



Entergy Louisiana, LLC Request for Renewable Resources Technical & Bidder Conference

May 12, 2022

LPSC Technical Conference:

**Conducted in Compliance with Section 9
of the LPSC Market Based Mechanisms Order
(General Order R-26127 C, dated 10/29/2008)**

Arvind Viswanathan

Bidder Conference

Introduction

❖ Purpose of the Conference

- To give participants a high-level overview of the 2022 Entergy Louisiana, LLC ("ELL") Request for Proposals ("RFP") for Renewable Resources and related processes

❖ Questions

- Please submit all questions to the Bid Event Coordinator via email at ellrfp@entergy.com (to ensure that ELL has an accurate record of each question posted)
- Refrain from including bidder specific or confidential information in the question to preserve anonymity
- This presentation, along with RFP questions and responses, will be posted to the 2022 ELL RFP Website, <https://spofossil.entergy.com/ENTRFP/SEND/2022ELLRenewablesRFP/Index.htm>
- To the extent ELL's posted responses differ from the verbal responses given during the conferences, the written response will control

❖ Administrative

- In the event of an inconsistency between the presentation and the RFP documents, the RFP documents will control
- All phones must be on mute
- Please do NOT place your phone on hold
- Email the Bid Event Coordinator at ellrfp@entergy.com with any technical issues or questions

Agenda



Introductions

Entergy Presenters

Shawn Allen	ELL Resource Planning Team
Marc Sawicki	RFP Administration Team
Chris Sistrunk	Viability Assessment Team
Christian Smith	Economic Evaluation Team
Jared Shaw	Transmission Evaluation Team
David Batten	Accounting Evaluation Team
Laura Hamner	Credit Evaluation Team

Additional Entergy Participants

Larry Hand	ESL Associate General Counsel
Harry Barton	ESL Assistant General Counsel
James Miller	ESL Assistant General Counsel
John Pietras	ESL Assistant General Counsel
Laura Beauchamp	ELL Resource Planning Team
Elizabeth Ingram	ELL Regulatory Affairs
Misty Harris	RFP Administration Team
Charles DeGeorge	RFP Administration Team

Louisiana Public Service Commission

Arvind Viswanathan	LPSC Counsel
Lane Kollen	LPSC Staff Consultant

Independent Monitor

Wayne Oliver	Merrimack Energy Group, Inc.
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RFP Overview and Scope

