

Appendix A Glossary

2024 Request for Proposals

for

Energy and Capacity from Existing Generation Resources

for

Entergy Louisiana, LLC

Entergy Services, LLC April 5, 2024 Draft

Appendix A Glossary

The following terms have the meanings given to them below:

- "2024 ELL Existing Resource Energy and Capacity RFP" or "RFP" means the 2024 Request for Proposals for Energy and Capacity from Existing Generation Resources for Entergy Louisiana, LLC, dated April 5, 2024 (including all appendices and other attachments thereto).
- "2024 ELL Existing Resource Energy and Capacity RFP Website" has the meaning given that term in the Main Body.
- "Accounting Evaluation Team" or "AET" means the group of Persons responsible for the assessment of the accounting treatment of PPA, Toll, Acquisition, and Capacity Credit proposals received in the RFP and the accounting implications of the proposed Definitive Agreements.
- "Accounting Officer" has the meaning given that term in the Main Body.
- "Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by," and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or interests having voting power, by agreement, or otherwise.
- "Affiliate Rules" means rules and regulations promulgated by federal, state, and local regulatory agencies to address interactions between a utility and its affiliates engaged in competitive markets; settlement agreements between an Entergy Operating Company and a regulatory agency to address such interactions; and FERC-ordered standards of conduct to address interactions between transmission function and marketing functions employees.
- "AGC" or "Automatic Generation Control" means a generating unit under automatic dispatch from a system control center.
- "Acquisition(s)" has the meaning given that term in the Main Body.
- "ASC" means the Accounting Standards Codification.
- "Balancing Authority" means the entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a balancing authority area, and supports interconnection frequency in real time, and is more fully described in the Term Sheets.
- "Balancing Authority Area" means an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to: (i) match,

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

at all times, the power output of the generators within such electric power system(s) and the net power purchased from or sold to Persons outside such electric power system(s) with the load within such electric power system(s); (ii) maintain scheduled interchange with other such electric power system(s), within the limits of accepted electrical practices; (iii) maintain the frequency of such electric power system(s) within reasonable limits in accordance with accepted electrical practices; and (iv) provide sufficient generating capacity to maintain operating reserves in accordance with accepted electrical practices.

"<u>Bid Event Coordinator</u>" means the individual identified in 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 ELL 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.

"Bidder" means a Person that submits (or, prior to the applicable due date, intends or expects to submit) a proposal or completes the Bidder Registration Process in response to the RFP, or any group of Persons having a pre-existing contractual relationship, such as co-owners of a resource, that submits jointly (or, prior to the due date, intends or expects to submit jointly) a proposal or completes the Bidder Registration Process 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."

"Bidder ID" means the unique Bidder identification number assigned to Bidder during the Bidder registration process.

"Bidder Registration Agreement" means the Bidder Registration Agreement described in the Main Body that Bidders are required to submit to ESL in order to participate in the RFP.

"Bidder Registration Deadline" has the meaning given that term in the Main Body, and as of the date of issuance of the RFP is stated in the RFP Schedule to be June 12, 2024.

"<u>Bidder Registration Period</u>" has the meaning given that term in the Main Body and means the period beginning at the Bidder Registration Start Date and ending at the Bidder Registration Deadline.

"<u>Bidder Registration Process</u>" means the process of filling in and submitting via PowerAdvocate the required documentation for Bidder to register proposals for submission in the RFP, as described in more detail in the Main Body.

"Bidders Conference" means the conference relating to the RFP described in the Main Body and held on the date for the Bidders Conference set forth in the Main Body.

"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

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

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 ELL.

"Capacity" means the MW output that the relevant facility is capable, as of a given moment, of producing and making available, taking into account the operating condition of the Facility, the Facility's auxiliary energy requirements, solar irradiance, temperature and relative humidity conditions, losses, and other relevant factors at such time.

"Capacity-Related Benefits" means any benefit associated with the Contract Capacity, including any ZRCs, other capacity credits, and similar rights and benefits, but excluding Contract Energy, Other Electric Products, and Environmental Attributes.

