ENTERGY CORP /DE/
Form 424B5
June 06, 2018
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-213335

The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement relating to these securities became automatically effective when it was filed with the Securities and Exchange Commission. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the solicitation, offer or sale is not permitted.

Subject to Completion, Dated June 6, 2018

Preliminary Prospectus Supplement

(To Prospectus dated May 4, 2018)

$1,000,000,000

Common Stock

The forward sellers referred to below are offering $1,000,000,000 of shares of our common stock, par value $0.01 per share. We expect to enter into forward sale agreements with each of Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and an affiliate of J.P. Morgan Securities LLC, whom we refer to in such capacity as the forward purchasers, with respect to $1,000,000,000 of shares of our common stock. In connection with these forward sale agreements, the forward purchasers or their affiliates and/or agents, whom we refer to in such capacity as the forward sellers, at our request, are borrowing from third parties and selling to the underwriters an aggregate of $1,000,000,000 of shares of our common stock. If in the good faith, commercially reasonable judgment of a forward purchaser, it or its affiliate is unable to borrow and deliver for sale on the anticipated closing date a number of shares of our common stock underlying its forward sale agreement, or that it or its affiliate would be unable to borrow, at a stock loan rate not greater than a specified rate, and deliver for sale on the anticipated closing date such number of shares of our common stock, or if certain other conditions to such forward seller s obligations have not been satisfied, then we will issue and sell directly to the underwriters a number of shares of our common stock equal to the number of shares that such forward seller does not borrow and deliver.

We will not initially receive any proceeds from the sale of our common stock sold by the forward sellers to the underwriters, except in certain circumstances described in this prospectus supplement, including the last sentence of the previous paragraph. Each forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion on or prior to June , 2019. If we elect to cash settle all or a portion of the forward sale agreements, we may not receive any proceeds from such election, and we may owe cash to one or more of the forward purchasers. If we elect to net share settle all or a portion of the forward sale agreements, we will not receive any cash proceeds from such election, and we may owe shares of our common stock to one or more of the forward purchasers.

Our common stock is listed on both the New York Stock Exchange and the Chicago Stock Exchange under the symbol ETR. On June 5, 2018, the last reported sale price of our common stock on the New York Stock Exchange was $77.71 per share.

Investing in our common stock involves risks. See Risk Factors beginning on page S-9 of this prospectus supplement to read about factors you should consider before buying our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters have agreed to purchase shares of our common stock from the forward sellers at a price of $ per share. We expect to receive estimated net proceeds from the sale of shares of our common stock, before expenses, of $ ($ if the underwriters over-allotment option is exercised in full, as described in detail below) upon full physical settlement of all of the forward sale agreements, which we expect to occur on or prior to June , 2019. For the purpose of calculating the estimated net proceeds to us, we have assumed that the forward sale agreements are fully physically settled based on the initial forward sale price of $ per share. The forward sale price is subject to adjustment pursuant to the forward sale agreements, and the actual proceeds, if any, will be calculated as described in this prospectus supplement.

Although we expect to settle the forward sale agreements entirely by the full physical delivery of shares of our common stock to the forward purchasers in exchange for cash proceeds, we may elect cash settlement or net share settlement for all or a portion of our obligations under one or more forward sale agreements. See Underwriting (Conflicts of Interest) Forward Sale Agreements for a description of the forward sale agreements.

We have granted the underwriters an option for a period of 30 days from the date of this prospectus supplement to purchase up to an additional $150,000,000 of shares of our common stock, solely to cover any over-allotments, if any, at a price of $ per share. If such option is exercised, we may, in our sole discretion, enter into additional forward sale agreements with each of the forward purchasers in respect of the number of shares of our common stock that are subject to the exercise of such option. Unless the context requires otherwise, the term forward sale agreements as used in this prospectus supplement includes any additional forward sale agreements that we may enter into with a forward seller in connection with the exercise by the underwriters of their over-allotment option. If such option is exercised and we elect not to enter into additional forward sale agreements, we have agreed to issue and sell directly to the underwriters the number of shares of our common stock that are subject to the exercise of such option. If we enter into additional forward sale agreements, and if in the good faith, commercially reasonable judgment of a forward purchaser, it or its affiliate is unable to borrow, or is unable to borrow at a stock loan rate not greater than a specified rate, and deliver for sale on the anticipated closing date for the exercise of such option, a number of shares of our common stock underlying its additional forward sale agreement, or if certain other conditions to such forward seller s obligations have not been satisfied, then we will issue and sell directly to the underwriters a number of shares of our common stock equal to the number of shares of our common stock that such forward seller does not borrow and deliver.

The underwriters expect that the shares of our common stock will be delivered against payment on or about June , 2018.

