

## Notice of Request for Generation Proposals

**Entergy Services, Inc.’s Winter 2008 Western Region RFP** – As of September 15, 2008 Entergy Services, Inc. (“ESI”) is providing notice to interested suppliers that it intends to conduct a Winter 2008 Western Region Request for Proposals for Long-Term Supply Side Resources (“Winter 2008 Western Region RFP” or “RFP”). The Entergy System needs capacity in the westernmost portion of the WOTAB planning region (“Western Region”) to meet long-term System reliability needs, provide flexible capacity for the System, and support regional reliability. Therefore, the purpose of the Winter 2008 Western Region RFP is to solicit resources within the Western Region. ESI requests that all proposals submitted in response to the RFP support an anticipated delivery date of 2013. It is important to note that ESI is currently in the process of carrying out the System wide Summer 2008 Request for Proposals for Limited-Term and Long-Term Supply Side Resources which includes the Western Region. Any long-term CCGT resource selected from that solicitation process would help meet long-term System requirements and reliability needs, and therefore potentially reduce the targeted need for this Winter 2008 Western Region RFP. ESI currently plans to post its Winter 2008 Western Region RFP on or about December 2008, with such postings to be made on the following website: <https://emo-web.no.energy.com/ENTRFP/index.htm> .

ESI is providing this notice to inform Bidders that may be interested in submitting proposals in response to the RFP that ESI will require that proposals originate from a CCGT resource located within the Western Region. ESI will be accepting proposals regardless of the status of construction or operation. For purposes of this notice, “developmental” proposals refer to proposals associated with resources that have not yet begun operations, including proposals for new CCGT resources. To the extent a Bidder submits a bid for a developmental proposal, ESI has prepared a preliminary list of questions pertaining to development status, and has made the list available concurrent with this notice via ESI’s RFP Website: <https://emo-web.no.energy.com/ENTRFP/index.htm>. Bidders interested in submitting a developmental proposal are encouraged to review the list and to the extent possible prepare the requested information in advance of the RFP.

As part of the RFP process, ESI will evaluate a proposal for a self-build alternative as identified for the Western Region in the Entergy Electric System Strategic Supply Resource Plan published June 2008.<sup>1</sup> The self-build proposal will be considered an alternative to any additional proposals submitted in response to the RFP. ESI plans to evaluate all proposals received in response to the RFP, including the self-build alternative, for their ability to support a target commercial operation date of 2013 and their ability to provide economic and operational benefits to customers within the Western Region. Therefore, ESI requests that Bidders interested in responding to the RFP prepare to submit long-term (10 years or greater) proposals for up to 550 MW of capacity and energy originating from an existing or developmental CCGT generating

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<sup>1</sup> A Summary of the Entergy Electric System Strategic Supply Resource Plan Update for the Planning Period 2008 – 2017 was published as Appendix H to ESI’s Summer 2008 Request for Proposals for Limited-Term and Long-Term Supply Side Resources, and is located at: <https://emo-web.no.energy.com/ENTRFP/index.htm> .

resources located within the Western Region. ESI prefers resources that offer the greatest degree of flexible capability, and therefore will solicit proposals for up to 550 MW of capacity and energy from CCGT resources through either a long-term tolling PPA or an ownership acquisition. ESI plans to utilize Elizabeth Benson of Energy Associates as the Independent Monitor ("IM").

For development proposals, ESI will at a minimum require Bidders to have initiated the Large Generator Interconnection Procedures ("LGIP") by submitting an interconnection application, and to have received confirmation of a valid interconnection request from Entergy's Independent Coordinator of Transmission ("ICT") at the time bids are due, which is tentatively set for March 2009.

For resource planning purposes, the area served by the Entergy Operating Companies is divided into four major planning regions which are determined based on characteristics of the Entergy System including the ability to transfer power between regions as defined by the available transfer capability, the location and amount of load, and the location and amount of generation. The WOTAB planning region encompasses the region of southwestern Louisiana and southeastern Texas that is west of the Atchafalaya Basin and that is serviced by one or more of the Entergy Operating Companies and other utilities (generally west of the Baton Rouge, Louisiana metropolitan area, to the westernmost portion of Entergy's service territory in Texas). The westernmost portion of the WOTAB region is the Western Region, which encompasses the westernmost part of Entergy Texas, Inc.'s service territory (generally west of the Trinity River) and has unique planning requirements. Due to those unique planning requirements, eligible CCGT resources must be located within the Western Region.