



**Entergy Mississippi, LLC**  
Request for Renewable Resources  
Bidder Conference  
February 8, 2022



# Introduction

## ❖ Purpose of the Conference

- To give participants a high-level overview of the 2022 Request for Proposals for Renewable Resources for Entergy Mississippi, LLC (the "RFP" or "2022 EML RFP") and related processes

## ❖ Questions

- Please submit all questions to the Bid Event Coordinator via email at [EMLRenewablesRFP@entergy.com](mailto:EMLRenewablesRFP@entergy.com) (to ensure that Entergy Mississippi, LLC ("EML"), has an accurate record of each question posted)
- Refrain from including bidder-specific or confidential information in the question to preserve anonymity and confidentiality
- This presentation, along with RFP questions and responses, will be posted to the 2022 EML RFP Website, <https://spofossil.entergy.com/ENTRFP/SEND/2022EMLSolarRFP/Index.htm>
- To the extent EML's posted responses differ from the verbal responses given during the conference, the written response will control

## ❖ Administrative

- In the event of an inconsistency between the presentation and the RFP documents, the RFP documents will control
- All phones must be on mute
- Please do NOT place your phone on hold if when in that mode your phone service supplies background music or messaging
- Email the Bid Event Coordinator at [EMLRenewablesRFP@entergy.com](mailto:EMLRenewablesRFP@entergy.com) with any technical issues or questions

# Agenda

- Introductions
- RFP Overview & Scope
- RFP Evaluation Process
- Process Safeguards
- Q&A Session

# Introductions

## Entergy Presenters

Mary Decuir	EML Resource Planning Team
Emilee Bentz	RFP Administration Team
Jaime Williamson	Viability Assessment Team
Christian Smith	Economic Evaluation Team
Dustin Poteet	Transmission Evaluation Team
David Batten	Accounting Evaluation Team
Eric Agana	Credit Evaluation Team

## Additional Entergy Participants

Alicia Hall	ESL Sr. Counsel
James Miller	ESL Assistant General Counsel
John Pietras	ESL Assistant General Counsel
Darron Case	EML Resource Planning Team
Chad Reynolds	EML Regulatory Affairs
Misty Harris	RFP Administration Team
Daniel Boratko	RFP Administration Team

## Independent Monitor

Wayne Oliver    Merrimack Energy Group, Inc.

# RFP Overview and Scope

Mary Decuir



# Rationale for the RFP

Five main drivers of the recommendation to proceed with the RFP for solar resources for EML

- 1 Supply Resource Needs**

Based on current planning assumptions, EML is expected to need additional supply resources by 2027 to meet its long-term capacity needs.
- 2 Diversity**

EML's existing supply resource portfolio is predominantly natural gas-fueled; adding solar resources complements the existing resource portfolio and increases diversity of supply.
- 3 Strategic Alignment**

EML's 2021 Integrated Resource Plan identified solar resources to be a cost-effective addition to EML's resource portfolio under a wide range of future outcomes.
- 4 Environmental Stewardship**

