

## ATTACHMENT 1

### SCOPE OF WORK ACTIVITIES FOR INDEPENDENT MONITOR SERVICES RELATING TO ENERGY SERVICES, LLC'S 2024 REQUEST FOR PROPOSALS FOR EXISTING RESOURCE ENERGY AND CAPACITY FOR ENERGENCY LOUISIANA, LLC

Merrimack Energy Group, Inc. (acting through Mr. Wayne Oliver) has been selected and has agreed to serve as the Independent Monitor (“IM”) for Energy Services, LLC’s (“ESL”) 2024 Request for Proposals for Existing Resource Energy and Capacity for Entergy Louisiana, LLC (the “Company”) (the “RFP”). The RFP will not include the market-test of a self-build. Competitive affiliates of the Company will not be allowed to submit proposals in the RFP.

The IM is being engaged by ESL, as the Company’s agent, to help ensure that the RFP design, processes, and reviews described in this Scope of Work are impartial and objective, all proposals submitted in the RFP are treated in a consistent fashion, and no undue preference is given in connection with the RFP to any proposal or any potential bidder in the RFP.

This document outlines the scope of the IM’s responsibilities and activities for the RFP. These responsibilities and activities include oversight, review, monitoring, and reporting and cover several different phases of the RFP, including:

- 1) the overall design of the RFP;
- 2) the proposal solicitation process (RFP issuance, bidder registration, and proposal submission);
- 3) the proposal evaluation process (including methods of evaluation);
- 4) the proposal selection process;
- 5) the due diligence and negotiation process; and
- 6) regulatory review, as needed and requested.

In carrying out the IM’s tasks and services hereunder, the IM will have access to (i) any employee of ESL or the Company, (ii) any data, process, or analytic tool created, followed, or utilized by ESL or the Company in connection with the RFP, and (iii) any other material or information reasonably available to ESL or the Company related to the RFP to the extent the IM deems such access necessary for ensuring that the RFP design, processes, and reviews are developed or conducted in a fair and impartial manner and subject to appropriate confidentiality safeguards to protect, among other things, data, methods, proposal information and evaluations, and the integrity of present and future RFPs conducted by ESL or the Company (“Confidentiality Safeguards”). The IM will have the ability to communicate directly with the Louisiana Public Service Commission staff members that are participating in overseeing the RFP process (“Participating Staff”), subject to appropriate Confidentiality Safeguards.

#### **A. Independent Monitor (IM)**

The scope of the IM’s role and engagement in each phase of the RFP process includes:

## 1. RFP Development

a. The IM will review and comment on the proposed product specifications and planning criteria to ensure that they are reasonably aligned with the Company's stated resource needs and have not been designed to provide undue preferential treatment to any potential bidder, or any proposal or resource. The IM will not evaluate or determine the Company's planning criteria or its present or future resource needs.

b. The IM will review, evaluate, and comment on whether the technical product descriptions developed for, and the types of products solicited in, the RFP are reasonably designed to meet the overall and stated objectives of the RFP and to facilitate a robust response from market participants.

c. The IM will review and comment on the key technical RFP proposal evaluation criteria (and any other information it deems appropriate) to ensure that the RFP products solicited have not been designed to provide undue preference to any potential bidder.

d. The IM will review and comment on draft RFP documents to ensure that the terms therein and the procedures related to the development, issuance, and modification of such RFP documents support a robust and fair solicitation process.

e. The IM will review and comment on the structure of the RFP evaluation teams and the processes for protection of proposal information used by the evaluation teams, endeavor to identify and, if identified, notify ESL of any issue, concern, or deficiency in such structure or processes, and work with ESL to address and resolve any such issue, concern, or deficiency.