Joint Book-Running Managers

Morgan Stanley	**Goldman Sachs & Co. LLC**	**J.P. Morgan**

June , 2018

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This prospectus supplement, the accompanying prospectus and any free-writing prospectus that we file with the Securities and Exchange Commission, or SEC, contain and incorporate by reference information that you should consider when making your investment decision. We have not, and the underwriters and the forward sellers have not, authorized anyone else to provide you with different information. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference herein or therein is accurate as of any date other than as of the dates of these documents or the dates these documents were filed with the SEC. Our business, financial condition, results of operations and prospects may have changed since these dates. If the information in this prospectus supplement is different from, or inconsistent with, the information in the accompanying prospectus, you should rely on the information contained in this prospectus supplement. We are not, and the underwriters and the forward sellers are not, making an offer of our common stock in any jurisdiction where the offer is not permitted. In this prospectus supplement, Entergy, we, us and our refer to Entergy Corporation and, unless the context otherwise indicates, do not include our subsidiaries or affiliates.

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FORWARD-LOOKING STATEMENTS

As used in this section, references to Entergy, we, us or our refer to Entergy Corporation including its subsidiaries and affiliates.

This prospectus supplement, the accompanying prospectus and the documents they incorporate by reference, and any related free writing prospectus may contain statements concerning our expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as may, will, could, project, believe, anticipa intend, expect, estimate, continue, potential, plan, predict, forecast, and other similar words or expressi intended to identify forward-looking statements but are not the only means to identify these statements. Although we believe that these forward-looking statements and the underlying assumptions are reasonable, we cannot provide assurance that they will prove correct. Any forward-looking statement is based on information current as of, and speaks only as of, the respective dates of the documents in which such forward-looking statements appear. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Forward-looking statements involve a number of risks and uncertainties. There are factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including those factors discussed or incorporated by reference in (a) Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2017 (the 2017 Form 10-K), (b) Management s Financial Discussion and Analysis in the 2017 Form 10-K and in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, and (c) the following factors (in addition to others described elsewhere in this prospectus supplement, the accompanying prospectus and the documents they incorporate by reference, and any related free writing prospectus):

resolution of pending and future rate cases, formula rate proceedings and related negotiations, including various performance-based rate discussions, Entergy s utility supply plan, and recovery of fuel and purchased power costs;

long-term risks and uncertainties associated with the termination in 2016 of the System Agreement among our utility operating companies relating to the sharing of generating capacity and other power resources, including the potential absence of federal authority to resolve certain issues among our utility operating companies and their retail regulators;

regulatory and operating challenges and uncertainties and economic risks associated with our utility operating companies participation in the Midcontinent Independent System Operator (MISO), including the benefits of continued MISO participation, the effect of current or projected MISO market rules and market and system conditions in the MISO markets, the allocation of MISO system transmission upgrade costs, and the effect of planning decisions that MISO makes with respect to future transmission investments by our utility operating companies;

changes in utility regulation, including with respect to retail and wholesale competition, the ability to recover net utility assets and other potential stranded costs, and the application of more stringent transmission reliability requirements or market power criteria by the Federal Energy Regulatory Commission or the U.S. Department of Justice;

changes in the regulation or regulatory oversight of Entergy s nuclear generating facilities and nuclear materials and fuel, including with respect to the planned, potential, or actual shutdown of nuclear generating facilities owned or operated by our Entergy Wholesale Commodities business described below, and the effects of new or existing safety or environmental concerns regarding nuclear power plants and nuclear fuel;

resolution of pending or future applications, and related regulatory proceedings and litigation, for license renewals or modifications or other authorizations required of nuclear generating facilities and the effect of public and political opposition on these applications, regulatory proceedings, and litigation;

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the performance of and deliverability of power from Entergy s generation resources, including the capacity factors at Entergy s nuclear generating facilities;

increases in costs and capital expenditures that could result from the commitment of substantial human and capital resources required for the operation and maintenance of Entergy s nuclear generating facilities;

Entergy s ability to develop and execute on a point of view regarding future prices of electricity, natural gas, and other energy-related commodities;

prices for power generated by Entergy s merchant generating facilities and the ability to hedge, meet credit support requirements for hedges, sell power forward or otherwise reduce the market price risk associated with those facilities, including the Entergy Wholesale Commodities nuclear plants, especially in light of the planned shutdown or sale of each of these nuclear plants;

the prices and availability of fuel and power Entergy must purchase for its utility customers, and Entergy s ability to meet credit support requirements for fuel and power supply contracts;

volatility and changes in markets for electricity, natural gas, uranium, emissions allowances, and other energy-related commodities, and the effect of those changes on Entergy and its customers;

changes in law resulting from federal or state energy legislation or legislation subjecting energy derivatives used in hedging and risk management transactions to governmental regulation;

