

***2024 Request for Proposals***

***for***

***Energy and Capacity from Existing Generation Resources***

***for***

***Entergy Arkansas, LLC***

Entergy Arkansas, LLC  
May 21, 2024

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# RFP INFORMATION

## Introduction

Entergy Services, LLC (“**ESL**”), acting as agent for Entergy Arkansas, LLC (“**EAL**”), hereby issues this 2024 Request for Proposals for Energy and Capacity from Existing Generation Resources for Entergy Arkansas, LLC (including all appendices, this “**RFP**” or “**2024 EAL Existing Resource Energy and Capacity RFP**”). Through this RFP, EAL seeks to procure, on and subject to the terms set forth in this RFP (i) Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes from eligible existing natural gas-fired generation facilities through power purchase agreements (“**PPAs**”), tolling agreements (“**Tolls**”), and asset acquisition agreements (“**Acquisitions**”) and (ii) Capacity Credits from eligible existing generation facilities excluding coal-fired resources through standalone Capacity Credit purchase agreements (“**Capacity Credit Purchase Agreements**”). Delivery Terms for PPAs, Tolls, and standalone Capacity Credit purchases must be a minimum of one full Season and may commence no earlier than March 1, 2025, and no later than November 30, 2026. Acquisitions must be consummated on or before November 30, 2026. A summary of key scoping items in this RFP is set forth in Section 1.10 below.

## Entergy Arkansas

EAL supports continued growth in Arkansas through investments in generation and other infrastructure that provide customers with affordable, reliable electricity. Through this RFP, EAL is seeking cost-effective resources that can supply capacity, energy, fuel diversity, environmental, locational, reliability, and other benefits to EAL customers and help EAL continue to meet its customers’ capacity and energy needs.

Natural gas-fired generation facilities offered as Acquisitions to be procured through this RFP must be physically located within the geographic region defined as local resource zone (“**LRZ**”) 8 in MISO South. PPAs, Tolls, and resources offering only Capacity Credits must be physically located within any of the following geographic regions: LRZ 8, LRZ 9, and LRZ 10 with a preference for LRZ 8. Figure 1 below is a map showing LRZ 8, LRZ 9, and LRZ 10.

**Figure 1: LRZ 8, 9, & 10**

**Map

Description automatically generated**

This map generally depicts the identified LRZs. If it is unclear whether a resource is located within LRZ 8, LRZ 9, or LRZ 10, Bidder may submit the MISO-designated J number coordinates for the resource to the Bid Event Coordinator and the Bid Event Coordinator will respond with a determination whether the resource is located within the region or with clarifying questions before making such a determination. Any changes to the geographic scope of LRZ 8, 9, or 10 following the issuance of this RFP will be addressed in modifications to this RFP or in the Definitive Agreement, as applicable.

## RFP Documents

This RFP consists of a Main Body and eleven (11) appendices. Among other things, the Main Body (i) offers general information about this RFP, (ii) describes the resources and Transaction structures that EAL seeks from Bidders and high-level considerations for Bidders, (iii) includes a milestone schedule for this RFP, (iv) sets forth terms governing the preparation and submission of proposals and RFP-related Bidder communications with ESL and the Independent Monitor, and (v) provides a high-level overview of the proposal evaluation and selection process.

Appendix A to this RFP is a glossary of certain capitalized terms used in this RFP. A capitalized term used but not defined in the Main Body will have the meaning given such term in Appendix A Glossary, except to the extent the context otherwise requires.

Appendix B-1 is the **“PPA Term Sheet”**. The PPA Term Sheet will be the basis of any PPA for a natural gas-fired generation facility arising out of this RFP.

Appendix B-2 is the **“Tolling Agreement Term Sheet”**. The Tolling Agreement Term Sheet will be the basis of any Toll for a natural gas-fired generation facility arising out of this RFP.

Appendix B-3 is the **“Asset Acquisition Agreement Term Sheet”**. The Asset Acquisition Agreement Term Sheet will be the basis of any Acquisition of a natural gas-fired generation facility arising out of this RFP.

Appendix B-4 is the **“Form of Capacity Credit Purchase Agreement”**. The Form of Capacity Credit Purchase Agreement will be the basis of any agreement solely for the purchase of Capacity Credits arising out of this RFP.

Appendix C contains questions and requests for material and other information that each Bidder is required to answer and provide as part of its Proposal Package.

Appendix D includes an express reservation of EAL’s and ESL’s rights in this RFP; warranty, liability, and contract acceptance disclaimers; terms addressing the disclosure of RFP-related information by EAL, ESL, and Bidders in this RFP, Bidder’s responsibility for RFP-related costs, and regulatory approvals; and Bidder’s deemed acceptance of the rights and terms contained in Appendix D and EAL’s reliance upon such acceptance.

Appendix E generally describes the credit support requirements for any Transaction arising out of this RFP and other credit-related features that will be material to any Bidder proposal.

Appendix F provides information on the protocols EAL has established to ensure that (i) the RFP process will be impartial and objective, (ii) Bidders’ commercially sensitive information will be protected, (iii) all proposals will be treated in a consistent fashion, and (iv) no proposal from any particular Bidder will receive undue preference.

Appendix G includes information regarding local and other suppliers of goods and services to projects proposed in this RFP.

Appendix H includes the form of the accounting certification that each Bidder submitting a proposal for a PPA or Toll in this RFP will be required to provide as part of its Proposal Package.

Bidders are responsible for familiarizing themselves with and being fully aware of the terms of this RFP, including the terms of each Appendix and any clarifications, elaborations, or adjustments to RFP terms communicated to Bidders. Bidders are advised that from time to time EAL may clarify, elaborate upon, or adjust terms of this RFP in response to developments that may affect or require attention in this RFP, EAL perceptions or concerns that terms in this RFP may be incomplete, inaccurate, or ambiguous or may fail to adequately address risks, rights, obligations, or other matters, questions, or comments from Bidders, or for other reasons.

## EAL Existing Resource Energy and Capacity RFP Website & PowerAdvocate

The official website for this RFP is <https://www.entergy-arkansas.com/rfp/energy_capacity/> (the “**2024 EAL Existing Resource Energy and Capacity RFP Website**”). This RFP and related material and information are posted on the 2024 EAL Existing Resource Energy and Capacity RFP Website and available for review. The 2024 EAL Existing Resource Energy and Capacity RFP Website will be updated from time to time with additional material and information concerning this RFP. Interested Persons are responsible for monitoring the 2024 EAL Existing Resource Energy and Capacity RFP Website to ensure the timely receipt of information about this RFP.

“**PowerAdvocate**” will be utilized for the administration of RFP documents and Bidder communications for this RFP. Bidders will be invited to join and use the PowerAdvocate site to submit proposals and documents and communicate with ESL upon the completion of the Bidder Registration Process and to gain access to RFP documents.

## Bid Event Coordinator

EAL has engaged ESL to assist with the administration of this RFP and has designated an ESL employee to serve as the “**Bid Event Coordinator**”. The Bid Event Coordinator’s responsibilities include (i) acting as a liaison between the participants in this RFP and EAL on all RFP-related matters, (ii) ensuring that Bidder RFP-related questions ESL receives during the pendency of this RFP are addressed in an appropriate manner, (iii) receiving, recording, and maintaining Bidder RFP proposals, (iv) working with the Independent Monitor (“**IM**”) throughout this RFP, and (v) managing other administrative matters relating to this RFP. The Bid Event Coordinator is also a member of the RFP Administration Team. The full set of the Bid Event Coordinator’s duties, and the role of the RFP Administration Team, are set forth in Appendix F.

The Bid Event Coordinator for this RFP is Mr. Samuel DeBose, who can be contacted prior to Bidder’s completion of the Bidder Registration Process via email at [EALRFP@entergy.com](mailto:EALRFP@entergy.com) and afterwards through PowerAdvocate. PowerAdvocate information will be provided to Bidders when or shortly after Bidder completes the Bidder Registration Process.

