



## ***Appendix A***

### ***Glossary***

***For***

***2014 Request For Proposals  
For  
Long-Term, Supply-Side and  
Renewable Generation Resources***

Entergy Arkansas, Inc.  
May 5, 2014

## APPENDIX A GLOSSARY

“2014 EAI RFP Website” means the internet website [http://entergy-arkansas.com/transition\\_plan/](http://entergy-arkansas.com/transition_plan/).

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or interests having voting power, by agreement or otherwise.

“Affiliate Rules” means rules and regulations promulgated by federal, state and local regulatory agencies to address interactions between a utility and its affiliates engaged in competitive markets; settlement agreements between an Entergy Operating Company and a regulatory agency to address such interactions; and FERC-ordered standards of conduct to address interactions between transmission function and marketing functions employees.

“Ancillary Agreement” means any agreement related to the Definitive Agreement.

“Balancing Authority” means the Person(s) in control of the physical operating of, and responsible for fulfilling the duties necessary to operate, a Balancing Authority Area.

“Balancing Authority Area” means an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to: (i) match, at all times, the power output of the generators within such electric power system(s) and the net power purchased from or sold to Persons outside such electric power system(s) with the load within such electric power system(s); (ii) maintain scheduled interchange with other such electric power system(s), within the limits of accepted electrical practices; (iii) maintain the frequency of such electric power system(s) within reasonable limits in accordance with accepted electrical practices; and (iv) provide sufficient generating capacity to maintain operating reserves in accordance with accepted electrical practices.

“Bidder” means a Person that submits (or, prior to the applicable due date, intends or expects to submit) a proposal or completes the Bidder Registration Process in response to this RFP, or any group of Persons having a pre-existing contractual relationship, such as co-owners of a resource, that submits jointly (or, prior to the due date, intends or expects to submit jointly) a proposal or completes the Bidder Registration Process in response to this RFP based on such pre-existing contractual relationship. A group of Persons that has jointly developed a proposal pursuant to the procedures set forth in the Main Body may also be a “Bidder.”

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“Bidder ID” means the unique Bidder identification number assigned to Bidder during the Bidder registration process.

“Bidder Registration Agreement” means the Bidder Registration Agreement described in Section 4.2 of the Main Body that Bidders are required to submit to EAI in order to participate in this RFP.

“Bidder Registration Period” means the period of time provided for Bidder Registration, which, in general, will begin at 8:00 a.m. CPT on the date specified in the applicable RFP Schedule and will end at 5:00 p.m. CPT on the date specified in the applicable RFP Schedule.

“Bidder Registration Process” means the process (described in Section 4.2 of the Main Body) for Bidders to register the entity submitting its proposal(s), the generation resource(s), and each of the proposals it intends to submit in response to this RFP.

“Bidders’ Conference” means the conference relating to this RFP described in Section 4.1 of the Main Body and held on the date for the Bidder’s Conference set forth in Section 4.1 of the Main Body.

“Business Day” means any day except Saturday, Sunday or, with respect to the scheduling of power, a holiday as defined by the North American Electric Reliability Council or any successor organization thereto or, with respect to payments and all other matters, a holiday observed by Federal Reserve Banks in New York, New York. For notice purposes, a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Central Prevailing Time.

“Buyer” means Entergy Arkansas, Inc.

“Capacity” or, as the context requires, “capacity” means the megawatt output level that the generating unit is capable, as of a given moment, of continuously producing and making available at the Energy Delivery Point, taking into account the restrictions on operation, the operating condition of the equipment at that time, the auxiliary loads, line losses and other relevant factors prior to the Energy Delivery Point. For purposes of this RFP, the term “Capacity” or “capacity” includes any and all capacity-related benefits associated with such Capacity, notwithstanding any provision in which “Capacity” or “capacity” is followed by the term “capacity-related benefit[s].”

“Capacity Credits” means 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.

“Capacity Rate” means the rate, expressed in \$/kW-year, payable by Buyer to Seller for the contractually-stipulated capacity for a defined period during the Delivery Term, as more particularly described in Section 2.2 of the Main Body and Appendix B-1 to this RFP.

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“CCGT” means combined-cycle gas turbine.

“CET Credit Rating” means the internal credit rating assigned to Bidder by the CET. The CET’s determination and use of the CET Credit Rating are more particularly described in Appendix E to this RFP.

“Common Facilities” means the portion of a resource under the joint ownership of Seller and one or more other Persons.

“CPI” means the Consumer Price Index for All Urban Consumers; US City Average; All Items: Not Seasonally Adjusted (base index year 1982-1984 = 100), as published by the United States Department of Labor, Bureau of Labor Statistics, from time to time.