changes in environmental laws and regulations, agency positions or associated litigation, including requirements for reduced emissions of sulfur dioxide, nitrogen oxide, greenhouse gases, mercury, particulate matter, heat, and other regulated air and water emissions, requirements for waste management and disposal and for the remediation of contaminated sites, wetlands protection and permitting, and changes in costs of compliance with these environmental laws and regulations;

changes in laws and regulations, agency positions, or associated litigation related to protected species and associated critical habitat designations;

the effects of changes in federal, state or local laws and regulations, and other governmental actions or policies, including changes in monetary, fiscal, tax, environmental, or energy policies;

uncertainty regarding the establishment of interim or permanent sites for spent nuclear fuel and nuclear waste storage and disposal and the level of spent fuel and nuclear waste disposal fees charged by the U.S. government or other providers related to such sites;

variations in weather and the occurrence of hurricanes and other storms and disasters, including uncertainties associated with efforts to remediate the effects of hurricanes, ice storms, or other weather events and the recovery of costs associated with restoration, including accessing funded storm reserves, federal and local cost recovery mechanisms, securitization, and insurance;

effects of climate change, including the potential for increases in sea levels or coastal land and wetland loss;

changes in the quality and availability of water supplies and the related regulation of water use and diversion;

Entergy s ability to manage its capital projects and operation and maintenance costs;

Entergy s ability to purchase and sell assets at attractive prices and on other attractive terms;

the economic climate, and particularly economic conditions in Entergy s utility service area and the northern United States and events and circumstances that could influence economic conditions in those areas, including power prices, and the risk that anticipated load growth may not materialize;

federal income tax reform, including the enactment of the Tax Cuts and Jobs Act, and its intended and unintended consequences on financial results and future cash flows, including the potential impact to credit ratings, which may affect Entergy s ability to borrow funds or increase the cost of borrowing in the future;

the effects of Entergy s strategies to reduce tax payments, especially in light of federal income tax reform;

changes in the financial markets and regulatory requirements for the issuance of securities, particularly as they affect access to capital and Entergy s ability to refinance existing securities, execute share repurchase programs, and fund investments and acquisitions;

actions of rating agencies, including changes in the ratings of debt and preferred stock, changes in general corporate ratings, and changes in the rating agencies ratings criteria;

changes in inflation and interest rates;

the effect of litigation and government investigations or proceedings;

changes in technology, including (i) Entergy s ability to implement new technologies, (ii) the impact of changes relating to new, developing, or alternative sources of generation such as distributed energy and energy storage, energy efficiency, demand side management, and other measures that reduce load, and (iii) competition from other companies offering products and services to our customers based on new or emerging technologies;

the effects, including increased security costs, of threatened or actual terrorism, cyber-attacks or data security breaches, natural or man-made electromagnetic pulses that affect transmission or generation infrastructure, accidents, and war or a catastrophic event such as a nuclear accident or a natural gas pipeline explosion;

Entergy s ability to attract and retain talented management, directors, and employees with specialized skills;

changes in accounting standards and corporate governance;

declines in the market prices of marketable securities and resulting funding requirements and the effects on benefits costs for Entergy s defined benefit pension and other postretirement benefit plans;

future wage and employee benefit costs, including changes in discount rates and returns on benefit plan assets;

changes in decommissioning trust fund values or earnings or in the timing of, requirements for, or cost to decommission Entergy s nuclear plant sites and the implementation of decommissioning of such sites following shutdown;

the decision to cease merchant power generation at all Entergy Wholesale Commodities nuclear power plants by mid-2022, including the implementation of the planned shutdowns of Pilgrim, Indian Point 2, Indian Point 3, and Palisades nuclear stations;

the effectiveness of Entergy s risk management policies and procedures and the ability and willingness of its counterparties to satisfy their financial and performance commitments;

factors that could lead to impairment of long-lived assets; and

the ability to successfully complete strategic transactions Entergy may undertake, including mergers, acquisitions, divestitures, or restructurings, regulatory or other limitations imposed as a result of any such strategic transaction, and the success of the business following any such strategic transaction.

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SUMMARY INFORMATION

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus or in the documents incorporated by reference herein or therein. It may not contain all the information that is important to you. You should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein or therein in their entirety before making an investment decision.

Entergy Corporation

As used in this section, references to Entergy, we, us or our refer to Entergy Corporation including its subsidiaries and affiliates.

We are an integrated energy company engaged primarily in electric power production and retail distribution operations. We own and operate power plants with approximately 30,000 MW of electric generating capacity, including nearly 9,000 MW of nuclear power. We deliver electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi and Texas. We currently have annual revenues of approximately $11 billion and more than 13,000 employees.

We operate primarily through two business segments: Utility and Entergy Wholesale Commodities.

- The Utility business segment includes the generation, transmission, distribution, and sale of electric power in portions of Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans; and operation of a small natural gas distribution business.

