



**Entergy Louisiana, LLC 3 GW Alternative
Market-Based Mechanism Process
Request for Proposals for Solar Photovoltaic
Resources**

Bidders Conference
September 5, 2024



Introduction

Purpose of the Conference

- To give participants an overview of the Entergy Louisiana, LLC ("ELL") 3 GW Alternative Market-Based Mechanism Process Request for Proposals ("RFP") for Solar Photovoltaic Resources ("ELL 3 GW Solar RFP") and related processes pursuant to [LPSC Order No. U-36697](#).

Questions

- Please submit all questions to the Bid Event Coordinator via email at ellrfp@entergy.com
 - Bidders may submit questions anonymously by emailing LPSC Staff Arvind Viswanathan at Arvind.Viswanathan@LA.GOV.
- Refrain from including bidder specific or confidential information in the question to preserve anonymity
- This presentation, along with RFP questions and responses, will be posted to the RFP Website at <https://spofossil.entergy.com/ENTRFP/SEND/ELL3GWSolarRFP/Index.htm>

Administrative

- In the event of 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
- Email the Bid Event Coordinator at ellrfp@entergy.com with any technical issues or questions

Agenda



Entergy Presenters

Tiedra Lewis	RFP Administration Team
Matt Neyland	Viability Assessment Team
Allie Henson	Economic Evaluation Team
Michael Krupa	Transmission Evaluation Team
David Batten	Accounting Evaluation Team
Laura Hamner	Credit Evaluation Team

Additional Entergy Participants

Harry Barton	ESL Counsel
James Miller	ESL Counsel
Laura Beauchamp	ELL Resource Planning
Shawn Allen	ELL Resource Planning
Misty Harris	RFP Administration Team
Alison Palermo	Counsel
Raley Alford	Counsel
Evaluation Teams	

Louisiana Public Service Commission

Arvind Viswanathan	LPSC Counsel
Lane Sisung	LPSC Staff Consultant
Jake Chapman	LPSC Staff Consultant

Independent Monitor

Wayne Oliver	Merrimack Energy Group, Inc.
Keith Oliver	Merrimack Energy Group, Inc.

RFP Scope Summary, Schedule & Process

RFP Scope Summary

Scope Item	RFP Scope Description
Resource Types (Main Body Sections 1.10, 2.4)	Must be a Solar PV resource and otherwise be an Eligible Resource
Transaction Types (Main Body Sections 2.1, 2.2, 2.4)	BOT transactions and PPA transactions; may also propose a PPA that includes buyer purchase options during and/or at the expiration of the Delivery Term
Resource Location (Main Body Sections 1.2, 1.10, 2.5)	Must interconnect directly to a transmission system within the Louisiana portion of MISO South, preferably within the SELPA or WOTAB region
Interconnection Status (Main Body Sections 1.10, 2.5)	Must have a fully executed GIA with MISO or be included in the 2020 or 2021 MISO DPP queue (or subsequent MISO DPP queues for which MISO has provided a Phase 1 DPP study result for the resource at the time of proposal submission)
Transmission and Deliverability (Main Body Sections 1.10, 2.5)	Must obtain at Bidder/ Seller's cost and risk required amount of ERIS and NRIS for the proposed resource but may elect for ELL to procure NITS in MISO at Bidder/Seller's cost and risk in lieu of Bidder/Seller obtaining NRIS or obtain ERIS without either NRIS or NITS (the ERIS-only option is not preferred by ELL). PPA energy deliveries and Other Electric Products will settle financially in MISO at the ELL Load Node.
Solicited Capacity (Main Body Sections 1.1, 2.1, 2.2)	Total Capacity sought in the RFP: Up to 3,000 MW _{AC} Capacity minimum per proposal: 50 MW _{AC}
GCOD / GSC (Main Body Sections 1.1, 2.1, 2.2, 2.4)	As early as January 1, 2026
PPA Delivery Term (Main Body Sections 2.2, 2.4)	Minimum 10 years and maximum of 20 years, with an interest in 15-year terms
Battery Energy Storage System (Main Body Section 1.9)	<ul style="list-style-type: none"> • May be offered as a separately priced option for both BOT and PPA transactions. • Must be AC-coupled with minimum 4-hour discharge, have 24-hours-a-day, 7-days-a-week charging and discharging capability, and meet requirements of Model Solar BESS Scope Book. • Selection of the proposal for the Facility may not be contingent on selection of the BESS option
Self-Build / Entergy Competitive Affiliates (Main Body Sections 1.8, 3)	Self-build options are not precluded; Entergy Regulated Affiliates and Entergy Competitive Affiliates are not precluded from submitting proposals

