

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

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number of issuing entity: 333-142252-01

**ENERGY GULF STATES RECONSTRUCTION FUNDING I, LLC**

(Exact name of issuing entity as specified in its charter)

**ENERGY TEXAS, INC.**

(Exact name of depositor and sponsor as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**20-8834449**

(I.R.S. Employer  
Identification No.)

**Capital Center  
919 Congress Avenue, Suite 840  
Austin, Texas 78701**

(Address of principal executive offices)

Registrant's telephone number, including area code: (409) 981-3000

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Regulations Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes  No

The registrant does not have any voting or non-voting common equity held by non-affiliates.

Documents incorporated by reference: A portion of Entergy Corporation's Proxy Statement relating to the 2008 Annual Meeting of Shareholders of Entergy Corporation has been incorporated by reference in Item 11 of Part III of this report.

## **Part I**

### **Item 1. Business.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 1A. Risk Factors.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 1B. Unresolved Staff Comments.**

None.

### **Item 2. Properties.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 3. Legal Proceedings.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 4. Submission of Matters to a Vote of Security Holders.**

Omitted pursuant to General Instruction J of Form 10-K.

## **Part II**

### **Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 6. Selected Financial Data.**

Omitted pursuant to General Instruction J of Form 10-K.

### **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

Omitted pursuant to General Instruction J of Form 10-K.

**Item 7A. Quantitative and Qualitative Disclosures about Market Risk.**

Omitted pursuant to General Instruction J of Form 10-K.

**Item 8. Financial Statements and Supplementary Data.**

Omitted pursuant to General Instruction J of Form 10-K.

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures.**

Omitted pursuant to General Instruction J of Form 10-K.

**Item 9A. Controls and Procedures.**

Omitted pursuant to General Instruction J of Form 10-K.

**Item 9B. Other Information.**

None.

**PART III**

**Item 10. Directors and Executive Officers of the Registrant.**

Entergy Gulf States Reconstruction Funding I, LLC (the “Company” or “Issuing Entity”) has four managers. At least one manager must not be, and must not have been for at least five years prior to the date of his appointment:

- a direct or indirect legal or beneficial owner of the Company, the Company’s owner, any of the Company’s respective affiliates or any of the Company’s owner’s affiliates,
- a relative, supplier, employee, officer, director, manager, contractor or material creditor of the Company, the Company’s owner or any of the Company’s affiliates or any of the Company’s owner’s affiliates, or
- a person who controls (whether directly, indirectly or otherwise) the Company’s owner or its affiliates or any creditor, employee, officer, director, manager or material supplier or contractor of the Company’s owner or its affiliates; provided, that the indirect or beneficial ownership of stock of the Company’s owner or its affiliates through a mutual fund or similar diversified investment vehicle with respect to which the owner does not have discretion or control over the investments held by such diversified investment vehicle shall not preclude such owner from being an independent manager.

The following are the managers of the Company as of March 15, 2008:

Name	Age	Title and Background
Eddie Peebles	47	Manager and President of the Company. Vice President, Corporate Development for Entergy Services, Inc., a subsidiary of Entergy Corporation. From July 2003 to July 2005, Director, Structured Transactions for Entergy Services, Inc. From October 2000 through July 2003, Director, Mergers, Acquisitions and Structured Finance of Entergy Enterprises, Inc., a subsidiary of Entergy Corporation.
Barrett Green	40	Manager and Vice President of the Company. Vice President, Commercial Analytics for Entergy Services, Inc. From July 2003 to October 2004, Director, Portfolio Management for Entergy Services, Inc. From April 2002 to July 2003, Director, Finance and Development – ENI for Entergy Services, Inc.
Tom Wagner	53	Manager and Vice President of the Company. Assistant General Counsel for Entergy Services, Inc. From April 2000 through December 2001, Senior Counsel for Entergy Enterprises, Inc. From January 2002 through December 2004, Assistant General Counsel for Entergy Enterprises, Inc.
Thomas Strauss	42	Manager. Client Services of Wilmington Trust SP Services and Vice President of Wilmington Trust Company since 2001.

### Code of Conduct

The Company is a wholly-owned subsidiary of Entergy Texas, Inc., which is a wholly-owned subsidiary of Entergy Corporation (“Entergy”). The Board of Directors of Entergy has adopted a Code of Business Conduct and Ethics for Members of the Board of Directors. The code is available through Entergy's website ([www.entergy.com](http://www.entergy.com)) or upon written request. The Board has also adopted a Code of Business Conduct and Ethics for Employees, that includes Special Provision Relating to Principal Executive Officer and Senior Financial Officers. The Code of Business Conduct and Ethics for Employees is to be read in conjunction with Entergy's omnibus code of integrity under which Entergy operates, called the Code of Entegrity as well as system policies. All employees are required to abide by the Codes. Non-bargaining employees are required to acknowledge annually that they understand and abide by the Code of Entegrity. The Code of Business Conduct and Ethics for Employees and the Code of Entegrity are available through Entergy's website ([www.entergy.com](http://www.entergy.com)) or upon written request.

