

ELL 3 GW Alternative Market-Based Mechanism Process Solar RFP
Questions and Answers

1. Received 08/20/24 - I see you prefer 15-year PPA term but do you have a preferred Escalation Rate (%) for 2024 3GW Entergy LA RFP? 0% or 2%?

Response: PPA proposals should be priced according to terms and considerations found in Main Body Section 2.2, Appendix C (Model Solar PPA), and elsewhere in 3 GW Solar RFP documents. ELL does not have a preferred escalation rate.

2. Received 08/20/24 - Do you allow Index pricing or do you need firm pricing for 2024 3GW Entergy LA RFP?

Response: The 3 GW Solar RFP contemplates firm pricing and does not allow for index or variable pricing.

3. Received 08/22/24 - The team was wondering what the security deposit would be for a project submittal into the RFP? How much would the letter of credit be? Is it based off the Megawatts of the project and, if so, how much per MW? We could not find it in the RFP Documents.

Response: No security deposit is required for projects submitted into the RFP; however, as outlined in Main Body Section 4.4, Bidders are required to pay a Proposal Submission Fee of \$5,000 for each proposal registered in the RFP. This fee includes one solar proposal, and, if desired, one solar + BESS option. Each additional BESS option for the same proposal will incur an incremental \$1,000 fee.

Appendix F – Credit and Collateral Requirements outlines credit related requirements for this RFP.

4. Received 09/03/24 - If a project is selected, is there a security that is required upon contract execution?

Response: Under the terms of the RFP, the seller in a BOT agreement or a PPA arising out of the RFP will be required to provide security to Entergy Louisiana shortly after mutual execution and delivery of the contract. Please see Appendix F (Credit and Collateral Requirements), Appendix B-1 (Model Solar BOT Agreement), and Appendix C (Model Solar PPA) for additional credit support information. Please make sure to review each of the RFP documents in detail to ensure bid compliance.

5. Received 09/05/24 - I attended the call this morning to learn more about Entergy's upcoming RFP in LA. I was wondering if ELL is going to present geographic areas in the state where they prefer the projects to be built?

Response: See Main Body Section 1.2. Proposed Solar PV resources must be located in and interconnect directly to the Louisiana portion of the MISO Transmission System, preferably within the West of the Atchafalaya Basin ("WOTAB") region or the Southeast Louisiana Planning Area ("SELPA"), a region in ELL's service territory that includes the "Amite South" sub-region and "DSG," itself a sub-region of Amite South.

6. Received 09/05/24: The RFP states that a proposal can either have NRIS or NITS, but since NRIS does not guarantee deliverability, the proposal would have to procure transmissions service on top of NRIS, correct?

Response: NRIS guarantees deliverability to all of MISO. NITS guarantees deliverability to a specific Load Serving Entity, such as Entergy Louisiana. ERIS is a transmission service that, standing alone, does not guarantee deliverability in MISO. ERIS would need to be paired with NRIS or NITS to guarantee deliverability. Of course, having NRIS or NITS does not ensure that the resource or transmission system will be free from curtailments or outages that could temporarily restrict the ability of the resource or transmission system to deliver power.

7. Received 09/10/24: For the P90 column [of Appendix D Attachment D - Annual Energy Quantities], should we be keeping the formula in place for the degradation or making our own assumptions?

Response: Please use the degradation rate that you are assuming for your project.

8. Received 09/11/24: If I plan to participate in the second procurement window & not the first, do I need to register with intent to bid now?

Response: Only Bidders who intend to submit proposals during Procurement Window 1 should register during the Bidder Registration Period beginning Monday, September 16th. There will be a separate Bidder Registration Period for Procurement Window 2.

9. Received 09/12/24: Will the Proposal Submission Fee Payment Deadline also be extended to allow for invoicing and bidder's internal payment processing?

Response: The Proposal Submission Fee Payment Deadline will also be extended and will be communicated to registered bidders at the time of invoicing.

10. Received 09/13/24: If there is a project that falls within ELL's territory but is outside of a preferred zone, will it be considered and can it be submitted as part of the RFP? Is there any rationale for the regions selected for the preferred zones such as load growth, resource potential, etc.?

Response: Solar PV resources located outside of the West of the Atchafalaya Basin ("WOTAB") region or the Southeast Louisiana Planning Area ("SELPA") are not ineligible ipso facto to participate in the RFP. Resources not located within these two preferred geographic areas may be offered in the RFP and, subject to Appendix E (Reservation of Rights), will be evaluated provided they meet the criteria set forth in Main Body Sections 1.10 (Eligible Resources) and 2.5 (Interconnection, Deliverability, and Transmission Considerations) and elsewhere in the RFP documents. The preference for resources located in either WOTAB or SELPA is based on the importance of local generation to the reliability of electric service and the greater customer load requirements in WOTAB and SELPA relative to other Entergy Louisiana service areas.

11. Received 09/13/24: If I do not register for Procurement window one (I will participate in procurement window two) can I still have access to the Q&As? I did not get call in information for the prebid mtg on Sept 5th, is the presentation available or was it recorded?

Response: Yes, Bidder Conference information, including questions and answers and the recorded presentation, are posted on the RFP website under Reference and QA -

<https://spofossil.entergy.com/ENTRFP/SEND/ELL3GWSolarRFP/Index.htm>.