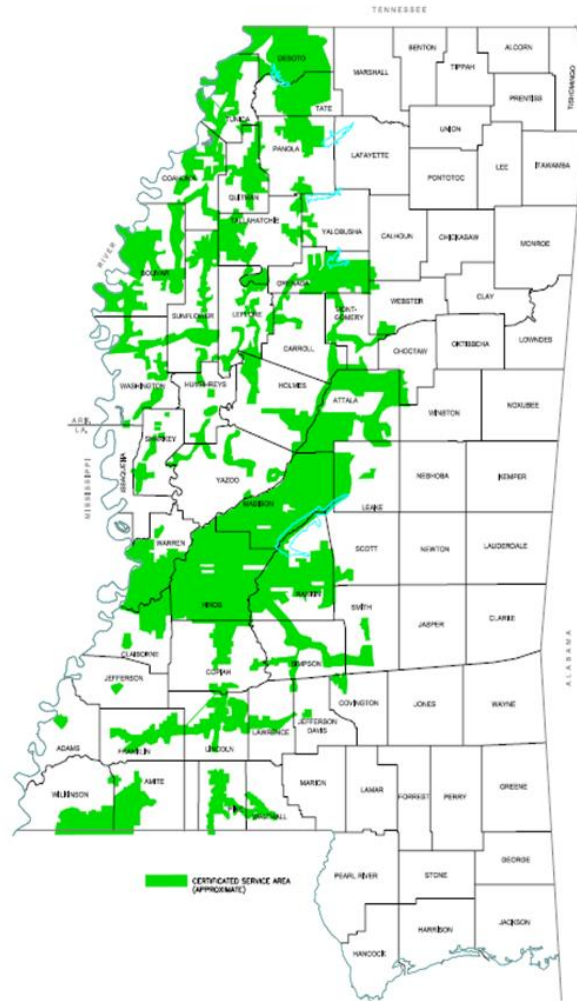
EML's consideration of the use and protection of the natural environment, ensuring compliance with existing and likely regulation, and paths toward a lower-carbon economy align with the addition of renewable resources.
- 5 Stakeholder Interest**

EML's stakeholders have expressed interest in seeing incremental renewable generation added to EML's generation portfolio.

# 2022 EML RFP Scope

Scope Item	Solar RFP Detail
Guaranteed Start / COD Date	100 MW Power Purchase Agreement (PPA) no earlier than May 31, 2024, and no later than December 31, 2024 400 MW by May 31, 2025 (PPA) or June 1, 2025 (BOT), subject to extension by bidder election or certain change orders (up to 500 MW if no 2024 PPAs are selected))
Transaction Type	PPA transactions (Solar PV & Wind developmental resources) PPA with option to purchase (Solar PV developmental resources) Build-Own-Transfer (BOT) Acquisition Agreement transactions (Solar PV developmental resources)
Options	Battery Energy Storage System (BESS) option (minimum 4-hour discharge) <ul style="list-style-type: none"> <li>• Any size</li> <li>• DC-coupled only</li> <li>• Commercially proven lithium-ion technology</li> <li>• 24/7 charging/discharging capability</li> </ul>
Location	The resource is required to interconnect directly to the EML Transmission System and to be located within the EML certificated area
Capacity Sought	Max Total: Up to 500 MW (EML reserves the right to take more or less) Min Capacity (any individual resource): 50 MW
Pricing	All-in energy-only pricing for PPAs Single fixed purchase price for BOTs (excludes investment tax credit, includes all project interconnection, transmission, and deliverability costs)
MISO Interconnection Queue	Existing GIA or included in the 2019 or 2020 MISO DPP Queue
Guaranteed Investment Tax Credit (ITC)	Guaranteed ITC level must be specified in the proposal; Seller generally bears risk of ITC loss
Bidder Registration	\$10,000 per proposal + \$1,000 for additional battery option(s)
Self-Build Options	Self-build options are not precluded
Entergy Regulated and Competitive Affiliates	Entergy Regulated Affiliates and Entergy Competitive Affiliates are not precluded from submitting proposals

# Entergy Mississippi Service Territory





# **RFP Schedule & Evaluation Process**

**Emilee Bentz**

# 2022 EML RFP Timing Overview

Milestone	Completion Date
Documents Posted	January 25, 2022
Bidders Conference	February 8, 2022
Bidder Registration Period (2/28 – 3/3)	March 3, 2022*
Proposal Submission Fee Payment Deadline	March 16, 2022*
Self-Build Proposal Submission Deadline	March 27, 2022*
Proposal Submission Deadline	March 31, 2022*
Notice to Bidders of Primary and Secondary Selections	July 15, 2022*
Comprehensive Due Diligence and Definitive Agreement Negotiations Begin	July 18, 2022*
Bidder(s) Remaining on Secondary Selection List Released from Proposals	October 17, 2022*
Definitive Agreements Executed	November 3, 2022*
Regulatory Approval Process Complete	November 30, 2023*

