

January 17, 2022
2022 ETI Renewable RFP Q&A

Question 1	I understand the RFP is seeking utility-scale projects. Is there a minimum MW amount to bid in?
Response	There is no minimum MW amount to submit into the RFP.
Question 2	Could you confirm Louisiana Zone 9 projects and Oklahoma wind are eligible to be bid into the ETI RFP?
Response	Yes, per the Main Body Sections 1.2 and 1.9 of the RFP, the above resources meet all requirements to bid into this RFP.
Question 3	What happens if bidder does not provide financial statements?
Response	If bidder does not provide Financial Statements, ETI cannot perform a Credit Assessment. Per section 2.4 (last bullet) of the 'Main Body' RFP Document, "Any proposal not meeting the Threshold Requirements will be considered non-conforming and may be eliminated by ESL from further consideration in this RFP, after consultation with the IM." If bidder is allowed to continue to participate in the RFP with no Financial Statements, then bidder would be required to provide 'full liquid credit support and would not qualify for an offset'. Bidder should include full costs for credit support in their proposal(s)
Question 4	What I want to confirm with you is that the cost to register a solar projects would be \$10,000 each and that there is no additional bond or financial security required to bid? I did see the PPA LC requirements. But between the registration cost and the PPA LC I'm assuming there is no additional financial security required?
Response	As spelled out in Section 1.9, 4.2 and 4.3 of the RFP document titled "Main Body" on the public website, a \$10,000 registration fee is required for "each eligible resource", whether submitted as a standalone proposal or submitted within a portfolio bid. In addition, bidder will be required to meet certain credit collateral requirements at bidder registration, i.e. credit ratings, parent guarantor, financial statements, etc. (See the RFP document titled Appendix F on the public website for more details).
Question 5	Does ETI offer any sites? Or do you expect the Sellers to acquire a site and develop it?
Response	ETI does not offer any sites and the Seller must acquire a site and develop it.
Question 6	Please confirm the following: Delivery points for Capacity is LRZ9? Energy Financial Delivery Point is EES.ETILD? Is this being a request for physical or financial PPA (PPA/vPPA)?
Response	<p>The physical delivery point for capacity provided under a PPA will be the injection point. The injection point will depend on the physical location of the resource. If the resource is located in MISO South, the injection point will be the physical point recognized by MISO as a commercial pricing node at which the facility first interconnects to the transmission grid. If the resource is located in SPP (wind PPA resources only), the injection point will be the applicable MISO-SPP interface point for the resource. For wind resources not located in LRZ 9 or deemed by MISO to be border external resources delivering to LRZ 9, if the auction clearing price in the applicable planning period for a zonal resource credit in LRZ 9 is greater than the auction clearing price in the same planning period for a zonal resource credit in the local resource zone in MISO South in which the resource is located, or if the resource is located in SPP, in the applicable external resource zone as determined by MISO, the seller will be required to pay the buyer the difference in price and make the buyer whole.</p> <p>The physical delivery point for contract energy provided under a PPA will be the injection point (see the above response). The financial settlement of contract energy provided under the PPA will be at the energy financial delivery point/ETI load node, which ETI confirms is EES.ETILD. The financial settlement will reflect, among other things, the basis differential, if any, for energy in the applicable market (e.g., day-ahead or real-time) between the Injection point and the ETI load node during the applicable MISO settlement interval.</p> <p>The 2022 ETI Renewables RFP is seeking physical PPAs that will deliver energy and other products from the project to MISO and settle energy and certain other products at the energy financial delivery point/ETI load node (EES.ETILD).</p>

