and the strategic direction of the company "is well situated to analyze, determine and explain whether a particular social issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote."

Pursuant to SLB 14I, if, after examining the issue, a board concludes that the proposal does not raise a policy issue that transcends the company's ordinary business operations, the company's letter notifying the Staff of the company's intention to exclude the proposal should set forth the board's analysis of "the particular policy issue raised and its significance" and describe the "processes employed by the board to ensure that its conclusions are well-informed and well-reasoned." Consistent with the direction provided by the Staff in SLB 14I, part of the discussion below reflects the analysis of the Company's board of directors (the "Board") and includes a description of the Board's processes in conducting its analysis.

B. Analysis of the Proposal and Precedent

For nearly two decades, under the oversight of its Board, Entergy has been a leader among U.S. electric utilities in the area of environmental stewardship and reporting,[4] was an early proponent of aggressive policy actions on climate change,[5] and has taken various actions to

[4] Entergy Newsroom Release on September 22, 2017 at http://www.entergynewsroom.com/blog/entergy-recognized-for-powering-life-with-sustainable-business-practices-strategies-1392/.

[5] In 2000, Entergy publicly stated that "electric utilities have a major impact on the environment. As one of the nation's leading utilities, Entergy has a role to play in promoting environmental responsibility in our industry. Electric generation accounts for 36 percent of U.S. emissions of greenhouse gases — the key factor in global climate change. Investments in generating capacity today will have a large cumulative effect over the next thirty years or more on the total atmospheric concentration of greenhouse gases such as carbon dioxide (CO_2)". Entergy publishes an annual Integrated Report that includes information regarding its sustainability goals and accomplishments. See http://www.entergy.com/content/investor_relations/pdfs/2016_Integrated_Report.pdf, as well as a statistical guide and a detailed performance data table. See http://www.entergy.com/content/investor_relations/docs/2016_Investor_Guide.pdf; http://www.entergy.com/content/sustainability/performance_data_table.pdf. Entergy's current greenhouse gas emission goal is to maintain CO_2 emission levels at 20% below 2000 emission levels. As of 2016, Entergy emissions, on a cumulative basis, were at approximately 8% below that goal. This information is determined

limit its carbon emissions. That commitment has led Entergy to be named to the 2017 Dow Jones Sustainability North America Index, World Index, or both for the 16th consecutive year, by S&P Dow Jones Indices and RobecoSAM, an investment specialist focused exclusively on sustainability investing. The Company acknowledges that climate change is a significant policy issue, and the Company is already clearly committed to the overarching goal of controlling greenhouse gas emissions. However, as further explained below, the Proposal is *not* a general request for the Company to produce a report on limiting greenhouse gas emissions. Instead, the Proposal is a request for the Company to evaluate how its business model could be modified to support the expansion of a specific size and type of technology for achieving this goal on an enterprise-wide basis, which are decisions that are squarely within the purview of management, and therefore the Company believes that the Proposal may be excluded on the basis of Rule 14a-8(i)(7).

The Company acknowledges that the Staff has frequently considered proposals dealing with climate change to relate to a significant policy issue such that they "transcend the day-to-day business matters of the company" and may not be excluded. *See, e.g., DTE Energy Company* (Jan. 26, 2015) (declining to concur that the company could exclude a proposal requesting the company assess how it is adapting its business model to enable increased deployment of distributed low-carbon electricity generation resources) [6]; *Devon Energy Corp.* (Mar. 19, 2014) (declining to concur that the company could exclude a proposal requesting a report on the company's goals and plans to address global concerns regarding the contribution of fossil fuel use to climate change because it focused on the significant policy issue of climate change); *Exxon Mobil Corporation* (Mar. 23, 2007) (declining to concur that the company could exclude a proposal requesting the company to adopt quantitative goals for reducing greenhouse gas emissions).

It is not the case, however, that the Staff has always concluded that proposals that relate in any way to climate change may not be excluded. In *FirstEnergy Corp.* (Mar. 8, 2013), the proposal in question would have required a report regarding actions that FirstEnergy could take to diversify its energy resources to include increased energy efficiency and renewable energy resources. The Staff concurred that the report could be excluded because it related to the company's "choice of technologies."

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annually through a greenhouse gas emissions inventory and audit that is verified by an independent third party, ICF, is filed with the American Carbon Registry, and is made publicly available. See http://americancarbonregistry.org/how-it-works/accounts/entergy-corporation-corporate-ghg-inventory-reporting.

[6] The proposal at issue in the *DTE Energy* letter differed from the Proposal in certain important respects. First, the *DTE Energy* proposal requested only that DTE Energy assess how the company was adapting or could adapt its business model to "*enable increased deployment*" of distributed low-carbon generation resources, whereas the Proposal requests that the Company analyze how it could adapt its "*enterprise-wide*" business model to "*significantly increase deployment*" of distributed scale non-carbon emitting generation resources, thus clearly contemplating a greater micromanagement of the Company than was contemplated by the *DTE Energy* letter (emphasis added). The DTE Energy proposal is also significantly less prescriptive in terms of the goal to be pursued, referencing simply the objective of "*a means to reduce societal greenhouse gas emissions,*" whereas the Proposal specifies a goal of "*reducing [the Company's] greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.*" (emphasis added)

The Company believes that the analysis applied in *FirstEnergy Corp.* is also applicable to the Proposal. The Proposal, in contrast to the broader "two degree scenario" proposals that have been directed at many companies in Entergy's industry in recent years, requests a report on how the Company's enterprise-wide business model could be modified to support a specific size and type of technology—"distributed-scale non-carbon emitting electricity resources"— which in Entergy's service territory generally means rooftop-scale solar photovoltaic ("PV") generation systems.[7] As such, the Proposal is not, at its core, a proposal about the policy issue of whether to pursue the goal of reducing greenhouse gas emissions or even whether to pursue that goal through an expansion of renewable generation, which Entergy's five regulated utilities are undertaking through various means. It is, rather, a proposal that relates directly to the deployment of rooftop-scale PV generation systems. As such, it pertains to the specific choices the Company makes routinely in its business among the different technologies available to achieve emission reduction goals, taking into account a wide range of factors including operational and cost considerations, customer rate impacts, reliability, geographical considerations, technical issues and limitations, results from pilot programs, applicable regulations and policies of the Company's regulators, available ratemaking frameworks, customer and community needs, resource and capital planning considerations, and anticipated changes in all of these factors. Weighing and balancing each of these complex factors and considerations—which vary across the jurisdictions served by the Company's five public utility operating companies—is at the core of Entergy's ordinary business operations. In that regard, the Proposal implicates precisely the type of day-to-day business operations that the 1998 Release indicated are too impractical and too complex to be subject to direct shareholder oversight.

The integration of renewable resources as a part of the Company's core business function is further demonstrated by the multiple and ongoing regulatory proceedings in which the operating companies participate. Except for Entergy Texas, Inc.,[8] each of the operating companies participates in an integrated resource planning process overseen by its retail regulator. These processes include formal filings that set forth management's proposed integrated resource plan, stakeholder and public input on that plan, and eventual acceptance or rejection by the retail regulator of any of the specific resources contemplated within that plan or arising from it. It is in these dockets that policies are set regarding the appropriate integration of renewable resources and choice of technologies as well as other energy usage measures such as energy efficiency, demand side management, and energy storage. The ongoing and heavy engagement of the operating companies, their retail regulators, and other stakeholders in the deployment of renewable resources in the operating companies' service areas demonstrates that such

[7] Per available U.S. Department of Energy data, Entergy's five public electric utilities have interconnected as of September 2017 17,556 DG-scale solar PV systems and 10 DG-scale wind turbines in aggregate. The current de minimis number of non-solar PV DG-scale generators in the areas served by Entergy's utilities likely reflects the relative operational and cost effectiveness of other technologies.

[8] In 1999, as part of legislation providing for retail open access, the Texas Legislature repealed the then-existing integrated resource planning provisions that applied to electric utilities in Texas. Acts of 1999, 76th Tex. Leg. R.S. Ch. 405 (SB 7), Section 61. However, Texas utilities are required to meet certain goals related to renewable energy as well as for energy efficiency. Tex. Util. Code § 39.904 (renewable energy); Tex. Util. Code §§ 39.905 – 39.9055 (energy efficiency).

deployment, including the choice of technologies to be deployed, is very much part of the core business function of the operating companies and does not transcend the day-to-day business operations of the Company. Decisions made by management through these processes about the choice of renewable technologies to be deployed are precisely the type of complex matters in which the Company's shareholders, as a group, would not be in a position to make an informed judgement.

Two recent examples help illustrate the complex interplay among the many variables that must be considered and the different outcomes that can result from the balancing process required to integrate different forms of renewable generation in specific situations:

- In February 2014, Entergy Arkansas, Inc. ("EAI") issued a request for proposals ("RFP") seeking renewable resources. In response to that RFP, EAI and a solar provider executed a 20-year power purchase agreement ("PPA") for a new 81 MW solar PV facility to be constructed near Stuttgart, Arkansas. In September 2015, EAI's regulator approved the PPA and associated cost recovery. The Stuttgart solar project is under construction and is expected to come on-line in early 2018. Building on that success, EAI issued another renewable-specific RFP in 2016. In early 2017, EAI selected a new 100 MW solar resource from that RFP and proceeded to negotiate a 20-year PPA with the solar company. After the PPA was executed, EAI filed for approval of the resource in October 2017, which, if approved, will be constructed on land in Chicot County, Arkansas. Given the geography of Arkansas and wide availability of suitable rural land, for the Company's Arkansas public utility operating company subsidiary, utility-scale, ground-mounted solar PV has emerged as the most cost- and operationally-effective approach to pursuing renewable resources to help diversify its resource portfolio.