Shawn Allen

US Department of Commerce (DOC) Anti-Dumping Investigation - Impact to RFP

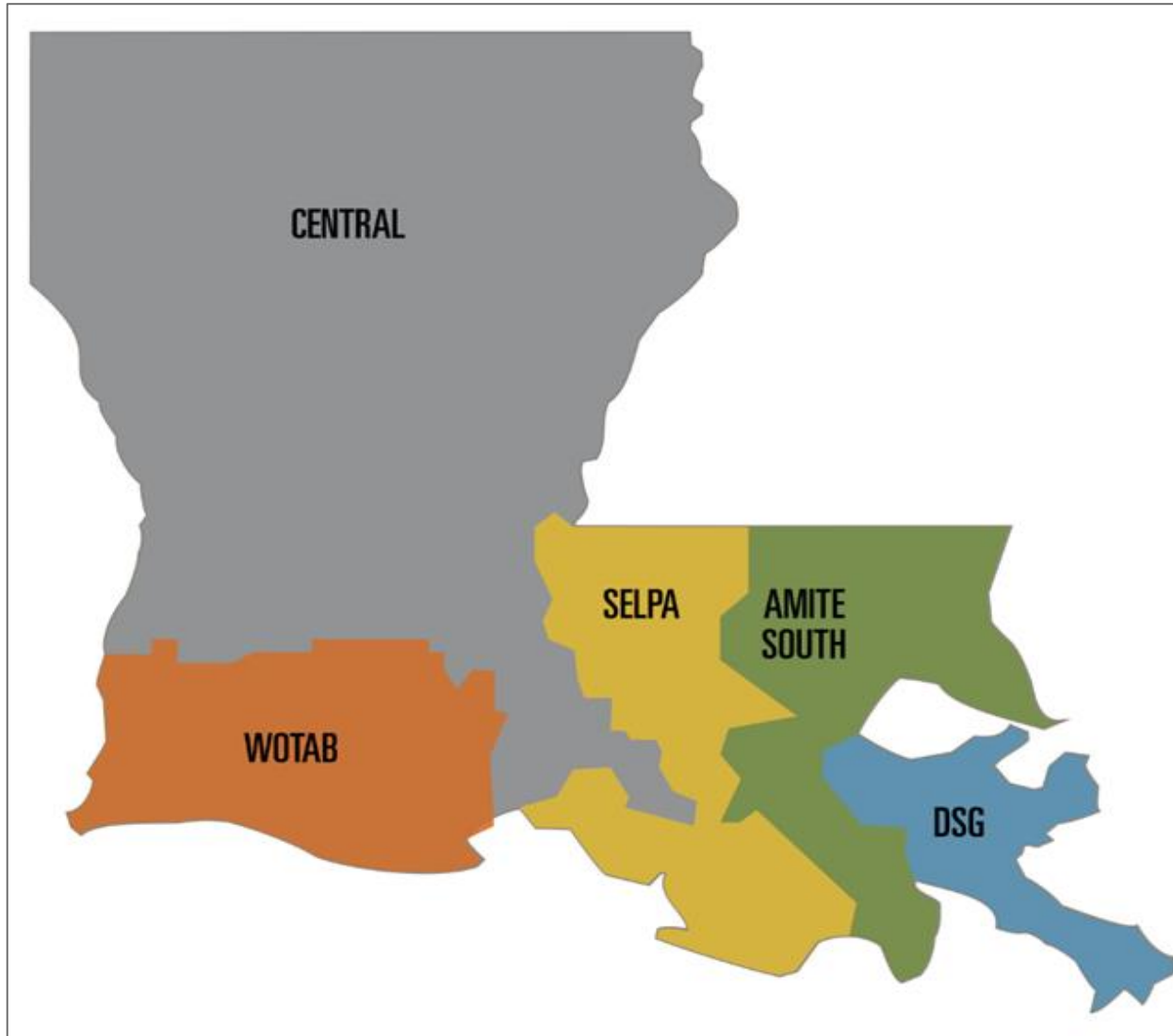
- Expect preliminary findings of the investigation August 2022, with bid proposals due during the same month
- Final Decision expected by DOC in Q1/Q2 2023
- ELL is currently assessing the risk and impacts to this RFP and expects to finalize the analysis and incorporate changes (if any) to the Final RFP documents, which are expected to be issued in June.
 - Under consideration: Potential pathway to continue to allow proposals to be bid without pricing in current August timeframe, then allow for pricing to be supplemented one month later, in September, after the potential preliminary DOC decision has been made.

Rationale for the RFP

Four main drivers of the recommendation to proceed with the RFP

1	Capacity Needs	This RFP helps ELL meet its the long-term capacity needs.
2	Energy Needs	ELL may need additional economic energy to meets its customers' energy needs.
3	Stakeholder Interest	ELL's stakeholders have expressed significant interest in seeing incremental renewable generation added to ELL's generation portfolio.
4	Environmental Stewardship	ELL's consideration of the use and protection of the natural environment, ensuring compliance with existing and likely regulation, and paths toward a lower-carbon economy align with the addition of renewable resources.

Location – Solar Resources to be in Louisiana with preference for SELPA and WOTAB, Wind PPAs to be interconnected to MISO or SPP



Solar Resources:

- SELPA includes the Amite South & DSG sub-regions
- Prefer resources in SELPA (includes Amite South and DSG sub-regions) and WOTAB
- If a bidder is unclear whether a resource is located within SELPA or WOTAB, the bidder can submit to the Bid Event Coordinator the MISO designated J number coordinates for the resource and the Bid Event Coordinator will respond with a determination whether the resource is located within those subregions or clarifying questions

Wind Resources:

- Wind PPAs to be interconnected to MISO or SPP

ELL Resource Scope

Scope Item	Renewables RFP Detail
COD Date	No later than September 30, 2025, subject to extensions
Resource Type	Solar or Wind
Transaction Type	Power Purchase Agreement (PPA) transactions (developmental solar & wind resources) Build-Own-Transfer (BOT) Acquisition Agreement transactions (developmental solar resources)
Options	Battery Energy Storage System Option (4-hour discharge). Battery attributes: Any MW size; DC Coupled; Commercially proven lithium-ion technology; 24/7 charging/discharging capability.
Location	Solar Resources - Must be directly interconnected to the Louisiana region of the MISO Transmission System, with a preference for resources located in the SELPA and WOTAB regions. Wind (PPA) Resources – Must be interconnected directly to MISO or SPP, with firm transmission to MISO South; with financial settlement at the ELL Load node.
Capacity Sought (ICAP)	Max Total: Up to 1,500 MW (reserve right to take more or less) Min/Max Capacity (any individual resource): Min 50 MW; Max 400 MW Maximum Aggregate PPA Capacity: 750 MW
Transmission Deliverability	Firm NRIS deliverability is required; ERIS deliverable projects may be considered above the 1500MW capacity target value.
Pricing	All-in energy-only pricing for PPAs Fixed payment for BOTs (excludes investment tax credit for the project and includes all project interconnection, transmission, and deliverability costs)
MISO or SPP Interconnection Queue	Existing GIA, DPP-2019-Cycle 1, DPP-2020-Cycle 1, DPP-2021-Cycle 1 (SPP GIA or DISIS 2019-2021 queue)
Guaranteed Investment Tax Credit (ITC)	Guaranteed ITC level must be specified in proposal; Seller generally bears risk of ITC loss
Bidder Registration	\$5,000 per proposal + \$1,000 for additional Battery Options beyond original proposal
Self-build Options	Self-build options are not precluded
Entergy Regulated and Competitive Affiliates	Entergy Regulated Affiliates and Entergy Competitive Affiliates are not precluded from submitting proposals

RFP Schedule & Evaluation Process

Marc Sawicki

2022 ELL RFP Timing Overview

Milestone	Completion Date
Draft Documents Posted	April 14, 2022
Bidder & Technical Conference	May 12, 2022
Comment Deadline for Draft RFP Documents	May 25, 2022*
Final RFP Documents Posted	June 14, 2022*
Bidder Registration Period (July 11-July 15)	July 15, 2022*
Proposal Submission Fee Payment Deadline	July 27, 2022*
Self-Build Proposal Submission Deadline	August 7, 2022*
Proposal Submission Deadline	August 12, 2022*
Notice to Bidders of Primary and Secondary Selections	December 16, 2022*
Comprehensive ELL Due Diligence and Definitive Agreement Negotiations Begin	December 17, 2022*
Bidder(s) Remaining on Secondary Selection List Released from Proposals	March 16, 2023*
Definitive Agreements Executed	June 9, 2023*
Regulatory Approval Process Complete	June 12, 2024*

1. Key Milestones

**The milestone dates accompanied by an asterisk are target dates.*

Bidder Registration & Proposal Submission

- ❖ **Bidder registration and proposal submission will utilize forms and templates posted to**
 - **2022 ELL RFP Website**
 - Bidder Registration Form
 - **PowerAdvocate**
 - Proposal Package includes but is not limited to:
 - Proposal Submission Template
 - Due diligence questionnaire(s)
 - Self Assessment Form
 - Proposal Submission Agreement
- ❖ **All proposal-related document submissions must be made via Power Advocate**
 - Executed Proposal Submission Agreement
 - Complete responses to Proposal Submission Template and diligence requests
 - Proposals not delivered through Power Advocate will not be accepted
- ❖ **Email will be sent to bidder confirming receipt of documents**

Bidder Registration & Proposal Submission

❖ Proposal Submission Fees

- \$5,000 for each registered proposal (Solar PV or Wind + Optional Battery)
 - Any alternative COD, price, location, or other significant feature of a proposal will trigger an additional bid fee of \$5,000
 - A bidder offering a proposal that also includes more than one battery proposal/option will be required to pay an incremental charge of \$1,000 for each additional battery proposal/option
- Bidder will be invoiced proposal submission fee(s) within three business days after the end of the Bidder Registration Period
- ELL must receive payment of the proposal submission fee for each registered proposal no later than 5:00 p.m. CPT on July 27, 2022 (current schedule)
- If Bidder misses the payment deadline for a proposal the proposal may be subject to elimination

