



Appendix C-1

Preliminary Due Diligence List

(Developmental Resources)

for

2020 Request for Proposals

for

***Combined-Cycle Gas Turbine
Capacity and Energy Resources***

For

Entergy Texas, Inc.

Entergy Services, LLC

April 28, 2020

The statements contained in this RFP are made subject to the Reservation of Rights set forth in Appendix E of this RFP and the terms and acknowledgements set forth in the Proposal Submission Agreement.

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PRELIMINARY DUE DILIGENCE LIST (DEVELOPMENTAL RESOURCES)

Bidders who intend to submit a proposal in the RFP based upon a Developmental Resource must provide a comprehensive response to each question set forth in this Appendix C-1. Bidders should respond to any question that does not apply to the proposed Developmental Resource with an “N/A” or “not applicable.” **Bidders must respond to each question by 5:00 pm CPT on the Proposal Submission Deadline.** Bidders are required to submit their response to the questions below in such a way that clearly identifies the question to which each response pertains, and then provide the response via PowerAdvocate to the Bid Event Coordinator.

Failure to submit a response to a question as required will increase the likelihood of a Bidder’s proposal being rejected as non-conforming and rejected from further consideration. Bidders should keep in mind that this Appendix C-1 is not a prescriptive list of requirements for its proposed facility, but instead is a list of items that the RFP evaluation teams will use to assess the viability of individual projects. Any item requested in this Appendix C-1 that is not available, not presently known, or not otherwise provided by Bidder may count against its final viability score, but will not necessarily, in and of itself, cause its proposal to be declared non-conforming.

PRELIMINARY DUE DILIGENCE LIST FOR ALL DEVELOPMENTAL RESOURCES

1. Project Overview

Bidder must provide a reasonably thorough and accurate summary description of the project, including, but not limited to, the proposed location, site description, generation technology, nameplate capacity and the capacity of the proposed Facility at Summer Conditions, design basis, water source(s), fuel supply and transportation source(s), plan for engineering/procurement/construction, environmental compliance and permitting, status of electric and other utility interconnection, financing plan, O&M plan, and non-standard project components/considerations, as well as a summary of the work completed on each of the Minimum Requirements described herein. Bidder must also provide its operations and maintenance expectations and philosophy for the project after project completion, including, without limitation, the use of any third-party operator and any long-term service agreement with respect to any of the plant equipment. Anything provided in the summary should not otherwise limit Bidder’s response to any of the requirements below.

2. Bidder Experience

2.1. Relevant Background.

2.1.1. Provide a detailed description of Bidder’s and all relevant Affiliates’ background and experience, including the key project team members, their relation to Bidder (e.g.,

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- employee of Bidder or Bidder parent), their backgrounds, development experience, and resumes. Confirm that key project team members, in the aggregate, have had direct responsibility for the development of at least three (3) completed utility-scale projects, regardless of generation technology.
- 2.1.2. Provide a list of sites where Bidder has developed, built, operated, and/or maintained at least one (1) utility-scale project with the generation technology included in Bidder's proposal, including year(s) of installation, size, major equipment make and model information, and previous operational project successes and failures. Include details, such as project schedules, historical performance, and operating history.
- 2.2. Provide a list of affiliated companies, including the proposed Seller (if different from Bidder), parent companies of Bidder, including the proposed Seller Parent Guarantor (as referenced in Appendix F and the Bidder Registration Form), holding subsidiaries, and predecessor companies.

3. Project Development

- 3.1. Engineering
- 3.1.1. Has a preliminary design study been performed for the facility? If so, please provide the study. If not, when is this activity expected to be completed?
- 3.1.2. Has a detailed engineering study been performed for the facility? If so, please provide the study. If not, when is this activity expected to be completed?
- 3.1.3. Have operation and maintenance budget estimates been established for the facility under each of the following categories:
- Variable O&M costs – fuel, disposal, make up water, and other costs.
 - Fixed O&M costs – labor, maintenance materials, overhead burden, insurance, extraordinary maintenance, property taxes.
- If so, please provide the supporting information reflecting the budget estimates for the categories above. If not, when are these activities expected to be completed?
- 3.1.4. Provide the O&M Plan for the project.
- 3.1.5. Have heat balance, material balance, process flow diagrams been developed? If so, please provide the supporting information, such as the flow diagrams, etc. If not, when is this activity expected to be completed?
- 3.1.6. Have auxiliary power requirements been established? If so, please provide the supporting information such as the amount and drivers of aux load. If not, when is this activity expected to be completed?
- 3.1.7. What design criteria were used for the following:
- Architectural
 - Civil Structural
 - Controls and Instrumentation
 - Electrical
 - Mechanical

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Provide supporting information, such as the design codes and summary descriptors. If design criteria have not been completed, when are they expected to be completed?

