



ALL-SOURCE REQUEST FOR PROPOSALS

April 14, 2022

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ABBREVIATIONS & ACRONYMS

Abbreviation/Acronym	Term
DA	Definitive agreement
FERC	Federal Energy Regulatory Commission
IRP	Integrated Resource Plan
IURC	Indiana Utility Regulatory Commission
LCOE	Levelized cost of electricity
LRZ	Local Resource Zone
MISO	Midcontinent Independent System Operator
MW MWh	Megawatt(s) megawatt hour(s)
OSHA	Occupational Safety and Health Administration
PPA	Power purchase agreement
RFP	Request for proposal
UCAP	Unforced capacity

1. INTRODUCTION

Indianapolis Power & Light Company d/b/a AES Indiana (“AES Indiana”) is engaged primarily in generating, transmitting, distributing, and selling electric energy to more than 500,000 retail customers in Indianapolis and neighboring areas. AES Indiana’s service area covers about 528 square miles. AES Indiana is subject to the regulatory authority of the Indiana Utility Regulatory Commission (“IURC”) and the Federal Energy Regulatory Commission (“FERC”). AES Indiana fully participates in the electricity markets managed by the Midcontinent Independent System Operator (“MISO”). AES Indiana is a transmission company member of ReliabilityFirst. ReliabilityFirst is one of six Regional Reliability Councils under the North American Reliability Corporation, which has been designated as the Electric Reliability Organization under the Energy Policy Act. AES Indiana is part of the AES Corporation, a Fortune 500 global power company with a mission to improve lives by accelerating a safer and greener energy future.

AES Indiana has contracted Sargent & Lundy LLC (“S&L”) to manage this Request for Proposal (“RFP”) process. S&L is an engineering consulting firm providing comprehensive engineering, energy business consulting, and project services for power generation and delivery systems. S&L will act as an independent third-party consultant on behalf of AES Indiana to execute the RFP and to evaluate proposals.

1.1 BACKGROUND AND PURPOSE

Every three years, AES Indiana submits an Integrated Resource Plan (“IRP”) to the IURC in accordance with Indiana Administrative Code IAC 170 4-7 to describe expected electrical load requirements, potential risks, possible future scenarios, and a preferred resource portfolio to meet those requirements over a forward-looking 20-year study period based upon analysis of key factors. The IRP is viewed as a guide for future resource decisions made at a snapshot in time. Resource decisions, particularly those beyond the five-year horizon, are subject to change based on future analyses and regulatory filings. New resource additions, including supply-side and demand-side resources, may require regulatory approval.

In accordance with IURC rules, AES Indiana will complete its next IRP round in mid-to-late 2022. Through this process, AES Indiana will identify a Preferred Resource Portfolio to reliably serve its customers over the 20-year planning horizon at a reasonable least cost. In identifying the Preferred Resource Portfolio, AES Indiana will evaluate the economics of early retirement dates for its existing assets—which may include retirements that would make injection rights for retired assets available as early as 2025.

AES Indiana anticipates the issuance of this RFP will assist in the ability to quickly fill a portion or all the energy and capacity need identified in its Preferred Resource Portfolio at the conclusion of the IRP process in late 2022. Accordingly, this RFP is focused on potential capacity replacements in the 2025–2026, 2026–

2027 and/or 2027–2028 MISO planning years where the capacity need could be up to 500 - 600 MW.¹

The purpose of this 2022 all-source RFP is to competitively procure energy and capacity in the near term and to inform the 2022 IRP development. Competitive proposals for energy and capacity available beginning for the 2025–2026, 2026–2027, and/or 2027–2028 MISO Planning Years will be accepted for evaluation. AES Indiana will accept proposals of any range of energy and capacity. AES Indiana is interested in both Asset Transfer Agreements (ATAs) and Power Purchase Agreements (PPAs) for all viable replacement technologies to fill this potential capacity need. PPA durations may be as short as 3 years and as long as 30 years.

The MISO market incentivizes AES Indiana to plan for firm capacity. AES Indiana is also looking for projects that provide robust energy value as part of this RFP. AES Indiana will evaluate a project's energy value based how it may fit into future regulations and requirements including, for example, the proposed Clean Electricity Performance Program (CEPP), and further enhance reliability to customers.

