



***Appendix A  
Glossary***

***for***

***2019 ETI Request for Proposals  
for  
Solar Photovoltaic Resources***

Entergy Texas, Inc.  
March 27, 2019

**CONFIDENTIAL**

The statements contained in this Appendix A are made subject to the reservation of rights set forth in Section 5.6 of the RFP and the terms and acknowledgements set forth in the Proposal Submission Agreement.

## APPENDIX A

### GLOSSARY

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

“Bidder” means a Person that submits (or, prior to the applicable due date, intends or expects to submit) a proposal in response to the RFP, or any group of Persons having a pre-existing contractual relationship, that submits jointly (or, prior to the due date, intends or expects to submit jointly) a proposal in response to the RFP based on such pre-existing contractual relationship. A group of Persons that has jointly developed a proposal pursuant to the procedures set forth in the Main Body may also be a “Bidder.”

“Bid Event Coordinator” means the individual identified in Section 1.3 of the Main Body (or any successor to such individual) who, among other things, (i) acts as a liaison between the participants in the RFP and ETI on all RFP-related matters, (ii) ensures that Bidder RFP-related questions that ESL receives are addressed in an appropriate manner, (iii) receives, records, and maintains Bidder proposals throughout the RFP, (iv) works with the IM throughout the RFP, and (v) manages other administrative matters relating to the RFP.

“BOT” means build-own-transfer.

“Business Day” means any day except Saturday, Sunday, or, with respect to the scheduling, bidding, and/or offering of power, a holiday as defined by the North American Electric Reliability Council or any successor organization thereto or, with respect to payments and all other matters, a holiday observed by Federal Reserve Banks in New York, New York. For notice purposes, a Business Day shall begin at 8:00 a.m. and end at 5:00 p.m. Central Prevailing Time.

“Buyer” means ETI.

“Capacity-Related Benefits” has the meaning set forth in the Model PPA.

“Closing” means the date of the closing of the BOT purchase and sale transaction under a Definitive Agreement, as defined in the Model BOT Agreement.

“Contract Capacity” has the meaning set forth in the Model PPA.

“Contract Energy” has the meaning set forth in the Model PPA.

## APPENDIX A GLOSSARY

“Cost Recovery Risks” means the risks of the possible disallowance, disapproval, or denial of recovery by the PUCT and/or other Governmental Authorities of ETI costs incurred in connection with a PPA arising out of this RFP, as further described in Section 2.2 of the Main Body. “CP Node” mean commercial pricing node.

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

“Credit Support Provider” means any Person that Bidder proposes in a proposal under the RFP as a credit support provider on its behalf or is serving as a credit support provider under a Definitive Agreement, including the Seller parent that provides a parent guaranty.

“Definitive Agreement” means a legally binding agreement, mutually executed and delivered by authorized representatives of Buyer and Bidder (or Seller), arising out of a proposal submitted by Bidder in the RFP and setting forth the definitive terms and conditions of a BOT acquisition or PPA transaction, in either case, as contemplated by the RFP. For the avoidance of doubt, a “Definitive Agreement” does not include a letter of intent, memorandum of understanding, or any other similar preliminary written agreement or document with respect to the Transaction, or any acceptance, written, oral, or other, of any offer or proposal.

“ETI” means Entergy Texas, Inc.

“ETI Transmission System” has the meaning set forth in the Model BOT Agreement.

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

“Entergy Regulated Affiliate” means ESL, Entergy Operations, Inc., any of the Entergy Operating Companies or System Energy Resources, Inc.

“Entergy Operating Companies” means the regulated electric utilities owned, directly or indirectly, by Entergy Corporation. As of the date of the RFP, the Entergy Operating Companies are Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, and ETI.

“Entergy Transmission System” means the interconnected group of transmission lines and substations owned or leased by the Entergy Operating Companies that are used to transfer bulk electricity between supply and delivery points.

“Environmental Attributes” has the meaning set forth in the Model PPA.

“ESL” means Entergy Services, LLC.

“ETI-Allocated Cost Recovery Risks” means those certain limited Cost Recovery Risks that will remain with ETI, as further described in Section 2.2 of the Main Body.

## **APPENDIX A GLOSSARY**

“Facility” means the Solar PV facility to be acquired by Buyer under a Definitive Agreement for a BOT acquisition transaction, as specified in a Bidder’s proposal submitted in the RFP.

“FERC” means the Federal Energy Regulatory Commission or any successor thereto.