- 3.1.8. Has the design basis been established for the facility site plan, including the following?
- General arrangement
 - Road and rail access
 - Water supply
 - Wastewater
- If so, please provide the supporting information, such as would be included in an engineering study. If not, when are these activities expected to be completed?
- 3.1.9. Has the design basis been established for the facility plot plan, including the following?
- The power island
 - Fuel systems
- If so, please provide the supporting information, such as the plot plan. If not, when are these activities expected to be completed?
- 3.1.10. Has the architectural design basis been established? If so, please provide the supporting information, such as a summary of the design basis and corresponding documentation. If not, when is this activity expected to be completed? Confirm that all state and local building codes will be met.
- 3.1.11. Has the civil structural design basis been established for the following:
- Foundations
 - Proposed loads
 - Design codes and materials
 - Structural steel
 - Roads
 - Drainage
 - Solid waste disposal area (if applicable)
 - Chimney (if applicable)
- If so, please provide the supporting information, such as would be included in an engineering study. If not, when are these activities expected to be completed?
- 3.1.12. Has the design basis been established for controls and instrumentation, including the distributed control system and functional logic diagrams? If so, please provide the supporting information. If not, when is this activity expected to be completed? Will the facility be designed and equipped to operate under automatic generation control?
- 3.1.13. Have the electrical design basis and specifications been established, including single line diagram and electrical system descriptions? If yes, please provide the supporting information, such as the diagrams and descriptions. If not, when is this activity expected to be completed?
- 3.1.14. Has the design basis been established for mechanical design, including the following?
- Gas turbine and steam turbine specifications
 - HRSG, if applicable
 - Fuel feed systems
 - Control systems

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- Heat exchangers
- Auxiliary equipment

If so, please provide the supporting information, such as would be included in an engineering study. If not, when are these activities expected to be completed?

3.1.15. Has the design basis been established for balance of plant equipment? If so, please provide the supporting information, such as would be included in an engineering study. If not, when is this activity expected to be completed?

3.1.16. Operating Parameters – items below are required to be included or specifically addressed in any Definitive Agreement.

- Start-Up Charge (\$/Completed Start/CT) for each a hot, warm and cold start.
- Start Fuel Amount (MMBtu (HHV)) for each a hot, warm and cold start.
- Maximum number of Completed Starts per day and per contract year.
- Minimum Run Time following a Completed Start.
- Minimum Down Time required between Completed Starts.
- Maximum Start-Up time – the amount of time permitted to achieve a start.
- Maximum Ramp Rate

3.2. Project Schedule

Provide a Level 2 schedule that includes major milestone events and critical activities and associated estimated dates to achieve the successful completion of the project. Milestones that should be addressed in the schedule include, but are not limited to, the following:

- 3.2.1. Receipt of major permits (including air permit).*
- 3.2.2. Execution of major project contracts (e.g., MISO Generator Interconnection Agreement and related interconnection or deliverability contracts), prime EPC contract, site purchase).*
- 3.2.3. Proposed Full Notice to Proceed (“FNTP”) Expiration Date (BOT proposals) or Buyer’s Required Regulatory Approvals receipt (PPA Proposals).*
- 3.2.4. Project construction financial closing (if applicable).
- 3.2.5. Site Mobilization Date.
- 3.2.6. Delivery of major equipment.
- 3.2.7. EPC contract procurement (if applicable).
- 3.2.8. Major equipment procurement dates.
- 3.2.9. Expected Mechanical Completion date.*
- 3.2.10. Expected Closing Date (BOT proposals only).*
- 3.2.11. Closing Expiration Date (BOT proposals only).*
- 3.2.12. Expected Substantial Completion Date.*
- 3.2.13. Delivery Term commencement date (PPA Proposals).*
- 3.2.14. Guaranteed Substantial Completion (BOT proposals) or Guaranteed Commercial Operation Date (PPA Proposals).*
- 3.2.15. Proposed Substantial Completion Termination Trigger Date (BOT proposals only)*
- 3.2.16. Expected Final Completion (BOT proposals only).*

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3.2.17. Proposed Final Completion Expiration Date (BOT proposals only)*

Note: Items above marked by an asterisk "" are required to be included or specifically addressed in any Definitive Agreement.*

- 3.2.18. How much time has been allowed in the construction schedule for resolving unforeseen start-up and operations problems?
- 3.2.19. Have permits for construction been obtained? If so, please provide a copy of the permit(s). If not, when is this activity expected to be completed?
- 3.2.20. Has a construction project team been assembled? If not, when is this activity expected to be completed?

3.3. Cost Estimate

Please provide a description of the current capital cost estimate for the project, including the following:

- 3.3.1. Indication of the accuracy of the estimate using an appropriate cost estimate classification system (for example, Class 1 through Class 5).
- 3.3.2. How the estimate was developed (*e.g.*, third party engineering firm, in-house, vendor supplied bids, etc.)? At a minimum, estimates should account for the following:
 - Mechanical and electrical equipment
 - Instrumentation and controls
 - Piping
 - Miscellaneous buildings and structural steel
 - Site work and foundations
 - Retrofit allowance (if applicable)
 - Sales tax
 - Engineering costs
 - Indirect costs
 - Spare parts
 - Escalation and AFUDC/IDC
 - Construction finance costs
 - Fuel handling and storage equipment
 - Pipeline(s) interconnection costs
 - Electrical interconnection and deliverability costs
 - Costs to support credit support requirements
 - Any other category not listed here and reasonably expected to be included for the proposed technology

