



***2016 Request For Proposals
For
Long-Term Renewable
Generation Resources
For
Entergy Arkansas, Inc.***

Entergy Arkansas, Inc.
May 26, 2016

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Main Body

2016 EAI REQUEST FOR PROPOSALS FOR LONG-TERM RENEWABLE GENERATION RESOURCES

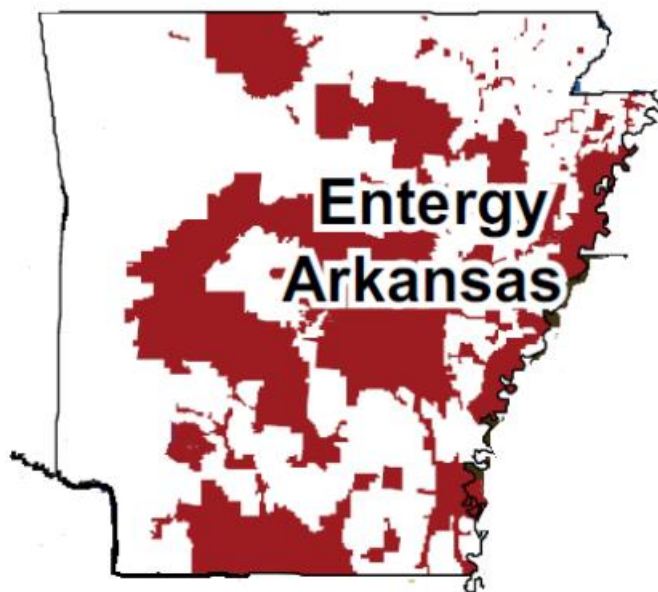
1. GENERAL INFORMATION

1.1. Introduction

Entergy Arkansas, Inc. (“**EAI**”) hereby issues this 2016 Request for Proposals for Long-Term Renewable Generation Resources (including all appendices, this “**RFP**”). EAI is seeking to acquire through this RFP approximately 100 MW of energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from Renewable Resources for deliveries starting as early as 2018, on the terms set forth herein, to help EAI meet its long-term resource planning objectives. A summary of the scope of this RFP, including the Products solicited, is provided in Section 1.11 below.

1.2. Entergy Arkansas

EAI provides retail electric service to approximately 700,000 customers in the state of Arkansas through the interconnected, coordinated electric generating and bulk transmission facilities of EAI (“**EAI Transmission System**”). EAI owns and manages in excess of 5,200 MW of electric generation capacity in order to serve the needs of its customers. Purchases under any Definitive Agreement resulting from this RFP would be for the benefit of EAI and its customers. EAI’s service area is shown in the following map:



The statements contained in this RFP are made subject to the Reservation of Rights set forth in Appendix E of this RFP and the terms and acknowledgements set forth in the Proposal Submission Agreement.

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1.3. RFP Documents

This RFP consists of a Main Body and nine appendices. Among other things, the Main Body (i) offers general information about this RFP, (ii) describes the purpose and drivers of this RFP, the Product types and certain Product features that EAI seeks from Bidders, and high-level considerations for Bidders, (iii) includes a milestone schedule for this RFP, (iv) sets forth terms governing the registration of Bidders, the registration, preparation, and submission of proposals, and RFP-related communications with EAI, and (v) provides an overview of EAI's process for evaluating and selecting proposals submitted in response to this RFP.

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 ascribed to such term in Appendix A, except to the extent the context otherwise requires.

Appendices B-1 and B-2 are two term sheets (each, a "**Term Sheet**"), one for power purchase agreements ("**PPAs**"), the other for asset acquisitions of solar photovoltaic ("**Solar PV**") resources. The Term Sheets summarize some of the key commercial terms that would apply to any PPA or asset acquisition Transaction arising out of this RFP, and are discussed in more detail in Section 2.2.2 below.

Appendix C-1 contains questions and requests for information or material that Bidders will be required to answer or provide in connection with any proposal submitted into this RFP that is based on a Developmental Resource. Appendix C-2 contains questions and requests for information or material for any proposal submitted into this RFP that is based on an Existing Resource.

Appendix D describes the Minimum Requirements for Developmental Resources that Bidders must satisfy to submit a conforming proposal for a Developmental Resource into this RFP and touches upon certain potential consequences of a failure to meet those requirements. Appendix D is not an exhaustive list of this RFP's requirements for conforming proposals for Developmental Resources; other terms of the RFP documents specify additional proposal requirements.

Appendix E contains an express reservation of EAI's rights in this RFP; warranty, liability, and contract acceptance disclaimers; terms addressing the disclosure of RFP-related information by EAI, Entergy Services, Inc. ("**ESI**"), 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 E and EAI's reliance upon such acceptance.

Appendix F generally describes the process by which the Credit Evaluation Team will analyze Bidder's credit quality and Bidder's proposal(s) to assess potential credit risks and to establish collateral requirements for proposals selected for the Primary Selection List or the Secondary Selection List. In addition, Appendix F addresses credit postings that may be required in the event a

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proposal based on a Developmental Resource does not satisfy the Minimum Requirements for Developmental Resources.

Appendix G provides information on the protocols EAI 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.

Bidders are responsible for familiarizing themselves with and being fully aware of the terms of this RFP, including the terms of each Appendix and the questions and answers and other information posted on the 2016 EAI RFP Website.

1.4. 2016 EAI RFP Website

The official website for this RFP is http://entergyarkansas.com/rfp/energy_capacity.aspx (the "**2016 EAI RFP Website**"). This RFP and related material and information are posted on the 2016 EAI RFP Website and available for review. The 2016 EAI RFP Website will be updated from time to time with additional material and information concerning this RFP. Interested Persons are responsible for monitoring the 2016 EAI RFP Website to ensure the timely receipt of information about this RFP.

1.5. EAI Resource Planning Team

The EAI Resource Planning Team is composed of members of EAI's Resource Planning and Operations group. The EAI Resource Planning Team is responsible for managing this RFP in order to ensure that it is designed and implemented to meet EAI's overall resource supply needs and planning objectives. The team reviews and approves all RFP documents, material evaluation assumptions, and analytical methods used in this RFP and provides guidance and direction to the Evaluation Teams in preparation for and during the proposal evaluation process (generally described in Sections 5 and 6 below). The EAI Resource Planning Team compiles the results of the evaluations conducted by the individual Evaluation Team and develops an overall recommendation for EAI's Resource Planning and Operations Committee and its President and Chief Executive Officer.

1.6. ESI Technical Management and the RFP Administration Team

EAI has engaged ESI to assist in the administration of this RFP. In connection with this engagement, ESI Technical Management will provide technical oversight and support to EAI to ensure that the RFP is designed and administered in a manner consistent with EAI's direction. ESI Technical Management supports the EAI Resource Planning Team in RFP design, including the development by the Evaluation Teams of the analytics in the RFP. For this RFP, EAI has established an RFP Administration Team and designated an ESI employee from that team to serve as the "**RFP Administrator**" for this RFP. The RFP Administration Team's and the RFP Administrator's responsibilities include (i) acting as a liaison between the participants in this RFP and EAI on all

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RFP-related matters, (ii) ensuring that Bidder questions ESI receives are addressed in an appropriate manner, (iii) receiving, recording, and maintaining Bidder proposals, (iv) supporting the work of the Independent Monitor, and (v) managing other administrative matters relating to this RFP. The full set of the RFP Administration Team's and the RFP Administrator's duties are set forth in Appendix G.

The RFP Administrator for this RFP is Ms. Jaime Williamson. The contact information for the RFP Administrator is:

Ms. Jaime Williamson
RFP Administrator
Entergy Services, Inc.
Parkwood II Building
10055 Grogans Mill Road, Suite 300
The Woodlands, TX 77380
Email: eaifp@entergy.com

As detailed in Section 6.1 below, all questions, requests, and other inquiries or communications from Bidders to EAI about this RFP must be directed in writing or via email to the RFP Administrator, except for communications made via the RFP Hotline, as discussed in Section 4.4 below.

1.7. Independent Monitor

EAI has retained Ms. Elizabeth Benson of Energy Associates to act as the Independent Monitor (“**IM**”) for this RFP. The role of the IM is defined in the “Scope of Work Activities” for the IM, the specifics of which are posted on the 2016 EAI RFP Website. In summary, the IM (i) oversees all aspects of the 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 EAI's efforts to ensure that all proposals are treated consistently and without undue preference to any Bidder. Bidders wishing to communicate with Ms. Benson may reach her by email at erbens@aol.com or phone at (703) 641-7948.

1.8. Eligible Participants

EAI invites proposals from all potential suppliers capable of meeting the conditions and requirements identified in this RFP (“**Eligible Participants**”), including other electric utilities, marketers, wholesale generators, electric cooperatives, independent power producers, and QFs. Proposals from QFs will not be provided any preference in this RFP solely by virtue of their QF status. Entergy Competitive Affiliates and Entergy Regulated Affiliates are ineligible to participate in this RFP. A “Bidder” may consist of more than one entity. For additional information concerning multi-party Bidders, please see Section 6.7 below. Otherwise Eligible Participants that do not comply with the terms, conditions, and requirements of this RFP may be determined by EAI, after

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consultation with the IM, to be ineligible to continue to participate in this RFP. To be an Eligible Participant, at the time it submits its proposal(s) in this RFP, Bidder must have the necessary licenses and other authorizations under applicable rules, regulations, and other laws to make such submissions, including any proposal involving the construction of a Developmental Resource.