- Unlike the State of Arkansas, the City of New Orleans—served by the Company's Entergy New Orleans, LLC subsidiary ("ENO")—is a densely populated, urban area. Properties that are properly zoned and may be suitable for ground-mounted solar PV are more costly and not widely available. Due to challenges with wetlands limitations, zoning restrictions and soil conditions, many properties that may be marginally suitable for such development would require substantial investment to allow use for renewable resource development. In 2016, ENO constructed an approximately 1 MW ground-mounted solar and advanced battery installation on approximately 14 acres of property owned by ENO and located at an unused portion of a former fossil-fuel unit. Based on lessons learned through construction of that resource, ENO began evaluating the pursuit of other new approaches, including potential investment in larger-scale rooftop solar PV systems. Like EAI, ENO had issued a renewable-specific RFP in 2016 that contemplated purchasing renewable resources from other parties as well as its own direct investment in distributed generation-scale solar PV systems. ENO announced in May 2017 that it had selected three solar PV resources from that RFP representing approximately 45 MW in aggregate. Negotiations for two of the three solar projects each for 20 MW and ground mounted (one in New Orleans and one outside New Orleans) are on-going. In October 2017, ENO filed with its retail regulator for approval to invest $15 million in approximately 5 MW in total solar PV capacity that would involve installing multiple

solar PV systems on ENO-owned property as well as customer-owned property that would be secured by long-term lease. That application is currently pending approval.

The foregoing examples also illustrate the extent to which the management decisions implicated by the Proposal cannot be made on an enterprise-wide basis. Each situation is different. The Proposal demands that the Company "adapt its enterprise-wide business model" to significantly increase the deployment of distributed scale non-carbon-emitting electricity resources. Operational scale decisions of the type described above are squarely within the purview of management, as the Company has to consider the different regulatory policies, demographics, geographies and other factors that vary across the various markets in which it operates—there is no single solution that fits all of its markets. The language used in the Proposal is similar to that in the proposal in *Deere & Company* (Dec. 15, 2016) in which the proponent demanded that a plan related to climate change be adopted "for all aspects of the business which are directly owned by the Company." In 2017, the same proponent submitted a revised proposal to Deere & Company, calling for a report to shareholders evaluating the potential for the company to achieve "net-zero" emissions of greenhouse gases by a fixed date. *Deere & Company* (Dec. 27, 2017). In both *Deere & Company* letters, the Staff concurred that the company could exclude the proposal as it sought to micro-manage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. Indeed, the Staff has long held the position that proposals related to climate change policy that dictate specific management prerogatives, such as the Proposal, are excludable. *See FirstEnergy; Dominion Resources. Inc.* (Feb. 3, 2011) (concurring that the company could exclude a proposal requesting that it initiate a funding program for rooftop solar or wind power); *General Electric Co.* (Jan. 9, 2009) (concurring that the company could exclude a proposal calling for a report on the costs and benefits of divesting the company's nuclear energy investment and instead investing in renewable energy). Thus, the scope of the Proposal goes well beyond a general request for a report regarding the reduction of greenhouse gas emissions and clearly infringes upon matters within the purview of management in asking for an analysis of how the Company could "adapt its enterprise-wide business model" to support the expansion of a particular technology (distributed scale renewable generation). As evidenced by its actions over the past two decades and recent efforts to incorporate more renewable energy, the Company is clearly committed to the overarching goal of controlling greenhouse gas emissions; however, the choice of specific technology (including the scale of that technology) to achieve this goal and the market-by-market analysis that must be undertaken to make to make those choices is squarely within the purview of management.

The Company recognizes that, as noted in the *DTE Energy* correspondence, political battles are being fought in some areas of the country over the various forms of subsidies that have been provided to support the growth of distributed renewable generation and the appropriate means of crediting non-utility owners of distributed renewable generation for excess power returned to the grid. The Proposal does not directly address these issues, focusing instead on how the Company could adapt its enterprise-wide business model to significantly increase the deployment of distributed scale renewable generation resources. In addition, these types of controversies and public debates do not collectively represent a policy matter that transcends ordinary business for purposes of Rule 14a-8(i)(7), when applied to a public utility holding company like Entergy.

Because the Company's industry is heavily regulated, it is inevitable that business decisions made by the Company will be reviewed and sometimes subject to debate in the regulatory arena. The Company must participate actively in the political and regulatory spheres as part of its everyday business, and parties in interest on all sides will strive for advantage through the political process. It therefore cannot be the case that simply because a matter is controversial in that context, it should be deemed a policy matter that transcends the ordinary business operations of a company like Entergy. Instead, a proper balancing of considerations must recognize the distinction between a genuine social issue—such as the question of how a utility views the threat of climate change, or whether it is committed to controlling the rate of emissions from its portfolio—and a question about the most appropriate way to achieve that goal which, for Entergy, goes to the core of its day-to-day business operations and inevitably will involve consideration of a multiplicity of complex factors that will vary in their import from one context to another.

C. Perspective of the Company's Board

Management of the Company has discussed the Proposal with the Board and, in particular, raised with it the question of whether the Proposal relates to a policy matter that, in the specific context of the Company, transcends ordinary business operations.

Management provided the Proposal to the Board. The Company's Executive Vice President and General Counsel and its Deputy General Counsel and Secretary met with the Board and reviewed the Proposal, the results of the vote on a similar proposal the preceding year, and the Company's outreach efforts with major investors in which the Company's management has discussed the similar proposal. The Board also discussed the Company's well-established strategy and record with respect to controlling greenhouse gas emissions, as well as the fact that the Company has significantly increased its efforts to incorporate more renewable energy into the mix of energy it sources or generates for its customers, including the new distributed renewable generation project in New Orleans described above for which it has recently requested regulatory approval. Management also reviewed with the Board the requirements of the Rule 14(a)-8(i)(7) ordinary business exclusion, including the guidance provided in Staff Legal Bulletin 14I.

Management explained to the Board the basis for its view that the Proposal does not present a social policy issue that transcends ordinary business. The Board concurred in management's view that the Proposal's focus on the choice of distributed renewable generation on an enterprise-wide basis to achieve that underlying goal does not raise a significant policy matter and instead implicates precisely the kinds of ordinary business decisions that, due to their complexity and the number and variety of considerations that must be taken into account, are fundamental to management's ability to run the Company on a day-to-day basis and could not, as a practical matter, be subject to direct shareholder oversight. Included in these considerations, in addition to the impact on the Company's greenhouse gas emissions, are such factors as the cost, efficiency, reliability, technical factors and limitations of specific technologies, and regulatory requirements, as well as customer and community needs—all factors that management is uniquely positioned to evaluate in choosing which technology or technologies to pursue to meet a given customer need.

Conclusion

Over the last several years, Entergy has invested significant time and resources in implementing an environmental and sustainability strategy it believes is best for the Company and its four stakeholders—shareholders, customers, employees and communities. As technology continues to advance and become more affordable, the Company will continue to evaluate and refine the optimal mix of generation for its customers and communities, while balancing all of the relevant factors in such decisions. As set forth above, the Proposal is a request for the Company to evaluate how it could adapt its business model to support a specific renewable energy technology on an enterprise-wide basis, which is an analysis that can only be appropriately conducted by management; therefore the Company believes that the Proposal may be excluded on the basis of Rule 14a-8(i)(7).

Based on the foregoing, I respectfully request your concurrence that the Proposal may be excluded from Entergy's 2018 Proxy Materials. If you have any questions regarding this request or desire additional information, please contact me at (504) 576-4548.

Very truly yours,

Edna M. Chism

Attachments

cc: Daniel T. Falstad, Entergy Corporation
Raechelle M. Munna, Entergy Corporation
Lila Holzman, Energy Program Manager, As You Sow

Exhibit A
Proponent's Submission and
Related Correspondence

AS YOU SOW
1611 Telegraph Ave, Suite 1450
Oakland, CA 94612
www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

NOV 17 2017

November 15, 2017

Daniel T. Falstad
Vice President, Deputy General Counsel and Secretary
Entergy Corporation
639 Loyola Avenue
New Orleans, LA 70161

Dear Mr. Falstad:

As You Sow is filing a shareholder proposal on behalf of Park Foundation ("Proponent"), a shareholder of Entergy Corporation stock, in order to protect the shareholder's right to raise this issue in the proxy statement. The Proponent is submitting the enclosed shareholder proposal for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

As You Sow is the co-lead filer of this resolution with Arjuna Capital.

A letter from Park Foundation authorizing As You Sow to act on its behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

We are optimistic that a dialogue with the company can result in resolution of the Proponent's concerns.

Sincerely,

Lila Holzman

Lila Holzman
Energy Program Manager
lholzman@asyousow.org

Enclosures

- Shareholder Proposal
- Park Foundation Authorization

REPORT ON DISTRIBUTED ENERGY

WHEREAS: Utilities face unprecedented disruptions to their business model driven by growth in non-carbon-emitting sources of electric power, and by state driven climate policy imperatives working toward the goal of limiting global warming to well below 2 degrees Celsius.

Utility leaders recognize the need for change; a PwC Global Power & Utilities Survey found that 97 percent of international electric power industry representatives expect the power utility business model to experience medium to high levels of disruption by 2020.

The effects are evident. In 2014, Barclays downgraded bonds for the entire United States electric utility sector due to the rapidly declining costs of solar power and energy storage technologies. UBS projects solar systems and batteries will cause a huge disruption, noting, "Large-scale power stations could be on a path to extinction." In 2016, credit rating agency Moody's announced it would begin assessing carbon transition risk based on scenarios consistent with the Paris Accord, noting the high carbon risk exposure of the power sector.