3.4. Insurance

- 3.4.1. Confirm the level of insurance coverage that will be included in the project for the following:
 - Worker's compensation
 - Business auto liability

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- Comprehensive general liability
- Errors and omissions
- Equipment
- Excess liability insurance
- Builder's all risk insurance

3.5. Site Control and Assessment

Please describe the status of the proposed project site, including the following:

- 3.5.1. Is the proposed site under the legal control of Bidder, and if so, under what legal form? Please provide evidence of legal site control.
- 3.5.2. List the real estate and related facilities and real property interests with legal description(s), required for development, ownership, use, and/or operation of the resource.
- 3.5.3. Confirm that site control could be extended if the term plus the extension option(s) is for a period less than 40 years. If less, explain the options to pursue a longer term or additional extension option(s).
- 3.5.4. If the site is not currently under the legal control of Bidder, describe the process required to gain control and provide an assessment of the risk related to gaining control of the site.
- 3.5.5. Provide a site map indicating the expected boundary of the full project site, indicating which parcels are currently under Bidder's control and which are not.
- 3.5.6. Provide evidence that the project site is properly zoned for the project and the use contemplated by this RFP.
- 3.5.7. Has the proposed site been formally assessed for risks related to environmental contamination, habitat or other pre-existing conditions that may render the site unusable or delay or otherwise impair development? Please provide the executive summary of any formal reports.
- 3.5.8. If the site has not been formally assessed, what supporting facts or actions provide assurance that the site is fit for the intended use?
- 3.5.9. Please indicate what construction related surveying or testing has been performed at the site. Please summarize the results.
- 3.5.10. Is the proposed project site within a floodplain? If so, identify the FEMA zone and the corresponding level of exposure.
- 3.5.11. Are any easements or variances required with regard to the site?
- 3.5.12. Indicate what construction-related surveying or testing has been performed at the site and summarize the results or provide any executive summaries related to the surveying or testing.
- 3.5.13. Are any easements or variances required for the site or ownership or use of the Facility? If so, briefly describe the needed easement(s) or variance(s) and explain why they are needed.
- 3.5.14. List all easements, rights-of-way, servitudes, and other land or facility use agreements entered into or required to secure the ability to design, engineer, construct, own, use, and/or operate and maintain the proposed Facility and associated infrastructure.

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- 3.5.15. Confirm if a geotechnical site assessment, including soil borings has been performed. If so, provide a copy of the report and explain how the project design take into consideration the results of any geotechnical studies.
- 3.5.16. If a geotechnical site assessment hasn't been performed, confirm when this assessment is expected to be completed.
- 3.5.17. Please describe the status of any necessary site infrastructure, including, but not limited to:
- Water supply.
 - Water conveyance, storage (detention and/or retention) and discharge features.
 - Transportation/road access for construction activities and ongoing operations.
 - Lay down area access for construction.
 - Fuel receiving, storage and processing area.
- 3.5.18. Please provide the following details regarding the proposed site:
- Please describe the exact location, i.e., street address or latitude and longitude if in a rural location.
 - Provide a property plat, if available.
 - Other available acreage adjacent to the site.
- 3.5.19. Please provide the following documentation for the proposed site:
- Title insurance commitments covering all real property (including appurtenant easements) comprising the proposed site.
 - ALTA surveys, referencing the above title commitments, covering all real property (including appurtenant easements) comprising the proposed site, showing all existing improvements and site features, access to nearest public roads, and plotting all plottable exceptions listed on such title commitments (or noting that such exceptions are either unplottable or do not affect the site).
 - Copies of the vesting instruments for the proposed site (including appurtenant easements), and all documents listed as exceptions in such title commitments or surveys.
 - Copies of real property tax documentation.
 - Other available real property documentation.
- 3.6. Plant and Equipment
- 3.6.1. Please describe the plant and equipment to be utilized in as much detail as available. Please describe the status of procurement of major equipment. If procurement of the plant and equipment is not yet completed, please provide details of the procurement plans.
- 3.6.2. For each piece of major equipment (prime movers, boilers, turbines, generator transformers, etc.) provide the manufacturer, make, model, and performance rating.
- 3.6.3. Describe the viability of the proposed technology, the operational reliability, and the experience, industry standing, and creditworthiness of the manufacturers of the major equipment.