RFP Evaluation Process

- ❖ **The evaluation process is designed to be fair, impartial, and consistently applied**
 - Prior to submitting proposals, bidders will receive sufficient information to understand the evaluation factors and general decision criteria
 - Detailed inputs and evaluation scenarios will be considered confidential and highly proprietary and will not be shared with potential bidders or the self-build team
 - To the extent practical, evaluation models and assumptions will be defined before proposals are received
- ❖ **Proposals will be reviewed and assessed for the following:**
 - Economics (Net Supply Cost)
 - Interconnection/Deliverability/Transmission
 - Viability
 - Credit and Collateral Requirements
 - Accounting Treatment
- ❖ **Assessments will occur in the following stages:**
 - Phase I
 - Initial Threshold Determination
 - Preliminary Shortlist (if applicable)
 - Phase II
 - Qualitative & Quantitative Assessments

Redaction & Initial Threshold Determination

Redaction

❖ The purpose of the redaction process is to ensure that:

- Evaluation teams receive information relevant to their respective areas
- Bid price is removed from the information provided to the Viability Assessment Team and the Transmission Evaluation Team (other than specified price approved by the RFP Administration Team that is needed)

❖ The RFP Administration Team will open and redact all proposals

Initial Threshold Determinations

❖ Initial threshold determinations will occur early in the proposal review process

❖ The purpose of these determinations is to identify proposals that meet certain minimum threshold requirements for participation in the RFP

❖ Proposals not meeting threshold requirements will be subject to elimination

❖ Threshold requirements include, but are not limited to, those concerning:

- Eligible Participants
- Eligible Technology
- Eligible Transactions
- Eligible Resources
- Resource Location
- Minimum and Maximum Capacity Proposal Requirements
- PPA Delivery Terms (Min 10 Years, Max 20 Years)

Phase I & Phase II Evaluations

- ❖ **Phase I Evaluation will include evaluations primarily by**
 - Economic Evaluation Team
 - Viability Assessment Team
 - Transmission Evaluation Team
 - Credit Evaluation Team
- ❖ **The purpose of the Phase I evaluation is to identify the most economic proposals and to eliminate:**
 - Less economic proposals
 - Proposals determined to be unacceptably high-risk
- ❖ **The purpose of the Phase II evaluation is to evaluate the short-listed proposals in greater detail and develop final rankings and conclusions**
- ❖ **The output of Phase II will be a Final Report**
- ❖ **The Final Report will be sent to ELL, which will make proposal selections**

Selection

❖ Primary Selection List

- Bidder(s) with a proposal on the primary selection list will be invited to negotiate a definitive agreement
- Inclusion on primary selection list is not acceptance of proposal or related contract terms
- No requirement for ELL to place any proposal on the primary selection list

❖ Secondary Selection List

- Bidder(s) with a proposal on the secondary selection list may be invited to negotiate the terms of a definitive agreement or may be advised of proposal status
- Bidder(s) would proceed to definitive agreement negotiations only if a Bidder(s) on the primary selection list is removed from list
- Bidder(s) must hold offers open for three months after notification of secondary selection

Commercial Terms

Chris Sistrunk

Commercial Terms Overview

- ❖ **BOT Structure** – Asset acquisition of the proposed new-build resource and related assets, with Seller assuming construction and financing risk.
 - ❖ Seller will develop, design, build, commission, and test the proposed project for ELL at a fixed price. In accordance to requirements in the BOT Agreement (Appendix B-1) and the technical requirements of the Scope Book (Appendix B-2)
 - ❖ Seller’s obligation to commence construction would be conditioned on the satisfaction of several Buyer “FNTTP” conditions
 - ❖ ELL will purchase the asset at Closing, at which point title and risk of loss transfer to ELL. Project care, custody, and control remain with Seller through Substantial Completion

- ❖ **PPA Structure** – Purchase of all Contract Energy, Contract Capacity, Capacity-Related Benefits (such as ZRCs), Other Electric Products, and Environmental Attributes from the proposed new-build resource.
 - ❖ Seller will be required to deliver to ELL, and ELL will be required to purchase from Seller, all energy from the Contract Capacity delivered to the Injection Point via financial settlement
 - ❖ Products will be financially settled at the ELL Load Node.
 - ❖ Seller will be responsible for any basis differential between the product price at the Injection Point and the product price at the ELL Load Node and related costs.
 - ❖ Details of the commercial terms of PPA transactions and considerations for PPA proposals and potential transactions under this RFP can be found in Appendix C-1 (Model Solar PPA) and Appendix C-2 (Model Wind PPA)

Commercial Terms Overview - BOT

Purchase Price

- Bidders are required to provide an all-in purchase (expressed as a single fixed price)
- The purchase price will be payable by Buyer to Seller at three major milestones: the Closing, the Substantial Completion Payment Date, and Final Completion.

