

2024 ELL CCCT RFP

Q&A 12.30.2024

Q1

Does the ~2,000 MW ELL seeks to add to its portfolio conflict with its most recent IRP? Main Body, Sec. 1.1, p. 1. If so, how, and is it a material difference? Note ELL's IRP Data Presentation, Docket No. I-36181, at slide 11 (Capability Needs Reference Case Assumptions), showing 1,561 MW of Planned Resources in 2031 and 2,379 MW deficit.

A1

The 2024 ELL CCCT RFP (the RFP) does not conflict, and is directionally consistent, with ELL's most recent IRP study. The 2023 IRP Reference Resource Plan, described in Chapter 6 of ELL's Final IRP Report, includes the addition of approximately 1,650 MW of gas resources between 2031 and 2033. For the RFP, the years in which capacity is sought, as well as the amount of capacity sought, represent adjustments to account for load growth when compared to the 2023 IRP Reference Resource Plan.

Q2

Along the same lines, the Staff report in Docket No. I-36181, dated October 3, 2023, provides, in part, "In ELL's Final IRP Report, ELL's computations show Portfolio 2 as the least-cost Portfolio across the three futures (see Figure 1). The large cost savings indicate that ELL should ultimately consider an investment strategy that incorporates more solar and wind than Portfolios 1 or 3, to reduce future costs to customers." Staff Report, at p. 4. Staff noted that ELL rejected Portfolio 2 on reliability grounds, but that, "ELL did not provide results for reserve margins in each of the Portfolio/Future combinations, so it is not possible to determine if Portfolio 2 failed to meet reserve margin requirements in any or all the futures." *Id.*, at pp. 5-6.

A2

ELL understands this submission to be a statement rather than a question and notes that Staff's report speaks for itself and is the best evidence of its contents.

Q3

Similarly, what is the target planning reserve margin used to determine ~2,000 MW of new capacity is needed; did ELL rely on MISO's 9.4% near-term planning reserve margin or ELL's long-term planning target of 12.69%? See IRP Data Presentation, Docket No. I-36181, at slide 10 (ELL 20-Year Resource Need).

A3

For the analyses forming the basis of this RFP, ELL used planning reserve margins consistent with MISO's Planning Year 2023-2024 Seasonal Construct to quantify the capacity needed. Those margins are: Summer (June – August) – 7.4%; Fall (September – November) – 14.9%; Winter (December – February) – 24.5%; Spring (March – May) - 24.5%.

Q4

Are there any concerns that the 98% monthly availability rate in Winter and Summer and/or 96% in shoulder months are too high to attract multiple offers? Main Body, p. 10.

A4

No, the Winter and Summer availability ratings are consistent with those in multiple prior ELL combined-cycle combustion turbine RFPs.

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Q5

Why is the minimum capacity amount set at 600 MW? Similarly, why is the maximum capacity amount set at 800 MW? Main Body, Sec. 1.10(iii), p. 6. Why would not a 250 MW, 500 MW, or 1,000 MW unit be eligible?

A5

The RFP's 600 and 800 MW minimum and maximum capacity amounts represent a conservative lower and upper bound relative to the 1x1 CCCTs that ELL intend to market test with the RFP.

Q6

Why must a resource be "developmental" in order to be eligible to participate in the RFP? See Main Body, Sec. 1.10(iii). Why would existing resources not be considered eligible to participate?

A6

ELL recently conducted an RFP (the 2024 ELL Existing Resource Energy and Capacity RFP) that specifically sought existing resources, including CCCT resources. See LPSC Docket No. X-37158. ELL is market testing developmental capacity to replace units in load pockets that are expected to be at the end of their useful economic lives. Existing capacity is reflected in ELL's planning models and developmental capacity in the load pocket is needed to maintain system reliability as growth occurs.

Q7

Is the requirement that a resource be included in MISO's 2024 or earlier DPP to be considered eligible to participate in the RFP unreasonable? Main Body, Sec. 2.4.1., p. 17. Similarly, how many active resources are currently included in MISO's 2024 DPP?

A7

No, the requirement is not unreasonable. The window for participating in MISO's 2024 DPP Study queue has not, as of the date of this response, closed. ELL opted to allow resources included in the 2024 DPP Study to enhance opportunities for bidder participation in the RFP. Until the 2024 DPP Study queue has closed, it is not possible to know how many resources will ultimately be submitted into the 2024 DPP Study. It should be noted that ELL has recently learned that MISO is renaming the 2024 DPP Queue to the 2025 DPP Queue to align with the calendar year. MISO has indicated that the 2025 DPP Queue should remain open until Q3 of 2025. ELL intends to update RFP documents to reflect this change.

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Q8

Will third parties (non-Entergy entities) be allowed to submit proposals that involve using Entergy site(s) and associated laterals (e.g., MISO interconnect)?

A8

The RFP requires that the bidder have site control over the project site of any resource it offers into the RFP and provide documentation and/or other evidence demonstrating site control. See, e.g., Section 2.4.2 of the Main Body and Section 3.5 of Appendix C (Preliminary Due Diligence Questionnaire) of the RFP.