1.9. Eligible Technology

The generation technologies permitted for proposals offered into this RFP (“**Eligible Technologies**”) are commercially-proven:

- run-of-river hydroelectric technology;
- Solar PV technology;
- wind technology; and
- biomass technology.

Gas-fired generation, solid fuel, and nuclear technologies, demand-side management, offshore, distributed generation, energy efficiency, and energy storage technologies, and any other technology or methodology not listed in the above bullet points or not meeting the requirements of this RFP are not RFP-Eligible Technologies. Two or more forms of generation technologies (whether in a single facility or separate facilities) may not be combined to create an RFP-Eligible Technology.

1.10. Eligible Resources

This RFP is limited to resources that are Eligible Resources. “Eligible Resources” are resources that (i) use Eligible Technology to make available and generate the products contracted to EAI in the proposed Definitive Agreement, (ii) are single integrated resources,¹ (iii) will deliver the contracted products to a specified CP Node in or on the Midcontinent Independent System Operator (“MISO”) transmission system, and (iv) meet the other requirements for resources participating in this RFP (*e.g.*, requisite size). Eligible Resources can be either Developmental Resources that satisfy specified minimum requirements set forth in Appendix D or Existing Resources. EAI will not be offering a self-build resource as an alternative in this RFP.

1.11. RFP Scope Summary

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

¹ Generation resources located at separate facilities are considered multiple resources and may not be combined to form an Eligible Resource.

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Scope Item	Summary of RFP Treatment
Product Solicited	<ul style="list-style-type: none"> • PPAs (all Eligible Technologies) and Acquisitions (Solar PV facilities only) (see Section 2.2, Appendices B-1 and B-2)
Permitted PPA Start Dates	<ul style="list-style-type: none"> • From June 1, 2018, to June 1, 2020 (see Section 2.2.2, Appendix D); EAI prefers delivery start and termination dates that coincide with the start and termination of MISO planning periods
RFP Capacity Target	<ul style="list-style-type: none"> • Up to 100 MW in the aggregate (see Sections 1.1, 2.1, 2.2)
Capacity Requirements and Limitations	<ul style="list-style-type: none"> • Minimum contract Capacity for any one proposal: 30 MW • Maximum contract Capacity for any one proposal: 100 MW
Eligible Technologies	<ul style="list-style-type: none"> • Eligible Technologies (see Section 1.9)
Eligible Resources	<ul style="list-style-type: none"> • Eligible Resources • No EAI self-build resource will be considered in this RFP (see Section 1.9)
Resource Location	<ul style="list-style-type: none"> • For PPAs, a location for resources is not prescribed, but EAI generally prefers, in order of preference, resources directly interconnected to the EAI Transmission System, then MISO Local Resource Zone 8, then MISO South, then MISO, then outside of MISO (see Section 2.4) • For acquisitions, Solar PV resources must be directly interconnected to the EAI Transmission System (see Sections 1.2, 2.4)
Physical Deliveries (PPAs)	<ul style="list-style-type: none"> • Products contracted for purchase from resources not directly interconnected to the MISO transmission system must be physically delivered to a delivery point on the MISO transmission system • Products contracted for purchase from resources directly interconnected to MISO must be physically delivered to the electric interconnection point/CP Node for the resource within MISO (see Sections 1.9, 2.4.3)
Financial Settlement (PPAs)	<ul style="list-style-type: none"> • EAI prefers that PPA products financially settle at the EAI Load Node; however, EAI will consider proposals by Bidders offering to settle financially at another point on the EAI Transmission System. For financial settlements at the EAI Load Node, Seller will be responsible for any basis differential between the product price at the Physical Delivery Point and the product price at the EAI Load Node and related costs (see Sections 1.9, 2.4.3)
Delivery Term (PPAs)	<ul style="list-style-type: none"> • Minimum: 10 years (see Section 2.2.2) • Maximum: 20 years (see Section 2.2.2)

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The preceding table omits several items that are or could be considered key scoping items. The scope of this RFP is established by terms set forth in the entirety of this RFP, including other sections of this Main Body and other RFP documents. The table is not, and should not be construed as, a substitute for the other provisions of this RFP.

2. RFP OVERVIEW

2.1. RFP Purpose

This RFP seeks up to a total of 100 MW of long-term renewable energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from Eligible Resources. The solicitation's primary objective is to request competitive proposals for renewable resources that could help EAI meet its long-term generation resource needs and increase the depth and breadth of generation supply within its generation resource portfolio. Satisfying this objective may reduce long-term risk and provide other benefits to EAI's customers.

This RFP is consistent with EAI's Integrated Resource Plan ("IRP") filed with the Arkansas Public Service Commission ("APSC") in October 2015 and available online at http://www.energy-arkansas.com/transition_plan/. The IRP's reference case portfolio optimization modeling shows the planned addition of 4,850 MW of incremental generation capacity to EAI's portfolio over the 20-year IRP study horizon. Approximately 27% of that incremental capacity was projected to come from cost-effective renewable resources over that 20-year period. However, the IRP "low" case portfolio optimization added zero renewable resources over that same 20-year period. As such, EAI has elected to take a disciplined approach to adding renewable resources to its fleet and will target approximately 100 MW in this RFP. Item 5 of the IRP's Action Plan indicated EAI would continue to monitor its load and capability position and issue RFPs for resources as warranted. Bidders are reminded that, as of the issuance date of this RFP, EAI is not bound by any Renewable Portfolio Standard (RPS) mandating the inclusion of any set or target amount of renewable generation resources in EAI's resource plan.

Proposals offered into this RFP will be evaluated for their ability to achieve EAI's planning objectives and otherwise meet the needs of EAI at the lowest reasonable cost, taking into account, without limitation, reliability, risk mitigation, the terms of this RFP, and other relevant factors. For more extensive treatment of other considerations in the development and evaluation of proposals, please refer to the remainder of this Section 2 and to Section 5 below. Without limiting its rights in Appendix E or elsewhere in this RFP, EAI reserves the right to contract for more or less than the target amount stated in this RFP, not to contract for any particular Eligible Technology, and not to contract for any energy and other products pursuant to this RFP. EAI may elect to contract with one or multiple counterparties to meet the objectives of this RFP. EAI may also select proposals out of rank order to promote diversity of supply, gain experience with different renewables technologies, limit exposure to a particular counterparty, technology, or resource or a particular set of risks, or achieve other commercial goals EAI deems appropriate.

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2.2. Product Solicited and Select Contract Terms/Information

2.2.1. Overview

As noted, through this RFP, EAI is seeking energy, Environmental Attributes, and related products from Eligible Resources that will reduce EAI's future resource requirements and help satisfy its resource planning objectives. Proposals responsive to this RFP Bidders may be submitted for PPAs for all eligible technologies, and for asset acquisitions of Solar PV resources. Proposals for asset acquisitions of Solar PV resources must be interconnected to the EAI Transmission System.

The permitted Transaction types for this RFP are described in the Term Sheets forming Appendix B. Each Term Sheet generally describes certain terms for a particular Product. The Term Sheet for PPAs is attached as Appendix B-1. Appendix B-2 contains the Term Sheet for asset acquisitions. Select highlights of the Term Sheets are provided later in this Section 2.2.

Bidder is responsible for taking into consideration all terms and conditions included in the Term Sheet(s) corresponding to its proposal(s) when developing and preparing its proposal(s). EAI expects that the terms and conditions summarized in the Term Sheet applicable to the proposed Transaction will be included in any Definitive Agreement executed for a proposal. Bidders are advised to carefully review the Term Sheet for the Product and Transaction for which Bidder intends to submit a proposal. Bidders should be guided by the descriptions and terms in the Term Sheet in formulating proposals. Subject to the remainder of this paragraph, in the event of any inconsistency between a provision in the Term Sheet and any other part of this RFP, including the Main Body, the Term Sheet will control. From time to time, EAI may clarify, elaborate upon, or adjust the terms or intent of provisions of this RFP in response to questions from interested Persons, developments that may affect or require attention in this RFP, EAI perceptions or concerns that terms in this RFP may be incomplete, inaccurate, or ambiguous or fail to adequately address risks, rights, or obligations, or for other reasons. Bidders should review EAI's responses to questions submitted in this RFP and its other postings on the 2016 EAI RFP Website to ensure that they have the most current and accurate information concerning this RFP, including the Term Sheet.

Bidders not wishing to agree to a term set forth or described in the applicable Term Sheet must identify the specific term to which Bidder takes exception and provide a reasonably complete and detailed explanation of Bidder's position in the "**Special Considerations**" section of its proposal. Special Considerations will be taken into account in the evaluation of proposals. Special Considerations in which Bidder (i) reserves wholesale rights to make comments on terms or conditions included in a Definitive Agreement, (ii) makes widespread, wholesale, or fundamental changes to material terms or conditions set forth in the applicable Term Sheet, (iii) conditions its proposal on the acceptance of material terms or conditions not accepted by EAI in the ordinary course of business or that would materially diminish the value of the resource to EAI or the viability of the proposal, or (iv) takes actions the effect of which would be similar to those resulting from the

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actions described in clauses (i)-(iii) are not contemplated and may be grounds for elimination from consideration in this RFP, following consultation with the IM. Notwithstanding anything in this RFP to the contrary, EAI's acceptance or selection of a proposal containing exceptions in the Special Considerations section of Bidder's proposal does not mean that EAI agrees with the exceptions or will agree to or accept the exceptions (or variants of the exceptions) in any negotiation of a Definitive Agreement. EAI reserves all rights in any 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 EAI does not accept or agree to any particular exception, and the right to terminate negotiations if Bidder or Seller requires EAI to agree to any particular exception as a condition to continued discussions.