Guaranteed Substantial Completion Date

- No later than September 30, 2025 (extended by force majeure up to 60 days)
- Bidders to propose a guaranteed substantial completion date that is later than September 30, 2025, in exchange for a corresponding reduction in the cap on force majeure extensions.

ITC

- Buyer will require the exclusive entitlement to all applicable investment tax credits, production tax credits, depreciation, and similar tax benefits associated with the project.
- Buyer will not bear the risk of a loss of the guaranteed ITC benefits due to delays

Assignment Rights

- Buyer will have the right to assign its rights and obligations under the BOT agreement to an Affiliate of Buyer, including, an Affiliate created as part of a tax equity arrangement

Project Warranty

- All warranties obtained by Seller prior to the Closing (but not the underlying contracts themselves) will be required to be transferred to Buyer at the Closing.

Commercial Terms Overview - PPA

PPA Pricing	<ul style="list-style-type: none">• Energy deliveries based on an energy rate (expressed in \$/MWh), which will be either fixed for the entire Delivery Term or defined annually (as proposed by Bidder)• Pricing must reflect an “all-in” energy price (including all related fees and expenses)
Guaranteed Commercial Operations Date	<ul style="list-style-type: none">• No later than September 30, 2025 (extended by force majeure up to 60 days)• Bidders to propose a guaranteed commercial operations date that is later than September 30, 2025, in exchange for a corresponding reduction in the cap on force majeure extensions.
Delivery Requirements	<ul style="list-style-type: none">• ELL will be entitled to liquidated damages if the guaranteed annual energy delivery minimums are not met and terminate the PPA for specified failures to meet energy delivery minimums over any two (2) consecutive contract years or any three (3) contract years
Accounting Treatment	<ul style="list-style-type: none">• ELL will not accept the risk that any long-term liability will or may be recognized on its Seller’s books in connection with any PPA entered into pursuant to this RFP
Regulatory Disallowance	<ul style="list-style-type: none">• Sellers will be required to absorb risks regarding the possible disallowance, disapproval, or preclusion of recovery

Viability Assessment

Chris Sistrunk

Viability Assessment

- ❖ The VAT includes subject matter experts from the following focus areas:
 - Commercial
 - Plant & Equipment
 - Environmental & Permitting
 - Real Estate
 - Taxes
- ❖ The VAT's key objectives are to perform a review and assessment of the non-price attributes of the proposals
 - The review will be based information provided by bidders in response to the RFP and include the due diligence questionnaires, proposal summary, and clarifying questions.
- ❖ Two-phased analysis
 - Phase I: A minimum requirements review for each proposal and an equivalent standard validation across all proposals.
 - Phase II: An Assessment of the individual projects on the risk associated with key aspects, including but not limited to bidder experience, technological specifications, site environmental conditions, real estate terms and requirements, and exceptions to the terms of the agreement.

Viability Assessment – Phase I

- ❖ Phase I will consist of an initial viability assessment focused on RFP Threshold Requirements and minimum standards. The type of items evaluated during Phase I evaluation include¹
 - Proposal is for an eligible technology by an eligible participant from an eligible resource
 - Proposal offer meets MW minimums and maximums and delivery term requirements
 - Proposal is for years for which ELL is seeking resources in the RFP
 - Resource meets the appropriate design and operating specifications
 - Resource is free of fatal flaws and operational or permitting restrictions
 - Proposal aligns with all RFP requirements, including Threshold Requirements
- ❖ Following the Phase I review, the VAT will compile a list of areas in which the proposals failed the Phase I analysis and the Bidder will be asked to adjust their bid (including pricing if applicable) to account for the RFP requirements. Failure to do so will result in the bid being deemed non-conforming and may result in expulsion from the RFP.
- ❖ Once the proposals pass the Phase I evaluation, the VAT will notify the other evaluation teams that a Bidder's proposal meets the thresholds and the proposal will move to Phase II.