12. Received 09/13/24: Why does Section 1.10 of the Main RFP Document regarding "Eligible Resources" state that "Generation resources that ... (vi) are not and will not be part of a shared facility-type structure or arrangement...?"

- a. Please explain the reasoning for excluding resources that are "part of a shared facility-type structure or arrangement" from eligibility for this procurement.
- b. Does this language also preclude resources that agree to share the costs of Network Upgrades from participating in the procurement? If so, please explain the reasoning behind this limitation on eligible resources given that shared network upgrades are a common practice in MISO.

Response: Developmental generation resources sharing ownership or control of the resource with one or more third parties have more risk and uncertainty than wholly owned resources and create potentially significant evaluation complexities. These and other concerns led to the RFP's exclusion of shared facility structures and arrangements. The quoted language was not intended to indicate that a resource would be ineligible to

participate in the RFP if MISO network upgrade costs are allocated in part to the resource and in part to one or more other resources under the applicable generator interconnection agreements or other arrangements.

In light of this Question No. 12 and Question No. 12 below, Entergy Louisiana desires to clarify and refine the RFP terms on shared facilities as follows:

The seller of a facility (BOT Seller) under a build-own-transfer (BOT) agreement with Entergy Louisiana may not share with any party other than the host transmission owner an ownership interest in or a right to use facilities on the BOT Seller's side of the point of change of ownership (PCO) under the applicable generation interconnection agreement (GIA), i.e., the point where the BOT Seller's/ interconnection customer's interconnection facilities connect to the host transmission owner's interconnection facilities. A BOT Seller may share facilities on the transmission owner's side of the PCO as required by the GIA. Accordingly, a BOT Seller may have shared interests in the resource's project substation, gentie(s), breaker(s) at the utility substation, and other interconnection facilities and upgrades, including the transmission owner interconnection facilities (as MISO defines the term), if and to the extent such interests are in assets physically located or rights on the transmission owner's side of the PCO and are required by the GIA. BOT bidders are reminded that the GIA is a contract that, under the terms of the BOT agreement, the BOT Seller will be required to assign to Entergy Louisiana (as the BOT buyer) at the closing of the BOT transaction.

Entergy Louisiana prefers for the RFP that the seller of energy and other products (PPA Seller) under a power purchase agreement (PPA) with Entergy Louisiana not share with any party other than the host transmission owner an ownership interest in or a right to use facilities on the PPA Seller's side of the point of the PCO. A PPA Seller may share facilities on the transmission owner's side of the PCO as required by the GIA. Under the PPA, any shared ownership of or reservation or grant by a PPA Seller of a right to use facilities on the PPA Seller's side of the PCO (or similar right retained or granted by a PPA Seller) will be subject to Entergy Louisiana's prior written consent. To the extent the proposal otherwise qualifies for evaluation in the RFP, the determination whether a shared services arrangement for a proposed PPA resource is acceptable to Entergy Louisiana will be driven by the specifics of the arrangement. The Evaluation Teams will consider the aspects of the shared services arrangement that they deem relevant to a reasonable evaluation of the PPA proposal, including, if it has been entered into, the applicable shared facilities or other similar agreement (which for this purpose may include a detailed term sheet or memorandum of understanding). Any PPA proposal for a generation facility that has a shared facilities or similar agreement in place should include a copy of the agreement as part of the Proposal Package. If no such agreement is in place, Bidder should include in the Proposal Package a summary of the material details of the resource's shared services arrangement.

13. Received 09/13/14: Why does Section 7.6(a) of the Solar Model PPA regarding Interconnection and Transmission Services state that "All costs of any Network Upgrades or otherwise by this Section 7.6(a) shall be borne by Seller?"
- Why are costs of any Network Upgrades not shared by other entities to the extent that other entities benefit from the Network Upgrades?" Please explain.
 - Given that shared network upgrades are a common practice in MISO, does this language preclude Sellers that agree to share the costs of Network Upgrades from participating in the procurement? Please explain.

Response: Please see the response to Question No. 12 above.

14. Received 09/17/24: Appendix F - Credit/Collateral Requirements mentions that the Required Letter of Credit Amount for the PPA is \$2,500,000 + \$15,000/MW, up to a maximum of \$4,000,000. Is the obligation for this amount contingent on reaching the interconnection DPP 2 milestone? Or, is the risk of reaching the interconnection DPP 2 milestone to be borne by the Bidder? In other words, if the project does not reach the DPP 2 milestone on time, would the Bidder still be liable for paying the Letter of Credit Amount?

Response: Section 2.2 of the Main Body determines that Seller will be required to post and maintain credit support in accordance with the Model Solar PPA and Appendix F. There are no exceptions to such requirement. Pursuant to the Model Solar PPA and Appendix F, Seller is required to post and maintain credit support at the time Seller and ELL execute the Definitive Agreement. After execution of the Definitive Agreement, Seller will be required to step up the credit support (i) once ELL receives regulatory approval and then again (ii) once the Facility achieves commercial operation. Seller's receipt of MISO DPP2 study result is not a milestone for posting or stepping up credit support under the RFP.