

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSISSIPPI**

Docket No. 2012-AD-40

Audit of Entergy Mississippi, Inc. Pursuant to Miss. Code Ann. § 77-3-42

And

Docket No. 2012-AD-41

Audit of Mississippi Power Company Pursuant to Miss. Code Ann. § 77-3-42

REVISION TO REQUEST FOR PROPOSALS

On January 18, 2012, the Mississippi Public Service Commission (“Commission”) issued a Request for Proposals (“RFP”) in the above-styled and referenced Dockets. For purposes of clarification, the Commission hereby revises the RFP as follows:

Page 3:

Proposals

Past audits performed at the Commission’s request have been jointly performed by independent CPA firms for the financial audit and independent consultants for the review of procurement practices and procedures and prudence determinations. Therefore, proposals may reflect the provision of services by more than one auditing or consulting firm. However, each proposal submitted must address the above-referenced auditing requirements in their entirety **for either Entergy Mississippi, Inc., Mississippi Power Company, or both companies. The Commission notes that this requirement will likely necessitate “joint proposals” from both a CPA firm for the financial audit and a consulting firm for the procurement and prudence review. Such “joint proposals” must be submitted as a single, bound proposal but may reflect separate pricing information for the financial audit and the procurement and prudence review.**

Page 6:

Interested individuals and or companies must provide six bound (6) copies of a detailed Proposal stating their interest to serve as an auditor, qualifications, relevant prior experience, pricing, and selected project personnel. Proposals may be either mailed or

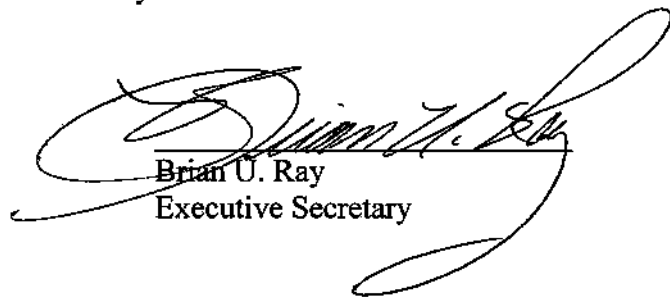
hand-delivered to the Commission. All Proposals must be received by the Commission no later than 5 p.m. Central Time on **February 21, 2012** at the following address:

Mississippi Public Service Commission
Attn: Brian U. Ray, Executive Secretary
501 N. West St. Suite 201-A
P O Box 1174
Jackson, MS 39215-1174

All portions of the RFP not addressed in this Revision shall remain the same as in the original RFP issued on January 18, 2012.

Issued this the 7th day of February 2012.




Brian U. Ray
Executive Secretary

cc: Leonard Bentz, Chairman
Lynn Posey, Vice-Chairman
Brandon Presley, Commissioner

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Docket No. 2012-AD-41

Audit of Mississippi Power Company Pursuant to Miss. Code Ann. § 77-3-42

REQUEST FOR PROPOSALS

At its December 2011 Open Meeting the Mississippi Public Service Commission (“Commission”) voted to issue this Request for Proposals for Fuel Audit Services under Miss. Code Ann. § 77-3-42. Pursuant to this statute, the Commission seeks to contract with an auditor and a qualified procurement expert auditing firm to conduct audits and procurement reviews of Entergy Mississippi, Inc. and Mississippi Power Company for the time periods of October 1, 2011 through September 30, 2012 and October 1, 2012 through September 30, 2013. These audits and reviews must be completed to the satisfaction of the Commission no later than December 14, 2012 and December 13, 2013, respectively.

Miss. Code Ann. § 77-3-42 (2)(a) requires that these audits be conducted in accordance with “generally accepted auditing standards”. Further, § 77-3-42 (2)(c) requires that the audits include:

1. A determination if fuel and associated costs are properly identified and recorded in the appropriate uniform system of accounts,

2. A determination if purchased energy and associated costs are properly identified,
3. An assessment of a utility's practices for economical purchase and use of fuel and electric energy, and
4. An assessment of the relevant contract terms and conditions and any variations from contract terms.

For purposes of these audits, the Commission interprets the above statute to require a determination regarding the prudence of purchased power transactions including, but not limited to, transactions with affiliates. Additionally, in an Official Opinion provided to Commissioner Brandon Presley on September 21, 2010, the Office of the Attorney General has interpreted the Statute to require an examination of individual purchases of energy, with the appropriate sample of purchases to be determined by the auditor. (*Presley*, 2010 WL 4105488 (Miss.A.G.))

Further, these audits must be sufficient to allow the Commission to make the following determinations as set forth in Miss. Code Ann. § 77-3-42(5):

1. Whether or not the utility is properly and correctly employing the use of the fuel adjustment clause or rider applicable to its operations and billing procedures,
2. Whether or not the utility has engaged in practices in the acquisition of fuel or purchased energy which are efficient and economical, and
3. Whether or not there is a reason to question the practices, contracts, operations, or procedures of the utility in the purchase or acquisition of

fuel or purchased energy relative to efficiency, economy and the public interest.