Over half of global utility executives believe distributed generation will cause revenue destruction, according to an Accenture survey. Accenture further noted that those who embrace distributed generation can turn the threat into an opportunity. Moody's stated, "a proactive regulatory response to distributed generation is credit positive as it gives utilities improved rate designs and helps in the long-term planning for their infrastructure." Navigant Research noted, "Utilities that proactively engage with their customers to accommodate distributed generation - and even participate in the market themselves - limit their risk and stand to benefit the most."

Distributed generation of electricity is expanding through residential rooftop solar and corporate installations of renewable power. As of November 2017, 114 major brands had committed to work towards 100 percent renewable energy by signing on to the RE100 Pledge. Utilities must either meet these customers' demand, or risk losing them as they pursue solutions like distributed renewable generation independently.

International growth in distributed energy portends changes in the United States. EY reported approximately half of Germany's installed capacity is distributed generation.

Though Entergy is the 7th largest United States utility, and has the 16th highest level of carbon emissions among United States power producers (Ceres, Benchmarking Utility Air Emissions 2015), the Company is among the lowest ranked investor-owned utilities on clean energy deployment with very little distributed energy. Entergy ranked 26th of 30 on clean energy sales; 28th of 30 on incremental annual energy efficiency; and 29th of 30 on lifecycle energy efficiency. (Ceres, Benchmarking Utility Clean Energy Deployment 2016).

RESOLVED: With board oversight, shareholders request that Entergy prepare a report (at reasonable cost and omitting proprietary information) describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

PARK
FOUNDATION

October 24, 2017

Andrew Behar
CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andy,

As of October 24, 2017, the undersigned, Park Foundation (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Entergy, and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over $2,000 worth of Entergy stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2018.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

Jon M. Jensen
Executive Director

Park Foundation Inc. P.O. Box 550 Ithaca, NY 14851
Tel: 607/272-9124 Fax: 607/272-6057

AS YOU SOW
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NOV 17 2017

November 15, 2017

Daniel T. Falstad
Vice President, Deputy General Counsel and Secretary
Entergy Corporation
639 Loyola Avenue
New Orleans, LA 70161

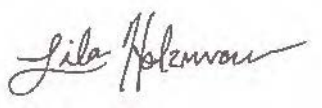
Dear Mr. Falstad:

As You Sow is co-filing a shareholder proposal on behalf of John B and Linda C Mason, and on behalf of UTE Holdings LLC (collectively, the "Proponents"), shareholders of Entergy Corporation stock, in order to protect the shareholders' right to raise this issue in the proxy statement. The Proponents are submitting the enclosed shareholder proposal for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

As You Sow also represents the lead filer of this proposal, Park Foundation.

Letters from the Proponents authorizing As You Sow to act on their behalf are enclosed. A representative of the lead filer will attend the stockholders' meeting to move the resolution as required.

Sincerely,



Lila Holzman
Energy Program Manager
lholzman@asyousow.org

Enclosures

- Shareholder Proposal
- UTE Holdings LLC Authorization

REPORT ON DISTRIBUTED ENERGY

WHEREAS: Utilities face unprecedented disruptions to their business model driven by growth in non-carbon-emitting sources of electric power, and by state driven climate policy imperatives working toward the goal of limiting global warming to well below 2 degrees Celsius.

Utility leaders recognize the need for change; a PwC Global Power & Utilities Survey found that 97 percent of international electric power industry representatives expect the power utility business model to experience medium to high levels of disruption by 2020.

The effects are evident. In 2014, Barclays downgraded bonds for the entire United States electric utility sector due to the rapidly declining costs of solar power and energy storage technologies. UBS projects solar systems and batteries will cause a huge disruption, noting, "Large-scale power stations could be on a path to extinction." In 2016, credit rating agency Moody's announced it would begin assessing carbon transition risk based on scenarios consistent with the Paris Accord, noting the high carbon risk exposure of the power sector.

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Distributed generation of electricity is expanding through residential rooftop solar and corporate installations of renewable power. As of November 2017, 114 major brands had committed to work towards 100 percent renewable energy by signing on to the RE100 Pledge. Utilities must either meet these customers' demand, or risk losing them as they pursue solutions like distributed renewable generation independently.

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RESOLVED: With board oversight, shareholders request that Entergy prepare a report (at reasonable cost and omitting proprietary information) describing how the Company could adapt its enterprise-wide business model to significantly increase deployment of distributed-scale non-carbon-emitting electricity resources as a means of reducing greenhouse gas emissions consistent with limiting global warming to no more than 2 degrees Celsius over pre-industrial levels.

October 25, 2017

Andrew Behar
CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of October 25, 2017, the undersigned, UTE Holdings LLC (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Entergy Corporation and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over $2,000 worth of Entergy Corporation stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2018.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

K. Catto

Kristina Catto
UTE Holdings LLC

ENTERGY CORPORATION
P.O. Box 61000
New Orleans, LA 70161
(504) 576-4548
echism@entergy.com
EDNA M. CHISM
Assistant General Counsel

November 22, 2017

VIA EMAIL
Lila Holzman
Energy Program Manager
As You Sow
1611 Telegraph Ave, Suite 1450
Oakland, CA 94612
lholzman@asyousow.org

Re: Shareholder Proposal for the 2018 Annual Meeting

Dear Ms. Holzman:

We received by email your two letters dated November 15, 2017, regarding a shareholder proposal (the "Proposal") submitted to Entergy Corporation (the "Company" or "we") intended for inclusion in the Company's proxy materials for its 2018 Annual Meeting of Stockholders (the "2018 Annual Meeting").

As you may know, Rule 14a-8 under the Securities Exchange Act of 1934 ("Rule 14a-8") sets forth the legal framework pursuant to which a shareholder may submit a proposal for inclusion in a public company's proxy statement. Rule 14a-8(b) establishes that, in order to be eligible to submit a proposal, a shareholder "must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year" by the date on which the proposal is submitted. In addition, under Rule 14a-8(b), the shareholder must also provide a written statement that such shareholder intends to continue to own the required amount of securities through the date of the 2018 Annual Meeting. If Rule 14a-8(b)'s eligibility requirements are not met, the company to which the proposal has been submitted may, pursuant to Rule 14a-8(f), exclude the proposal from its proxy statement.

The Company's stock records do not indicate that any of the shareholders identified in your letters have been registered holders of the requisite amount of Company securities for at least one year. Under Rule 14a-8(b), eligibility to submit a proposal must be proven in one of two ways: (1) by submitting to the Company a written statement from the "record" holder of such shareholder's stock (usually a broker or bank) verifying that such shareholder has continuously held the requisite number of securities entitled to be voted on the Proposal for at least the one-year period prior to and including November 15, 2017, which is the date the Proposal was submitted, along with a written statement from the shareholder that such shareholder intends to continue ownership of the securities through the date of the 2018 Annual Meeting; or (2) by submitting to the Company a copy of a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 filed by such shareholder with the Securities and Exchange Commission (the "SEC") that demonstrates ownership of the requisite number of securities as of, or before the date on which the one-year eligibility period begins, along with a written statement that: (i) such

shareholder has continuously owned such securities for the one-year period as of the date of the statement and (ii) such shareholder intends to continue ownership of the securities through the date of the 2018 Annual Meeting.

With respect to the first method of proving eligibility to submit a proposal as described in the preceding paragraph, please note that most large brokers and banks acting as "record" holders deposit the securities of their customers with the Depository Trust Company ("DTC"). The staff of the SEC's Division of Corporation Finance (the "Staff") in 2011 issued further guidance on its view of what types of brokers and banks should be considered "record" holders under Rule 14a-8(b). In *Staff Legal Bulletin No. 14F* (October 18, 2011) ("SLB 14F"), the Staff stated, "[W]e will take the view going forward that, for Rule 14a-8(b)(2)(i) purposes, only DTC participants should be viewed as 'record' holders of securities that are deposited at DTC." In 2012, the Staff clarified, as stated in *Staff Legal Bulletin No. 14G* ("SLB 14G"), that a written statement establishing proof of ownership may also come from an affiliate of a DTC participant.

The identified shareholders can confirm whether their broker or bank is a DTC participant or affiliate thereof by checking the DTC participant list, which is available on the DTC's website (currently, at http://dtcc.com/~/media/Files/Downloads/client-center/DTC/numerical.ashx). If such broker or bank is a DTC participant or an affiliate of a DTC participant, then such shareholders will need to submit a written statement from their broker or bank verifying that, as of the date the Proposal was submitted, such shareholder continuously held the requisite amount of securities for at least one year. If the broker or bank is not on the DTC participant list or is not an affiliate of a broker or bank on the DTC participant list, such shareholders will need to ask their broker or bank to identify the DTC participant through which their securities are held and have that DTC participant provide the verification detailed above. Such shareholders may also be able to identify this DTC participant or affiliate from their account statements because the clearing broker listed on the statement will generally be a DTC participant. If the DTC participant or affiliate knows the broker's holdings but does not know such shareholders' holdings, the requirements of Rule 14a-8 can be satisfied by submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of securities was continuously held for at least one year: (i) one statement from such shareholders' broker(s) confirming their ownership and (ii) one statement from the DTC participant confirming the broker's ownership. We have not yet received evidence establishing that the shareholders identified in your letters satisfy these eligibility requirements.

Additionally, as you are aware, the Staff allows a shareholder to submit a proposal through a representative, a practice commonly referred to as "proposal by proxy." The Staff recently issued guidance to help companies and the Staff better evaluate whether the eligibility requirements of Rule 14a-8(b) have been satisfied in connection with a proposal's submission by proxy. In *Staff Legal Bulletin No. 14I* (November 1, 2017) ("SLB 14I"), the Staff stated, "[G]oing forward, the [S]taff will look to whether the shareholders who submit a proposal by proxy provide documentation describing the shareholder's delegation of authority to the proxy." The Staff expects this documentation to: (i) identify the shareholder-proponent and the person or entity selected as proxy; (ii) identify the company to which the proposal is directed; (iii) identify the annual or special meeting for which the proposal is submitted; (iv) identify the specific

proposal to be submitted; and (v) be signed and dated by the shareholder. Where the foregoing information is not provided, there may be a basis to exclude the proposal under Rule 14-8(b).