“CPT” or “Central Prevailing Time” means the local time in Houston, Texas.

“Credit Evaluation Team” or “CET” means the Evaluation Team responsible for analyzing potential credit issues associated with Bidder proposals submitted in response to this RFP, as further described in Appendix E to this RFP.

“Credit Support Provider” means any Person that Bidder proposes in a proposal under this RFP as a credit support provider on its behalf.

“CT” means combustion turbine.

“Definitive Agreement” means a legally binding agreement, mutually executed and delivered by authorized representatives of Buyer and Seller, setting forth the definitive terms and conditions of a Transaction. For the avoidance of doubt, a “Definitive Agreement” does not include a letter of intent, memorandum of understanding, or any other similar preliminary written agreement or document with respect to the Transaction, or any acceptance, written, oral, or other, of any offer or proposal.

“Delivery and Operations Assessment Team” or “DOAT” means the Evaluation Team responsible for assessing the issues and costs associated with the delivery of Capacity, capacity-related benefits, energy, Other Electric Products, and Environmental Attributes offered by Bidder under the terms of its proposal, as described in Section 5.1.2 of the Main Body.

“Delivery Term” means the period of time in which Seller is obligated to sell and Buyer is obligated to purchase Capacity, capacity-related benefits, energy, Environmental Attributes and Other Electric Products under the Definitive Agreement. The “Delivery Term” is, for purposes of this RFP, limited to PPAs and Tolls and is more particularly described in Appendix B-1 to this RFP.

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“Developmental Resource” means a Facility or resource that, as of the date of Bidder’s proposal with respect to such Facility or resource, (i) has not been placed into commercial service and has not been accepted by its owner as having achieved (or been deemed to have achieved) the requirements for commercial operation (or analogous term) under the applicable project contracts or (ii) has been and remains removed from commercial service, or a proposal for such a resource submitted in response to this RFP.

“EAI” means Entergy Arkansas, Inc.

“Economic Evaluation Team” or “EET” means the Evaluation Team responsible for analyzing the economics of Bidder proposals submitted in response to this RFP (as further described in Section 5.1.1 of the Main Body).

“Eligible Participants” means Persons eligible to participate in this RFP (as further described in Section 1.7 of the Main Body).

“Eligible Resources” means resources eligible to participate in this RFP (as further described in Section 1.9 of the Main Body).

“Eligible Technologies” means generation technologies eligible to participate in this RFP (as further described in Section 1.8 of the Main Body).

“Entergy Competitive Affiliate” means any Affiliate of Entergy Corporation, other than ESI, Entergy Operations, Inc., any of the Entergy Operating Companies or System Energy Resources, Inc.

“Entergy Operating Companies” or “Operating Companies” means the regulated electric utilities owned, directly or indirectly, by Entergy Corporation. As of the date of this RFP, the Entergy Operating Companies are Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc.

“Environmental Attributes” means all current or future RECs and all other current or future environmental attributes associated with the Capacity of the Renewable Resource contracted to Buyer or the generation of energy from such Capacity, including any environmental attributes related to the avoidance of the emission of any gas (including carbon dioxide and other greenhouse gases), chemical or other substance into the environment.

“ESI” means Entergy Services, Inc.

“Evaluation Team” means the group of individuals responsible for evaluating the proposals (or specific components thereof) submitted in response to this RFP. The Evaluation Team will consist primarily of members of SPO and Entergy’s Fossil Generation Department. The Evaluation Team includes the Economic Evaluation Team, the Delivery and Operations Assessment Team, the Viability Assessment Team, and the Credit Evaluation Team, all as more particularly described in the Main Body.

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“Facility” means the electric generation facility specified as such in a Bidder proposal.

“FERC” means the Federal Energy Regulatory Commission, or any successor thereto.

“Governmental Authority” means any federal, foreign, state, local, or municipal governmental body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority (including FERC, any electric reliability organization, any market monitor, any independent coordinator of transmission, any Balancing Authority (including any ISO or RTO) and any other transmission provider) exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or governmental tribunal.

“HSR” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“ICAP” has the meaning given to such term in the MISO Rules.

“Identified Generation Need” means EAI’s projected long-term need for generation resources beginning in 2017 (as may be modified from time to time) described in Section 2.1 of the Main Body.

“Independent Monitor” or “IM” means Ms. Elizabeth (Betsy) R. Benson of Energy Associates, an independent consulting firm retained by EAI to act as independent monitor for this RFP.

“IR” means a generator interconnection request, as more particularly described in Section 2.4 of the Main Body.