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- 3.6.4. Provide the rationale for the selection of the major equipment, including a description of the procurement process used.
 - 3.6.5. Describe the warranties for the major components of the project.
 - 3.6.6. Describe and provide published reports demonstrating that the proposed technology for the Facility and related infrastructure is commercially proven.
 - 3.6.7. Provide an equipment list for other equipment to be utilized at the site.
 - 3.6.8. Describe the plan or Bidder/manufacturer requirements and/or expectations for operation and maintenance of the Facility, including prior to the Closing, during testing, and after the Closing (BOT proposals) or the Delivery Term commencement date (PPA proposals).
- 3.7. Contract Status
- 3.7.1. Provide a project team and contractor/sub-contractor organization chart.
 - 3.7.2. In reasonable detail, describe the contracting plan for this proposed resource.
 - 3.7.3. List and describe the licenses and other authorizations required for Bidder/Seller to undertake and complete the project or perform the associated work under applicable rules, regulations, and other laws.
 - 3.7.4. Is there an EPC contract in place for the facility? If so, please identify the EPC contractor and the EPC pricing structure. If not, please answer the following questions:
 - When is such an EPC contract expected to be executed?
 - Is there a letter of intent in place with an EPC provider?
 - If no such letter of intent is in place, have proposals been requested from possible EPC providers?
 - Provide the EPC pricing structure contemplated for the project.
 - 3.7.5. If Bidder does not intend to use a traditional EPC contract for the facility, please provide the following information and answer the following questions:
 - Describe contracting methodology.
 - Are contracts in place for construction/construction management? If so, please provide supporting documentation as well as the pricing structure. If not, please answer the following questions:
 - When is this activity expected to be completed?
 - Are there letters of intent in place with such providers?
 - If no such letters of intent are in place, have proposals been requested from providers of construction/construction management services?
 - Provide the pricing structure contemplated for a definitive agreement.
 - Are contracts in place for cost and schedule control? If not, when is this activity expected to be completed?
 - 3.7.6. Are contracts in place for the following matters:
 - Project scoping
 - Design engineering
 - Support of permitting

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- Major equipment purchase
- Long-term service agreements
- Third-Party operators
- Other

If so, please provide supporting information, such as a summary description of those contracts. If not, please provide a procurement plan for each of these activities

3.8. Supplier Diversity in Contracting

Based on the diversity requirements outlined in Appendix I (Supplier Diversity), please provide the following:

- 3.8.1. Attach Bidder's or its Affiliate's supplier diversity policies and practices with respect to project contractors, suppliers and the performance of the contracted work.
- 3.8.2. Confirm that Bidder plans to apply these practices and policies to the proposed resource/project.
- 3.8.3. If Bidder does not have a supplier diversity policy or will follow a different procurement and contracting strategy for the proposed resource, describe in detail the measures that will be taken during development, engineering, procurement, construction and other activities related to the resource to ensure diverse contracting practices are followed.
- 3.8.4. If available, provide the project target levels for the following business categories for the proposed project in relation to the corporate policies and practices (expressed in percentage targets and overall project spend, and percentage of subcontracting spend):
 - Veteran owner businesses
 - Service Disabled veteran-owned businesses
 - Women-owned businesses enterprises (WBEs)
 - Minority-owned businesses
 - LGBT-owned businesses
 - Small businesses operated in a HUBZone
 - Others identified by Bidder's or its Affiliate's contract procurement practices or policies.
- 3.8.5. Indicate the percentage of contracting and subcontracting spend, excluding OEM, for the proposed project which will be intended for utilizing diverse contracting practices.

3.9. Safety

- 3.9.1. Provide a copy of Bidder's corporate safety and security policies applicable to the project and the work, including safety and security policies utilized at project sites.
- 3.9.2. Provide metrics for safety for the last three (3) years, plus current metrics, for Bidder's and any of Bidder's proposed or expected prime contractors and subcontractors, including, without limitation, total recordable incident rate (TRIR), Days Away Restricted or Transferred (DART), OSHA willful or serious citations, near-miss incidents, fatalities, # of years in business, etc.

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4. Electric Interconnection & Transmission

4.1. Interconnection/Deliverability

- 4.1.1. If available, provide the interconnection and transmission costs for the proposed Facility and a description of each associated upgrade or improvement; otherwise, provide:
 - The interconnection and transmission costs and associated upgrades or improvements that have been identified and/or estimated by MISO with respect to the interconnection application (inclusive of any request for both ERIS and NRIS and any other required deliverability service for the proposed Facility) for the proposed Facility;
 - The interconnection and transmission costs and associated upgrades or improvements that have been identified and/or estimated by Bidder for the proposed Facility, and if different from the MISO estimate, the reason(s) for the difference; and
 - The interconnection and transmission costs for the proposed Facility included in the proposal pricing.
- 4.1.2. If available, provide a copy of the generator interconnection agreement and any and all related or similar agreements for the resource that have been executed or that are material for interconnection, deliverability, or transmission capabilities.
- 4.1.3. Include in the response(s) to item 4.1.1 above a breakdown of the actual (if available) or estimated (if not) transmission owner interconnection facilities costs, standalone network upgrade costs, network upgrade costs, and any other material interconnection and transmission costs.
- 4.1.4. Include in the response(s) to item 4.1.1 above the estimated timeframe for completion of each estimated upgrade.
- 4.1.5. Confirm that the interconnection and transmission costs included in Bidder's proposed purchase are adequate, in Bidder's judgment and experience, for the costs and risks associated with the interconnection, deliverability, and transmission interconnection and transmission cost estimates in the proposal pricing.
- 4.1.6. Confirm that Bidder has agreed to accept the risk that the final interconnection and transmission costs may exceed the costs included in the proposal pricing and that the interconnection and transmission upgrades may be completed later (or earlier) than scheduled or expected.
- 4.1.7. If not included in a response above under Site Control and Assessment, provide any available information or Bidder's plan regarding land options, land purchase agreements, permits, etc. required to complete the installation of or to use the interconnection facilities (e.g., transmission line rights-of-way).

