



Appendix A

Glossary

For

2014 Request For Proposals For Capacity Credits

Entergy Services, Inc.
April 9, 2014

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

APPENDIX A GLOSSARY

“2014 Capacity RFP Website” means the internet website <https://spofossil.entergy.com/ENTRFP/SEND/2014CapacityRFP/Index.htm>.

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or interests having voting power, by agreement or otherwise.

“Affiliate Rules and Codes of Conduct” or “Codes of Conduct” means rules and regulations promulgated by federal, state and local regulatory agencies to address interactions between a utility and its affiliates engaged in competitive markets; settlement agreements between an Entergy Operating Company and a regulatory agency to address such interactions; and FERC-ordered standards of conduct to address interactions between transmission function and marketing function employees.

“Bidder” means a Person that submits (or, prior to the applicable due date, intends or expects to submit) a proposal or complete the Bidder Registration Process in response to this RFP.

“Bidder ID” means the unique Bidder identification number assigned to Bidder during the Bidder Registration Process.

“Bidder Registration Fee” means the amount due from Bidder prior to the deadline for the Bidder Registration Process under this RFP, as further described in Section 4.3 of the Main Body.

“Bidder Registration Form and Questionnaire” means the Bidder Registration Form and Questionnaire that each Bidder is required to execute and deliver to ESI as part of the Bidder Registration Process

“Bidder Registration Period” means the period of time provided for Bidder registration, which, in general, will begin at 8:00 a.m. CPT on the date specified in the applicable RFP Schedule and will end at 5:00 p.m. CPT on the date specified in the applicable RFP Schedule.

“Bidder Registration Process” means the process (described in Section 4.3 of the Main Body) for Bidders to register the entity submitting its proposal(s), submit information required for the Phase I evaluation and identify the number of proposals it intends to submit in response to this RFP.

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“Bidders’ Conference” means the conference relating to this RFP described in Section 4.2 of the Main Body and scheduled to be held on the date for the Bidders’ Conference set forth in Section 3.1 of the Main Body, as may be modified from time to time.

“Business Day” means any day except Saturday, Sunday or, with respect to payments and all other matters, a holiday observed by Federal Reserve Banks in New York, New York. For notice purposes, a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Central Prevailing Time.

“Buyer” means one or more of the Included Entergy Operating Companies, as designated by ESI.

“Capacity Credits” means ZRCs or, if ZRCs are no longer recognized by MISO, such other form of capacity credits or capacity-related benefits that replaces ZRCs and that MISO recognizes for use in the satisfaction of MISO’s resource adequacy requirements.

“Capacity Credit Term” means the period of time in respect of which Seller and Buyer are obligated to sell and purchase Capacity Credits.

“Capacity Credit Purchase Agreement” or “Purchase Agreement” means Appendix C to this RFP. The Purchase Agreement sets forth the commercial terms to which Seller would be committing through submission of a proposal.

“CET Credit Rating” means the internal credit rating assigned to Bidder by the CET. The CET’s determination and use of the CET Credit Rating are more particularly described in Appendix D to this RFP.

“Contract Quantity” means the quantity of Capacity Credits Seller has agreed to provide to Buyer under the Purchase Agreement

“CPT” or “Central Prevailing Time” means the local time in Houston, Texas.

“Credit Evaluation Team” or “CET” means the Evaluation Team responsible for analyzing potential credit issues associated with Bidder proposals submitted in response to this RFP, as further described in Appendix D to this RFP.

“Credit Support Provider” means any Person that Bidder proposes in a proposal under this RFP as a credit support provider on its behalf.

“Economic Evaluation Team” or “EET” means member(s) of the Evaluation Team responsible for analyzing the economics of Bidder proposals submitted in response to this RFP (as further described in 5.3 of the Main Body).

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“Eligible Participants” means the Persons eligible to participate in this RFP (as further described in Section 2.3 of the Main Body).

“Entergy Competitive Affiliate” means any Affiliate of Entergy Corporation, other than ESI, Entergy Operations, Inc., any of the Entergy Operating Companies or System Energy Resources, Inc.

“Entergy Operating Companies” or “Operating Companies” means the regulated electric utilities owned, directly or indirectly, by Entergy Corporation. As of the date of this RFP, the Entergy Operating Companies are Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc.

“ESI” means Entergy Services, Inc.

“Evaluation Team” means the group of individuals who, individually or collectively, are responsible for evaluating the proposals (or specific components thereof) submitted in response to this RFP. The Evaluation Team will consist primarily of members of SPO and the Entergy Corporate Risk Department. The Evaluation Team includes the Economic Evaluation Team and the Credit Evaluation Team, all as more particularly described in the Main Body.

“FERC” means the Federal Energy Regulatory Commission.

“Governmental Authority” means any federal, foreign, state, local, or municipal governmental body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority (including FERC, any electric reliability organization, any market monitor, any independent coordinator of transmission, any balancing authority (including any independent system operator or regional transmission organization) and any other transmission provider) exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or governmental tribunal.