Any purchase of Capacity and energy pursuant to a PPA arising out of this RFP will also include any and all capacity-related benefits (such as Capacity Credits), Other Electric Products, and Environmental Attributes associated with such Capacity and/or energy, EAI's share of the proposed resource, or the Transaction. Bidders are encouraged to review the Term Sheet for terms and conditions applicable to the products and services to be provided to and acquired by EAI under the Definitive Agreement. Proposals offered into this RFP may not be contingent on actual interconnection costs, transmission costs, congestion costs, receipt of tax credits or benefits, or any other bidder costs or credits.

2.2.2 PPA Specifics

In this RFP, the PPAs being sought are for the long-term purchase of unit contingent energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products from an RFP-Eligible Resource and related services. EAI will consider proposals for "financial" PPA structures (such as a PPA providing for settlement with MISO for energy and ancillary service products via financial schedules submitted to MISO, as indicated in Appendix B).

EAI will accept for evaluation PPA proposals that offer less than the entire Capacity of the generation resource (whether the resource is an Existing Resource or a Developmental Resource) and meet the requirements for participation in this RFP. Any proposal for a PPA submitted into this RFP must be for a resource that has or will have metering, generating, compliance, communications, permitting, and other attributes required or appropriate to support registration and operation in MISO, in accordance with applicable MISO requirements and laws and the requirements of this RFP, as a reliable intermittent independent generating resource (Solar PV, wind, and hydro) or reliable dispatchable or baseload independent generating resource (biomass).

Pricing for a PPA will be based on:

- (i) exclusively for biomass resources for which Bidder has elected to propose that it receive a capacity payment, a Capacity Rate (expected to be as proposed by Bidder),

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which will be fixed for the entire Delivery Term or defined annually and not indexed or subject to any similar adjustments, and expressed in \$/kW-year; and

- (ii) for all resources, an energy price (expected to be as proposed by Bidder), which will be fixed for the entire Delivery Term or defined annually and not indexed or subject to any similar adjustments, and expressed in \$/MWh.

A proposal's pricing must reflect an "all-in" contract price (including any related fees and expenses) that EAI would pay to Seller for all aspects related to, and all products associated with, the provision, generation, and delivery to EAI of energy, Environmental Attributes, Capacity, capacity-related benefits, and Other Electric Products and Seller's performance and risks under the PPA. Bidders of biomass resources proposing a Capacity Rate should incorporate in their energy pricing (as opposed to capacity pricing) the proposed pricing for variable operation and maintenance expenses of the resource.

The following highlights a few basic commercial terms for PPAs sought by this RFP:

- *Delivery Requirements* - PPAs will include guaranteed annual energy delivery minimums entitling EAI to liquidated damages if the minimums are not met and, for resources other than biomass, termination rights for EAI for specified failures to meet energy delivery minimums over any two consecutive contract years or any three contract years (whether or not consecutive). PPAs for proposed biomass resources with a capacity payment will include a monthly availability requirement and long-term availability requirement. See Appendix B-1 for additional details.
- *Delivery Term* – The Delivery Term for PPAs will be a minimum of ten (10) and a maximum of twenty (20) consecutive years. The Delivery Term is expected to be based upon the Delivery Term specified in the proposal giving rise to the PPA. If the Delivery Term would expire on a date that is not the end of the planning period recognized by the applicable Balancing Authority (May 31 under the current MISO Rules), EAI will have an option, exercisable at no cost to EAI, to extend the Delivery Term on the same commercial terms so that it terminates at the end of such planning period.
- *Delivery Term Commencement* - The guaranteed Delivery Term commencement date for any PPA arising out of this RFP must be a date ranging from June 1, 2018, to June 1, 2020. EAI prefers that the Delivery Term start at the beginning of the planning period recognized by the applicable Balancing Authority (June 1 under the current MISO Rules). The guaranteed Delivery Term commencement date is expected to be based upon the guaranteed Delivery Term commencement date specified in the proposal giving rise to such PPA. For proposals predicated on a Developmental Resource, Bidder may be subject to delay damages (which may include damages for EAI's loss of Capacity Credits) and "buy-down" damages and a potential re-sizing of the PPA and/or, for extended delays,

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contract termination and a termination payment if the actual commercial operation date is later than the guaranteed commercial operation date.

- *Contract Capacity* - The amount of contract Capacity in any PPA is expected to be based upon the contract Capacity specified in the proposal giving rise to the PPA. The amount of generating Capacity allocated to EAI under any PPA arising out of this RFP will be no less than 30 MW and no more than 100 MW.
- *Conditions Precedent* - Any PPA arising out of this RFP will include numerous conditions precedent to commencement of the Delivery Term, including a condition for the benefit of EAI that EAI has obtained regulatory approvals and regulatory treatment on terms and conditions satisfactory to EAI in its sole and absolute discretion.
- *Delivery/Receipt Commitment* – Subject to certain conditions to be set forth in a Definitive Agreement, including, without limitation, EAI’s right to curtail energy and force majeure, Seller will be required to deliver to EAI, and EAI will be required to purchase from Seller, all energy from the contract Capacity delivered to the Physical Delivery Point. The scheduling and dispatch flexibility and rights of EAI under the PPAs will be substantially equivalent to those that EAI would have if EAI owned the Capacity being purchased. As part of its delivery commitment, Seller will waive any and all QF put rights with respect to the Capacity contracted to Purchaser under the PPA.
- *Liability Transfer* – EAI will not accept the risk that any long-term liability will or may be recognized on the books of EAI (or any of its Affiliates) in connection with any PPA entered into pursuant to this RFP, whether the long-term liability is due to lease accounting, the accounting for a variable interest entity or derivatives, or any other applicable accounting standard or requirement.

The foregoing is not intended, and should not be construed, as an exhaustive listing of important commercial terms for any PPA arising out of this RFP. Please refer to Appendix B-1 for a more detailed summary of select PPAs terms and Sections 1.8 through 1.11 above, Sections 2.2 through 2.6 below, and Appendix D for certain other commercial provisions or considerations relevant to PPA Products.

2.2.3 Acquisitions

Acquisition Products for Solar PV resources interconnected to the Entergy Arkansas transmission system are being solicited in this RFP. This RFP is not seeking, and Bidders should not propose, acquisition Products for any other resources. The purchase price must be expressed as a single fixed payment for the proposed acquisition and should exclude any investment tax credit or bonus depreciation value potentially transferrable with the resource unless EAI or ESI otherwise

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directs. Bidders will be required to identify any such potentially applicable investment tax credit or bonus depreciation value in its responses to diligence questions set forth in Appendix C-1. EAI expects to capture and normalize the investment tax credit and bonus depreciation over the asset life of any resource acquired pursuant to this RFP in accordance with U.S. Internal Revenue Service regulations. If Bidder desires to propose an alternate approach for the treatment and realization of the investment tax credit and bonus depreciation, Bidder may include (as a Special Consideration) an alternate fixed payment amount and detailed explanation of the accounting and legal precedent to support such structure.

- *Closing* - The closing of the acquisition must be scheduled to occur no earlier than May 31, 2018, and no later than May 31, 2020. For Developmental Resource proposals, Seller may be subject to delay damages (which may include damages for EAI's loss of Capacity Credits) and "buy-down" damages and, for extended delays, contract termination and termination damages if the actual commercial operation date is later than the guaranteed commercial operation date (expected to be as specified by Bidder in its proposal).
- *Purchased Assets* - The amount of generating Capacity proposed to be acquired under this RFP must be no less than 30 MW and no more than 100 MW. Bidder may not propose in this RFP a sale of less than the entire Facility.
- *Durability of Authorizations* - Seller will retain the risk that the acquisition under a Definitive Agreement is unable to close in the event that any Federal Energy Regulatory Commission, Hart-Scott-Rodino Act, or other required authorization becomes invalid or ineffective prior to the closing. Bidders are encouraged to consider this risk in the development of their acquisition proposals and to include in their proposals acquisition structures that address and/or mitigate any identified risk. EAI's evaluations of acquisition proposals may assess the risk that a required authorization will not be obtained or will become invalid or ineffective prior to the closing of the proposed Transaction and may assess the effectiveness of proposed risk mitigation measures.

2.3. RFP Proposal Requirements

Subject to the other terms of this RFP, EAI will consider only proposals submitted in accordance with and meeting the requirements of Section 4 below. In addition to those proposal submission requirements, 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 2.3 (collectively, the "**Threshold Requirements**"). Any proposal not meeting the Threshold Requirements will be considered non-conforming and may, following consultation with the IM, be eliminated from further consideration in this RFP by EAI. The Threshold Requirements include the Economic Assessment Threshold Requirements, the Viability Assessment Threshold Requirements, the Deliverability Assessment Threshold Requirements, the Accounting Assessment Threshold Requirements, and the Credit Assessment Threshold Requirements, each as described below.