## Independent Monitor

EAL has retained Mr. Harold Judd of Accion Group, Inc. to act as the Independent Monitor for this RFP. The role of the IM is defined in the “Scope of Work Activities” for the IM, which is available to Bidders upon request. In summary, the IM (i) oversees all aspects of this RFP to ensure that its design, implementation, evaluation, selection, and contract negotiation processes are impartial and objective and (ii) provides an objective, third-party perspective on EAL’s efforts to ensure that all proposals are treated consistently and without undue preference to any Bidder. Bidders wishing to communicate with Mr. Judd may reach him by email at [IM-2024EALRFP2024EALRFP@acciongroup.com](mailto:IM-2024EALRFP@acciongroup.com) or by phone at (603) 229-1644.

## Eligible Participants

EAL invites proposals from all potential suppliers capable of meeting the conditions and requirements identified in this RFP (“**Eligible Participants**”). Proposals from “**Qualifying Facilities**” will not be provided any preference in this RFP solely by virtue of their QF status. Entergy Regulated Affiliates, including Entergy Competitive Affiliates, are ineligible to participate in this RFP. Eligible Participants that do not comply in all material respects with the terms, conditions, and requirements of this RFP may be determined by EAL, after consultation with the IM, to be ineligible to continue to participate in this RFP.

## Eligible Technologies

Generation technologies permitted for proposals responsive to this RFP (“**Eligible Technologies**”) are limited to, for PPAs, Tolls, and Acquisitions, combined-cycle gas turbines (“**CCGT**”), simple-cycle combustion turbines (“**CT**”), and steam units (“**SU**”) that are equipped and operating with automatic generation control, have operating parameters that include the ability to operate in base load and load-following roles consistent with MISO operating rules for resources expected to provide ancillary services, and form the generation component(s) of an existing generation resource fueled by natural gas and otherwise meeting the criteria to be an Eligible Resource. For standalone Capacity Credit Transactions, Eligible Technologies consist of technologies that serve as the basis for the generation of Capacity Credits from the applicable resource and are not nuclear, coal-fired, petroleum coke, demand-side management, transmission line, or energy efficiency technologies.

## Eligible Resources

This RFP is limited to proposals for Transactions based upon resources that are Eligible Resources. “**Eligible Resources**” are generation resources that: (i) are physically located in, for Acquisitions, LRZ 8 or, for PPAs, Tolls, or standalone Capacity Credit Transactions, LRZ 8, LRZ 9, or LRZ 10; (ii) have and will utilize an Eligible Technology to make available and generate the products contracted to Buyer in the Definitive Agreement; (iii) are interconnected to the host utility under a generator interconnection agreement with MISO and the host utility or, if allowed by EAL pursuant to Section 2.6 below, a generator interconnection agreement solely with the host utility (each, a “**GIA**”); (iv) are in commercial operation as of the date of submission of the applicable proposal for the applicable generation resource (see Section 3.1 below); (v) constitute a single integrated resource (generation resources located at separate facilities are considered multiple resources and may not be combined to form an Eligible Resource); (vi) will be a “Capacity Resource” under the MISO Tariff as of the start of and throughout the Delivery Term; and (vii) meet the other RFP requirements applicable to generating resources offered into this RFP.

## Scope Summary

The following table provides a high-level summary of key scoping items for this RFP.

**Table 1: Scope Summary**

|  |  |
| --- | --- |
| **Item** |  |
| **Solicited Resource Types** | *PPAs, Tolls, and Acquisitions*: Natural gas-fired generation facilities that are Eligible Resources.  *Standalone Capacity Credit Transactions*: Natural gas-fired and any other resources that are Eligible Resources. |
| **Solicited Transaction Types** | *PPA Transactions*: Purchases of Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes from Eligible Resources.  *Tolling Transactions*: Purchases of Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes, and fuel-conversion services from Eligible Resources.  *Acquisition Transactions*: Asset purchases of Eligible Resources and related assets.  *Standalone Capacity Credit Transactions*: ZRCs or, if ZRCs are no longer recognized by MISO, such other form of Capacity Credits or Capacity-Related Benefits that replaces ZRCs and that MISO recognizes for use in the satisfaction of MISO’s resource adequacy requirements. |
| **Required Resource Location** | *Acquisitions:*  LRZ 8.  *PPAs, Tolls, and Standalone Capacity Credit Transactions:* LRZ 8, LRZ 9, or LRZ 10 with a preference for LRZ 8. |
| **Deliverability** | Any resource offered into this RFP is generally required to have in place either ERIS and NRIS or ERIS and NITS by the date on which Bidder submits its proposal(s) for such resource. If the resource has only ERIS (or ERIS and insufficient NRIS or NITS) on Bidder’s proposal submission date and Bidder desires to participate in this RFP, Bidder may submit a NITS Proposal in accordance with and subject to the terms of Section 2.6.1 below. |
| **Minimum Capacity/Capacity Credit Quantity**  **Preferences** | *PPAs and Tolls*: 50 MW (Summer Conditions) (preferred).  *Standalone Capacity Credit Transactions*: 5 MW of Capacity Credits per MISO planning year (preferred).  EAL prefers proposals that satisfy the minimums expressed above. EAL may consider proposals offering less Capacity or fewer Capacity Credits than the above-stated preferred Capacity or Capacity Credit amounts. |
| Delivery Term and Acquisition Timing **Requirements** | *PPAs and Tolls:*  The Delivery Term must (i) be for a minimum of one (1) complete Season, (ii) start between March 1, 2025, and November 30, 2026 (iii) with a 3–10-year term (preference of 5 years).  *Acquisitions:* The closing of the Acquisition must be on or before November 30, 2026.  *Standalone Capacity Credit Transactions:* The Delivery Term must (i) be for a minimum of one (1) complete Season, (ii) start between March 1, 2025, and November 30, 2026 (iii) with a 3–10-year term (preference of 5 years). |
| **Entergy Competitive Affiliates** | Entergy Regulated Affiliates and Entergy Competitive Affiliates are not allowed to participate in this RFP. |

# PROPOSALS

## PPA and Toll Proposals - High-Level Overview of Select Commercial Terms

In this RFP, PPAs and Tolls are being sought for the purchase of unit-contingent Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes from an eligible resource and related services. EAL will accept for evaluation PPA and Toll proposals that offer less than the entire Capacity of the existing generation resource and meet the requirements for participation in this RFP. Any proposal for a Toll submitted into this RFP must offer generating capacity in increments of whole integrated generating units and must have fuel supply and transportation, fuel and power metering, permitting, dispatch flexibility, and other attributes required or appropriate to support registration and operation in MISO, in accordance with applicable MISO Rules and laws, as a reliable, fully dispatchable independent generating resource.

Pricing for a PPA will be based on:

* a Capacity rate (if proposed by Bidder), which will be either (x) fixed for the entire Delivery Term or defined annually or Seasonally (expected to be as proposed by Bidder) and expressed in $/kW-year (if fixed annually) or $/kW-month (if fixed Seasonally) or (y) based on a base Capacity rate (expected to be as proposed by Bidder), expressed in $/kW-year (if fixed annually) or $/kW-month (if fixed Seasonally), and escalated annually by either CPI or PPI (as selected by Bidder);
* an energy price (expressed in $/MWh), which will be based on (x) a guaranteed heat rate (expected to be as proposed by Bidder), multiplied by, for deliveries of scheduled “day-ahead energy,” the applicable *Gas Daily* daily fuel index for Houston Ship Channel, or, for deliveries of scheduled “intra-day energy,” the lower of (1) Seller’s average purchase price for the gas used to generate such energy and (2) the applicable price quoted by Seller to and accepted by Buyer for the gas used to generate such energy;
* a Variable O&M Rate (if proposed by Bidder), which will be either (x) fixed for the entire Delivery Term or defined annually (expected to be as proposed by Bidder) and expressed in $/MWh or (y) based on a base Variable O&M Rate (expected to be as proposed by Bidder), expressed in $/MWh, and escalated annually by either CPI or PPI (as proposed by Bidder);
* a Start Charge (if proposed by Bidder), which will be either (x) fixed for the entire Delivery Term or defined annually (expected to be as proposed by Bidder) and expressed in $/completed Start or (y) based on a base Start Charge (expected to be as proposed by Bidder), expressed in $/completed Start, and escalated annually by either CPI or PPI (as proposed by Bidder); and
* a Start Fuel Charge (if proposed by Bidder), which will be based on the product of the Start fuel amount (expressed in MMBtu per completed Start) and the applicable gas price (expressed in $/MMBtu).

