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(As written)

Good afternoon. It's an honor to be included in this very important summit.

As many of you may know, I'm based out of New Orleans. As such, I'm always happy to visit Austin. Any place that can produce Drew Brees is a winner in my book. (On behalf of all New Orleans Saints fans, thanks for that, by the way.)

As I was reviewing the range of topics for this Summit, I was pleased to see just how closely your work here aligns with our vision at Entergy.

In fact, our vision statement – “We power life.” – has its roots in everything you've been discussing over the last two days. If you've ever seen one of our commercials, we always end with a slight variation of that vision statement - “Together, we power life.”

In that spirit, I'm here today to talk with you about growth, and how we can all work together to grow the workforce, the industry, and the prosperity of Texas. How, through the right investments and partnerships, we can make the economic story of this area even more powerful than it already is.

At Entergy, we power life when we create sustainable value for our four stakeholders: our owners, our customers, our employees and the communities we serve. We know that none of those stakeholders can succeed unless they all succeed.

So when we talk about growth, we mean an inclusive growth - growth for the company, our customers, our employees and, most importantly to you, for Texans.

To its credit, Texas has already been growing. During the past few years, we've seen a resurgence of manufacturing and industrial activity here.

In 2015, Texas exported \$251 billion in goods to destinations all over the world, leading the nation for the 14th year running.

Fifty-one of the country's leading companies base their headquarters in Texas. The state has the second-largest civilian workforce in America – 13 million industrious people.

Not only that, South Louisiana and Southeast Texas anchor our nation's energy coast. They're home to substantial U.S. oil and natural gas production and refining capacity.

Strung along this coastline are a series of some of the nation's largest ports. A significant percentage of our country's international trade passes through them.

And that's good news, both for Texans and for us at Entergy. Because when the regions we serve grow, we grow.

As you can imagine, the uptick in industrial activity here has been good for our company. The industrial customer base we serve in Texas grew by a compound annual rate of 4.5 percent from 2010 to 2015. This growth is due to both new customers and the growth and expansion of current customers.

Going forward, we anticipate approximately 270 MW of increased energy demand in Southeast Texas over the next ten years.

But all that growth doesn't happen by accident. It takes a lot of work. Cultivating these opportunities takes continuous effort.

Growth, whether it's economic growth or personal growth, demands something of you. So the question then becomes – What does economic prosperity demand of us? What can **we** do to stimulate inclusive growth?

We see our role in this journey, our place in powering life, as threefold:

1. We help attract and retain business within our communities.

2. We ourselves are a major driver of economic activity. (After all, we're a large industrial company ourselves.) But we also invest in critical infrastructure needed to support other businesses and the community, and
3. Our social commitment to our communities - whether be it environmental conservation, eradication of poverty, or workforce development and education - provides another competitive advantage to the areas we serve, work in and live in.

Let's start with our role in economic development. I'm sure many of you are aware that in all of the regions we serve, we're one of the most active - if not **the** most active - participant in the attraction and expansion of business. The two most notable ways we do this are through our highly competitive prices and our focus on business prospects.

From a price perspective, Entergy Texas customers pay on average a little more than 7 cents per kilowatt hour for their energy. The regional average is nearly 9 cents, and the national average is almost 10.5 cents.

That adds up fast, particularly for large industrial customers who need lots of megawatts to run their businesses. In fact, our industrial customers in Texas pay roughly 5 cents per kilowatt hour – that's nearly 26 percent below the national average.

But our efforts are not confined to just the price of our product. We've also been working closely with teams from government and business to help attract new investment.

Our goal is to create fertile ground for new businesses considering Texas.

We offer A-to-Z, confidential project support to make the decision path easy:

- At the beginning of a project, we help identify commercial and industrial sites.
- We help companies determine their energy needs and costs. These services cover infrastructure and reliability, transmission and distribution lines, substations and power needs.

- We provide engineering services like utility analysis, conceptual layouts, 3-D modeling and virtual tours.
- We also provide forward-looking research and data.
- As a major corporation, we share our perspective on the business climate of a region. For example, it isn't unusual for me to talk to the CEO of a prospect about our experiences doing business in the areas we serve.
- Lastly, day-in and day-out, we're marketing the Southeast Texas region to potential investors and developers. We do this in person - at local and national industry events - and online at goentergy.com and our Texas Site Selection Center.

In the past five years, we've worked with companies and local and regional partners to attract more than 15,000 jobs to the Southeast Texas region.

The second way we contribute to inclusive growth is through our infrastructure and technology deployment. Lately, you've seen us putting quite a bit of steel in the ground here. In the past two years, Entergy Texas has energized 24 transmission and substation projects. This includes about 65 miles of new line energized in 2016 alone.