We have examined the documentation you provided regarding your authority to act on behalf on the shareholders identified in your letters with regard to the Proposal. Please note the following:

- The letter dated October 24, 2017, from Mr. Jon M. Jensen of Park Foundation authorized you to file or co-file a shareholder resolution on such shareholder's behalf. However, the letter did not identify the specific proposal to be submitted.
- The letter dated October 25, 2017, from Ms. Kristina Catto of UTE Holdings LLC authorized you to file or co-file a shareholder resolution on such shareholder's behalf. However, the letter did not identify the specific proposal to be submitted.
- One of your letters dated November 15, 2017, purports to co-file a shareholder resolution on behalf of John B and Linda C. Mason. There is no documentation provided to support your authority to act on behalf of such shareholders.
- There is a reference in one of your letters dated November 15, 2017, to Arjuna Capital as a co-lead filer of the Proposal. You did not provide any documentation regarding Arjuna Capital's authority to act on behalf of the identified shareholders.

Without the above-specified information, we cannot confirm that the eligibility requirements of Rule 14a-8(b) have been satisfied.

Further, the Company respectfully asks you to clarify the identity of the shareholder-proponents and lead filer(s) of the Proposal. We have assumed that your two letters dated November 15, 2017 are intended to be a single proposal submitted on behalf on multiple shareholders.

Please note that if you intend to submit such evidence as referenced in this letter, your response must be postmarked, or transmitted electronically, no later than 14 calendar days from the date you receive this letter. For your reference, copies of Rule 14a-8, SLB 14F, SLB 14G and SLB 14I are attached to this letter as Exhibit A, Exhibit B, Exhibit C and Exhibit D, respectively.

If you have any questions concerning the above, please do not hesitate to contact the undersigned by phone at (504) 576-4548 or by email at echism@entergy.com.

Very truly yours,

Edna M. Chism
Assistant General Counsel

Attachments
cc: Marcus V. Brown
Daniel T. Falstad

Exhibit A
Rule 14a-8

Title 17: Commodity and Securities Exchanges

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

§ 240.14a-8 Shareholder proposals.

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to "you" are to a shareholder seeking to submit the proposal.

(a) Question 1: What is a proposal? A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word "proposal" as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

(b) Question 2: Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible?

(1) In order to be eligible to submit a proposal, you must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting.

(2) If you are the registered holder of your securities, which means that your name appears in the company's records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the securities through the date of the meeting of shareholders. However, if like many shareholders you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:

(i) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held the securities for at least one year. You must also include your own written statement that you intend to continue to hold the securities through the date of the meeting of shareholders; or

(ii) The second way to prove ownership applies only if you have filed a Schedule 13D (§240.13d-101), Schedule 13G (§240.13d-102), Form 3 (§249.103 of this chapter), Form 4 (§249.104 of this chapter) and/or Form 5 (§249.105 of this chapter), or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins. If you have filed one of these documents with the SEC, you may demonstrate your eligibility by submitting to the company:

(A) A copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level;

(B) Your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement: and

(C) Your written statement that you intend to continue ownership of the shares through the date of the company's annual or special meeting.

(c) Question 3: How many proposals may I submit? Each shareholder may submit no more than one proposal to a company for a particular shareholders' meeting.

(d) Question 4: How long can my proposal be? The proposal, including any accompanying supporting statement, may not exceed 500 words.

(e) Question 5: What is the deadline for submitting a proposal?

(1) If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10-Q (§249.308a of this chapter), or in shareholder reports of investment companies under §270.30d-1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

(2) The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the

previous year, or if the date of this year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

(3) If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

(f) Question 6: What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section?

(1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under §240.14a-8 and provide you with a copy under Question 10 below, §240.14a-8(j).

(2) If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

(g) Question 7: Who has the burden of persuading the Commission or its staff that my proposal can be excluded? Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

(h) Question 8: Must I appear personally at the shareholders' meeting to present the proposal?

(1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(i) Question 9: If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal?

(1) Improper under state law: If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

Note to paragraph (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) Violation of law: If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

Note to paragraph (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) Violation of proxy rules: If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including §240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) Personal grievance; special interest: If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) Relevance: If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) Absence of power/authority: If the company would lack the power or authority to implement the proposal;

(7) Management functions: If the proposal deals with a matter relating to the company's ordinary business operations;

(8) Director elections: If the proposal:

(i) Would disqualify a nominee who is standing for election;

(ii) Would remove a director from office before his or her term expired;

(iii) Questions the competence, business judgment, or character of one or more nominees or directors;

(iv) Seeks to include a specific individual in the company's proxy materials for election to the board of directors; or

(v) Otherwise could affect the outcome of the upcoming election of directors.

(9) Conflicts with company's proposal: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

Note to paragraph (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) Substantially implemented: If the company has already substantially implemented the proposal;

Note to paragraph (i)(10): A company may exclude a shareholder proposal that would provide an advisory vote or seek future advisory votes to approve the compensation of executives as disclosed pursuant to Item 402 of Regulation S-K (P29.402 of this chapter) or any successor to Item 402 (a "say-on-pay vote") or that relates to the frequency of say-on-pay votes, provided that in the most recent shareholder vote required by §240.14a-21(b) of this chapter a single year (i.e., one, two, or three years) received approval of a majority of votes cast on the matter and the company has adopted a policy on the frequency of say-on-pay votes that is consistent with the choice of the majority of votes cast in the most recent shareholder vote required by §240.14a-21(b) of this chapter.

(11) Duplication: If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

(12) Resubmissions: If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company's proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

(i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;

(ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or

(iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) Specific amount of dividends: If the proposal relates to specific amounts of cash or stock dividends.

(j) Question 10: What procedures must the company follow if it intends to exclude my proposal?

(1) If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

(i) The proposal;

(ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and

(iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) Question 11: May I submit my own statement to the Commission responding to the company's arguments?

Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) Question 12: If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) Question 13: What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.

(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, §240.14a-9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before its files definitive copies of its proxy statement and form of proxy under §240.14a-6.

[63 FR 29119, May 28, 1998; 63 FR 50622, 50623, Sept. 22, 1998, as amended at 72 FR 4168, Jan. 29, 2007; 72 FR 70456, Dec. 11, 2007; 73 FR 977, Jan. 4, 2008; 76 FR 6045, Feb. 2, 2011; 75 FR 56782, Sept. 16, 2010]

Exhibit B

SLB 14F

U.S. Securities and Exchange Commission

Division of Corporation Finance
Securities and Exchange Commission

Shareholder Proposals

Staff Legal Bulletin No. 14F (CF)

Action: Publication of CF Staff Legal Bulletin

Date: October 18, 2011

Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the "Division"). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the "Commission"). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division's Office of Chief Counsel by calling (202) 551-3500 or by submitting a web-based request form at https://tts.sec.gov/cgi-bin/corp_fin_interpretive.

The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;
- Common errors shareholders can avoid when submitting proof of ownership to companies;
- The submission of revised proposals;

- Procedures for withdrawing no-action requests regarding proposals submitted by multiple proponents; and

- The Division's new process for transmitting Rule 14a-8 no-action responses by email.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D and SLB No. 14E.

The types of brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

Eligibility to submit a proposal under Rule 14a-8

To be eligible to submit a shareholder proposal, a shareholder must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. The shareholder must also continue to hold the required amount of securities through the date of the meeting and must provide the company with a written statement of intent to do so.[1]

The steps that a shareholder must take to verify his or her eligibility to submit a proposal depend on how the shareholder owns the securities. There are two types of security holders in the U.S.: registered owners and beneficial owners.[2] Registered owners have a direct relationship with the issuer because their ownership of shares is listed on the records maintained by the issuer or its transfer agent. If a shareholder is a registered owner, the company can independently confirm that the shareholder's holdings satisfy Rule 14a-8(b)'s eligibility requirement.

The vast majority of investors in shares issued by U.S. companies, however, are beneficial owners, which means that they hold their securities in book-entry form through a securities intermediary, such as a broker or a bank. Beneficial owners are sometimes referred to as "street name" holders. Rule 14a-8(b)(2)(i) provides that a beneficial owner can provide proof of ownership to support his or her eligibility to submit a proposal by submitting a written statement "from the 'record' holder of [the] securities (usually a broker or bank)," verifying that, at the

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[1] *See* Rule 14a-8(b).