Pricing for a Toll will be based on:

* a Capacity rate, which will be either (x) fixed for the entire Delivery Term or defined annually or Seasonally (expected to be as proposed by Bidder) and expressed in $/kW‑year (if fixed annually) or $/kW-month (if fixed Seasonally) or (y) based on a base Capacity Rate (expected to be as proposed by Bidder), expressed in $/kW-year (if fixed annually) or $/kW-month (if fixed Seasonally), and escalated annually by either CPI or PPI (as proposed by Bidder);
* a Variable O&M Rate, which will be either (x) fixed for the entire Delivery Term or defined annually (expected to be as proposed by Bidder) and expressed in $/MWh or (y) based on a base Variable O&M Rate (expected to be as proposed by Bidder), expressed in $/MWh, and escalated annually by either CPI or PPI (as proposed by Bidder); and
* a Start Charge (if proposed by Bidder), which will be either (x) fixed for the entire Delivery Term or defined annually (expected to be as proposed by Bidder) and expressed in $/completed Start or (y) based on a base Start Charge (expected to be as proposed by Bidder), expressed in $/completed Start, and escalated annually by either CPI or PPI (as proposed by Bidder).

In addition, for Toll proposals, a guaranteed heat rate curve will apply. The heat rate curve could affect Seller’s compensation for providing fuel conversion services. The guaranteed heat rate curve is expected to be as provided by Bidder. The points along the guaranteed heat rate curve are required to correspond to the actual and projected heat rates of the resource at the available dispatch levels.

A proposal’s pricing for a PPA or Toll must reflect an “all-in” contract price (including any related fees and expenses) that EAL would pay to Seller for all aspects related to, and products associated with, the provision, generation, and delivery to EAL of Capacity, Capacity-Related Benefits, energy, Other Electric Products, and Environmental Attributes.

The following highlights a few basic commercial terms for any PPA or Toll arising out of this RFP:

* *Monthly and Long-Term Availability Requirements* – The Monthly Availability Requirement depends on the technology utilized by the resource. The Monthly Availability Requirement for CCGT resources will be 98% in the Summer months and Winter months and 96% in the other months. The Monthly Availability Requirement for CT resources will be 99% in each month of the Delivery Term. The Monthly Availability Requirement for SU resources will be 95% in each month of the Delivery Term. A failure to meet the Monthly Availability Requirement will result in a payment reduction to Seller. For PPA or Toll Transactions with Delivery Terms of a year or more, a rolling 12 Month Availability Requirement of 85% for CCGT and SU resources and 90% for CT resources will apply. A failure to meet the Rolling 12 Month Availability Requirement may result in termination and a termination payment to Buyer. Please see Appendices B-1 and B-2 for additional details.
* *Delivery Term* – The earliest permitted start date for the Delivery Term is March 1, 2025. The latest permitted Start date for the Delivery Term is November 30, 2026 (end of day). The minimum Delivery Term is one (1) full Season. The Delivery Term is expected to be based upon the Delivery Term specified in the proposal giving rise to the PPA or Toll.
* *Conditions Precedent* – Any PPA or Toll arising out of this RFP will include numerous conditions precedent, including a condition for the benefit of Buyer that Buyer has obtained regulatory approvals and regulatory treatment on terms and conditions satisfactory to it in its sole and absolute discretion.
* *Product Deliveries* – Seller will be required to make available Contract Capacity and deliver Contract Energy and Other Electric Products at the Physical Delivery Point. Delivery of Capacity Credits must occur by the earliest of (i) noon Central Prevailing Time on the March 5th immediately preceding such Planning Year, (ii) ten (10) Business Days before any MISO deadline applicable to the filing of any MISO resource adequacy plan for such Planning Year, (iii) ten (10) Business Days before the first day of the MISO planning resource auction for such Planning Year, and (iv) ten (10) Business Days before any applicable MISO deadline regarding the use of Capacity Credits to satisfy MISO’s resource adequacy requirements.
* *Scheduling and Dispatch Flexibility* – The scheduling and dispatch flexibility and rights of Buyer under a PPA or Toll will be substantially equivalent to those that Buyer would have if Buyer owned the physical Capacity being purchased. Bidders should structure the terms of all PPA and Toll proposals accordingly.
* *Credit* – Under the terms of this RFP, Seller will be required to post and maintain a letter of credit in accordance with the terms set forth in Appendix B-1 or B-2, as applicable, and Appendix E (and, as set forth in Appendix E and Section 3.4 below, to certify at proposal submission its understanding and acceptance of the core credit support terms of this RFP). Appendix E includes other essential information concerning the production and disclosure of financial information as part of the Proposal Submission Process, the evaluation of credit information and proposals by the Credit Evaluation Team, letter of credit milestone dates and amounts, and limitations on Bidder special exceptions related to credit terms.
* *Liability Transfer* – EAL will not accept the risk that any long-term liability will or may be recognized on the books of EAL (or any of its Affiliates) in connection with any PPA or Toll entered into pursuant to this RFP, whether the long-term liability is due to lease accounting, the accounting for a variable interest entity, or any other applicable accounting standard.
* *Cost Recovery* – Seller will be required to absorb Cost Recovery Risks as provided in Section 2.7 below.

The foregoing is not, and should not be construed as, an exhaustive listing of important commercial terms of any PPA or Toll arising out of this RFP. Please refer to Appendices B-1 and B-2 for a broader-based summary of select PPA and Toll terms.

## Acquisition Proposals - High-Level Overview of Select Commercial Terms

Acquisition proposals for existing resources are being solicited in this RFP. The purchase price must be expressed as a single fixed payment for the proposed Acquisition.

The following highlights a few basic commercial terms that apply to any Acquisition proposed in this RFP:

* *Purchased Assets* – Proposals for the acquisition of a resource that would be jointly owned after the closing of the Acquisition Transaction or would reasonably be expected to require a joint ownership and operation agreement or similar agreement will be considered. EAL prefers that any acquisition proposal offer the entire generating facility or, alternatively, increments of the facility in whole integrated generating units, e.g., a CCGT power block (with a proportional undivided ownership interest in assets to be owned in common), and with individuated fuel supply and transportation infrastructure, fuel and power metering, permitting, dispatch flexibility, and other assets required or appropriate to support registration and operation in MISO, in accordance with applicable MISO Rules and laws, as a reliable, fully dispatchable independent generating resource of EAL.
* *Credit* – Under the terms of this RFP, Seller will be required to post and maintain credit support as provided in Appendix B-3 and Appendix E (and, as set forth in Appendix E and Section 3.4 below, to certify at proposal submission its understanding and acceptance of the core credit support terms of this RFP). Appendix E includes other essential information concerning the production and disclosure of financial information as part of the Proposal Submission Process, certain credit support elections to be made by Bidders, the evaluation of credit information and proposals by the Credit Evaluation Team, liquid credit support milestone dates and amounts, and limitations on Bidder special exceptions related to credit terms.
* *Conditions Precedent* – Any Acquisition arising out of this RFP will include numerous conditions precedent to the closing of the Transaction, including, among others, the transfer to Buyer of clear title to the purchased assets (excepting only permitted encumbrances), the truth and accuracy of Seller representations and warranties, compliance by Seller with applicable covenants and agreements, Buyer’s receipt of necessary credit support from Seller, the satisfaction of certain performance requirements for the purchased assets, and Buyer obtaining all regulatory approvals and regulatory treatment on terms and conditions satisfactory to it in its sole and absolute discretion.

The foregoing is not, and should not be construed as, an exhaustive listing of important commercial terms for any Acquisition Transaction arising out of the RFP. Please refer to Appendix B‑3 for a broader-based summary of select contract terms for Acquisitions.