1.2 RFP SCOPE OF SUPPLY

AES Indiana is issuing this RFP for energy and capacity generation resources, preferably within or connected to the AES Indiana service territory. Proposals will be accepted for all ranges of energy and capacity needs, including traditional and commercially ready untraditional technologies, including, but not limited to, thermal, wind, solar, battery energy storage, hydrogen, geothermal, biomass, or such combination of energy and capacity resources. AES Indiana will estimate the Unforced Capacity ("UCAP") for solar resources from a fundamental view of solar penetration and contribution to peak load in alignment with (or similar to) the MISO Renewable Integration Impact Assessment dated February 2021. Wind UCAP will be estimated from the most recent MISO Effective Load Carrying Capability ("ELCC") study. Proposed resources are required to deliver capacity to the MISO Local Resource Zone ("LRZ") 6. Proposed resources may include ATA and PPA opportunities. The energy and capacity resources may be proposed for any of the following:

¹ The issuance of this RFP does not constitute an acknowledgment or indication of the retirement of any of AES Indiana's existing assets. This decision will be made and communicated through the IRP process which will conclude in late 2022.

1.2.1 ASSET TRANSFER AGREEMENT PROPOSAL

The generating facility and interconnection facilities must be located on land controlled by the Respondent, with land rights transferred to AES Indiana as part of the generation facility acquisition. The generating facility and transmission interconnection must be in conformance with MISO's various reliability agreements, procedures, protocols, and standards. Respondents are also encouraged to propose options through alternative financing or sharing of commercial risks that would reduce the cost to AES Indiana and its customers.

AES Indiana will consider proposals that transfer a facility at the development phase. For those proposals, Respondents shall at least have finished early phase development activities such as obtaining site control, performing feasibility studies, and initiating permitting and interconnection processes. AES Indiana will also consider proposals that transfer an existing facility currently in operation.

Contract templates for Asset Transfer Agreements are included in the RFP Appendix E through Appendix H. Also, a contract template for an existing Asset Transfer Agreement is included in the RFP Appendix I.

1.2.2 ASSET TRANSFER AGREEMENT UTILIZING MISO GENERATOR INTERCONNECTION REPLACEMENT PROCESS

AES Indiana will consider proposals that can utilize the remaining interconnection rights associated with Petersburg Generating Station Unit 2 retirement, not to exceed 200 MW. For these proposals, Respondents shall be responsible for demonstrating site control, including an easement to reach the Petersburg Generating Station property boundary. In addition, Respondents shall have the capability of providing project detail that conforms to Appendix 1 of the MISO Attachment X Generator Interconnection Procedures (GIP) specific to requirements of a Replacement of Existing Generating Facility with no increase in capacity. Respondents are encouraged to submit bids conforming to this section in an expeditious manner, no later than May 16, 2022 to determine suitability and meet the MISO filing deadline of May 31, 2022. A project selected for this process is not a guarantee of execution and the proposal will be evaluated against other RFP responses. Respondents that submit proposals for this expedited process and are not selected will not be disqualified from further evaluation in the non-expedited RFP process described in this document provided the project has an existing MISO queue position.

1.2.3 POWER PURCHASE AGREEMENT PROPOSAL

A PPA, ranging from a minimum duration of 3 years to a maximum duration of 30 years, shall include capacity, associated energy, and ancillary services from a renewable or thermal resource that can meet the capacity and reliability criteria requirements described herein. The generating facility and transmission

interconnection must be designed and constructed in conformance with MISO's various reliability agreements, procedures, protocols, and standards. The Respondent will own and operate the facility and is responsible for development, permitting, financing, construction, operation, and decommissioning of the facility. The Power Purchase Agreement Contract Template is in Appendix J.

1.3 GENERAL REQUIREMENTS

All proposals must be provided in the format required by Section 3 and otherwise conform to the content and other requirements of this RFP. S&L requests that all attachments, documents, schedules, etc. submitted as a part of a proposal be clearly labeled and organized in a fashion that facilitates easy location and review.

All proposed resources including capacity and associated energy will be certified as being (i) in full compliance with all applicable federal, state, and local laws and regulations, and requirements of MISO, North American Reliability Corporation, and ReliabilityFirst, and (ii) registered for full operation within the MISO capacity, energy, and ancillary services markets. All MW of proposed capacity will be certified as qualifying to meet the MISO requirements for UCAP under Module E of the MISO Tariff.