"Capacity Credits" means ZRCs or (i) if ZRCs are no longer recognized by MISO, such other form of capacity credits or capacity-related benefits that replaces ZRCs and that MISO recognizes for use in the satisfaction of MISO's resource adequacy requirements or (ii) if a Balancing Authority other than MISO is the applicable Balancing Authority, such other form of capacity credits or capacity-related benefits that such Balancing Authority recognizes for use in the satisfaction of its resource adequacy or other similar requirements.

"Capacity Credit Purchase Agreement(s)" has the meaning given that term in the Main Body.

"Capacity Resource" means each of the resources listed as a "Capacity Resource" under the MISO Tariff, as it may be amended from time to time.

"CCGT" has the meaning given that term in the Main Body.

"Closing" means the date of the closing of the Acquisition transaction under a Definitive Agreement.

"Comment Deadline" has the meaning given that term in the Main Body.

"Contract Capacity" means the amount of Capacity required to be delivered by Seller under a PPA or Toll, and which is provided to be the total amount of MW output from the Facility contracted by Buyer under a Definitive Agreement, taking into account the operating condition of the Facility, the Facility's auxiliary energy requirements, and other relevant factors at such time.

"Contract Energy" means the energy to be provided by Seller under a PPA or Toll Transaction, and which is provided to be the energy associated with or provided or to be provided from the Contract Capacity.

"Cost Recovery Risks" has the meaning given that term in the Main Body.

"CP Node" mean commercial pricing node.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

"<u>CPI</u>" means the Consumer Price Index for All Urban Consumers; US City Average; All Items: Not Seasonally Adjusted (base index year 1982-1984 = 100), as published by the United States Department of Labor, Bureau of Labor Statistics, from time to time.

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

"Credit Evaluation Team" or "CET" means the group of Persons responsible for assessment of the potential credit risks and attendant collateral requirements and credit costs pertaining to each proposal received in the RFP.

"CT" has the meaning given that term in the Main Body.

"<u>Definitive Agreement</u>" 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 PPA, Toll, Acquisition or standalone Capacity Credit Transaction 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.

"<u>Delivery Term</u>" means the term for deliveries of Contract Capacity, Capacity-Related Benefits, Contract Energy, and Other Electric Products from Seller to Buyer under a Definitive Agreement that is a PPA, a Toll or a standalone Capacity Credit Transaction.

"Distribution-Level Proposal" has the meaning given that term in the Main Body.

"Economic Evaluation Team" or "EET" means the group of Persons responsible for the economic assessment of the proposals received in the RFP.

"<u>Electric Interconnection Point</u>" means the physical point recognized by MISO as a Commercial Pricing Node at which the Facility interconnects to the host utility's transmission system.

"Eligible Technology" means the generation technology eligible to participate in the RFP (as further described in the Main Body).

"Eligible Participants" has the meaning given that term in the Main Body.

"Eligible Resources" has the meaning given that term in the Main Body.

"ELL" has the meaning given that term in the Main Body.

"ELL-Allocated Cost Recovery Risks" has the meaning given that term in the Main Body.

"ELL Load Node" has the meaning given that term in the Main Body.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

"<u>ELL Transmission System</u>" means ELL's Transmission System (as defined according to the MISO Rules) to which the Facility will be physically interconnected.

"Energy Resource Interconnection Resource" and "ERIS" means an interconnection service under the MISO Tariff that allows the interconnection customer to connect its generating facility to the MISO transmission system or distribution system, as applicable, to be eligible to deliver the generating facility's electric output using the existing firm and non-firm capacity of the transmission system on an available basis.

"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 Operating Companies" or "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 Entergy Texas, Inc.

"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" means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil, or water.

"ESL" has the meaning given that term in the Main Body.

"Evaluation Team" means the group of individuals responsible for evaluating one or more aspects of the proposals (or specific components thereof) submitted in response to the RFP. Most of the Evaluation Teams will consist primarily of members of SPO and Entergy's Fossil Generation Department. The Evaluation Teams consist of the Economic Evaluation Team, the Transmission Evaluation Team, the Viability Assessment Team, the Accounting Evaluation Team, and the Credit Evaluation Team, all as more particularly described in the Main Body has the meaning given that term in the Main Body.