1. Please refer to the Bidder's Self-Assessment Questionnaire for more information on what items are assessed during Phase I

Viability Assessment – Phase II

- ❖ During Phase II, the VAT will provide a more detailed assessment of the attributes associated with each of the focus areas identified for the viability assessment.
- ❖ Phase II of the Viability Assessment will be comprised of categories for Bidders Profile, Environmental, Plant & Equipment, Risk Engineering, Commercial, Real Estate, Tax, Project Status. Each category will be assigned a specific weight based on importance.

Bidder Profile:

- Bidders Experience with Similar Technology/Similar Projects
- Quality of RFP documentation and responsiveness to RFIs

Commercial:

- Quality of the exceptions list and significance of exceptions taken
- Status of the Term Sheets

Plant & Equipment:

- Track record of proposed technology/equipment

Tax:

- Start of Construction Approach

Project Status:

- MISO DPP Status
- Energy Profile Reasonableness

Environmental:

- Results of the Phase I Environmental Site Assessment
- Project location relative to a flood plain

Risk Engineering:

- Nat Cat Hazards adequately addressed

Real Estate:

- Terms of lease agreement or Purchase Option

Note: This list is not all inclusive but is intended to give bidders an idea as to what is being assessed. The metrics are subject to change before being locked down

- ❖ The attributes will be assessed in a pre-defined detailed scorecard, ultimately leading to a total viability rating for each proposal (High Risk, Medium Risk, Low Risk, etc.)

Viability Self-Assessment – Self Assessment

2022 ELL RFP for Renewable Resources - Self-Assessment Form for Solar Developmental Resources		
Assessment Criteria	Bidder Response	Bidder Comments
Bidder ID		
Resource ID		
Proposal ID		
Resource Overview		
Delivery Term		
Guranteed Commercial Operation Date		
PPA Start Date		
MISO Interconnection Status		
MISO Queue Number		
NRIS amount requested from MISO		
Planned Unit Registration Type in MISO		
Proposed Resource Size		
Physical Resource Location (Parish)		
Provide Longitude and Latitude		
Provide the nearest Substation		
Injection Point (POI)		
Technical Feasibility		
Has the Bidder provided at least two years of onsite profile data?		
What is the source of the production profile data?		
Design Life of the Plant (Years)		
Solar Fixed or Tracking		

