



***2016 Request For Proposals  
For  
Long-Term Renewable  
Generation Resources  
For  
Entergy Louisiana, LLC***

**DRAFT**

Entergy Services, Inc.  
~~March 24~~June 8, 2016

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## APPENDICES

<b>Appendices</b>	<b>Title</b>
Appendix A	Glossary
Appendix B	Commercial Term Sheet for PPAs
Appendices C-1 and C-2	Preliminary Due Diligence for Developmental Resources and Existing Resources
Appendix D	Minimum Requirements for Developmental Resources
Appendix E	Reservation of Rights
Appendix F	Credit/Collateral Requirements
Appendix G	Process for Protection of Proposal Information

## **Main Body**

### **2016 ELL REQUEST FOR LONG-TERM RENEWABLE GENERATION RESOURCES**

#### **1. GENERAL INFORMATION**

##### **1.1. Introduction**

Entergy Services, Inc. (“**ESI**”), acting as agent for Entergy Louisiana, LLC (“**ELL**”), hereby issues this 2016 Request for Proposals for Long-Term Renewable Generation Resources for Entergy Louisiana, LLC (including all appendices, this “**RFP**”).

This RFP seeks up to 200 MW of energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from eligible renewable resources for deliveries starting as early as June 1, 2018, and as late as June 1, 2020, on the terms set forth herein, to help ELL meet its long-term resource planning objectives, including, without limitation, increased depth and diversity of its generation resource portfolio.

A summary of the scope of this RFP, including the Product solicited, is provided in Section 1.10 below.

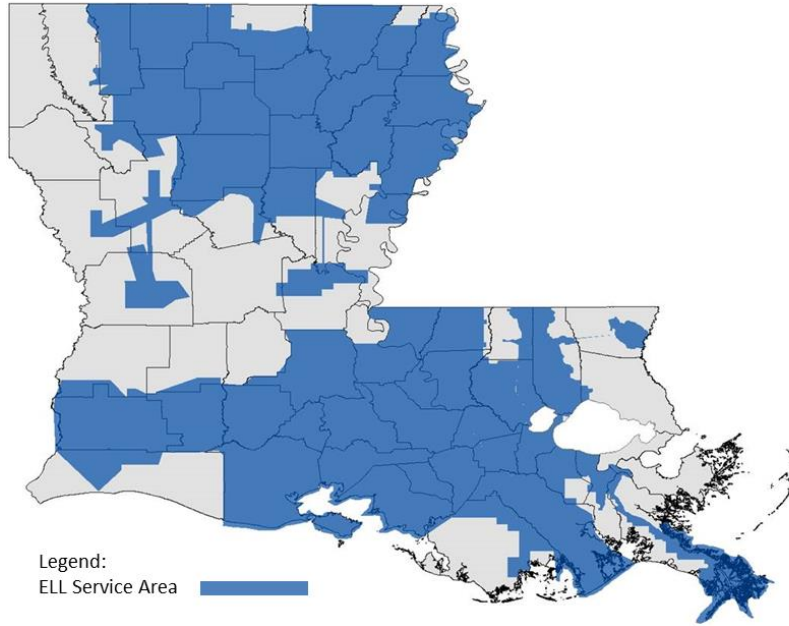
##### **1.2. Entergy Louisiana**

ELL provides electric service to more than one million customers and natural gas service to nearly 93,000 customers in the greater Baton Rouge, Louisiana, area. Through this RFP, ESI is seeking potentially cost-effective renewable resources that can provide energy, fuel diversity, and environmental and other benefits to ELL customers. Purchases made by ELL pursuant to a Definitive Agreement entered into as a result of this RFP would be for the benefit of ELL’s customers.

A map of ELL’s service area follows:

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.

**Main Body**

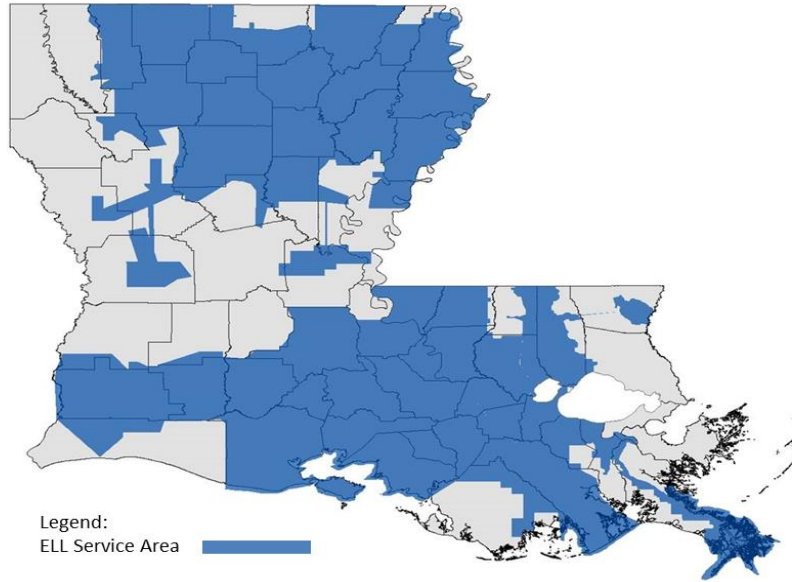


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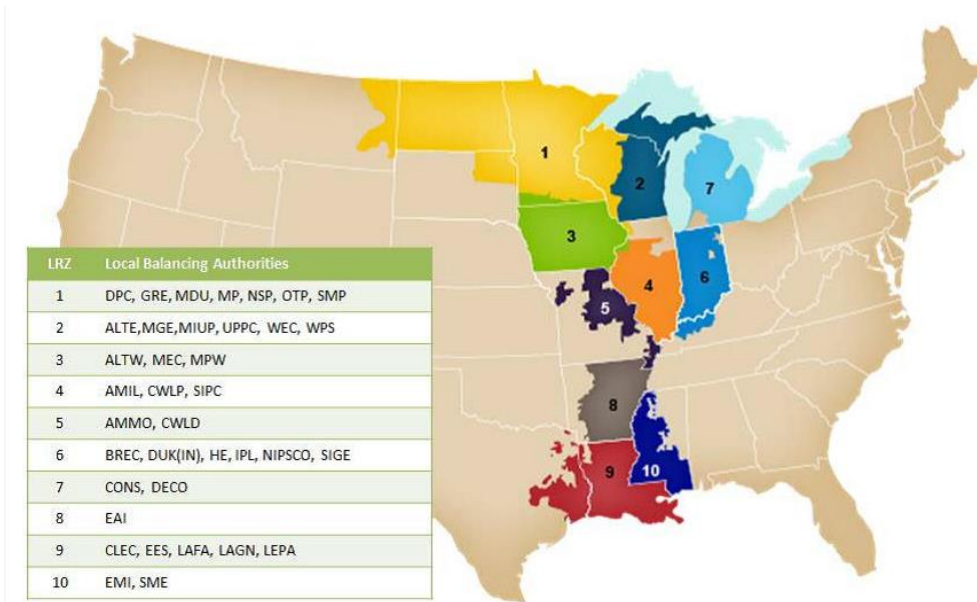


As discussed later in this Main Body, physical deliveries of power under a Definitive Agreement entered into pursuant to this RFP must be to MISO (resources directly interconnected to the MISO System) or the “MISO South” portion of the MISO System (LRZ 8, 9, and 10 collectively in the following map) (resources not directly interconnected to the MISO System).

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### 1.3. RFP Documents

This RFP consists of a Main Body and eight appendices. Among other things, the Main Body (i) offers general information about this RFP, (ii) describes the purpose and drivers of this RFP, the Product type and certain Product features that ESI seeks from Bidders, and high-level considerations for Bidders, (iii) includes a milestone schedule for this RFP, (iv) sets forth terms governing the registration of Bidders, the registration, preparation and submission of proposals, and RFP-related communications with ESI, and (v) provides an overview of the process for evaluating and selecting proposals submitted in response to this RFP ~~and resource selection~~.

Appendix A to this RFP is a glossary of certain capitalized terms used in this RFP. A capitalized term used but not defined in the Main Body will have the meaning ascribed to such term in Appendix A, except to the extent the context otherwise requires.

Appendix B is a Term Sheet for power purchase agreements (“PPAs”) that may be entered into pursuant to this RFP. The Term Sheet is discussed in more detail in Section 2.2.2 below.

Appendix C-1 contains questions and requests for information or material that Bidders will be required to answer or provide in connection with any proposal submitted into this RFP that is based on a Developmental Resource. Appendix C-2 contains questions and requests for information or material for any proposal submitted into this RFP that is based on an Existing Resource.

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Appendix D describes the Minimum Requirements for Developmental Resources that Bidders must satisfy ~~for Bidder~~ to submit a conforming proposal for a Developmental Resource into this RFP and addresses certain potential consequences of a failure to meet those requirements. Appendix D is not an exhaustive list of this RFP's requirements for conforming proposals for Developmental Resources; other terms of the RFP documents specify additional proposal requirements.

Appendix E contains an express reservation of ESI's rights in ~~connection with~~ this RFP; warranty, liability, and contract acceptance disclaimers; terms addressing the disclosure of RFP-related information by ELL, ESI, and Bidders in this RFP, Bidder's responsibility for RFP-related costs, and regulatory approvals; and Bidder's deemed acceptance of the rights and terms contained in Appendix E and ESI's reliance upon such acceptance.

Appendix F generally describes the process by which the Credit Evaluation Team will analyze Bidder's credit quality and Bidder's proposal(s) to assess potential credit risks and to establish collateral requirements for proposals selected for the Primary Selection List or the Secondary Selection List. In addition, Appendix F (along with Appendix D) addresses credit postings that may be required in the event a proposal based on a Developmental Resource does not satisfy the Minimum Requirements for Developmental Resources.

Appendix G provides information on the protocols ESI has established to ensure that (i) the RFP process will be impartial and objective, (ii) Bidders' commercially-sensitive information will be protected, (iii) all proposals will be treated in a consistent fashion, and (iv) no proposal from any particular Bidder will receive undue preference.

Bidders are responsible for familiarizing themselves with and being fully aware of the terms of this RFP, including the terms of each Appendix and the questions and answers and other information posted on the 2016 ELL Renewables RFP Website. ~~The versions of the Main Body and the Appendices dated March 24, 2016, are draft documents and remain under internal review and subject to change. Changes to the draft documents could be material and could be voluminous. As more fully described in Sections 4.1 and 6.2 below, ESI invites Bidders and other interested Persons to submit questions and comments about these draft documents. Please see Sections 3.1 and 4.1 below for additional information.~~

### 1.4. 2016 ELL Renewables RFP Website

The official website for this RFP is <https://spofossil.entergy.com/ENTRFP/SEND/2016ELLRenewableRFP/Index.htm> (the "2016 ELL Renewables RFP Website"). This RFP and related material and information are posted on the 2016 ELL Renewables RFP Website and available for review. The 2016 ELL Renewables RFP Website will be updated from time to time with additional material and information concerning this RFP. Interested Persons are responsible for monitoring the 2016 ELL Renewables RFP Website to ensure the timely receipt of information about this RFP.

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### 1.5. RFP Administrator

ESI has designated an “**RFP Administrator**” for this RFP. The RFP Administrator’s responsibilities include (i) acting as a liaison between the participants in this RFP and ESI on all RFP-related matters, (ii) ensuring that Bidder questions ESI receives are addressed in an appropriate manner, (iii) receiving, recording, and maintaining Bidder proposals, and (iv) managing other administrative matters relating to this RFP. The RFP Administrator is also a member of the “**RFP Administration Team.**” The full set of the RFP Administrator’s duties, and the role of the RFP Administration Team, are set forth in Appendix G.