Respondents may submit more than one proposal if they are identified separately in accordance with Section 4.6. The pricing contained in each proposal shall reflect compliance with all applicable federal, state, and local environmental laws and regulations currently in effect. S&L reserves the right to estimate the expected impacts of future environmental laws and regulations on Respondents' proposals. AES Indiana will not be responsible for any environmental costs or expenses not expressly included in the pricing proposal provided by Respondent. Similarly, AES Indiana will not be responsible for any costs or expenses incurred by or on behalf of Respondent because of any change in law or regulation applicable to Respondent or the resource or the sale of capacity and associated energy from the resource. Respondents are advised that prior to AES Indiana signing definitive documentation, Respondent will be required to provide evidence of their ability to provide required credit support.

All capacity must be provided at the UCAP value for the resource, which shall be determined in accordance with the MISO adjustments for the Equivalent Forced Outage Rate Demand ("XEFORd") for the Resource. Adjustments will be made during evaluation of new resources in accordance with the XEFORd values for the respective class of generation as provided by MISO.

The location of proposed resources will be a crucial factor in evaluating the delivery risk associated with any proposal. Respondents must consider the following factors in any proposal submitted pursuant to this RFP:

- The physical delivery limitations of energy and capacity to the AES Indiana 138 kV load-serving transmission system.

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- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO will not be considered in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction. However, competitive Resources delivering capacity outside of LRZ 6 may also be considered.
- AES Indiana prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least the IndianaHub.
- Differences in congestion and loss cost components in the locational marginal price between the Resource Commercial Pricing node and the IPL.IPL node.
- Resources located in the general proximity of existing AES Indiana generating station location(s) and might benefit from the potential availability of future injection rights at these location(s) should indicate this possibility and briefly discuss changes to project requirements necessary to interconnect at the site and associated cost impacts to the proposal.

2. INSTRUCTIONS TO RESPONDENTS

2.1 COMMUNICATION

All questions or other communications regarding this RFP should be submitted via the question form on the RFP website (<https://www.aesindiana.com/request-proposals-rfp>). Questions submitted through the question form will be sent directly to AES Indiana's consultant, S&L, for response. AES Indiana will not accept questions or comments in any other form.

This RFP and all subsequent revisions, including responses to questions and other supplementary information, will be available on the RFP website. Potential Respondents are responsible for checking the RFP website for subsequent updates, notices, and postings.

2.2 SCHEDULE

Milestone dates for the RFP process are presented in Table 2-1. AES Indiana reserves the right to extend or otherwise modify any portion of this schedule at any time or terminate this RFP process at its discretion at any time prior to contract execution without liability to any party. Any such changes will be posted on the RFP website.²

Table 2-1 — Milestone Schedule

Milestone	Date
RFP Released to Public	April 14, 2022
RFP Webinar	April 21, 2022
Respondent Clarification Submittal Deadline	5:00 p.m. CST May 3, 2022
Replacement of Existing Generating Facility Respondent Proposal Submission Date ³	May 16, 2022
Respondent Proposal Submission Date	May 19, 2022
Conclusion of Phase I Evaluation Selection of Shortlisted Proposals	Third Quarter 2022
Conclusion of Phase II Evaluation Selection of Proposals for Contract Negotiation	First Quarter 2023
Due Diligence and Negotiation Period	First and Second Quarter 2023
Definitive Agreement(s) Executed with Selected Respondent(s)	Second Quarter 2023

² <https://www.aesindiana.com/request-proposals-rfp>

³ Refer to Section 1.2.2 for more information.

2.3 DEADLINE AND METHOD FOR SUBMITTING PROPOSALS

Proposals must be submitted in the complete name of the party expecting to execute any resulting definitive documentation with AES Indiana. The proposal must be executed by a person who is duly authorized to bind the Respondent.

All proposals submitted in response to this RFP must be received no later than 11:59 p.m. Central Standard Time on the date shown in Section 2.2. Proposals received after the specified date and time will not be accepted and said proposals will be disqualified from further evaluation.

A link is provided on the RFP website for proposal submissions. Respondents will be required to include a contact name, email address, and company name. The uploaded documents will be automatically sorted by this information. Respondents may upload any number of documents but must use the exact same contact's name (the RFP "Designated Contact," as defined in Appendix C, Schedule A), email address, and company name for each upload. Respondents will not be able to see or edit uploaded documents once submitted. The link will automatically expire after the submittal deadline.