## Capacity Credit Proposals - High-Level Overview of Select Commercial Terms

The following summarizes certain basic commercial terms of any Capacity Credit Purchase Agreement arising out of this RFP:

* *Delivery Term* – The earliest permitted start date for the sale of standalone Capacity Credits to EAL is March 1,2025. The latest permitted start date for the Delivery Term is November 30, 2026 (end of day). The minimum Delivery Term is one (1) full Season. The Delivery Term is expected to be based upon the Delivery Term specified in the proposal giving rise to the Capacity Credit Purchase Agreement.
* *Delivery Deadline* – The Contract Quantity for a given Planning Year must be transferred by the earliest of (i) noon Central Prevailing Time on the March 5th immediately preceding such Planning Year, (ii) ten (10) Business Days before any MISO deadline applicable to the filing of any MISO resource adequacy plan for such Planning Year, (iii) ten (10) Business Days before the first day of the MISO planning resource auction for such Planning Year, and (iv) ten (10) Business Days before any applicable MISO deadline regarding the use of Capacity Credits to satisfy MISO’s resource adequacy requirements.
* *Pricing* – Each Capacity Credit for a given Season will have an associated fixedprice expressed in $/kW-month.
* *Price Adjustments*
  + An adjustment will be made to the price paid for a Capacity Credit sold under a Capacity Credit Purchase Agreement if such Capacity Credit is sourced from a MISO Planning Resource not located within the MISO LRZ associated with EAL’s load (LRZ 8) and has a MISO auction clearing price less than the MISO auction clearing price for a Capacity Credit sourced from a MISO Planning Resource located within the MISO LRZ associated with EAL’s load (LRZ 8), with Buyer entitled to a payment or credit from Seller equal to the difference between such MISO auction clearing prices for each Capacity Credit sourced from a resource located outside of LRZ 8.
  + Any Capacity Credit sold to Buyer for a particular Season that limits or restricts Buyer’s ability to obtain the full benefit of such Capacity Credit for MISO resource adequacy purposes will be deemed not to have been delivered to Buyer and Seller will not be entitled to payment from Buyer for such Capacity Credit.
* *Seller Credit Support* – Under the terms of this RFP, Seller will be required to post and maintain credit support as provided in Appendix B-4 and Appendix E (and, as set forth in Appendix E and Section 3.4 below, to certify at proposal submission its understanding and acceptance of the core credit support terms of this RFP). Appendix E includes other essential information concerning the production and disclosure of financial information as part of the Proposal Submission Process, certain credit support elections to be made by Bidders, the evaluation of credit information and proposals by the Credit Evaluation Team, liquid credit support milestone dates and amounts, and limitations on Bidder special exceptions related to credit terms.

The foregoing is not, and should not be construed as, an exhaustive listing of important commercial terms for any standalone Capacity Credit Transaction arising out of the RFP. Please refer to Appendix B‑4 for the terms of the Form of Capacity Credit Purchase Agreement for this RFP.

## Proposal Development and Special Exceptions

Bidders are responsible for developing and submitting proposals in accordance with the terms set forth, and information communicated to Bidders, in this RFP, including the terms of the Term Sheets (Appendices B-1 through B-3) and model contract (Appendix B-4). It is important that Bidders base their proposals on such terms and information and not the terms in any other RFP issued by or any previous contract entered into with EAL or an Affiliate of EAL. When developing proposals for this RFP, Bidders are cautioned against relying solely or principally on the summaries included in the Main Body, submitting proposals without a reasonably complete understanding of the terms set forth in the Term Sheets and model contract made available to Bidders prior to proposal submission, or assuming that EAL will entertain or accept material changes to the Term Sheets or the model contract, the terms of which were developed for this RFP and apply to all Bidders.

EAL expects that the terms, conditions, and technical requirements of this RFP, including, without limitation, the applicable Term Sheet or model contract and Appendix E, will be included or reflected in any Definitive Agreement executed for a proposal. As indicated in Section 1.3 above, Bidder will be charged with knowledge of the terms of this RFP, including, without limitation, the relevant Term Sheets, model contract, and Appendix E, when ESL evaluates Bidder’s proposal(s) and during any negotiation of the Definitive Agreement. In the event of any inconsistency between a provision in a Term Sheet or model contract and any other part of this RFP, it is generally expected that the Term Sheet or model contract will control. To the extent unexplained inconsistencies exist and Bidder desires clarification, please contact the Bid Event Coordinator.

Subject to the other terms of this RFP, Bidders are permitted to make special exceptions to terms included in the Term Sheets and the model contract that they are unwilling to accept. Each Bidder is required to include with its proposal (i) a legible, electronically generated redline mark-up of the applicable Term Sheet or model contract and (ii) an issues list or log setting forth and providing a reasonably complete and reasonably detailed summary and explanation for each of Bidder’s special exceptions (if any). Redline agreements or special exceptions in which Bidder (a) reserves wholesale rights to make comments on terms or conditions included in a Definitive Agreement, (b) makes widespread, wholesale, or fundamental changes to material terms or conditions set forth in the applicable Term Sheet or model contract, (c) conditions its proposal on the acceptance of material terms or conditions not accepted by EAL in the ordinary course of business or that would materially diminish the value of the resource to EAL, the viability of the proposal, or the likelihood of a Definitive Agreement based on the proposal, (d) takes exception to commercial terms without reasonably complete and detailed explanations or when such exceptions are not permitted by the express terms of this RFP, including Appendix E, or (e) takes actions the effect of which would be similar to those resulting from the actions described in clauses (a)-(d) are not contemplated and are grounds for a proposal’s elimination from consideration in this RFP, following consultation with the IM. Bidder-provided redline agreements and special exceptions (and summaries thereof) will be reviewed in the proposal evaluation phase of this RFP. The results of EAL’s review of Bidder’s special exceptions may adversely or positively affect the proposal’s ranking. For purposes of the proposal evaluation and contract negotiations, Bidder will be deemed to have accepted any provision of the applicable Term Sheet or model contract not specifically and directly addressed in a special exception.

Notwithstanding anything in this RFP to the contrary, EAL’s acceptance or selection of a proposal containing redlines of the applicable Term Sheet or model contract or other special exceptions does not mean that EAL agrees with the exceptions or will agree to or accept the exceptions (or variants of the exceptions) in any negotiation of a Definitive Agreement. Without limiting the other terms of this RFP, EAL reserves all rights in any proposal evaluation or negotiation involving the exceptions, including, without limitation, the right not to accept or agree to any of the exceptions (or any variant thereof), the right not to pay Bidder or Seller any incremental amount or consideration if EAL does not accept or agree to any particular exception or any proposed compromise, and the right to terminate negotiations if Bidder or Seller requires EAL to agree to any particular exception (or any variant thereof) as a condition to continued discussions.

## Threshold Requirements

Subject to the other terms of this RFP, EAL will consider only proposals submitted in accordance with Section 3.4 below and the other applicable proposal submission terms of this RFP. In addition, proposals under this RFP are required to satisfy, and will be reviewed early in the RFP evaluation process for compliance with, the prerequisites specified in this Section 2.5 (collectively, the “**Threshold Requirements**”). Any proposal not meeting the Threshold Requirements will be considered non-conforming and may be eliminated by EAL from further consideration in this RFP, after consultation with the IM. The Threshold Requirements are as follows:

* The resource supporting Bidder’s proposal must be an Eligible Resource and Bidder must provide evidence satisfactory to EAL demonstrating that the proposed resource is an Eligible Resource.
* Bidder must be an Eligible Participant.
* The proposal must be for a PPA, Toll, Acquisition, or standalone Capacity Credit Transaction supported by an Eligible Technology that is a CCGT, CT, or SU, except that any Eligible Technology for standalone Capacity Credit Transactions may support such a Transaction.
* If the proposal is for a PPA, Toll, or standalone Capacity Credit Transaction, the proposal must propose a Delivery Term that meets the applicable Delivery Term start and end date requirements set forth in Section 1.1 and, as applicable, Section 2.1 or 2.3 (and summarized in Section 1.10). If the proposal is for an Acquisition, the proposal must specify a closing date for the Transaction that is on or before November 30, 2026.
* If the proposal is for a Toll, the proposal must offer generating capacity in increments of whole integrated generating units and the resource must have fuel supply and transportation, fuel and power metering, permitting, dispatch flexibility, and other attributes required or appropriate to support registration and operation in MISO, in accordance with applicable MISO Rules, as a reliable, fully dispatchable independent generating resource.
* Proposals (other than those for standalone Capacity Credit Transactions) must offer Capacity at the Physical Delivery Point.
* The proposed resource must be, or be eligible to qualify as, a Network Resource of EAL under the MISO Tariff.
* The proposed resource must have in effect a GIA with MISO and the host utility (or, if allowed by EAL pursuant to Section 2.6 below for purposes of this RFP, a GIA with only the host utility) that supports the proposal.
* Bidders must provide the interconnection, deliverability, and transmission service documentation for their proposals to the Bid Event Coordinator or as part of their Proposal Packages in accordance with the applicable requirements of this RFP, including Section 2.6 below.
* The proposed resource (other than if offered for standalone Capacity Credit Transactions) must be capable of providing the offered amount of Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes to EAL at the Physical Delivery Point.
* For proposals offering PPAs, Tolls, or standalone Capacity Credit Transactions, Seller must be able to transfer Capacity Credits to EAL via the MISO Module E-1 Capacity Tracking (MECT) tool or any successor system in accordance with the timing and other requirements of the applicable Definitive Agreement and the MISO Rules.
* Proposals must include in the Proposal Package the accounting and credit certifications, required under, and prepared, executed, and submitted in accordance with the requirements of Section 4.1.4 below and Section C/Annex E-1 of Appendix E, respectively.
* Bidder must provide the most recent Published Credit Rating from S&P and Moody’s of Bidder (or, if different from Bidder, Seller) to the extent such a rating exists.
* Bidder must provide the annual audited financial statements for the past two (2) years and the current year reviewed quarterly financial statements of Bidder (or, if different from Bidder, Seller). The financial statement needs to include the independent auditor’s opinion and notes to the financial statements, the balance sheet, the income statement, and the cash flow statement.

Please see Section 4.1 below for additional information on the Threshold Requirements, including the evaluation of proposals for satisfaction of the requirements.

## Interconnection, Deliverability, and Transmission Considerations

This section identifies and addresses certain interconnection, deliverability, and transmission matters or requirements that Bidders should consider when preparing a proposal for this RFP.

### Required Interconnection, Deliverability, and Transmission Service for Eligible Resources

This RFP requires that, at the time of proposal submission, any proposed resource be directly electrically interconnected to the host utility within LRZ 8, LRZ 9, or LRZ 10, except an Acquisition resource, which must be directly electrically interconnected to the host utility within LRZ 8. Subject to the following paragraph, Bidder (or, if different from Bidder, Seller) must have in place at the time of proposal submission either ERIS and NRIS or ERIS and NITS as well as any other interconnection, deliverability, or transmission service needed for the proposed resource to have full deliverability of the products offered in the proposal, at the times and in the amounts specified by the proposal or required by this RFP, over the full Delivery Term or, for Acquisitions, through and after the consummation of the Transaction. Bidder (or Seller) will be required to maintain such service over the Delivery Term or through the closing of the Acquisition and to have qualified the resource as a Network Resource in MISO.

A Bidder offering a resource having the required ERIS but not the required NRIS or NITS at the time of its proposal submission may submit into this RFP a proposal (“**NITS Proposal**”) in which Bidder provides the requested diligence information in Appendix C with respect to the interconnection, deliverability, and transmission service for the resource and confirms that Seller would commit in any Definitive Agreement arising out of the NITS Proposal to cause the required NITS for the resource to be obtained at its sole cost, expense, and risk. The NITS-related costs that Seller would be obligated to bear in connection with the NITS Proposal would include, without limitation, the costs to apply to obtain and maintain the requested NITS for the resource, the costs payable by the NITS requestor for the study and assessment of the effects of the requested NITS for the proposed resource on the electrically interconnected system(s), the costs of the upgrades, improvements, and services, if any, allocable to the NITS requestor to obtain and maintain the requested NITS, and any other costs payable by the NITS requestor in connection with the requested NITS. The incremental evaluation complexities of, and the uncertainties, concerns, and risks introduced by, a NITS Proposal, individually or in combination, may vary significantly from NITS Proposal to NITS Proposal. Without limiting the terms of Appendix D, EAL reserves the right to accept, evaluate, and select a NITS Proposal in its discretion. Any decision to accept, evaluate, or select a NITS Proposal will be made by EAL on a case-by-case basis. If a NITS Proposal is selected for contracting under this RFP, the commencement of the Delivery Term or the closing of the Acquisition, as the case may be, will be conditioned on the completion of all upgrades, improvements, and other actions necessary for the receipt of the requested NITS and recognition by MISO and the applicable Balancing Authorities that the required ERIS and NITS transmission services have been obtained and are in full force and effect. To ensure clarity, a NITS Proposal is a single proposal that (i) differs from other proposals in this RFP in that the proposed resource requires new or incremental NITS to meet the interconnection, deliverability, and transmission requirements of this RFP for the product(s) offered from such resource in the proposal and (ii) meets (or purports or attempts to meet) the definitional criteria for classification of the proposal as a NITS Proposal.

This RFP contemplates resources that are electrically interconnected to the host utility at a transmission level. Bidders with a resource that is electrically interconnected to the host utility at a distribution level and otherwise eligible for participation in this RFP may submit a proposal for the resource into this RFP (“**Distribution-Level Proposal**”). The incremental evaluation complexities of, and the uncertainties, concerns, and risks introduced by, a Distribution-Level Proposal, individually or in combination, may vary significantly from Distribution-Level Proposal to Distribution-Level Proposal. Without limiting the terms of Appendix D, EAL reserves the right to accept, evaluate, and select a Distribution-Level Proposal in its discretion. Any decision to accept, evaluate, or select a Distribution-Level Proposal will be made by EAL on a case-by-case basis. To ensure clarity, a Distribution-Level Proposal is a single proposal that (i) differs from other proposals in this RFP in that the electrical tie to the proposed resource is at a distribution level and (ii) meets (or purports or attempts to meet) the definitional criteria for classification of the proposal as a Distribution-Level Proposal.

### Product Deliveries

For PPAs and Tolls arising out of this RFP, Seller will be required to make available Capacity and deliver energy and Other Electric Products from the resource to Buyer at the Electric Interconnection Point. The financial settlement of energy and Other Electric Products provided at the Electric Interconnection Point under a PPA or Toll will reflect the basis differential, if any, between the CP Node at the Electric Interconnection Point and the CP Node for EAL’s load (the “**EAL Load Node**”) at the time of delivery and related congestion costs. For Capacity Credit Transactions (whether under a PPA or Toll or a Capacity Credit Purchase Agreement), if Seller’s resource in the Definitive Agreement is located in LRZ 9 or LRZ 10, a price adjustment provision will be included in the Definitive Agreement to account for differences in the MISO auction clearing prices for Capacity Credits sourced from LRZ 8 and from LRZ 9 or 10, as described in more detail in the *Price Adjustments* bullet point in Section 2.3 above.

### Scope of Responsibility

Without limiting Section 2.6.1 above, Seller will be responsible for, and bear the full costs and risks of, (i) the maintenance (for PPAs, Tolls, and standalone Capacity Credit Transactions, prior to and throughout the Delivery Term, and for Acquisitions, through the closing thereof) of the interconnection, deliverability, and transmission service required by this RFP, including, without limitation, the maintenance of the GIA and the electric interconnection of the Facility to the host utility, (ii) if applicable, the transfer and delivery of Capacity, energy, and Other Electric Products to, and the injection of energy and Other Electric Products at, the Electric Interconnection Point, and (iii) if applicable, the financial settlement of energy and Other Electric Products provided to Buyer under the Definitive Agreement at the EAL Load Node.