- The Entergy Wholesale Commodities business segment includes the ownership, operation, and decommissioning of nuclear power plants located in the northern United States and the sale of the electric power produced by our operating plants to wholesale customers. This business also provides services to other nuclear power plant owners and owns interests in non-nuclear power plants that sell the electric power produced by those plants to wholesale customers. Our incorporated documents referenced below include discussion of the operation and planned shutdown or sale of each of the Entergy Wholesale Commodities nuclear power plants.

The information above is only a summary and is not complete. You should read the incorporated documents listed under the heading Where You Can Find More Information in the accompanying prospectus for more specific information concerning our business and affairs, including significant contingencies, risk factors and known trends, our general capital requirements, our financing plans and capabilities, and pending legal and regulatory proceedings.

The Offering

As used in this section, references to Entergy, we, us and our refer to Entergy Corporation excluding its subsidiaries and affiliates.

Issuer	Entergy Corporation

Common stock offered by the forward sellers	$1,000,000,000 of shares ($1,150,000,000 of shares if the underwriters over-allotment option is exercised in full and we elect to have the forward sellers borrow and deliver such shares to the underwriters)[1]
Common stock outstanding immediately before this offering	180,799,267 shares [2]

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Common stock to be outstanding immediately after this offering and after settlement of the forward sale agreements, assuming full physical settlement	193,667,624 shares (or 195,597,877 shares if the underwriters over-allotment option is exercised in full)[(1)(2)]
Use of Proceeds	We will not initially receive any proceeds from the sale of shares of our common stock offered by the forward sellers in this offering unless (i) an event occurs that requires us to sell such shares to the underwriters in lieu of the forward sellers selling such shares to the underwriters as further described elsewhere in this prospectus supplement or (ii) the underwriters exercise their over-allotment option, in whole or in part, and we elect to issue and sell the shares of our common stock covered by such option directly to the underwriters rather than requiring the forward sellers to borrow and deliver such shares to the underwriters pursuant to additional forward sale agreements.
	We estimate that the net proceeds to us from the sale of shares of our common stock in connection with this offering and pursuant to the forward sale agreements will be approximately $ (or approximately $ if the underwriters exercise their over-allotment option in full), subject to certain adjustments pursuant to the forward sale agreements and assuming full physical settlement of the forward sale agreements based on the initial forward sale price of $ per share. We will not receive any proceeds under the forward sale agreements on the closing date of this offering. Each forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion on or prior to June , 2019.
	The forward sale price that we expect to receive upon physical settlement of the forward sale agreements is subject to adjustment pursuant to the forward sale agreements, and the actual proceeds are subject to settlement of the forward sale agreements. If the overnight bank funding rate decreases substantially prior to the settlement of the forward sale agreements, we may receive less than the initial forward sale price per share upon physical settlement of the forward sale agreements. Although we expect to settle each forward sale agreement entirely by the physical delivery of shares of our common stock in exchange for cash proceeds, we may elect cash settlement or net share settlement for all or a portion of our obligations under one or more forward sale agreements. If we elect to cash settle the forward sale agreements in full, we would expect to receive an amount of net proceeds that is significantly lower than the estimate set forth above, and we may not receive any net proceeds (or we may owe cash, which could be a significant amount, to each forward purchaser). If we elect to net share settle the forward sale agreements in full, we would not receive any cash proceeds from any forward purchaser

(and we may be required to deliver shares of our common

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	stock to each forward purchaser). The forward sale agreements are also subject to acceleration by each forward purchaser upon the occurrence of certain events.
	We intend to use the net proceeds that we receive from the sale of shares of our common stock pursuant to the forward sale agreements for general corporate purposes, which may include repayment of commercial paper, outstanding loans under our revolving credit facility or other debt.
Certain United States Federal Income Tax Considerations for Non-U.S. Holders	Certain United States federal income tax considerations of the acquisition, ownership and disposition of our common stock for non-U.S. holders are described in Certain United States Federal Income Tax Considerations for Non-U.S. Holders included elsewhere in this prospectus supplement.
Transfer Agent and Registrar	The transfer agent and register for our common stock is Equiniti Trust Company, doing business as EQ Shareholder Services.
Accounting treatment of the transaction	Before the issuance of shares of our common stock, if any, upon settlement of the forward sale agreements, we expect that the shares issuable upon settlement of the forward sale agreements will be reflected in our diluted earnings per share calculation using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares of common stock that would be issued upon full physical settlement of the forward sale agreements over the number of shares of common stock that could be purchased by us in the market (based on the average market price of our common stock during the applicable reporting period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sale price at the end of the reporting period). Consequently, we anticipate there will be no dilutive effect on our earnings per share except during periods when the average market price of shares of our common stock is above the applicable adjusted forward sale price, which is initially $ per share, subject to increase or decrease based on the overnight bank funding rate, less a spread, and subject to decrease by amounts related to expected dividends on shares of our common stock during the term of the forward sale agreements. However, if we decide to physically settle or net share settle one or more of the forward sale agreements, delivery of our shares to the forward purchasers on any such physical settlement or net share settlement of the forward sale agreements would result in dilution to our earnings per share.