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5. Environmental

- 5.1. Please list any potential environmental impediments to project development, provide documentation and describe the plan to mitigate the impediment.
- 5.2. Land/Groundwater
 - 5.2.1. Have the previous land uses for the facility/site been identified? If so, please list those uses or provide the supporting information.
 - 5.2.2. Are there any potentially contaminated activities at nearby facilities/sites that have been identified? If so, please list and describe those identified.
 - 5.2.3. Has an environmental impact study been conducted for the facility/site? If so, please provide a copy of the study.
 - 5.2.4. Provide the number of groundwater monitoring or production wells at the facility/site and provide copies of state registrations for each well.
 - 5.2.5. Does documentation exist on the details of the geological and hydro geological nature of the soil and groundwater underneath the facility/site? If so, please provide the supporting information.
 - 5.2.6. Has a wetlands survey been completed for the proposed site? Have any potential wetlands been identified on the property? Please provide a copy of any wetlands surveys which have been completed (including desktop reviews and on-site surveys).
 - 5.2.7. Has the site been evaluated to determine if it is located in a flood hazard area? If so, identify the FEMA flood zone, the corresponding level of exposure and provide a copy of the study.
 - 5.2.8. If the site is within a 100-year floodplain or flood prone area, provide a detailed flood mitigation plan.
- 5.3. Permitting
 - 5.3.1. Provide a list of all environmental, construction and operation permits required by the project owner or operator or any of its Affiliates. Please provide a copy of any permits received for the project to date.
 - 5.3.2. Provide evidence that Bidder has completed all permitting due diligence necessary to prepare to apply for all required permits (e.g., a copy of the draft permit application(s), or a summary of the permit application requirements including how those requirements will be met).
 - 5.3.3. Bidder must provide a “Phase I” environmental site assessment according to ASTM E1527 or evidence and documentation of due diligence specific to the proposed site necessary and sufficient to support such an assessment (e.g., documentation of work necessary to meet the primary components required under a Phase I according to ASTM E1527).
 - 5.3.4. Describe the Cross-State Air Pollution Rule (CSAPR) (or the equivalent regulation in place or proposed) compliance requirements and the quantity of emission allowances allocated to the generating facility.

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- 5.3.5. Bidder must disclose any reasonably anticipated permitting obstacles and any pending claims, actions or disputes related to permitting activities completed to date.
- Has Bidder contacted or otherwise been in communication, directly or indirectly, with any of the local governing bodies regarding the proposed project?
 - If so, for each such governing body, indicate whether it has expressed opposition to or support of the project and briefly summarize its position.
- 5.3.6. Will the site be required to have a Spill Prevention Control and Countermeasure (SPCC) plan? If so, please describe and provide a copy.
- 5.3.7. Were any de minimis conditions identified in the project site assessments? If so, describe the condition and any expected effect on the project development or schedule.
- 5.4. Air/Noise/Aviation/Wetlands/Endangered Species
- 5.4.1. Have the requirements for the project site or the Facility to comply with applicable noise, Federal Aviation Administration, Department of Defense, avian, wetlands, archeological, historical preservation, protected species, and endangered species rules, regulations, and laws been determined and assessed? If so, state any special concerns or limitations and note whether any regulatory compliance activity has been undertaken by or for the project owner or any Affiliate or submitted to any governmental agency.
- 5.4.2. Has the site or facility been evaluated to determine air permitting concerns or needs related to construction, required for the project? If so, state any special concerns or limitations and note whether any air permitting activity has been undertaken by the project owner or submitted to any government agency.
- 5.4.3. Provide the current National Ambient Air Quality Standards (NAAQS) attainment status for the project region, and address any potential changes to the status based on proposed or recently promulgated NAAQS standards, on a pollutant basis for all criteria pollutants?
- 5.4.4. What are the anticipated or current controls for air emissions and noise?
- 5.4.5. Have the anticipated hourly maximum and annual emissions of NO_x, SO₂, CO, VOC, and PM₁₀ been determined? If so, please provide the emission values.
- 5.4.6. What are the OEM design emission rates for NO_x, SO₂, CO, VOC, and PM₁₀ for the generating technologies prior to any planned or designed-in-place emissions control? What are the OEM design emission rates for NO_x, SO₂, CO, VOC, and PM₁₀ for the generating technologies in consideration of any planned or designed-in-place emissions controls?
- 5.4.7. Identify the location of the nearest residence.
- 5.4.8. Identify the location of the nearest business.
- 5.5. Water/Tanks/Waste
- 5.5.1. For water supply, Bidder must describe the proposed primary source for plant raw water supply, including physical and contractual requirements to access, adequacy and availability, quality specifications and requirements, maximum design flow rates