Procurement Windows & Schedule

Milestone	Procurement Window 1		Procurement Window 2		Procurement Window 3		Procurement Window 4	
Bidder Registration Period*	September 12, 2024 to September 17, 2024		March 13, 2025 to March 18, 2025		September 11, 2025 to September 16, 2025		March 12, 2026 to March 17, 2026	
Proposal Submission Fee Payment Deadline*	September 30, 2024		March 31, 2025		September 29, 2025		March 30, 2026	
Self-Build Option Proposal Submission Period*	October 28, 2024 to November 1, 2024		April 28, 2025 to May 2, 2025		October 27, 2025 to October 31, 2025		April 27, 2026 to May 1, 2026	
Proposal Submission Period* (other than for Self-Build Option Proposals)	November 4, 2024 to November 8, 2024		May 5, 2025 to May 9, 2025		November 3, 2025 to November 7, 2025		May 4, 2026 to May 8, 2026	
Selections Announced*	January 10, 2025		July 11, 2025		January 9, 2026		July 10, 2026	
Definitive Agreement Negotiations Begin*	January 20, 2025		July 21, 2025		January 19, 2026		July 20, 2026	
	PPA	BOT	PPA	BOT	PPA	BOT	PPA	BOT
Definitive Agreements Executed*³	July 2025	October 2025	February 2026	May 2026	August 2026	October 2026	December 2026	March 2027
Regulatory Approval Process Complete*³	December 2025	March 2026	June 2026	September 2026	December 2026	March 2027	April 2027	July 2027

* Target dates subject to change.

³ The time required to negotiate and execute Definitive Agreements typically varies by transaction type and depends upon numerous other factors. Similarly, the date on which the regulatory approval process concludes for a transaction turns on the execution date of the Definitive Agreement, the amount of docket congestion, and other circumstances that can differ materially from transaction to transaction and Procurement Window to Procurement Window

Bidder Communications

- Prior to Bidder Registration
 - Communications via ellrfp@entergy.com
 - Forms available on the ELL 3 GW Solar RFP Website

- Proposal Submission Onward
 - Communications via PowerAdvocate
 - Include Bidder, Resource and Proposal ID(s) assigned during bidder registration
 - Proposal packages must be submitted via PowerAdvocate to be accepted
 - Bidder will receive a message in PowerAdvocate confirming receipt of proposal(s)
 - Forms available in PowerAdvocate and on the ELL 3 GW Solar RFP Website

Bidder Registration

- Each Procurement Window will have its own Bidder Registration Period
- Complete the bidder registration process, including the forms below, for each Procurement Window during which you as the bidder intend to submit a proposal
 - Bidder Registration Agreement
 - Bidder Registration Form
 - Executed MISO GIA or MISO DPP application
- Bidder, Resource, and Proposal ID numbers will be issued after registration is complete
 - Include these identification numbers in communications going forward

Proposal Submission Fees

- \$5,000 for each registered proposal
 - Includes one solar proposal and, if desired, one solar + BESS option
 - Each additional BESS option for the same proposal will be billed an incremental \$1,000 fee
 - Example: 15-year, 50 MW PPA proposal with one BESS option = \$5,000; 15-year, 50 MW PPA proposal with two BESS options = \$6,000
 - Identical or similar proposals offered in different Procurement Windows will be billed separate fees
- Fees will be invoiced after the conclusion of the Bidder Registration Period for each Procurement Window
- Targeted due dates can be found in Main Body Section 4.1. Due dates will be announced prior to each Procurement Window.
- Proposals may be subject to elimination if payment deadlines are missed
- Proposal packages must be submitted via PowerAdvocate to be accepted

Redactions & Initial Threshold Determination

- Purpose
 - Ensure 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 (other than specified pricing approved by the RFP Administration Team that is needed)
- The RFP Administration Team will open and redact all proposals. In consultation with the Independent Monitor, initial conformity determinations will occur early in the proposal review process
- All proposals will be reviewed to identify any fatal flaws and to confirm conformity to RFP requirements, including all Threshold Requirements, Credit Support Requirements, and any additional requirements noted in the Viability Self-Assessment or RFP
- Proposals not meeting Threshold Requirements will be subject to elimination
- Threshold Requirements in Main Body Section 2.4 include, but are not limited to, those concerning:
 - Eligible Participants
 - Eligible Resources
 - Eligible Technology
 - Resource Location
 - Eligible Transactions
 - Delivery Terms

Evaluation Process

- Process is designed to be fair, impartial, and consistently applied.
 - An overview of evaluation factors and general decision criteria can be found in Main Body Section 5.
 - Detailed inputs and evaluation scenarios are considered confidential and highly proprietary and will not be shared with potential bidders

- Proposals will be evaluated against the parameters stipulated in LPSC Order U-36697

