

July 29, 2021

Notice of Release of Final RFP Documents and Bidder Registration

Entergy Louisiana, LLC (“ELL”) has posted final documents for the 2021 Request for Proposals for Solar Photovoltaic Resources for Entergy Louisiana, LLC (“2021 ELL Solar RFP” or “RFP”) on the 2021 ELL Solar RFP website, <https://spofossil.entergy.com/ENTRFP/SEND/2021ELLSolarRFP/Index.htm>.

ELL appreciates the questions and comments provided by interested parties on the draft RFP documents. The final versions include revisions to the build-own-transfer (“BOT”) agreement and power purchase agreement (“PPA”) model contract terms made as a result of ELL’s consideration of the input received during the comment period and ELL’s continued review of its RFP terms. In light of the delay taken to consider and make these revisions, ELL has updated the Guaranteed Substantial Completion and Delivery Term Start Date to December 31, 2024. Several of the modifications made to the BOT and PPA model contract terms are noted below.

Numerous stakeholder comments and questions referred to the targeted amounts of capacity sought from the BOT agreements and PPAs. After considering this feedback and ELL customers’ ever-increasing interest in renewable generation, ELL has increased the target aggregate capacity sought by the 2021 ELL Solar RFP to 600 MW and the PPA capacity limit to 300 MW.

Another update is to the Model PPA (Exhibit C in the RFP). Recent unprecedented weather events, including storms in the 2020 hurricane season and Winter Storm Uri, have demonstrated the importance of ensuring that ELL’s generation portfolio is sustainable and that power generation facilities will be available and reliable in the face of large-scale weather events that are common in ELL’s service area. ELL’s commitment to providing low-cost sustainable and reliable power coupled with its customers’ expectation that ELL will continue to add renewable resources, highlights the importance of ensuring that these resources are reliable as they become a larger part of ELL’s portfolio. An addition to the Model PPA, Attachment B-1, lists reliability requirements that will be mandatory for PPA resources participating in the RFP. This measured set of requirements, which is taken from select provisions of the Model Scope Book and also applies to the BOT resources solicited by the RFP, includes design requirements that protect the facilities from risk associated with wind, hail, flood, fire, and freezing conditions.

Beyond modifications targeting improved system availability and reliability, ELL has made other edits to the RFP contract documents to better align their terms with current market conditions or ELL positions, including the following:

- **Warranties:** The draft RFP’s requirement for sellers under BOT contracts to provide a minimum two-year “wrap” warranty has been eliminated. All project-related warranties, including the warranty that the seller obtains from the prime EPC contractor, will be assigned to ELL at or after the closing (if any) of the proposed BOT transaction. (See, e.g., Appendix B-1, Section 5.2, Article X; Appendix B-2, Section 6 of Scope Book)
- **Credit Support:** The seller’s credit support requirements in BOT and PPA contracts have been reduced or eliminated at certain milestones. The reduction in the seller’s closing credit support obligation in the Model BOT Agreement led to a corresponding increase in the portion of the BOT purchase price payable to the seller at the closing. (See, e.g., Appendix B-1, Section 24.13(a); Appendix C, Section 1.1 (Applicable PA Amount))
- **Termination Rights:** Sellers’ liability for termination payments prior to the closing under BOT and PPA contracts has been lowered to be consistent with the credit support requirements under

those contracts. Buyer's termination payment liability before the project reaches the full notice to proceed ("FNTP") milestone (BOT agreements) or has been made equal to the seller's pre-FNTP termination payment liability. (See Appendix B-1, Section 25.3(a), Section 25.2(b); Appendix C, Section 15.2)

- Closing Expiration Date: The final Model BOT Agreement excludes the concept of a Closing Expiration Date (a deadline for occurrence of the BOT closing) and the agreement's possible termination on that basis. (The agreement retains the outside dates for FNTP and the seller's achievement of substantial completion.)
- Energy Yield Guarantees: Adjustments in the Model BOT Agreement (including the Model Scope Book) have been made to reduce the frequency of energy yield tests/ modeling runs and to the remedies for a resource's failure to meet the project's energy yield guaranty, as well as to details around the energy model needed to generate energy yield determinations. (See, e.g., Appendix B-1, Section 9.4; Appendix B-2, Section 4)
- Tax Equity Investors/O&M Providers: The final BOT contract includes supplemental language designed to clarify the seller's obligations to support ELL's efforts to obtain tax equity investments and third-party operation and maintenance services for the benefit of ELL's customers. (See Appendix B-1, Section 20.23)

The final 2021 ELL Solar RFP documents reflect other modifications made after consideration of the input received. Most are in the nature of drafting refinements or clarifications. All revisions to draft RFP documents can be seen in the redline version of the final RFP documents posted on the RFP website.

To register for the 2021 ELL Solar RFP, Bidders are required to submit a completed Bidder Registration Form and Agreement via email to the Bid Event Coordinator (ellrfp@entergy.com), copying the IM (MerrimackIM@merrimackenergy.com), by the Bidder Registration Deadline. Bidder Registration will begin at 8:00 a.m. CPT on August 25, 2021, and will be available until 5:00 p.m. CPT on August 31, 2021.

Questions can be submitted to the Bid Event Coordinator, copying the IM, at their respective email addresses referenced above, throughout the Bidder Registration Period. Please review Sections 6.2 and 6.3 of the main body of the RFP before submitting any questions.

Terms used but not defined in this notice have the meaning ascribed to them in the 2021 ELL Solar RFP.

Please monitor the RFP website for further information about the RFP. Thank you for your interest in the 2021 ELL Solar RFP.