*\*The milestone dates accompanied by an asterisk are target dates.*

# Bidder Registration & Proposal Submission

- ❖ **Bidder registration and proposal submission will utilize forms and templates posted to**
  - **2022 EML RFP Website**
    - Bidder Registration Agreement
    - Bidder Registration Form
  - **PowerAdvocate**
    - Proposal Package includes, but is not limited to:
      - Proposal Submission Template
      - Due diligence questionnaire(s) (Appendix D) and related attachments
      - Self-Assessment Form
      - Proposal Submission Agreement
      - Credit appendix certification
      - Accounting certification, if required
      - Special exception redline of applicable model agreement (BOT & Scope Book or PPA)
- ❖ **All proposal-related document submissions must be made via PowerAdvocate**
  - Executed Proposal Submission Agreement
  - Complete responses to Proposal Submission Template and diligence requests
  - Proposals not delivered through PowerAdvocate will not be accepted
- ❖ **A message will be sent to bidder via PowerAdvocate confirming receipt of documents**

# Bidder Registration & Proposal Submission

## ❖ Proposal Submission Fees

- \$10,000 for each registered proposal (Solar PV or Wind + Optional Battery)
  - Any alternative COD, price, location, or other similarly material element of a proposal will trigger an additional proposal submission fee of \$10,000
  - A bidder offering a proposal that also includes more than one battery proposal/option will be required to pay an incremental charge of \$1,000 for each additional battery proposal/option
- Bidders will be invoiced proposal submission fees within three business days after the end of the Bidder Registration Period
- EML must receive payment of the proposal submission fee for each registered proposal no later than 5:00 p.m. CPT on March 16, 2022 (current schedule)
- Missing the submission fee payment deadline for a proposal is grounds for elimination of the proposal

# RFP Evaluation Process

- ❖ **The evaluation process is designed to be fair, impartial, and consistently applied**
  - Prior to submitting proposals, bidders will receive sufficient information to understand the evaluation factors and general decision criteria
  - Detailed inputs and evaluation scenarios will be considered confidential and highly proprietary and will not be shared with potential bidders or the self-build team
  - To the extent practical, evaluation models and assumptions will be defined before proposals are received
- ❖ **Proposals will be reviewed and assessed for the following:**
  - Economics (net supply cost)
  - Interconnection/deliverability/transmission
  - Viability
  - Credit and collateral requirements
  - Accounting treatment
- ❖ **Assessments will occur in the following stages:**
  - Phase I
    - Initial threshold determination
    - Preliminary shortlist (if applicable)
  - Phase II
    - Qualitative & quantitative assessments

# Redaction & Initial Threshold Determination

## Redaction

- ❖ **The purpose of the redaction process is to ensure that:**
  - Evaluation teams receive information relevant to their respective areas
  - Bid price is removed from the information provided to the Viability Assessment Team and the Transmission Evaluation Team, except to the extent needed for the team to conduct its analysis and disclosure to the team has been approved by the RFP Administration Team
- ❖ **The RFP Administration Team will open and redact all proposals**
- ❖ **Bidders should ensure pricing is only provided where required**
  - Appendix D, Attachment A-1 cost components (BOT)
  - Proposal Submission Template (PPA)

## Initial Threshold Determinations

- ❖ **Initial threshold determinations will occur early in the proposal review process**
- ❖ **The purpose of these determinations is to identify proposals that meet certain minimum threshold requirements for participation in the RFP**
- ❖ **Proposals not meeting threshold requirements will be subject to elimination**
- ❖ **Threshold requirements include, but are not limited to, those concerning:**
  - Eligible participants
  - Eligible technology
  - Eligible transactions
  - Eligible resources



# Phase I & Phase II Evaluations

- ❖ **Phase I Evaluation will include evaluations conducted primarily by:**
  - RFP Administration Team
  - Viability Assessment Team
  - Economic Evaluation Team (as applicable)
  
- ❖ **The purpose of the Phase I evaluation is to identify:**
- ❖ **Non-compliance with threshold requirements of the RFP**
  - Proposals determined to be high-risk
  