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- capable of meeting generating resource requirements at full load during Summer reference conditions (93 degrees Fahrenheit and 57% Relative Humidity), and a description of any available alternatives.
- 5.5.2. Has a compliance plan been developed to meet Federal 316(b) regulations, if applicable? If so, please provide a copy of the compliance plan.
 - 5.5.3. What is the anticipated source and estimated daily usage of water at this facility? Are there any state usage fees or taxes associated with the water source?
 - 5.5.4. Has a water supply source been identified? If so, please provide and describe the supply type.
 - 5.5.5. Are identified water source(s) capable of supplying the maximum design requirements of the facility?
 - 5.5.6. What is the daily wastewater discharge rate in mgd anticipated to be?
 - 5.5.7. Describe the type and disposal management method for wastes generated or anticipated to be generated at the location.
- 5.6. Environmental Compliance (Applicable to brownfield development sites or existing facilities except where noted).
- 5.6.1. Provide copies of any facility or site environmental audit reports, including results and corrective actions (including audits conducted internally and externally by federal or state agencies).
 - 5.6.2. Have there been any compliance actions as a result of prior environmental audit findings?
 - 5.6.3. Has the facility/site received any complaints from governmental or citizen groups concerning environmental matters involving the project owner or any of its Affiliates? (Greenfield development proposals should respond as well.)
 - 5.6.4. Does the Bidder/project owner have (i) an environmental policy or statement of environmental commitment and (ii) an environmental management system? (Greenfield development proposals should respond as well.) If so, please provide a copy of the policy(ies).
 - 5.6.5. List any identified known or potential environmental impediments to project development, provide any associated documentation, and describe the plan to mitigate the impediments.
 - 5.6.6. Has an assessment been made to determine if any material capital expenditures or material expenses need to be incurred to comply with any existing or proposed (whether in preliminary or final form) environmental regulations? If so, describe the assessment and its results.
- 5.7. Operations (Applicable to brownfield sites except where noted)
- 5.7.1. Are there any proposed or pending environmental regulatory changes that would affect the plant operating status? Will facility equipment changes be required? If so, please list and describe each pending change.
 - 5.7.2. Are there any environmental authorizations that (i) limit production or throughput or (ii) would render it necessary to increase significantly the volume of production or

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throughput at the facility? (Greenfield development proposals should respond as well.)

- 5.7.3. Have there been any discontinued operations of the owner and any of its Affiliates at the location of the facility/site?
 - 5.7.4. Has an assessment been made to determine if any material capital expenditures or material expenses need to be incurred to comply with any existing environmental regulations? (Greenfield development proposals should respond as well.)
 - 5.7.5. Has an assessment been made to determine if any material capital expenditures or material expenses need to be incurred to comply with any environmental regulations that have been proposed (whether in preliminary or final form) but have not become effective? (Greenfield development proposals should respond as well.)
- 5.8. Community Outreach
- 5.8.1. Please provide your plan for community outreach.
 - 5.8.2. Provide a summary of the Bidder's actions to date with regards to community outreach and/or communication with nearby businesses and residences.
 - 5.8.3. Provide documentation of any community support or opposition.

6. Project Structure, Credit and Financial Information

- 6.1. Provide a detailed description and organizational chart of the projected ownership structure for the project on and at least three years following the Closing (BOT Transaction) or Delivery Term commencement date (PPA/Toll Transaction).
- 6.2. Provide a reasonably detailed summary of the Bidder's/developer's plan for structuring and funding the project financing, including the sources of debt and equity.
- 6.3. For BOT Transactions, confirm if Seller intends to use balance sheet or unaffiliated third-party financing.
- 6.4. Provide evidence of at least one recent successful financing completed by Bidder (or an Affiliate) or that potential lenders have been engaged in initial, bona fide discussions to ascertain interest, market conditions and indicative terms for financing the Developmental Resource.
- 6.5. Provide the entity that the Bidder proposes as the Seller Parent Guarantor (including, without limitation, as a financial co-signer) in respect of any Definitive Agreement and/or related agreements.
- 6.6. Provide Bidder's/seller's plan for meeting the credit/collateral requirements outlined in the RFP, including the form of collateralization Bidder or Bidder's Credit Support Provider intends to offer for purposes of meeting credit and collateral requirements.

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- 6.7. BOT Transactions, describe the form of collateralization (letter of credit, cash holdback, or combination of both) that Seller or Seller Parent Guarantor will utilize during the period from the Closing through the release of post-Closing credit support including, if a blend will be used, the percentage that will come via letter of credit and the percentage from cash holdback.
- 6.8. List of any actual or expected
- Plant-specific debt instruments.
 - Credit agreements, indentures, letters of credit, reimbursement agreements, guarantees, indemnity or assumption agreements and agreements relating to contingent obligations and any amendments thereto.
 - Security or pledge agreements.
 - Agreements or instruments evidencing a lien or encumbrance on or other right with respect to any of the assets of the plant relevant to financing the project.
- 6.9. Provide, in PDF form, the current pro forma financial statements for the proposed project, the audited financial statements for Seller and/or Bidder's proposed Seller Parent Guarantor for the most recent two years, and the current-year reviewed quarterly financial statements, including the auditor's opinion and notes to the financial statements, the balance sheet, the income statement, and the cash flow statement (indicating which of the following are being submitted: 10-Ks; 8-Ks; 10-Qs; and Other (describe)), along with the long-term debt structure and lien information that might affect the creditworthiness of Bidder and/or its Seller Parent Guarantor.
- 6.10. Proposal must include the following information requested below for the Seller and any entity that Bidder proposes as a Credit Support Provider in respect of any Definitive Agreement:
- 6.10.1. Type of Business
- Corporation
 - Limited Liability Company
 - Partnership
 - Other (describe)
- 6.10.2. Organization
- Legal Corporate Name
 - Street Address
 - City, State, Zip Code
 - Dun & Bradstreet Number
 - Federal Tax ID Number
 - Beneficial Ownership
 - List of Executives and Directors
- 6.10.3. Credit Contact
- Name
 - Title