**Item 11. Executive Compensation.**

Thomas Strauss serves as the independent manager of the Company, and the Company pays an annual fee of \$5,000 to Wilmington Trust Company for Mr. Strauss' services as manager. Messrs. Peebles, Green, and Wagner are employees of Entergy Services, Inc. They do not receive any compensation from the Company for their services as managers or executive officers of the Company, and they do not receive any additional or separate compensation from Entergy Services, Inc. in respect of the services that they perform for the Company. For information regarding Entergy's executive compensation, see "Compensation Discussion and Analysis," "Executive Compensation Tables," "2007 Non-Employee Director Compensation" and "Personnel Committee Interlocks and Insider Participation" in Entergy's Proxy Statement dated March 19, 2008 and filed by Entergy as Schedule 14A on March 19, 2008 (File No. 001-11299) (the "Entergy 2008 Proxy Statement"), which is incorporated herein by this reference. Also see "Personnel Committee Report," which is included in the Entergy 2008 Proxy Statement but not deemed "filed" pursuant to applicable rules of the Securities and Exchange Commission and shall not be deemed filed as part of this report as a result of this reference.

**Item 12. Security Ownership of Certain Beneficial Owners and Management.**

None.

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

None.

**Item 14. Principal Accountant Fees and Services.**

Omitted pursuant to General Instruction J of Form 10-K.

## PART IV

### Item 15. Exhibits, Financial Statement Schedules.

#### (a) Documents filed as a part of this report:

1. Financial Statements.

Not applicable.

2. Financial Statement Schedules.

Not applicable.

3. Exhibits required by Item 601 of Regulation S-K (exhibits marked with an asterisk are filed herewith and the others are incorporated by reference):

- 3.1 Certificate of Formation of the Issuing Entity filed with the Delaware Secretary of State on April 12, 2007.
- 3.2 Limited Liability Company Agreement of the Issuing Entity executed as of April 16, 2007.
- 4.1 Indenture dated as of June 29, 2007 between the Issuing Entity and The Bank of New York providing for the issuance of Senior Secured Transition Bonds, Series A.
- 4.2 Form of Senior Secured Transition Bonds, Series A.
- \* 31.1 Certification pursuant to Rule 13a-14(d)/15d-14(d).
- \* 33.1 Report on assessment of compliance with servicing criteria for asset-backed securities for Entergy Texas, Inc.
- \* 33.2 Assertion of compliance with applicable servicing criteria for The Bank of New York.
- \* 34.1 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of Deloitte & Touche LLP on behalf of Entergy Texas, Inc.
- \* 34.2 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of KPMG LLP on behalf of The Bank of New York.
- \* 35.1 Servicer compliance statement.

- 99.1 Transition Property Servicing Agreement dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as servicer.
- 99.2 Transition Property Purchase and Sale Agreement dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as seller.
- 99.3 Administration Agreement, dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as administrator.

**(b) Exhibits required by this Form and Item 601 of Regulation S-K (exhibits marked with an asterisk are filed herewith):**

3.1 Certificate of Formation of the Issuing Entity filed with the Delaware Secretary of State on April 12, 2007 (incorporated by reference to exhibit 3.3 included as an exhibit to the Issuing Entity's Form S-3/A dated June 6, 2007).

3.2 Limited Liability Company Agreement of the Issuing Entity executed as of April 16, 2007 (incorporated by reference to exhibit 3.4 included as an exhibit to the Issuing Entity's Form S-3/A dated June 6, 2007).

4.1 Indenture dated as of June 29, 2007 between the Issuing Entity and The Bank of New York providing for the issuance of Senior Secured Transition Bonds, Series A (incorporated by reference to the exhibit with the same numerical designation included as an exhibit to the Issuing Entity's Report on Form 8-K dated July 9, 2007).

4.2 Form of Senior Secured Transition Bonds, Series A (included as Exhibit A to the Indenture filed as Exhibit 4.1) (incorporated by reference to the exhibit with the same numerical designation included as an exhibit to the Issuing Entity's Report on Form 8-K dated July 9, 2007).

\*31.1 Certification pursuant to Rule 13a-14(d)/15d-14(d).

\*33.1 Report on assessment of compliance with servicing criteria for asset-backed securities for Entergy Texas, Inc.

\*33.2 Assertion of compliance with applicable servicing criteria for The Bank of New York.

\*34.1 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of Deloitte & Touche LLP on behalf of Entergy Texas, Inc.

\*34.2 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of KPMG LLP on behalf of The Bank of New York.

\*35.1 Servicer compliance statement.

99.1 Transition Property Servicing Agreement dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as servicer (incorporated by reference to exhibit 99.1 included as an exhibit to the Issuing Entity's Report on Form 8-K dated July 9, 2007).

99.2 Transition Property Purchase and Sale Agreement dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as seller (incorporated by reference to exhibit 99.2 included as an exhibit to the Issuing Entity's Report on Form 8-K dated July 9, 2007).

99.3 Administration Agreement dated as of June 29, 2007 between the Issuing Entity and Entergy Gulf States, Inc., as administrator (incorporated by reference to exhibit 99.3 included as an exhibit to the Issuing Entity's Report on Form 8-K dated July 9, 2007).

(c) Not applicable.

**Item 1112(b). Significant Obligors of Pool Assets.**

None.

