



Entergy Arkansas Request for Proposals for Renewable and Storage Resources

Bidders Conference
May 27, 2025

Introduction

Purpose of the Conference

- To give participants a high-level overview of the 2025 Request for Proposals for Renewable and Storage Resources for Entergy Arkansas, LLC (the “RFP” or “2025 EAL Renewable and Storage RFP”) and related processes.

Questions

- Please submit all questions to the Bid Event Coordinator via email at ealrfp@entergy.com
- Refrain from including bidder-specific or confidential information in the question to preserve anonymity
- This presentation, along with RFP questions and responses, will be posted to the RFP Website at <https://www.entergy-arkansas.com/rfp/>

Administrative

- In the event of inconsistency between the presentation and the RFP documents, the RFP documents will control
- All phones must be on mute. Please do not place your phone on hold during the presentation
- Email the Bid Event Coordinator at ealrfp@entergy.com with any technical issues or questions

Agenda



Entergy Presenters

Brandon Meyer	RFP Administration Team
John Woodham	Viability Assessment Team
Pati White	Economic Evaluation Team
Kyle Watson	Transmission Evaluation Team
David Batten	Accounting Evaluation Team
Laura Hamner	Credit Evaluation Team

Additional Entergy Participants

James Miller	Counsel
Kristin Dalrymple	EAL Resource Planning
Kandice Fielder	EAL Resource Planning
Evaluation Teams	

Independent Monitor

Harry Judd	Accion
Dan Walker	Accion

RFP Scope Summary, Schedule, & Process

RFP Scope Summary

Scope Item	Description
Resource Type	New-Build Solar Photovoltaic (PV), Solar PV + Battery Energy Storage System (BESS) Option, Wind, Wind + BESS Option, Standalone BESS
Guaranteed Substantial Completion / Commercial Operation Date	<ul style="list-style-type: none"> The Guaranteed Substantial Completion Date (BOT) and Guaranteed Commercial Operation Date (PPA/Toll) must be no later than November 30, 2029, and will be subject to extensions for specified delays/events, including force majeure (subject to an extension cap and limitations)
Transaction Types	<ul style="list-style-type: none"> BOT transaction: Acquisition of the proposed resource and related assets, with Seller assuming construction and financing risk <ul style="list-style-type: none"> Does not include Wind resources PPA transaction: Purchase of all Contract Energy, Contract Capacity, Capacity-Related Benefits, Other Electric Products, and Environmental Attributes from the resource Toll transaction: Purchase of all Contract Capacity, Capacity-Related Benefits, Other Electric Products, Environmental Attributes, and related energy storage services from the resource <ul style="list-style-type: none"> Limited to Standalone BESS resources Self-Build Option: EAL may submit one or more self-build proposals <ul style="list-style-type: none"> Does not include Wind resources
Capacity Sought	<ul style="list-style-type: none"> Total: Up to 1,000 MW_{AC} (EAL reserves the right to take more or less than 1,000 MW_{AC}) Min Capacity per unit: 100 MW_{AC} (Solar PV and Wind resources); 50 MW_{AC} (Standalone BESS resources) Max Capacity per unit: 700 MW_{AC} BOT transaction: Must be for the entire facility PPA and Toll transaction: Must be for all products (capacity, energy, etc.) from the facility
Delivery Term	<ul style="list-style-type: none"> A minimum of ten (10) and a maximum of twenty (20) consecutive years, with an interest in fifteen (15)-year or shorter terms All proposed PPA transactions, regardless of underlying technology or location, are required to settle financially at the EAL Load Node in LRZ 8 of MISO
Battery Energy Storage System (BESS)	<ul style="list-style-type: none"> AC coupled only Commercially proven lithium-ion technology Minimum 4-hour discharge 24/7 charging/discharging capability
Affiliates	Ineligible to participate in the RFP
Independent Monitor	Accion Group, LLC
Self-Builds	Not precluded from RFP participation
Registration Fee	\$10,000 per proposal, \$1,000 per BESS option

RFP Scope Summary (continued)