[2] For an explanation of the types of share ownership in the U.S., see Concept Release on U.S. Proxy System, Release No. 34-62495 (July 14, 2010) [75 FR 42982] ("Proxy Mechanics Concept Release"), at Section II.A. The term "beneficial owner" does not have a uniform meaning under the federal securities laws. It has a different meaning in this bulletin as compared to "beneficial owner" and "beneficial ownership" in Sections 13 and 16 of the Exchange Act. Our use of the term in this bulletin is not intended to suggest that registered owners are not beneficial owners for purposes of those Exchange Act provisions. See Proposed Amendments to Rule 14a-8 under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Release No. 34-12598 (July 7, 1976) [41 FR 29982], at n.2 ("The term 'beneficial owner' when used in the context of the proxy rules, and in light of the purposes of those rules, may be interpreted to have a broader meaning than it would for certain other purpose[s] under the federal securities laws, such as reporting pursuant to the Williams Act.").

time the proposal was submitted, the shareholder held the required amount of securities continuously for at least one year.[3]

The role of the Depository Trust Company

Most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency acting as a securities depository. Such brokers and banks are often referred to as "participants" in DTC.[4] The names of these DTC participants, however, do not appear as the registered owners of the securities deposited with DTC on the list of shareholders maintained by the company or, more typically, by its transfer agent. Rather, DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants. A company can request from DTC a "securities position listing" as of a specified date, which identifies the DTC participants having a position in the company's securities and the number of securities held by each DTC participant on that date.[5]

Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

In *The Hain Celestial Group, Inc.* (Oct. 1, 2008), we took the position that an introducing broker could be considered a "record" holder for purposes of Rule 14a-8(b)(2)(i). An introducing broker is a broker that engages in sales and other activities involving customer contact, such as opening customer accounts and accepting customer orders, but is not permitted to maintain custody of customer funds and securities.[6] Instead, an introducing broker engages another broker, known as a "clearing broker," to hold custody of client funds and securities, to clear and execute customer trades, and to handle other functions such as issuing confirmations of customer trades and customer account statements. Clearing brokers generally are DTC participants; introducing brokers generally are not. As introducing brokers generally are not DTC participants, and therefore typically do not appear on DTC's securities position listing, *Hain Celestial* has required companies to accept proof of ownership letters from brokers in cases where, unlike the positions of registered owners and brokers and banks that are DTC participants, the company is unable to verify the positions against its own or its transfer agent's records or against DTC's securities position listing.

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[3] If a shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the required amount of shares, the shareholder may instead prove ownership by submitting a copy of such filings and providing the additional information that is described in Rule 14a-8(b)(2)(ii).

[4] DTC holds the deposited securities in "fungible bulk," meaning that there are no specifically identifiable shares directly owned by the DTC participants. Rather, each DTC participant holds a pro rata interest or position in the aggregate number of shares of a particular issuer held at DTC. Correspondingly, each customer of a DTC participant – such as an individual investor – owns a pro rata interest in the shares in which the DTC participant has a pro rata interest. See Proxy Mechanics Concept Release, at Section II.B.2.a.

[5] *See* Exchange Act Rule 17Ad-8.

[6] *See* Net Capital Rule, Release No. 34-31511 (Nov. 24, 1992) [57 FR 56973] ("Net Capital Rule Release"), at Section II.C.

In light of questions we have received following two recent court cases relating to proof of ownership under Rule 14a-8[7] and in light of the Commission's discussion of registered and beneficial owners in the Proxy Mechanics Concept Release, we have reconsidered our views as to what types of brokers and banks should be considered "record" holders under Rule 14a-8(b)(2)(i). Because of the transparency of DTC participants' positions in a company's securities, we will take the view going forward that, for Rule 14a-8(b)(2)(i) purposes, only DTC participants should be viewed as "record" holders of securities that are deposited at DTC. As a result, we will no longer follow *Hain Celestial*.

We believe that taking this approach as to who constitutes a "record" holder for purposes of Rule 14a-8(b)(2)(i) will provide greater certainty to beneficial owners and companies. We also note that this approach is consistent with Exchange Act Rule 12g5-1 and a 1988 staff no-action letter addressing that rule,[8] under which brokers and banks that are DTC participants are considered to be the record holders of securities on deposit with DTC when calculating the number of record holders for purposes of Sections 12(g) and 15(d) of the Exchange Act.

Companies have occasionally expressed the view that, because DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants, only DTC or Cede & Co. should be viewed as the "record" holder of the securities held on deposit at DTC for purposes of Rule 14a-8(b)(2)(i). We have never interpreted the rule to require a shareholder to obtain a proof of ownership letter from DTC or Cede & Co., and nothing in this guidance should be construed as changing that view.

How can a shareholder determine whether his or her broker or bank is a DTC participant?

Shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's participant list, which is currently available on the Internet at http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf.

What if a shareholder's broker or bank is not on DTC's participant list?

The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held. The shareholder should be able to find out who this DTC participant is by asking the shareholder's broker or bank.[9]

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[7] See *KBR Inc. v. Chevedden*, Civil Action No. H-11-0196, 2011 U.S. Dist. LEXIS 36431, 2011 WL 1463611 (S.D. Tex. Apr 4, 2011); *Apache Corp. v. Chevedden*, 696 F. Supp. 2d 723 (S.D. Tex. 2010). In both cases, the court concluded that a securities intermediary was not a record holder for purposes of Rule 14a-8(b) because it did not appear on a list of the company's non-objecting beneficial owners or on any DTC securities position listing, nor was the intermediary a DTC participant.

[8] *Techne Corp.* (Sept. 20, 1988).

[9] In addition, if the shareholder's broker is an introducing broker, the shareholder's account statements should include the clearing broker's identity and telephone number. *See* Net Capital Rule Release, at Section II.C.(iii). The clearing broker will generally be a DTC participant.

If the DTC participant knows the shareholder's broker or bank's holdings, but does not know the shareholder's holdings, a shareholder could satisfy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of securities were continuously held for at least one year – one from the shareholder's broker or bank confirming the shareholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

How will the staff process no-action requests that argue for exclusion on the basis that the shareholder's proof of ownership is not from a DTC participant?

The staff will grant no-action relief to a company on the basis that the shareholder's proof of ownership is not from a DTC participant only if the company's notice of defect describes the required proof of ownership in a manner that is consistent with the guidance contained in this bulletin. Under Rule 14a-8(f)(1), the shareholder will have an opportunity to obtain the requisite proof of ownership after receiving the notice of defect.

Common errors shareholders can avoid when submitting proof of ownership to companies

In this section, we describe two common errors shareholders make when submitting proof of ownership for purposes of Rule 14a-8(b)(2), and we provide guidance on how to avoid these errors.

First, Rule 14a-8(b) requires a shareholder to provide proof of ownership that he or she has "continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal" (emphasis added).[10] We note that many proof of ownership letters do not satisfy this requirement because they do not verify the shareholder's beneficial ownership for the entire one-year period preceding and including the date the proposal is submitted. In some cases, the letter speaks as of a date *before* the date the proposal is submitted, thereby leaving a gap between the date of the verification and the date the proposal is submitted. In other cases, the letter speaks as of a date *after* the date the proposal was submitted but covers a period of only one year, thus failing to verify the shareholder's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Second, many letters fail to confirm continuous ownership of the securities. This can occur when a broker or bank submits a letter that confirms the shareholder's beneficial ownership only as of a specified date but omits any reference to continuous ownership for a one-year period.

We recognize that the requirements of Rule 14a-8(b) are highly prescriptive and can cause inconvenience for shareholders when submitting proposals. Although our administration of Rule 14a-8(b) is constrained by the terms of the rule, we believe that shareholders can avoid the

[10] For purposes of Rule 14a-8(b), the submission date of a proposal will generally precede the company's receipt date of the proposal, absent the use of electronic or other means of same-day delivery.

two errors highlighted above by arranging to have their broker or bank provide the required verification of ownership as of the date they plan to submit the proposal using the following format:

> "As of [date the proposal is submitted], [name of shareholder] held, and has held continuously for at least one year, [number of securities] shares of [company name] [class of securities]."[11]

As discussed above, a shareholder may also need to provide a separate written statement from the DTC participant through which the shareholder's securities are held if the shareholder's broker or bank is not a DTC participant.

The submission of revised proposals

On occasion, a shareholder will revise a proposal after submitting it to a company. This section addresses questions we have received regarding revisions to a proposal or supporting statement.

A shareholder submits a timely proposal. The shareholder then submits a revised proposal before the company's deadline for receiving proposals. Must the company accept the revisions?

Yes. In this situation, we believe the revised proposal serves as a replacement of the initial proposal. By submitting a revised proposal, the shareholder has effectively withdrawn the initial proposal. Therefore, the shareholder is not in violation of the one-proposal limitation in Rule 14a-8(c).[12] If the company intends to submit a no-action request, it must do so with respect to the revised proposal.

We recognize that in Question and Answer E.2 of SLB No. 14, we indicated that if a shareholder makes revisions to a proposal before the company submits its no-action request, the company can choose whether to accept the revisions. However, this guidance has led some companies to believe that, in cases where shareholders attempt to make changes to an initial proposal, the company is free to ignore such revisions even if the revised proposal is submitted before the company's deadline for receiving shareholder proposals. We are revising our guidance on this issue to make clear that a company may not ignore a revised proposal in this situation.[13]

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[11] This format is acceptable for purposes of Rule 14a-8(b), but it is not mandatory or exclusive.

[12] As such, it is not appropriate for a company to send a notice of defect for multiple proposals under Rule 14a-8(c) upon receiving a revised proposal.

[13] This position will apply to all proposals submitted after an initial proposal but before the company's deadline for receiving proposals, regardless of whether they are explicitly labeled as "revisions" to an initial proposal, unless the shareholder affirmatively indicates an intent to submit a second, *additional* proposal for inclusion in the company's proxy materials. In that case, the company must send the shareholder a notice of defect pursuant to Rule 14a-8(f)(1) if it intends to exclude either proposal from its proxy materials in reliance on Rule 14a-8(c). In light of this guidance, with respect to proposals or revisions received before a company's deadline for submission, we will no longer follow *Layne Christensen Co.* (Mar. 21, 2011) and other prior staff no-action letters in which we took the view that a proposal would violate the Rule 14a-8(c) one-proposal limitation if such proposal is submitted to a

A shareholder submits a timely proposal. After the deadline for receiving proposals, the shareholder submits a revised proposal. Must the company accept the revisions?

No. If a shareholder submits revisions to a proposal after the deadline for receiving proposals under Rule 14a-8(e), the company is not required to accept the revisions. However, if the company does not accept the revisions, it must treat the revised proposal as a second proposal and submit a notice stating its intention to exclude the revised proposal, as required by Rule 14a-8(j). The company's notice may cite Rule 14a-8(e) as the reason for excluding the revised proposal. If the company does not accept the revisions and intends to exclude the initial proposal, it would also need to submit its reasons for excluding the initial proposal.

