

## EXHIBIT A

### SCOPE OF WORK FOR INDEPENDENT MONITOR SERVICES FOR ENTERGY ARKANSAS, INC.'S 2016 REQUEST FOR PROPOSALS FOR RENEWABLE SUPPLY SIDE RESOURCES

Ms. Elizabeth R. Benson has been selected to serve as the Independent Monitor (“IM”) for Entergy Arkansas, Inc.’s (“EAI”) 2016 Request for Proposals for Renewable Supply Side Resources (“2016 EAI RFP”) which EAI will prepare with support from Entergy Services, Inc. (“ESI”).<sup>1</sup> The IM is an experienced, independent third party who is being engaged to help ensure that the 2016 EAI RFP design, processes and reviews described in this Scope of Work are impartial and objective, that all proposals submitted are treated in a consistent fashion, and that no undue preference is given to any proposal or any potential bidder. This Scope of Work document outlines the IM’s responsibilities and activities, and includes oversight, review, monitoring, and reporting in the following RFP phases:

- the overall design of the 2016 EAI RFP;
- the proposal solicitation process (2016 EAI RFP issuance, bidder registration and proposal submission);
- the proposal evaluation process (including methods of evaluation);
- the proposal selection process;
- the due diligence and contract negotiation process; and
- regulatory review, as needed and requested.

In carrying out her responsibilities, the IM shall have access to any EAI employee, data, process, analytic tool, and any and all other information regarding the EAI Electrical System or this 2016 EAI RFP that she deems necessary to ensure that the RFP process is conducted in a fair and impartial manner and subject to appropriate confidentiality safeguards to protect, among other things, such data, methods, proposal information and evaluations, and the integrity of present and future RFPs. The IM will have the ability to communicate directly with the staff of the Arkansas Public Service Commission and, if applicable, the staff of the Federal Energy Regulatory Commission, but only to the extent each is participating in any review of the 2016

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<sup>1</sup> References in this document to EAI will also include, where appropriate and the context reasonably allows, its affiliated agent ESI.

EAI RFP (collectively, the “Commission Staffs”), subject to appropriate confidentiality safeguards.

The IM’s scope of responsibility is limited to the matters provided for in this Scope of Work and, without limiting the foregoing, expressly excludes any responsibility for developing, determining or evaluating EAI’s resource needs, capacity and energy plans or resource requirements, including its resource planning criteria, its evaluation of need and its present and future resource plans.

**A. Independent Monitor (IM)**

The scope of the IM's role and engagement in each of the phases of the 2016 EAI RFP process includes:

1. Development of the RFP

- a. The IM will review and comment on the proposed product specifications to ensure that they are reasonably aligned with EAI’s planning criteria and stated resource needs and to ensure that they have not been designed to provide undue preferential treatment to any potential bidder or proposal.
- b. The IM will review, evaluate and comment on whether the technical product descriptions developed, and the types of products being solicited in the RFP are reasonably designed to meet the stated objectives of the RFP, and to facilitate a robust response from market participants.
- c. The IM will review and comment on the key technical proposal evaluation criteria, and such other information as may be reasonably necessary to ensure that the products and/or the package of products have not been designed or packaged in order to provide undue preferential treatment to any potential bidder or proposal.
- d. The IM will review and comment on the draft RFP documents to ensure that all RFP materials, procedures, and timing support a robust and fair solicitation process.
- e. The IM will review and comment on the structure of the RFP evaluation teams and the processes for protection of proposal information used by the evaluation teams and will identify any issue, concern, or deficiency in such processes and will work with EAI to address and resolve issues, concerns or deficiencies in such processes.
- f. The IM will review and comment on the proposed processes for conducting the RFP and monitor such processes to ensure that they are designed to comply with

all applicable codes of conduct, standards of conduct, affiliate rules, confidentiality agreements, and acknowledgment forms and agreements. The IM will not act as a conduit to any employee, agent or affiliate of EAI or to others by communicating any information that, pursuant to the provisions of the RFP or applicable codes of conduct, agreements and documents identified herein, cannot be shared with them.