"Facility" means the electric generation facility specified as such in a Bidder proposal.

"FASB" has the meaning given that term in the Main Body.

"FERC" means the Federal Energy Regulatory Commission, or any successor thereto.

"GIA" has the meaning set forth in the Main Body.

"Governmental Authority" means any federal, foreign, state, local, or municipal governmental body; any governmental, quasi-governmental, regulatory or administrative agency, commission,

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

body, or other authority (including FERC, any electric reliability organization, any market monitor, any independent coordinator of transmission, any Balancing Authority (including any ISO or RTO), and any other transmission provider) exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory, or taxing authority or power; or any court or governmental tribunal.

- "HSR" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.
- "Independent Monitor" or "IM" means Mr. Wayne Oliver of Merrimack Energy Group, Inc., an independent consulting firm retained by ESL to act as independent monitor for the RFP.
- "ISO" means a Person operating a transmission system and determined by the FERC to be an Independent System Operator.
- "kW" means kilowatt, a unit of electrical power equal to one thousand watts.
- "<u>kWh</u>" means kilowatt-hour, a basic unit for measuring the flow of electric energy. A kWh is equal to one kilowatt of power supplied continuously for one hour (or the amount of electricity needed to light ten 100-watt light bulbs for one hour).
- "Long-Term Network Resource" means a generating resource that has qualified for network integration transmission service for one year or longer provided under the MISO OATT.
- "LPSC" has the meaning given that term in the Main Body.
- "LRZ" has the meaning given that term in the Main Body.
- "Main Body" means the main document describing the RFP.
- "Market Participant" means a legal entity certified by MISO to submit bids to purchase energy, submit offers to supply energy and operating reserve, hold financial transmission or auction revenue rights, and conduct other market-related activities under the MISO Tariff.
- "MISO" means Midcontinent Independent System Operator, Inc.
- "MISO Agreement" has the meaning given that term in the Main Body.
- "MISO OATT" means the Open Access Transmission Tariff of MISO, filed at FERC in compliance with FERC Order Nos. 888 and 890.
- "MISO Rules" means the policies, rules, guidelines, procedures, protocols, standards, criteria, instructions, directives, and requirements of MISO, including the MISO Tariff and MISO's Business Practice Manuals.
- "MISO System" means the interconnected group of transmission systems coordinated, controlled, and monitored by MISO.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

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

"MMBtu" means one million British thermal units.

"<u>Monthly Availability Requirement</u>" means the minimum required availability of the Facility for delivery of the Products therefrom in each month of the Delivery Term, measured monthly and regardless of whether or not dispatched. The Monthly Availability Requirement are more particularly described in Appendix B-1 and 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.

"MWh" means megawatt-hour, a unit of electrical energy equal to one MW delivered for one hour.

"Network Resource Interconnection Service" and "NRIS" means an interconnection service under the MISO Tariff that allows the interconnection customer to integrate its generating facility with the transmission system in the same manner as for any generating facility being designated as a network resource. NRIS includes any network resource interconnection service established under an agreement with, or the tariff of, a transmission owner prior to the integration into MISO that is determined to be deliverable through the integration deliverability study process.

"Network Resource" has the meaning given that term in the MISO Tariff.

"Network Integration Transmission Service" and "NITS" means the transmission service provided under Module B of the MISO Tariff.

"NITS Proposal" has the meaning given that term in the Main Body.

"O&M" means operation and maintenance.

"Other Electric Products" or "Ancillary Services" means reactive power production, reactive power absorption, voltage control, regulation and frequency response, energy balancing, load following, reserves and any other services, capabilities, or products (including any ancillary services, but excluding any Capacity Credit or similar right or benefit or Environmental Attribute) available from or associated with Contract Capacity and/or Contract Energy.