For Acquisitions, the assets purchased by Buyer from Seller will include, without limitation, any and all deliverability and transmission-related rights held by or for Seller or any Affiliate thereof as of the closing (including, without limitation, auction revenue rights, financial transmission rights, and other deliverability, transmission, or congestion-related rights), to the extent related to the acquired generation assets, and all rights to own, hold, manage, and control those rights.

Subject to certain exceptions, throughout any PPA or Toll, Buyer will have the right to determine from time to time whether Buyer (or a designee) or Seller will serve as the “market participant” for the generation resource before MISO during the Delivery Term. If Seller is the market participant, financial schedules would be submitted to MISO for deliveries of energy and Other Electric Products from the resource under the Definitive Agreement. Subject to limited exceptions, Seller will be responsible for and bear all costs and risks associated with financial scheduling energy and Other Electric Products under any PPA or Toll, including, without limitation, electric losses, MISO fees, charges, and other costs related thereto (*e.g*., financial scheduling fees, administrative costs, transaction charges).

## Cost Recovery

Seller will be required to absorb the risks of the possible disallowance, disapproval, or denial of recovery by the Arkansas Public Service Commission (“**ASPC**”) and/or other Governmental Authorities of EAL costs incurred in connection with a PPA, Toll, or standalone Capacity Credit Transaction arising out of this RFP (“**Cost Recovery Risks**”), excluding certain limited Cost Recovery Risks that will remain with EAL (“**EAL-Allocated Cost Recovery Risks**”). EAL-Allocated Cost Recovery Risks include (i) costs incurred by EAL in connection with the applicable PPA, Toll, or standalone Capacity Credit Transaction for which recovery was expressly disallowed, disapproved, or denied by the APSC in its final order approving the PPA, Toll, or standalone Capacity Credit Transaction as in the public interest and prudent, provided EAL accepted the order as satisfying the APSC regulatory approval condition to commencement of the Delivery Term, and (ii) costs incurred by EAL in connection with the applicable PPA, Toll, or standalone Capacity Credit Transaction due exclusively to the active fault of EAL. The Cost Recovery Risks expected to be borne by Sellers include, without limitation, unrecovered costs to replace Contract Capacity, Capacity Credits, Contract Energy, Other Electric Products, and Environmental Attributes, as applicable, not provided to EAL by Seller under the applicable PPA, Toll, or standalone Capacity Credit Transaction.

## Fuel Supply

EAL prefers resources that offer fuel supply flexibility and fuel stability. Fuel supply flexibility considerations in the evaluation of proposals will include supply liquidity, sourcing, and fungibility of supply, limitations on fuel supply or relating to the transportation of supply, and alternative fuel supply and transportation options. Fuel stability considerations in the evaluation of proposals will include price volatility, the energy pricing structure proposed (e.g., fixed, not fixed), the inclusion and structure of any proposed fuel adder, and fuel reliability/deliverability risks.

A resource’s fuel supply arrangements can affect its ability to provide Capacity, Capacity-Related Benefits (such as Capacity Credits), energy, Other Electric Products, and Environmental Attributes. To allow EAL to make a reasonable preliminary assessment of a resource’s performance capabilities, Bidders will be required to provide information responsive to fuel-related requests included in Appendix C, as applicable. Bidders should submit a comprehensive response to all such requests as part of their Proposal Packages.

For Tolling arrangements arising out of this RFP, Seller may be required to post additional security to cover costs that may arise from any natural gas transportation or supply agreement entered into by EAL to support the generation resource in the event of Seller’s default.

## Supplier Information

Any resource bid into this RFP is expected to have generated commercial opportunities for businesses that supply goods and services to generation resource facilities. EAL has an interest in understanding the effects of proposed resources on businesses located in the state of Arkansas and on small and disadvantaged businesses. Appendix G includes information regarding local and other suppliers that Bidders are required to provide as part of their Proposal Packages and/or should consider when developing the terms of their proposals.

# RFP PROCESSES

## RFP Schedule Overview

### RFP Schedule Summary

The RFP Schedule is critical for Bidders interested in participating in this RFP. The RFP Schedule in the table below sets forth, as of the RFP documents issuance date, the milestone events and the corresponding milestone dates for this RFP. The milestone events and dates are subject to change. After consultation with the IM, notice of any change to the then-current RFP Schedule will be posted on the 2024 EAL Existing Resource Energy and Capacity RFP Website.

**Table 2: RFP Schedule**

|  |  |  |
| --- | --- | --- |
| RFP Milestone | Milestone Dates | |
|  | **Capacity Only Agreements** | **PPAs, Tolls & Acquisitions** |
| RFP Documents Posted | May 21, 2024 | May 21, 2024 |
| Bidders Conference | 8:30 a.m. – 10:00 a.m. CPT on June 4, 2024\* | 8:30 a.m. – 10:00 a.m. CPT on June 4, 2024\* |
| Bidder Registration Period | 8:00 a.m. CPT on June 17, 2024, until 5:00 p.m. CPT on June 14, 2024\* | 8:00 a.m. CPT on June 17, 2024, until 5:00 p.m. CPT on June 14, 2024\* |
| Proposal Submission Fee Payment Deadline | 5:00 p.m. CPT on July 2, 2024\* | 5:00 p.m. CPT on July 2, 2024\* |
| Commencement of Proposal Submission Period | 8:00 a.m. CPT on July 10, 2024\* | 8:00 a.m. CPT on July 10, 2024\* |
| Proposal Submission Deadline | 5:00 p.m. CPT on July 18, 2024\* | 5:00 p.m. CPT on July 18, 2024\* |
| Notice to Bidders of EAL Primary and Secondary Selection List Selections | October 16, 2024\* | November 3, 2024\* |
| Comprehensive EAL Due Diligence and Definitive Agreement Negotiations Begin | October 16, 2024\* | November 3, 2024\*July |
| Bidder(s) Remaining on Secondary Selection List Released from Proposals | January 16, 2024**\*** | February 3, 2024**\*** |
| Definitive Agreements Executed | February 28, 2025\* | March 3, 2025\* |
| Regulatory Approval Process Complete | February 13, 2026\* | March 3, 2026\* |

\*Milestone dates with an asterisk are target dates subject to change.

Without limiting the generality of Appendix D, EAL reserves the right to modify the RFP Schedule (including any milestone or milestone date) at any time in its sole discretion. EAL will endeavor to timely notify all participants in this RFP of any such modification.

### Bidders Conference

EAL has scheduled a teleconference/webcast for potential Bidders and other stakeholders on the date set out in the RFP Schedule for the Bidders Conference. The Bidders Conference will give participants a high-level overview of, and other information concerning, this RFP and related processes and is open to all interested Persons. EAL and ESL personnel and the IM will be available at the Bidders Conference to provide an overview of the RFP Schedule, the Bidder Registration Process, the Proposal Submission Process, the evaluation process, technical RFP issues, and proposed transaction terms and conditions, and to respond to other requests for information about this RFP. EAL will post written materials presented during the Bidders Conference on the 2024 EAL Existing Resource Energy and Capacity RFP Website. Bidders are advised that those materials may not duplicate all the information provided during the Bidders Conference and some of the information may be or may become outdated and/or no longer accurate.

Responses to questions received during the Bidders Conference will be posted on the 2024 EAL Existing Resource Energy and Capacity RFP Website. Please refer to Sections 5.2 and 5.3 below and Appendix F for additional information concerning questions submitted in connection with this RFP. To the extent inconsistencies exist between the RFP documents and the Bidders Conference presentation or the responses to questions received during the Bidders Conference posted on the 2024 EAL Existing Resource Energy and Capacity RFP Website or provided verbally, the RFP documents will control.

## Bidder Registration

To be eligible to submit a proposal, Bidder must complete the Bidder Registration Process, as described in this Section 3.2, during the Bidder Registration Period. Bidder Registration will begin at 8:00 a.m. CPT on the Bidder Registration start date specified in the applicable RFP Schedule and end at 5:00 p.m. CPT on the Bidder Registration end date specified in the applicable RFP Schedule (the “**Bidder Registration Period**,” and the deadline for Bidder Registration, the “**Bidder Registration Deadline**”).