Question 7	Will RFP submittals be allowed to be modified as a project development matures?
Response	In general, Bidders may not modify a proposal following the proposal submission deadline except at ETI's specific request or direction or express prior written approval. The 2022 ETI Renewables RFP documents set forth specific minimum requirements for project development in Sections 2.1, 2.2, 2.3 & 2.4. The RFP allows for limited post-submission pricing adjustments for qualifying variable price components. See Section 2.1 (page 11) and Section 2.2 (page 15) of the main body of the RFP. ETI anticipates that any bidder/seller updating of the variable pricing components (relative to the baseline costs submitted in the proposal) would occur after execution of the proposed contract (if any) including such component(s), although ETI may request that a bidder/seller provide updated variable component price estimates from time to time.
Question 8	Bidder would like to receive additional time to submit.
Response	Bidder can receive one (1) extra day for proposal submission. New deadline for self-build proposal submission is 01/31/2023 at 5pm CST.
Question 9	Bidder would like to clarify that O&M agreement bids alongside the BOT bids are not needed. In other recent RFPs, Entergy has mentioned that they would self-perform the O&M or conduct a separate O&M RFP. However, bidder did not see that specifically mentioned in the Main Body of this RFP. Should bidder not assume any O&M agreement with our BOT bids?
Response	If your BOT proposals would be for solar resources, your assumption is correct. In the 2022 ETI Renewables RFP, ETI is not seeking, and a proposal package submitted in the RFP should not include, a proposed O&M agreement for a solar BOT resource. ETI could seek in a separate solicitation or through other means proposals for an O&M agreement for a solar BOT resource selected in the RFP. If BOT proposals would include a wind resource, the RFP contemplates that the proposal package will include material terms of the proposal service and maintenance agreement(s) and similar contracts.
Question 10	PPA Section 7 (Schedule & Settlement): Can ETI please explain how the minimum market price is set - the language is PPA is perplexing. Is it set every day? Can ETI please explain the curtailment implications to the seller? Can ETI please explain negative real time prices implications to the seller?
Response	<p>The minimum market price in the model PPAs establishes the price floor at which the buyer is willing to accept delivery of energy at the energy financial delivery point. At locational marginal prices (LMPs) below the minimum market price, the buyer is deemed to have exercised its curtailment right (but will still make payment to the seller pursuant to the terms of the PPA for energy that would have been delivered but for such curtailment). Accordingly, the buyer's general aim is to avoid energy deliveries when the LMP at the energy financial delivery point is negative. While the PPAs provide for the possibility of frequent updating, the buyer expects, subject to, among other things, any changes in MISO rules, to communicate a standing minimum market price that will remain in place going forward unless and until the buyer provides an updated minimum market price to the seller.</p> <p>ETI is not in a position to explain the potential effects of curtailments on the seller in a PPA. Each bidder is responsible for assessing the terms and conditions of the applicable model PPA and its potential effects. If a bidder has and submits a question about a particular curtailment provision in one of the model PPAs included in the RFP documents or a similarly specific question, ETI will attempt to answer the question. ETI notes that, in general, the model PPAs distinguish between buyer curtailments and reliability curtailments. With buyer curtailments, the seller will be paid by the buyer for energy not delivered due to the curtailment. With reliability curtailments, the seller will not be paid by the buyer for the curtailed energy.</p> <p>ETI is not in a position to explain the potential effects of negative real-time pricing on the seller in a PPA. Each bidder is responsible for assessing the terms and conditions of the applicable model PPA and its potential effects. If a bidder has and submits a question about a particular negative pricing provision in one of the model PPAs included in the RFP documents or a similarly specific question, ETI will attempt to answer the question. ETI notes that, in general, the seller will settle with MISO for real-time energy deliveries at the injection point. If the real-time LMP at the injection point is negative, the seller will be responsible for the settlement with MISO of any real-time energy delivered in such market.</p>
Question 11	Is the Letter of Credit based on the MWac @ POI of the system? Or is it based on the MWdc?
Response	Letter of Credit is based on MWac
Question 12	Do the Letter of Credit amounts replace the prior LC amounts?
Response	The requirements are a step-up, and are not cumulative.

Question 13	Can you confirm whether ETI will accept proposals for standalone storage? Or does ETI require that any storage proposals are paired with solar/wind?
Response	For this RFP, ETI is not allowing standalone storage. Storage must be paired with Solar or Wind.
Question 14	Bidder have a question regarding this RFP and the submission deadlines outlined in the RFP Schedule. If bidder plans to offer a proposal which deadline does that fall under? Is it the February 6th deadline or the January 30th deadline.
Response	A proposal submission from non-self-build bidder would be subject to the February 6th deadline. Please note that proposals must be registered during the bidder registration period which ends on January 12, 2023.
Question 15	Is there somewhere bidder can find a specific listed amount per kWh that ETI agrees to pay or is that amount something that the bidder has to come up with themselves?
Response	The bidder would need to determine the 'amount per kWh' and provide to ETI as part of their proposal.
Question 16	Bidder wants to understand if ETI could provide further color on what is driving the preference by ETI for the "Western Region" and if projects in TX but outside the "Western Region" would be at a significant disadvantage?
Response	ETI's Western Region is a load pocket and incremental resources in that region will enhance the load serving capability there. ETI will consider this locational benefit. However, a resource that is located in Texas but outside the Western Region will not be disadvantaged in the RFP evaluation.
Question 17	Bidder has a XX MWac available and wanted to see if ETI would be interested in the remaining amount. Scheduled COD is XX/XXXX. Who could I talk to within ETI?
Response	As you mentioned below and I assume your resource may qualify, we do have an RFP that is currently underway and additional information can be found at the following link: https://spofossil.entergy.com/ENTRFP/SEND/2022ETIRenewablesRFP/Index.htm . If you have any additional questions about the RFP process and how your proposed resource below might be able to meet those requirements, please direct your questions to the ETI Bid Event Coordinator at etirfp@entergy.com (cc'd here).
Question 18	Bidder would like to request an extension for the Proposal Submission Deadline of 2/6/2023 for the Entergy Texas, 2022 Request for Proposals Renewable Resources to allow time to take into account the South DPP-2021-Cycle DPP 1 results that will be made available 2/1/2023.
Response	We will provide an updated RFP Schedule on the RFP Website. We will add the following milestone: Updated Pricing for Phase 1 2021 MISO South DPP Queue, February XX, 2023 @ 5:00pm CPT. Stay tuned for the update.