**Item 1114(b)(2). Credit Enhancement and Other Support, Except for Certain Derivatives Instruments.**

None.

**Item 1115(b). Certain Derivatives Instruments.**

None.

**Item 1117. Legal Proceedings.**

None.

**Item 1119. Affiliations and Certain Relationships and Related Transactions.**

The Company is a wholly-owned subsidiary of Entergy Texas, Inc. ("ETI"), a successor in interest to Entergy Gulf States, Inc. ("EGSI").

On December 31, 2007, EGSI completed a jurisdictional separation plan (the "JSP") consistent with statutory authority pursuant to Texas House Bill 1567, enacted in 2005, and authorization from each of the Louisiana Public Service Commission ("LPSC"), the Federal Energy Regulatory Commission and the Nuclear Regulatory Commission. The JSP resulted in two vertically integrated utilities, one operating under the sole retail jurisdiction of the Public Utility Commission of Texas, ETI, and the other operating under the sole retail jurisdiction of the LPSC, Entergy Gulf States Louisiana, L.L.C. By operation of law, the Texas-related assets and liabilities of EGSI were allocated to ETI, and, as of the close of business on December 31, 2007, ETI is a wholly-owned subsidiary of Entergy Corporation. Among other actions, effective December 31, 2007, ETI assumed EGSI's rights, obligations and liabilities under various agreements (including the Transition Property Servicing Agreement (Exhibit 99.1), the Transition Property Purchase and Sale Agreement (Exhibit 99.2) and the Administration Agreement (Exhibit 99.3)) and became the sole successor member of the Company.

**Item 1122. Compliance with Applicable Servicing Criteria.**

See Exhibits 33 and 34 under Item 15. The material instance of noncompliance described in Schedule A to The Bank of New York's Assertion of Compliance (Exhibit 33.2) is not applicable to the Issuing Entity.

**Item 1123 Servicer Compliance Statement.**

See Exhibit 35 under Item 15.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this 26th day of March 2008.

ENERGY GULF STATES RECONSTRUCTION  
FUNDING I, LLC

(Issuing Entity)

By: Entergy Texas, Inc., as servicer

/s/ Theodore H. Bunting, Jr.

Name: Theodore H. Bunting, Jr.

Title: Senior Vice President and  
Chief Accounting Officer

(Senior officer in charge of the  
servicing function of the servicer)

## **EXHIBIT INDEX**

- \* 31.1 Certification pursuant to Rule 13a-14(d)/15d-14(d)
- \* 33.1 Report on assessment of compliance with servicing criteria for asset-backed securities for Entergy Texas, Inc.
- \* 33.2 Assertion of compliance with applicable servicing criteria for The Bank of New York.
- \* 34.1 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of Deloitte & Touche LLP on behalf of Entergy Texas, Inc.
- \* 34.2 Attestation report on assessment of compliance with servicing criteria for asset-backed securities of KPMG LLP on behalf of The Bank of New York.
- \* 35.1 Servicer compliance statement.

## EXHIBIT 31.1

### CERTIFICATION PURSUANT TO RULE 13a-14(d)/15d-14(d)

I, Theodore H. Bunting, Jr., Senior Vice President and Chief Accounting Officer of Entergy Texas, Inc., as servicer (the “Servicer”), certify that:

1. I have reviewed this report on Form 10-K and all reports on Form 10-D required to be filed in respect of the period covered by this report on Form 10-K of Entergy Gulf States Reconstruction Funding I, LLC (the “Exchange Act periodic reports”);
2. Based on my knowledge, the Exchange Act periodic reports, taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, all of the distribution, servicing and other information required to be provided under Form 10-D for the period covered by this report is included in the Exchange Act periodic reports;
4. I am responsible for reviewing the activities performed by the Servicer, and based on my knowledge and the compliance review conducted in preparing the servicer compliance statement required in this report under Item 1123 of Regulation AB, and except as disclosed in the Exchange Act periodic reports, the Servicer has fulfilled its obligations under the Transition Property Servicing Agreement dated as of June 29, 2007 between Entergy Gulf States Reconstruction Funding I, LLC, as the Issuing Entity, and the Servicer, in all material respects; and
5. All of the reports on assessment of compliance with servicing criteria for asset-backed securities and their related attestation reports on assessment of compliance with servicing criteria for asset-backed securities required to be included in this report in accordance with Item 1122 of Regulation AB and Exchange Act Rule 13a-18 and 15d-18 have been included as an exhibit to this report, except as otherwise disclosed in this report. Any material instances of noncompliance described in such reports have been disclosed in this report on Form 10-K.

Date: March 26, 2008

By: /s/ Theodore H. Bunting, Jr.

Name: Theodore H. Bunting, Jr.