- ❖ **Phase II evaluation will include evaluations by:**
  - Accounting Evaluation Team
  - Credit Evaluation Team
  - Economic Evaluation Team
  - Transmission Evaluation Team
  - Viability Assessment Team
  
- ❖ **The purpose of Phase II is to evaluate the proposals in greater detail and to develop final rankings and conclusions**
  
- ❖ **A Final Report will be issued as part of the Phase II process**
  
- ❖ **The Final Report will be sent to EML, which will make proposal selections**

# Selection

## ❖ Primary Selection List

- Any Bidder with a proposal on the Primary Selection List will be invited to negotiate a definitive agreement based on its selected proposal
- Inclusion on the primary selection list is not acceptance of the proposal or related contract terms
- No requirement for EML to place any proposal on the primary selection list

## ❖ Secondary Selection List

- Any Bidder with a proposal on the Secondary Selection List may be invited to negotiate the terms of a definitive agreement based on the selected proposal or may be advised of proposal status
- Bidder would proceed to definitive agreement negotiations only if a Bidder on the Primary Selection List is removed from the list
- Bidders with proposals on the Secondary Selection List must hold open their proposals for three months after notification of the proposal's selection

# **Commercial Terms**

**Jaime Williamson**

# Commercial Terms Overview

- ❖ Model contracts are included in the RFP
  - During the comment and question phases, Bidders are encouraged to submit questions and provide comments regarding the proposed PPA and BOT commercial terms
  - In their proposals, Bidders may propose exceptions to transaction terms
    - Any exceptions to model contract terms (including the Scope Book) must be made through redlines of the applicable model contract
    - EML is under no obligation to agree to any exception
    - Significant requested changes could affect viability ratings or eligibility
  
- ❖ BOT Structure – Seller will develop, design, build, commission, test, and sell to EML the proposed project at a fixed price. This hybrid structure incorporates EPC principles and generation asset acquisition terms.
  
- ❖ PPA Structure - EML is entitled to all energy, environmental attributes, capacity, capacity-related benefits, and other electric products from the proposed project. Energy will be financially scheduled by Seller to EML's Load Node in MISO.
  
- ❖ Interconnection – In general, Seller will be responsible for ALL costs and schedule risks associated with transmission and interconnection of the proposed resource; Bidders should account for those costs and risks in their proposals..
  
- ❖ Credit Support - Seller will be required to provide to Buyer and maintain liquid credit support, in the form of an acceptable letter of credit or cash, as outlined in Appendix F to the RFP and the applicable model contracts

# Commercial Terms Overview – Solar BOT

## Purchase Price and Payment Milestones

- Bidders are required to provide an all-in purchase price to design, develop, construct, commission, test, and sell the solar facility according to requirements of the negotiated BOT Agreement and Scope Book.
  - \*BESS is required to be priced separately.
- The purchase price will be paid in three tranches: at the closing, at the substantial completion payment date, and at final completion.
  - \*EML will purchase the asset at the closing (after mechanical completion and prior to facility energization to the grid), at which point title and risk of loss transfer to EML.
  - \*Project care, custody, and control will remain with Seller through the substantial completion payment date.

## COD and ITC Requirements

- The guaranteed substantial completion date (GSCD) is generally required to be no later than May 31, 2025.
- Performance testing will occur after the Closing and prior to Substantial Completion
- Bidder generally will bear risk of loss of ITC benefits due to schedule delays

# Commercial Terms Overview – PPA

## Pricing Requirements

- Bidders are required to provide an all-in energy-only price that is expected to cover:
  - the cost of posting the required credit support amounts (including liquid credit) at each milestone,
  - the cost of all transmission and network upgrades Seller incurs to obtain full resource deliverability,
  - any congestion costs, imbalance charges, transaction fees, scheduling charges, revenue sufficiency charges, integration fees, and other similar costs that are for Seller's account,
  - any costs associated with financially settling at the EML Load Node, and
- any other costs that are Seller's responsibility under the terms of the PPA.
- BESS options should be priced separately