Viability Self-Assessment – Special Exceptions

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Economic Evaluation

Christian Smith

RFP Evaluation Process

Economic Evaluation Team (EET) Methodology

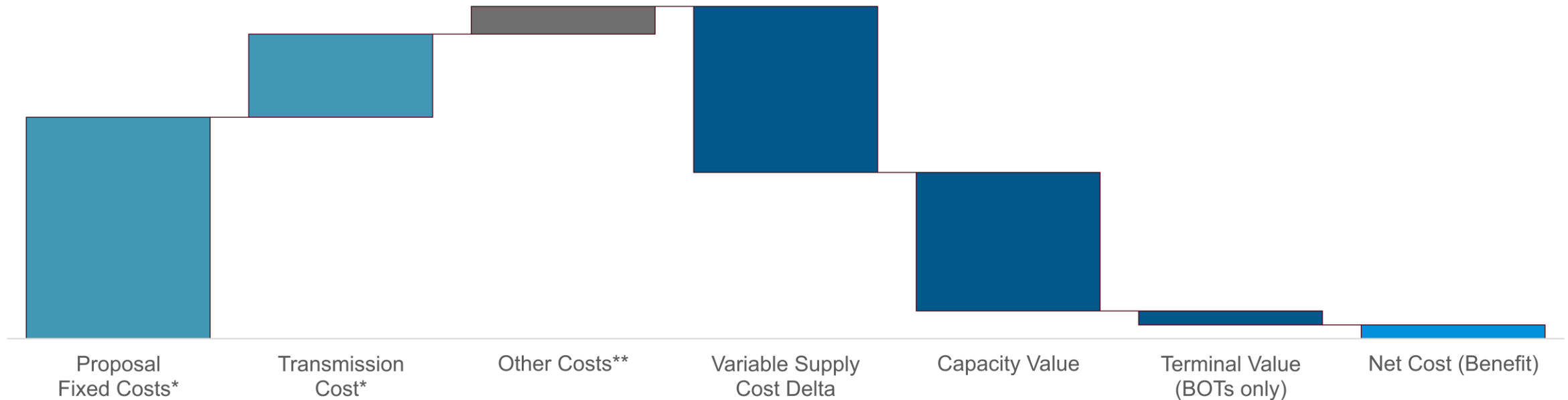
- The EET will conduct an economic evaluation of proposals submitted in the RFP from the perspective of ELL's aggregate customer base
- The evaluation will:
 - Identify proposals that meet the RFP requirements and rank them based on relative economics
 - Utilize tools and methods commonly used by ELL for long-term planning and resource evaluations, including, but not limited to:
 - Variable supply cost analysis within the context of the MISO markets based on simulations using the Aurora production cost modeling software
 - Pricing based on proposal submissions and responses to clarifying questions issued to bidders
 - Estimated property tax expense, considering obtained or identified property tax abatements or similar tax benefits, if applicable
 - Transmission cost estimates, as applicable, from the Transmission Evaluation Team for expected required projects to ensure NERC TPL-001-5 compliance for each proposal
 - ERIS (transmission owner interconnection upgrades (TOIF))
 - NRIS (network upgrades (NU), standalone network upgrades (SANU))
 - Long-term avoided capacity value
 - Alternative structures, such as tax equity partnership
 - Terminal value, as applicable
 - Lease accounting treatment, as applicable
 - Imputed debt, as applicable
 - Any other applicable economic benefits, taxes, or costs
 - Include qualitative risk considerations and sensitivity analysis as needed

RFP Evaluation Process

Economic Evaluation Team (EET) Methodology

- A net cost/benefit calculation will be performed for each proposal
- Net cost/benefit will be presented in \$M, levelized-real \$/kW-year, and levelized-real \$/MWh to account for differences in proposal size and expected energy production

ELL Customer Total Relevant Supply Cost



Notes:

**Proposal Fixed Costs*, *Transmission Costs*, and *Other Costs* will be included as part of the all-in energy pricing provided for PPA proposals.

***Other Costs* will include imputed debt for PPA proposals.

Transmission Evaluation

Jared Shaw

Transmission Evaluation Team

- **The objective of the TET evaluations are to:**
 - Ensure that with the addition of any resource, adequate area reliability is maintained
 - Identify any upgrades associated with maintaining adequate reliability
 - Assess costs of all transmission infrastructure related improvements required to incorporate each studied resource
- **Considerations may include, but are not limited to:**
 - Electric Interconnection:
 - Verification that the resource has the appropriate Interconnection status as defined by the RFP scope
 - Study inclusion of any bidder submitted transmission upgrades
 - Network Deliverability (if applicable):
 - Verification that the resource will be eligible for designation as a network resource for ELL, and that the bidder has included associated costs in the proposal pricing
 - Determining Incremental upgrades to simultaneously meet all RFP requirements
 - Individual resources will be studied as part of this assessment, but reliability studies may be revisited if it is determined that multiple resources should be studied together

Transmission Evaluation Team

- **Bidders will bear the responsibility for all upgrades and costs to secure full deliverability for the proposal resource:**
 - Bidders must also provide a description of the transmission upgrades and costs included in their proposal to obtain ERIS and NRIS separately
 - Transmission upgrade costs identified by the TET will be considered Class 5 estimates
- **ESL Transmission Planning will evaluate transmission system upgrades and cost estimates associated with each proposed resource:**
 - ERIS: Assess the sufficiency of the ERIS upgrades and cost estimates.
 - NRIS: Review the upgrades and cost estimates to obtain NRIS.
 - NITS: Review the upgrades and cost estimates to obtain NITS.
 - Adherence to Entergy Local Planning Guidelines and Criteria and NERC TPL-001-5
 - Evaluation of bidder's long-term proposal for meeting transmission system reliability requirements
- **The TET may incorporate the following analysis to evaluate each proposal to ensure each proposal satisfies requirements stated above**
 - Steady state power flow contingency analysis
 - Transient Stability analysis
 - Short Circuit analysis
 - Deliverability analysis