The RFP Administrator for this RFP is Ms. Misty Harris. The contact information for the RFP Administrator is:

Ms. Misty Harris  
RFP Administrator  
Entergy Services, Inc.  
Parkwood II Building  
10055 Grogans Mill Road, Suite 300  
The Woodlands, TX 77380  
Email: [esirfp2@entergy.com](mailto:esirfp2@entergy.com)

As detailed in Section 6.1 below, all questions, requests, and other inquiries or communications from Bidders to ESI about this RFP must be directed in writing or via email to the RFP Administrator, except for communications made via the RFP Hotline (which often will be staffed by the RFP Administrator), as discussed in Section 4.54 below.

### 1.6. Louisiana Public Service Commission Staff

The Louisiana Public Service Commission (“**LPSC**”) has assigned Staff to consult on various aspects of this RFP during its development and implementation. Bidders wishing to communicate with LPSC Staff about this RFP should use the following contact information:

Ms. Melanie Verzwylvelt  
Staff Attorney  
Louisiana Public Service Commission  
P.O. Box 91154  
Baton Rouge, Louisiana 70821-9154  
Email: [Melanie.Verzwylvelt@LA.GOV](mailto:Melanie.Verzwylvelt@LA.GOV)

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### 1.7. Eligible Participants

ESI invites proposals from all potential suppliers capable of meeting the conditions and requirements identified in this RFP (the “**Eligible Participants**”), including other electric utilities, marketers, wholesale generators, electric cooperatives, independent power producers, and QFs. Proposals from QFs will not be provided any preference in this RFP solely by virtue of their QF status. Entergy Competitive Affiliates are ineligible to participate in this RFP. ELL will not be offering a self-build renewable resource as an alternative in this RFP. A “Bidder” may consist of more than one entity. For additional information concerning multi-party Bidders, please see Section 6.7 below. Otherwise Eligible Participants that do not comply with the terms, conditions, and requirements of this RFP may be determined by ESI to be ineligible to continue to participate in this RFP. To be an Eligible Participant, at the time it submits its proposal(s) in this RFP, Bidder must have the necessary licenses and other authorizations under applicable rules, regulations, and other laws to make such submissions, including any proposal involving the construction of a Developmental Resource.

### 1.8. Eligible Technology

The generation technologies permitted for proposals offered into this RFP are commercially-proven:

- hydrokinetic (limited to run-of-river hydroelectric) technology;
- solar photovoltaic (“**Solar PV**”) technology;
- solar thermal technology; and
- wind technology (collectively, the “**RFP-Eligible Technologies**”).

~~Technologies and methodologies that do not meet the requirements of this RFP, including, without limitation, gas~~ Gas-fired generation, solid fuel, and nuclear technologies, demand-side management, ~~distributed generation, energy storage and~~ energy efficiency technologies, and any other technology or methodology not listed in the above bullet points or ~~that does not meet~~ meeting the requirements of this RFP; are not RFP-Eligible Technologies. Two or more forms of generation technologies (whether in a single facility or separate facilities) may not be combined to create an RFP-Eligible Technology.

### 1.9. Eligible Resources

This RFP is limited to resources that are RFP-Eligible Resources. “**RFP-Eligible Resources**” are generation resources that:

- (i) are Developmental Resources or Existing Resources that either are (a) directly interconnected to the MISO System and that will physically deliver energy and other products contracted for by ELL pursuant to this RFP to the electric interconnection

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point/CP Node for the resource specified by Bidder in the applicable proposal or (b) not directly interconnected to the MISO System and that will physically deliver energy and other products contracted for by ELL pursuant to this RFP to the point in the MISO South portion of the MISO System specified by Bidder in the applicable proposal (either such delivery point, the “**Physical Delivery Point**”), and for which, in either case, financial settlement of such deliveries will be at the CP Node for the Louisiana Load Zone (EES.ELILD) (the “**ELL Load Node**”);

- (ii) will utilize an RFP-Eligible Technology to make available and generate the products contracted to be provided to ELL in any Definitive Agreement arising out of the underlying proposal;
- (iii) will be a single integrated resource ~~[generation resources located at separate facility sites are considered multiple resources and may not be combined to form an RFP-Eligible Resource];<sup>1</sup>~~ and
- (iv) meet the other requirements for generating resources participating in this RFP.

ELL will not be offering a self-build resource as an alternative in this RFP.

**1.10. RFP Scope Summary**

The following table provides a high-level summary of key scoping items for this RFP.

Scope Item	Summary of RFP Treatment
<b>Product Solicited</b>	PPAs (see Section 2.2, Appendix B)
<b>Permitted Start Dates</b>	From June 1, 2018, to June 1, 2020 (see Section 2.2.2, Appendix D); ELL prefers delivery start and termination dates that coincide with the start and termination of MISO planning periods
<b>RFP Capacity Target</b>	Up to 200 MW in the aggregate (see Sections 1.1, 2.1, 2.2)
<b>Proposal Capacity Requirements and Limitations</b>	<ul style="list-style-type: none"> <li>• <u>Minimum contract Capacity for any resource except a Solar PV resource: 20 MW</u></li> <li>• <u>Minimum contract Capacity for a Solar PV resource: 500 kW</u></li> <li>• <u>Maximum contract Capacity for any one resource: 50 MW</u></li> <li>• <u>Maximum aggregate contract Capacity for any one RFP-Eligible Technology: 100 MW</u></li> <li>• <u>Maximum number of Solar PV PPAs: Three (3)</u> (see Sections 2.1, 2.2)</li> </ul>

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<sup>1</sup> Generation resources located at separate facility sites are considered multiple resources and may not be combined to form an RFP-Eligible Resource.

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<b>Eligible Technologies</b>	RFP-Eligible Technologies (see Section 1.8)
<b>Eligible Resources</b>	<ul style="list-style-type: none"> <li>• RFP-Eligible Resources (see Section 1.9); Developmental Resources must meet specified minimum requirements (see Appendix D)</li> <li>• <del>ELL will not be offering a self-build resource as an alternative in this RFP</del></li> </ul>
<b>Resource Location</b>	Not prescribed, but resources located within MISO Local Resource Zone 9 (“ <b>LRZ 9</b> ”) are preferred (see Sections 1.2, 2.4)
<b>Physical Deliveries</b>	<ul style="list-style-type: none"> <li>• Products contracted for purchase from resources not directly interconnected to the MISO System must be physically delivered to the MISO South portion of the MISO System; <del>products</del></li> <li>• <u>Products</u> contracted for purchase from resources directly interconnected to the MISO System must be physically delivered to the electric interconnection point/CP Node for the resource within <u>the MISO South System</u> (see Sections 1.9, 2.4.3)</li> </ul>
<b>Financial Settlement</b>	Products will be financially settled at the ELL Load Node. Seller will be responsible for any basis differential between the Product price at the Physical Delivery Point and the Product price at the ELL Load Node <u>and related costs</u> (see Sections 1.9, 2.4.3)
<b>Delivery Term</b>	<ul style="list-style-type: none"> <li>• Minimum: 10 years (see Section 2.2.2)</li> <li>• Maximum: 20 years (see Section 2.2.2)</li> </ul>

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The preceding table omits several items that are or could be considered key scoping items. The scope of this RFP is established by terms set forth in the entirety of this RFP, including other sections of this Main Body and other RFP documents. The table is not, and should not be construed as, a substitute for the other provisions of this RFP.

## 2. RFP OVERVIEW

### 2.1. RFP Purpose

This RFP seeks up to a total of 200 MW of long-term renewable energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from RFP-Eligible Resources. The solicitation's primary objective ~~of the solicitation~~ is to request competitive proposals for renewable resources that could help ELL meet its long-term generation resource needs and increase the amountdepth and breadth of generation supply within its generation resource portfolio. Satisfying this objective may reduce long-term risk and provide other benefits to ELL's customers.

Portions of this RFP, including, without limitation, the proposal capacity requirements and limitations, are incorporated as a means to enable ELL to promote diversity of resource supply, position ELL to gain experience with different renewables technologies and sellers, limit ELL's

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exposure to a particular counterparty, technology, contract, or resource or a particular risk or set of risks, or achieve other commercial goals that ELL deems appropriate. These elements include, without limitation, a maximum of 50 MW of proposed Capacity for any individual renewable generation resource, a maximum aggregate of 100 MW of proposed Capacity for any single RFP-Eligible Technology, and a maximum of three Solar PV resources placed under contract pursuant to this RFP. For the same reasons, ELL may select proposals out of rank order. Bidders are reminded that, as of the issuance date of this RFP, ELL is not bound by any Renewable Portfolio Standard (RPS) mandating the inclusion of any set or target amount of renewable generation resources in ELL's resource plan.

Proposals offered into this RFP will be evaluated for their ability to achieve ELL's planning objectives and otherwise meet the needs of ELL at the lowest reasonable cost, taking into account, without limitation, reliability, risk mitigation, the terms of this RFP, and other relevant factors. For more extensive treatment of other considerations in the development and evaluation of proposals, please refer to the remainder of this Section 2 and to Section 5 below. Without limiting its rights in Appendix E or ~~stated~~ elsewhere in this RFP, ELL reserves the right to contract for more or less than the target amount stated in this RFP, not to contract for any particular RFP-Eligible Technology, not to contract for any energy and other products pursuant to this RFP, and to exceed any of the maximum contract Capacity limits in this RFP.

### 2.2. Product Solicited and Select Contract Terms/Information

#### 2.2.1. Overview

As noted, through this RFP, ELL is seeking energy, Environmental Attributes, and related products from RFP-Eligible Resources that will reduce ELL's future resource requirements and help satisfy its resource planning objectives. This RFP is soliciting PPA Products only. Proposals for tolling agreements, the acquisition of renewable resources, and other transaction forms are outside the scope of this RFP and will not be accepted. Proposals hereunder may not be contingent on actual interconnection costs, transmission costs, congestion costs, receipt of tax credits or other tax treatment, or any other Bidder's costs or credits, or the acceptance by a third party of a separate power sales or acquisition proposal based on the same resource (or power sales or acquisition agreement between a third party and Bidder or Seller).

The Term Sheet for PPAs is attached as Appendix B. The Term Sheet provides detailed summaries of some of the commercial terms expected to apply to any PPA resulting from this RFP. Select highlights of the PPA Term Sheet are provided later in this Section 2.2.

Bidder is responsible for taking into consideration all terms and conditions included in the Term Sheet when developing and preparing its proposal(s). ELL expects that the terms and conditions summarized in the Term Sheet will be included in any Definitive Agreement executed for a proposal. Bidders are advised to carefully review the Term Sheet. Bidders should be guided by the

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descriptions and terms in the Term Sheet in formulating proposals. Subject to the ~~remainder of this next~~ paragraph, in the event of any inconsistency between a provision in the Term Sheet and any other part of this RFP, including the Main Body, the Term Sheet will control.