We've just finished three big projects - a \$63 million project north of Houston, a \$30 million project in East Texas, and a \$53 million project in the Beaumont/Port Arthur area. These investments went toward building new transmission lines and installing new autotransformers.

And we've got some new builds, like the Western Region Economic Project, already in process and development.

To meet rising demands for power, we're also proposing the construction of the new Montgomery County Power Station. This power station could generate up to 1,000 clean megawatts, powering more than 120,000 local homes and businesses. This is a Texas project for Texas customers, and it will help meet your growing energy needs.

Overall, Entergy plans to invest more than \$1.1 billion in Texas by 2018 to address long-term customer demand and capture the benefits of new technologies.

This work will ensure we're ready to serve the state's economy not just today, but tomorrow as well. These projects also improve service reliability, creating a more resilient and adaptable grid.

There are other benefits, too. These investments help us lower customer costs and preserve the environment. For example, the proposed Montgomery County Power Station will use less fuel and water, produce electricity at a lower marginal cost and create 40 percent fewer CO2 emissions than the plants it ultimately replaces.

And lastly, this work has positive impacts on local economies.

We source building materials within our service area as much as possible. And our employees and contractors alike stay in local hotels and spend money in local businesses, bringing new dollars into the state's economy. We estimate the Montgomery County Power Station build alone will provide hundreds of temporary jobs, as well as the new, permanent jobs required to operate the plant once it's built.

As you know, however, **many** factors play a role in site selection decisions for new development - location; transportation; energy; tax incentives. In our business, a major factor is how we're regulated.

Given the nature of our business, the regulatory constructs under which we operate are extremely important. They must provide us with the financial ability to be ready and willing to invest in infrastructure for our customers when and how they need it.

And as the world continues to change, those regulatory constructs must also change to keep pace. Obviously, we can't operate in a digital world with analog tools. That's why we're also working across all of our states to implement the type of regulation that gives us the tools required to be there for our communities.

And finally, one of the most critical considerations, the one you've been focused on for the past two days, is the state of our communities, including the important component of a qualified and ready workforce – both in the near term and the long run. *Area Development Magazine* ranks workforce quality and availability as the most important site selection factor for 2016 and for many years running.

The capability of an area's workforce is often **the** deciding factor in where new development will locate. So everyone in this room has an interest in making sure that the people of Texas have competitive skills.

This third area where we work together to power life is, in some respects, both a tool and an objective. If we believe that success breeds success, then helping our communities succeed today helps assure they'll continue to succeed tomorrow.

If we can use our time, talent and resources to improve the communities we serve, those communities can then create advantages – such as a highly qualified and trained workforce – that bring new resources to the community in the form of jobs. Our efforts focus on a sustainable future, the elimination of poverty and, most importantly, education and workforce training. An educated, skilled population is better equipped to solve any economic or societal issue it faces.

You're fortunate to have strong leadership on this issue here in Texas. Governor Abbott has been very vocal about his commitment to education. I hear he plans for your 2017 pre-K class to graduate from high school in the top-ranked school system in the nation. I applaud him for that.

And as everyone in this room is aware, Governor Abbott also recently formed a Tri-Agency Workforce Initiative. Its purpose is to assess local economic activity; identify workforce challenges and opportunities; and drive solutions to meeting the state's workforce goals.

This initiative is one of the paths we at Entergy have taken to get involved, as one of the commissioners' first recommendations was for closer collaboration among public education, higher education, and workforce development entities in Texas.

To find out how **we** could help, we held meetings with a variety of our stakeholders in economic development, education, industry and business. We worked with the Texas Workforce Commission, the Texas Higher Ed Coordinating Board, the governor's office, and others to identify areas with high opportunity and large skills gaps.

During these discussions, we learned of the need for those trained in "middle skills" in our workforce. These are the pipefitters, the machinists, and the plant maintenance workers. In many ways, these are the people who make things work for our society, and what they do is incredibly important.

The demand for "middle skills" jobs like these surpasses that for workers with professional degrees by about 7 to 1. Think about that for a moment. 7 to 1.

We see this need clearly in the energy industry. Currently, about 45 million baby boomers are in the nation's work force.

The youngest baby boomer is now 51 years old, and the oldest boomers are approaching 70. During the past several years, we've seen large numbers of these employees exit the workforce as this generation retires. And through a variety of efforts, our industry is already working hard to replace them.

Even with that high employer demand, though, it's amazing how few people are aware of the opportunity in "middle skills" fields. And many of the standard barriers we see in underemployed communities, such as a lack of funding and support, aren't helping us fill that workforce pipeline.