- Evaluation Teams
 - AET
 - CET
 - EET
 - TET
 - VAT

Selections

- ELL will seek to make Selections in each Procurement Window
 - No MW limit per Procurement Window
 - Bidder(s) with a proposal on the selection list will be invited to negotiate a definitive agreement
 - Inclusion on selection list is not acceptance of proposal or related contract terms
 - No requirement for ELL to place any proposal on the selection list
 - No secondary selection list

Commercial Terms & Viability Assessment

Matt Neyland

Commercial Terms Overview

○ All Proposals

- Bidders must include any proposed exceptions to the model contracts in their proposal package
 - ELL is under no obligation to agree to any exception; significant requested changes could affect viability ratings or eligibility for continued RFP participation
- Guaranteed Substantial Completion Date (BOT) or Commercial Operation Date (PPA) may be as early as January 1, 2026

○ BOT Proposals

- Seller will develop, design, build, commission, test, and sell proposed project per Appendix B-1 (Model BOT Agreement) and Appendix B-2 (Model BOT Scope Book (technical requirement)), any proposed deviations must be noted in the bid
- Seller's obligation to begin construction conditioned on the satisfaction of Buyer "FNTP" conditions
- Prior to the Closing, Seller will have care, custody, and control of the project, and will bear construction, financing, and project completion risk, as well as risk of loss for the project
- Care, custody, and control of the project will transfer to Buyer at the Substantial Completion Payment Date

○ PPA Proposals

- Bidders may propose a PPA that includes buyer purchase options during and/or at the end of the Delivery Term
- Must be for the sale of all products (capacity, energy, etc.) from the entire Facility
- Energy deliveries and Other Electric Products will settle financially in MISO at the ELL Load Node

BOT Commercial Terms Overview

Purchase Price

- Bidders are required to provide an all-in purchase (expressed as a single fixed price)
- The purchase price will be payable by Buyer to Seller at three major milestones: Closing, Substantial Completion, and Final Completion

Credit Support

- Seller will be required to post and maintain credit support as provided in the Model Solar BOT Agreement and Appendix F and to certify at proposal submission its understanding and acceptance of the core credit support terms

Warranties

- All warranties and related rights obtained by Seller prior to the Closing (but not the underlying contracts themselves) will be required to be transferred to Buyer at the Closing. This RFP does not obligate Seller to provide a comprehensive “wrap” warranty of the project work

Tax Credits

- Buyer will require at the Closing the exclusive entitlement to and transfer of all rights to applicable investment tax credits (“ITC”), or production tax credits (“PTCs”), or any other renewable energy tax credit for which the Facility is or would be eligible after issuance of this RFP
- Seller will be required to commit to deliver a project that (i) either is exempt from or, if the project was not offered as an exempt project, satisfies IRS prevailing wage and apprenticeship (“PWA”) requirements

PPA Commercial Terms Overview

PPA Pricing

- Energy rate (expressed in \$/MWh), which will be either fixed for the entire Delivery Term or defined annually (as proposed by Bidder)
- Pricing must reflect an “all-in” energy price (including all related fees and expenses)

Delivery Term

- Delivery Term may be for a minimum of 10 years and a maximum of 20 years, with an interest in 15-year or shorter terms

Delivery Requirements

- ELL will be entitled to liquidated damages if the guaranteed annual energy delivery minimums are not met, and ELL will have the right to terminate the PPA for specified failures to meet energy delivery minimums over any two (2) consecutive contract years or any three (3) contract years

Credit Support

- Seller will be required to post and maintain credit support as provided in the Model Solar PPA and Appendix F and to certify at proposal submission its understanding and acceptance of the core credit support terms

Liability Transfer

- The PPA may not result in the recognition of long-term liabilities to ELL’s balance sheet, whether the long-term liability is due to lease treatment, accounting for a variable interest entity, or any other applicable accounting standard

Cost Recovery

- Sellers will be required to absorb Cost Recovery Risks as provided in Section 2.6 of the Main Body

Viability Assessment

- The VAT analysis will include a detailed review of non-price attributes of each proposal to assess the risk of key aspects of individual projects in a pre-defined scorecard, leading to a viability rating for each proposal
- The review will be based on Bidder-provided information, including, but not limited to:
 - Appendix D – Due Diligence List Developmental Solar
 - Proposal Submission Template
 - Clarifying Questions
- The review includes, but is not limited to, the following:
 - Resource capabilities
 - Environmental compliance risks
 - Safety concerns
 - Proposed commercial terms (including redlines and special exceptions to model agreements)
 - Resource deliverability
 - Regulatory considerations

Economic Evaluation

Allie Henson

Economic Evaluation

- The EET will identify proposals that have economic terms that are consistent with the LPSC-approved economic evaluation parameters in Order No. U-36697
- The evaluation will include screening of the following components, as they apply to the proposal being assessed