If a shareholder submits a revised proposal, as of which date must the shareholder prove his or her share ownership?

A shareholder must prove ownership as of the date the original proposal is submitted. When the Commission has discussed revisions to proposals,[14] it has not suggested that a revision triggers a requirement to provide proof of ownership a second time. As outlined in Rule 14a-8(b), proving ownership includes providing a written statement that the shareholder intends to continue to hold the securities through the date of the shareholder meeting. Rule 14a-8(f)(2) provides that if the shareholder "fails in [his or her] promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of [the same shareholder's] proposals from its proxy materials for any meeting held in the following two calendar years." With these provisions in mind, we do not interpret Rule 14a-8 as requiring additional proof of ownership when a shareholder submits a revised proposal.[15]

Procedures for withdrawing no-action requests for proposals submitted by multiple proponents

We have previously addressed the requirements for withdrawing a Rule 14a-8 no-action request in SLB Nos. 14 and 14C. SLB No. 14 notes that a company should include with a withdrawal letter documentation demonstrating that a shareholder has withdrawn the proposal. In cases where a proposal submitted by multiple shareholders is withdrawn, SLB No. 14C states that, if each shareholder has designated a lead individual to act on its behalf and the company is able to demonstrate that the individual is authorized to act on behalf of all of the proponents, the company need only provide a letter from that lead individual indicating that the lead individual is withdrawing the proposal on behalf of all of the proponents.

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company after the company has either submitted a Rule 14a-8 no-action request to exclude an earlier proposal submitted by the same proponent or notified the proponent that the earlier proposal was excludable under the rule.

[14] *See, e.g.*, Adoption of Amendments Relating to Proposals by Security Holders, Release No. 34-12999 (Nov. 22, 1976) [41 FR 52994].

[15] Because the relevant date for proving ownership under Rule 14a-8(b) is the date the proposal is submitted, a proponent who does not adequately prove ownership in connection with a proposal is not permitted to submit another proposal for the same meeting on a later date.

Because there is no relief granted by the staff in cases where a no-action request is withdrawn following the withdrawal of the related proposal, we recognize that the threshold for withdrawing a no-action request need not be overly burdensome. Going forward, we will process a withdrawal request if the company provides a letter from the lead filer that includes a representation that the lead filer is authorized to withdraw the proposal on behalf of each proponent identified in the company's no-action request.[16]

Use of email to transmit our Rule 14a-8 no-action responses to companies and proponents

To date, the Division has transmitted copies of our Rule 14a-8 no-action responses, including copies of the correspondence we have received in connection with such requests, by U.S. mail to companies and proponents. We also post our response and the related correspondence to the Commission's website shortly after issuance of our response.

In order to accelerate delivery of staff responses to companies and proponents, and to reduce our copying and postage costs, going forward, we intend to transmit our Rule 14a-8 no-action responses by email to companies and proponents. We therefore encourage both companies and proponents to include email contact information in any correspondence to each other and to us. We will use U.S. mail to transmit our no-action response to any company or proponent for which we do not have email contact information.

Given the availability of our responses and the related correspondence on the Commission's website and the requirement under Rule 14a-8 for companies and proponents to copy each other on correspondence submitted to the Commission, we believe it is unnecessary to transmit copies of the related correspondence along with our no-action response. Therefore, we intend to transmit only our staff response and not the correspondence we receive from the parties. We will continue to post to the Commission's website copies of this correspondence at the same time that we post our staff no-action response.

[16] Nothing in this staff position has any effect on the status of any shareholder proposal that is not withdrawn by the proponent or its authorized representative.

Exhibit C

SLB 14G

U.S. Securities and Exchange Commission

Division of Corporation Finance
Securities and Exchange Commission

Shareholder Proposals

Staff Legal Bulletin No. 14G (CF)

Action: Publication of CF Staff Legal Bulletin

Date: October 16, 2012

Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the "Division"). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the "Commission"). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division's Office of Chief Counsel by calling (202) 551-3500 or by submitting a web-based request form at https://tts.sec.gov/cgi-bin/corp_fin_interpretive.

A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- the parties that can provide proof of ownership under Rule 14a-8(b) (2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;
- the manner in which companies should notify proponents of a failure to provide proof of ownership for the one-year period required under Rule 14a-8(b)(1); and
- the use of website references in proposals and supporting statements.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D, SLB No. 14E and SLB No. 14F.

Parties that can provide proof of ownership under Rule 14a-8(b) (2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

Sufficiency of proof of ownership letters provided by affiliates of DTC participants for purposes of Rule 14a-8(b)(2)(i)

To be eligible to submit a proposal under Rule 14a-8, a shareholder must, among other things, provide documentation evidencing that the shareholder has continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. If the shareholder is a beneficial owner of the securities, which means that the securities are held in book-entry form through a securities intermediary, Rule 14a-8(b)(2)(i) provides that this documentation can be in the form of a "written statement from the 'record' holder of your securities (usually a broker or bank)"

In SLB No. 14F, the Division described its view that only securities intermediaries that are participants in the Depository Trust Company ("DTC") should be viewed as "record" holders of securities that are deposited at DTC for purposes of Rule 14a-8(b)(2)(i). Therefore, a beneficial owner must obtain a proof of ownership letter from the DTC participant through which its securities are held at DTC in order to satisfy the proof of ownership requirements in Rule 14a-8.

During the most recent proxy season, some companies questioned the sufficiency of proof of ownership letters from entities that were not themselves DTC participants, but were affiliates of DTC participants.[1] By virtue of the affiliate relationship, we believe that a securities intermediary holding shares through its affiliated DTC participant should be in a position to verify its customers' ownership of securities. Accordingly, we are of the view that, for purposes of Rule 14a-8(b)(2)(i), a proof of ownership letter from an affiliate of a DTC participant satisfies the requirement to provide a proof of ownership letter from a DTC participant.

Adequacy of proof of ownership letters from securities intermediaries that are not brokers or banks

We understand that there are circumstances in which securities intermediaries that are not brokers or banks maintain securities accounts in the ordinary course of their business. A shareholder who holds securities through a securities intermediary that is not a broker or bank can satisfy Rule 14a-8's documentation requirement by submitting a proof of ownership letter from that securities intermediary.[2] If the securities intermediary is not a DTC participant or an affiliate of a DTC participant, then the shareholder will also need to obtain a proof of ownership

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[1] An entity is an "affiliate" of a DTC participant if such entity directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the DTC participant.

[2] Rule 14a-8(b)(2)(i) itself acknowledges that the record holder is "usually," but not always, a broker or bank.

letter from the DTC participant or an affiliate of a DTC participant that can verify the holdings of the securities intermediary.

Manner in which companies should notify proponents of a failure to provide proof of ownership for the one-year period required under Rule 14a-8(b)(1)

As discussed in Section C of SLB No. 14F, a common error in proof of ownership letters is that they do not verify a proponent's beneficial ownership for the entire one-year period preceding and including the date the proposal was submitted, as required by Rule 14a-8(b)(1). In some cases, the letter speaks as of a date *before* the date the proposal was submitted, thereby leaving a gap between the date of verification and the date the proposal was submitted. In other cases, the letter speaks as of a date *after* the date the proposal was submitted but covers a period of only one year, thus failing to verify the proponent's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Under Rule 14a-8(f), if a proponent fails to follow one of the eligibility or procedural requirements of the rule, a company may exclude the proposal only if it notifies the proponent of the defect and the proponent fails to correct it. In SLB No. 14 and SLB No. 14B, we explained that companies should provide adequate detail about what a proponent must do to remedy all eligibility or procedural defects.

We are concerned that companies' notices of defect are not adequately describing the defects or explaining what a proponent must do to remedy defects in proof of ownership letters. For example, some companies' notices of defect make no mention of the gap in the period of ownership covered by the proponent's proof of ownership letter or other specific deficiencies that the company has identified. We do not believe that such notices of defect serve the purpose of Rule 14a-8(f).

Accordingly, going forward, we will not concur in the exclusion of a proposal under Rules 14a-8(b) and 14a-8(f) on the basis that a proponent's proof of ownership does not cover the one-year period preceding and including the date the proposal is submitted unless the company provides a notice of defect that identifies the specific date on which the proposal was submitted and explains that the proponent must obtain a new proof of ownership letter verifying continuous ownership of the requisite amount of securities for the one-year period preceding and including such date to cure the defect. We view the proposal's date of submission as the date the proposal is postmarked or transmitted electronically. Identifying in the notice of defect the specific date on which the proposal was submitted will help a proponent better understand how to remedy the defects described above and will be particularly helpful in those instances in which it may be difficult for a proponent to determine the date of submission, such as when the proposal is not postmarked on the same day it is placed in the mail. In addition, companies should include copies of the postmark or evidence of electronic transmission with their no-action requests.

Use of website addresses in proposals and supporting statements

Recently, a number of proponents have included in their proposals or in their supporting statements the addresses to websites that provide more information about their proposals. In

some cases, companies have sought to exclude either the website address or the entire proposal due to the reference to the website address.

In SLB No. 14, we explained that a reference to a website address in a proposal does not raise the concerns addressed by the 500-word limitation in Rule 14a-8(d). We continue to be of this view and, accordingly, we will continue to count a website address as one word for purposes of Rule 14a-8 (d). To the extent that the company seeks the exclusion of a website reference in a proposal, but not the proposal itself, we will continue to follow the guidance stated in SLB No. 14, which provides that references to website addresses in proposals or supporting statements could be subject to exclusion under Rule 14a-8(i)(3) if the information contained on the website is materially false or misleading, irrelevant to the subject matter of the proposal or otherwise in contravention of the proxy rules, including Rule 14a-9.[3]

In light of the growing interest in including references to website addresses in proposals and supporting statements, we are providing additional guidance on the appropriate use of website addresses in proposals and supporting statements.[4]

References to website addresses in a proposal or supporting statement and Rule 14a-8(i)(3)

References to websites in a proposal or supporting statement may raise concerns under Rule 14a-8(i)(3). In SLB No. 14B, we stated that the exclusion of a proposal under Rule 14a-8(i)(3) as vague and indefinite may be appropriate if neither the shareholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires. In evaluating whether a proposal may be excluded on this basis, we consider only the information contained in the proposal and supporting statement and determine whether, based on that information, shareholders and the company can determine what actions the proposal seeks.