- g. The IM will make recommendations, as needed and appropriate, throughout the RFP process in order to improve it. This will include recommending, as indicated, changes to the draft RFP and commenting on changes proposed by Commission Staffs and market participants during the RFP consultation process, if applicable.
  - h. The IM will review and comment on EAI's proposal evaluation methods, analytical tools and processes, data inputs and assumptions, and price and non-price evaluation criteria, including its methods and tools of analysis used in the evaluation process, and including specifically, but without limitation, its economic, transmission, viability and credit evaluation procedures. The IM will evaluate such methods, tools, processes, data, assumptions, and criteria from the perspective of both price and non-price factors. The IM will identify any issue, concern, or deficiency in such evaluation methods, processes, data, assumptions, and criteria and will work with EAI to address and resolve any such issue.
  - i. The IM will review and comment on the description of the evaluation process to be provided in the RFP documentation to ensure that such process is accurately and appropriately described.
  - j. The IM will determine whether different inputs, scenarios and sensitivities should be analyzed by EAI in addition to those EAI plans to use in its own analyses. If the IM determines that such analyses will be required as part of the evaluation process, she will notify bidders via EAI's RFP website of any different analyses that the IM will require.
2. Proposal Solicitation (RFP Issuance, Bidder Registration and Proposal Submission)
- a. The IM will monitor the implementation of the RFP to ensure that the RFP process is administered in a way that is objective and impartial to all potential bidders and that no undue preference is given to any potential bidder or resource
  - b. The IM will participate in any bidders' conference that may be conducted in connection with the RFP.
  - c. The IM will monitor questions submitted by prospective bidders either during any

such bidders' conferences or via EAI's RFP website and work with EAI to ensure that timely, accurate responses are provided, consistent with appropriate confidentiality safeguards.

- d. The IM will review bidder registration information provided to EAI by prospective bidders and determine whether additional information is needed from the bidders.
- e. The IM will oversee receipt and handling of all proposals received pursuant to the RFP during the proposal submission period.
- f. The IM will have the ability to communicate with and respond to questions, issues or concerns of actual or prospective RFP bidders during the RFP process and will communicate these concerns, as appropriate, to both EAI and the Commission Staffs.

### 3. Proposal Receipt

- a. The IM will review all proposals submitted by bidders in the RFP and assess whether the proposals meet the threshold requirements stated in the RFP or whether additional information is needed.
- b. The IM will review the data reports generated for each area of evaluation to ensure that they contain only information concerning each proposal specifically needed for such area of evaluation. Information that is extraneous to each area of the evaluation, or that inappropriately identifies bidders and resources will be redacted from the reports by the RFP Administrator. Upon IM approval, the RFP Administrator will distribute such redacted reports to the respective EAI evaluation team members. It is understood that the IM, the EAI Resource Planning Team and the RFP Administration Team, will have access to all proposal information. With the consent of the IM, redacted information may be made available to any team members at a later stage of the RFP evaluation process should such evaluation team members have a need for the previously redacted information in order to complete the evaluation process.
- c. EAI, with the oversight of the IM, will determine whether a non-conforming proposal should be rejected or whether, and if so how, the bidder should be permitted to cure the proposal.
- d. The IM shall have access to any document, process, or information that she deems necessary to ensure that the proposal receipt process is conducted in a fair and impartial manner and subject to appropriate confidentiality safeguards to protect, among other things, data, methods, proposal information and evaluations

received, utilized or conducted in the RFP, and the integrity of present and future EAI RFPs.