Conflicts of Interest	All of the proceeds from the sale of shares of our common stock offered by the forward sellers in this offering (excluding proceeds, if any, paid to us with respect to any shares of our common stock that

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	we may sell to the underwriters in lieu of the forward sellers selling such shares as further described elsewhere in this prospectus supplement) will be paid to the forward purchasers. Because Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, or their affiliates and/or agents, in their capacity as forward sellers, will receive more than 5% of the net proceeds of this offering, Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are deemed to have a conflict of interest within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. (FINRA). Accordingly, this offering will be conducted in compliance with the applicable provisions of FINRA Rule 5121. Pursuant to that rule, the appointment of a qualified independent underwriter is not required in connection with this offering, as the shares of our common stock have a bona fide public market (as defined in FINRA Rule 5121). In addition, Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC may not make sales in this offering to any discretionary account without the prior written approval of the customer. See Underwriting (Conflicts of Interest) for additional information.
Risk Factors	See Risk Factors in this prospectus supplement and the accompanying prospectus and other information incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of some of the risks and other factors you should carefully consider before deciding to invest in shares of our common stock.

(1) The forward sellers have advised us that they intend to acquire shares of our common stock to be sold in this offering through borrowings from third-party stock lenders. Subject to the occurrence of certain events, we will not be obligated to deliver shares of our common stock under the forward sale agreements (if at all) until later settlement of the forward sale agreements, which provide for settlement on a settlement date or dates to be specified at our discretion on or prior to June , 2019. Except in certain circumstances, we have the right to elect cash settlement or net share settlement under the forward sale agreements. Although we intend to elect full physical settlement under the forward sale agreements, if we were to elect cash settlement or net share settlement, the number of shares we issue upon settlement of the forward sale agreements may be substantially less than the amount we would have issued upon full physical settlement, or we may not issue any shares upon such cash settlement or net share settlement. See Underwriting (Conflicts of Interest) Forward Sale Agreements for a description of the forward sale agreements.

(2) The number of shares of our common stock to be outstanding immediately after this offering assuming full physical settlement of the forward sale agreements assumes that we will receive total proceeds of $1.0 billion from the sale of shares of our common stock pursuant to the forward sale agreements, that the forward sale price will be $77.71 per share of our common stock, which is equal to the last reported sale price of our common stock on June 5, 2018, and that we will receive an additional $150.0 million of proceeds pursuant to the additional forward sale agreements if the underwriters over-allotment option is exercised in full assuming a forward sale price of $77.71 per share of our common stock (in each case before deducting expenses). In addition, such number of shares of our common stock assumes that we will not be required to issue the shares of our common stock that are the subject of this offering in lieu of the forward sellers borrowing and selling such shares to the underwriters as further described elsewhere in this prospectus supplement. A $100.0 million increase (decrease) in the assumed

total proceeds we receive from the sale of shares of our common stock pursuant to the forward sale agreements (or a $115.0 million increase

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(decrease) in the assumed total proceeds we receive from the sale of shares of our common stock pursuant to the additional forward sale agreements if the underwriters over-allotment option is exercised in full) would increase (decrease) the number of shares of common stock to be outstanding immediately after this offering, assuming full physical settlement of the forward sale agreements, by approximately 1,286,836 shares (or approximately 1,479,861 shares if the underwriters over-allotment option is exercised in full), assuming no change in the assumed forward sale price. A $1.00 increase (decrease) in the assumed forward sale price of our common stock would result in an approximately 163,491 share decrease or an approximately 167,753 share increase, respectively, in the number of shares of our common stock to be outstanding immediately after this offering, assuming full physical settlement of the forward sale agreements (or an approximately 188,014 share decrease or an approximately 192,916 share increase, respectively, if the underwriters over-allotment option is exercised in full), assuming no change in the assumed total proceeds we receive from the sale of shares pursuant to the forward sale agreements or the additional forward sale agreements if the underwriters over-allotment option is exercised in full.