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2.3.1. Economic Assessment Threshold Requirements

The following Threshold Requirements are the “**Economic Assessment Threshold Requirements**”:

- Pricing offered in a proposal must be reasonably competitive, in EAI’s judgment, with market prices for PPAs for or acquisitions (as applicable) of long-term renewable resources and other proposals offered into this RFP based on the same type of RFP-Eligible Technology.

2.3.2. Viability Assessment Threshold Requirements

The following Threshold Requirements are the “**Viability Assessment Threshold Requirements**”:

- The resource supporting Bidder’s proposal must be an Eligible Resource, and Bidder must provide evidence satisfactory to EAI demonstrating that the proposed resource is an Eligible Resource.
- Bidder must be an Eligible Participant.
- For Developmental Resources, Bidders must meet the applicable Minimum Requirements for Developmental Resources set forth in Appendix D. Without limiting ESI’s rights under Appendix D or E, EAI may allow variances from the Minimum Requirements for Developmental Resources.
- For Developmental Resources, the resource must be free of fatal design flaws and/or non-standard operational or permitting restrictions that would reasonably be expected to prevent it from meeting the requirements of this RFP, including, without limitation, the applicable minimum requirements listed in Appendix D.
- For proposals offering a PPA Product into this RFP, the proposed Delivery Term must be no less than ten (10) consecutive years and no more than twenty (20) consecutive years and must be proposed to start no earlier than June 1, 2018, and no later than June 1, 2020. For proposals offering an acquisition Product, the closing of the acquisition must be scheduled to occur no earlier than May 31, 2018, and no later than May 31, 2020.
- A proposal must offer at least 30 MW and not more than 100 MW of contract Capacity from the proposed resource, and may not combine Capacity, energy, and Other Electric Products from separate renewable generation facilities.
- Bidders offering a proposal must provide an hourly generation profile, and explain how it was derived. The profile should be based upon data for a period of at least two (2) recent years

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using established, reliable, and accurate data measurement equipment at or near the site of the proposed resource. (Bidders should provide this information in the appropriate fields in the Proposal Submission Template posted on the 2016 EAI RFP Website.)

2.3.3. Deliverability Assessment Threshold Requirements

The following Threshold Requirements are the “**Deliverability Assessment Threshold Requirements**”:

- The proposed resource must be eligible to qualify as a Long-Term Network Resource of EAI under the MISO Tariff.
- The proposed resource must be capable of providing the offered amount of energy, Capacity, and Other Electric Products to EAI at the Physical Delivery Point.
- Any Solar PV facility proposed to be sold to EAI must be directly interconnected to the EAI Transmission System and must be the entire Solar PV facility.
- Bidders must provide the interconnection, deliverability, and transmission service documentation for their proposals to the RFP Administrator or as part of their Proposal Packages in accordance with the requirements of Sections 2.4.1 and 2.4.2 of this RFP.

2.3.4. Accounting Assessment Threshold Requirements

The following Threshold Requirements are the “**Accounting Assessment Threshold Requirements**”:

- Bidder must include in the Proposal Package the accounting certification required under, and prepared, executed, and submitted in accordance with the requirements of, Section 5.1.5 below.

2.3.5. Credit Assessment Threshold Requirements

The following Threshold Requirements are the “**Credit Assessment Threshold Requirements**”:

- Bidder must provide the most recent Published Credit Rating of Bidder or, if different from Bidder, Seller (from S&P and Moody’s), to the extent such a rating exists.
- Bidder must provide the annual audited financial statements (and accompanying notes) for the past two (2) years and the current-year reviewed quarterly financial statements (and accompanying notes) of Bidder or, if different from Bidder, Seller.

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- If Bidder proposes that a Person serve as a Credit Support Provider for Bidder's proposal, each of the two previous Threshold Requirements will apply to such Credit Support Provider. Bidder must extract and submit as separate documents by the Proposal Submission Deadline all financial data and information of Bidder, Credit Support Provider, or both (as applicable) that is consolidated with financial data or information of another Person and required under this Section 2.3.5.

Please see Section 5.1 below for additional information on the Threshold Requirements, including the evaluation of proposals for satisfaction of the requirements.

2.4. Interconnection and Energy Deliverability Considerations

In this RFP, EAI prefers to contract or acquire resources that directly interconnect to the EAI Transmission System. Furthermore, EAI will only acquire resources that are directly interconnected to the EAI Transmission System. Eligible Resources located outside the EAI Transmission System may be offered into this RFP if they support a PPA proposal. This Section 2.4 identifies and addresses certain interconnection deliverability issues that Bidders must address and should consider as they prepare a proposal for this RFP.

2.4.1. Required Interconnection, Deliverability, and Transmission Service

Seller will be required, under the terms of the applicable Definitive Agreement, to have obtained interconnection, deliverability, and firm transmission service for the proposed resource to the Physical Delivery Point and taken the actions necessary or advisable to permit recognition or qualification of or qualify (as EAI directs) the resource as a Long-Term Network Resource of EAI in MISO. Seller will be required to deliver contract energy from the resource to the Physical Delivery Point at a transmission voltage level (115 kV or higher).

For Existing Resources that are, or Developmental Resources that will be, directly interconnected to the MISO System, the Definitive Agreement will require Seller to have obtained Energy Resource Interconnection Service ("ERIS") and Network Resource Interconnection Service ("NRIS") or, in the event that either MISO changes its interconnection rules or service options such that ERIS or NRIS, or ERIS or NRIS as contemplated by this RFP, is no longer available or MISO is no longer an applicable Balancing Authority, the equivalent interconnection and deliverability/transmission service). The amount of ERIS that Seller will be required to have obtained is at least the amount of the installed Capacity of the Facility. The amount of NRIS that Seller will be required to have obtained is at least the Minimum Required NRIS Quantity. The "**Minimum Required NRIS Quantity**" is (i) for proposals offering the full amount of the Capacity of the resource, the quantity of NRIS that is sufficient to allow the resource to be eligible to receive throughout the Delivery Term the maximum Capacity Credits a resource of its Capacity size can receive under the MISO Rules, and (ii) for proposals offering less than the full amount of the Capacity of the resource, the quantity of NRIS that can and will be allocated and prioritized such that the NRIS level associated with the resource's Capacity under contract to EAI cannot limit the amount

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of MISO Capacity Credits that EAI would receive for any planning period during the Delivery Term. Accordingly, if a proposal is based on an Existing Resource that is directly interconnected to the MISO System and does not have, or that MISO has not conditionally granted, the Minimum Required NRIS Quantity or greater (an “**IS-Deficient Existing Resource**”), Bidder, Seller, or a third party acting on its or their behalf will be required to request from MISO, through a generator interconnection service application or other means required by or acceptable to MISO, at least the amount of NRIS necessary for the Existing Resource to obtain the Minimum Required NRIS Quantity.

For Existing Resources that are not, or Developmental Resources that will not be, directly interconnected to the MISO System (“**External Resources**”), the Definitive Agreement will require Seller to have obtained both interconnection service and firm deliverability/transmission service from the applicable resource to the Physical Delivery Point in amount(s) sufficient to enable Seller to deliver at least the maximum amount of contract energy that Seller may deliver to the Physical Delivery Point under the Definitive Agreement as proposed by Bidder or permitted under the Definitive Agreement (the “**Minimum Required External Interconnection and Deliverability Service**”).

For proposals based on a resource that has, or has been conditionally granted, at least the Minimum Required NRIS Quantity of NRIS or the Minimum Required External Interconnection and Deliverability Service, as applicable, Bidder, Seller, or a third party acting on its or their behalf will be required to maintain at least the Minimum Required NRIS Quantity or the Minimum Required External Interconnection and Deliverability Service, as applicable, for the resource or to take the actions required to preserve or satisfy the conditions set forth in the conditional grant.

EAI expects to seek to qualify any resource selected from this RFP as a Long-Term Network Resource of EAI in MISO for the Delivery Term. The Definitive Agreement will require Seller, subject to EAI’s directions to the contrary, to take all actions necessary or advisable to cause the resource to be qualified and/or recognized in MISO for the Delivery Term as a Long-Term Network Resource of EAI, with full network integration transmission service, and to cause EAI to be eligible for and receive all transmission rights and entitlements associated with the contract Capacity of the resource, including, without limitation, auction revenue rights and financial transmission rights.

2.4.2. Interconnection Service Applications

Under the current MISO Rules, the receipt of interconnection service from MISO, including, without limitation, ERIS and NRIS, requires the submission to MISO of a generator interconnection application under the applicable generator interconnection process.² For a proposal based on a Developmental Resource that will be interconnected directly to the MISO System or an IS-Deficient

² For a more detailed discussion of the MISO interconnection process, please refer to the MISO Interconnection Process slides in the Bidders Conference Presentation posted on the 2016 EAI RFP website.

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Existing Resource interconnected directly to the MISO System, the generator interconnection application supporting such proposal must request at least the amount of NRIS necessary for the resource to obtain the Minimum Required NRIS Quantity and, under the RFP Schedule in effect as of the date of this RFP, must be submitted to MISO on or before July 11, 2016. Bidder must provide a complete and accurate copy of the submitted MISO interconnection service application as part of its Proposal Package. Among other things, the submitted MISO application service must identify the location of the proposed Developmental Resource or IS-Deficient Existing Resource, the Balancing Authority substation to which the proposed Developmental Resource or IS-Deficient Resource would be interconnected, and the Electric Interconnection Point. It must also request at least the amount of NRIS necessary for the resource to receive the Minimum Required NRIS Quantity.

