

10-K 1 a01310.htm FORM 10-K

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,**  
**2009**

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: 333-161911-01  
**ENTERGY TEXAS RESTORATION FUNDING, LLC**  
(Exact name of issuing entity as specified in its charter)

**ENTERGY TEXAS, INC.**

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

Commission File Number of depositor: 000-53134

**Delaware**

**27-0727900**

(State or other jurisdiction of  
incorporation or organization)

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

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

(Address of principal executive offices)

Registrant's telephone number, including area code: (512) 487-3982

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).      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

Smaller reporting company

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: None.

## 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.**

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

**Item 11. Executive Compensation.**

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

**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 Entergy Texas Restoration Funding, LLC (the "Issuing Entity") filed with the Delaware Secretary of State on August 12, 2009.
  - 3.2 Amended and Restated Limited Liability Company Agreement of the Issuing Entity dated as of October 16, 2009.
  - 4.1 Indenture dated as of November 6, 2009 between the Issuing Entity and The Bank of New York Mellon providing for the issuance of Senior Secured Transition Bonds.
  - 4.2 Form of Senior Secured Transition Bonds.
  - \* 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 Mellon.
  - \* 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 Mellon.
  - \* 35.1 Servicer compliance statement.
    - 99.1 Transition Property Servicing Agreement dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, Inc., as servicer.
    - 99.2 Transition Property Purchase and Sale Agreement dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, Inc., as seller.
    - 99.3 Administration Agreement, dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, 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 August 12, 2009 (incorporated by reference to exhibit 3.3 included as an exhibit to the Issuing Entity's Form S-3/A dated October 20, 2009).
- 3.2 Amended and Restated Limited Liability Company Agreement of the Issuing Entity dated as of October 16, 2009 (incorporated by reference to exhibit 3.4 included as an exhibit to the Issuing Entity's Form S-3/A dated October 20, 2009).

4.1 Indenture dated as of November 6, 2009 between the Issuing Entity and The Bank of New York Mellon providing for the issuance of Senior Secured Transition Bonds (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 November 10, 2009).

4.2 Form of Senior Secured Transition Bonds (included as Exhibit A to the Indenture filed as Exhibit 4.1) (incorporated by reference to exhibit 4.1 included as an exhibit to the Issuing Entity's Report on Form 8-K dated November 10, 2009).

\*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 Mellon.

\*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 Mellon.

\*35.1 Servicer compliance statement.

99.1 Transition Property Servicing Agreement dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, 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 November 10, 2009).

99.2 Transition Property Purchase and Sale Agreement dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, 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 November 10, 2009).

99.3 Administration Agreement dated as of November 6, 2009 between the Issuing Entity and Entergy Texas, 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 November 10, 2009).

(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.

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

See Exhibits 33 and 34 under Item 15. The Report on Assessment of Compliance With Servicing Criteria for Asset-Backed Securities and the related attestation report for The Bank of New York Mellon (and certain of its affiliates) included as Exhibits 33.2 and 34.2, respectively, to this Form 10-K identified material instances of noncompliance with the servicing criteria set forth in Item 1122(d)(2)(i) of Regulation AB with respect to The Bank of New York Mellon's servicing platform. Specifically, during the reporting period covered by this Form 10-K, certain payments on pool assets were not deposited into the appropriate segregated custodial bank account within the time frame required by the related transaction documents. The segregated account for each specified series of securities was in existence prior to the time the deposits were to be made into such account but such account was not utilized in all instances by The Bank of New York Mellon.

**Item 1123 Servicer Compliance Statement.**

See Exhibit 35.1 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 29th day of March, 2010.

ENERGY TEXAS RESTORATION FUNDING, 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)

**SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(d) OF THE ACT BY REGISTRANTS WHICH HAVE NOT REGISTERED SECURITIES PURSUANT TO SECTION 12 OF THE ACT.**

No such annual report, proxy statement, form of proxy or other soliciting material has been sent to its Noteholders. The registrant will not be sending an annual report or proxy material to its Noteholders subsequent to the filing of this form.