Scope Item	Description
Interconnection Status / Resource Location	<ul style="list-style-type: none"> Solar PV & Hybrid (Solar PV + BESS) transactions: <ul style="list-style-type: none"> BOT or Self-Build Resource - Must be located in Arkansas, interconnect directly to MISO in MISO local resource zone (LRZ) 8, and have a signed GIA with MISO or be included in the 2023 or earlier MISO DPP Queue PPA Resource - Must be located and interconnect directly to MISO in LRZ 8, 9, or 10, and have an executed GIA with MISO or be included in the 2023 or earlier MISO DPP Queue, EAL prefers for Solar PV PPA resources to be located in Arkansas in LRZ 8 Wind & Hybrid (Wind + BESS) transactions: <ul style="list-style-type: none"> PPA Resource – Must be (i) located in LRZ 9 or LRZ 10 or in SPP in KS, LA, MO, or OK and (ii) have a signed GIA with MISO or SPP or be included in the 2023 or earlier MISO DPP Queue or the SPP DISIS 2024-001 or earlier Queue Standalone BESS transactions: <ul style="list-style-type: none"> BOT or Self-Build Resource – Must be located in Arkansas, interconnect directly to MISO in LRZ 8, and have a signed GIA with MISO or be included in the 2023 or earlier MISO DPP Queue Toll Resource – Must be located in and interconnect directly to MISO in LRZ 8, 9, or 10 and have an executed GIA with MISO or be included in the 2023 or earlier MISO DPP Queue, EAL prefers for standalone BESS tolling resources to be located in Arkansas in LRZ 8 Proposed resources must have secured (or be in the process of securing) interconnection service that enables designation of the resource as a network resource of EAL <ul style="list-style-type: none"> EAL prefers resources with Network Resource Interconnection Service (NRIS) ERIS-with-NITS resources are allowed ERIS-only resources are not permitted Bidder must assume cost and schedule risk associated with the proposed service (ERIS, NRIS, and NITS), including upgrade cost and risk

Schedule

Milestone	Completion Date
Documents Posted	May 19, 2025
Bidders Conference	May 27, 2025
Bidder Registration Period (6/2 – 6/9)	June 9, 2025*
Proposal Submission Fee Payment Deadline	June 18, 2025*
Self-Build Proposal Submission Deadline (6/26 – 7/2)	July 2, 2025*
Proposal Submission Deadline (7/3 – 7/9)	July 9, 2025*
Notice to Bidder(s) of Primary and Secondary Selections	October 2025*
Comprehensive Due Diligence and Definitive Agreement Negotiations Begin	October 2025*
Bidder(s) Remaining on Secondary Selection List Released from Proposals	January 2026*
Definitive Agreements Executed	July 2026*
Regulatory Approval Process Complete	July 2027*

* Target dates subject to change.

Bidder Communications

- Prior to Bidder Registration
 - Communications via eaalrfp@entergy.com
 - Bidder Registration forms are available on the 2025 EAL Renewable and Storage RFP Website
- Post-Bidder Registration Communications and Proposal Submission Specifics
 - Communications with EAL via PowerAdvocate
 - Include Bidder, Resource, and Proposal ID Nos. assigned during bidder registration
 - Proposal packages must be submitted via PowerAdvocate
 - Bidder will receive a message in PowerAdvocate confirming receipt of proposal(s)
 - Proposal submission forms are available in PowerAdvocate and on the 2025 EAL Renewable and Storage RFP Website

Bidder Registration

- Bidder must complete the bidder registration process, including the forms below, for each proposal which you as the bidder intend to submit
 - Bidder Registration Agreement
 - Bidder Registration Form
 - Executed MISO or SPP GIA or MISO DPP application or SPP DISIS application
- Bidder, Resource, and Proposal ID numbers will be issued after registration is complete
 - Bidders should include these identification numbers in post-registration RFP communications with EAL

Proposal Submission and Fees

- \$10,000 for each registered proposal
 - Each BESS option will be billed an incremental \$1,000 fee
 - Example: 15-year, 100 MW PPA proposal with one BESS option = \$11,000; 15-year, 50 MW PPA proposal with two BESS options = \$12,000
- Fees will be invoiced after the conclusion of the Bidder Registration Period
- Targeted due dates can be found in Section 4.1 of the Main Body
- Proposals may be subject to elimination if payment deadlines are missed
- Proposal packages may be submitted only via PowerAdvocate