From time to time, ESI may clarify, elaborate upon, ~~or~~ adjust the terms or intent of, or provide relevant information concerning provisions of this RFP in response to questions from interested Persons, developments that may affect or require attention in this RFP, ESI perceptions or concerns that terms in this RFP may be incomplete, inaccurate, ~~or~~ ambiguous, or misinterpreted or fail to adequately address risks, rights, or obligations, or for other reasons. To ensure that Bidders have the most current and accurate information concerning this RFP, including the Term Sheet, Bidders should review ESI's responses to questions submitted in this RFP and its other postings on the 2016 ELL Renewables RFP Website ~~to ensure that they have the most current and accurate information concerning this RFP, including the Term Sheet.~~

Bidders not wishing to agree to a term set forth or described in the Term Sheet must identify the specific term to which Bidder takes exception and provide a reasonably complete and detailed explanation of Bidder's position in the "Special Considerations" section of its proposal. Special Considerations will be taken into account in the evaluation of proposals. Special Considerations in which Bidder (i) reserves wholesale rights to make comments on terms or conditions included in a Definitive Agreement, (ii) makes widespread, wholesale, or fundamental changes to material terms or conditions set forth in the applicable Term Sheet, (iii) conditions its ~~bidproposal~~ on the acceptance of material terms or conditions not accepted by ESI in the ordinary course of business or that would materially diminish the value of the resource to ELL or the viability of the proposal, or (iv) takes actions the effect of which would be similar to those resulting from the actions described in clauses (i)-(iii) are not contemplated and may be grounds for elimination from consideration in this RFP. Notwithstanding anything in this RFP to the contrary, ESI's acceptance or selection of a proposal containing exceptions in the Special Considerations section of Bidder's proposal does not mean that ESI or ELL agrees with the exceptions or will agree to or accept the exceptions (or variants of the exceptions) in any negotiation of a Definitive Agreement. ESI and ELL reserve all rights in any negotiation involving the exceptions, including, without limitation, the right not to accept or agree to any of the exceptions (or any variant thereof), the right not to pay Bidder or Seller any incremental amount or consideration if ESI or ELL ~~does~~ not accept or agree to any particular exception, and the right to terminate negotiations if Bidder or Seller requires Bidder or Seller to agree to any particular exception as a condition to continued discussions.

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Several Persons provided comments on and proposed changes to the draft Term Sheet posted on the 2016 ELL Renewables RFP Website on March 24, 2016. ELL determined not to address many of the comments on or incorporate many of the proposed changes to the Term Sheet. ELL's decision does not preclude Bidders from including Special Considerations in their proposals relating to the substance of such comments or proposed changes.

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Each Bidder must have, at the time it submits its proposal(s) in this RFP, the licenses and other authorizations required under applicable rules, regulations, and other laws, including Louisiana R.S. 37:2150-2192, Section 319, to submit such proposal(s).

### 2.2.2 PPA Specifics

In this RFP, the PPAs being sought are for the long-term purchase of unit contingent energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from an RFP-Eligible Resource and related services. Any purchase of energy made pursuant to a PPA arising out of this RFP will also include any and all Capacity, capacity-related benefits (such as Capacity Credits), Other Electric Products, and Environmental Attributes associated with such energy or Capacity, the proposed resource, or the Transaction. Bidders are encouraged to review the Term Sheet for terms and conditions applicable to the products and services to be provided to and acquired by ELL under the Definitive Agreement.

### ~~2.2.2 PPA Specifics~~

~~In this RFP, the PPAs being sought are for the long-term purchase of unit contingent energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from an RFP-Eligible Resource and related services.~~ ESI will consider proposals for “financial” PPA structures (such as a PPA providing for settlement with MISO for energy and ancillary service products via financial schedules submitted to MISO, as indicated in Appendix B).

ESI will accept for evaluation PPA proposals ~~that offer offering~~ less than the entire Capacity of the generation resource (whether the resource is an Existing Resource or a Developmental Resource) and ~~meet meeting~~ the requirements for participation in this RFP. Any proposal for a PPA submitted into this RFP must be for a resource that has or will have interconnection, metering, generating, compliance, communications, permitting, and other attributes required or appropriate to support registration and, operation, and offers, schedules, and settlements of products under the PPA in MISO and/or the applicable Balancing Authority, in accordance with applicable MISO or Balancing Authority requirements and laws, as a reliable intermittent independent generating resource, and the requirements of this RFP.

PPA pricing will be based on an energy rate (expressed in \$/MWh), which will be either fixed for the entire Delivery Term or defined annually (expected to be as proposed by Bidder). The energy rate will be subject to temporary reductions if ~~certain specified~~ annual excess delivery ~~standards thresholds~~ have been reached.

A proposal’s pricing must reflect an “all-in” energy price (including ~~any all~~ related fees and expenses) that ELL would pay to Seller for all aspects related to, and products associated with, the provision, generation, and delivery to ELL of energy, Environmental Attributes, Capacity, capacity-

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related benefits, and Other Electric Products and Seller's performance and risks under the PPA. Pricing should take into account any tax credits and tax benefits associated with the resource.

The following highlights a few basic commercial terms for PPAs sought by this RFP:

- ~~Deliverability~~Delivery Requirements – PPAs will include guaranteed annual energy delivery minimums entitling ELL to liquidated damages if the minimums are not met and ~~termination rights for ELL to terminate the PPA~~ for specified failures to meet energy delivery minimums over any two (2) consecutive contract years or any three (3) contract years (whether or not consecutive). See Appendix B for additional details. Physical deliveries and financial settlements will be as described in Sections 1.9 above and 2.4.3 below.
- *Delivery Term* – The Delivery Term for PPAs will be a minimum of ten (10) and a maximum of twenty (20) consecutive years. The Delivery Term is expected to be based upon the Delivery Term specified in the proposal giving rise to the PPA. If the Delivery Term would expire on a date that is not the end of the planning period recognized by the applicable Balancing Authority (May 31 under the current MISO Rules), ELL will have an option exercisable at no cost to ELL to extend the Delivery Term on the same commercial terms so that it terminates at the end of such planning period.
- *Delivery Term Commencement* – The guaranteed Delivery Term commencement date for any PPA arising out of this RFP must be a date ranging from June 1, 2018, to June 1, 2020. Buyer prefers that the Delivery Term start at the beginning of the planning period recognized by the applicable Balancing Authority (June 1 under the current MISO Rules). The guaranteed Delivery Term commencement date is expected to be based upon the guaranteed Delivery Term commencement date specified in the proposal giving rise to such PPA. For proposals predicated on a Developmental Resource, Bidder may be subject to delay damages (which may include damages for Buyer's loss of Capacity Credits) and "buy-down" damages and a potential re-sizing of the PPA and/or, for extended delays, contract termination and a termination payment if the actual commercial operation date is later than the guaranteed commercial operation date.
- *Contract Capacity* – The amount of contract Capacity in any PPA is expected to be based upon the contract Capacity specified in the proposal giving rise to the PPA. The amount of generating Capacity allocated to Buyer under any PPA arising out of this RFP will be no less than 20 MW for all resources except those based on Solar PV technology, which will have a minimum contract Capacity allocation requirement of 500 kW. This RFP limits the PPA contract Capacity that may be obtained from any individual resource to 50 MW and from any one form of RFP-Eligible Technology to 100 MW.

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- *Conditions Precedent* – Any PPA arising out of this RFP will include numerous conditions precedent to commencement of the Delivery Term, including a condition for the benefit of ELL that ELL has obtained regulatory approvals and regulatory treatment on terms and conditions satisfactory to ELL in its sole and absolute discretion.
- *Delivery/Receipt Commitment* – Subject to certain conditions to be set forth in a Definitive Agreement, including, without limitation, ELL’s right to curtail energy and force majeure, 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 Physical Delivery Point. As part of its delivery commitment, Seller will waive any and all QF put rights with respect to the Capacity contracted to Buyer under the PPA.
- *Liability Transfer* – ESI will not accept the risk that any long-term liability will or may be recognized on the books of ELL (or any of its Affiliates) in connection with any PPA entered into pursuant to this RFP, whether the long-term liability is due to lease accounting, the accounting for a variable interest entity or derivatives, or any other applicable accounting standard or requirement.

The foregoing is not intended, and should not be construed, as an exhaustive listing of important commercial terms for any PPA arising out of this RFP. Please refer to Appendix B for a more detailed summary of select PPAs/PPA terms and to Sections 1.7 through 1.10 above, Sections 2.3 through 2.6 below, and Appendix D for certain other commercial provisions or considerations relevant to PPA Products.

### 2.3. RFP Proposal Requirements

Subject to the other terms of this RFP, ESI will consider only proposals submitted in accordance with and meeting the requirements of Section 4 below. In addition to those proposal submission requirements, proposals under this RFP are required to satisfy, and will be reviewed early in the RFP evaluation process for compliance with, the prerequisites specified in this Section 2.3 (“(collectively, the “Threshold Requirements”)). Any proposal not meeting the Threshold Requirements will be considered non-conforming and may be eliminated from further consideration in this RFP by ESI. The Threshold Requirements include the Economic Assessment Threshold Requirements, the Viability Assessment Threshold Requirements, the Accounting Assessment Threshold Requirements, and the Credit Assessment Threshold Requirements, each as described below.

#### 2.3.1. Economic Assessment Threshold Requirements

The following Threshold Requirements are the **“Economic Assessment Threshold Requirements”**:

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- Pricing offered in a proposal must be energy-only and be reasonably competitive, in ESI's judgment, with market prices for PPAs for long-term renewable resources and other proposals offered into the RFP based on the same type of RFP-Eligible Technology.

### 2.3.2. Viability Assessment Threshold Requirements

The following Threshold Requirements are the “**Viability Assessment Threshold Requirements**”:

- The resource supporting Bidder's proposal must be an RFP-Eligible Resource, and Bidder must provide evidence satisfactory to ESI demonstrating that the proposed resource is an RFP-Eligible Resource.
- Bidder must be an Eligible Participant.
- For Developmental Resources, Bidders must meet the applicable Minimum Requirements for Developmental Resources set forth in Appendix D; and the requirements of Section 2.6 below. Without limiting ESI's rights under Appendix D or E, ESI may allow variances from the Minimum Requirements for Developmental Resources.
- For Developmental Resources, the resource must be free of fatal design flaws and/or non-standard operational or permitting restrictions that would reasonably be expected to prevent it from meeting the requirements of this RFP, including, without limitation, Section 2.6 below and the applicable minimum requirements listed in Appendix D.
- The proposed Delivery Term must be no less than ten (10) consecutive years and no more than twenty (20) consecutive years and must be proposed to start no earlier than June 1, 2018, and no later than June 1, 2020.
- A proposal must offer at least 20 MW of contract Capacity for any RFP-Eligible Technology other than Solar PV technology and at least 500 kW of contract Capacity if the RFP-Eligible Technology offered in the proposal is Solar PV. The maximum contract Capacity for any resource offered in a PPA proposal is 50 MW.
- For Developmental Resources, Bidders offering a proposal must provide historical hourly generation profile and explain how it was derived. The profile should be based upon data, to the extent available, for a period of at least two (2) or more recent years using established, reliable, and accurate data measurement equipment at or near the site of the proposed resource— and/or a third party assessment study. (Bidders should provide this information in the appropriate fields in the Proposal Submission Template posted on the 2016 ELL Renewables RFP WebsiteRFP Website.) For Existing Resources, Bidders should provide the projections and historical data information required by Section 6.5 of Appendix C-2.

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- The proposed resource must be eligible to qualify as a Long-Term Network Resource of ELL under the MISO Tariff.
- The proposed resource must be capable of providing the offered amount of energy, Capacity, and Other Electric Products to ~~Buyer to~~ELL at the Physical Delivery Point.
- Bidders must provide the interconnection, deliverability, and transmission service documentation for their proposals to the RFP Administrator or as part of their Proposal Packages in accordance with the applicable requirements of Sections 2.4.1 and 2.4.2 of this RFP.