To register for this RFP, Bidders are required to submit a completed Bidder Registration Agreement and the documentation requested therein (including a completed Bidder Registration Form for each proposal submitted into the RFP) to the Bid Event Coordinator, copying the IM, via email at the respective addresses provided in Sections 1.5 and 1.6 above, by the Bidder Registration Deadline. Bidders will bear the risk of failing to submit a completed Bidder Registration Agreement and such requested documentation by the Bidder Registration Deadline. The Bidder Registration Agreement must be executed by an officer or other representative of Bidder who is authorized to sign on Bidder’s behalf. Only Bidders registered in accordance with this RFP will be permitted to submit proposals in this RFP, and only proposals registered in accordance with this RFP will be eligible for submission.

Following submission of its completed Bidder Registration Agreement and the documentation requested therein, Bidder will be issued a unique Bidder ID. In addition, each registered resource and proposal will receive its own Resource ID and Proposal ID. Bidder IDs, Resource IDs, and Proposal IDs will be used by Bidders in the Proposal Submission Process and in connection with the evaluation of proposal information received by EAL.

## Proposal Submission Fees

Bidders are required to pay a Proposal Submission Fee for *each* proposal registered in the RFP. Proposals that are alternatives to each other will be considered separate proposals and must be registered as such. For example, proposals with differing guaranteed Delivery Term start dates, purchase prices (such as PPA or Toll pricing that is fixed in one proposal and fixed with an escalation provision in another proposal), or resource Capacities will be considered alternatives to each other, and each will require the payment of a Proposal Submission Fee.

The Proposal Submission Fee is Ten Thousand Dollars (US$10,000) if the proposal is for an Acquisition, except as provided in the following sentence, or Five Thousand Dollars (US$5,000) if the proposal is for a PPA, Toll or a standalone Capacity Credit agreement. For PPAs, Tolls, and Capacity Credit agreements, the Proposal Submission Fee is reduced to $1,000 if (and only if) the proposal is identical in all material respects, except for deliverability term and price, to a proposal for which Bidder registered and paid the requisite proposal submission fee in an Entergy 2024 Request for Proposals for Energy and Capacity from Existing Resources. Any alternative proposal submitted into this RFP (e.g., a proposal containing alternative pricing, alternative completion dates, or alternative transaction structures) would be required to be registered as a separate proposal.

EAL will bill Bidder the total Proposal Submission Fee due from Bidder for each proposal it registers for this RFP within three (3) Business Days following the end of the Bidder Registration Period. Bidder will be required to remit payment of the Proposal Submission Fee(s) in full in immediately available funds and in accordance with the instructions provided in the invoice. Payment will be due by the date specified in the applicable RFP Schedule (the “**Proposal Submission Fee Payment Deadline**”). **Bidder’s failure to submit the Proposal Submission Fee for a proposal by the Proposal Submission Fee Payment Deadline will result in the elimination of such proposal from this RFP**. In the case of multiple proposals where it is unclear which proposal was not supported by payment of the required Proposal Submission Fee, EAL will have the discretion to determine which proposal to eliminate or what other action(s) to take.

Proposal Submission Fees will be refunded to Bidders only in the following circumstances:

1. Bidder registers a proposal and pays the Proposal Submission Fee but does not complete Proposal Submission for the registered proposal;
2. Bidder registers a proposal, properly completes Proposal Submission, but subsequently withdraws the registered proposal prior to the Proposal Submission Deadline; or
3. EAL cancels or terminates this RFP prior to completion of the evaluation of proposals for the Primary Selection List or the Secondary Selection List.

If Bidder, or any proposal submitted by Bidder, becomes ineligible or is eliminated from this RFP for any reason other than a reason set forth in items 1 through 3 above, including, without limitation, if no proposals are selected for either the Primary Selection List or the Secondary Selection List after EAL has completed its evaluation of proposals, Bidder’s Proposal Submission Fee(s) will not be returned.

## Proposal Submission

The **Proposal Submission Process** requires each Bidder to submit to EAL a Proposal Package **for each proposal registered and submitted in this RFP**. The Proposal Package will include:

* A Proposal Submission Agreement signed by an officer or other representative of Bidder who is authorized to sign the agreement on Bidder’s behalf and tender the proposal(s) submitted by Bidder into this RFP;
* A completed Proposal Submission Template (Excel sheet);
* A completed Viability Self-Assessment (Excel sheet);
* A completed Due Diligence Questionnaire (Appendix C), including, without limitation:
* the requested generation profile for two (2) years (Excel sheet);
* documents requested by the questionnaire;
* a project summary;
* A completed, properly executed form of credit certification (see Annex E-1 to Appendix E) and, for PPAs and Tolls or otherwise if requested by a member of the RFP Administration Team or the Accounting Evaluation Team, a completed, properly executed accounting certificate (see Appendix H);
* The evidence requested in Appendix G; and
* All other documents and information that Bidder is required to provide under this RFP for the proposal submitted.

All proposal submissions are required to be made through PowerAdvocate to the Bid Event Coordinator. Bidders should not send, and the Bid Event Coordinator will not accept, paper copies of proposals or proposals delivered other than through PowerAdvocate. Bidder must deliver the complete Proposal Package(s) for its proposal(s) by the Proposal Submission Deadline in order for the proposal(s) to be considered in this RFP.

After the Bid Event Coordinator has electronically received Bidder’s completed Proposal Package, Bidder will receive a confirmation of receipt from the Bid Event Coordinator. Bidder should contact the Bid Event Coordinator if a confirmation is not received within one (1) Business Day after Bidder’s submission of the Proposal Package.

**Bidder will bear the risk of any failure of Bidder to submit the completed Proposal Package for a proposal by the Proposal Submission Deadline, as required by this RFP. Proposals not delivered in accordance with the requirements of this RFP are untimely and may be eliminated from consideration in this RFP. Proposals that do not include all agreements, material, and information required by this RFP may be considered non-conforming and rejected on that basis.**

# PROPOSAL EVALUATION

EAL will evaluate the proposals submitted in this RFP. EAL’s evaluation process is designed to facilitate the fair and impartial evaluation of all proposals and to result in the selection of one or more proposals that meet the requirements of this RFP and EAL’s needs at the lowest reasonable cost, taking into account commercial considerations, project viability, reliability, risk, and other relevant factors. The process will be conducted in a carefully controlled manner, using procedures, methods, evaluation criteria, and assumptions that will be developed prior to the receipt of proposals. The process is expected to include, without limitation, EAL’s use of evaluation teams and subject matter experts, and will involve the IM as appropriate. As part of the evaluation process, EAL may from time to time reduce the number of proposals under evaluation and may develop a preliminary shortlist of proposals for continued evaluation (the “**Shortlist**”).

After the Proposal Submission Deadline, the IM and the RFP Administration Team will provide redacted data and information from the proposals received to the evaluation teams at approximately the same time. All proposals will be evaluated on a consistent basis by the evaluation teams. Each of the evaluation teams, the RFP Administration Team, and the Bid Event Coordinator will have the right to ask Bidder clarifying questions to obtain additional information that it believes may help with its understanding, review, or analysis of Bidder’s proposal. Clarifying questions are expected to be communicated by the Bid Event Coordinator to Bidder through PowerAdvocate. The Bid Event Coordinator may also request Bidder’s participation in one or more meetings to obtain clarification or additional information regarding a proposal. Bidder will be expected to provide responses to clarifying questions and provide additional information requested through PowerAdvocate and/or make available authorized officers, representatives, and advisors to participate in meetings to answer questions (as requested).

At an appropriate stage of the proposal evaluation process, members of the RFP Administration Team, utilizing in its discretion, among other things, analysis and other inputs provided by evaluation teams and subject matter experts for this RFP, will develop recommendations for the selection of proposals, if any, for inclusion on the Primary Selection List or the Secondary Selection List and will present those recommendations to the EAL Resource Planning and Operating Committee and EAL management. The “Primary Selection List” is a list setting forth the proposal(s) (if any) selected for negotiation of a Definitive Agreement. The “Secondary Selection List” is a list setting forth the proposal(s) (if any) selected for possible negotiation of a Definitive Agreement. The IM will review the recommended selections before the recommendations are presented to the EAL Operating Committee. Any selection of a proposal for the Primary Selection List or the Secondary Selection List will be made by the President and CEO of EAL (or designee).