“Final Completion” has the meaning set forth in the Model BOT Agreement.

“GIA” has the meaning set forth in the Model BOT Agreement.

“Guaranteed Commercial Operation Date” has the meaning set forth in the Model PPA.

“Guaranteed Solar PV Capacity” means the aggregate net capacity (AC) of the Facility, in MW, that Seller commits in the Definitive Agreement to make available at the Electrical Interconnection Point. The Guaranteed Solar Capacity is expected to be based on the guaranteed capacity of the Facility specified in Bidder’s proposal.

“IM” means Mr. Wayne Oliver of Merrimack Energy Group Inc., an independent consulting firm retained by ETI to act as independent monitor for this RFP.

“ITC” means the investment tax credit provided for pursuant to Section 48 of the Internal Revenue Code of 1986, as amended.

“kW” means kilowatt, a unit of electrical power equal to one thousand watts.

“Main Body” means the main document describing the RFP and to which six (6) Appendices (A-F) are attached.

“Mechanical Completion” has the meaning set forth in the Model BOT Agreement.

“MISO” means Midcontinent Independent System Operator, Inc.

“MISO Tariff” means the Open Access Transmission, Energy and Operating Reserve Market Tariff of MISO, filed at FERC.

“Model BOT Agreement” means the document included in the RFP as Appendix B-1.

“Model PPA” means the document included in the RFP as Appendix B-2.

“Moody’s” means Moody’s Investors Service, Inc.

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

“Network Upgrades” or “NU” has the meaning set forth in MISO’s standard Generator Interconnection Agreement, and generally means the additions, modifications, and upgrades to the transmission system required at or beyond the point at which the interconnection facilities

## **APPENDIX A GLOSSARY**

connect to the transmission system to accommodate the interconnection of the generating facility to the transmission system.

“Other Electric Products” has the meaning set forth in the Model PPA.

“Person(s)” means any individual, governmental authority, corporation, limited liability company, partnership, limited partnership, trust, association, bank, financial institution, fund or other entity.

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

“Proposal Package” means a completed Proposal Submission Template, completed responses to Appendix C, as more fully described in Section 3.3 of the Main Body, and the Proposal Submission Agreement.

“Proposal Submission Agreement” means the Proposal Submission Agreement that each Bidder is required to execute and deliver to the Bid Event Coordinator as part of the proposal submission process.

“Proposal Submission Deadline” means 5:00 p.m. CPT on the date specified in the applicable RFP Schedule as the last date for Bidders to submit Proposal Packages (under the RFP Schedule in effect as of the date of posting of this Appendix A, May 10, 2019).

“Proposal Submission Fee” means the amount paid by Bidder for each registered proposal under this RFP.

“Proposal Submission Template” means the Power Advocate input template that will be used to submit a portion of Bidder’s proposal.

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

“RFP” means the 2019 ETI Request for Proposals for Solar Photovoltaic Resources, dated March 27, 2019 (including all Appendices and other attachments thereto).

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

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

“Scope Book” means the document included in the RFP as Appendix D.

## **APPENDIX A GLOSSARY**

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

“Seller” means, with respect to any proposal submitted by Bidder in the RFP, the seller under the Definitive Agreement (if any) with Buyer resulting from such proposal.

“Shortlist” means the preliminary shortlist of proposals that ETI may develop for continued evaluation, as described in Section 4 of the Main Body.

“Solar PV” means solar photovoltaic, a form of technology involving systems that use solar cells to capture the sun rays and convert that energy into electricity.

“Standalone Network Upgrades” or “SANU” has the meaning set forth in MISO’s standard Generator Interconnection Agreement, and generally means the network upgrades that may be constructed without affecting the day-to-day operations of the transmission system during their construction.

“Substantial Completion” has the meaning set forth in the Model BOT Agreement.

“Substantial Completion Payment Date” has the meaning set forth in the Model BOT Agreement.

“Transaction Agreements” means the Definitive Agreement for the BOT acquisition transaction and related ancillary agreements between Buyer and Seller.

“Transmission Owner’s Interconnection Facilities” or “TOIF” has the meaning set forth in MISO’s standard Generator Interconnection Agreement, and generally means all the facilities and equipment owned by the transmission owner from the point of change of ownership to the point of interconnection, including modifications, additions, or upgrades to such facilities and equipment. Transmission Owner’s Interconnection Facilities shall not include Network Upgrades or Standalone Network Upgrades.