### 2.3.3. Accounting Assessment Threshold Requirements

The following Threshold Requirements are the “**Accounting Assessment Threshold Requirements**”:

- Bidder must include in the Proposal Package the accounting certification required under, and prepared, executed, and submitted in accordance with the requirements of, Section 5.1.4 below.

### 2.3.4. Credit Assessment Threshold Requirements

The following Threshold Requirements are the “**Credit Assessment Threshold Requirements**”:

- Bidder must provide the most recent Published Credit Rating of Bidder or, if different from Bidder, Seller (from S&P and Moody’s), to the extent such a rating exists.
- Bidder must provide the annual audited financial statements (and accompanying notes) for the past two (2) years and the current-year reviewed quarterly financial statements (and accompanying notes) of Bidder or, if different from Bidder, Seller.
- If Bidder proposes that a Person serve as a Credit Support Provider for Bidder’s proposal, each of the two previous Threshold Requirements will apply to such Credit Support Provider. Bidder must extract and submit as separate documents by the Proposal Submission Deadline all financial data and information of Bidder, Credit Support Provider, or both (as applicable) that is consolidated with financial data or information of another Person and required under this Section 2.3.4.

Please see Section 5.1 below for additional information on the Threshold Requirements, including the evaluation of proposals for satisfaction of the requirements.

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### 2.4. Interconnection and Energy Deliverability Considerations

~~RFP Eligible Resources located outside or inside the MISO System may be offered into this RFP. ELL generally prefers resources located and interconnected to the MISO System within LRZ 9.~~ This Section 2.4 identifies and addresses certain interconnection and deliverability issues or requirements that Bidders should consider as they prepare a proposal for this RFP. ELL generally prefers resources located and interconnected to the MISO System within LRZ 9, but RFP-Eligible Resources located outside or inside the MISO System may be offered into this RFP.

#### 2.4.1. Required Interconnection, Deliverability, and Transmission Service

Seller will be required, under the terms of the applicable Definitive Agreement, to have obtained for the proposed resource, prior to the commencement of the Delivery Term, interconnection, deliverability, and firm transmission service ~~for the proposed resource~~ to the Physical Delivery Point and taken the actions necessary or advisable to permit recognition or qualification of or qualify (as ELL directs) the resource as a Long-Term Network Resource of ELL in MISO.

As a general rule, Seller will be required to deliver contract energy from the resource to the Physical Delivery Point at a transmission voltage level (69 kV or higher). ESI, in its discretion, may elect to evaluate in the RFP proposals for Solar PV projects that would interconnect to the grid at a distribution voltage level (lower than 69 kV). Factors that ESI expects to consider, in its discretion, in determining whether to evaluate any such proposal include, among other relevant factors, whether the quality, reliability, or availability of service to ELL's customers or public safety would be diminished, impaired, or adversely affected as a result of the interconnection at a distribution level. Proposals for resources that interconnect to the electric grid "behind the meter" and proposals contemplating "net metering" billing arrangements will not be considered in this RFP.

For Existing Resources that are, or Developmental Resources that will be, directly interconnected to the MISO System, the Definitive Agreement will require Seller to have obtained ERIS and NRIS (or, in the event that either MISO changes its interconnection rules or service options such that ERIS or NRIS, or ERIS or NRIS as contemplated by this RFP, is no longer available or MISO is no longer an applicable Balancing Authority, the equivalent interconnection and deliverability/transmission service). The amount of ERIS that Seller will be required to have obtained is at least the amount of the ~~capacity installed~~ Capacity of the Facility. The amount of NRIS that Seller will be required to have obtained is at least the Minimum Required NRIS Quantity. The "Minimum Required NRIS Quantity" is (i) for proposals offering the full amount of the Capacity of the resource, the quantity of NRIS that is sufficient to allow the resource to be eligible to receive throughout the Delivery Term the maximum Capacity Credits a resource of its Capacity size can receive under the MISO Rules, and (ii) for proposals offering less than the full amount of the Capacity of the resource, the quantity of NRIS that can and will be allocated and prioritized such that the NRIS level associated with the resource's Capacity under contract to Buyer cannot limit the

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amount of MISO Capacity Credits that Buyer would receive for any planning period during the Delivery Term. Accordingly, if a proposal is based on an Existing Resource that is directly interconnected to the MISO System and does not have, or that MISO has not conditionally granted, at least the **Minimum** Required NRIS Quantity (an “**IS-Deficient Existing Resource**”), Bidder, Seller, or a third party acting on its or their behalf will be required to request from MISO, through a generator interconnection service application or other means required by or acceptable to MISO, at least the amount of NRIS necessary for the Existing Resource to obtain the **Minimum** Required NRIS Quantity.

For Existing Resources that are not, or Developmental Resources that will not be, directly interconnected to the MISO System (“**External Resources**”), the Definitive Agreement will require Seller to have obtained both interconnection service and firm deliverability/transmission service from the applicable resource to the Physical Delivery Point in amount(s) sufficient to enable Seller to deliver at least the maximum amount of contract energy that Seller may deliver to the Physical Delivery Point under the Definitive Agreement as proposed by Bidder or permitted under the Definitive Agreement (the “**Minimum Required External Interconnection and Deliverability Service**”).

For proposals based on a resource that has, or has been conditionally granted, the **Minimum** Required NRIS Quantity of NRIS or the **Minimum** Required External Interconnection and Deliverability Service, as applicable, Bidder, Seller, or a third party acting on its or their behalf will be required to maintain the **Minimum** Required NRIS Quantity or the **Minimum** Required External Interconnection and Deliverability Service, as applicable, for the resource or to take the actions required to preserve or satisfy the conditions set forth in the conditional grant.

ELL expects to seek to qualify any resource selected from this RFP as a ~~firm designated network resource~~ Long-Term Network Resource of ELL in MISO for the Delivery Term. The Definitive Agreement will require Seller, subject to ELL’s directions to the contrary, to take all actions necessary or advisable to cause the resource to be qualified and/or recognized in MISO for the Delivery Term as a ~~firm designated network resource~~ Long-Term Network Resource of ELL, with full network integration transmission service, and to cause ELL to be eligible for and receive all transmission rights and entitlements associated with the contract Capacity of the resource, including, without limitation, auction revenue rights and financial transmission rights.

### 2.4.2. Interconnection Service Applications

Under the current MISO Rules, the receipt of interconnection service from MISO, including, without limitation, ERIS and NRIS, requires the submission to MISO of a generator interconnection application under the applicable generator interconnection process. For a proposal based on a Developmental Resource that will be interconnected directly to the MISO System or an IS-Deficient Existing Resource interconnected directly to the MISO System, the generator interconnection application supporting such proposal must request at least the amount of NRIS necessary for the resource to obtain the **Minimum** Required NRIS Quantity and must be submitted to MISO on or

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before ~~May 9~~ July 11, 2016. Bidder must provide a complete and accurate copy of the submitted MISO interconnection service application as part of its Proposal Package. ~~The~~ Among other things, the submitted MISO application service must identify the location of the proposed Developmental Resource or IS-Deficient Existing Resource, the Balancing Authority substation to which the proposed Developmental Resource or IS-Deficient Resource would be interconnected, and the Electric Interconnection Point. It must also request at least the amount of NRIS necessary for the resource to ~~have~~ receive the Minimum Required NRIS Quantity.

For External Resources that are Developmental Resources or are Existing Resources that do not have the interconnection service necessary ~~for~~ to receive the Minimum Required External Interconnection and Deliverability Service, Bidder must initiate the process and complete and submit to the applicable Balancing Authority the appropriate application(s), including the required supporting information, to receive such service. Bidder must provide as part of its Proposal Package a complete and accurate copy of each such application.

For Bidders offering ~~energy from a proposal backed by~~ a Developmental Resource, an External Resource, or an IS-Deficient Existing Resource, it is not necessary for Bidder to have received the results of the interconnection or deliverability/transmission service study or executed an electric interconnection or deliverability/transmission service agreement in order to submit a proposal. Except to the extent ESI otherwise agrees in writing, any interconnection service or deliverability/transmission service application supporting a proposal will be required to remain in the queue for interconnection service or deliverability/transmission service until the proposal is eliminated from this RFP or the interconnection service or deliverability/transmission service, as the case may be, required by this RFP is obtained or conditionally granted. If a resource proposed by a Bidder in this RFP does not remain in the queue to obtain the required service or loses the right to obtain or receive such service during the pendency of this RFP, Bidder must promptly notify the RFP Administrator, and any Bidder proposal backed by such resource will be subject to elimination. Bidders should bear in mind that the generator interconnection and transmission/deliverability processes utilized by MISO and other Balancing Authorities operate on timelines and contain requirements that are independent of this RFP and may necessitate the expenditure of costs by Bidders for their proposed resources to remain in the queue.

### 2.4.3. Product Deliveries and Financial Settlement

For any PPA arising out of this RFP, Seller will be required to make available contract Capacity and deliver contract energy and Other Electric Products at the Physical Delivery Point. The financial settlement of contract energy and ~~any~~ Other Electric ~~Products~~ Product provided by Seller under the PPA will reflect the basis differential, if any, ~~for energy or Other Electric Product~~ between the CP Node at the applicable Physical Delivery Point and the ELL Load Node ~~at~~ in the applicable market (e.g., day-ahead or real-time-of-delivery) and related deliverability, loss, and congestion costs (plus if the applicable generation resource is an External Resource, any “into,” “through,” or similar charges or costs). In addition, with respect to each capacity-related benefit (e.g., Capacity Credits)

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provided to ELL under the PPA, from any such resource, the benefit will reflect the basis differential price difference, if any, between for the benefit in the Local Resource Zone (or comparable region) ~~to~~ in which the Physical Delivery Point is located and ~~the benefit in~~ the Local Resource Zone (or comparable region) in which ELL's service territory is located and related costs.

### 2.4.4. Scope of Responsibility

Subject to the following paragraph, Seller will be responsible for, and bear the full costs and risks of, the arrangement, procurement, receipt, and maintenance ~~(prior to and throughout the Delivery Term)~~ of the interconnection, deliverability, and transmission service required by this RFP or otherwise sought or obtained by or for Seller, including, without limitation, (i) the electric interconnection of the Facility resource to the host utility and the establishment of, ~~and the injection of energy and Other Electric Products at~~, the Electric Interconnection Point, (ii) the procurement of service for and the transfer and delivery of Capacity, energy, and Other Electric Products to the Physical Delivery Point, and (iii) the financial settlement of energy and Other Electric Products at the ELL Load Node. ~~Without limiting the foregoing, Seller will bear (a) all related interconnection, deliverability, or transmission request, application, study, registration, and comparable fees, charges, or costs, (b) all upgrade, improvement, and other fees, charges, and costs arising out of the requested interconnection, deliverability, or transmission service, except to the extent expressly stated to be the exclusive responsibility and cost of the host utility or an applicable transmission provider, transmission owner, or Balancing Authority under the applicable tariffs, rules, regulations, or requirements of, or generator interconnection or other agreements with, the host utility or such transmission provider, transmission owner, or Balancing Authority, (c) all fees, charges, and costs to receive interconnection, deliverability, transmission, and financial settlement service, (d) all transformer, line, energy, capacity, and other losses or costs related to the interconnection, deliverability, transmission, or financial settlement service with respect to the Facility (including, without limitation, any basis differential and associated costs between the Physical Delivery Point and the ELL Load Node), and (e) all costs assigned or allocated to Seller or to a financially settling party under the applicable tariffs, rules, regulations, or requirements of, or agreements with, the host utility, transmission provider, transmission owner, or any applicable Balancing Authority. The costs for which Seller will be responsible will include, among others, the costs of upgrades and improvements assigned to Seller under the applicable interconnection, deliverability, or transmission agreement with MISO, the transmission owner, or Balancing Authority and applicable transformer and line losses. As with other Bidder costs~~, Bidder will be responsible for reflecting these costs in Bidder's proposed pricing.