f. The IM will review and comment on the proposed RFP processes to ensure that they are designed to comply with all applicable Codes of Conduct, Standards of Conduct, affiliate rules, confidentiality agreements and restrictions, and acknowledgment forms and agreements, and will monitor ESL's and the Company's compliance therewith. The IM will not communicate to any employee or agent of ESL or any of its affiliates or others any information that, pursuant to the provisions of the RFP and the relevant Codes of Conduct, Standards of Conduct, affiliate rules, agreements, restrictions, and documents identified herein, cannot be shared with such employee.

g. Throughout the RFP process, the IM will make recommendations, as needed and appropriate, in the IM's opinion, to improve the RFP processes (*e.g.*, recommending, as indicated, changes to draft RFP documents and commenting on changes proposed by Participating Staff and market participants during the RFP consultation process).

h. The IM will review and comment on ESL's evaluation methods, analytical tools and processes, data inputs and assumptions, and price and non-price evaluation criteria for RFP proposals, including its methods and analytical tools used in the evaluation process, and including specifically, but without limitation, the economic, viability, non-pricing, and credit evaluation and assessment procedures. The IM will evaluate such methods, tools, processes, data, assumptions, and criteria from both a price and a non-price perspective. The IM will endeavor to identify any issue, concern, or deficiency in such evaluation methods, tools, processes, data inputs and assumptions, and criteria, and will work with ESL to address and resolve any such issue,

concern, or deficiency.

i. The IM will review and comment on the description of the evaluation processes to be provided in the RFP documentation to ensure that such processes are accurately and appropriately described.

j. The IM may recommend that ESL consider using or analyzing different inputs, scenarios, and sensitivities in addition to those that ESL plans to use in the proposal evaluations conducted under the RFP.

## 2. Proposal Solicitation (RFP Issuance, Bidder Registration, and Proposal Submission)

a. The IM will monitor implementation of the RFP to ensure that the RFP process is administered in a manner that is objective and impartial to all potential bidders and that no undue preference is given to any potential bidder.

b. The IM will participate in any technical or bidders' conference that ESL or the Company may hold for the RFP. The IM will monitor questions submitted by prospective bidders to ESL during any such conference or via the RFP website and work with ESL to ensure that timely, accurate responses to the questions submitted are provided, consistent with appropriate Confidentiality Safeguards.

c. The IM will review bidder registration information received from prospective bidders and determine whether additional information is needed.

d. The IM will oversee the receipt and handling of all RFP proposals timely submitted during the proposal submission period.

e. The IM will have the ability to respond directly to bidders, and to communicate directly with bidders, with respect to questions, issues, or concerns during the RFP process and will communicate those questions, issues, or concerns, as appropriate, to both ESL and Participating Staff.

## 3. Proposal Receipt

a. The IM will review and monitor the distribution of data reports generated for each area of proposal evaluation.

b. ESL, with the oversight of the IM, will determine whether a non-conforming proposal should be rejected, whether the bidder should be permitted to cure the proposal, and if the bidder is permitted to cure, the requirements for cure.

c. The IM will have access to any document, process, or other information that the IM deems necessary to ensure that the proposal receipt process is conducted in a fair and impartial manner and subject to appropriate Confidentiality Safeguards.

## 4. Proposal Evaluation and Selection

a. The IM will oversee the RFP evaluation and selection process to ensure that the process is objective and impartial to all bidders and that no undue preference is given any potential bidder.

b. The IM will obtain and review, and may comment on, all proposed written communications concerning or relating to the RFP between ESL and bidders, in advance of ESL's issuance of such communications.

c. The IM will monitor the economic evaluation of all proposals and review the quantitative and qualitative analyses performed in connection with such evaluation to ensure that the analyses appropriately address the economic elements of proposals and are conducted impartially and objectively.

d. The IM will monitor the evaluation of the interconnection, deliverability, transmission, and other non-price aspects of proposals and review formal quantitative and qualitative analyses performed in connection with such evaluation, including any filings made to or studies provided by or for Midcontinent Independent System Operator, Inc. relating directly to such evaluation.

e. The IM will monitor the credit evaluation of bidders and review formal quantitative and qualitative credit analyses, as necessary, to ensure an impartial and objective process.