Redactions & Initial Threshold Determination

- Purpose
 - Ensure evaluation teams receive information relevant to their respective areas
 - Remove bid price from the information provided to the Viability Assessment Team and the Transmission Evaluation Team (other than specified pricing approved by the RFP Administration Team as needed)
- The RFP Administration Team will open and redact all proposals. In consultation with the Independent Monitor, initial RFP conformity assessments will occur early in the proposal review process
- All proposals will be reviewed to identify any fatal flaws and to confirm compliance with RFP requirements, including all Threshold Requirements, credit support requirements, and requirements noted in the Viability Self-Assessment or RFP
- Proposals not meeting Threshold Requirements will be subject to elimination
- Threshold Requirements in Main Body Section 1.6 include, but are not limited to:
 - Eligible Participants
 - Transaction Types
 - Interconnection Status
 - Transmission Service
 - Site Control
 - Capacity Sizing
 - Delivery Term and Guaranteed Commercial Operation Date (PPA & Tolls)
 - Guaranteed Substantial Completion Date (BOT & Self-Build)

Evaluation Process

- The evaluation process is designed to be fair, impartial, and consistently applied
 - An overview of evaluation factors and general decision criteria can be found in Section 5 of the Main Body
 - Detailed inputs and evaluation scenarios are considered confidential and highly proprietary and are not to be shared with potential bidders
- Evaluation Teams
 - Accounting Evaluation Team (AET)
 - Credit Evaluation Team (CET)
 - Economic Evaluation Team (EET)
 - Transmission Evaluation Team (TET)
 - Viability Assessment Team (VAT)

Selections

❖ **Primary Selection List**

- Any Bidder with a proposal on the Primary Selection List will be invited to negotiate a definitive agreement based on its selected proposal
- Inclusion on the primary selection list is not acceptance of the proposal or related contract terms
- There is no requirement for EAL to place any proposal on the primary selection list

❖ **Secondary Selection List**

- Any Bidder with a proposal on the Secondary Selection List may be invited to negotiate the terms of a definitive agreement based on the selected proposal or may be advised of proposal status
- EAL may proceed to definitive agreement negotiations with a Bidder on the Secondary Selection List following the termination or suspension of negotiations with a Bidder on the Primary Selection List, or as EAL deems appropriate
- Bidders with proposals on the Secondary Selection List must hold open those proposals for a period of three months after notification of the proposal's selection

Commercial Terms & Viability Assessment

John Woodham

Commercial Terms Overview

○ All Proposals

- Bidders must include any proposed exceptions to the model contracts in their proposal package
 - EAL is under no obligation to agree to any exception; significant requested changes could affect viability ratings or eligibility for continued RFP participation
- Guaranteed Substantial Completion Date (BOT) or Commercial Operation Date (PPA/Toll) may be no later than November 30, 2029

○ BOT Proposals

- Seller will develop, design, build, commission, test, and sell proposed Solar PV projects on the terms and conditions set forth in Appendix B-1 (Model BOT Agreement) and Appendix B-2 (Model BOT Scope Book (technical requirements)) and Standalone Battery projects per Appendix B-3 (BESS BOT Term Sheet) and Appendix B-4 (BESS Scope Book (technical requirements))
- Buyer's post-"FNTTP" obligations will be conditioned on satisfaction of its FNTTP conditions
- The Parties' respective obligations to sell and purchase the facility will be conditioned on satisfaction of closing conditions
- Care, custody, and control of the project will transfer to Buyer at the Substantial Completion Payment Date
- Seller will have responsibility for the "Work" through Final Completion and certain post-Substantial Completion warranty work

Commercial Terms Overview

○ PPA Proposals

- PPA terms are set forth in Appendices C-1 (Model Solar Agreement) and C-2 (Model Wind PPA)
- Must be for the sale of all products (capacity, energy, etc.) from the entire Facility
- Energy deliveries and Other Electric Products will settle financially in MISO at the EAL Load Node

○ Standalone BESS Toll Proposals¹

- The RFP does not include a model BESS agreement
- Bidders offering a BESS transaction are required to include in their proposals:
 - A summary of the material proposed commercial terms (e.g., pricing, price adjustments, scheduling and electricity charging and discharging limitations, and damages/liabilities/Buyer rights concerning the scheduling, performance, and dispatch of the BESS)
 - The basis for and proposed terms supporting a conclusion that the proposed transaction would not result in the transfer of a long-term liability to EAL and would adequately protect customers
 - Other applicable Proposal Package documents and information
- The terms of any BESS Agreement are expected to be based largely on:
 - The Model Solar PPA, with adjustments to address the tolling nature of the transaction
 - Mutually acceptable terms of Bidder's tolling proposal
 - The RFP terms applicable to solicited BESS transactions
 - EAL requirements