## Deliverability and Reliability Requirements

- EAL will pay the full contract price for delivered energy only up to 115% of Annual Expected Energy Quantity (AEEQ) based on fixed or variable pricing. All energy delivered in excess of 115% will be discounted to 50% of the standard contract price.
- Annual Guaranteed Energy Quantities (AGEQ) – Liquidated damages will be assessed for delivery below the AGEQ
- Attachment B-1 to the Model PPA lists reliability requirements for PPAs, subject to applicability
  - For both solar and wind, the PPA will include design and equipment sourcing requirements intended to help protect the facilities and customers from certain reliability risks, e.g., wind, hail, flood, fire, and freezing conditions
  - PPA bidders are encouraged to review the list and related contract terms

## Accounting Treatment

- The PPA may not result in the recognition of long-term liabilities to EML's balance sheet, including lease treatment, derivative accounting, or VIE (variable interest entity) liabilities

## Regulatory Disallowance

- Sellers are required to absorb the risks of regulatory disallowance after MPSC approval of the PPA (e.g., disallowance of replacement energy costs), excluding certain limited cost recovery risks that remain with EML (e.g., disallowance due to active buyer fault)



# **Viability Assessment**

**Jaime Williamson**

# RFP Evaluation Process

Viability Assessment - The VAT's key objectives are to perform a review of the non-price attributes of the proposals

- The Viability Assessment Team (VAT) assess qualitative attributes of proposals to determine the risk profile and viability of each resource and proposal.
- The review will be based on a two-phased analysis utilizing information provided in the proposal submission packages, including the due diligence questionnaire, the Viability Self-Assessment, and any additional proposal information or Bidder responses to clarifying questions (if applicable).
- The VAT may include subject matter experts from the following focus areas:
  - Transmission
  - Environmental
  - Insurance and Risk Engineering
  - Investment Tax Credits (ITC) – Solar; Production Tax Credits (PTC) - Wind
  - Plant & Equipment
  - Real Estate
  - Other disciplines, as appropriate

# RFP Evaluation Process

Viability Assessment Phase I – The VAT will assess to determine each proposal is conforming per the terms of the RFP

The VAT will evaluate each proposal and provide the compliance results to EML based on the following:

- A minimum requirements review of each proposal to ascertain whether the proposal includes all requested information listed in Section 4.5 of the Main Body, including a redline of the applicable model contract, a redline of the applicable Scope Book (BOTs only), and a redline of Attachment B-1 (PPAs only):
  - a Proposal Submission Agreement signed by an officer or other representative of Bidder who is authorized to sign the agreement;
  - a completed Proposal Submission Template;
  - a completed Viability Self-Assessment; and
  - a completed due diligence questionnaire and related attachments, including, without limitation:
    - the requested generation profile for two years (Excel Sheet);
    - documents requested by the questionnaire;
    - the required demonstration that Bidder or Seller has the requisite control over the project site;
    - a project summary;
    - a completed, executed credit certification; and
    - If required, a completed, executed accounting certification (PPAs only)
- An equivalent assessment will be performed on all proposals to identify any fatal flaws and to confirm the proposals submitted conform to RFP requirements, including the threshold requirements set forth in the Main Body, the credit support requirements set forth in Appendix E to the RFP and the applicable model contract, and any additional requirements provided for in the Viability Self-Assessment, the model contracts, or other documents.