Title: Senior Vice President and Chief Accounting Officer

## EXHIBIT 33.1

### REPORT ON ASSESSMENT OF COMPLIANCE WITH SERVICING CRITERIA FOR ASSET-BACKED SECURITIES

Entergy Texas, Inc. (the “Servicer”), as a party participating in the servicing function under Item 1122 of Regulation AB, hereby reports on its assessment of compliance with the servicing criteria specified in paragraph (d) of Item 1122 of Regulation AB, as follows:

(1) The Servicer is responsible for assessing compliance with the servicing criteria applicable to it. The servicing criteria specified in the following paragraphs of paragraph (d) of Item 1122 of Regulation AB are not applicable to the Servicer based on the activities it performs with respect to asset-backed securities transactions taken as a whole involving the Servicer and that are backed by the same asset type backing the Senior Secured Transition Bonds, Series A: (1)(ii) (outsourcing), (1)(iii) (back-up servicing), (1)(iv) (fidelity bond), 2(iii) (advances or guarantees), (2)(vi) (unissued checks), (4)(iii) (additions, removals or substitutions), 4(v) (records regarding pool assets), (4)(ix) (adjustments to interest rates), (4)(x) (funds held in trust for an obligor), (4)(xi) (payments on behalf of obligors), (4)(xii) (late payment penalties), (4)(xiii) (obligor disbursements), (4)(xv) (external credit enhancement);

(2) The Servicer used the criteria in paragraph (d) of Item 1122 of Regulation AB to assess compliance with the applicable servicing criteria;

(3) The Servicer has determined that it is in compliance with the applicable servicing criteria as of December 31, 2007 and for the period June 29, 2007 through December 31, 2007, which is the period covered by this report on Form 10-K; and

(4) Deloitte & Touche LLP, a registered public accounting firm, has issued an attestation report on the Servicer's assessment of compliance with the applicable servicing criteria as of December 31, 2007 and for the period June 29, 2007 through December 31, 2007, which is the period covered by this report on Form 10-K.

Date: March 26, 2008

Entergy Texas, Inc., as servicer

By: /s/ Theodore H. Bunting, Jr.

Name: Theodore H. Bunting, Jr.

Title: Senior Vice President and Chief Accounting Officer

## EXHIBIT 33.2

### ASSERTION OF COMPLIANCE WITH APPLICABLE SERVICING CRITERIA

The Bank of New York, The Bank of New York Trust Company, N. A. and BNYM (Delaware) formerly known as The Bank of New York (Delaware) (collectively, the “Company”) provides this platform-level assessment of compliance with the servicing criteria specified in Item 1122(d) of Regulation AB promulgated by the Securities and Exchange Commission. Management has determined that the servicing criteria are applicable in regard to the servicing platform for the period as follows:

Platform: Publicly-issued (i.e., transaction-level reporting initially required under the Securities Exchange Act of 1934, as amended) asset-backed securities issued on or after January 1, 2006 and like-kind transactions issued prior to January 1, 2006 that are subject to Regulation AB for which the Company provides trustee, securities administration or paying agent services, other than residential mortgage-backed securities and other mortgage-related asset-backed securities.

Applicable Servicing Criteria: All servicing criteria set forth in Item 1122(d), to the extent required by the related transaction agreements as to any transaction, except as set forth in the column titled “Not Applicable To Platform” in Appendix 1 attached hereto.

With respect to applicable servicing criteria 1122(d)(2)(iii), 1122(d)(2)(vi) and 1122(d)(4)(vii), there were no activities performed during the Period with respect to the Platform, because there were no occurrences of events that would require the Company to perform such activities.

Period: Twelve months ended December 31, 2007 (the “Period”).

With respect to the Platform and the Period, the Company provides the following assessment of compliance in respect of the Applicable Servicing Criteria:

1. The Company is responsible for assessing its compliance with the Applicable Servicing Criteria.
2. The Company has assessed compliance with the Applicable Servicing Criteria. In performing this assessment, management used the criteria set forth by the Securities and Exchange Commission in paragraph (d) of Item 1122 of Regulation AB.
3. Based on such assessment, as of and for the Period, the Company has complied, in all material respects, with the Applicable Servicing Criteria other than as identified on Schedule A attached.

KPMG LLP, an independent registered public accounting firm, has issued an attestation report with respect to the Company’s compliance with the Applicable Servicing Criteria as of and for the Period.

The Bank of New York  
The Bank of New York Trust  
Company, N.A.  
BNYM (Delaware) formerly known as  
The Bank of New York (Delaware)

The Bank of New York  
The Bank of New York Trust  
Company, N.A.

\_\_\_\_\_  
/s/Robert Griffin

Robert L. Griffin  
Authorized Officer

\_\_\_\_\_  
/s/Patrick J. Tadie

Patrick J. Tadie  
Authorized Officer

The Bank of New York

\_\_\_\_\_  
/s/Samir Pandiri

Samir Pandiri  
Authorized Officer

Dated as of February 29, 2008

## SCHEDULE A

### MATERIAL INSTANCES OF NON-COMPLIANCE

1122(d)(2)(i): *Payments on pool assets are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days of receipt, or such other number of days specified in the transaction agreements.*

With respect to collections received on assets relating to certain series of securities, such collections were not deposited into a segregated account for each specified series but rather were deposited into a general account held by the Company as Indenture Trustee (hereinafter referred to as the “Indenture Trustee”) and remitted directly to the investors. All collections were properly allocated by the Indenture Trustee to the related series of securities and timely remitted to the investors in such series. The segregated account for each specified series was in existence prior to the time deposits were to be made into such account but such account was not utilized in all instances by the Indenture Trustee as stated above. Procedures have been in place and are currently being reinforced so that collections are deposited into the segregated account for each specified series within the applicable time frames and then remitted to the investors in such series all in accordance with the related transaction documents.