1. The terms for Standalone BESS Proposals will also apply to any proposal (other than for a BOT) that is exclusively for a BESS resource or includes a BESS resource as an option for a Solar PV or Wind resource)

BOT Commercial Terms Overview

Purchase Price

- Bidders are required to provide an all-in purchase (expressed as a single fixed price) and a completed Appendix D, Attachment A Cost Components with a price breakdown by category
- The purchase price will be payable by Buyer to Seller at three major milestones: Closing (following Mechanical Completion), the Substantial Completion Payment Date (following Substantial Completion), and Final Completion

Credit Support

- Seller will be required to post and maintain credit support as provided in the Model Solar BOT Agreement, Model BESS BOT Agreement, and Appendix F and to certify at proposal submission its understanding and acceptance of the core credit support terms

Warranties

- All warranties and related rights obtained by Seller prior to the Closing (but not the underlying contracts themselves) will be required to be transferred to Buyer at the Closing.
- This RFP does not obligate Seller to provide a comprehensive “wrap” warranty of the project work

Tax Credits

- Buyer will require at the Closing the exclusive entitlement to and transfer of all rights to applicable tax credits for the Facility
- Seller will be required to commit to deliver a project that (i) either is exempt from or, if the project was not offered as an exempt project, satisfies IRS prevailing wage and apprenticeship (“PWA”) requirements

PPA Commercial Terms Overview

PPA Pricing

- Energy rate (expressed in \$/MWh), which will be either fixed for the entire Delivery Term or defined annually (as proposed by Bidder)
- Pricing must reflect an “all-in” energy price (including all related fees and expenses)

Delivery Term

- Delivery Term may be for a minimum of 10 years and a maximum of 20 years, with an interest in 15-year or shorter terms

Delivery Requirements

- EAL will be entitled to liquidated damages if the guaranteed annual energy delivery minimums are not met, and EAL will have the right to terminate the PPA for specified failures to meet energy delivery minimums over any two (2) consecutive contract years or any three (3) contract years

Credit Support

- Seller will be required to post and maintain credit support as provided in the Model Solar PPA, the Model Wind PPA, and Appendix F and to certify at proposal submission its understanding and acceptance of the core credit support terms

Liability Transfer

- The PPA may not result in the recognition of long-term liabilities to EAL's balance sheet, whether the long-term liability is due to lease treatment, accounting for a variable interest entity, or any other applicable accounting standard

Cost Recovery

- Sellers will be required to absorb Cost Recovery Risks as provided in Section 2.2 of the Main Body

Battery Projects - Commercial Terms Overview

The general terms of any definitive agreement are expected to align largely with the terms of the Model Solar PPA

Pricing

- Pricing must reflect an “all-in” pricing for the capacity, dispatched energy, capacity credit, and all other benefits associated with the resource (including all related fees and expenses)

Delivery Term

- Delivery Term may be for a minimum of 10 years and a maximum of 20 years, with an interest in 15-year or shorter terms

Delivery Requirements

- EAL will have the right to terminate if energy minimums, availability requirements or other baseline operational minimums are not met.

Credit Support

- Seller will be required to post and maintain credit support as provided in the Model Solar PPA, Model BOT Agreement and Appendix F and to certify at proposal submission its understanding and acceptance of the core credit support terms

Liability Transfer

- The agreement may not result in the recognition of long-term liabilities to EAL's balance sheet, whether the long-term liability is due to lease treatment, accounting for a variable interest entity, or any other applicable accounting standard

Cost Recovery

- Sellers will be required to absorb Cost Recovery Risks as provided in Section 2.2 of the Main Body

Viability Assessment

- The VAT analysis will include a detailed review of non-price attributes of each proposal to assess the risk of key aspects of individual projects in a pre-defined scorecard, leading to a viability rating for each proposal
- The review will be based on Bidder-provided information, including, but not limited to:
 - Appendix D – Preliminary Due Diligence List
 - Proposal Submission Template
 - Clarifying Questions
- The review includes, but is not limited to, the following:
 - Resource and Bidder capabilities
 - Environmental compliance risks
 - Safety concerns
 - Proposed commercial terms (including redlines and special exceptions to model agreements)
 - Resource deliverability
 - Regulatory considerations