# RFP Evaluation Process

Viability Assessment Phase I – A proposal must be bid to the requirements of the RFP to be evaluated

The following highlights a few key viability considerations:

- The resource meets the appropriate design and operating specifications, as outlined in the Scope Book (BOTs) and Attachment B-1 (PPAs);
- The resource is required to have or be seeking the required interconnection and deliverability service in MISO, including NRIS and ERIS; and
- The proposal pricing includes the cost of the required liquid credit for the credit support amounts at each milestone.
- BOTs Only:
  - Confirmation that the proposal is for the acquisition of the entire new-build facility and that the facility has a dedicated transmission interconnection point that is exclusive to the facility and is not and /will not be a part of a shared facility-type structure or arrangement.
- PPAs Only:
  - Confirmation that the proposal is for the sale of all products from the entire facility to the electric interconnection point, with financial settlement of deliveries at the EML Load Node.
  - Confirmation that the Guaranteed Delivery Term Commencement Date, regardless of facility technology, will be June 1, 2025.
  - Confirmation that the proposal, regardless of technology, has priced in the cost of all transmission interconnection and network upgrades to obtain full deliverability.

# RFP Evaluation Process

Viability Assessment Phase II – The VAT will provide a viability rating and qualitative assessment of each proposal to EAL

- The VAT Assessment Phase II will include a detailed review of each remaining proposal to assess the risks associated with key aspects of the proposal utilizing a pre-defined scorecard; this work will lead to a total viability rating for each proposal (High-Risk, Medium-Risk, Low-Risk)
- The Phase II review of all conforming proposals to determine the viability and risk profile associated with key aspects of a proposal, including, but not limited to, the following:
  - Redlines to the applicable model contract exceptions taken in the Scope Book or Attachment B-1 of the Model PPA
  - Proposed technological specifications compared to the parameters of the draft Scope Book
  - Bidder experience based on experience with renewable energy
  - Site environmental conditions identified in any Phase I assessments
  - Site control review of any purchase options/lease agreements for real estate terms and requirements
  - Assessment of special considerations and redline agreements, including commercial considerations and terms
  - Project Status
    - Construction Timeline
    - DPP Cycle Schedule
    - Transmission Interconnection/Network Upgrade Timeline
    - Renewable Tax Credits In-Service Date – ITC /PTC Risk (BOT Only)
    - Wind Only – Timeline to receive environmental permitting for endangered species
  - Options
    - BESS options submitted into the RFP will be assessed as possible add-ons and will be conditioned on acceptance of the proposal for the underlying solar or wind transaction.