In accordance with Miss. Code Ann. §77-3-42(2)(b), the Commission has adopted Rules 17 and 19 of the Public Utilities Rules of Practice and Procedure (amended 2010) to provide definitions and guidelines related to fuel adjustment clauses or riders.

Proposals

Past audits performed at the Commission's request have been jointly performed by independent CPA firms for the financial audit and independent consultants for the review of procurement practices and procedures and prudence determinations. Therefore proposals may reflect the provision of services by more than one auditing or consulting firm. However, each proposal submitted must address the above-referenced auditing requirements in their entirety for at least one of the companies. Additionally, all proposals submitted in response to this Request for Proposals must include, at a minimum, the following information:

1. Clear identification on the cover of the Proposal whether the Proposal is for the audit of Entergy Mississippi, Inc. (Docket No. 2012-AD-40), Mississippi Power Company (Docket No. 2012-AD-41) or both companies.
2. The legal name of the firm(s) and the location of the firm's principal place of business.
3. A thorough Executive Summary of the Proposal.

4. Evidence of the firm's experience and abilities in the specified area directly related to the proposed service including, but not limited to, a list and supporting documentation reflecting the specific expertise and experience of the proposed auditor(s) in performing work in the relevant area.
5. The qualifications and experience of all persons who would be assigned to provide the required services.
6. A detailed description of how the service will be provided including, but not limited to, a description of major tasks and sub-tasks.
7. A Project schedule and details of how each task identified will be best accomplished.
8. Thorough and detailed pricing information.
9. Any available references for contracts of similar size and scope. Include the name of the organization; the length of the contract; a brief summary of the work; and, the name and telephone number of a responsible contact person.
10. A statement verifying that the prospective auditor has/has not retained any person or agency on a percentage, commission or other contingent arrangement to secure this contract.
11. A disclosure of any previous work by the auditor, auditing firm, individual auditors or consultants within the group, undertaken for Entergy Mississippi, Inc. and/or Mississippi Power Company.

A brief description of the work, the findings of the work and a list of company participants shall be included. Discuss any conflicts of interest that may arise, if your proposal is accepted.

12. Any additional information that will aid in evaluation of the response.

Anticipated Schedule of Activities (subject to revision by the Commission)

Commission Selection of Auditor	March 6, 2012
Contract Start Date	April 2, 2012
Draft Audit Report Due to Commission and audited Companies	November 26, 2012
Designation of Confidential Information in Draft Report Due to Auditors	December 7, 2012
Final Audit Report (both Public and Confidential Versions) Due to Commission	December 14, 2012

Evaluation of Proposals

Factors to be considered in the evaluation of proposals include, but are not limited to, the following:

1. Responsiveness to all items set forth in this Request for Proposals.
2. Auditor's or consultant's ability to provide the required services as reflected/evidenced by qualifications and experience.
3. Whether adequate personnel and other resources to perform the services are currently available or demonstrated to be made available at the time of contracting.

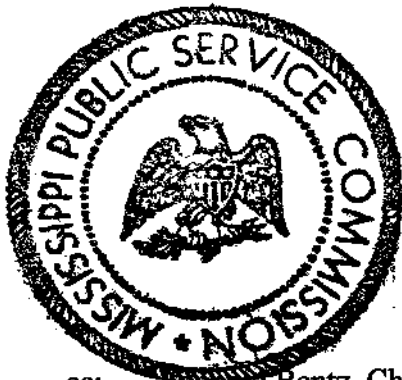
4. The overall detailed description of the proposed plan for performing the required services.
5. A record of past performance of similar work.

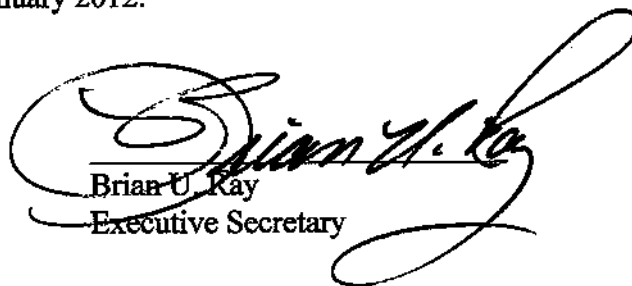
Interested individuals and or companies must provide six bound (6) copies of a detailed Proposal stating their interest to serve as an auditor, qualifications, relevant prior experience, pricing, and selected project personnel. Proposals may be either mailed or hand-delivered to the Commission. All Proposals must be received by the Commission no later than 5 p.m. Central Time on February 15, 2012 at the following address:

Mississippi Public Service Commission
Attn: Brian U. Ray, Executive Secretary
501 N. West St. Suite 201-A
P O Box 1174
Jackson, MS 39215-1174

All questions or comments should be directed to Chad Allen, at 601-961-5488 or Katherine Collier, Attorney for the Commission, at 601-961-5438.

Issued this the 18th day of January 2012.




Brian U. Ray
Executive Secretary

cc: Leonard Bentz, Chairman
Lynn Posey, Vice-Chairman
Brandon Presley, Commissioner