Economic Evaluation

Pati White

Economic Evaluation Team (EET) Methodology

- The EET will conduct an economic evaluation of proposals submitted in the RFP from the perspective of EAL's aggregate customer base

- **The evaluation will:**

- Identify proposals that meet the RFP requirements and rank them based on relative economics
- Utilize tools and methods commonly used by EAL for long-term planning and resource evaluations, including, but not limited to:

- | | |
|--|--|
| <ul style="list-style-type: none">• Variable supply cost analysis based on simulations using the Aurora production cost modeling software• Pricing based on proposal submissions and responses to clarifying questions issued to bidders• Estimated property tax expense, considering obtained or identified property tax abatements or similar tax benefits, if applicable• Long-term avoided capacity value | <ul style="list-style-type: none">• Alternative structures, such as tax equity partnership• Terminal value, if applicable• Lease accounting treatment, if applicable• Imputed debt, if applicable• Any other applicable economic benefits, taxes, or costs |
|--|--|

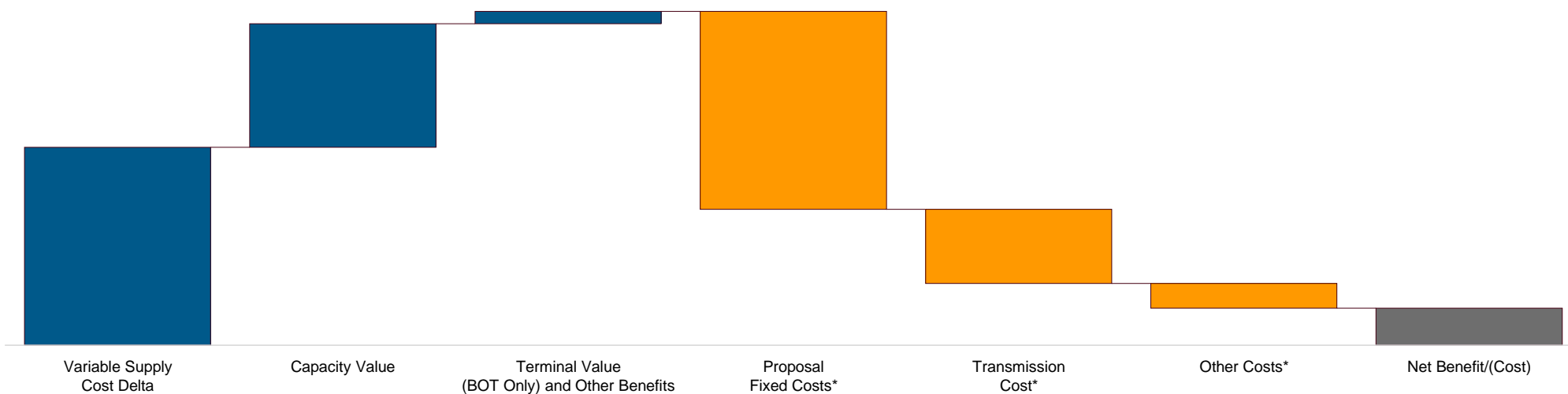
- Include qualitative risk considerations and sensitivity analysis (e.g., scenarios around natural gas and carbon prices), if needed

Economic Evaluation Team (EET) Methodology

- A net cost/benefit calculation will be performed for each proposal
- Net cost/benefit will be presented in \$MM NPV, levelized-real \$/kW-year, and levelized-real \$/MWh to account for differences in proposal size and expected energy production

EAL Customer Total Relevant Supply Cost

Illustrative



Notes:

*Proposal Fixed Costs, Transmission Costs, and Other Costs will be included as part of the all-in energy pricing provided for PPA proposals.