# **Economic Evaluation**

**Christian Smith**



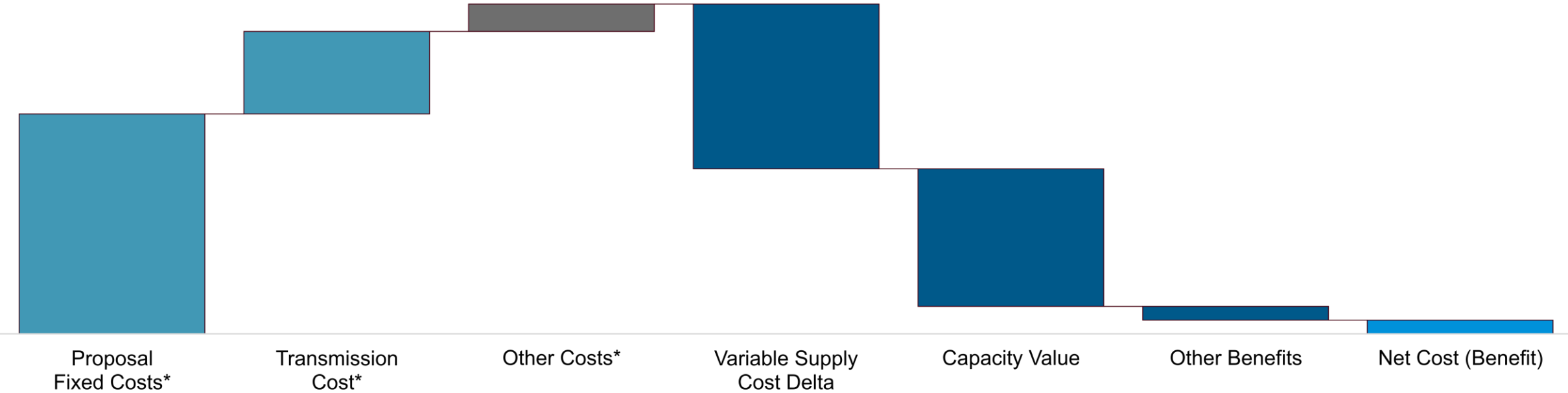
# Economic Evaluation Introduction

- ❖ **The EET will conduct an economic evaluation of proposals submitted in the RFP on a present value basis from the perspective of EML's aggregate customer base**
- ❖ **The economic evaluation will:**
  - Identify proposals that meet the RFP requirements and rank them based on relative economics
  - Utilize tools and methods commonly used by EML for long-term planning and resource evaluations, including, but not limited to:
    - Variable supply cost analysis within the context of the MISO markets based on simulations using the Aurora production cost modeling software
    - Pricing based on proposal submissions and responses to clarifying questions issued to bidders
    - Estimated property tax expense, considering obtained or identified property tax abatements or similar tax benefits, if applicable
    - Transmission cost estimates, if applicable, from the TET for expected required projects
      - ERIS (transmission owner interconnection upgrades (TOIF))
      - NRIS (network upgrades (NU), standalone network upgrades (SANU))
    - Long-term avoided capacity value
    - Alternative structures, such as a tax equity partnership
    - Terminal value, if applicable
    - Lease accounting treatment, if applicable
    - Imputed debt, if applicable
    - Any other applicable economic benefits, taxes, or costs
  - Include qualitative risk considerations and sensitivity analysis (e.g., scenarios around natural gas and carbon prices) if needed

# Economic Evaluation Process

- ❖ A net cost / benefit calculation will be performed for each proposal
- ❖ The net cost / benefit will be presented in \$M, levelized-real \$/kW-year, and levelized-real \$/MWh to account for differences in proposal size and expected energy production

EML Customer Total Relevant Supply Cost



**Notes:**  
\*Proposal Fixed Costs, Transmission Costs, and Other Costs will be included as part of the all-in energy pricing provided for PPA proposals.

# Transmission Evaluation

**Dustin Poteet**

# Transmission Evaluation Team

## ❖ **The objective of the TET's evaluation is to:**

- Ensure that with the addition of any proposed resource, adequate area reliability is maintained
- Identify any upgrades associated with maintaining adequate reliability
- Assess costs of all transmission infrastructure-related improvements required to incorporate each studied resource

## ❖ **Interconnection requirements and deliverability**

- Bidder will be responsible for and bear all the costs associated with the electric interconnection of the facility
- Interconnection, deliverability, and transmissions costs should be included in Bidder's proposed pricing
- Bidders offering PPAs should identify separately the estimated interconnection costs
  - A proposal that omits these costs or takes "special exception" to this requirement will be considered non-conforming and may be eliminated on that basis
- Bidder facility must have an existing GIA or be included and remain in the 2020 or earlier MISO DPP Queue
- Resource must interconnect directly to the EML transmission system
- Resources must remain in the interconnection queue until the resource is eliminated or interconnection service is obtained

# Transmission Evaluation Team

- ❖ **The Transmission Evaluation Team will perform standard analysis to ensure each proposal does not negatively impact the reliability of the transmission system**
- ❖ **Analysis may include but is not limited to:**
  - NRIS deliverability analysis
  - ERIS deliverability analysis
  - Standard steady state power flow analysis to identify potential projects based on EML's annual TPL-001-5 analysis and EML's Local Planning Guidelines and Criteria
  - Transient Stability, Voltage Stability, and Short Circuit analyses per TPL-001-5 and EML's Local Planning Guidelines and Criteria
  - Cost estimating and scheduling analysis for interconnection and transmission facilities
  - Fault Induced Delayed Voltage Recovery(FIDVR) analysis