Subject to certain limitations, throughout the ~~term~~ Delivery Term of any Definitive Agreement, ELL will have the right to determine from time to time whether ELL (or a designee) or Seller will serve as the "market participant" for the generation resource before MISO, ~~and how the resource will be registered with MISO~~. If ELL directs that the proposed resource be registered with MISO as a Capacity Resource, ELL currently expects that it will require Seller to serve as the market participant for the resource. As the market participant for such resource, Seller would be

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~~responsible for submitting~~ financial schedules ~~would be submitted~~ to MISO for deliveries of energy and Other Electric Products from the resource under the Definitive Agreement. Without limiting the terms of the previous paragraph, Seller will be responsible for and bear any and all costs and risks associated with financially scheduling energy and Other Electric Products, including, without limitation, electric losses, MISO fees, charges, and other costs related thereto (e.g., financial scheduling fees, administrative costs, transaction charges). ~~For this RFP, ELL currently prefers that Seller initially serve as the market participant for a resource providing products to ELL under a PPA arising out of~~ If ELL directs that the proposed resource be registered with MISO other than as a Capacity Resource (e.g., as a Load Modifying Resource), ELL currently expects that ELL would serve as the market participant for the resource. In such event, Seller will be required to cooperate with ELL to ensure that the registration and any qualification of the resource in MISO consistent with ELL's directions (e.g., as a Load Modifying Resource) is made in accordance with MISO Rules and ELL's reasonable requirements, including, without limitation, with regard to generator availability forecasting. Please see Appendix B for additional information regarding Seller's responsibilities and obligations if Seller is the market participant for a contracted resource under this RFP.

### 2.5. Cost Recovery

In PPAs arising out of this RFP, Sellers will be required to absorb the risks of the possible disallowance, disapproval, or denial of recovery by the LPSC and/or other Governmental Authorities of ELL costs incurred in connection with a PPA arising out of this RFP (“**Cost Recovery Risks**”), excluding certain limited Cost Recovery Risks that will remain with ELL (“**ELL-Allocated Cost Recovery Risks**”). ELL-Allocated Cost Recovery Risks include (i) costs incurred by ELL in connection with the applicable PPA for which recovery was expressly disallowed, disapproved, or denied by the LPSC in its final order approving the PPA as in the public interest and prudent, provided ELL accepted the order as satisfying the LPSC regulatory approval condition to commencement of the PPA Delivery Term, and (ii) costs incurred by ELL in connection with the applicable PPA due exclusively to the active fault of ELL. Cost Recovery Risks expected to be borne by Sellers include, without limitation, unrecovered costs to replace capacity ~~and~~ energy, Environmental Attributes, and other products not provided to ELL by Seller under the applicable PPA. ELL is willing to consider (but is under no obligation to accept) Special Considerations or proposals from Bidders that propose with specificity a different treatment or apportionment between ELL and Seller of Cost Recovery Risks and provide supporting rationale. Any proposed treatment of Cost Recovery Risks that would allocate all or substantially all Cost Recovery Risks to ELL is not contemplated.

### 2.6. Design and Operating Considerations

ESI requires that any Developmental Resource offered into this RFP meet the project criteria established in this RFP ~~and, including~~ in Appendix D. Bidders should be prepared to submit a comprehensive response to the due diligence requests for information for Developmental Resources (Appendix C-1) and Existing Resources (Appendix C-2) on a proposed resource's ability to meet the

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requirements for such resource in this RFP. Responses will be part of the quantitative and qualitative evaluation of proposals submitted in response to this RFP.

### 3. RFP SCHEDULE

#### 3.1. Schedule

The RFP Schedule is critical for Bidders interested in participating in this RFP. The RFP Schedule in the table below sets out milestone events and dates for this RFP. RFP Schedule milestone events and dates are subject to change. Notice of any change to the then-current RFP Schedule will be posted on the 2016 ELL Renewables RFP Website.

Milestone	Scheduled or Target Date
<del>Final Date for Bidder Notice of Registration to attend Technical Conference and Bidders Conference</del>	<del>April 27, 2016</del>
<del>Technical Conference and Bidders Conference</del>	<del>Early May 2016</del>
<del>Final Date for Completion and Submission of Required Interconnection Application to MISO</del>	<del>May 9, 2016</del>
<del>Comments to Draft RFP Documents Due</del>	<del>May 25, 2016</del>
Final RFP Documents Issued	June 8, 2016
Bidder Registration Period	June 27-30, 2016
<del>Final Date for Completion and Submission of Required Interconnection Application to MISO</del>	<del>July 11, 2016</del>
Final Date for Proposal Fee Payment	July 12, 2016
Proposal Submission Period	August 1-4, 2016
Primary/Secondary Selection Lists Announced	December 2016
Comprehensive Negotiations and Due Diligence Begin	December 2016
Bidders Remaining on Secondary Selection List Released from Proposals	March 2017
Definitive Agreements Executed	June 2017
Regulatory Approval Process Complete	June 2018

Bidders may offer a proposal with a proposed Delivery Term start date prior to June 2018, but are advised that the tentative milestone dates for completion of Definitive Agreements and the regulatory approval process do not support the timing of such a proposal. The actual dates for execution of the Definitive Agreements and the conclusion of the regulatory approval process could be sooner or later than the dates indicated above.

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### 3.2. Modifications of RFP Schedule

Without limiting the generality of Appendix E, ESI reserves the right to withdraw, suspend, cancel, or terminate this RFP, or to modify any term of this RFP, including, without limitation, any term concerning the RFP Schedule (including any milestone or milestone date), at any time in its sole discretion. ESI will endeavor to notify all participants who have completed Bidder Registration of any such withdrawal, suspension, cancellation, termination, or modification made prior to the Proposal Submission Deadline and to post notice of any such action on the 2016 ELL Renewables RFP Website.

## 4. RFP MILESTONES AND PROCESSES: RFP ISSUANCE THROUGH PROPOSAL SUBMISSION

### 4.1. ~~Final RFP Issuance~~

~~The RFP documents dated March 24, 2016, are drafts and remain under internal review. They are being circulated in draft form to allow interested Persons an opportunity to consider and comment on the drafts. Comments are encouraged, particularly from potential Bidders and interested Governmental Authorities. ESI will accept written feedback on the RFP documents beginning March 24, 2016. The deadline for delivering comments, under the current RFP Schedule, is May 25, 2016. ESI desires to receive all comments on the draft RFP documents by the comment deadline in order to have sufficient time to process and develop a final view on all such comments, and make any necessary language adjustments, by the date scheduled for publication of the final RFP documents. All comments should be directed to the RFP Administrator, as contemplated by Section 6.1 below. ESI is under and assumes no obligation to change any term of any RFP document in response to any comment submitted by any prospective Bidder or other Person.~~

~~ESI will consider input received from potential Bidders, Governmental Authorities, other interested Persons, and, as part of their ongoing review of the RFP documents, employees and representatives of ESI and ELL and will issue the final RFP documents after the Technical Conference and the Bidders Conference. ESI will make those modifications to the draft RFP documentation that it, in its sole discretion, determines will enhance or improve this RFP or are otherwise appropriate. Changes to the initial drafts may or may not be material to this RFP. ESI expects to post the final RFP documents to the 2016 ELL Renewables RFP Website on or about June 8, 2016 (under the current RFP Schedule). Although ESI does not anticipate changing the content of the RFP documents after the final versions are posted, it reserves the right, as permitted in Appendices E and G, to make such changes.~~

### 4.2.4.1. ~~Technical and Bidders Conferences~~

The LPSC Staff ~~has announced its intention to host~~hosted a technical conference/webcast for this RFP (“**Technical Conference**”) ~~in early on~~ May 12, 2016. Immediately following the Technical Conference, ESI ~~plans to host~~hosted a conference/webcast for potential Bidders in this RFP and other

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stakeholders (“**Bidders Conference**”). The conferences/webcasts ~~will be designed to give~~ gave participants a high-level overview of, and other information concerning, this RFP and related processes and ~~will be~~ were open to all interested Persons. ESI personnel ~~will be~~ were available at the conferences to answer questions about ~~the RFP Schedule, the Bidder Registration Process, the Proposal Submission Process, the evaluation process, technical RFP issues, and proposed Transaction terms and conditions, and to respond to other requests for information about~~ this RFP.

~~All questions related to the Technical Conference or the Bidders Conference should be submitted in writing to the RFP Administrator (using the contact information provided in Section 1.5 above) or, if Bidder wishes to submit questions anonymously, to the LPSC Staff (using the contact information provided in Section 1.6 above). ESI will provide written responses to all written questions and, in order to provide all interested Persons ready access to the information elicited, will post the questions and answers on the 2016 ELL Renewables RFP Website. Please refer to Section 6.1 below and Appendix G for additional information concerning questions about this RFP.~~

~~Logistical information concerning the Technical Conference and the Bidders Conference is provided below:~~

Time: [TBD]  
Date: Early May 2016  
Place: [TBD]  
Phone: [TBD]

Dial in Number: [TBD]  
Participant Code: [TBD]  
Webex/Live Meeting: [TBD]

~~Additional information about the conferences will be~~ has posted to the 2016 ELL Renewables RFP Website prior to the conferences.

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~~Bidders are strongly encouraged, but are not required, to participate in the Bidders Conference. ESI will post the written materials expected to be presented during the conferences to the 2016 ELL Renewables RFP Website. Bidders are advised that the posted those materials may not duplicate the materials or all of the information provided at the conferences.~~

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~~No later than four (4) Business Days before the date of Responses to questions received during the Technical Conference and the Bidders Conference (under the current RFP Schedule, early May are posted on the 2016), ESI will request that participants notify ELL Renewables RFP Website (Q&A numbers 16 through 58). Please refer to Section 6.1 below and Appendix G for additional information concerning questions submitted in connection with this RFP. In the event of an inconsistency between the RFP Administrator by electronic mail of the names of all of the individuals representing the participant who plan on attending the documents and the Technical Conference~~

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~~and/or the Bidders Conference. The notice should specify the name of the participating organization, as well as the name, title, and telephone number(s) of each individual representing the participating organization who intends to attend the Technical Conference and/ presentation or the Bidders Conference responses to questions received during the conferences posted on the 2016 ELL Renewables RFP Website or provided verbally, the most current RFP documents will control.~~

### 4.3.4.2 Bidder Registration

To be eligible to submit a proposal, Bidder must complete the Bidder Registration Process, as described in this Section 4.3.2. Bidder Registration will begin at 8:00 a.m. CPT on the Bidder Registration start date specified in the applicable RFP Schedule and end at 5:00 p.m. CPT on the Bidder Registration end date specified in the applicable RFP Schedule (the “**Bidder Registration Period**,” and the deadline for Bidder Registration, ~~as may be modified from time to time~~, the “**Bidder Registration Deadline**”).