For External Resources that are Developmental Resources or are Existing Resources that do not have the interconnection service necessary to receive the Minimum Required External Interconnection and Deliverability Service, Bidder must initiate the process and complete and submit to the applicable Balancing Authority the appropriate application(s), including the required supporting information, to receive such service. Bidder must provide as part of its Proposal Package a complete and accurate copy of each such application.

For Bidders offering energy from a Developmental Resource, an External Resource, or an IS-Deficient Existing Resource, it is not necessary for Bidder to have received the results of the interconnection or deliverability/transmission service study or executed an electric interconnection or deliverability/transmission service agreement in order to submit a proposal. Except to the extent EAI otherwise agrees in writing, any interconnection service or deliverability/transmission service application supporting a proposal will be required to remain in the queue for interconnection service or deliverability/transmission service until the proposal is eliminated from this RFP or the interconnection service or deliverability/transmission service, as the case may be, required by this RFP is obtained or conditionally granted. If a resource proposed by a Bidder in this RFP does not remain in the queue to obtain the required service or loses the right to obtain or receive such service during the pendency of this RFP, Bidder must promptly notify the RFP Administrator, and any Bidder proposal backed by such resource will be subject to elimination. Bidders should bear in mind that the generator interconnection and transmission/deliverability processes utilized by MISO and other Balancing Authorities operate on timelines and contain requirements that are independent of this RFP and may necessitate the expenditure of costs by Bidders for their proposed resources to remain in the queue.

2.4.3. Product Deliveries and Financial Settlement

For any PPA arising out of this RFP, Seller will be required to make available contract Capacity and deliver contract energy and Other Electric Products at the Physical Delivery Point. Except to the extent Seller and EAI otherwise agree in the PPA, the financial settlement of contract energy and any Other Electric Product provided by Seller under the PPA will reflect the price difference, if any, for energy or Other Electric Product between the CP Node at the applicable

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Physical Delivery Point and the EAI Load Node in the applicable market (*e.g.*, day-ahead or real-time). It will also reflect related deliverability, loss, and congestion costs. In addition, with respect to each capacity-related benefit (*e.g.*, Capacity Credits) provided to EAI under the PPA, the financial settlement of the benefit will reflect the price difference, if any, for the benefit in the MISO Local Resource Zone (or comparable region) in which the Physical Delivery Point is located and in MISO Local Resource Zone 8 and related costs.

2.4.4. Scope of Responsibility

Subject to the following paragraph, Seller will be responsible for, and bear the full costs and risks of, the arrangement, procurement, receipt, and maintenance of the interconnection, deliverability, and transmission service required by this RFP or otherwise sought or obtained by or for Seller, including, without limitation, (i) the electric interconnection of the Facility to the host utility and the establishment of the Electric Interconnection Point, (ii) the procurement of service for and the transfer and delivery of Capacity, energy, and Other Electric Products to the Physical Delivery Point, and (iii) unless otherwise agreed in the applicable Definitive Agreement, the financial settlement of energy and Other Electric Products at the EAI Load Node. The costs for which Seller will be responsible will include, among others, the costs of upgrades and improvements assigned to Seller under the applicable interconnection, deliverability, or transmission agreement with MISO, the transmission owner, or Balancing Authority and applicable transformer and line losses. As with other Bidder costs, Bidder will be responsible for reflecting these costs in Bidder's proposed pricing.

For any acquisition Transaction arising out of this RFP, EAI will be responsible after consummation of the Transaction for the delivery of Capacity, energy, and Other Electric Products (to the extent capable of delivery) from the Facility. The assets purchased by EAI from Seller will include, without limitation, any and all transmission-related rights held by or for Seller or any Affiliate thereof as of the closing, to the extent used in connection with or otherwise related to the acquired generation assets.

Subject to certain limitations, throughout the Delivery Term of any Definitive Agreement for a PPA arising out of this RFP, EAI will have the right to determine from time to time whether EAI (or a designee) or Seller will serve as the "market participant" for the generation resource before MISO. 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. Without limiting the other terms of this Section 2.4, Seller will be responsible for and bear any and all costs and risks associated with financially scheduling energy and Other Electric Products, including, without limitation, electric losses, MISO fees, charges, and other costs related thereto (*e.g.*, financial scheduling fees, administrative costs, transaction charges). For this RFP, EAI currently expects that Seller will serve as the market participant for a resource providing products to EAI under a PPA arising out of this RFP. Please see Appendix B-1 for additional information regarding Seller's responsibilities and obligations if Seller is the market participant for a contracted resource under this RFP.

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2.5. Cost Recovery

In PPAs arising out of this RFP, Sellers will be required to absorb the risks of the possible disallowance, disapproval, or denial of recovery by the APSC and other Governmental Authorities of EAI's costs incurred in connection with a PPA arising out of this RFP ("**Cost Recovery Risks**"), excluding certain limited Cost Recovery Risks that will remain with EAI ("**EAI-Allocated Cost Recovery Risks**"). EAI-Allocated Cost Recovery Risks include (i) costs incurred by EAI in connection with the applicable PPA for which recovery was expressly disallowed, disapproved, or denied by the APSC in its final order approving the PPA as required by the public convenience and necessity and in the public interest, provided EAI accepted the order as satisfying the APSC regulatory approval condition to commencement of the PPA Delivery Term, and (ii) costs incurred by EAI in connection with the applicable PPA due exclusively to the active fault of EAI. Cost Recovery Risks expected to be borne by Sellers include, without limitation, unrecovered costs to replace capacity and energy not provided to EAI by Seller under the applicable PPA. EAI is willing to consider (but is under no obligation to accept) Special Considerations or proposals from Bidders that propose with specificity a different treatment or apportionment between EAI and Seller of Cost Recovery Risks and provide supporting rationale. Any proposed treatment of Cost Recovery Risks that would allocate all or substantially all Cost Recovery Risks to EAI is not contemplated.

2.6. Design and Operating Considerations

EAI requires that any Developmental Resource offered into this RFP meet the project criteria established in this RFP, including in Appendix D. Bidders should be prepared to submit a comprehensive response to the due diligence requests for information for Developmental Resources (Appendix C-1) and Existing Resources (Appendix C-2) on a proposed resource's ability to meet the requirements for such resource in this RFP. Responses will be part of the quantitative and qualitative evaluation of proposals submitted in response to this RFP.

3. RFP SCHEDULE

3.1. Schedule

The RFP Schedule is critical for Bidders interested in participating in this RFP. The RFP Schedule in the table below sets out milestone events and dates for this RFP. RFP Schedule 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 2016 EAI RFP Website.

Milestone	Scheduled or Target Date
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Bidder Registration Period	July 5-8, 2016
Final Date for Completion and Submission of Required Interconnection Application to MISO	July 11, 2016
Final Date for Proposal Fee Payment	July 20, 2016
Proposal Submission Period	August 15-18, 2016
Shortlist (if any) Announced	October 2016
Primary/Secondary Selections Announced	February 2017
Comprehensive Negotiations and Due Diligence Begin	February 2017
Bidders Remaining on Secondary Selection List Released from Proposals	May 2017
Definitive Agreements Executed	June 2017
Regulatory Approval Process Complete	May 2018

3.2. Modifications of RFP Schedule

Without limiting the generality of Appendix E, EAI reserves the right, after consultation with the IM, to withdraw, suspend, cancel, or terminate this RFP, or to modify any term of this RFP, including, without limitation, any term concerning the RFP Schedule (including any milestone or milestone date), at any time in its sole discretion. EAI will endeavor to notify all participants who have completed Bidder Registration of any such withdrawal, suspension, cancellation, termination, or modification made prior to the Proposal Submission Deadline and to post notice of any such action on the 2016 EAI RFP Website.

4. RFP MILESTONES AND PROCESSES: RFP ISSUANCE THROUGH PROPOSAL SUBMISSION

4.1. Bidders Conference

On April 26, 2016, EAI held a Bidders Conference in Little Rock, Arkansas. The Bidders Conference gave participants a high-level overview of, and other information concerning, this RFP and related processes and was open to all interested Persons. EAI has posted the written materials presented during the conference to the 2016 EAI RFP Website. Bidders are advised that those materials may not duplicate the materials or information provided at the conference.

Responses to questions received during the Bidders Conference are posted on the 2016 EAI RFP Website (Q&A numbers 3 through 17). Please refer to Section 6.2 below for additional information concerning questions submitted in connection with this RFP. In the event of an inconsistency between the RFP documents and the Bidders Conference presentation or the responses to questions received during the Bidders Conference posted on the 2016 EAI RFP Website or provided verbally, the most current RFP documents will control.

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4.2. Bidder Registration

To be eligible to submit a proposal, Bidder must complete the Bidder Registration Process, as described in this Section 4.2. 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, all Bidders will be required to submit a completed Bidder Registration Agreement (including the Bidder Registration Form) to the RFP Administrator via courier or electronic mail (as a .pdf attachment) by the Bidder Registration Deadline. **Bidders will bear the risk of failing to submit a completed Bidder Registration Agreement 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. If delivery is made by electronic mail, Bidder must subsequently deliver to the RFP Administrator an original of the duly executed Bidder Registration Agreement by 5:00 p.m. CPT within three (3) Business Days after the Bidder Registration Deadline. 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, 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 ESI. The use of Bidder IDs, Resource IDs, and Proposal IDs is part of EAI’s process to ensure that appropriate protections are in place to minimize the dissemination of information that explicitly identifies Bidders to Evaluation Team members who do not need to know that information.