**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 Mellon.
- \* 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 Mellon.

\* 35.1 Servicer compliance statement.

EX-31.1 2 a013311.htm CERTIFICATION

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 Texas Restoration Funding, 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 November 6, 2009 between Entergy Texas Restoration Funding, 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 29, 2010

By: /s/ Theodore H. Bunting, Jr.  
Name: Theodore H. Bunting, Jr.  
Title: Senior Vice President and Chief Accounting Officer

EX-33.1 3 a01310331.htm ASSESSMENT OF COMPLIANCE

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: (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 and for the year ending December 31, 2009 and for the period November 6, 2009 through December 31, 2009, 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, 2009 and for the period November 6, 2009 through December 31, 2009, which is the period covered by this report on Form 10-K.

Date: March 29, 2010

Entergy Texas, Inc., as servicer

By: /s/ Theodore H. Bunting, Jr. \_\_\_\_\_  
Name: Theodore H. Bunting, Jr.  
Title: Senior Vice President and Chief Accounting Officer

EX-33.2 4 a01310332.htm ASSERTION OF COMPLIANCE

EXHIBIT 33.2

**ASSERTION OF COMPLIANCE WITH  
APPLICABLE SERVICING CRITERIA**

The Bank of New York Mellon (formerly The Bank of New York), BNY Mellon Trust of Delaware (formerly BNYM (Delaware)) and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.), (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 as of and 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 comply with Regulation AB for which the Company provides trustee, securities administration or paying agent services, as defined and to the extent applicable in the transaction agreements, other than residential mortgage-backed securities and other mortgage-related asset-backed securities.

Period: Twelve months ended December 31, 2009 (the "Period").

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) 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.

With respect to servicing criteria 1122(d)(2)(vi) management has engaged a vendor to perform the activities required by these servicing criteria. Management has determined that this vendor is not considered a "servicer" as defined in Item 1101(j) of Regulation AB, and management has elected to take responsibility for assessing compliance with the servicing criteria applicable to this vendor as permitted by Interpretation 17.06 of the SEC Division of Corporation Finance Manual of Publicly Available Telephone Interpretations ("Interpretation 17.06"). Management has policies and procedures in place designed to provide reasonable assurance that the vendor's activities comply in all material respects with the servicing criteria applicable to the vendor. Management is solely responsible for determining that it meets the SEC requirements to apply Interpretation 17.06 for the vendor and related criteria.

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 including servicing criteria for which compliance is determined based on Interpretation 17.06 as described above. 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 Mellon Trust  
Company, N.A.  
BNY Mellon Trust of Delaware

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

\_\_\_\_\_  
/s/ Robert L. Griffin  
Robert L. Griffin  
Authorized Officer

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

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

\_\_\_\_\_  
/s/ Troy L. Kilpatrick  
Troy L. Kilpatrick  
Authorized Officer

Dated: February 25, 2010

Schedule A

Material Instances of Non-Compliance by the Company

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.*

During the reporting period, certain payments on pool assets were not deposited into the appropriate segregated custodial bank account within the time frame required by the related transaction documents.

The segregated account for each specified series of securities was in existence prior to the time the deposits were to be made into such account but such account was not utilized in all instances by the Trustee as stated above. However, payments related to each specified series of securities were timely remitted to the investors in such series.

Existing procedures have been reviewed with staff to enable future payments to be deposited into the segregated account for each specified series within the applicable time frames.