The number of shares of our common stock to be outstanding immediately (i) before this offering, and (ii) after this offering, assuming full physical settlement of the forward sale agreements, is based on 180,799,267 shares of our common stock outstanding as of March 31, 2018, and excludes:

(a)(i) 4,393,990 shares of our common stock reserved for issuance upon exercise of stock options outstanding as of March 31, 2018, (ii) 731,620 shares of our common stock reserved for issuance upon vesting of our time based restricted stock awards (including reinvested dividends) outstanding as of March 31, 2018, (iii) 1,137,340 shares of our common stock reserved for issuance upon the vesting of our performance units, assuming the maximum payout was achieved, outstanding as of March 31, 2018 under our various equity compensation plans, (iv) 151,170 shares of our common stock reserved for issuance upon vesting of our restricted stock units outstanding as of March 31, 2018, (v) 104,330 shares reserved for issuance upon settlement of phantom stock units outstanding as of March 31, 2018, and (vi) shares reserved for issuance upon the vesting of any awards we may have issued under such plans subsequent to March 31, 2018;

(b) 73,953,521 shares of treasury stock held by us as of March 31, 2018;

(c) any additional shares of common stock we may issue or treasury shares we may dispose of from and after June , 2018 through final settlement of the forward sale agreements; and

(d) any additional shares we have delivered or may deliver under our equity ownership and related plans subsequent to March 31, 2018.

Under our equity ownership plans, we are currently delivering treasury shares of our common stock to settle shares deliverable pursuant to those plans. Over the twelve months ended March 31, 2018, approximately 1,366,263 shares of our common stock that were treasury shares were delivered in connection with those plans. The number of additional shares of our common stock delivered under those plans going forward is dependent on the terms of the equity awards issued under those plans, our stock price and elections by plan participants to purchase our common stock in the future.

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RISK FACTORS

Investing in our common stock involves a significant degree of risk. Before you decide to purchase our common stock, you should carefully consider the following risk factors, together with all of the other information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the risk factors in the 2017 Form 10-K and the information contained herein under Forward Looking Statements. The risks and uncertainties set forth in the 2017 Form 10-K or otherwise described below are those we believe to be the principal risks that could affect us, our business or our industry, and which could result in a material adverse impact on our financial condition, results of operations or the market price of our common stock. However, additional risks and uncertainties not currently known to us or that we currently deem immaterial may affect our financial condition, results of operations and the market price of our common stock.

Risks Relating to this Offering

Settlement provisions contained in each forward sale agreement subject us to risks if certain events occur, which could have an effect on our results of operations and liquidity, and could cause the market price of our common stock to decline.

Each forward purchaser will have the right to accelerate its forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and require us to physically settle its forward sale agreement on a date specified by such forward purchaser if:

- in the good faith, commercially reasonable judgment of such forward purchaser, it or its affiliate is unable to borrow a number of shares of our common stock equal to the number of shares to be delivered by us upon physical settlement of its forward sale agreement or it or its affiliate is unable to borrow such number of shares at a rate equal to or less than an agreed maximum stock loan rate;

- we declare any dividend or distribution on shares of our common stock payable in (i) cash in excess of a specified amount (other than an extraordinary dividend), (ii) securities of another company, or (iii) any other type of securities (other than our common stock), rights, warrants or other assets for payment (cash or other consideration) at less than the prevailing market price, as reasonably determined by such forward purchaser;

- certain ownership thresholds applicable to such forward purchaser are exceeded;

- an event is announced that, if consummated, would result in an extraordinary event (as defined in the forward sale agreements) including, among other things, certain mergers and tender offers, as well as certain events such as a delisting of our common stock (each as more fully described in the forward sale agreements); or

- certain other events of default or termination events occur, including, among other things, any material misrepresentation made by us in connection with our entry into its forward sale agreement, our bankruptcy (except as described below) or certain changes in law (each as more fully described in the forward sale agreements).

A forward purchaser s decision to exercise its right to accelerate its forward sale agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and to require us to settle its forward sale agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the terms of the physical settlement provisions of a forward sale agreement irrespective of our capital needs, which would result in dilution to our earnings per share and may adversely affect the market price of our common stock. In addition, upon certain events of bankruptcy or insolvency related to us, each forward sale agreement will automatically terminate without further liability of either party. Following any such termination, we would not issue any shares of common stock or receive any proceeds pursuant to the forward sale agreements.

Each forward sale agreement provides for settlement on a settlement date or dates to be specified at our discretion on or prior to June , 2019. Each forward sale agreement will be physically settled, unless we elect to settle such forward sale agreement in cash or to net share settle such forward sale agreement. If we decide to physically settle or net share settle a forward sale agreement, delivery of shares of our common stock upon any physical settlement or net share settlement of the forward sale agreement will result in dilution to our earnings per share. If we elect cash or net share settlement for all or a portion of the shares of our common stock underlying a forward sale agreement, we would expect the relevant forward purchaser or one of its affiliates to repurchase a number of shares of our common stock equal to the portion for which we elect cash or net share settlement in order to satisfy its obligation to return the shares of our common stock such forward purchaser had borrowed in connection with sales of our common stock under this prospectus supplement and, if applicable in connection with net share settlement, to deliver shares of our common stock to us. If the market value of our common stock at the time of such purchase is above the forward sale price at that time, we will pay or deliver, as the case may be, to the relevant forward purchaser under its forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference. Any such difference could be significant. Conversely, if the market value of our common stock at the time of such purchase is below the forward sale price at that time, such forward purchaser will pay or deliver, as the case may be, to us under its forward sale agreement, an amount in cash, or a number of shares of our common stock with a market value, equal to such difference. See Underwriting (Conflicts of Interest) Forward Sale Agreements for a description of the forward sale agreements.