Accounting Evaluation

David Batten

Accounting Evaluation

- ❖ **The Accounting Evaluation Team will assess potential accounting effects of PPA proposals, including, but not limited to:**
 - Whether the proposal contains a lease resulting in the recognition of a long-term liability for ELL or its affiliates under the rules in effect during the term of the proposal (ASC 842 analysis)
 - Whether the legal entity owning the proposed generating asset is a variable interest entity (“VIE”) and, if so, who will consolidate the VIE throughout the term of the agreement (ASC 810 analysis)
 - Whether the proposal is or includes a derivative and, if so, the appropriate accounting for the derivative (ASC 815 analysis)
 - Other accounting impacts from the proposal
- ❖ **The Accounting RFP requirements include:**
 - ELL will not accept proposals that would result in the recognition of a long-term liability for ELL or its affiliates (“on-balance sheet accounting”)
 - If requested, Bidder will certify that it has determined that, to the best of its knowledge, the proposed PPA will not result in on-balance sheet accounting for ELL or its affiliates
 - Bidder will be required to make available all information required to verify and/or independently determine the accounting treatment associated with a proposal

ELL will not accept the risk of any transfer to its books of any long-term liability associated with a PPA arising out of the RFP

Credit Evaluation

Laura Hamner

Credit Evaluation

- ❖ **The Credit Evaluation Team (CET) will evaluate Bidder's credit and other credit-related matters**
- ❖ **The Credit RFP requirements include:**
 - Bidder must nominate the parent guarantor at bidder registration; limited to one nominee
 - Financial statements for Bidder and parent guarantor must be provided at bidder registration
 - Public credit ratings, if any, for Bidder and parent guarantor must be provided at bidder registration
 - Forms of acceptable incremental credit support have been narrowed to letters of credit and cash holdbacks
 - Specific liquid credit support amounts, available parent guaranty-based offsets to liquid credit postings, and credit events (which can eliminate credit offsets) will be set out in the credit appendix
 - Special exceptions to core credit terms are not permitted
 - Bidder must submit with its proposal(s) a credit compliance certification acknowledging its familiarity with the terms of the credit appendix and certifying that the proposal(s) (including proposal pricing) reflect and comply with credit appendix requirements

Credit Evaluation

- ❖ **The CET will provide Bidder** with details regarding the liquid credit support offset prior to proposal submission
- ❖ **The CET will assign a Bidder credit** rating (or Bidder's parent guarantor credit rating) for all proposals, based on, among other things
 - S&P and Moody's ratings
 - 10K/10Q/8K evaluation
 - If SEC reports unavailable, two years of audited financial statements provided by Bidder
 - Financial statements include balance sheet, income statement, cash flow statement, notes to the financials, as should include the auditor's opinion
 - If financial information is consolidated with other entities, all data related solely to the offering entity will be extracted and submitted as separate documents by Bidder
 - Credit-related diligence materials provided by Bidder

Process Safeguards

Marc Sawicki

Process Safeguards

Code of Conduct

- All employees of ESL, any Entergy Operating Company, or any Entergy Competitive Affiliate must adhere to the applicable Affiliate Rules and Codes of Conduct
- Links will be provided on the 2022 ELL RFP website

Additional Protocols

- Each 2022 ELL RFP Proposal Evaluation Team is made up of designated personnel
 - Team composition is overseen by the IM
- ESL personnel involved with the 2022 ELL RFP evaluation process will adhere to the provisions of a confidentiality acknowledgement that governs access to and use of information contained in proposals and proposal related documents
- Additional protocols will be specified in the 2022 ELL RFP

RFP Process Design and Implementation

- RFP process has been designed to assure fair and impartial treatment of all Bidders
- Self-build proposal will be finalized and “locked down” with oversight from the IM prior to the receipt of third-party bids

Stakeholder Participation

- The RFP is posted on ESL’s public 2022 ELL RFP website and is publicized to encourage robust market participation
- Technical and Bidder Conference
- Potential Bidders will be provided opportunities to ask questions about the RFP and seek clarification on the RFP process

Q&A Session

ELL requests that Bidders submit all questions
to the Bid Event Coordinator at ELLRFP@ENTERGY.COM