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
<b>General Servicing Considerations</b>			
1122(d)(1)(i)	Policies and procedures are instituted to monitor any performance or other triggers and events of default in accordance with the transaction agreements.	X	
1122(d)(1)(ii)	If any material servicing activities are outsourced to third parties, policies and procedures are instituted to monitor the third party's performance and compliance with such servicing activities.		X
1122(d)(1)(iii)	Any requirements in the transaction agreements to maintain a back-up servicer for the [pool assets] are maintained.		X
1122(d)(1)(iv)	A fidelity bond and errors and omissions policy is in effect on the party participating in the servicing function throughout the reporting period in the amount of coverage required by and otherwise in accordance with the terms of the transaction agreements.		X

<b>Cash Collection and Administration</b>			
1122(d)(2)(i)	Payments on [pool assets] are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days following receipt, or such other number of days specified in the transaction agreements.	X	
1122(d)(2)(ii)	Disbursements made via wire transfer on behalf of an obligor or to an investor are made only by authorized personnel.	X	
1122(d)(2)(iii)	Advances of funds or guarantees regarding collections, cash flows or distributions, and any interest or other fees charged for such advances, are made, reviewed and approved as specified in the transaction agreements.	X	
1122(d)(2)(iv)	The related accounts for the transaction, such as cash reserve accounts or accounts established as a form of over collateralization, are separately maintained (e.g., with respect to commingling of cash) as set forth in the transaction agreements.	X	
1122(d)(2)(v)	Each custodial account is maintained at a federally insured depository institution as set forth in the transaction agreements. For purposes of this criterion, "federally insured depository institution" with respect to a foreign financial institution means a foreign financial institution that meets the requirements of Rule 13k-1(b)(1) of the Securities Exchange Act.	X	
1122(d)(2)(vi)	Unissued checks are safeguarded so as to prevent unauthorized access.	X	
1122(d)(2)(vii)	Reconciliations are prepared on a monthly basis for all asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. These reconciliations are (A) mathematically accurate; (B) prepared within 30 calendar days after the bank statement cutoff date, or such other number of days specified in the transaction agreements; (C) reviewed and approved by someone other than the person who prepared the reconciliation; and (D) contain explanations for reconciling items. These reconciling items are resolved within 90 calendar days of their original identification, or such other number of days specified in the transaction agreements	X	

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
<b>Investor Remittances and Reporting</b>			
1122(d)(3)(i)	Reports to investors, including those to be filed with the Commission, are maintained in accordance with the transaction agreements and applicable Commission requirements. Specifically, such reports (A) are prepared in accordance with timeframes and other terms set forth in the transaction agreements; (B) provide information calculated in accordance with the terms specified in the transaction agreements; (C) are filed with the Commission as required by its rules and regulations; and (D) agree with investors' or the trustee's records as to the total unpaid principal balance and number of [pool assets] serviced by the Servicer.	X	
1122(d)(3)(ii)	Amounts due to investors are allocated and remitted in accordance with timeframes, distribution priority and other terms set forth in the transaction agreements.	X	
1122(d)(3)(iii)	Disbursements made to an investor are posted within two business days to the Servicer's investor records, or such other number of days specified in the transaction agreements.	X	
1122(d)(3)(iv)	Amounts remitted to investors per the investor reports agree with cancelled checks, or other form of payment, or custodial bank statements	X	

<b>Pool Asset Administration</b>			
1122(d)(4)(i)	Collateral or security on [pool assets] is maintained as required by the transaction agreements or related mortgage loan documents.	X	
1122(d)(4)(ii)	[pool asset] and related documents are safeguarded as required by the transaction agreements	X	
1122(d)(4)(iii)	Any additions, removals or substitutions to the asset pool are made, reviewed and approved in accordance with any conditions or requirements in the transaction agreements.	X	
1122(d)(4)(iv)	Payments on [pool assets], including any payoffs, made in accordance with the related [pool asset] documents are posted to the Servicer's obligor records maintained no more than two business days after receipt, or such other number of days specified in the transaction agreements, and allocated to principal, interest or other items (e.g., escrow) in accordance with the related [pool asset] documents.	X	
1122(d)(4)(v)	The Servicer's records regarding the [pool assets] agree with the Servicer's records with respect to an obligor's unpaid principal balance.	X	
1122(d)(4)(vi)	Changes with respect to the terms or status of an obligor's [pool assets] (e.g., loan modifications or re-agings) are made, reviewed and approved by authorized personnel in accordance with the transaction agreements and related pool asset documents.		X
1122(d)(4)(vii)	Loss mitigation or recovery actions (e.g., forbearance plans, modifications and deeds in lieu of foreclosure, foreclosures and repossessions, as applicable) are initiated, conducted and concluded in accordance with the timeframes or other requirements established by the transaction agreements.	X	