The forward sale price that we expect to receive upon physical settlement of the forward sale agreements is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of each forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day.

In addition, the purchase of shares of our common stock by a forward purchaser or its affiliate to unwind such forward purchaser s hedge position could cause the market price of our common stock to increase over time, thereby increasing the amount of cash we would owe to a forward purchaser upon a cash settlement or increasing the number of shares of our common stock we would owe to a forward purchaser upon a net share settlement, as the case may be, of its forward sale agreement, or decreasing the amount of cash that a forward purchaser would owe us upon a cash settlement or decreasing the number of shares of our common stock that a forward purchaser would owe us upon a net share settlement, as the case may be, of its forward sale agreement. We will not be able to control the manner in which the forward purchasers unwind their hedge positions.

In certain bankruptcy or insolvency events, the forward sale agreements will automatically terminate, and we would not receive the expected proceeds from the forward sales of our common stock.

If we institute or consent to, or an appropriate regulatory or other authority institutes against us, a proceeding seeking a judgment in bankruptcy or insolvency or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors rights or if we or such authority presents a petition for our winding up or liquidation or we consent to such a petition, each forward sale agreement will automatically terminate. If a forward sale agreement so terminates, we would not be obligated to deliver to the relevant forward purchaser any shares of our common stock not previously delivered (or for which physical settlement has not been elected), and the relevant forward purchaser would be discharged from its obligation to pay the forward sale price per share in respect of any shares of our common stock not previously settled (or for which physical settlement has not been elected). Therefore, to the extent there are any shares of our common stock with respect to which we have not elected to physically settle under a forward sale agreement at the time of the institution of or consent to any such bankruptcy or insolvency proceedings or any such petition, we would not receive the forward sale price per share in respect of those shares of our common stock.

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Risks Relating to our Common Stock

Our stockholders may experience dilution as a result of this offering and they may experience further dilution if we issue additional common stock.

The issuance of any common stock by us pursuant to a forward sale agreement upon physical settlement or net share settlement thereof or in lieu of the forward sellers selling our common stock to the underwriters as further described elsewhere in this prospectus supplement will have a dilutive effect on our earnings per share.

Any additional future issuances of our common stock will reduce the percentage of our common stock owned by investors purchasing shares in this offering who do not participate in future issuances. In most circumstances, stockholders will not be entitled to vote on whether or not we issue additional common stock. In addition, depending on the terms and pricing of an additional offering of our common stock, our stockholders may experience dilution in both the book value and fair value of their shares.

The price of our common stock may fluctuate significantly.

The market price of our common stock may fluctuate significantly. You may not be able to resell your shares at or above the offering price due to fluctuations in the market price of our common stock caused by changes in our operating performance or prospects and other factors, including broad market fluctuations. Some specific factors that may have a significant effect on the market price of our common stock, in addition to those set forth under Forward-Looking Statements in this prospectus supplement and those set forth in the 2017 Form 10-K, which is incorporated by reference into this prospectus supplement and the accompanying prospectus, include:

- actual or anticipated variations in our operating results or future prospects;
- the public s reaction to our press releases, our other public announcements and our filings with the SEC;
- strategic actions by us or our competitors, such as acquisitions, dispositions or restructurings;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our or our subsidiaries businesses;
- changes in accounting standards, policies, guidance, interpretations or principles;
- adverse conditions in the financial markets or general economic conditions, including those resulting from war, incidents of terrorism and responses to such events;
- changes in ratings or rating outlooks regarding us or our affiliates, or any of their securities;

sales of common stock by us or our directors or executive officers; and

changes in stock market analyst estimates, projections or recommendations regarding us or our common stock or other securities, other comparable companies or their securities, or the industries generally in which we and our subsidiaries operate.

Anti-takeover provisions in our organizational documents and the Delaware General Corporation Law (the DGCL) might discourage, delay or prevent changes in control of our company and may diminish the value of our common stock.

Certain provisions of our certificate of incorporation, bylaws and the DGCL could have the effect of delaying, deferring or preventing an acquisition of control of us by means of a tender offer, a proxy fight, open market purchases or otherwise in a transaction not approved by our board of directors. The provisions described below may reduce our vulnerability to an unsolicited proposal for the restructuring or sale of all or substantially all of our assets or an unsolicited takeover attempt which is unfair to our shareholders. However, these provisions could also delay, deter or prevent a change of control or other takeover of our company that our shareholders might consider to be in their best interests, including transactions that might result in a premium being paid over the market price of our common stock, and may also limit the prices that investors are willing to pay in the future for our common stock.