2.3.1 QUESTIONS AND INTERPRETATION OF RFP

Respondents shall submit any questions or clarification requests through the question form on the RFP website. Written responses to all submitted questions will be posted to the RFP website. S&L will not be responsible for other explanations or interpretations of this RFP. Questions will be accepted up to the proposal submittal date, identified in Section 2.2 as the Respondent Clarification Submittal Deadline. Respondents should check the RFP website periodically for updates and postings. Please note that such questions will not be treated as confidential. Questions and answers that are posted on the RFP website will be scrubbed of information identifying the party that originally asked the question.

Respondents shall identify any conflicting statements, need for clarification, or omissions of pertinent data from this RFP to S&L before proposals are due. Any questions not resolved by the proposal submittal date identified in Section 2.2 shall be identified in the proposal and a statement made as to the basis of the unresolved question(s).

Under no circumstance should Respondents attempt to contact AES Indiana or S&L employees directly, or outside of the guidelines set out in this RFP and on the RFP website, with any matters related to these RFPs. Such Respondents may be removed from consideration for this RFP.

2.3.2 PROPOSAL VALIDITY

All proposed pricing and terms and conditions must be open for acceptance by AES Indiana through the end of the first quarter of 2023 when definitive agreement execution with selected Respondent(s) is expected.

3. PROPOSAL SUBMISSION

AES Indiana or S&L shall not reimburse Respondent, and Respondent is responsible for any cost incurred in the preparation or submission of a proposal(s), in negotiations for an agreement, and/or any other activity contemplated by the proposal(s) submitted in connection with this RFP. The information provided in this RFP or on AES Indiana's RFP website has been prepared to assist Respondents in evaluating this RFP. It does not purport to contain all the information that may be relevant to Respondent in satisfying its due diligence efforts.

3.1 PROPOSAL ORGANIZATION

Respondent understands that AES Indiana will rely on the representations contained in Respondent's proposal in its evaluation and consideration of proposals submitted pursuant to this RFP. Respondent further understands that its inability to substantiate and verify any such representations may result in the termination of further consideration and/or evaluation of its proposal. All such representations made in the proposal shall be true, accurate, and complete to the best of Respondent's knowledge and belief.

All Proposals shall include the following minimum components in the order provided:

1. Credit Application (see Appendix A)
2. Proposal Completeness Checklist (see Appendix B)
3. Project Description (see Appendix C, Schedule A)
4. Initial Qualitative Scoring Criteria (see Appendix C, Schedule B)
5. Pricing Proposal (see Appendix C, Schedule C)
6. Renewable Energy Production Forecast (see Appendix C, Schedule D)
7. Guaranteed Performance (see Appendix C, Schedule E)
8. Suppliers for Major Plant Equipment (see Appendix C, Schedule F)
9. Power Plant Development Experience (see Appendix C, Schedule G)
10. Non-Disclosure Agreement (see Appendix D)
11. Asset Transfer Agreement Contract Template – Solar Resource Proposals (see Appendix E)
12. Asset Transfer Agreement Contract Template – Solar plus Storage Resource Proposals (see Appendix F)
13. Asset Transfer Agreement Contract Template – Wind Resource Proposals (see Appendix G)
14. Asset Transfer Agreement Contract Template – Wind plus Storage Resource Proposals (see Appendix H)
15. Existing Asset Transfer Agreement Contract Template (see Appendix I)
16. Power Purchase Agreement Contract Template (see Appendix J)

17. Generating Facility Requirements (see Appendix K)

3.2 PROPOSAL CONTENT

For consideration in the evaluation process, proposals must contain the information outlined in the following sections, as applicable.