Our partners also talked with us about the need for soft skills training. Issues we heard from potential customers ranged from the ability to pass drug screening and criminal

background checks, to understanding the importance of things like punctuality, attendance and personal attire. These skills help workers get and keep good jobs.

Based on what we learned in those meetings, our partners have helped us make some good decisions about a further investment we'll be making. Not in poles and wires, but in people.

At Entergy, we'll be making a \$5 million commitment across our four-state service area to ensure our communities are job-ready. This new workforce development fund will support programs addressing critical employment gaps.

Some of the first allocations of those investments include \$500,000 in grants right here in Texas.

We're starting with **a gift of \$100,000 to Lone Star Community College**. This money will fund what we're calling the Lone Star College Promise Scholarships. These dollars will close the financial gap for students pursuing degrees or certifications in energy or manufacturing studies – two of the most in-demand industries in our region.

There are many students who are just a little short in funding their dreams. These scholarships are those "last dollars," the dollars that complete their funding package for school or certification.

But there are other students who don't plan on going to college, and they need and deserve a path into a job with strong career potential. To serve them, we're also partnering with the **Lamar Institute of Technology and two local school districts**. We'll make **a \$150,000 gift** to fund dual enrollment programs, helping high school students receive training and certifications for careers in fields like process technology, instrumentation and welding.

These are the same types of students served by Texas House Bill 5, which Entergy also supported. We need them as productive employees in our workforce.

Lastly, we're working on a **public/private partnership with the Texas Workforce Commission, Southeast Texas Workforce Solutions, Region V, Lamar Community College and Jobs for America's Graduates to Southeast Texas. We're making a \$250,000 gift to Jobs for America's Graduates** to equip at-risk students with the tools they need to be successful.

Jobs for America's Graduates, or JAG, is especially close to my heart, because I have the honor of serving on their board.

JAG is national leader. They deliver a proven program targeting young people who have dropped out of high school or are at high risk of doing so. The program has a 35-year track record of putting young people on the road to success.

The first step, of course, is helping them earn their high school diploma or GED. But the program delivers so much more than that. Program graduates complete job training covering 37 employer-developed competencies. They also receive life coaching and wrap-around social services. But perhaps most importantly, they have access to a JAG specialist. An adult who cares and who is focused on their success.

JAG's results speak for themselves.

- More than 1 million young people have completed the JAG program.
- 90 percent or more receive their high school diploma or GED.
- JAG graduates are twice as likely as their peers to be employed 1 year after graduation.
- And they're three times more likely than their peers to be employed or enrolled in full time post-secondary education.
- At one year after program completion, 89 percent of JAG graduates are employed full time, enrolled in post-secondary education full time, or some combination of the two. The bottom line, they're on the path to success.

Expanding what JAG can offer students here in Texas is something we feel really good about. This partnership will connect young people to a different - and better - future, one they might not have had otherwise.

These grants wouldn't have been possible without the counsel and aid of our colleagues in the community.

They helped us craft our programs to address more out-of-school job-seekers. They also helped us leverage our dollars for a match from the local workforce development board. It just goes to show you how working together yields better results.

These initial workforce development grants represent our first two-year commitment as part of the larger, \$5 million program. As we move forward, we'll evaluate the impacts of these dollars and continue depending on those collaborations.

I'm proud to say that Entergy has been investing in the communities we serve for more than a century. And we plan to be here 100 years from now, continuing that tradition.

We're hoping that these gifts not only enhance workforce development in Texas, but also serve as a catalyst for other public/private partnerships. These partnerships, with everyone working together, are vital to comprehensive workforce planning in Texas. They help us leverage new sources of funding and ensure we're putting those dollars in the right places. By working together, we're taking care of our region, our communities, and ourselves.

As I mentioned, this last focus is both a tool and an objective. After all, in the end what are we all trying to do? We're trying to provide for a better life and a higher standard of living for our communities – for all Texans.

When we develop new infrastructure – like generating plants and transmission lines – we provide the needed power for our communities to support new business. When we keep our prices competitive, we provide an advantage to our communities in attracting

those new businesses. When we educate the people in our communities, we provide yet another form of infrastructure advantage to help us draw new jobs to the region.

And when those job-ready Texans are given an opportunity at the business that we all helped to attract, we've improved their standard of living, not just for one generation, but for all of the generations that follow.

In the end, isn't that the goal? To provide a better life, a higher standard of living and a more vibrant community – a more vibrant Texas.

I started by telling you how honored I was to be included today. That's because I know we all share that same objective, and that we're all using our gifts and talents to make it happen. I'm honored because I'm extremely excited that we share the same vision - that together, we power life.

Thank you very much.