To register for this RFP, all Bidders will be required to submit a completed Bidder Registration Agreement (including the Bidder Registration Form attached thereto) to the RFP Administrator via courier or electronic mail (as a .pdf attachment) by the Bidder Registration Deadline. **Bidders will bear the risk of failing to submit a completed Bidder Registration Agreement by the Bidder Registration Deadline.** The Bidder Registration Agreement must be executed by an officer or other representative of Bidder who is authorized to sign on Bidder’s behalf. If delivery is made by electronic mail, Bidder must subsequently deliver to the RFP Administrator an original of the duly executed Bidder Registration Agreement by 5:00 p.m. CPT within three (3) Business Days after the Bidder Registration Deadline. Only Bidders registered in accordance with this RFP will be permitted to submit proposals in this RFP, and only proposals registered in accordance with this RFP will be eligible for submission.

Following submission of its completed Bidder Registration Agreement, Bidder will be issued a unique Bidder ID. In addition, each registered resource and proposal will receive its own Resource ID and Proposal ID. Bidder IDs, Resource IDs, and Proposal IDs will be used by Bidders in the Proposal Submission Process and in connection with the evaluation of proposal information received by ESI. The use of Bidder IDs, Resource IDs, and Proposal IDs is part of ESI’s ~~attempt~~process to ensure that appropriate protections are in place to minimize the dissemination of information that explicitly identifies Bidders to Evaluation Team members who do not need to know that information.

Bidders are required to pay a Proposal Submittal Fee of \$5,000.00 *for each registered proposal*. Proposals that are alternatives to each other will be considered separate proposals and must be registered as such. ESI will bill Bidder for the total Proposal Submittal Fees due from Bidder within three (3) Business Days after the end of the Bidder Registration Period. Bidder will be required to remit payment of the Proposal Submittal Fee in full in accordance with the instructions provided in the invoice. Payment will be due by the date specified in the applicable RFP Schedule.

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**Bidder's failure to submit the Proposal Submittal Fee for a proposal by the payment due date will cause Bidder to become ineligible to participate in this RFP with respect to such proposal.**

Proposal Submittal Fees will be refunded to Bidders only under the following circumstances:

1. Bidder registers a proposal and pays the Proposal Submittal Fee but does not complete Proposal Submission for that registered proposal;
2. Bidder registers a proposal, properly completes Proposal Submission, but subsequently withdraws the proposal prior to the Proposal Submission Deadline; or
3. ESI cancels or terminates this RFP prior to completion of the evaluation of proposals for the Primary Selection List or the Secondary Selection List.

If Bidder, or any proposal submitted by Bidder, becomes ineligible or is eliminated from this RFP for any reason other than a reason set forth in (1) through (3) above, including, without limitation, if no proposals are selected for either the Primary Selection List or the Secondary Selection List after ESI has completed its evaluation of proposals, Bidder's Proposal Submittal Fee(s) will not be returned.

### 4.4.4.3. Proposal Submission

Subject to Section 4.32 above and Section 5.1.3 below, in order to have its proposal(s) evaluated under this RFP, the Proposal Submission Process requires each Bidder to submit to ESI:

- a completed Proposal Submission Template;
- a completed VAT self-assessment (discussed in Section 5.1.3 below);
- a completed accounting certification (discussed in Section 5.1.4 below);
- a complete set of the documents required to be provided by Bidder pursuant to Section 2.4 above; and
- completed responses to Appendix C-1 (for Developmental Resource proposals) or Appendix C-2 (for Existing Resource proposals) (collectively, the "**Proposal Package**").

~~Under the current RFP Schedule, the~~ The period during which any Bidder may submit a completed Proposal Package will begin at 8:00 a.m. CPT on ~~August 8, 2016~~, the proposal submission start date specified in the applicable RFP Schedule and end at 5:00 p.m. CPT on ~~August 11, 2016~~ (such period, as may be modified from time to time hereunder, the proposal submission end date specified in the applicable RFP Schedule (the "**Proposal Submission Period**," and the deadline for submission, ~~as may be modified from time to time~~, the "**Proposal Submission Deadline**").

To submit proposals in this RFP, Bidders must deliver their completed Proposal Package to the RFP Administrator, by the Proposal Submission Deadline, (i) as files attached to electronic mail

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or other electronic/digital media acceptable to ESI or (ii) in a digital form acceptable to ESI (*e.g.*, a CD, a flash drive) delivered to the RFP Administrator by courier. Completed Proposal Submission Templates must be submitted in their native Excel form. The Entergy electronic communications network will not accept “zip” files or electronic mail with file attachments containing, individually or collectively, approximately ten (10) megabytes or more of data. Proposal information that is not accepted by the Entergy electronic communications network or is not properly addressed to and not timely received by the RFP Administrator will be considered undelivered. Proposals failing to provide complete responses as required may be considered non-conforming. Bidders should not send, and the RFP Administrator will not accept, paper copies of electronic proposals.

Bidders are also required to execute and deliver to the RFP Administrator the Proposal Submission Agreement by the Proposal Submission Deadline. The Proposal Submission Agreement must be executed by an officer or other representative of Bidder who is duly authorized to sign the Proposal Submission Agreement and tender the submitted proposal(s) on behalf of Bidder. Electronic or stamp signatures are not permitted. The Proposal Submission Agreement may be delivered to the RFP Administrator via courier or electronic mail (as a .pdf attachment). If delivery is made by electronic mail, Bidder must subsequently deliver to the RFP Administrator an original of the duly executed Bidder Proposal Submission Agreement (including hand-signed signature page) by 5:00 p.m. CPT within three (3) Business Days after the Proposal Submission Deadline.

After the RFP Administrator has electronically received Bidder’s completed Proposal Package, Bidder will receive a confirming email from the RFP Administrator. Bidder should contact the RFP Administrator if a confirming email is not received within one (1) Business Day after Bidder’s submission of the Proposal Submission Template and Proposal Submission Agreement.

**Bidder will bear the risk of any failure of Bidder to submit the completed Proposal Package by the Proposal Submission Deadline as required by this RFP. Proposals for which Bidder does not submit all agreements, information, and material as required by this RFP may be considered non-conforming and eliminated from consideration.**

### 4.5.4.4.RFP Hotline

A dedicated phone line (the “**RFP Hotline**”) will be available to Bidders from 8:00 a.m. to 5:00 p.m. CPT on each Business Day throughout the Bidder Registration Period and the Proposal Submission Period. Bidders may use the RFP Hotline to ask technical or other questions regarding the Bidder Registration Process and the Proposal Submission Process. The RFP Hotline is not intended to serve as a means for Bidders to obtain general information about this RFP or other information that is not directly related to the Bidder Registration Process or the Proposal Submission Process (as applicable), and Bidders are asked to refrain from attempting to use the RFP Hotline for this purpose. The number for the RFP Hotline is (281) 297-3758.

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### 5. RFP MILESTONES AND PROCESSES: PROPOSAL EVALUATION THROUGH CONTRACT NEGOTIATION

#### 5.1. Overview and Assessments

~~After~~Following the Proposal Submission Deadline, the RFP evaluation will begin. ~~Early in the proposal review process,~~In Phase I of this RFP (“Phase I”), proposals will be evaluated~~assessed~~ for compliance with the Threshold Requirements. Proposals remaining in this RFP after the Threshold Requirements compliance ~~evaluation will be assessed based on economics, deliverability, viability, accounting, transactional considerations (including credit and commercial terms), and other factors.~~Applying qualitative and quantitative assessments, proposals~~review will then be evaluated in Phase I to identify the most economic proposals and significant high-level risks or RFP nonconformities associated with such proposals. Based on the Phase I evaluation results, ESI may reduce the number of proposals under consideration and may develop a preliminary shortlist of proposals (the “Shortlist”). Phase I will end after the completion of the Phase I evaluation of proposals and the establishment of the Shortlist or the determination by ELL that the Shortlist is not necessary for this RFP. In Phase II of this RFP (“Phase II”), proposals placed on the Shortlist or otherwise remaining in this RFP will be evaluated in greater detail. Applying qualitative and quantitative assessments, the proposals in Phase II~~ will be assigned a proposal ranking and a recommended disposition. A final list setting forth the proposal(s) (if any) selected for negotiation of a Definitive Agreement (the “**Primary Selection List**”) and the proposal(s) (if any) selected for possible negotiation of a Definitive Agreement (the “**Secondary Selection List**”) will be created.

~~Once~~After the selection process has been completed and any selections ~~have been~~ made, ~~ESI~~the RFP Administrator will notify each Bidder ~~that ESI has completed its evaluation of proposals and will inform Bidder,~~ with respect to each proposal it ~~submitted by Bidder,~~ whether the proposal is on the Primary Selection List (if any), the Secondary Selection List (if any), or has been eliminated from further consideration in this RFP. Without limiting its rights under Exhibit E, ~~ESI~~ELL expects to proceed to negotiate the terms of a Definitive Agreement with a Bidder having a proposal on the Primary Selection List. If those negotiations terminate or are suspended, or if ~~ESI~~ELL determines negotiations with any Bidder having a proposal on the Secondary Selection List are appropriate, ~~ESI~~ELL may negotiate commercial terms with one or more Bidders on the Secondary Selection List.

The proposal evaluation process in this RFP will be carried out by four (4) separate evaluation teams (each an “**Evaluation Team**”):

- the Economic Evaluation Team (“**EET**”);
- the Viability Assessment Team (“**VAT**”);
- the Accounting Evaluation Team (“**AET**”); and
- the Credit Evaluation Team (“**CET**”).

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The roles and responsibilities of the Evaluation Teams are described in Sections 5.1.2 through 5.1.5 below. ESI may include as a member on any Evaluation Team, or contract with, any third-party agent, consultant, advisor, expert, contractor, or representative to assist in the evaluation of proposals as ESI deems necessary or appropriate.

Another team, the RFP Administration Team, will act to ensure that each Evaluation Team has the information needed to perform its analysis and act to facilitate the evaluation of proposals by all Evaluation Teams so that the evaluation process results in the proper assessment of the economics and other relevant elements of the proposals. The RFP Administration Team, with ELL's approval, may also eliminate proposals from this RFP based on the team's independent review of the proposals or recommendations or input provided by one or more of the Evaluation Teams. In addition, the RFP Administrator may consult with members of the RFP Administration Team from time to time on matters related to questions whether information regarding a proposal may be needed by or should be made available to an Evaluation Team. The RFP Administration Team will also ~~determine~~ which prepare and distribute the results of this RFP to appropriate individuals at ELL and ESI, and may recommend to ELL the placement of proposals ~~(if any) will be placed~~ on the Primary Selection List ~~and which (if any) will be placed on~~ the Secondary Selection List or the elimination of proposals.

Each of the Evaluation Teams, the RFP Administration Team, and the RFP Administrator will have the right to ask Bidder clarifying questions to obtain additional information that it believes may help with its understanding, review, or analysis of Bidder's proposal. Clarifying questions are expected to be communicated through the RFP Administrator ~~by means of~~ via a clarifying letter. The RFP Administrator may also request Bidder's participation in one or more meetings to obtain clarification or additional information regarding a proposal. Upon ~~ESI's~~ the RFP Administrator's reasonable request and reasonable prior notice, Bidder will be expected to make available its duly authorized officers, representatives, and advisors to participate in meetings requested by ~~ESI~~ the RFP Administrator, ESI, or ELL and/or answer questions or provide information related to its proposal or participation in this RFP.

The evaluation process is designed to facilitate the fair and impartial evaluation of all proposals received in this RFP and to result in the selection of one or more proposals that meet the RFP's requirements ~~of this RFP~~ and ELL's needs at the lowest reasonable cost, taking into account reliability, risk, and other relevant factors. The process will be conducted in a carefully controlled manner, using procedures, methods, evaluation criteria, and assumptions that will be developed prior to the receipt of proposals. ESI will document key assumptions and model constructs; however, the Evaluation Teams will retain full discretion to use the evaluation methods and assumptions they consider appropriate to identify those proposals that best meet the needs of ELL and the requirements and objectives of this RFP.