"Person(s)" means any individual, Governmental Authority, corporation, limited liability company, partnership, limited partnership, trust, association, bank, financial institution, fund or other entity.

"Phase I" has the meaning given that term in the Main Body.

"Phase II" has the meaning given that term in the Main Body.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

"Physical Delivery Point" means the Electric Interconnection Point, and is the physical point recognized by MISO as a Commercial Pricing Node at which the Facility interconnects to the host utility's transmission system.

"Planning Year" the period of time from June 1st of one year to May 31st of the following year.

"PowerAdvocate" means the tool utilized by ELL and Bidder after Bidder Registration for ELL to send RFP updates and documents to Bidder, for Bidder to submit to ELL its Proposal Package(s), and for ELL and Bidder to communicate with each other regarding the RFP.

"PPA(s)" has the meaning given that term in the Main Body.

"PPI" means the Producer Price Index for "All commodities – WPU00000000," as published by the United States Bureau of Labor Statistics.

"<u>Primary Selection List</u>" means a final list setting forth the proposal(s) selected for immediate negotiation of Definitive Agreement(s).

"Products" means the PPA, Toll, Acquisition, and Capacity Credit products solicited by the RFP and described in the Main Body, the Term Sheets, and the model Capacity Credit Purchase Agreement.

"Proposal ID" means the unique proposal identification number assigned to Bidder for each proposal that Bidder registers during the Bidder Registration Process.

"Proposal Package" means a completed Proposal Submission Template, a completed Viability Self-Assessment, completed responses to Appendix C (Due Diligence Questionnaire) to the RFP, a completed, properly executed form of credit certification (Annex E-1 to Appendix E) and, for PPA and Toll proposals or otherwise if requested by a member of the RFP Administration Team or the Accounting Evaluation Team, a completed, properly executed accounting certificate (Appendix H), a completed, properly executed form of the Proposal Submission Agreement, the evidence requested in Appendix G, and all other documents and information that Bidder is required to provide under the RFP for the submitted proposal.

"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 issuance of the RFP, 5:00p.m. CPT on August 16, 2024).

"<u>Proposal Submission Fee</u>" means the amount paid by Bidder for each proposal registered with ESL for submission and evaluation in the RFP.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

- "<u>Proposal Submission Fee Payment Deadline</u>" means the deadline for payment of Proposal Submission Fees as set out in the RFP Schedule (as of the date of issuance of the RFP, 5:00 p.m. CPT on June 21, 2024).
- "Proposal Submission Period" means the period for submission of proposals into the RFP as set out in the RFP Schedule (as of the date of issuance of the RFP, from August 13, 2024, to August 16, 2024, the Proposal Submission Deadline.
- "Proposal Submission Process" means the Proposal Submission Process set out in the Main Body.
- "Proposal Submission Template" means the Excel sheet made available to Bidder in the ELL Existing Resource Energy and Capacity RFP Website and called the "Proposal Submission Template" that each Bidder is required to complete and deliver to the Bid Event Coordinator as part of the Proposal Submission Process.
- "Published Credit Rating" means, with respect to any Person, on any date of determination, the qualifying public issuer or debt credit rating by S&P or Moody's as applicable, as further described in Appendix E to the RFP, each as published on such agency's respective Web page. No private or unpublished ratings will be accepted.
- "Qualifying Facility" or "QF" means a cogeneration or small power production facility that meets the requirements for qualifying facility status under the Public Utility Regulatory Policies Act of 1978, as amended, and the applicable federal and state implementing regulations.
- "Regional Transmission Organization" or "RTO" means any Person that satisfies the characteristics and functions of Regional Transmission Organizations as set forth in 18 C.F.R. 35.34. The RTO is voluntary in each region and may include transmission system owners, wholesale purchasers, and independent power generators.
- "Resource ID" means the unique resource identification number assigned to Bidder for each generating plant (or portion thereof) that Bidder registers during the Bidder Registration Process.
- "RFP Administration Team" has the meaning given that term in the Main Body.
- "RFP Schedule" means the schedule of milestones related to the RFP set forth in the Main Body, as may be modified by ELL from time to time in accordance with the RFP.
- "S&P" means Standard & Poor's Financial Services LLC.
- "Season" means a "Season" as defined in the MISO Rules. The MISO Rules in effect as of the date of issuance of the RFP provide for four seasons: (i) Winter (December, January, February); (ii) Spring (March, April, May); (iii) Summer (June, July, August); and (iv) Fall (September, October, November).
- "Secondary Selection List" means a final list setting forth the proposal(s) selected for possible negotiation of Definitive Agreement(s).
- The statements contained in this Appendix A are made subject to the Reservation of Rights set forth in Appendix D of the RFP and the terms and acknowledgements set forth in the Proposal Submission Agreement.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