Bidders are required to pay a Proposal Submittal Fee of \$5,000.00 *for each registered proposal*. Proposals that are alternatives to each other will be considered separate proposals and must be registered as such. ESI will bill Bidder for the total Proposal Submittal Fees due from Bidder within three (3) Business Days after the end of the Bidder Registration Period. Bidder will be required to remit payment of the Proposal Submittal Fee in full in accordance with the instructions provided in the invoice. Payment will be due by the date specified in the applicable RFP Schedule. **Bidder’s failure to submit the Proposal Submittal Fee for a proposal by the payment due date will cause Bidder to become ineligible to participate in this RFP with respect to such proposal.**

Proposal Submittal Fees will be refunded to Bidders only under the following circumstances:

1. Bidder registers a proposal and pays the Proposal Submittal Fee but does not complete Proposal Submission for that registered proposal;

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2. Bidder registers a proposal, properly completes Proposal Submission, but subsequently withdraws the proposal prior to the Proposal Submission Deadline; or
3. EAI 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 (1) through (3) above, including, without limitation, if no proposals are selected for either the Primary Selection List or the Secondary Selection List after EAI has completed its evaluation of proposals, Bidder's Proposal Submittal Fee(s) will not be returned.

4.3. Proposal Submission

Subject to Section 4.2 above and Section 5.1 below, in order to have its proposal(s) evaluated under this RFP, the Proposal Submission Process requires each Bidder to submit to EAI:

- a completed Proposal Submission Template;
- a completed VAT self-assessment (discussed in Section 5.1.4 below);
- a completed accounting certification (discussed in Section 5.1.5 below);
- a complete set of the documents required to be provided by Bidder pursuant to Section 2.4 above; and
- completed responses to Appendix C-1 (for Developmental Resource proposals) or Appendix C-2 (for Existing Resource proposals) (collectively, the “**Proposal Package**”).

The period during which any Bidder may submit a completed Proposal Package will begin at 8:00 a.m. CPT on the proposal submission start date specified in the applicable RFP Schedule and end at 5:00 p.m. CPT on the proposal submission end date specified in the applicable RFP Schedule (the “**Proposal Submission Period**,” and the deadline for submission, the “**Proposal Submission Deadline**”).

To submit proposals in this RFP, Bidders must deliver their completed Proposal Package to the RFP Administrator, by the Proposal Submission Deadline, (i) as files attached to electronic mail or other electronic/digital media acceptable to ESI or (ii) in a digital form acceptable to ESI (*e.g.*, a CD, a flash drive) delivered to the RFP Administrator by courier. Completed Proposal Submission Templates must be submitted in their native Excel form. The Entergy electronic communications network will not accept “zip” files or electronic mail with file attachments containing, individually or collectively, approximately ten (10) megabytes or more of data. Proposal information that is not accepted by the Entergy electronic communications network or is not properly addressed to and not timely received by the RFP Administrator will be considered undelivered. Proposals failing to provide complete responses as required may be considered non-conforming. Bidders should not send, and the RFP Administrator will not accept, paper copies of electronic proposals.

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Bidders are also required to execute and deliver to the RFP Administrator the Proposal Submission Agreement by the Proposal Submission Deadline. The Proposal Submission Agreement must be executed by an officer or other representative of Bidder who is duly authorized to sign the Proposal Submission Agreement and tender the submitted proposal(s) on behalf of Bidder. Electronic or stamp signatures are not permitted. The Proposal Submission Agreement may be delivered to the RFP Administrator via courier or electronic mail (as a .pdf attachment). If delivery is made by electronic mail, Bidder must subsequently deliver to the RFP Administrator an original of the duly executed Bidder Proposal Submission Agreement (including hand-signed signature page) by 5:00 p.m. CPT within three (3) Business Days after the Proposal Submission Deadline.

After the RFP Administrator has electronically received Bidder's completed Proposal Package, Bidder will receive a confirming email from the RFP Administrator. Bidder should contact the RFP Administrator if a confirming email is not received within one (1) Business Day after Bidder's submission of the Proposal Submission Template and Proposal Submission Agreement.

Bidder will bear the risk of any failure of Bidder to submit the completed Proposal Package by the Proposal Submission Deadline as required by this RFP. Proposals for which Bidder does not submit all agreements, information, and material as required by this RFP may be considered non-conforming and eliminated from consideration.

4.4. RFP Hotline

A dedicated phone line (the "**RFP Hotline**") will be available to Bidders from 8:00 a.m. to 5:00 p.m. CPT on each Business Day throughout the Bidder Registration Period and the Proposal Submission Period. Bidders may use the RFP Hotline to ask technical or other questions regarding the Bidder Registration Process and the Proposal Submission Process. The RFP Hotline is not intended to serve as a means for Bidders to obtain general information about this RFP or other information that is not directly related to the Bidder Registration Process or the Proposal Submission Process (as applicable), and Bidders are asked to refrain from attempting to use the RFP Hotline for this purpose. The number for the RFP Hotline is (281) 297-3758.

5. RFP MILESTONES AND PROCESSES: PROPOSAL EVALUATION THROUGH CONTRACT NEGOTIATION

5.1. Overview and Assessments

Following the Proposal Submission Deadline, the RFP evaluation will begin. In Phase I of this RFP ("**Phase I**"), proposals will be assessed for compliance with the Threshold Requirements. Proposals remaining in this RFP after the Threshold Requirements compliance review will then be evaluated in Phase I to identify the most economic proposals and significant high-level risks or RFP nonconformities associated with such proposals. Based on the Phase I evaluation results, EAI may reduce the number of proposals under consideration and develop a preliminary shortlist of proposals

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(the “**Shortlist**”). Phase I will end after the completion of the Phase I evaluation of proposals and the establishment of the Shortlist (if any). In Phase II of this RFP (“**Phase II**”), proposals placed on the Shortlist or otherwise remaining in this RFP will be evaluated in greater detail. Applying qualitative and quantitative assessments, the proposals in Phase II will be assigned a proposal ranking and a recommended disposition. A final list setting forth the proposal(s) (if any) selected for negotiation of a Definitive Agreement (the “**Primary Selection List**”) and the proposal(s) (if any) selected for possible negotiation of a Definitive Agreement (the “**Secondary Selection List**”) will be created.

After the selection process has been completed and any selections made, EAI or the RFP Administrator will notify each Bidder, with respect to each proposal it submitted, 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 Exhibit E, EAI expects to proceed to negotiate the 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 EAI determines negotiations with any Bidder having a proposal on the Secondary Selection List are appropriate, EAI may negotiate commercial terms with one or more Bidders on the Secondary Selection List.

The proposal evaluation process in this RFP will be carried out by six (6) separate evaluation teams (each an “**Evaluation Team**”):

- the Economic Evaluation Team (EET);
- the Deliverability Assessment Team (DAT);
- the AURORA Modeling Team (AMT);
- the Viability Assessment Team (VAT);
- the Credit Evaluation Team (CET); and
- the Accounting Evaluation Team (AET).

These six teams will conduct their respective evaluations under the guidance and direction of the EAI Resource Planning Team, which also conduct its own review of the proposals, and under the oversight of the IM.

The roles and responsibilities of the Evaluation Teams are described in Sections 5.1.2 through 5.1.6 below. In addition, ESI Technical Management will provide technical oversight and support to the EAI Resource Planning Team and the Evaluation Teams during the RFP process and work with the Evaluation Teams to develop the analytics that will be used in the RFP process. EAI may include as a member of any Evaluation Team, or contract with, any third-party agent, consultant, advisor, expert, contractor, or representative to assist in the evaluation of proposals as EAI deems necessary or appropriate.

Each of the Evaluation Teams, the RFP Administrator, and the EAI Resource Planning Team 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

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expected to be communicated through the RFP Administrator by means of a clarifying letter. The RFP Administrator may also request Bidder's participation in one or more meetings to obtain clarification or additional information regarding a proposal. Upon reasonable request and reasonable prior notice, Bidder will be expected to make available its duly authorized officers, representatives, and advisors to participate in meetings requested by EAI or the RFP Administrator and/or answer questions or provide information related to its proposal or participation in this RFP.

The 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 EAI's needs at the lowest reasonable cost, taking into account 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. EAI will document key assumptions and model constructs used in the evaluation, under the oversight of the IM; however, the EAI Resource Planning Team will retain full discretion to use or direct or permit the Evaluation Teams to use the evaluation methods and assumptions they consider appropriate to identify those proposals that best meet the needs of EAI and the requirements and objectives of this RFP.

The IM will oversee the evaluation and selection process to ensure that the process is fair, objective, and impartial to all Bidders. The IM's responsibilities will include monitoring the precautions taken to restrict access to proposal information only to appropriate members of the Evaluation Teams in order to preserve the confidentiality of information contained in the proposals. Appendix G provides additional information on the role of the IM in this RFP and the process for evaluating proposals submitted in response to this RFP. Appendix G also describes various mechanisms that EAI and ESI have developed for this RFP to protect the confidentiality of Bidders' information in the RFP process and to help ensure that all proposals are treated in a consistent fashion and that the evaluation of proposals is conducted in a fair and impartial manner.