Transmission Evaluation

Kyle Watson

Transmission Evaluation

- The objectives of the TET evaluations are to:
 - Ensure that the addition of a resource will maintain (or enhance) the reliability of the transmission system
 - Identify any upgrades needed to maintain reliability
 - Assess the costs of all transmission infrastructure-related improvements required to incorporate each studied resource
- Considerations may include, but are not limited to:
 - Electric Interconnection:
 - Verification that the resource has the appropriate Interconnection status as defined by the RFP scope
 - Study inclusion of any bidder-submitted transmission upgrades
 - Network Deliverability (if applicable):
 - Verification that the resource will be eligible for designation as a network resource for EAL and Bidder has included associated costs in the proposal pricing
 - Determining incremental upgrades needed to meet all RFP deliverability and transmission requirements
 - Individual resources will be studied as part of this assessment, but reliability studies may be revisited if it is determined that multiple resources should be studied together

Transmission Evaluation

- Bidder will bear the responsibility for all upgrades and costs to secure full deliverability
 - Confirm that the resource has or is in the appropriate queue to obtain the required ERIS and either NRIS or NITS
 - ERIS-only proposals are not permitted in the RFP
 - Bidders must also provide a description of the transmission upgrades and costs included in their proposal to obtain ERIS and NRIS or NITS
 - Transmission upgrade costs identified by the TET will be considered Class 5 estimates
- The TET will evaluate transmission system upgrades and cost estimates associated with each proposed resource:
 - Review the upgrades and cost estimates to obtain transmission service
 - Adherence to Entergy Local Planning Guidelines and Criteria and NERC TPL-001-5
 - Evaluation of bidder's long-term proposal for meeting transmission system reliability requirements
- To ensure each proposal meets the above requirements, the TET may incorporate the following analyses in its proposal evaluations
 - Steady state power flow analysis
 - Transient Stability analysis
 - Short Circuit analysis
 - Deliverability analysis

Accounting Evaluation

David Batten

Accounting Evaluation

- The AET will review each proposal to determine the accounting treatment and impact. The accounting review specifically addresses, but is not limited to, the following areas:
 - Lease accounting guidance
 - Variable Interest Entity (VIE) guidance
 - Derivative guidance
- As specified in the RFP, EAL will not accept the risk that any long-term liability will or may be recognized on its books (or any of its affiliates) in connection with any PPA or Toll arising out of the RFP, whether the long-term liability is due to lease accounting, the accounting for a VIE or derivatives, or any other applicable accounting standard or requirement
- As part of the Proposal Package, Bidder will certify that it has determined that, to the best of its knowledge, the proposed PPA or Toll will not result in on-balance sheet accounting for EAL or its affiliates
- Bidder will be required to make available all information required to verify and/or independently determine the accounting treatment associated with a proposal

Credit Evaluation

Laura Hamner

Credit Evaluation

- The CET will evaluate Bidder credit and provide guidance on other credit-related matters
- Individual proposals will be evaluated to determine the amount of liquid credit support required at various milestones to mitigate EAL's potential exposure
- Bidders will be assigned a credit rating by the CET based on the information submitted in the RFP
- Requirements of Appendix F Credit and Collateral Requirements include:
 - Any financial statements and public credit ratings must be provided during proposal submission
 - Forms of acceptable liquid credit support are letters of credit or cash
 - Required liquid credit support amounts at the various milestones are defined in the credit appendix to the RFP
 - Special exceptions to core credit terms are not permitted
 - Bidder must submit with its proposal(s) a credit compliance certification acknowledging its familiarity with the terms of the credit appendix and certifying that the terms of the proposal(s) (including proposal pricing) reflect and comply with credit appendix requirements
 - See Appendix F for full details

Process Safeguards

Brandon Meyer

Process Safeguards

○ **Code of Conduct**

- All employees of ESL, any Entergy Operating Company, or any Entergy Competitive Affiliate must adhere to the applicable Affiliate Rules and Codes of Conduct
- Links are provided on the 2025 EAL Renewable and Storage RFP website

○ **Additional Protocols**

- Each 2025 EAL Renewable and Storage RFP Evaluation Team is made up of designated personnel
 - Team composition is overseen by the IM
- ESL personnel involved with the EAL Renewable and Storage RFP adhere to the provisions of a confidentiality acknowledgement that governs access to and use of proposal information and related documents

○ **RFP Process Design and Implementation**

- The RFP process has been designed to assure fair and impartial treatment of all Bidders

○ **Stakeholder Participation**

- The RFP is posted on EAL's public 2025 EAL Renewable and Storage RFP website and is publicized to encourage robust market participation
- Bidders Conference
- Potential Bidders are provided opportunities to ask questions and seek clarification on the RFP process

Q&A Session

EAL requests that Bidders submit all questions to the Bid Event Coordinator at ealrfp@entergy.com.