f. The IM will monitor the viability and accounting assessments performed in the RFP to ensure that such assessments are reasonable and appropriate.

g. If, during the evaluation process, ESL determines that it is necessary or appropriate to modify the evaluation process (for example, by concluding that a need exists for additional evaluation or that the timing of the evaluation should be modified or inputs or scenarios changed), the IM will request, review, and provide comments on the proposed changes. If the IM disagrees with a modified evaluation process, the IM will be entitled to request that, in addition to the modified analyses that ESL wishes to perform, ESL also perform the analysis as originally contemplated.

h. The IM will review all written recommendations and materials to be presented to the Operating Committee (or equivalent) for the Company ("the Company OC") (or members thereof), the President and Chief Executive Officer of the Company, the Chief Executive Officer of Entergy Corporation, the Senior Vice President and Chief Accounting Officer of Entergy Corporation, the Executive Vice President and Chief Financial Officer of Entergy Corporation, the Executive Vice President and Chief Operating Officer of Entergy Corporation, the Group President of Utility Operations of Entergy Corporation, or other senior executives of Entergy Corporation or any direct or indirect subsidiary thereof that ESL has determined need to receive such recommendations or materials ("Authorized Entergy Executives") concerning the evaluation and selection process associated with the RFP, subject to the redaction of attorney-client privileged communications or attorney work product or materials or information required for each of ESL and the Company to remain in compliance with its legal duties under applicable law or contractual obligations to third parties.

i. The IM will review any preliminary or final proposal ranking, portfolio

selection, or proposal selection or elimination in the RFP. Such review will occur before this information is presented to the Company OC (or members thereof), or Authorized Entergy Executives. If the IM disagrees with any such ranking, selection, or elimination, and ESL does not resolve such disagreement to the IM's satisfaction, the IM may set forth the nature and the IM's assessment and view of the issue in a report presented to the Company OC (or members thereof), and/or Authorized Entergy Executives.

j. The IM will not make decisions regarding the selection of proposals for the primary selection list or the secondary selection list; rather, those decisions will be made by the Company OC or the President and Chief Executive Officer of the Company, as applicable.

#### 5. Due Diligence and Negotiations

a. The IM will have access to all materials and information used by or reasonably available to ESL regarding the establishment and implementation of the RFP's due diligence and negotiation processes, in whatever form the IM reasonably deems necessary, to ensure that (i) such processes are objective and impartial to all bidders, (ii) such processes are conducted in a fair and impartial manner and subject to appropriate Confidentiality Safeguards, and (iii) no undue preference is given to any potential bidder.

b. The IM may monitor negotiations with third-party bidders arising out of the RFP, subject to appropriate limitations required by any bidder. From time to time, the IM may request updates on the status of such negotiations and other reports or information regarding such negotiations. Subject to appropriate confidentiality and privilege restrictions and protections, ESL will provide the IM with the updates, reports, and information reasonably requested by the IM.

c. The IM will monitor the adequacy and thoroughness of due diligence performed by ESL in the RFP's due diligence and negotiation processes on any proposal.

### **B. Interactions among IM, Participating Staff, and ESL; Final Reports**

#### 1. Communications with Participating Staff

a. The IM and Participating Staff may communicate with each other on matters relating to the RFP process without restriction other than restrictions set forth in this document. Such communications may be confidential as needed and do not require the participation of ESL.

b. The IM will prepare and provide formal written reports and updates to ESL and, if Participating Staff requires or requests them, Participating Staff. If such reports or updates contain, or if the IM otherwise desires to communicate, information to Participating Staff that is highly sensitive, privileged, or otherwise protected, such reports, updates, or information may be provided only pursuant to a Protective Order or confidentiality agreement acceptable to the entity(ies) whose confidential or otherwise protected information would be revealed.

c. The IM acknowledges that it is a party to that certain Confidentiality Agreement, dated May 7, 2020, with ESL. Without limiting the terms of the Confidentiality

Agreement, the IM agrees that it will not comment on or otherwise communicate any information about or arising out of the RFP with any third parties, except to bidders, Participating Staff, and in testimony in accordance with this document and the Confidentiality Agreement.