Any Bidder invited by ESI to finalize a Definitive Agreement will be expected to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all

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things necessary or appropriate to finalize, execute, and deliver such Definitive Agreement as promptly as possible.

### 5.1.1. Threshold Requirements Assessments

After the Proposal Submission Deadline, the ~~RFP Administration Team, with input from the involved~~necessary Evaluation Teams ~~(see Section 2.3 above), and/or the RFP Administration Team~~ will ~~identify~~review the proposals ~~that meet the offered into this RFP in order to determine compliance with the~~ Threshold Requirements ~~and issue a list of the proposals that meet the Threshold Requirements or have, in the exercise of ESI's sole discretion, been allowed to remain in this RFP. The list is expected to exclude only those proposals.~~ Proposals that fail to satisfy the Threshold Requirements, ~~although ESI reserves the right to exclude proposals on other grounds. Proposals not on the list will~~ may be eliminated from ~~further consideration in this RFP. Inclusion on the list on that basis or may be allowed to continue in the evaluation process. The retention of a proposal that fails to fulfill the Threshold Requirements after the initial Threshold Requirements evaluation~~ does not preclude the subsequent elimination of the proposal from this RFP ~~for on account of such failure to meet the Threshold Requirements or or~~ for other reasons.

### 5.1.2. Economic Assessments

The EET is responsible for evaluating the economics of proposals received in this RFP and, with input from the VAT, the AET, and the CET, developing the ~~relative~~ economic ranking of such proposals. ~~The EET will also review proposals for conformity with the Economic Assessment Threshold Requirements.~~

The EET's ~~economic evaluation estimates the full in economic cost and capacity revenue to ELL's customers of each proposal evaluated. The EET may also estimate, without limitation, the energy revenue of top ranked proposals if needed. The~~ evaluation will rely on tools and methods commonly used by ESI and ELL for long-term planning and resource evaluations, including, without limitation, a "Fundamental Analysis."

~~In addition to the Fundamental Analysis, the economic evaluation may~~ spreadsheet modeling and production cost modeling by the Aurora program. It may also utilize and rely on additional tools and methods that the EET deems necessary or appropriate for the effective assessment of proposal economics, including, but not limited to, ~~production cost modeling (Aurora) and~~ qualitative considerations. The EET may perform sensitivity analyses ~~as it deems appropriate in connection. The EET will also review proposals for conformity with its evaluations~~ the Economic Assessment Threshold Requirements.

A preliminary process for the economic evaluation of proposals offered into the RFP follows. The actual process is expected to reflect adjustments made from time to time to the preliminary process.

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### Phase I

In Phase I, the EET will assess proposals for compliance with the Economic Assessment Threshold Requirements. Later in Phase I, it will perform a screening-level economic evaluation in order to identify the most economic proposals remaining in this RFP. A “fundamental analysis” will be conducted as part of the Phase I evaluation. The fundamental analysis is a spreadsheet-based analysis that estimates the full-in economic cost and capacity revenue of each proposal evaluated to ELL’s electric customers. It will not include an assessment of the proposal’s effect on ELL’s variable supply cost effect or customers’ locational marginal prices. (That assessment will be included in Phase II, discussed below.) At the conclusion of its Phase I evaluation, the EET may recommend that ELL eliminate specified proposals that are uneconomic relative to other proposals or the market.

### Phase II

The purpose of the EET’s Phase II economic evaluation will be to evaluate the proposals on the Shortlist or remaining in this RFP in greater detail. The Phase II evaluation will estimate the full-in economic cost and capacity revenue of each proposal evaluated to ELL’s electric customers. As part of the evaluation, the EET will utilize a production cost model (Aurora). The results of the production cost modeling will be coupled with an assessment of each proposal’s fixed costs and capacity revenue, if any, and benefit to determine the net supply cost benefit of the proposal.

### 5.1.3. Viability Assessments

The VAT reviews and assesses the technical, environmental, interconnection, deliverability, transmission, energy source supply, and commercial merits of proposals. Each Bidder will be required to provide a self-assessment for each proposal it submits into this RFP. ~~The VAT will use the self-assessment to determine Bidder’s compliance with this RFP’s requirements for proposals.~~

The viability assessment will be carried out by subject matter experts (each, an “SME”) who are members of the VAT. The subject matter expertise of VAT team members for this RFP includes:

- Plant & Equipment/~~Operation & Maintenance~~Operations;
- Environmental;
- Commercial;
- Planning Analysis;
- ~~Interconnection, Deliverability, and Transmission~~Planning;
- ~~Planning Analysis~~; and
- Other disciplines, as appropriate.

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Each VAT SME will be responsible for providing an overview and assessment of each proposal with respect to his or her area(s) of expertise.

~~The VAT will use the information provided in Phase I~~

~~In Phase I, near the beginning of the RFP evaluation, the VAT and/or the RFP Administration Team will review proposals for satisfaction of the Viability Assessment Threshold Requirements. The VAT and/or the RFP Administration Team will use information obtained from Bidder in its review, including Bidder's responses to the questions and requests included in Appendix C-1 or C-2 (as applicable) and information in Bidder's the completed self-assessment form for the VAT's evaluation proposal. Bidders are encouraged to provide complete responses to Appendix C-1 or C-2 (as applicable) at the time they submit their proposals. Failure to provide a comprehensive response could negatively affect a proposal's overall viability ranking. After the Threshold Requirements review, the VAT will review proposals remaining in this RFP for significant high-level risks or RFP nonconformities associated with such proposals that may be considered in the development of the Shortlist.~~

~~Near the beginning of the RFP evaluation Phase II~~

~~In Phase II, the VAT will review proposals for satisfaction of the VAT Assessment Threshold Requirements (see Section 2.3.2 above). The VAT will base its assessment on its review and analysis of proposal information obtained from Bidder including through Appendix C-1 or C-2 and the completed self-assessment form. After completing its evaluation, the VAT will provide the results to the RFP Administration Team and other Evaluation Teams.~~

~~The VAT will review the proposals remaining after completion of the Threshold Requirements screening process Phase I to develop a more complete risk assessment and overall risk/viability profile of the proposals. These risk and viability evaluations will include assessments of resource capabilities, project development risks (if applicable), environmental compliance risks, proposed commercial terms (including Special Considerations), resource deliverability, regulatory considerations, and other factors the VAT determines may bear on a proposal's risk and viability. The VAT may seek and incorporate into its viability assessments input from other Evaluation Teams.~~

~~The VAT's Phase II viability evaluation will be based on a qualitative assessment of various criteria in the general risk categories. This qualitative assessment will incorporate quantitative measures that result in an overall quantitative ranking for a proposal. A criteria and category score will be developed for the proposal by scoring multiple criteria in several risk categories, using defined ranking criteria. The weighted sum of each risk category's score will be totaled to determine the VAT's overall quantitative ranking for the proposal. The final viability ranking will be factored into the evaluation of proposals that will lead to the selection of resources, if any, for the Primary Selection List and/or the Secondary Selection List. Without limiting Appendix E, ESI by the RFP Administration Team.~~

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The VAT's Phase II risk and viability evaluations will include assessments of resource capabilities, project development risks (if applicable), environmental compliance risks, proposed commercial terms (including Special Considerations), resource deliverability, regulatory considerations, and other factors the VAT determines may bear on a proposal's risk and viability. The VAT may seek and incorporate into its viability assessments (in both Phase I and II) input from other Evaluation Teams. Without limiting Appendix E, ESI and ELL will have the right to reject a proposal on the ground that the proposal, in the judgment of the applicable Evaluation Team(s), ESI or ESI/ELL, does not meet the criteria for viability established in connection with this RFP or otherwise is not viable.

### 5.1.4. Accounting Assessments

The AET will perform an assessment of each proposed Definitive Agreement for a PPA to determine the accounting treatment ~~with respect to such proposal of the PPA proposed~~. The assessment will include, but is not limited to, an analysis of:

- whether the proposed PPA contains a lease; and, if so, whether the lease ~~is a capital lease~~ would result in the recognition of any long-term liability for ELL or ~~an operating lease pursuant to its Affiliates under the rules in effect during the term of the proposed PPA, in accordance with~~ Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 840 ~~and 842~~;
- whether the legal entity owning the subject generation asset during the contract term is a variable interest entity ("VIE") and, if so, the entity required to consolidate the VIE throughout the term of the proposed Definitive Agreement, in accordance with FASB ASC 810;
- whether the proposed Definitive Agreement is or includes a derivative; and, if so, the appropriate accounting for the derivative, in accordance with FASB ASC 815; and
- whether there are any other adverse accounting implications or effects to ELL or any of its Affiliates arising out of the proposed Definitive Agreement.

The AET's accounting assessment of PPA proposals ~~offered into this RFP~~ will include assessments based on the existing accounting standards at the time of the AET's assessment ~~or~~ and/or those in effect during the term of any Definitive Agreement arising out of a proposal hereunder. Its assessment may also include assessments based on accounting standards that may be in effect if the AET determines that such standards will or may apply to any PPA arising out of a proposal hereunder and that it is feasible and appropriate for the AET to evaluate the proposal applying such standards.

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ELL will not enter into a PPA or any related agreement pursuant to this RFP that will or may result in the recognition of a long-term liability on the books of ELL (or any of its Affiliates), whether the long-term liability is due to lease accounting, the accounting for a VIE or derivatives, or any other applicable accounting standard. Bidder must include in the Proposal Package a certification from Bidder that, to the best of Bidder's knowledge, the proposed PPA will not result in, under the accounting standards in effect at the time of the certification or that will be in effect at any time during the contract term of the proposed PPA, the recognition of a long-term liability by ELL or any of its Affiliates on its or any of its Affiliates' books. The certification must be prepared under the direction of and signed by the Principal Accounting Officer or other officer of Bidder, or a parent thereof, who performs a managerial accounting function, has expertise in the recognition of long-term liabilities by purchasers in PPAs, and has been involved in the preparation of the proposal ("Accounting Officer"). The certification must be prepared and dated reasonably contemporaneous with the ~~date of~~ submission date of the Proposal Package. The AET and/or RFP Administration Team will review each Proposal Package submitted into this RFP for compliance with the Accounting Assessment Threshold Requirements.

After the submission of the Proposal Package containing his or her certification, the Accounting Officer must promptly notify the RFP Administrator in writing of any development, event, or circumstance that would change, or could reasonably be expected to change, the accounting treatment of the proposed PPA included in the Proposal Package or otherwise would cause, or could reasonably be expected to cause, the certification of the Accounting Officer to be inaccurate or incomplete in any material respect.

Bidder will be required to make available to the AET or ESI all information and materials, including any and all assumptions made by Bidder, any of its Affiliates, or any of its or their representatives (*e.g.*, accounting firm), necessary for or reasonably requested by the AET or ESI to verify and/or independently determine the accounting treatment associated with a PPA proposed by Bidder and otherwise conduct its evaluation of Bidder's proposal.

### 5.1.5. Credit/Collateral Requirements Assessments

The CET will analyze each proposal to assess potential credit risks and attendant collateral requirements. The CET's evaluation seeks to assure that the credit quality of Bidder (or, if different, Seller), when considered in light of its RFP proposal(s), complies with Entergy's corporate risk management standards and that any associated requirements for collateral or security to protect ELL's interest in connection with a Definitive Agreement arising out of Bidder's proposal are identified. Subject to the proposal satisfying the Credit Assessment Threshold Requirements set forth in Section 2.3.4 above, the CET will not reject a proposal from consideration solely on the basis of credit. Appendix F contains additional information about the credit evaluation process and the credit requirements for this RFP.

