

2016 Request for Proposals for Long-Term Renewable Generation Resources for Entergy New Orleans, Inc.

Questions and Answers

As of 6/9/2016

Q-1. In reference to 2016 ENOI Renewables RFP, I intend to propose an Offshore ARCS/OTEC plant that is outlined in attachment (Value Prop OTEC). It is intended that the unit is located in deep water, LA and developed with participation of an experienced deep water operator (oil & gas) but as a standalone project. As you would note, the ocean is a solar cell with a temperature gradient from top to bottom that could be converted to useable 'work.' All the technologies used in ARCS/OTEC are already present in other applications in LA. I would appreciate your preliminary review and would like to know if Entergy would be amenable to application of the proposed technologies.

A-1. The 2016 ENOI Renewables RFP is seeking commercially-proven run-of-river hydroelectric, solar photovoltaic, and onshore wind resources. The proposed technology is out of scope and, accordingly, is ineligible for participation in this RFP.

Q-2. Does ENOI have a reliability need in Amite South beginning in June 2018, or is ENOI projected to have in any year prior to 2030, and will renewable resources meet such (if any) reliability need?

A-2. Per Section 2.1 of the Main Body of the RFP, the RFP's primary objective is to request competitive proposals for renewable resources that could help Entergy New Orleans meet its integrated resource planning needs and increase the depth and breadth of generation supply within its generation resource portfolio. Addressing the reliability of the Amite South region is not a primary objective of the RFP.

Q-3. What specific need does ENOI have in Amite South that could only be met by renewable resources?

A-3. Please see response A-2.

Q-4. Assuming ENOI has a need for 20 MW of generation, why couldn't this need be met by existing CCGT generation in Amite South?

A-4. Please see response A-2.

Q-5. How will the costs of the bids received from renewable resources be compared with costs from other available resources (including CCGT) so that ENOI can ensure that these renewable resources provide the lowest reasonable cost resources per the MBM Order?

A-5. Since Entergy New Orleans is not under the jurisdiction of the Louisiana Public Service Commission (LPSC), the LPSC's "MBM Order" (the General Order of the LPSC in Docket No. R-26172, Sub Docket C (as amended)) does not apply to the RFP.

Q-6. What renewable availability profile is being used to compare the costs of solar, wind and other intermittent resources to each other and also to typical CCGT resources in order to account for the intermittent availability of each resource and to conduct a cost comparison?

A-6. The economic evaluation will consider the production profile of the proposed resource. As of the date of this response, Entergy New Orleans' production profile for each renewable technology is in development. The economic evaluation may also use Bidder-provided profile data submitted in connection with its proposal. The methodology for determining production profile will be locked down and provided to the Independent Monitor for the RFP before proposal submission. In the evaluations conducted in the RFP, Entergy New Orleans does not expect to compare proposals for renewable resources offered in the RFP to typical combined-cycle gas turbine generation resources. Please see response A-2 for the RFP's purpose.

Q-7. Does ENOI have a need for reactive power or voltage support in its service territory now or over the next 20 years? If so, 1) how many MW of generation and 2) what types of generation (all-inclusive including CCGT, CT, renewables) could service that need?

A-7. Please see response A-2 for the RFP's purpose.

Q-8. What assumptions will be made to compare a 10-yr or 20-yr PPA for renewable resources to the cost of new CCGT generation (with assumed life of 30 yrs)?

A-8. In the evaluations conducted in the RFP, Entergy New Orleans does not expect to compare proposals for renewable resources offered in the RFP to typical combined-cycle gas turbine generation resources. Please see response A-2 for the RFP's purpose.

Q-9. Will ENOI compare a transmission solution for its "need" in its service territory to the costs of the generation that results from this RFP?

A-9. Please see response A-2 for the RFP's purpose.

Q-10. Will Entergy NO consider expansion MW from an existing facility? i.e. An existing 80 MW facility near the NO load zone would add 20 MW and deliver the power to your service territory.

A-10. If a bidder offered a resource that consisted of the described incremental 20 MW of capacity, that resource would be considered a developmental resource and would be eligible to

participate in the RFP, subject to the RFP's other terms, including, without limitation, Section 2.2.2, PPA Specifics, and Section 2.2.3, Acquisitions, of the Main Body.

Q-11. Realizing that a developer may have a project (standalone or phased) that is suitable for both the ELL 2016 RFP and the ENOI 2016 RFP, and given that the deadline for submissions in the ENOI 2016 RFP is prior to the announcement of the short list for the ELL 2016 RFP, which is expected in December 2016, will ENOI accept project submissions that are dependent on the outcome of the ELL RFP? Or would ENOI consider pushing the date for submissions out until after the announcement of the ELL shortlist in December?

A-11. Proposals submitted into the ENOI Renewables RFP that are contingent upon the outcome of another RFP are non-conforming and would be subject to elimination on that basis. Whether such a proposal would be eliminated at an early stage of the ENOI Renewables RFP may depend on several factors, including, without limitation, the total number of proposals received in the RFP and whether the proposal represents a compelling offer relative to other proposals. As of the date of this response, the period for the submission of third party proposals into the ENOI Renewables RFP is October 3-6, 2016. Entergy New Orleans does not expect to change the proposal submission period, although it reserves the right to do so