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
1122(d)(4)(viii)	Records documenting collection efforts are maintained during the period a [pool asset] is delinquent in accordance with the transaction agreements. Such records are maintained on at least a monthly basis, or such other period specified in the transaction agreements, and describe the entity's activities in monitoring delinquent [pool assets] including, for example, phone calls, letters and payment rescheduling plans in cases where delinquency is deemed temporary (e.g., illness or unemployment).		X
1122(d)(4)(ix)	Adjustments to interest rates or rates of return for [pool assets] with variable rates are computed based on the related [pool asset] documents.	X	
1122(d)(4)(x)	Regarding any funds held in trust for an obligor (such as escrow accounts): (A) such funds are analyzed, in accordance with the obligor's [pool asset] documents, on at least an annual basis, or such other period specified in the transaction agreements; (B) interest on such funds is paid, or credited, to obligors in accordance with applicable [pool asset] documents and state laws; and (C) such funds are returned to the obligor within 30 calendar days of full repayment of the related [pool assets], or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xi)	Payments made on behalf of an obligor (such as tax or insurance payments) are made on or before the related penalty or expiration dates, as indicated on the appropriate bills or notices for such payments, provided that such support has been received by the Servicer at least 30 calendar days prior to these dates, or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xii)	Any late payment penalties in connection with any payment to be made on behalf of an obligor are paid from the Servicer's funds and not charged to the obligor, unless the late payment was due to the obligor's error or omission.		X
1122(d)(4)(xiii)	Disbursements made on behalf of an obligor are posted within two business days to the obligor's records maintained by the Servicer, or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xiv)	Delinquencies, charge-offs and uncollectible accounts are recognized and recorded in accordance with the transaction agreements.		X
1122(d)(4)(xv)	Any external enhancement or other support, identified in Item 1114(a)(1) through (3) or Item 1115 of Regulation AB, is maintained as set forth in the transaction agreements	X	

**ATTESTATION REPORT ON ASSESSMENT OF COMPLIANCE WITH  
SERVICING CRITERIA FOR ASSET-BACKED SECURITIES  
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholder  
Entergy Texas, Inc.:

We have examined management's assertion, included in the accompanying management's Report On Assessment of Compliance With Servicing Criteria For Asset-Backed Securities, that Entergy Texas, Inc. (the "Company") complied with the servicing criteria set forth in Item 1122(d) of the Securities and Exchange Commission's Regulation AB applicable for Entergy Gulf States Reconstruction Funding I, LLC's Senior Secured Transition Bonds, Series A (the "Securities") as of December 31, 2007 and for the period June 29, 2007 through December 31, 2007, excluding criteria 1122(d)(1)(ii), (1)(iii), (1)(iv), (2)(iii), (2)(vi), (4)(iii), (4)(v), (4)(ix), (4)(x), (4)(xi), (4)(xii), (4)(xiii), and (4)(xv), which management has determined are not applicable to the activities performed by the Company with respect to the Securities. Management is responsible for the Company's compliance with the servicing criteria. Our responsibility is to express an opinion on management's assertion about the Company's compliance with the servicing criteria based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, as adopted by the Public Company Accounting Oversight Board (United States), and, accordingly, included examining, on a test basis, evidence about the Company's compliance with the applicable servicing criteria, including tests on a sample basis of the servicing activities related to the Securities, determining whether the Company performed those selected activities in compliance with the servicing criteria during the specified period, and performing such other procedures as we considered necessary in the circumstances. Further, an examination is not designed to detect noncompliance arising from errors that may have occurred prior to the period specified above that may have affected the balances or amounts calculated or reported by the Company during the period covered by this report. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Company's compliance with the servicing criteria.

In our opinion, management's assertion that the Company complied with the aforementioned applicable servicing criteria as of December 31, 2007 and for the period June 29, 2007 through December 31, 2007 for Entergy Gulf States Reconstruction Funding I, LLC's Senior Secured Transition Bonds, Series A is fairly stated, in all material respects.

DELOITTE & TOUCHE LLP

New Orleans, Louisiana  
March 26, 2008

## EXHIBIT 34.2

### Report of Independent Registered Public Accounting Firm

The Board of Directors  
The Bank of New York  
BNYM (Delaware)  
The Bank of New York Trust Company, N.A.:

We have examined the compliance of The Bank of New York, BNYM (Delaware) formerly known as The Bank of New York (Delaware) and The Bank of New York Trust Company, N.A., (collectively, the “Company”) with the servicing criteria set forth in Item 1122(d) of the Securities and Exchange Commission’s Regulation AB for the publicly issued (i.e. transaction-level reporting initially required under the Securities and Exchange Act of 1934, as amended) asset-backed securities issued on or after January 1, 2006 and like-kind transactions issued prior to January 1, 2006 that are subject to Regulation AB for which the Company provides trustee, securities administration or paying agent services, other than residential mortgage-backed securities and other mortgage-related asset-backed securities (the Platform), except for servicing criteria 1122(d)(1)(ii), 1122(d)(1)(iii), 1122(d)(1)(iv), 1122(d)(4)(vi), 1122(d)(4)(viii), 1122(d)(4)(x), 1122(d)(4)(xi), 1122(d)(4)(xii), 1122(d)(4)(xiii) and 1122(d)(4)(xiv), which the Company has determined are not applicable to the activities it performs with respect to the Platform, as of and for the twelve months ended December 31, 2007. With respect to applicable servicing criteria 1122(d)(2)(iii), 1122(d)(2)(vi) and 1122(d)(4)(vii) the Company’s Assertion of Compliance With Applicable Servicing Criteria indicates that there were no activities performed as of and for the twelve months ended December 31, 2007 with respect to the Platform, because there were no occurrences of events that would require the Company to perform such activities. Management is responsible for the Company’s compliance with those servicing criteria. Our responsibility is to express an opinion on the Company’s compliance based on our examination.