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- Phone Number
 - Email Address
- 6.10.4. For Corporations/Limited Liability Companies
- Date and State of Incorporation/Registration
 - Street Address
 - City, State, Zip Code
- 6.10.5. For General Partnerships
- Name of General Partner
 - Address of General Partner/Registered Agent
 - City, State, Zip Code
- 6.10.6. Most recent credit rating (if any) as determined by Moody's and/or S&P and/or Fitch.

To the extent the information in 6.9 and 6.10 was requested and provided as part of the Bidder Registration Process, Bidder may note this fact in its response and provide only the material and information not previously provided. If financial information is consolidated with other entities, the data related to Seller or Seller Parent Guarantor must be extracted and submitted as separate documents by Bidder.

- 6.11. A list and summary of any pending claims, actions, disputes or other proceedings currently pending or threatened against the project.
- 6.12. Copies of all bankruptcy court filings or orders, including the order Bidder, Seller, and/or the proposed Seller Parent Guarantor from the bankruptcy proceedings and any order that could reasonably be expected to adversely affect the proposed project or credit support for Seller's obligations with respect to the project.

7. Taxes

- 7.1. Provide any tax abatement or other tax reduction or similar agreement executed by or on behalf of Bidder/Seller or any Affiliate with any federal, state, or local authority with respect to or affecting the project or the project site, including all amendments to any such agreement. If no such agreement is in place, identify and describe any proposed tax abatement or tax reduction proposed for the project or assumed in the proposed purchase price.
- 7.2. Provide relevant documents related to any formal or informal property tax protests, litigation filed, related correspondence, legal opinions received, and judicial or

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administrative decisions rendered during the last ten years and year-to-date, and current status of any such proceedings.

- 7.3. Provide copies of any formal or informal property tax agreements (*i.e.*, PILOT, TIP, etc.) with state or local authorities in force during the preceding five years, or effective in the current year or succeeding years.
- 7.4. List of all applicable tax jurisdictions, tax rates, millage rates, assessment ratios, current equalization ratio.

8. NERC/CIP Compliance

- 8.1. Please provide a summary regarding Bidder's compliance plan for the proposed resource that will form the basis for a more detailed plan to ensure compliance with any applicable NERC/CIP requirements for the proposed project once placed in service.
- 8.2. If known, please provide the CIP impact level of the interconnection and plant facilities.

9. Fuel Supply & Transportation

- 9.1. Please identify what natural gas pipelines are available to interconnect to the facility?
 - 9.1.1. Have the interconnect agreements been completed? If so, please provide a copy of the contract(s). If not, when is this activity expected to be completed?
 - 9.1.2. For planned or executed interconnections, provide the identity of the pipeline, the pipeline zone of service, and the pipeline operating pressure.
 - 9.1.3. For each pipeline that's expected to be interconnected, provide an estimated timeline to the project, with key milestones for approvals to completion.
 - 9.1.4. Provide the designed range of gas flow capability for each pipeline to be connected to the generating facility.
 - 9.1.5. If the generating facility will interconnect with multiple pipelines, will those pipelines be able to flow gas to the facility simultaneously? If so, what mode (pressure or flow control) will each pipeline be designed and contracted to operate under during simultaneous flow? Will they be able to operate in either mode or limited to one only?
 - 9.1.6. Do easement agreements need to be executed? If so, please list all easement agreements that are expected to be executed.
 - 9.1.7. Are there any natural gas pipelines within 5 miles of the development site that will not be interconnected with the generating facility? If so, please list the pipeline(s).
 - 9.1.8. Will any piping under the generating facility's ownership extend beyond the boundaries of the facility? If so, which regulatory authorities will have jurisdiction over and regulate that piping? If so, will that piping be operated and maintained by the owner of the facility?
 - 9.1.9. Provide the planned design pipeline pressure and the maximum allowable operating pressure (MAOP) for the in-plant gas piping and confirm the pipeline's ability to maintain the pressure necessary to serve the project and any necessary compression