#### 4. Proposal Evaluation and Selection

- a. The IM will oversee the RFP evaluation and selection process in the 2014 EAI RFP to ensure that the process is objective and impartial to all bidders and that no undue preference is given any potential bidder or proposal.
- b. The IM will obtain and review, and may comment on, all written communications concerning or relating to the RFP from EAI to bidders in advance of EAI's issuance of such communications.
- c. The IM will monitor the economic evaluation of all proposals and review the quantitative and qualitative analyses performed in connection with such evaluation to ensure that the analyses thoroughly address the economic requirements of the RFP and are conducted impartially and objectively.
- d. The IM will monitor the evaluation of the transmission-related aspects of proposals and review formal quantitative and qualitative analyses performed in connection with such evaluation including any studies or inputs provided by the Midcontinent Independent System Operator that are directly related to such evaluation.
- e. The IM will monitor the evaluation of bidder credit and review formal quantitative and qualitative credit analyses, as necessary, to ensure that they address RFP requirements.
- f. The IM will monitor the viability assessment performed on each proposal to ensure that such assessment is thorough, reasonable and that it addresses EAI product requirements as stated in the RFP.
- g. If the IM previously has determined that additional analyses, scenarios and sensitivities should be performed by EAI and has posted such notice to bidders on the EAI RFP website, the IM will request such analyses and review their results.
- h. If, during the evaluation process, EAI determines that it is necessary or appropriate to modify the evaluation process (for example, by concluding that a need exists for additional evaluation or that the timing of the evaluation should be modified or inputs or scenarios changed), the IM will review and provide comments on the proposed changes. If the evaluation process modification requires the use of different analyses, the IM will notify bidders via EAI's RFP website of the different analyses. If the IM disagrees with a modified evaluation process, the IM may request that EAI also perform the analysis without

modification and will review the results.

- i. EAI may use the results of the 2016 EAI RFP in other planning analyses as an indication of market opportunities that may be available to EAI in the wholesale market. Any such planning analysis that EAI conducts is beyond the IM's scope of work for this engagement. Under this engagement, the IM will not review, comment on or otherwise participate in any analysis or evaluation performed subsequent to the 2016 EAI RFP that uses proposal information from the 2016 EAI RFP, including any analysis (i) used to determine whether EAI should continue long-term operations of any facility or unit in its existing generation fleet or (ii) prepared to support its present or future resource needs.
- j. The IM will review all written recommendations and materials to be presented to the President and Chief Executive Officer of EAI, the President and Chief Executive Officer, Chief Accounting Officer, Chief Financial Officer, Chief Operating Officer, and / or Group Utility President of Entergy Corporation, and, as needed and with the concurrence of the IM, other executives at EAI or Entergy Corporation (collectively, "Authorized Entergy Executives") concerning the evaluation and selection process associated with this 2016 EAI RFP, subject to any limitation that might arise concerning attorney/client privileged communications or attorney work product or for EAI to remain in compliance with its legal duties under applicable law and contractual obligations to third parties.
- k. The IM will review any preliminary and final proposal rankings, portfolio selections and proposal selections for the RFP before that information is presented to the Authorized Entergy Executives. If the IM disagrees with any of the rankings or selections in the RFP, and the IM and EAI do not resolve the disagreement to the IM's satisfaction, the IM shall set forth in a report to be presented to the Authorized Entergy Executives the nature of the dispute and the IM's positions and views on the matters in dispute.
- l. The IM will not make decisions regarding selection of proposals for award; rather, those decisions shall be made by EAI, specifically, the President and Chief Executive Officer of EAI.

#### 5. Due Diligence and Negotiations

- a. The IM will monitor the adequacy and thoroughness of due diligence performed by EAI relative to any proposal submitted in the RFP.
- b. The IM will monitor negotiations with third party bidders arising out of the RFP. To the extent that the IM requires additional information regarding negotiations

with third party bidders, EAI will provide that information.