“ISO” means a Person operating a transmission system and determined by the FERC to be an Independent System Operator.

“kW” means kilowatt, a unit of electrical power equal to one thousand watts.

“kWh” means kilowatt-hour, a basic unit for measuring the flow of electric energy. A kWh is equal to one kilowatt of power supplied continuously for one hour (or the amount of electricity needed to light ten 100-watt light bulbs for one hour).

“Letter of Intent” or “LOI” means a letter of intent between Buyer and Bidder (or authorized Seller) with respect to a proposal submitted by Bidder pursuant to this RFP and selected by EAI for negotiation of a Definitive Agreement.

“Local Resource Zone” has the meaning given such term in the MISO Rules.

“Long-Term Network Resource” means a generating resource that has qualified for network integration transmission service for one year or longer provided under the MISO OATT.

“Main Body” means the main document describing this RFP and to which eight (8) appendices are attached.

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“Minimum Requirements” means the Minimum Requirements that Bidders must satisfy in order for Bidder to be assured that a conforming proposal offering a Developmental Resource will be considered in this RFP.

“MISO” means the Midcontinent Independent System Operator, Inc.

“MISO OATT” means the Open Access Transmission Tariff of MISO, filed at FERC in compliance with FERC Order Nos. 888 and 890.

“MISO Rules” means, collectively, (i) the MISO OATT on file with FERC, (ii) the MISO Business Practice Manuals, and (iii) any other applicable policies, rules, guidelines, procedures, protocols, standards, criteria, instructions, directives, and requirements of MISO.

“MISO System” means the interconnected group of transmission systems coordinated, controlled and monitored by MISO.

“MMBtu” means one million British thermal units.

“Moody’s” means Moody’s Investor Services, Inc.

“Modification Decision” means the determination by EAI whether or not to replace or refurbish, upgrade, or otherwise modify existing generation in EAI’s portfolio with other supply-side resources.

“MW” means megawatt, a unit of electrical power equal to one million watts or one thousand kilowatts.

“MWh” means megawatt-hour, a unit of electrical energy equal to one MW delivered for one hour.

“NERC” means the North American Electric Reliability Corporation, or any successor thereto.

“O&M” means operation and maintenance.

“Other Electric Products” or “ancillary services” means reactive power production, reactive power absorption, voltage control, regulation and frequency response, energy balancing, load following, reserves and any other services, capabilities or products (including any ancillary services, but excluding any Capacity Credit or similar right or benefit or Environmental Attribute) available from or associated with the Capacity and energy to which Buyer is entitled under the applicable Definitive Agreement.

“Person” means any individual, Governmental Authority, corporation, limited liability company, partnership, limited partnership, trust, association, bank, financial institution, fund or other entity.

“PPA” means a power purchase agreement.

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“PPI” means the Producer Price Index for “All commodities – WPU00000000,” as published by the United States Bureau of Labor Statistics.

“Preliminary Shortlist” means the preliminary shortlist of proposals established at the conclusion of Phase I of this RFP.

“Preliminary Shortlist Requirements” mean the minimum requirements for proposals to advance to the second phase of this RFP, as further described in Section 2.3 of the Main Body.

“Primary Selection List” means a final list setting forth the proposal(s) selected for immediate negotiation of Definitive Agreement(s).

“Proposal ID” means the unique proposal identification number assigned to Bidder for each proposal that Bidder registers during the Bidder Registration Process.

“Proposal Package” means a completed Proposal Submission Template, VAT self-assessment and responses to Appendix C-1 or Appendix C-2, as applicable.

“Proposal Submission Agreement” means the Proposal Submission Agreement that each Bidder is required to execute and deliver to EAI as part of the Proposal Submission Process.

“Proposal Submission Process” means the process (described in Section 4.3 of the Main Body) for the submission of Bidder proposals and required documents to EAI in this RFP.

“Proposal Submission Template” means the template that will be used to submit a portion of Bidder’s proposal. The Proposal Submission Template will be submitted as part of the Bidder’s Proposal Package.

“Proposal Submittal Fee” means the amount due from Bidder for each registered proposal submitted by Bidder prior to the deadline for submitting proposals under this RFP, as further described in Section 4.2 of the Main Body.

“Published Credit Rating” means, with respect to any Person, the unsecured, senior long-term debt rating (not supported by any third party credit enhancement) of such Person or, if there is no such rating, the long-term issuer rating of such Person, in each case assigned by Standard & Poor’s Financial Services LLC or its successor or Moody’s Investor Services, Inc. or its successor. In the event of a “split” rating between S&P and Moody’s, the lower of the two credit ratings will apply.