Appendix 1

APPLICABLE TO PLATFORM

REG AB	Performed Directly Performed by Vendor(s) for which the Company is the	NOT APPLICABLE TO
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REFERENCE	SERVICING CRITERIA	by the Company	Responsible Party	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 of 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		
	Each custodial account is maintained at a federally insured depository institution as set forth			

1122(d)(2)(v)	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
1122(d)(3)(i)	<p><b>Investor Remittances and Reporting</b></p> <p>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.</p>	X
	Amounts due to investors are allocated and remitted in accordance with timeframes,	

1122(d)(3)(ii)	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	
1122(d)(4)(i)	<b>Pool Asset Administration</b> Collateral or security on pool assets is maintained as required by the transaction agreements or related pool asset 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	X	

	concluded in accordance with the timeframes or other requirements established by the transaction agreements.		
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		X

	and not charged to the obligor, unless the late payment was due to the obligor's error or omission.		
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	

EX-34.1 5 a01310341.htm ATTESTATION REPORT ON ASSESSMENT OF COMPLIANCE

EXHIBIT 34.1

**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.  
Beaumont, Texas

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 Texas Restoration Funding, LLC's Senior Secured Transition Bonds (the "Securities") as of December 31, 2009 and for the period November 6, 2009 through December 31, 2009, 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, 2009 and for the period November 6, 2009 through December 31, 2009 for Entergy Texas Restoration Funding, LLC's Senior Secured Transition Bonds is fairly stated, in all material respects.

/s/ Deloitte & Touche LLP

New Orleans, Louisiana  
March 29, 2010

EX-34.2 6 a01310342.htm OPINION

**EXHIBIT 34.2****Report of Independent Registered Public Accounting Firm**

The Board of Directors  
The Bank of New York Mellon  
BNY Mellon Trust of Delaware  
The Bank of New York Mellon Trust Company, N.A.:

We have examined the compliance of The Bank of New York Mellon (formerly The Bank of New York), BNY Mellon Trust of Delaware (formerly BNYM (Delaware)) and The Bank of New York Mellon Trust Company, N.A. (formerly 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, as defined and to the extent applicable in the transaction agreements, other than residential mortgage-backed securities and other mortgage-related asset-backed securities (the Platform), except for servicing criteria 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, 2009. With respect to applicable servicing criteria 1122(d)(2)(iii) 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, 2009 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 the 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.

As described in the accompanying Assertion of Compliance with Applicable Servicing Criteria, for servicing criteria 1122 (d)(2)(vi), the Company has engaged a vendor to perform the activities required by these servicing criteria. The Company has determined that this vendor is not considered a “servicer” as defined in Item 1101(j) of Regulation AB, and the Company has elected to take responsibility for assessing compliance with the servicing criteria applicable to this vendor as permitted by Interpretation 17.06 of the SEC Division of Corporation Finance Manual of Publicly Available Telephone Interpretations (“Interpretation 17.06”). As permitted by Interpretation 17.06, the Company has asserted that it has policies and procedures in place designed to provide reasonable assurance that the vendor’s activities comply in all material respects with the servicing criteria applicable to the vendor. The Company is solely responsible for determining that it meets the SEC requirements to apply Interpretation 17.06 for the vendor and related criteria as described in its assertion, and we performed no procedures with respect to the Company’s eligibility to apply Interpretation 17.06.

Our examination disclosed material noncompliance with the following servicing criterion applicable to the Company as of and for the twelve months ended December 31, 2009. For servicing criterion 1122(d)(2)(i), 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, including servicing criteria 1122 (d)(2)(vi) for which compliance is determined based on Interpretation 17.06 as described above as of and for the twelve months ended December 31, 2009.

We do not express an opinion or any form of assurance on the last two paragraphs of Schedule A “Material Instances of

Non-Compliance by the Company” to management’s Assertion of Compliance with Applicable Servicing Criteria.

KPMG, LLP

Chicago, Illinois  
February 25, 2010

EX-35.1 7 a01310351.htm SERVICER COMPLIANCE STATEMENT

EXHIBIT 35.1

**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 November 6, 2009 between Entergy Texas Restoration Funding, 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 29, 2010

Entergy Texas, Inc., as servicer

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

Name: Theodore H. Bunting, Jr.

Title: Senior Vice President and Chief Accounting Officer