Any Bidder invited by EAI to finalize a Definitive Agreement will be expected to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or appropriate to finalize, execute, and deliver such Definitive Agreement as promptly as possible.

5.1.1. Threshold Requirements Assessments

After the Proposal Submission Deadline and under the oversight of the IM, the EAI Resource Planning Team, RFP Administration Team, ESI Technical Management and/or the Evaluation Teams will review the proposals received in order to determine compliance with the Threshold Requirements. Proposals that fail to satisfy the Threshold Requirements may be eliminated from this RFP on that basis or may be allowed to continue in the evaluation process. The retention of a proposal that fails to fulfill the Threshold Requirements after the initial Threshold Requirements

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evaluation does not preclude the subsequent elimination of the proposal from this RFP on account of such failure or for other reasons.

5.1.2. Economic Assessments

The EET will evaluate the economics of proposals received in this RFP. The economic evaluation will rely on tools and methods commonly used by ESI and/or EAI for long-term planning and resource evaluations, including, without limitation, spreadsheet modeling and production cost modeling by the Aurora program. The EET may also utilize and rely on additional tools and methods that the EET and/or the EAI Resource Planning Team deems necessary or appropriate for the effective assessment of proposal economics, including, but not limited to, qualitative considerations. In connection with its evaluations, the EET, in consultation with the IM, may perform sensitivity analyses. The EET will also review proposals for conformity with the Economic Assessment Threshold Requirements.

A preliminary process for the economic evaluation of proposals offered into the RFP follows. The actual process is expected to reflect adjustments made from time to time to the preliminary process.

In Phase I, the EET will assess proposals for compliance with the Economic Assessment Threshold Requirements. Later in Phase I, it will perform a screening-level economic evaluation in order to identify the most economic proposals remaining in the RFP. A net benefit analysis based on spreadsheet models will be conducted as part of the Phase I evaluation. The net benefit of a proposal will be determined by subtracting the total fixed costs and variable costs from the projected capacity and energy revenues associated with the proposal. Proposal cost, including, but not limited to, energy payments and, if applicable, capacity payments (biomass resources only) and imputed debt, will be the primary driver in the Phase I economic evaluation. At the conclusion of its Phase I evaluation, the EET will provide its economic evaluation to the EAI Resource Planning Team.

The purpose of the EET's Phase II economic evaluation will be to evaluate the proposals on the Shortlist or remaining in the RFP after Phase I in greater detail. The Phase II evaluation will estimate the full-in economic cost and capacity revenue of each proposal evaluated to EAI's retail electric customers. As part of the evaluation, the EET will utilize a production cost model (Aurora) to assess the effect of each proposal on EAI's total power supply cost. The results of the production cost modeling will then be coupled with an assessment of each proposal's fixed costs, if any, and benefit to determine the net supply cost benefit of the proposal.

The EET will be supported by the AMT, a team separate and apart from the EET. The AMT will use the Aurora production cost model to produce market energy prices relevant to the EET's economic analysis. The AMT may assess operating projections and the energy value of proposals in the economic evaluation process. The AMT's modeling results may feed into the EET's economic evaluation models as inputs for its net supply cost benefit analysis.

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5.1.3. Deliverability Assessments

The DAT will conduct a deliverability evaluation of proposals in this RFP. The deliverability evaluation assesses interconnection, deliverability, and transmission elements of a proposal offered into this RFP, including, without limitation, resource location, electric interconnection, network deliverability, and status of interconnection, transmission, and deliverability service requests or applications.

The DAT will review and assess generator interconnection and transmission service requests and applications made or to be made with respect to a resource offered in a proposal. The DAT will screen proposals for compliance with the Deliverability Assessment Threshold Requirements.

5.1.4. Viability Assessments

The VAT reviews and assesses technical, environmental, energy source supply, and commercial merits of proposals. Each Bidder will be required to provide a self-assessment for each proposal it submits into this RFP.

The viability assessment will be carried out by subject matter experts (each, an “SME”) who are members of the VAT. The subject matter expertise of VAT team members for this RFP includes:

- Plant & Equipment/Operations;
- Environmental;
- Commercial;
- Planning Analysis; and
- Other disciplines, as appropriate.

Each VAT SME will be responsible for providing an overview and assessment of each proposal with respect to his or her area(s) of expertise.

In Phase I, near the beginning of the RFP evaluation, the VAT will review proposals for satisfaction of the VAT Assessment Threshold Requirements. The VAT will use information obtained from Bidder in its review, including Bidder’s responses to the questions and requests included in Appendix C-1 or C-2 (as applicable) and information in the completed self-assessment form for the proposal. Bidders are encouraged to provide complete responses to Appendix C-1 or C-2 (as applicable) at the time they submit their proposals. Failure to provide a comprehensive response could negatively affect a proposal’s Threshold Requirements evaluation or overall viability ranking. After the Threshold Requirements review, the VAT will review proposals remaining in this RFP for significant high-level risks or RFP nonconformities associated with such proposals that may be considered in the development of the Shortlist.

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In Phase II, the VAT will review the remaining proposals to develop a more complete risk assessment and overall risk/viability profile of the proposals. The VAT's Phase II viability evaluation will be based on a qualitative assessment of various criteria in the general risk categories. This qualitative assessment will incorporate quantitative measures that result in an overall quantitative ranking for a proposal. A criteria and category score will be developed for the proposal by scoring multiple criteria in several risk categories, using defined ranking criteria. The weighted sum of each risk category's score will be totaled to determine the VAT's overall quantitative ranking for the proposal. The final viability ranking will be factored into the evaluation of proposals by the EAI Resource Planning Team.

The VAT's Phase II risk and viability evaluations will include assessments of resource capabilities, project development risks (if applicable), environmental compliance risks, proposed commercial terms (including Special Considerations), resource deliverability, regulatory considerations, and other factors the VAT or the EAI Resource Planning Team determines may bear on a proposal's risk and viability. The VAT may seek and incorporate into its viability assessments (in both Phase I and II) input from other Evaluation Teams. Without limiting Appendix E, EAI will have the right to reject a proposal on the ground that the proposal, in the judgment of EAI, does not meet the criteria for viability established in connection with this RFP or otherwise is not viable.

5.1.5. Accounting Assessments

The AET will perform an assessment of each proposed Definitive Agreement for a PPA to determine the accounting treatment with respect to such proposal. The assessment will include, but is not limited to, an analysis of:

- whether the proposed PPA contains a lease and, if so, whether the lease would result in the recognition of any long-term liability for EAI or its Affiliates under the rules in effect during the term of the proposed PPA, in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 840 and 842
- whether the legal entity owning the subject generation asset during the contract term is a variable interest entity ("VIE") and, if so, the entity required to consolidate the VIE throughout the term of the proposed Definitive Agreement, in accordance with FASB ASC 810;
- whether the proposed Definitive Agreement is or includes a derivative and, if so, the appropriate accounting for the derivative, in accordance with FASB ASC 815; and
- whether there are any other adverse accounting implications or effects to EAI or any of its Affiliates arising out of the proposed Definitive Agreement.

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The AET's accounting assessment of PPA proposals offered into this RFP will include assessments based on the existing accounting standards at the time of the AET's assessment and/or those in effect during the term of any Definitive Agreement arising out of a proposal hereunder. Its assessment may also include assessments based on accounting standards that may be in effect if the AET determines that such standards will or may apply to any PPA arising out of a proposal hereunder and that it is feasible and appropriate for the AET to evaluate the proposal applying such standards.

EAI will not enter into a PPA or any related agreement pursuant to this RFP that will or may result in the recognition of a long-term liability on the books of EAI (or any of its Affiliates), whether the long-term liability is due to lease accounting, the accounting for a VIE or derivatives, or any other applicable accounting standard. Bidder must include in the Proposal Package a certification from Bidder that, to the best of Bidder's knowledge, the proposed PPA will not result in, under the accounting standards in effect at the time of the certification or that will be in effect at any time during the contract term of the proposed PPA, the recognition of a long-term liability by EAI or any of its Affiliates on its or any of its Affiliates' books. The certification must be prepared under the direction of and signed by the Principal Accounting Officer or other officer of Bidder, or a parent thereof, who performs a managerial accounting function, has expertise in the recognition of long-term liabilities by purchasers in PPAs, and has been involved in the preparation of the proposal ("**Accounting Officer**"). The certification must be prepared and dated reasonably contemporaneous with the date of submission of the Proposal Package. The AET will review each Proposal Package submitted into this RFP for compliance with the Accounting Assessment Threshold Requirements.

After the submission of the Proposal Package containing his or her certification, the Accounting Officer must promptly notify the RFP Administrator in writing of any development, event, or circumstance that would change, or could reasonably be expected to change, the accounting treatment of the proposed PPA included in the Proposal Package or otherwise would cause, or could reasonably be expected to cause, the certification of the Accounting Officer to be inaccurate or incomplete in any material respect.

Bidder will be required to make available to the AET or EAI all information and materials, including any and all assumptions made by Bidder, any of its Affiliates, or any of its or their representatives (*e.g.*, accounting firm), necessary for or reasonably requested by the AET or EAI to verify and/or independently determine the accounting treatment associated with a PPA proposed by Bidder and otherwise conduct its evaluation of Bidder's proposal.