If a proposal or supporting statement refers to a website that provides information necessary for shareholders and the company to understand with reasonable certainty exactly what actions or measures the proposal requires, and such information is not also contained in the proposal or in the supporting statement, then we believe the proposal would raise concerns under Rule 14a-9 and would be subject to exclusion under Rule 14a-8(i)(3) as vague and indefinite. By contrast, if shareholders and the company can understand with reasonable certainty exactly what actions or measures the proposal requires without reviewing the information provided on the website, then we believe that the proposal would not be subject to exclusion under Rule 14a-8(i)(3) on the basis of the reference to the website address. In this case, the information on the website only supplements the information contained in the proposal and in the supporting statement.

Providing the company with the materials that will be published on the referenced website

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[3] Rule 14a-9 prohibits statements in proxy materials which, at the time and in the light of the circumstances under which they are made, are false or misleading with respect to any material fact, or which omit to state any material fact necessary in order to make the statements not false or misleading.

[4] A website that provides more information about a shareholder proposal may constitute a proxy solicitation under the proxy rules. Accordingly, we remind shareholders who elect to include website addresses in their proposals to comply with all applicable rules regarding proxy solicitations.

We recognize that if a proposal references a website that is not operational at the time the proposal is submitted, it will be impossible for a company or the staff to evaluate whether the website reference may be excluded. In our view, a reference to a non-operational website in a proposal or supporting statement could be excluded under Rule 14a-8(i)(3) as irrelevant to the subject matter of a proposal. We understand, however, that a proponent may wish to include a reference to a website containing information related to the proposal but wait to activate the website until it becomes clear that the proposal will be included in the company's proxy materials. Therefore, we will not concur that a reference to a website may be excluded as irrelevant under Rule 14a-8(i)(3) on the basis that it is not yet operational if the proponent, at the time the proposal is submitted, provides the company with the materials that are intended for publication on the website and a representation that the website will become operational at, or prior to, the time the company files its definitive proxy materials.

Potential issues that may arise if the content of a referenced website changes after the proposal is submitted

To the extent the information on a website changes after submission of a proposal and the company believes the revised information renders the website reference excludable under Rule 14a-8, a company seeking our concurrence that the website reference may be excluded must submit a letter presenting its reasons for doing so. While Rule 14a-8(j) requires a company to submit its reasons for exclusion with the Commission no later than 80 calendar days before it files its definitive proxy materials, we may concur that the changes to the referenced website constitute "good cause" for the company to file its reasons for excluding the website reference after the 80-day deadline and grant the company's request that the 80-day requirement be waived.

Exhibit D

SLB 14I

U.S. Securities and Exchange Commission

Division of Corporation Finance
Securities and Exchange Commission

Shareholder Proposals

Staff Legal Bulletin No. 14I (CF)

Action: Publication of CF Staff Legal Bulletin

Date: November 1, 2017

Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the "Division"). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the "Commission"). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division's Office of Chief Counsel by submitting a web-based request form at https://www.sec.gov/forms/corp_fin_interpretive.

A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information about the Division's views on:

- the scope and application of Rule 14a-8(i)(7);
- the scope and application of Rule 14a-8(i)(5);
- proposals submitted on behalf of shareholders; and
- the use of graphs and images consistent with Rule 14a-8(d).

You can find additional guidance about Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D, SLB No. 14E, SLB No. 14F, SLB No. 14G and SLB No. 14H.

B. Rule 14a-8(i)(7)

1. Background

Rule 14a-8(i)(7), the "ordinary business" exception, is one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8. It permits a company to exclude a proposal that "deals with a matter relating to the company's ordinary business operations." The purpose of the exception is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting."[1]

2. The Division's application of Rule 14a-8(i)(7)

The Commission has stated that the policy underlying the "ordinary business" exception rests on two central considerations.[2] The first relates to the proposal's subject matter; the second, the degree to which the proposal "micromanages" the company. Under the first consideration, proposals that raise matters that are "so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" may be excluded, unless such a proposal focuses on policy issues that are sufficiently significant because they transcend ordinary business and would be appropriate for a shareholder vote.[3] Whether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company's business operations.[4]

At issue in many Rule 14a-8(i)(7) no-action requests is whether a proposal that addresses ordinary business matters nonetheless focuses on a policy issue that is sufficiently significant. These determinations often raise difficult judgment calls that the Division believes are in the first instance matters that the board of directors is generally in a better position to determine. A board of directors, acting as steward with fiduciary duties to a company's shareholders, generally has significant duties of loyalty and care in overseeing management and the strategic direction of the company. A board acting in this capacity and with the knowledge of the company's business and the implications for a particular proposal on that company's business is well situated to analyze, determine and explain whether a particular issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote.

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[1] Release No. 34-40018 (May 21, 1998).

[2] *Id.*

[3] *Id.*

[4] *See* Staff Legal Bulletin No. 14H (Oct. 22, 2015), *citing* Staff Legal Bulletin No. 14E (Oct. 27, 2009) (stating that a proposal generally will not be excludable "as long as a sufficient nexus exists between the nature of the proposal and the company").

Accordingly, going forward, we would expect a company's no-action request to include a discussion that reflects the board's analysis of the particular policy issue raised and its significance. That explanation would be most helpful if it detailed the specific processes employed by the board to ensure that its conclusions are well-informed and well-reasoned. We believe that a well-developed discussion of the board's analysis of these matters will greatly assist the staff with its review of no-action requests under Rule 14a-8(i)(7).

C. Rule 14a-8(i)(5)

1. Background

Rule 14a-8(i)(5), the "economic relevance" exception, is one of the substantive bases for exclusion of a shareholder proposal in Rule 14a-8. It permits a company to exclude a proposal that "relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business."

2. History of Rule 14a-8(i)(5)

Prior to adoption of the current version of the exclusion in Rule 14a-8(i)(5), the rule permitted companies to omit any proposal that "deals with a matter that is not significantly related to the issuer's business." In proposing changes to that version of the rule in 1982, the Commission noted that the staff's practice had been to agree with exclusion of proposals that bore no economic relationship to a company's business, but that "where the proposal has reflected social or ethical issues, rather than economic concerns, raised by the issuer's business, and the issuer conducts any such business, no matter how small, the staff has not issued a no-action letter with respect to the omission of the proposal."[5] The Commission stated that this interpretation of the rule may have "unduly limit[ed] the exclusion," and proposed adopting the economic tests that appear in the rule today.[6] In adopting the rule, the Commission characterized it as relating "to proposals concerning the functioning of the economic business of an issuer and not to such matters as shareholders' rights, e.g., cumulative voting."[7]

Shortly after the 1983 amendments, however, the District Court for the District of Columbia in *Lovenheim v. Iroquois Brands, Ltd.*, 618 F. Supp. 554 (D.D.C. 1985) preliminarily enjoined a company from excluding a proposal regarding sales of a product line that represented only 0.05% of assets, $79,000 in sales and a net loss of ($3,121), compared to the company's total assets of $78 million, annual revenues of $141 million and net earnings of $6 million. The court based its decision to grant the injunction "in light of the ethical and social significance" of the proposal and on "the fact that it implicates significant levels of sales." Since that time, the Division has interpreted *Lovenheim* in a manner that has significantly narrowed the scope of Rule 14a-8(i)(5).

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[5] Release No. 34-19135 (Oct. 14, 1982).

[6] *Id.*

[7] Release No. 34-20091 (Aug. 16, 1983).

3. The Division's application of Rule 14a-8(i)(5)

Over the years, the Division has only infrequently agreed with exclusion under the "economic relevance" exception. Under its historical application, the Division has not agreed with exclusion under Rule 14a-8(i)(5), even where a proposal has related to operations that accounted for less than 5% of total assets, net earnings and gross sales, where the company conducted business, no matter how small, related to the issue raised in the proposal. The Division's analysis has not focused on a proposal's significance to the company's business. As a result, the Division's analysis has been similar to its analysis prior to 1983, with which the Commission expressed concern.

That analysis simply considered whether a company conducted any amount of business related to the issue in the proposal and whether that issue was of broad social or ethical concern. We believe the Division's application of Rule 14a-8(i)(5) has unduly limited the exclusion's availability because it has not fully considered the second prong of the rule as amended in 1982 – the question of whether the proposal "deals with a matter that is not significantly related to the issuer's business" and is therefore excludable. Accordingly, going forward, the Division's analysis will focus, as the rule directs, on a proposal's significance to the company's business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales. Under this framework, proposals that raise issues of social or ethical significance may be included or excluded, notwithstanding their importance in the abstract, based on the application and analysis of each of the factors of Rule 14a-8(i)(5) in determining the proposal's relevance to the company's business.

Because the test only allows exclusion when the matter is not "otherwise significantly related to the company," we view the analysis as dependent upon the particular circumstances of the company to which the proposal is submitted. That is, a matter significant to one company may not be significant to another. On the other hand, we would generally view substantive governance matters to be significantly related to almost all companies.