# Accounting Evaluation

David Batten



# Accounting Evaluation

- ❖ **The Accounting Evaluation Team will assess potential accounting effects of PPA proposals, including, but not limited to:**
  - Whether the proposal contains a lease resulting in the recognition of a long-term liability for EML or its affiliates under the rules in effect during the term of the proposal (ASC 842 analysis)
  - Whether the legal entity owning the proposed generating asset is a variable interest entity (“VIE”) and, if so, who will consolidate the VIE throughout the term of the agreement (ASC 810 analysis)
  - Whether the proposal is or includes a derivative and, if so, the appropriate accounting for the derivative (ASC 815 analysis)
  - Other accounting impacts from the proposal
- ❖ **The Accounting RFP requirements include:**
  - EML will not accept proposals that would result in the recognition of a long-term liability for EML or its affiliates (“on-balance sheet accounting”)
  - If requested, Bidder will certify that it has determined that, to the best of its knowledge, the proposed PPA will not result in on-balance sheet accounting for EML or its affiliates
  - Bidder will be required to make available all information required to verify and/or independently determine the accounting treatment associated with a proposal

**EML will not accept the risk of any transfer to its books of any long-term liability associated with a PPA arising out of the RFP**

# Credit Evaluation

**Eric Agana**

# Credit Evaluation

- ❖ **The Credit Evaluation Team (CET) will evaluate Bidder's credit and other credit-related matters**
  
- ❖ **The Credit RFP requirements include:**
  - Bidder must nominate the parent guarantor at bidder registration; limited to one nominee
  - Financial statements for Bidder and parent guarantor must be provided at bidder registration
  - Public credit ratings, if any, for Bidder and parent guarantor must be provided at bidder registration
  - Forms of acceptable liquid credit support: letters of credit and cash holdbacks
  - Specific liquid credit support amounts, available parent guaranty-based offsets to liquid credit support postings, and credit events (which can eliminate credit offsets) are set out in the credit appendix to the RFP (see Appendix E) and the model contracts
  - Special exceptions to core credit terms are not permitted
  - Bidder must submit with its proposal(s) a credit compliance certification acknowledging its familiarity with the terms of the credit appendix and certifying that the terms of the proposal(s) (including proposal pricing) reflect and comply with credit appendix requirements

# Credit Evaluation

- ❖ The CET will provide Bidder with details regarding the liquid credit support offset prior to proposal submission
- ❖ The CET will assign a Bidder credit rating (or Bidder's parent guarantor credit rating) for all proposals, based on, among other things:
  - S&P and Moody's ratings
  - 10K/10Q/8K evaluation
  - If SEC reports unavailable, two years of audited financial statements provided by Bidder
    - Financial statements include balance sheet, income statement, cash flow statement, notes to the financials, and the auditor's opinion
    - If financial information is consolidated with other entities, all data related solely to the offering entity will be extracted and submitted as separate documents by Bidder
    - Credit-related diligence materials provided by Bidder

# Process Safeguards

**Emilee Bentz**

# Process Safeguards

Code of Conduct, Protocols, Design, Stakeholder Participation

## Code of Conduct

- All employees of ESL, any Entergy Operating Company, or any Entergy Competitive Affiliate must adhere to the applicable Affiliate Rules and Codes of Conduct
- Links will be provided on the 2022 EML RFP website

## Additional Protocols

- Each 2022 EML RFP Proposal Evaluation Team is made up of designated personnel
  - Team composition is overseen by the IM
- ESL personnel involved with the RFP evaluation process must adhere to the provisions of a confidentiality acknowledgement that governs access to and use of information contained in proposals and proposal related documents
- Additional protocols are specified in the 2022 EML RFP

## RFP Process Design and Implementation

- RFP process is designed to assure fair and impartial treatment of all Bidders
- Self-build proposal will be finalized and “locked down” with oversight from the IM prior to the receipt of third-party bids

## Stakeholder Participation

- The RFP is posted on ESL’s public 2022 EML RFP website and is publicized to encourage robust market participation
- Bidder Conference
- Potential Bidders will be provided opportunities to ask questions about the RFP and seek clarification on the RFP process

# Q&A Session

EML requests that Bidders submit all questions to the Bid Event Coordinator at [EMLRenewablesRFP@entergy.com](mailto:EMLRenewablesRFP@entergy.com)