5.1.6. Credit Assessments

The CET will analyze each proposal to assess potential credit risks and attendant collateral requirements. The CET's evaluation seeks to assure that the credit quality of Bidder (or, if different, Seller), when considered in light of its RFP proposal(s), complies with Entergy's corporate risk management standards and that any associated requirements for collateral or security to protect EAI's interest in connection with a Definitive Agreement arising out of Bidder's proposal are identified.

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Subject to the proposal satisfying the Credit Assessment Threshold Requirements, the CET will not reject a proposal from consideration solely on the basis of credit. Appendix F contains additional information about the credit evaluation process and the credit requirements for this RFP.

5.1.7. Resource Selection

Using, among other things, the analysis and other inputs provided by the Evaluation Teams, including, but not limited to, on factors such as relative economics, ability to meet relevant planning objectives (including diversification of technology and supply sources), deliverability, viability, accounting, and credit considerations, the EAI Resource Planning Team will develop recommendations for the selection of proposals, if any, for the Primary Selection List and the Secondary Selection List and will discuss those recommendations with the EAI Resource Planning and Operating Committee and EAI management. The IM will review preliminary and final proposal rankings, and proposal recommendations before that information is presented to the EAI Resource Planning and Operating Committee and EAI management. Any selection of a proposal for the Primary Selection List or the Secondary Selection List will be made the President and CEO of EAI (or his or her designee).

5.2. Notification of Evaluation Results; Commercial Negotiations

After the completion of Phase II, EAI, through the RFP Administrator, will communicate to each Bidder the status of its proposal(s) and whether additional discussions or negotiations are warranted. As noted, EAI expects to negotiate the final terms of a Definitive Agreement with Bidder(s) on the Primary Selection List (if any), and may negotiate such terms with Bidder(s) on the Secondary Selection List (if any). Proposals not making either list will be considered rejected. A Bidder with a proposal on the Secondary Selection List will be released from its 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 PPA under this RFP based on that proposal.

EAI's receipt of a proposal or the placement of a proposal on any preliminary compliance list, the Shortlist (or any other "short list" of proposals), the Primary Selection List, or the Secondary Selection List does not constitute or indicate EAI's agreement, commitment, representation, or promise to transact on the basis of the proposal or EAI's acceptance of any term of the proposal. Without limiting Appendix E, EAI (i) has no obligation, and makes no commitment or promise, of any kind, to enter into a Transaction with any Bidder, including a Bidder with a proposal on the Primary Selection List, or to be bound by any term proposed by Bidder in this RFP, and (ii) more generally, has no obligation or liability of any kind whatsoever in connection with or arising out of this RFP except as and to the extent expressly set forth in a Definitive Agreement or a provision binding upon EAI in a letter of intent (the "**LOI**") to which EAI is a party.

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As indicated in Appendix F, Bidder (or its designee) may be required to enter into an LOI with EAI with respect to the proposed Transaction pending the negotiation and execution of the Definitive Agreement. Upon execution of the LOI, Seller will be required to provide a letter of credit meeting the requirements set forth in Appendix F in the amount of \$2,000,000.00 (and up to \$7,000,000.00 in the event the material and information provided in Bidder's response to Appendix D failed to meet the Minimum Requirements set forth in Appendix D and the discrepancy (-ies) have not been resolved to EAI's satisfaction).

6. MISCELLANEOUS RFP MATTERS

6.1. Authorized Bidder Communications Channels

The following communication restrictions became effective on March 24, 2016, and will continue through Bidder notification of the creation of the Primary Selection List (if any) and the Secondary Selection List (if any). Except as otherwise expressly provided in this RFP, all communications, including questions, regarding this RFP must be submitted in writing to the RFP Administrator (using the contact information provided above in Section 1.6). The IM will obtain and review all written communications between EAI and Bidders. The IM may comment on responses proposed by EAI prior to issuance, and EAI's responses may reflect input from the IM. Any contact or communication concerning this RFP (i) between Bidders, or representatives of Bidders, on the one hand, and personnel or employees of EAI or ESI other than the RFP Administrator, on the other hand, or (ii) between different Bidders, or representatives of different Bidders, made without the specific, prior written consent of the RFP Administrator after consultation with the IM or express authorization under this RFP, 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. Bidders may also communicate with the IM at any time.

6.2. Posting Questions

Bidders and other interested Persons are invited to submit questions and comments about this RFP, including, without limitation, the Term Sheets, to the RFP Administrator. All questions or comments regarding this RFP must be submitted in writing. Interested Persons are requested to submit questions as promptly as possible to ensure the timely receipt of EAI's response. EAI requests that all questions be submitted to the RFP Administrator no later than one week prior to the start of the Proposal Submission Period.

Subject to EAI's consideration of the confidentiality concerns described in Section 6.3 below, EAI intends to post all questions submitted by Bidders, as well as EAI's responses to those questions, to the 2016 EAI RFP Website. All questions will be posted anonymously, to shield the identity of Bidders who posed the questions. EAI's objective in posting questions and answers publicly is to afford Bidders equal access to information potentially relevant to their proposals.

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EAI 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 such answers may or may not be posted on the 2016 EAI RFP Website).

6.3. 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 EAI or any of its Affiliates, including ESI. If EAI 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 EAI's response, EAI will respond to the question in writing, via certified mail, but only if Bidder posing the question has executed and returned to EAI or the RFP Administrator a confidentiality agreement in substantially the form of the confidentiality agreement posted on the 2016 EAI RFP Website.

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 RFP Administrator in writing of the purpose of the question and the nature of the confidential information so that EAI can determine whether Bidder's question requires the disclosure, either by Bidder or by EAI, of Bidder's confidential information, or whether such disclosure is unnecessary or can be avoided. If EAI determines that the disclosure of confidential Bidder information is necessary and appropriate, EAI will execute a confidentiality agreement in substantially the form of the confidentiality agreement posted on the 2016 EAI RFP Website acceptable to EAI so that the question may be submitted. Questions containing confidential Bidder information that are submitted timely will be answered by EAI by electronic mail or express mail sent to Bidder.

6.4. 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, for information about MISO.

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6.5. Confidentiality Procedures for Bidder Registration and Proposal Information

EAI 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. They are described in detail in Appendix G of this RFP - Process for Protection of Proposal Information, but summarized here. These procedures are designed and used so that information will be disclosed to the Evaluation Teams only to the extent deemed necessary for resource evaluation and to other employees, agents, and consultants of EAI or its Affiliates only to the extent deemed necessary for them to perform their functions related to this RFP.

All Persons having access to Bidder's confidential information in connection with this RFP will be contractually and/or professionally bound to protect that confidential information and to use it for no other purpose besides activities related to the resource evaluation process or the 2016 EAI RFP process or other legitimate needs. Notwithstanding the foregoing or anything to the contrary in this RFP, EAI and its Affiliates will have no, and expressly disclaim any, liability to a Bidder for losses or damages of any kind resulting from any disclosure of any Bidder or proposal information.

Proposals or other information or correspondence submitted in response to this RFP will not be returned to Bidders. At the conclusion of this RFP process (including regulatory review of any transactions resulting from this RFP), except as otherwise provided in any confidentiality agreement entered into between EAI and Bidder, all proposals will be either destroyed or archived by EAI, subject to the procedures described in this section providing for the treatment of such proposals as confidential and any applicable Codes of Conduct.

All information contained in a proposal (i) may be required or requested to be disclosed by EAI or ESI pursuant to any applicable law, rule, or regulation or in any legal proceeding involving EAI, ESI, or any of their Affiliates and (ii) may be subject to review by one or more of the regulatory commissions, including their staffs, having jurisdiction over EAI and/or ESI, in connection with any regulatory proceeding involving EAI or ESI, or by any other Governmental Authority with jurisdiction over EAI, ESI, or any Affiliate thereof over any matter related to this RFP, and may be subject to legal discovery or disclosure. By submitting a proposal into this RFP, Bidder agrees that EAI and ESI may use and disclose any of the information contained in the proposal as information, testimony, or evidence in any proceeding or other matter before any such regulatory commission or other Governmental Authority and may disclose any of such information when required or requested to do so in such proceeding or matter. In the event such information is to be so disclosed and such information is a pricing term, ESI or EAI, as applicable, will use its good faith efforts to obtain from the regulatory commission or other Governmental Authority to whom such disclosure is being made, a confidentiality agreement, protective order, or other mechanism to protect the confidentiality of such information and to limit its dissemination. EAI and ESI can provide no assurance of the outcome of any attempt to obtain a confidentiality agreement, protective order, or other mechanism. In addition, ESI advises Bidders that intervenors, including merchant generators, in prior regulatory proceedings have sought access to confidential Bidder information in proceedings relating to

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previous RFPs or in which EAI and/or ESI (or its predecessors) have been involved, and similar requests for access could be made in proceedings relating to this RFP.

6.6. Affiliate Rules and Codes of Conduct

All employees of EAI, ESI 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 2016 EAI RFP Website.

6.7. 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 EAI or ESI in connection with this RFP or otherwise disadvantage EAI or ESI relative to its position with other Bidders without the prior written consent of EAI or ESI (as the case may be). Bidder must fully disclose to the RFP Administrator all such contribution, indemnity, allocation, sharing, or similar arrangements or agreements. Disclosure may be accomplished by means of a written letter to the RFP Administrator by the proposal submission deadline. Bidder may be required to respond to subsequent diligence inquiries concerning the arrangements or agreements.

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