Once selections have been made, EAL will notify each Bidder that EAL has completed its evaluation of proposals and inform Bidder, with respect to each proposal submitted by Bidder, whether the proposal is on the Primary Selection List (if any), the Secondary Selection List (if any), or has been eliminated from further consideration in this RFP. Without limiting its rights under this RFP, EAL expects to proceed to negotiate the final terms of a Definitive Agreement with a Bidder having a proposal on the Primary Selection List. If those negotiations terminate or are suspended, or if EAL determines negotiations with one or more Bidders having a proposal on the Secondary Selection List are appropriate, EAL may negotiate commercial terms with such Bidders. A Bidder with a proposal on the Secondary Selection List will be released from the proposal three (3) months after notification of the proposal’s placement on the Secondary Selection List, unless within that period Bidder has been invited to negotiate the terms of a Definitive Agreement under this RFP based on the proposal. A proposal not on either the Primary Selection List or the Secondary Selection List will be considered rejected. Any Bidder invited by EAL to finalize a Definitive Agreement will be expected to use its reasonable best efforts to finalize, execute, and deliver such Definitive Agreement as promptly as possible.

EAL’s selection of a proposal does not constitute or indicate EAL’s agreement, commitment, representation, or promise to transact on the basis of the selected proposal or EAL’s acceptance of any term of the proposal. Under the terms of this RFP, EAL has no obligation, and makes no commitment or promise, of any kind, to enter into a transaction with any Bidder or to be bound by any term proposed by Bidder in this RFP, and, more generally, has no obligation or liability of any kind whatsoever to any Bidder or Seller in connection with or arising out of this RFP, except to the extent otherwise expressly set forth in a binding, fully executed written agreement between EAL and Bidder or Seller.

# MISCELLANEOUS RFP MATTERS

## Authorized Bidder Communications Channels

Except as otherwise expressly provided in this RFP, all communications, including questions, regarding this RFP must be submitted in writing to the Bid Event Coordinator (using the contact information provided above in Section 1.5). Any contact or communication concerning this RFP (i) between Bidders, or representatives of Bidders, on the one hand, and personnel or employees of ESL other than the Bid Event Coordinator, on the other hand, or (ii) between different Bidders, or representatives of different Bidders, made without the specific, prior written consent of the Bid Event Coordinator, is, in each case, not allowed and grounds for disqualification of the non-compliant Bidder(s). Bidders are, of course, permitted to communicate internally within their organizations and to their representatives with regard to this RFP as necessary.

## Posting Questions

Bidders and other interested Persons are invited to submit questions and comments about this RFP to the Bid Event Coordinator. All questions or comments regarding this RFP must be submitted in writing via email sent to [EALRFP@entergy.com](mailto:EALRFP@entergy.com) (for questions and comments prior to bidder registration) or through PowerAdvocate (after bidder registration). Interested Persons are requested to submit questions as promptly as possible to ensure the timely receipt of EAL’s response. EAL requests that all questions be submitted to the Bid Event Coordinator by no later than one week prior to the day of the Proposal Submission Deadline.

Subject to EAL’s consideration of the confidentiality concerns described in the section below, EAL intends to post all questions submitted by Bidders, as well as EAL’s responses to those questions, to the 2024 EAL Existing Resource Energy and Capacity RFP Website. All questions will be posted anonymously, to shield the identity of Bidders who posed the questions. EAL’s objective in posting questions and answers publicly is to afford Bidders equal access to information potentially relevant to their proposals.

EAL expects to provide answers to questions received during the Proposal Submission Period only to the extent the questions are specific to an actual proposal submission issue (and those answers may or may not be posted on the 2024 EAL Existing Resource Energy and Capacity RFP Website).

## Questions Involving Confidential Information

Bidders should frame their questions, if possible, so that the answers do not require the disclosure of information that is confidential to ESL or EAL, or any of their respective Affiliates. If ESL receives a question that calls for, in its opinion, an answer that would contain such confidential information and the provision of such confidential information is necessary and appropriate for ESL’s response, then ESL will respond to the question in writing, via PowerAdvocate if after Bidder registration, but only if Bidder posing the question has executed and returned to ESL a confidentiality agreement in form and substance acceptable to ESL.

Similarly, Bidder’s questions should be structured to avoid, if possible, the disclosure of Bidder’s confidential information. If Bidder believes that certain Bidder information contained in a question it intends to submit is confidential, it is strongly urged to attempt to exclude such information, whether by redaction or other means, and then to submit the question. If Bidder believes it is necessary or advisable to submit the question without redacting or otherwise shielding its confidential information, Bidder should, without divulging its confidential information, notify the Bid Event Coordinator in writing of the purpose of the question and the nature of the confidential information so that ESL can determine whether Bidder’s question requires the disclosure, either by Bidder or by ESL, of Bidder’s confidential information, or whether such disclosure is unnecessary or can be avoided. If ESL determines that the disclosure of confidential Bidder information is necessary and appropriate, ESL will execute a confidentiality agreement acceptable to ESL so that the question may be submitted. Questions containing confidential Bidder information that are submitted timely will be answered by ESL by electronic mail or express mail sent to Bidder.

## Contact with MISO

Under the MISO Tariff, MISO currently provides functional supervision of the Entergy Transmission System and acts as transmission provider with respect to the granting of transmission service, including interconnection service, on the Entergy Transmission System or on other transmission systems under MISO’s functional supervision.  Inquiries about these aspects of the Entergy Transmission System or other transmission systems in MISO under MISO’s functional supervision should be directed to MISO at its South Region Transmission Planning Office, (504) 846-7100.  Bidders are directed to the MISO website, [www.misoenergy.org](http://www.misoenergy.org), for information about MISO.

## Confidentiality Procedures for Bidder Registration and Proposal Submission Information

ESL has procedures that its employees, agents, and consultants participating in the evaluation of proposals will be required to follow in order to protect the confidentiality of Bidder information provided in response to this RFP. The procedures are described in detail in Appendix F of this RFP – Process for Protection of Proposal Information.

## Affiliate Rules and Codes of Conduct

All employees of ESL, any Entergy Operating Company, or any Entergy Competitive Affiliate must adhere to the Affiliate Rules and Codes of Conduct as applicable. A link providing access to complete copies of the Affiliate Rules and Codes of Conduct is available at the 2024 EAL Existing Resource Energy and Capacity RFP Website.

## Multi-Person Bids

If Bidder is comprised of more than one Person, the individual members may enter into contribution, indemnity, allocation, sharing, or other similar arrangements or agreements amongst themselves to allocate their respective rights and obligations; however, no such agreement or arrangement will affect any right reserved to ESL or EAL in connection with this RFP or otherwise disadvantage EAL relative to its position with other Bidders without ESL’s prior written agreement, either on its own behalf or as agent of EAL. Bidder must fully disclose to the Bid Event Coordinator all such contribution, indemnity, allocation, sharing, or similar arrangements or agreements. Disclosure may be accomplished by means of a written letter to the Bid Event Coordinator by the Proposal Submission Deadline. Bidder may be required to respond to subsequent diligence inquiries concerning the arrangements or agreements.

## Sale of Bidder or Project

The sale, conveyance, assignment, or transfer of control or ownership, in whole or in part, direct or indirect, of any resource registered by or for Bidder or any Affiliate thereof to participate in this RFP and/or Bidder’s or any such Affiliate’s rights with respect to any registration and/or proposal submitted into this RFP is not contemplated and may result in the resource’s or proposal’s elimination from this RFP, including after any selection of the proposal for the Primary Selection List or the Secondary Selection List. Unless the registered resource has been eliminated from this RFP, Bidder must promptly notify the Bid Event Coordinator of any such sale, conveyance, assignment, or transfer of control or ownership.