Where a proposal's significance to a company's business is not apparent on its face, a proposal may be excludable unless the proponent demonstrates that it is "otherwise significantly related to the company's business."[8] For example, the proponent can provide information demonstrating that the proposal "may have a significant impact on other segments of the issuer's business or subject the issuer to significant contingent liabilities."[9] The proponent could continue to raise social or ethical issues in its arguments, but it would need to tie those to a significant effect on the company's business. The mere possibility of reputational or economic harm will not preclude no-action relief. In evaluating significance, the staff will consider the proposal in light of the "total mix" of information about the issuer.

As with the "ordinary business" exception in Rule 14a-8(i)(7), determining whether a proposal is "otherwise significantly related to the company's business" can raise difficult judgment calls.

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[8] Proponents bear the burden of demonstrating that a proposal is "otherwise significantly related to the company's business." See Release No. 34-39093 (Sep. 18, 1997), citing Release No. 34-19135.

[9] Release No. 34-19135.

Similarly, we believe that the board of directors is generally in a better position to determine these matters in the first instance. A board acting with the knowledge of the company's business and the implications for a particular proposal on that company's business is better situated than the staff to determine whether a particular proposal is "otherwise significantly related to the company's business." Accordingly, we would expect a company's Rule 14a-8(i)(5) no-action request to include a discussion that reflects the board's analysis of the proposal's significance to the company. That explanation would be most helpful if it detailed the specific processes employed by the board to ensure that its conclusions are well-informed and well-reasoned.

In addition, the Division's analysis of whether a proposal is "otherwise significantly related" under Rule 14a-8(i)(5) has historically been informed by its analysis under the "ordinary business" exception, Rule 14a-8(i)(7). As a result, the availability or unavailability of Rule 14a-8(i)(7) has been largely determinative of the availability or unavailability of Rule 14a-8(i)(5). Going forward, the Division will no longer look to its analysis under Rule 14a-8(i)(7) when evaluating arguments under Rule 14a-8(i)(5). In our view, applying separate analytical frameworks will ensure that each basis for exclusion serves its intended purpose.

We believe the approach going forward is more appropriately rooted in the intended purpose and language of Rule 14a-8(i)(5), and better helps companies, proponents and the staff determine whether a proposal is "otherwise significantly related to the company's business."

D. Proposals submitted on behalf of shareholders

While Rule 14a-8 does not address shareholders' ability to submit proposals through a representative, shareholders frequently elect to do so, a practice commonly referred to as "proposal by proxy." The Division has been, and continues to be, of the view that a shareholder's submission by proxy is consistent with Rule 14a-8.[10]

The Division is nevertheless mindful of challenges and concerns that proposals by proxy may present. For example, there may be questions about whether the eligibility requirements of Rule 14a-8(b) have been satisfied. There have also been concerns raised that shareholders may not know that proposals are being submitted on their behalf. In light of these challenges and concerns, and to help the staff and companies better evaluate whether the eligibility requirements of Rule 14a-8(b) have been satisfied, going forward, the staff will look to whether the shareholders who submit a proposal by proxy provide documentation describing the shareholder's delegation of authority to the proxy.[11] In general, we would expect this documentation to:

- identify the shareholder-proponent and the person or entity selected as proxy;
- identify the company to which the proposal is directed;

[10] We view a shareholder's ability to submit a proposal by proxy as largely a function of state agency law provided it is consistent with Rule 14a-8.

[11] This guidance applies only to proposals submitted by proxy after the date on which this staff legal bulletin is published.

- identify the annual or special meeting for which the proposal is submitted;
- identify the specific proposal to be submitted (e.g., proposal to lower the threshold for calling a special meeting from 25% to 10%); and be signed and dated by the shareholder.

We believe this documentation will help alleviate concerns about proposals by proxy, and will also help companies and the staff better evaluate whether the eligibility requirements of Rule 14a-8(b) have been satisfied in connection with a proposal's submission by proxy. Where this information is not provided, there may be a basis to exclude the proposal under Rule 14a-8(b).[12]

E. Rule 14a-8(d)

1. Background

Rule 14a-8(d) is one of the procedural bases for exclusion of a shareholder proposal in Rule 14a-8. It provides that a "proposal, including any accompanying supporting statement, may not exceed 500 words."

2. The use of images in shareholder proposals

Questions have recently arisen concerning the application of Rule 14a-8(d) to proposals that include graphs and/or images.[13] In two recent no-action decisions,[14] the Division expressed the view that the use of "500 words" and absence of express reference to graphics or images in Rule 14a-8(d) do not prohibit the inclusion of graphs and/or images in proposals.[15] Just as companies include graphics that are not expressly permitted under the disclosure rules, the Division is of the view that Rule 14a-8(d) does not preclude shareholders from using graphics to convey information about their proposals.[16]

The Division recognizes the potential for abuse in this area. The Division believes, however, that these potential abuses can be addressed through other provisions of Rule 14a-8. For example, exclusion of graphs and/or images would be appropriate under Rule 14a-8(i)(3) where they:

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[12] Companies that intend to seek exclusion under Rule 14a-8(b) based on a shareholder's failure to provide some or all of this information must notify the proponent of the specific defect(s) within 14 calendar days of receiving the proposal so that the proponent has an opportunity to cure the defect. See Rule 14a-8(f)(1).

[13] Rule 14a-8(d) is intended to limit the amount of space a shareholder proposal may occupy in a company's proxy statement. See Release No. 3412999 (Nov. 22, 1976).

[14] *General Electric Co.* (Feb. 3, 2017, *recon. granted* Feb. 23, 2017); *General Electric Co.* (Feb. 23, 2016).

[15] These decisions were consistent with a longstanding Division position. *See Ferrofluidics Corp.* (Sep. 18, 1992).

[16] Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

- make the proposal materially false or misleading;

- render the proposal so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing it, would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires;

- directly or indirectly impugn character, integrity or personal reputation, or directly or indirectly make charges concerning improper, illegal, or immoral conduct or association, without factual foundation; or

- are irrelevant to a consideration of the subject matter of the proposal, such that there is a strong likelihood that a reasonable shareholder would be uncertain as to the matter on which he or she is being asked to vote.[17]

Exclusion would also be appropriate under Rule 14a-8(d) if the total number of words in a proposal, including words in the graphics, exceeds 500.

[17] *See General Electric Co.* (Feb. 23, 2017).

From: Austin Wilson
Sent: Wednesday, November 29, 2017 12:58 PM
To: 'Chism, Edna M' <echism@entergy.com>
Cc: Falstad, Daniel <dfalsta@entergy.com>; Munna, Raechelle Marie <rmunna@entergy.com>; Lila Holzman <lholzman@asyousow.org>
Subject: RE: Shareholder Proposal

Ms. Chism,

In response to your letter dated Nov. 22, 2017, we provide the following information:

- The lead filer of the proposal is As You Sow on behalf of Park Foundation. Although our letter noted that As You Sow was the co-lead filer with Arjuna Capital, Arjuna did not submit materials to the company, and thus As You Sow on behalf of Park Foundation is the sole lead filer of the proposal.
- Co-filers of the resolution, as indicated by our other Nov. 15, are: As You Sow on behalf of John B and Linda C Mason, and As You Sow on behalf of UTE Holdings LLC.
- Please find attached letters of authorization from Park Foundation, UTE Holdings LLC, and John B and Linda C Mason that **do** identify the specific proposal to be submitted.

Please confirm your understanding that the eligibility requirements of Rule 14a-8(b) have been satisfied.

Best,

Austin Wilson
Environmental Health Program Manager
As You Sow
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612
(510) 735-8149 (direct line) | (415) 717-0638 (cell)
Fax: (510) 735-8143
Skype: Austin.leigh.wilson
awilson@asyousow.org | www.asyousow.org

~Building a Safe, Just, and Sustainable World since 1992~

November 1, 2017

Andrew Behar
CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

The undersigned, UTE Holdings LLC (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Entergy Corporation, relating to a report on distributed generation, and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over $2,000 worth of Entergy Corporation stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2018.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

Kristina Catto
UTE Holdings LLC

November 9, 2017

Andrew Behar, CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of November 9, 2017, we authorize As You Sow to file or cofile a shareholder resolution on our behalf with Entergy, relating to risks posed by climate change, and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

We have continuously owned over $2,000 worth of Entergy stock, with voting rights, for over a year. We intend to hold the stock through the date of the company's annual meeting in 2018.

We give As You Sow the authority to deal on our behalf with any and all aspects of the shareholder resolution. We understand that the company may send us information about this resolution, and that the media may mention our names related to the resolution; we will alert As You Sow in either case. We confirm that our names may appear on the company's proxy statement as the filer of the aforementioned resolution.

Sincerely,

John B Mason

Linda C Mason

Advisor Services

Advisor Family Office
P.O. Box 628290
Orlando, FL 62829

November 29, 2017

John B Mason & Linda C Mason, Community Property
117 E Louisa St # 547
Seattle WA 98102

Verification of Account Position

Charles Schwab & Co., a DTC participant, acts as the custodian for John B Mason & Linda C Mason, Community Property. As of the date of this letter, John B Mason & Linda C Mason held, and has held continuously for at least 13 months the following:

118 shares of Dominion Energy Inc. cusip 25746U109

116 shares of DTE Energy Company. cusip 233331107

89 shares of Entergy Corp. cusip 29364G103

235 shares of Mondolez Intl. cusip 609207105

Thank you for investing with Schwab. We appreciate your business and look forward to serving the needs of you and your investment advisor.

Best Regards,

James Aboltin

Service Relationship Manager

PARK
FOUNDATION

November 27, 2017

Andrew Behar
CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andy,

The undersigned, Park Foundation (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Entergy relating to a report on distributed generation, and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over $2,000 worth of Entergy stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2018.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

Jon M. Jensen
Executive Director

Park Foundation Inc. P.O. Box 550 Ithaca, NY 14851
Tel: 607/272-9124 Fax: 607/272-6057