3.2.1 PROJECT DESCRIPTION

Respondents shall provide a project description using the forms in Proposal Data Forms, Schedule A, covering the following categories:

- Basic project description.
- Site description including ownership, usage, and development status.
- Current permitting and licensing status, including water rights and the environmental permitting plan.
- Fuel supply and transportation contract descriptions, detailed pricing, key provisions, and status, if Respondent is supplying fuel.
- Transmission and interconnection upgrade plans, status of interconnection or transmission service requests, status of related agreements and approvals, status and results of all interconnection facilities studies, system impact studies, deliverability tests, and other studies and analyses.
- The name of the MISO Commercial Pricing node for the resource, a detailed description and drawings of transmission and substation facilities associated with the resource, and descriptions of any special protection schemes associated with the resource and its use.
- Respondent's design, development, and operating experience with the proposed technology. As part of the development experience, Respondents shall also provide a copy of its OSHA records for the last three years.
- Respondent's financing plan.
- Respondent's management team and key individuals for permitting, financing, design, construction, and operation.
- Major milestone schedule, including provisions for (a) site acquisition, control, and development; (b) permitting and licensing; (c) transmission upgrades and interconnection; (d) fuel supply and delivery facilities; (e) financing; (f) engineering, procurement, and construction; and (g) testing.

For each of the above categories, Respondents shall provide references to any supporting documents or attachments.

3.2.2 QUALITATIVE ASSESSMENT

Respondents shall complete the qualitative assessment form in Proposal Data Forms, Schedule B, for the

applicable technology being proposed.

3.2.3 PRICING PROPOSAL

Respondents shall complete the form in Proposal Data Forms, Schedule C, Pricing Proposal. The Respondent shall pick either Schedule C.1 if it is proposing an Asset Transfer Agreement or Schedule C.2. if it is proposing a Power Purchase Agreement.

3.2.3.1 ASSET TRANSFER AGREEMENT PRICING

If submitting a proposal that utilizes an Asset Transfer Agreement, the pricing in Proposal Data Forms, Schedule C.1 shall be completed. The purchase price must be inclusive of all costs associated with providing a completed generating asset whose full output will be accredited to the MISO LRZ 6.

3.2.3.2 POWER PURCHASE AGREEMENT PRICING

If submitting a proposal that utilizes a PPA, the pricing in Proposal Data Forms, Schedule C.2 shall be completed, indicating key dates, indexed and non-indexed payments and confirmation of pricing inclusions.

3.2.4 PERFORMANCE

Respondents shall specify performance for the project using the forms in Proposal Data Forms, Schedule D and/or Schedule E, as applicable.

3.2.5 RENEWABLE RESOURCES

For renewable resources, whether an asset transfer or PPA proposal, the guaranteed performance in Proposal Data Forms, Schedule D shall be completed and indicate the forecasted P10, P50, and P90 annual energy forecast in MWh for each day and hour (8,760 entries). The forecasted values shall account for long-term performance degradation.

3.2.6 ENERGY STORAGE

For energy storage proposals, whether an asset transfer or PPA, the guaranteed performance in Proposal Data Forms, Schedule E.1 shall be completed. The guaranteed values shall account for long-term performance degradation. Energy storage proposals shall clearly include an overbuild or augmentation plan to meet the guaranteed capacity for the asset life. Asset transfer energy storage proposals shall also include O&M costs to execute the augmentation plan.

3.2.7 THERMAL RESOURCES

For thermal resources, whether an asset transfer or PPA proposal, the guaranteed performance in Proposal Data Forms, Schedule E.2 shall be completed. The guaranteed values shall account for long-term performance degradation.

3.2.8 SUPPLIERS FOR MAJOR PLANT EQUIPMENT

For all proposals, Respondents shall indicate the anticipated suppliers, models, and countries of manufacture for major plant equipment using the forms in Proposal Data Forms, Schedule F. Respondents shall also include relevant assumptions with respect to procurement, such as (i) applicable import tariff with respect to country of origin, (ii) any applicable import restriction, and (iii) the outcome of any applicable trade cases.

3.2.9 POWER PLANT DEVELOPMENT EXPERIENCE

For all proposals, Respondents shall complete Appendix C, Schedule G to provide information related to prior development experience for power plant development.

3.2.10 CREDIT APPLICATION

Respondents must provide the applicable documentation as required by Appendix A.

3.2.11 PROPOSAL COMPLETENESS CHECKLIST

Respondents shall complete the Proposal Completeness Checklist, as applicable, located in Appendix B and issue the completed form with the proposal submission.

3.2.12 NON-DISCLOSURE AGREEMENT

Respondents shall review and provide a redline mark-up in Microsoft Word of any exceptions showing any insertions, deletions, or other proposed changes, as applicable, and which such Respondent deems execution-ready, of the Non-Disclosure Agreement located in Appendix D. Alternatively, Respondents may provide a statement indicating they accept the agreement's conditions "as is."