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Pursuant to the DGCL, we are prohibited from engaging in a business combination with an interested stockholder for a period of three years after the time the stockholder became an interested stockholder, subject to certain exceptions, including if, prior to such time, the board of directors approved the business combination or the transaction that resulted in the stockholder becoming an interested stockholder. Additionally, our certificate of incorporation and bylaws provide that special meetings of stockholders may only be called by: our board of directors; the Chairman of our board of directors; a majority of the members of the entire Executive Committee of the board of directors; the Chief Executive Officer; or the holders of a majority of the outstanding shares of our common stock entitled to vote at the special meeting. Our bylaws also establish advance notice procedures with respect to stockholder proposals for annual meetings and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee of the board of directors. A stockholder who wishes to bring a matter before a meeting must comply with our advance notice requirements and provide us with certain information. Additionally, vacancies and newly created directorships may be filled only by a vote of a majority of the directors then in office, even in the case that such directors may represent less than a quorum. Our board of directors has no present intention to introduce additional measures that might have an anti-takeover effect; however, our board of directors expressly reserves the right to introduce these measures in the future.

As a holding company, we depend on cash distributions from our subsidiaries to meet our debt service and other financial obligations and to pay dividends on our common stock.

We are a holding company with no material revenue generating operations of our own or material assets other than the stock of our subsidiaries. Accordingly, all of our operations are conducted by our subsidiaries. Our ability to satisfy our financial obligations, including the payment of interest and principal on our outstanding debt, and to pay dividends on our common stock depends on the payment to us of dividends or distributions by our subsidiaries. The payments of dividends or distributions to us by our subsidiaries in turn depend on their results of operations and cash flows and other items affecting retained earnings, and on any applicable legal, regulatory, or contractual limitations on our subsidiaries ability to pay such dividends or distributions. Provisions in the articles of incorporation of certain of our subsidiaries restrict the payment of cash dividends to us.

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USE OF PROCEEDS

We will not initially receive any proceeds from the sale of the shares of our common stock offered by the forward sellers in this offering, unless an event occurs that requires us to sell such shares to the underwriters in lieu of the forward sellers selling such shares to the underwriters as further described elsewhere in this prospectus supplement, in which case we intend to use all net proceeds we receive from any such sales for the same purposes described below.

At an assumed initial forward sale price of $ per share (which is the price at which the underwriters have agreed to buy the shares of common stock offered hereby), we expect to receive net proceeds of approximately $ (or approximately $ if the underwriters over-allotment option is exercised in full), subject to the price adjustment and other provisions of the forward sale agreements, in the event of full physical settlement of the forward sale agreements, which we expect to occur on or prior to June , 2019. For purposes of calculating the proceeds to us upon settlement of the forward sale agreements, we have assumed that each forward sale agreement is physically settled based upon the assumed initial forward sale price of $ on the effective date of the forward sale agreements, which will be June , 2018. We will not receive any proceeds under the forward sale agreements on the closing date of this offering. The actual proceeds from the forward sales are subject to the final settlement of the forward sale agreements. The forward sale price that we expect to receive upon physical settlement of a forward sale agreement is subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread and will be decreased based on amounts related to expected dividends on shares of our common stock during the term of such forward sale agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price for such day. See Underwriting (Conflicts of Interest) Forward Sale Agreements for a description of the forward sale agreements.

We currently intend to elect full physical settlement of each forward sale agreement and to use the net proceeds, if any, that we would receive upon settlement of the forward sale agreements for general corporate purposes, which may include repayment of commercial paper, outstanding loans under our revolving credit facility or other debt. If we elect to cash settle all or a portion of a forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election and we may either receive a cash payment from, or owe a cash payment to, the relevant forward purchaser. If we elect to net share settle all or a portion of a forward sale agreement, we will not receive any proceeds from the sale of shares of our common stock related to such election, and we may either receive shares of our common stock from, or owe shares of our common stock to, the relevant forward purchaser.

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PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol ETR. The following table sets forth the high and low intra-day sale prices, as reported in the consolidated transaction reporting system

Calendar Year:	High	Low	Dividends Paid Per Share of Common Stock
2016:			
First Quarter	$ 79.72	$ 65.38	$ 0.85
Second Quarter	81.36	72.67	0.85
Third Quarter	82.09	75.99	0.85
Fourth Quarter	76.56	66.71	0.87
2017:			
First Quarter	$ 77.51	$ 69.63	$ 0.87
Second Quarter	80.61	74.88	0.87
Third Quarter	80.49	74.83	0.87
Fourth Quarter	87.95	75.01	0.89
2018:			
First Quarter	$ 82.96	$ 71.95	$ 0.89
Second Quarter (through June 5, 2018)	82.63		