- c. The IM will be permitted access to documentation, material or information from EAI regarding the due diligence and negotiation process for any proposal selected for negotiation in the RFP, in whatever form the IM deems necessary, in order to ensure that the process is objective and impartial to all bidders, that no undue preference is given to any bidder, and that due diligence and negotiations are subject to appropriate confidentiality safeguards to protect, among other things, bidders' confidential information, proposal evaluations and the integrity of present and future RFPs.

## **B. Interactions among IM, Commission Staff and EAI; Final Reports**

### **1. Communications with Staff**

The IM may communicate without restriction with Commission Staffs, and Commission Staffs may communicate directly with the IM. Such communications may be confidential as needed and do not require the participation of EAI. The IM will prepare and provide formal written reports and updates to EAI and any Commission Staff that requests or requires them. Reports or updates containing highly sensitive or otherwise protected information will be provided only pursuant to a Protective Order or confidentiality agreement acceptable to the entity(ies) whose confidential or otherwise protected information would be revealed.

### **2. Disagreements between EAI and Bidders**

If during the 2014 EAI RFP process, disagreements emerge between EAI and any bidder that are not resolved to the IM's satisfaction after a reasonable period of time, the IM will have the discretion to communicate such disagreement to the Commission Staffs

### **3. Final Reports**

- a. At the conclusion of the RFP or at the appropriate time (for example, reasonably prior to EAI's filing of an application seeking regulatory approval of a contract or set of contracts arising out of the RFP), the IM shall prepare one or more reports stating her analysis of and conclusions regarding the RFP process, including any suggestions for improvement. Each such report will constitute the final report of the IM ("Final Report.").
- b. Each Final Report will be prepared independently by the IM. Neither EAI nor any market participant will be entitled to review, alter, edit or comment on any draft Final Report prior to its publication (except EAI in conjunction with the redaction process identified below). During preparation of the Final Report, the

IM will not discuss any of her findings or recommendations with EAI or any other third party. Although not required to do so, the IM may, in her discretion, share a draft Final Report with the Commission Staffs. The IM may also discuss RFP issues and request information from the Commission Staffs, market participants and EAI, to the extent the IM has determined that such discussions would assist her preparation of the report. Before a Final Report is provided to any third party or made public, the IM will submit the Final Report to EAI for the sole purpose of redacting non-public confidential information.

- c. EAI intends to provide the confidential version of the Final Report to the Commission Staffs and post the public version of the report of EAI's RFP website within 90 days after resource selection or completion of the RFP. To the extent the report will be supplemented as a result of due diligence or contract negotiations, the additional time required to prepare such supplemental report will be determined and mutually agreed upon by the IM and EAI. After the Final Report is made public, the IM may submit a revised Final Report in response to any comments made to the Final Report by EAI and other interested parties.
- d. Nothing in the Section B.3 is intended to preclude the IM from seeking to verify or confirm with EAI any information the IM may reflect in the Final Report.
- e. The IM acknowledges that any party in a regulatory proceeding, whether or not before the APSC or the FERC, may seek to offer the report (and any response to comments prepared by the IM) into evidence in lieu of or in addition to pre-filed testimony and / or to call the IM as a third party witness to testify regarding the report, the response to comments, and the RFP process. If the testimony of the IM as provided above is sought in such a proceeding, the IM will testify in such proceeding, subject to applicable rules, orders, laws, and confidentiality obligations.

## **C. Additional IM Matters**

### **1. Document Retention**

The IM will have the right, in her discretion, to retain any document she deems necessary regarding the RFP processes, subject to maintaining the confidentiality of such documents in accordance with the terms of the Confidentiality Agreement to be entered into by the IM with EAI.

### **2. Conflicts-Reduction Measures**

The IM will establish within her firm such ethical guidelines and appropriate screening procedures as are necessary to ensure that no present or future conflict

of interest will arise in connection with responsibilities under this Scope of Work. The IM will promptly bring to the attention of EAI and the Commission Staffs any conflict of interest issue that arises during the course of the IM's engagement hereunder.