“Included Entergy Operating Companies” means one or more of the Entergy Operating Companies, but specifically excluding Entergy Arkansas, Inc. and Entergy Mississippi, Inc.

“Local Resource Zone” has the meaning given to such term in the MISO Rules.

“Main Body” means the main document describing this RFP and to which four (4) appendices are attached.

“MECT” has the meaning given to the term “Module E Capacity Tracking Tool” in the MISO Rules or any successor system.

“MISO” means the Midcontinent Independent System Operator, Inc.

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“MISO Rules” means, collectively, (i) the Open Access Transmission and Energy Markets Tariff of MISO on file with FERC, (ii) the MISO Business Practice Manuals, and (iii) any other applicable policies, rules, guidelines, procedures, protocols, standards, criteria, instructions, directives, and requirements of MISO.

“Moody’s” means Moody’s Investor Services, Inc.

“MW” means megawatt, a unit of electrical power equal to one million watts or one thousand kilowatts.

“Person” means any individual, Governmental Authority, corporation, limited liability company, partnership, limited partnership, trust, association, bank, financial institution, fund or other entity.

“Planning Year” has the meaning given to such term in the MISO Rules. Note that while it is not currently expected that MISO will stop using the Planning Year for resource adequacy purposes, the Capacity Credit Purchase Agreement accounts for that possibility by, among other things, using a flexible definition of “Planning Period” instead of “Planning Year”.

“Primary Selection List” means a final list setting forth the proposal(s) selected for execution of a Purchase Agreement(s).

“Proposal Submission Agreement” means the Proposal Submission Agreement that each Bidder is required to execute and deliver to ESI as part of the Proposal Submission Process.

“Proposal Submission Period” means the period of time provided for proposal submission, which, in general, will begin at 8:00 a.m. CPT on the date specified in the applicable RFP Schedule and will end at 5:00 p.m. CPT on the date specified in the applicable RFP Schedule.

“Proposal Submission Process” means the process (described Section 4.4 of the Main Body) for the submission of Bidder proposals and required documents to ESI in this RFP.

“Proposal Submission Template” means the template that will be used to submit a portion of Bidder’s proposal. The Proposal Submission Template will be submitted during the Proposal Submission Process.

“Published Credit Rating” means, with respect to any Person, the unsecured, senior long-term debt rating (not supported by any third-party credit enhancement) of such Person or, if there is no such rating, the long-term issuer rating of such Person, in each case assigned by Standard & Poor’s Financial Services LLC or its successor or Moody’s Investor Services, Inc. or its successor. In the event of a “split” rating between S&P and Moody’s, the lower of the two credit ratings will apply.

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“PURPA” means the Public Utility Regulatory Policies Act of 1978, as amended.

“QF” means a cogeneration or small power production facility that meets certain requirements under PURPA and the applicable federal and state implementing regulations.

“Required Proposal Submission Time” means 5:00 p.m. CPT on the date specified in the applicable RFP Schedule.

“RFP” means either this 2014 Request for Proposals for Capacity Credits, dated April 9, 2014 (including all Appendices and other attachments thereto), or another request for proposals, as the context requires.

“RFP Administrator” means the individual identified in Section 1.5 of the Main Body who, among other things, (i) acts as a liaison between the participants in this RFP and ESI on all RFP-related matters, (ii) ensures that Bidder questions ESI receives are addressed in an appropriate manner, (iii) receives, records and maintains Bidder proposals, and (iv) manages other administrative matters relating to this RFP.

“RFP Hotline” means the dedicated phone line available throughout the Bidder Registration Period and Required Proposal Submission Time during business days from 8:00 a.m. to 5:00 p.m. CPT.

“RFP Schedule” means the schedule of milestones related to this RFP set forth in Section 3.1 of the Main Body, as may be modified by ESI from time to time in accordance with this RFP.

“S&P” means Standard & Poor’s Financial Services LLC.

“Secondary Selection List” means a final list setting forth the proposal(s) selected for possible execution of a Purchase Agreement(s).

“Seller” means a Bidder, or other Person designated by such Bidder in its proposal to enter into a Purchase Agreement with Buyer pursuant to this RFP process if such Bidder’s proposal is selected by ESI.

“SPO” means Entergy’s System Planning & Operations organization.

“Technical Conference” means the conference relating to this RFP described in Section 4.2 of the Main Body and scheduled to be held on the date for the Technical Conference set forth in Section 3.1 of the Main Body, as may be modified from time to time.

“UCAP” has the meaning given to such term in the MISO Rules.

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“Zonal Resource Credit” or “ZRC” has the meaning given to such term in the MISO Rules. For the avoidance of doubt, as of the date of this RFP, ZRCs include any ZRCs properly generated from Demand Response Resources (as defined in the MISO Rules) and/or Load Modifying Resources (as defined in the MISO Rules).

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