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- equipment (including capacity). Will the in-plant piping be designed to exceed the MAOP of the delivery pipelines? If not, what protection will be put in place to prevent over-pressurization of the in-plant piping?
- 9.1.10. For each new pipeline include material details such as type, size, length, number/length of river or wetlands crossings.
 - 9.1.11. Bidder must separately identify the cost estimate to interconnect the resource with each natural gas pipeline that would be directly interconnected to the project.
 - 9.1.12. Provide reasonable evidence that the natural gas pipeline(s) that would serve the project can provide firm capacity as well as necessary flexible flow parameters that would meet the operating design parameters of the unit, such as gas quality, and identify any additional services offered by the pipeline (e.g., imbalance, non-ratable service, swing capability, imbalance provisions) and level of firm deliverability (e.g., primary firm, secondary firm, any access to storage) and any other aspects that could meet the appropriate level of reliability.
 - 9.1.13. Identify the pipeline easements and rights-of-way necessary for each pipeline interconnection covered in and supported by the project cost estimate.
- 9.2. Have gas transportation agreements been executed? If so, please provide a copy of the agreement(s). If not, when is this activity expected to be completed?
- 9.3. Have the following elements been determined for the facility's fuel supply:
- 9.3.1. Pipeline ability to deliver gas at the required pressure?
 - 9.3.2. Minimum pipeline pressure required to operate the facility's generating unit(s)?
 - 9.3.3. Adequate measurement facilities and ability to access and monitor such equipment?
 - 9.3.4. Determination of which party controls gas flow, the delivering pipeline or the facility operators?
 - 9.3.5. Clarification of points of ownership and clarification of maintenance responsibilities between pipeline and facility owners or operators?
 - 9.3.6. Process required to adjust gas flow?
If so, please provide the supporting information. If not completed, specify when each of these activities is expected to be completed.
- 9.4. Have the following elements of the gas supply contract been completed:
- 9.4.1. Counterparty
 - 9.4.2. Source of supply
 - 9.4.3. Price
 - 9.4.4. Term of Contract
 - 9.4.5. Firmness of Service
 - 9.4.6. Also clarify the pipeline capacity reserved for this supply service, through transporting pipeline to facility
 - 9.4.7. Imbalance provisions
If so, please provide the supporting information. If not completed, specify when each of these activities is expected to be completed.

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- 9.5. If the elements in question 9.4 above have been agreed to with the provider/counterparty, are there any executed supply agreements or other commitments in place? If so, please provide the specific elements of each agreement and/or a copy of the agreement(s) as listed in question 9.4 above.
- 9.6. Will natural gas purchases be “FOB to the development site” or require separate transportation arrangements through pipelines for delivery to the development site?
- 9.7. What type of assurances are planned that will protect the facility from fuel curtailments during severe conditions such as hurricanes and other extreme weather conditions?
- 9.8. Provide the hourly (instantaneous) and daily swing flexibility expected under each planned fuel supply source. Define limitations of fuel delivery which may limit the operation of the generating facility between its minimum and maximum.
- 9.9. Define any applicable state and local taxes which apply to the fuel(s) planned to be in use at the facility.
- 9.10. Will the generating unit(s) be designed with dual fuel capability? If so, describe the type of fuels that can be combusted and clarify any operating restrictions placed on the unit(s).
- 9.11. If an alternative or dual fuel capability is planned, and that fuel is either diesel or some other type of liquid commodity, provide the storage capacity of the tanks designed to contain the fuel. Also provide the mechanism for re-supply of the alternative fuel. If storage tanks are used, detail the maintenance schedule used to ensure their condition is maintained. Can the alternative fuel be delivered and off loaded simultaneously, while the facility is burning that fuel?
- 9.12. If the generating facility consists of more than one power block, will each power block have separate fuel metering equipment?
- 9.13. Provide the OEM primary and alternative fuel quality design requirements for the generating unit(s) to be installed.
- 9.14. Will separate fuel metering equipment be installed to measure the amount of fuel consumed be installed to meet the same AGA specifications as used by the delivering pipelines, who measure and operate the “custody transfer” metering equipment?

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2020 ETI CCGT RFP
ACCOUNTING CERTIFICATION

Bidder acknowledges that Entergy Texas, Inc. (“ETI”) will not enter into a power purchase agreement or any related agreement pursuant to the 2020 Request for Proposals for Combined-Cycle Gas Turbine Capacity and Energy Resources for Entergy Texas, Inc., that will or may result in the recognition of a long-term liability on the books of ETI (of any of its affiliates).

The undersigned individual hereby certifies that *{he/she}* is an Accounting Officer (as such term is defined in Section 6.1.5 of the Main Body of the RFP) and that, to the best of *{his/her}* knowledge, as of the date hereof, neither a PPA/Toll (Appendix B-1 or B-2 to the RFP) nor the transactions thereunder or contemplated thereby will require, under the accounting standards and generally accepted accounting principles in the United States (US GAAP) existing at the time of this certification or that will be in effect during the term of the proposed power purchase agreement with ETI, the recognition of a long-term liability by ETI or any of its affiliates on its or any of its affiliates’ financial statements by any means, including through lease, “variable interest entity” or derivative accounting or for any other reason.

Bidder Number *{Insert Bidder Number Assigned to Bidder}*

By: _____

Name: _____

Title: _____

Date: _____

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