BOTs and Self-Build Options (\$/kW _{AC})	PPAs (\$/kWh)
Acquisition Cost	All-in PPA Energy Pricing
Transmission, Interconnection, and Deliverability Costs	Imputed Debt Cost
Land Acquisition or Land Lease Costs	
Other Costs (if applicable)	Other Costs (if applicable)
Capacity Factor	Capacity Factor

- The economic evaluation of a BESS was not initially contemplated by the LPSC-approved parameters but if a proposal for an optional BESS is submitted, the EET will determine the appropriate economic evaluation methodology for the BESS

Transmission Evaluation

Michael Krupa

Transmission Evaluation

- The objectives of the TET evaluations are to:
 - Ensure that the addition of a resource will maintain (or enhance) the reliability of the transmission system
 - Identify any upgrades needed to maintain reliability
 - Assess the costs of all transmission infrastructure-related improvements required to incorporate each studied resource
- Considerations may include, but are not limited to:
 - Electric Interconnection:
 - Verification that the resource has the appropriate Interconnection status as defined by the RFP scope
 - Study inclusion of any bidder-submitted transmission upgrades
 - Network Deliverability (if applicable):
 - Verification that the resource will be eligible for designation as a network resource for ELL and the bidder has included associated costs in the proposal pricing
 - Determining incremental upgrades needed to meet all RFP deliverability and transmission requirements
 - Individual resources will be studied as part of this assessment, but reliability studies may be revisited if it is determined that multiple resources should be studied together

Transmission Evaluation

- Bidders will bear the responsibility for all upgrades and costs to secure full deliverability
 - Confirm that the resource has ERIS and either NRIS or NITS
 - Alternatively, confirm that the resource has ERIS without either NRIS or NITS
 - ERIS-only option is not preferred by ELL
 - If the resource has only ERIS or insufficient NRIS/NITS, Bidders must also provide a description of the transmission upgrades and costs included in their proposal to obtain ERIS and, if applicable, NITS
 - Transmission upgrade costs identified by the TET will be considered Class 5 estimates
- ESL Transmission Planning will evaluate transmission system upgrades and cost estimates associated with each proposed resource:
 - Review the upgrades and cost estimates to obtain transmission service
 - Adherence to Entergy Local Planning Guidelines and Criteria and NERC TPL-001-5
 - Evaluation of bidder's long-term proposal for meeting transmission system reliability requirements
- To ensure each proposal meets the above requirements, the TET may incorporate the following analyses in its proposal evaluations
 - Steady state power flow analysis
 - Transient Stability analysis
 - Short Circuit analysis
 - Deliverability analysis

Accounting Evaluation

David Batten

Accounting Evaluation

- Review each proposal to determine the accounting treatment and impact. The accounting review specifically addresses, but is not limited to, the following areas
 - Lease accounting guidance
 - Variable Interest Entity (VIE) guidance
 - Derivative guidance
- As specified in the RFP, ELL will not accept the risk that any long-term liability will or may be recognized on its books (or any of its affiliates) in connection with any PPA arising out of the RFP, whether the long-term liability is due to lease accounting, the accounting for a VIE or derivatives, or any other applicable accounting standard or requirement
- 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 ELL 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

Credit Evaluation

Laura Hamner

Credit Evaluation

- The CET will evaluate Bidder credit and other credit-related matters
- Individual proposals will be evaluated to determine the amount of liquid credit support required at various milestones to mitigate ELL's potential exposure
- Bidders will be assigned a credit rating by the CET based on the information submitted in the RFP
- Requirements of Appendix F Credit and Collateral Requirements include:
 - Financial statements and public credit ratings, if any, for Bidder must be provided during proposal submission
 - Forms of acceptable liquid credit support are letters of credit or cash
 - Required liquid credit support amounts at the various milestones are defined in the credit appendix to the RFP
 - 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
 - See Appendix F for full details

Process Safeguards

Tiedra Lewis

Process Safeguards

○ 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 are provided on the ELL 3 GW RFP website

○ Additional Protocols

- Each ELL 3 GW RFP Evaluation Team is made up of designated personnel
 - Team composition is overseen by the IM
- ESL personnel involved with the ELL 3 GW RFP adhere to the provisions of a confidentiality acknowledgement that governs access to and use of proposal information and related documents

○ RFP Process Design and Implementation

- The RFP process has been designed to assure fair and impartial treatment of all Bidders

○ Stakeholder Participation

- RFP is posted on ESL's public ELL 3 GW RFP website and is publicized to encourage robust market participation
- Bidders Conference and Q&A Session
- Potential Bidders provided opportunities to ask questions and seek clarification on the RFP process

Q&A Session

Submit questions to the Bid Event Coordinator at ellrfp@entergy.com. Questions may be submitted anonymously by emailing LPSC Staff Arvind Viswanathan at Arvind.Viswanathan@LA.GOV.