3.2.13 ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE

A contract template for a Respondent proposing an Asset Transfer Agreement is included in the RFP Asset Transfer through Appendix H. Also, a contract template for a Respondent proposing an existing Asset

Transfer Agreement is included in the RFP Appendix I. Please see Section 4.4 for more information in regard to the Asset Transfer Agreement Contract Template. Respondents shall return a completed Asset Transfer Agreement Contract Template if proposing an Asset Transfer Agreement. Respondents shall review and provide a redline mark-up of any exceptions showing any insertions, deletions, or other proposed changes, as applicable in Microsoft Word. The contract templates included in Appendix E through Appendix I are specific to this RFP and shall be considered indicative of contract terms that would be acceptable to AES Indiana for other opportunities.

3.2.14 POWER PURCHASE AGREEMENT CONTRACT TEMPLATE

A contract template for a Respondent proposing a PPA is included in the RFP Appendix J. Please see Section 4.5 for more information in regard to the Power Purchase Agreement Contract Template. Respondents shall return a completed Power Purchase Agreement Contract Template if proposing a Power Purchase Agreement. Respondents shall review and provide a redline mark-up of any exceptions showing any insertions, deletions, or other proposed changes, as applicable in Microsoft Word. The contract templates included in Appendix J are specific to this RFP and shall be considered indicative of contract terms that would be acceptable to AES Indiana for other opportunities

3.3 DISQUALIFICATION OF PROPOSAL

AES Indiana reserves the right, without qualification and in its sole discretion, to reject any and/or all proposals and to consider alternatives outside of this solicitation.

A proposal may be disqualified at any point in the evaluation process if AES Indiana determines, at their discretion, that the Respondent has attempted to gain an advantage through conduct deemed as unethical, a conflict of interest, interference, or any such means.

By submitting a proposal in response to this RFP, the Respondent certifies that the Respondent has not divulged, discussed, or compared its proposal with other Respondents and has not colluded whatsoever with any other Respondent or parties with respect to this or other proposals. AES Indiana may reject any proposal if it is perceived that this criterion has been violated.

4. PROPOSAL EVALUATION

Respondent proposals will be evaluated in two phases:

- **Phase 1:** Initial Screening and Shortlisting of Proposals Based on Initial Qualitative and Initial Pricing Evaluation
- **Phase 2:** Selection of Proposals for Contract Negotiations Based on Detailed Qualitative Evaluation of Shortlisted Proposals

The evaluation will use the information supplied by the Respondent in the proposal data forms and contract templates contained in the RFP appendixes.

The Respondent must provide the information listed in the Proposal Completeness Checklist by the proposal submittal date, as noted in Section 2.2, to be included in the evaluation. The proposal evaluation process is described in the following sections. Throughout the evaluation, AES Indiana will assess in general terms how much the Respondent's comments on the Agreement impact the likelihood that AES Indiana would be able to negotiate an acceptable agreement with the Respondent.

4.1 PHASE 1: INITIAL SCREENING AND SHORTLISTING OF PROPOSALS

The initial screening and shortlisting of proposals in Phase 1 will be performed by S&L according to an initial qualitative and initial pricing evaluation. The evaluation will consist of the following steps:

- Verify that the Respondent has provided all information listed in the Proposal Completeness Checklist.
- Organize the proposals into groups according to the proposed technology.
- Review the information supplied by the Respondent in the proposal data forms, Appendix C, Schedules A through F.
- Develop an initial qualitative score according to the information supplied by the Respondent in Appendix C, Schedule B for the proposed technology. The initial qualitative score will be based on technical viability, development status, developer experience, and financing plan and qualifications.
- Calculate the levelized cost of electricity (LCOE) for each proposal. The LCOE is defined as the present value of the estimated annual costs of a proposal or cost component of a proposal over the evaluation period divided by the equivalent present value of the energy (or capacity) that resource is estimated to produce over the same period. Levelized cost is expressed in \$/MWh or \$/kW-year.
- Determine the composite Phase 1 score from the weighted qualitative score and LCOE.
- Develop a shortlist from the highest scoring proposals within each technology category to move to Phase II of the evaluation.