Our examination was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included examining, on a test basis, evidence about the Company’s compliance with the servicing criteria specified above and performing such other procedures as we considered necessary in the circumstances. Our examination included testing selected asset-backed transactions and securities that comprise the Platform, testing selected servicing activities related to the Platform, and determining whether the Company processed those selected transactions and performed those selected activities in compliance with the servicing criteria. Furthermore, our procedures were limited to the selected transactions and

servicing activities performed by the Company during the period covered by this report. Our procedures were not designed to determine whether errors may have occurred either prior to or subsequent to our tests that may have affected the balances or amounts calculated or reported by the Company during the period covered by this report for the selected transactions or any other transactions. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Company's compliance with the servicing criteria.

Our examination disclosed the following material noncompliance with servicing criterion 1122(d)(2)(i) applicable to the Company as of and for the twelve months ended December 31, 2007. Certain payments on pool assets were not deposited to the appropriate custodial bank accounts as required by the related transaction agreements.

In our opinion, except for the material noncompliance described above, the Company complied, in all material respects, with the aforementioned servicing criteria as of and for the twelve months ended December 31, 2007.

(Signed) KPMG LLP

Chicago, Illinois  
February 29, 2008

## SCHEDULE A

### MATERIAL INSTANCES OF NON-COMPLIANCE

1122(d)(2)(i): *Payments on pool assets are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days of receipt, or such other number of days specified in the transaction agreements.*

With respect to collections received on assets relating to certain series of securities, such collections were not deposited into a segregated account for each specified series but rather were deposited into a general account held by the Company as Indenture Trustee (hereinafter referred to as the “Indenture Trustee”) and remitted directly to the investors. All collections were properly allocated by the Indenture Trustee to the related series of securities and timely remitted to the investors in such series. The segregated account for each specified series was in existence prior to the time deposits were to be made into such account but such account was not utilized in all instances by the Indenture Trustee as stated above. Procedures have been in place and are currently being reinforced so that collections are deposited into the segregated account for each specified series within the applicable time frames and then remitted to the investors in such series all in accordance with the related transaction documents.

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
<b>General Servicing Considerations</b>			
1122(d)(1)(i)	Policies and procedures are instituted to monitor any performance or other triggers and events of default in accordance with the transaction agreements.	X	
1122(d)(1)(ii)	If any material servicing activities are outsourced to third parties, policies and procedures are instituted to monitor the third party's performance and compliance with such servicing activities.		X
1122(d)(1)(iii)	Any requirements in the transaction agreements to maintain a back-up servicer for the [pool assets] are maintained.		X
1122(d)(1)(iv)	A fidelity bond and errors and omissions policy is in effect on the party participating in the servicing function throughout the reporting period in the amount of coverage required by and otherwise in accordance with the terms of the transaction agreements.		X

<b>Cash Collection and Administration</b>			
1122(d)(2)(i)	Payments on [pool assets] are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days following receipt, or such other number of days specified in the transaction agreements.	X	
1122(d)(2)(ii)	Disbursements made via wire transfer on behalf of an obligor or to an investor are made only by authorized personnel.	X	
1122(d)(2)(iii)	Advances of funds or guarantees regarding collections, cash flows or distributions, and any interest or other fees charged for such advances, are made, reviewed and approved as specified in the transaction agreements.	X	
1122(d)(2)(iv)	The related accounts for the transaction, such as cash reserve accounts or accounts established as a form of over collateralization, are separately maintained (e.g., with respect to commingling of cash) as set forth in the transaction agreements.	X	
1122(d)(2)(v)	Each custodial account is maintained at a federally insured depository institution as set forth in the transaction agreements. For purposes of this criterion, "federally insured depository institution" with respect to a foreign financial institution means a foreign financial institution that meets the requirements of Rule 13k-1(b)(1) of the Securities Exchange Act.	X	
1122(d)(2)(vi)	Unissued checks are safeguarded so as to prevent unauthorized access.	X	
1122(d)(2)(vii)	Reconciliations are prepared on a monthly basis for all asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. These reconciliations are (A) mathematically accurate; (B) prepared within 30 calendar days after the bank statement cutoff date, or such other number of days specified in the transaction agreements; (C) reviewed and approved by someone other than the person who prepared the reconciliation; and (D) contain explanations for reconciling items. These reconciling items are resolved within 90 calendar days of their original identification, or such other number of days specified in the transaction agreements	X	