"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" has the meaning given that term in the Main Body.

"SME" has the meaning given that term in the Main Body.

"Special Exceptions" means the specific term(s) set forth or described in the applicable Term Sheet identified by a Bidder to which such Bidder takes exception and provides a reasonably complete and detailed explanation of Bidder's position in the "Special Considerations" section of its proposal.

"SPO" means Entergy's System Planning & Operations organization.

"ST" has the meaning giving that term in the Main Body.

"Start Charge" means the charge payable by Buyer to Seller in connection with Seller's delivery of energy and Other Electric Products to Buyer pursuant to a Definitive Agreement.

"Start Fuel Charge" means the charge, if any, based on the product of the Start fuel amount and the applicable gas price, payable by Buyer to Seller in connection with Seller's delivery of energy and Other Electric Products to Buyer pursuant to a Definitive Agreement.

"Start-up" or "Start" means a start-up of one or more of specified generating units after a shutdown of such unit(s). A Start may be a completed Start or a failed Start, as the context requires, will involve the delivery of "ramping" energy, and will be described in more detail, if and as necessary, in the Definitive Agreements.

"Summer Conditions" means 90.3° Fahrenheit and 68% relative humidity.

"<u>Term Sheets</u>" means the term sheets in Appendices B-1 (PPAs), B-2 (Tolls), and B-3 (Acquisitions) of the RFP and generally described in Section 1.3 of the Main Body. The term sheets set forth in varying degrees of detail some of the key commercial terms that would apply to any PPA, Toll, or Acquisition Transaction arising out of the RFP.

"Threshold Requirements" means the minimum requirements for proposals submitted into the RFP to advance to the next evaluation stage of the RFP, as described in the Main Body.

"Toll(s)" has the meaning given that term in the Main Body.

"Transaction" means a commercial transaction arising or resulting from the RFP for the purchase and sale of: (i) all assets that constitute a Facility that is structured as an Acquisition, (ii) Capacity, energy, Other Electric Products and Environmental Attributes (if any) from a Facility and that is structured as a PPA or Toll, or (iii) Capacity Credits sourced exclusive from a Facility and structured as a purchase and sale of standalone Capacity Credits.

Glossary for 2024 ELL Existing Resource Energy and Capacity RFP

"<u>Transmission Evaluation Team</u>" or "<u>TET</u>" means the group of Persons responsible for the interconnection, deliverability, and transmission cost and risk associated with the proposals received in the RFP.

"Treasury Officer" has the meaning given that term in the Main Body.

"<u>Variable O&M Rate</u>" means the rate payable by Buyer to Seller for variable O&M costs for a defined period during the Delivery Term, as more particularly described in the Main Body and Appendices B-1 and B-2 to the RFP.

"<u>Viability Assessment Team</u>" or "<u>VAT</u>" means the group of Persons responsible for the technical, environmental, and commercial assessment of the proposals received in the RFP.

"<u>Viability Self-Assessment</u>" means the Excel sheet made available to Bidder in the 2024 ELL Existing Resource Energy and Capacity RFP Website and called the "Viability Self-Assessment" that each Bidder is required to complete and deliver to the Bid Event Coordinator as part of the Proposal Submission Process.

"VIE" means variable interest entity.

"Winter Conditions" means 75.3° Fahrenheit and 70.7% relative humidity.

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