“Qualifying Facility” or “QF” means a cogeneration or small power production facility that meets certain requirements under the Public Utility Regulatory Policies Act of 1978, as amended, and the applicable federal and state implementing regulations.

“RECs” means any and all renewable energy credits, renewable energy or green certificates, green tags and other fuel, emissions, air quality or other environmental characteristics, credits, benefits, reductions, offsets and allowances arising out of any applicable law or out of any

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voluntary rules, guidelines or programs, including any such applicable law or voluntary rule, guideline or program relating to any avoided, reduced, displaced or off-set emissions of sulfur dioxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), mercury (Hg), soot, particulates, carbon dioxide (CO<sub>2</sub>) and any other greenhouse gas (GHG) or pollutant that is now or may in the future be regulated under applicable laws or any voluntary rules, guidelines or programs.

“Regional Transmission Organization” or “RTO” means any Person that satisfies the characteristics and functions of Regional Transmission Organizations as set forth in 18 C.F.R. 35.34. The RTO is voluntary in each region and may include transmission system owners, wholesale purchasers, and independent power generators.

“Renewable Resources” mean biomass, run-of-river hydroelectric, solar photovoltaic, and wind resources.

“Required Proposal Submission Time” means 5:00 p.m. CPT on the date specified in the applicable RFP Schedule.

“Resource ID” means the unique resource identification number assigned to Bidder for each generating plant (or portion thereof) that Bidder registers during the Bidder Registration Process.

“RFP” means either this 2014 Request for Proposals for Long-Term, Supply-Side and Renewable Generation Resources, dated May 5, 2014 (including all Appendices and other attachments thereto).

“RFP Administrator” means the individual identified in Section 1.5 of the Main Body who, among other things, (i) acts as a liaison between the market participants in this RFP and EAI on all RFP-related matters, (ii) ensures that Bidder questions EAI receives are addressed in an appropriate manner, (iii) receives, records and maintains Bidder proposals, (iv) interfaces with the IM, and (v) manages other administrative matters relating to this RFP.

“RFP Hotline” means the dedicated phone line available throughout the Bidder Registration Period from 8:00 a.m. to 5:00 p.m. CPT.

“RFP Schedule” means the schedule of milestones related to this RFP set forth in Section 3.1 of the Main Body, as may be modified by EAI from time to time in accordance with this RFP.

“S&P” means Standard & Poor’s Financial Services LLC.

“Secondary Selection List” means a final list setting forth the proposal(s) selected for possible negotiation of Definitive Agreement(s).

“Seller” means a Bidder, or other Person designated by such Bidder in its proposal, to enter into a Definitive Agreement with Buyer pursuant to this RFP process if such Bidder’s proposal is selected by EAI.

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“Separate Facilities” means the portions of a facility under separate ownership of Seller and one or more other Persons.

“SME” means subject matter expert.

“SPO” means Entergy’s System Planning & Operations organization.

“Term Sheets” means the term sheets in Appendices B-1 and B-2 for PPAs and Tolls and acquisitions of generation assets, respectively, that summarize some of the key commercial terms that would apply to any PPA, Toll or asset acquisition Transaction arising out of this RFP.

“Toll” means a tolling agreement.

“Traditional Resource” means a resource based on (i) a solid fossil fuel technology that incorporates (a) scrubbing technology capable of removing greater than 90% of SO<sub>2</sub> emissions, (b) selective catalytic reduction, or “SCR,” technology, and (c) controls capable of achieving all of the 2015 Mercury and Air Toxics Standards, or “MATS,” limits, (ii) CT technology, or (iii) CCGT technology.

“Transaction” means a commercial transaction arising or resulting from this RFP in which Seller provides to Buyer Capacity, energy, Environmental Attributes, and Other Electric Products from a specified resource and that is structured as a PPA or Toll or a purchase and sale of generating facilities.

“Variable O&M Rate” means the rate, expressed in \$/MWh, payable by Buyer to Seller for variable O&M costs for a defined period during the Delivery Term, as more particularly described in Section 2.2 of the Main Body and Appendix B-1 to this RFP.

“Viability Assessment Team” or “VAT” means the Evaluation Team responsible for assessing the viability of each Bidder proposal submitted in response to this RFP (as further described in Section 5.1.3 of the Main Body).

“UCAP” has the meaning given to such term in the MISO Rules.

“Zonal Resource Credit” or “ZRC” has the meaning given to such term in the MISO Rules. For the avoidance of doubt, as of the date of this RFP, ZRCs include any ZRCs properly generated from Demand Response Resources (as defined in the MISO Rules) and/or Load Modifying Resources (as defined in the MISO Rules).

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