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
<b>Investor Remittances and Reporting</b>			
1122(d)(3)(i)	Reports to investors, including those to be filed with the Commission, are maintained in accordance with the transaction agreements and applicable Commission requirements. Specifically, such reports (A) are prepared in accordance with timeframes and other terms set forth in the transaction agreements; (B) provide information calculated in accordance with the terms specified in the transaction agreements; (C) are filed with the Commission as required by its rules and regulations; and (D) agree with investors' or the trustee's records as to the total unpaid principal balance and number of [pool assets] serviced by the Servicer.	X	
1122(d)(3)(ii)	Amounts due to investors are allocated and remitted in accordance with timeframes, distribution priority and other terms set forth in the transaction agreements.	X	
1122(d)(3)(iii)	Disbursements made to an investor are posted within two business days to the Servicer's investor records, or such other number of days specified in the transaction agreements.	X	
1122(d)(3)(iv)	Amounts remitted to investors per the investor reports agree with cancelled checks, or other form of payment, or custodial bank statements	X	

<b>Pool Asset Administration</b>			
1122(d)(4)(i)	Collateral or security on [pool assets] is maintained as required by the transaction agreements or related mortgage loan documents.	X	
1122(d)(4)(ii)	[pool asset] and related documents are safeguarded as required by the transaction agreements	X	
1122(d)(4)(iii)	Any additions, removals or substitutions to the asset pool are made, reviewed and approved in accordance with any conditions or requirements in the transaction agreements.	X	
1122(d)(4)(iv)	Payments on [pool assets], including any payoffs, made in accordance with the related [pool asset] documents are posted to the Servicer's obligor records maintained no more than two business days after receipt, or such other number of days specified in the transaction agreements, and allocated to principal, interest or other items (e.g., escrow) in accordance with the related [pool asset] documents.	X	
1122(d)(4)(v)	The Servicer's records regarding the [pool assets] agree with the Servicer's records with respect to an obligor's unpaid principal balance.	X	
1122(d)(4)(vi)	Changes with respect to the terms or status of an obligor's [pool assets] (e.g., loan modifications or re-agings) are made, reviewed and approved by authorized personnel in accordance with the transaction agreements and related pool asset documents.		X
1122(d)(4)(vii)	Loss mitigation or recovery actions (e.g., forbearance plans, modifications and deeds in lieu of foreclosure, foreclosures and repossessions, as applicable) are initiated, conducted and concluded in accordance with the timeframes or other requirements established by the transaction agreements.	X	

APPENDIX 1

REG AB REFERENCE	SERVICING CRITERIA	APPLICABLE TO PLATFORM	NOT APPLICABLE TO PLATFORM
1122(d)(4)(viii)	Records documenting collection efforts are maintained during the period a [pool asset] is delinquent in accordance with the transaction agreements. Such records are maintained on at least a monthly basis, or such other period specified in the transaction agreements, and describe the entity's activities in monitoring delinquent [pool assets] including, for example, phone calls, letters and payment rescheduling plans in cases where delinquency is deemed temporary (e.g., illness or unemployment).		X
1122(d)(4)(ix)	Adjustments to interest rates or rates of return for [pool assets] with variable rates are computed based on the related [pool asset] documents.	X	
1122(d)(4)(x)	Regarding any funds held in trust for an obligor (such as escrow accounts): (A) such funds are analyzed, in accordance with the obligor's [pool asset] documents, on at least an annual basis, or such other period specified in the transaction agreements; (B) interest on such funds is paid, or credited, to obligors in accordance with applicable [pool asset] documents and state laws; and (C) such funds are returned to the obligor within 30 calendar days of full repayment of the related [pool assets], or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xi)	Payments made on behalf of an obligor (such as tax or insurance payments) are made on or before the related penalty or expiration dates, as indicated on the appropriate bills or notices for such payments, provided that such support has been received by the Servicer at least 30 calendar days prior to these dates, or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xii)	Any late payment penalties in connection with any payment to be made on behalf of an obligor are paid from the Servicer's funds and not charged to the obligor, unless the late payment was due to the obligor's error or omission.		X
1122(d)(4)(xiii)	Disbursements made on behalf of an obligor are posted within two business days to the obligor's records maintained by the Servicer, or such other number of days specified in the transaction agreements.		X
1122(d)(4)(xiv)	Delinquencies, charge-offs and uncollectible accounts are recognized and recorded in accordance with the transaction agreements.		X
1122(d)(4)(xv)	Any external enhancement or other support, identified in Item 1114(a)(1) through (3) or Item 1115 of Regulation AB, is maintained as set forth in the transaction agreements	X	

**SERVICER COMPLIANCE STATEMENT**

I, Theodore H. Bunting, Jr., Senior Vice President and Chief Accounting Officer of Entergy Texas, Inc. (the “Servicer”), certify that:

(a) A review of the Servicer's activities during the reporting period covered by this Report on Form 10-K and of its performance under that certain Transition Property Servicing Agreement dated as of June 29, 2007 between Entergy Gulf States Reconstruction Funding I, LLC, as the Issuing Entity, and the Servicer (the “Servicing Agreement”) has been made under my supervision.

(b) To the best of my knowledge, based on such review, the Servicer has fulfilled all of its obligations under the Servicing Agreement in all material respects throughout the reporting period.

Date: March 26, 2008

Entergy Texas, Inc., as servicer

By: /s/ Theodore H. Bunting, Jr.

Name: Theodore H. Bunting, Jr.

Title: Senior Vice President and Chief Accounting Officer