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### 5.1.6. Resource Selection

Using inputs provided by the Evaluation Teams, the RFP Administration Team will prepare a final report that ranks the evaluated proposals, provides the results of the RFP, and may make recommendations for selection of proposals on the Primary Selection List (if any) and, if it determines a Secondary Selection List is appropriate, the Secondary Selection List. The RFP Administration Team will select ~~the~~ proposals recommended to be included on the Primary Selection List (if any) ~~and/or~~ the Secondary Selection List (if any) based on a variety of factors, including, but not limited to, relative economics, ability to meet relevant planning objectives (including diversification of technology and supply sources), deliverability, viability, accounting, and transactional considerations. The RFP Administration Team will provide the final report to members of the ELL Operating Committee and other authorized recipients of the report that the RFP Administration Team deems appropriate. Any selections will be made the President and CEO of ELL (or his or her designee).

### 5.2. Notification of Evaluation Results; Commercial Negotiations

After the completion of Phase II, the RFP Administrator will communicate to each Bidder the status of its proposal(s) and whether additional discussions or negotiations are warranted. As noted, ELL expects to negotiate the final terms of a Definitive Agreement with Bidder(s) on the Primary Selection List (if any), and may negotiate such terms with Bidder(s) on the Secondary Selection List (if any). Proposals not making either list will be considered rejected. A Bidder with a proposal on the Secondary Selection List will be released from its proposal three (3) months after notification of the proposal's placement on the Secondary Selection List, unless within that period Bidder has been invited to negotiate the terms of a PPA under this RFP based on that proposal.

ESI's receipt of a proposal or the placement of a proposal on any preliminary compliance list, the Shortlist (or any other "short list" of proposals), the Primary Selection List, or the Secondary Selection List does not constitute or indicate ESI's or ELL's agreement, commitment, representation, or promise to transact on the basis of the proposal or ESI's or ELL's acceptance of any term of the proposal. Without limiting Appendix E, each of ESI and ELL (i) has no obligation, and makes no commitment or promise, of any kind, to enter into a Transaction with any Bidder, including a Bidder with a proposal on the Primary Selection List, or to be bound by any term proposed by Bidder in this RFP, and (ii) more generally, has no obligation or liability of any kind whatsoever in connection with or arising out of this RFP except as and to the extent expressly set forth in a Definitive Agreement or a provision binding upon ESI or ELL in a letter of intent (the "LOI") to which ESI or ELL is a party.

As indicated in Appendix E, Bidder (or its designee) may be required to enter into an LOI with ESI or ELL ~~with respect to~~for the proposed Transaction pending the negotiation and execution of the Definitive Agreement. Upon execution of the LOI, Seller will be required to provide a letter of credit meeting the requirements set forth in Appendix E in the amount of \$2,000,000.00 (and up to \$7,000,000.00 in the event the material and information provided in Bidder's response to Appendix D

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failed to meet the Minimum Requirements [for Developmental Resources](#) set forth in Appendix D and the discrepancy(-ies) have not been resolved to ESI's satisfaction).

### 6. MISCELLANEOUS RFP MATTERS

#### 6.1. Authorized Bidder Communications Channels

The following communication restrictions became effective on March 24, 2016, and will continue through Bidder notification of the creation of the Primary Selection List (if any) and the Secondary Selection List (if any). Except as otherwise expressly provided in this RFP, all communications, including questions, regarding this RFP must be submitted in writing to the RFP Administrator (using the contact information provided above in Section 1.5). Any contact or communication concerning this RFP (i) between Bidders, or representatives of Bidders, on the one hand, and personnel or employees of ESI other than the RFP Administrator, on the other hand, or (ii) between different Bidders, or representatives of different Bidders, made without the specific, prior written consent of the RFP Administrator, is, in each case, not allowed and grounds for disqualification of the non-compliant Bidder(s). Bidders are, of course, permitted to communicate internally within their organizations and to their representatives with regard to this RFP as necessary.

#### 6.2. Posting Questions

Bidders and other interested Persons are invited to submit questions and comments about this RFP, including, without limitation, the Term Sheets, to the RFP Administrator. All questions or comments regarding this RFP must be submitted in writing. Interested Persons are requested to submit questions as promptly as possible to ensure the timely receipt of [ELL's or](#) ESI's response. ESI requests that all questions be submitted to the RFP Administrator by no later than one week prior to the start of the Proposal Submission Period.

Subject to ESI's consideration of the confidentiality concerns described in Section 6.3 below, ESI intends to post all questions submitted by Bidders, as well as ESI's responses to those questions, to the 2016 ELL Renewables RFP Website. All questions will be posted anonymously, to shield the identity of Bidders who posed the questions. ESI's objective in posting questions and answers publicly is to afford Bidders equal access to information potentially relevant to their proposals.

ESI expects to provide answers to questions received during the Proposal Submission Period only to the extent the questions are specific to an actual proposal submission issue (and such answers may or may not be posted on the 2016 ELL Renewables RFP Website).

#### 6.3. Questions Involving Confidential Information

Bidders should frame their questions, if possible, so that the answers do not require the disclosure of information that is confidential to ESI or ELL, or any of their respective Affiliates. If ESI receives a question that calls for, in its opinion, an answer that would contain such confidential

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information and the provision of such confidential information is necessary and appropriate for ESI's response, then ESI will respond to the question in writing, via certified mail, but only if Bidder posing the question has executed and returned to ESI a confidentiality agreement in substantially the form of the confidentiality agreement posted on the 2016 ELL Renewables RFP Website.

Similarly, Bidder's questions should be structured to avoid, if possible, the disclosure of Bidder's confidential information. If Bidder believes that certain Bidder information contained in a question it intends to submit is confidential, it is strongly urged to attempt to exclude such information, whether by redaction or other means, and then to submit the question. If Bidder believes it is necessary or advisable to submit the question without redacting or otherwise shielding its confidential information, Bidder should, without divulging its confidential information, notify the RFP Administrator in writing of the purpose of the question and the nature of the confidential information so that ESI can determine whether Bidder's question requires the disclosure, either by Bidder or by ESI, of Bidder's confidential information, or whether such disclosure is unnecessary or can be avoided. If ESI determines that the disclosure of confidential Bidder information is necessary and appropriate, ESI will execute a confidentiality agreement acceptable to ESI so that the question may be submitted. Questions containing confidential Bidder information that are submitted timely will be answered by ESI by electronic mail or express mail sent to Bidder.

### 6.4. Contact with MISO

Under the MISO Tariff, MISO currently provides functional supervision of the Entergy Transmission System and acts as transmission provider with respect to the granting of transmission service, including interconnection service, on the Entergy Transmission System or on other transmission systems under MISO's functional supervision. Inquiries about these aspects of the Entergy Transmission System or other transmission systems in MISO under MISO's functional supervision should be directed to MISO at its South Region Transmission Planning Office, (504) 846-7100. Bidders are directed to the MISO website, [www.misoenergy.org](http://www.misoenergy.org), for information about MISO.

### 6.5. Confidentiality Procedures for Bidder Registration and Proposal Submission Information

ESI has procedures that its employees, agents, and consultants participating in the evaluation of proposals will be required to follow in order to protect the confidentiality of Bidder information provided in response to this RFP. The procedures are described in detail in Appendix G of this RFP – Process for Protection of Proposal Information, but summarized in this Section 6.5. These procedures are designed and used so that information will be disclosed to the Evaluation Teams only to the extent deemed necessary for resource evaluation and to other employees, agents, and consultants of ESI or its Affiliates only to the extent deemed necessary for them to perform their functions related to this RFP.

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All Persons having access to Bidder's confidential information in connection with this RFP will be contractually and/or professionally bound to protect that confidential information and to use it for no other purpose besides activities related to the resource evaluation process or the 2016 ELL Renewables RFP process or other legitimate needs. Notwithstanding the foregoing or anything to the contrary in this RFP, ESI, ELL, and ~~its~~their respective Affiliates will have no, and expressly disclaim any, liability to a Bidder for losses or damages of any kind resulting from any disclosure of any Bidder or proposal information.

Proposals or other information or correspondence submitted in response to this RFP will not be returned to Bidders. At the conclusion of this RFP process (including regulatory review of any transactions resulting from this RFP), except as otherwise provided in any confidentiality agreement entered into between ESI and Bidder, all proposals will be either destroyed or archived by ESI, subject to the procedures described in this section providing for the treatment of such proposals as confidential and any applicable Codes of Conduct.

All information contained in a proposal (i) may be required or requested to be disclosed by ESI or ELL pursuant to any applicable law, rule, or regulation or in any legal proceeding involving ESI, ELL, or any of their Affiliates and (ii) may be subject to review by one or more of the regulatory commissions, including their staffs, having jurisdiction over ESI and/or ELL, in connection with any regulatory proceeding involving ESI or ELL, or by any other Governmental Authority with jurisdiction over ESI, ELL, or any Affiliate thereof over any matter related to this RFP, and may be subject to legal discovery or disclosure. By submitting a proposal into this RFP, Bidder agrees ~~to~~ ~~allow that~~ ESI and ELL ~~to~~may use and disclose any of the information contained in the proposal as information, testimony, or evidence in any proceeding or other matter (including in any filing in such proceeding or other matter) before any such regulatory commission or other Governmental Authority and ~~to~~may disclose any of such information when required or requested to do so ~~as described above in such proceeding or matter~~. In the event such information is to be so disclosed and such information is a pricing term, ESI or ELL, as applicable, will use its good faith efforts to obtain from the regulatory commission or other Governmental Authority to whom such disclosure is being made, a confidentiality agreement, protective order, or other mechanism to protect the confidentiality of such information and to limit its dissemination. ESI or ELL shall not, however, have any obligation to protect the confidentiality of a Bidder's pricing information in any application for approval by a Governmental Authority of any Definitive Agreement arising out of a proposal submitted by such Bidder in this RFP. ESI and ELL can provide no assurance of the outcome of any attempt to obtain a confidentiality agreement, protective order, or other mechanism. In addition, ESI advises Bidders that intervenors, including merchant generators, in prior regulatory proceedings have sought access to confidential Bidder information in proceedings relating to previous RFPs or in which ESI and ELL (or its predecessors) have been involved, and similar requests for access could be made in proceedings relating to this RFP.

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### 6.6. Affiliate Rules and Codes of Conduct

All employees of ESI, any Entergy Operating Company, or any Entergy Competitive Affiliate must adhere to the Affiliate Rules and Codes of Conduct as applicable. A link providing access to complete copies of the Affiliate Rules and Codes of Conduct is available at the 2016 ELL Renewables RFP Website.

### 6.7. Multi-Person Bids

If Bidder is comprised of more than one Person, the individual members may enter into contribution, indemnity, allocation, sharing, or other similar arrangements or agreements amongst themselves to allocate their respective rights and obligations; however, no such agreement or arrangement will affect any right reserved to ESI or ELL in connection with this RFP or otherwise disadvantage ESI relative to its position with other Bidders without ESI's prior written agreement, either on its own behalf or as agent of ELL. Bidder must fully disclose to ~~ESI~~ the RFP Administrator all such contribution, indemnity, allocation, sharing, or similar arrangements or agreements. Disclosure may be accomplished by means of a written letter to the RFP Administrator by the proposal submission deadline. Bidder may be required to respond to subsequent diligence inquiries concerning the arrangements or agreements.

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