## 2. Disagreements between ESL and Bidders

If there are disagreements during the RFP process between ESL and a bidder that are not resolved to the IM's satisfaction, the IM may communicate such disagreement to Participating Staff, subject to the other terms hereof.

## 3. Final Reports

a. At the conclusion of the RFP process or at the appropriate point in time (for example, at the time of the filing of an application seeking regulatory approval of a contract or project arising out of the RFP), the IM will prepare one or more reports stating the IM's analysis of and conclusions regarding the RFP process, including any suggestions for improvement (a "Final Report"); however, if the RFP is terminated because the Company or ESL (i) did not select any proposal for negotiation of a definitive agreement (ii) did not enter into a definitive agreement arising out of and based on a proposal submitted in the RFP or (iii) exercised its rights under the RFP to withdraw, terminate, or otherwise cancel the RFP, the IM will not issue a Final Report, or will issue only a highly abbreviated summary Final Report, unless requested in writing by Participating Staff or their Commission, ESL, or the Company to issue a Final Report. The IM may supplement the Final Report because of due diligence or contract negotiations or to provide clarification, correct errors or omissions, or make improvements.

b. The Final Report (including any supplements thereto) will be prepared independently by the IM. Neither ESL nor any market participant will be entitled to review, alter, edit, or comment on any draft Final Report prior to its publication, except ESL in conjunction with the redaction process identified below. During preparation of the Final Report, the IM will not discuss any of the IM's findings or recommendations with ESL or any other third party. Although not required to do so, the IM may, in the IM's discretion, share a draft Final Report with Participating Staff. The IM may also discuss RFP issues and request information from Participating Staff, market participants, and ESL, to the extent the IM has determined that such discussions and requested information would assist in the report's preparation, subject to the restrictions on disclosure of confidential, privileged, or otherwise protected information expressed herein. Nothing in this Section B is intended to preclude the IM from seeking to verify or confirm with ESL or any market participant any information the IM may reflect in or desire to consider in the preparation of the Final Report. Before a Final Report (including any supplement thereto) is provided to any third party or made public, the IM will submit the Final Report to ESL for the sole purpose of having ESL redact non-public confidential information before a public version of the Final Report is issued.

c. Promptly after receipt, ESL will provide the confidential version of the Final Report to a member of Participating Staff.

d. After the Final Report is filed, ESL, Participating Staff, market participants, and interested persons may submit comments on the report. At the IM's discretion, the IM may submit a revised Final Report and/or prepare a response to those comments as the IM determines to be appropriate.

e. Any party in a regulatory proceeding may seek to offer the Final Report (and any response to comments prepared by the IM) into evidence in lieu of, as part of, or in addition to pre-filed testimony. Any such party also may call the IM as a third-party witness to testify regarding the report, the response to comments, and the RFP process. If the testimony of the IM is sought by a party in such a proceeding, the IM will testify in such proceeding, subject to applicable rules, orders, laws, and confidentiality obligations.

**C. Additional IM Matters**

1. Document Retention

The IM will have the right, in the IM's discretion, to retain any document the IM deems necessary regarding the RFP design and processes, subject to maintaining the confidentiality of such documents in accordance with the terms of the Confidentiality Agreement to be entered into by the IM with ESL and other terms specified herein.

2. Conflicts Reduction Measures

The IM will establish within the IM's firm such ethical guidelines and screening procedures as are necessary and appropriate to ensure that no present or future conflict of interest will arise in connection with the IM's responsibilities under this Scope of Work Activities. The IM will promptly bring to the attention of ESL and Participating Staff any conflict-of-interest issue that may arise in connection with its work on the RFP.