The Phase 1 qualitative evaluation will consider the LCOE evaluation (500 points maximum), technical viability (100 points maximum), development status (200 points maximum), developer experience (100 points maximum), and financing plan and qualifications (100 points maximum). The scoring for each category will be based on the Respondent's information provided in Appendix C, Schedule B – Initial Scoring Criteria for the applicable technology.

The Phase 1 scoring will be weighted as follows:

Table 4-1 — Phase 1 Scoring

Category	Points Available
LCOE Evaluation	500
Technical Viability	100
Project Development Status	200
Respondent Experience	100
Financing Plan and Qualifications	100
Total	1,000

The Phase 1 pricing evaluation will consider the all-in costs that each proposal is expected to impose on AES Indiana's customers, to the extent that the evaluation team is able to quantify such costs. These will include:

- Annual debt service and equity returns on the initial capital costs of the asset
- Projected annual operations and maintenance and fuel costs
- PPA charges, including pass through costs and fuel, where applicable
- Costs for required transmission reinforcements
- Costs for required distribution reinforcement
- System impacts including, but not limited to, impact on transmission transfer capability, and MISO capacity requirements and deliverability

During the screening process, S&L may request additional information or clarifications from the Respondents. These requests, and any communications with a Respondent during the evaluation process, shall not be construed as contract negotiations. Requests made by S&L for additional information or clarifications will be in writing via email (AESI2022ASRFP@sargentlundy.com) and sent to the Respondent's Designated Contact (as defined in Appendix C). Respondents shall have three business days from the transmission of each request to respond. Proposals with outstanding requests beyond the response period may be removed from consideration and further evaluation. During the Phase 1 evaluation process, all Respondents' identities will remain confidential and will not be disclosed to AES Indiana.

At the conclusion of the Phase 1 evaluation, Respondents will be notified as to whether their proposals were shortlisted for further evaluation in Phase 2.

4.2 PHASE 2: SELECTION OF PROPOSALS FOR CONTRACT NEGOTIATIONS

The Phase 2 pricing evaluation will refine the Phase 1 pricing evaluation and determine the cost effectiveness of the shortlisted proposals. The Phase 2 detailed pricing evaluation will include and reflect information received in response to any clarifying questions, interviews, site visits, and other due diligence. This detailed pricing evaluation will calculate each individual proposal's impact to AES Indiana's total portfolio Present Value Revenue Requirement (PVRR). The PVRR represents the ultimate cost of both energy and capacity from the resources contained in the proposals to the consumer. A proposal that demonstrates a negative PVRR is expected to have a downward impact on AES Indiana's total portfolio PVRR. This analysis will be used to estimate each proposal's economic impact relative to other proposals.

The Phase 2 detailed qualitative evaluation will consider the following criteria:

Table 4-2 — Phase 2 Detailed Qualitative Criteria

Item	Category/Criteria ⁴
A	Technical Viability
B	Development and Schedule Risk
C	Construction Permitting Risk
D	Environmental Permitting Risk
E	Site Control
F	Environmental Impacts
G	Respondent's Experience
H	Financing Plan and Qualifications
I	T&D System Integration
J	Community Impacts and Acceptance
K	Public Perception Risk
L	Operations and Maintenance Plan
M	Fuel Supply Plan
N	Exceptions to Agreements
O	Tax Credit Qualification Plan

The Phase 2 qualitative evaluation will refine the Phase 1 qualitative evaluation, using the information

⁴ AES Indiana reserves the right to review and modify the criteria as necessary.

supplied by the Respondent in the proposal, data forms, and contract templates, considering the following criteria:

- **Technical Viability and Risk:** The evaluation team will review each proposal for conformance to the technical requirements in the RFP and the technical viability of the proposed technologies.
- **Development and Schedule Risk:** The evaluation team will assess the completeness and feasibility of the proposed project implementation and evaluate the likelihood of meeting the milestone dates and expected performance.
- **Construction Permitting Risk:** The evaluation team will examine the Respondent's permitting plan and schedule and the likelihood that the Respondent can obtain required permits. This examination will include whether the Respondent has identified the relevant permits and approvals necessary for construction and operation of the proposed project.
- **Environmental Permitting Risk:** The evaluation team will examine and consider the long-term environmental and operating risks associated with the proposed project technology.
- **Site Control:** Issues to be considered with respect to the project site include: whether the site is owned or leased (and for what term) by the Respondent or, if not, whether the Respondent has executed an option to lease/purchase; a Memorandum of Understanding ("MOU") or a Letter Of Intent ("LOI") for the project site; and whether there are any significant issues that could prevent the Respondent from obtaining timely site control or beginning construction on the proposed site.
- **Environmental Impacts:** The evaluation team will assess the overall impact on the environment, whether the project will likely result in potentially significant environmental impacts and the degree to which potential impacts can be satisfactorily mitigated. This will include an examination of any known sensitive environmental features on or adjacent to the site such as waterways, wetlands, floodplains, archaeology and architectural resources, historic properties, degraded ambient air quality, contamination, ongoing hazardous materials remediation, threatened and endangered species, airports, residences or other sensitive noise receptors, and a discussion of storm-resistant features and other reliability features to determine the suitability of the project at the proposed site location.
- **Respondent's Experience:** The evaluation team will evaluate the Respondent's experience, including any proposed contractors and subcontractors, and success in developing projects of a similar design and size to the proposed project.
- **Financing Plan and Qualifications:** The evaluation team will evaluate the Respondent's proposed financing plan and experience in successfully financing projects of a similar size and complexity. The evaluation will also determine if the Proposer has any financing commitment for the project that will be provided by a creditworthy entity that is likely to be acceptable in form and substance to AES Indiana.
- **T&D System Integration:** The project's technical characteristics will be evaluated to identify those projects that address AES Indiana's system needs as defined in the RFP and AES Indiana's Integrated Resource Plan. The evaluation team will evaluate risk to reliability (voltage control, reactive capability, protection coordination, frequency response, etc.) and deliverability to the AES Indiana 138kV system. The evaluation team will also evaluate proposals for potential issues related to the feasibility, timing, and cost that could affect the project's ability to interconnect to the system or meet the planned Commercial Operation Date.

- **Community Impacts and Acceptance:** The evaluation team will review the proposal for potential socioeconomic benefits and harm to the community. The committee will assess known community support or opposition of a Respondent's project including the Respondent's plan to manage community relations.
- **Public Perception Risk:** The evaluation team will perform a general review of the project for ongoing discussions with the community and possible community objections to the project's development.
- **Operations and Maintenance Plan:** The evaluation team will consider the Respondents operations and maintenance plan, as applicable, including contract term, scope, experience, and pricing, as requested in Appendix C. The evaluation team will evaluate the proposed operations and maintenance plan and experience of operations and maintenance of projects of a similar size and complexity.
- **Fuel Supply Plan (if applicable):** Respondents are asked to provide information about their fuel supply plan, as applicable, including contract term, fixed and variable costs, price escalation factors, quality of service (firm, secondary firm, interruptible), length of term of transport service and other factors that affect price or quality of service.
- **Exceptions to Agreements:** Respondents are asked to review the contract templates in the RFP appendix and provide alternative contract language to any proposed exceptions. The evaluation team will review the proposed changes and alternative contract language to assess the number and extent of exceptions, the benefits and risks such exceptions impose on AES Indiana and the likelihood AES Indiana would be able to negotiate an acceptable agreement with the Respondent. The number, extent and assessed impact of such exceptions will be a key criterion in the shortlisting and ranking of any proposal submitted as part of the RFP response. It is expected that a good faith proposal will include at least a high-level notation of exceptions to the proposed contract template. Failure to note an exception will be considered by the evaluator as a general acceptance of that term. Should that prove not to be the case, your proposal may be removed from consideration during the negotiation phase.
- **Tax Credit Qualification Plan:** The evaluation team will review the proposed tax credit qualification plan for the proposal to confirm it secures favorable tax treatment for the project.

Following completion of the Phase 2 qualitative and pricing evaluations, the evaluation team will recommend proposals to proceed with contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by AES Indiana to execute an agreement. During the period between S&L's recommendation(s) to AES Indiana and the date of execution of any agreement, AES Indiana will conduct additional due diligence on the proposals which may include, but not be limited to, onsite visits, management interviews, environmental, legal and regulatory due diligence, detailed engineering assessments, and facility dispatch modeling.

4.3 PROPOSAL DATA FORMS

The evaluation will use the information supplied by the Respondent in the proposal data forms and contract templates contained in the RFP Appendices:

- Appendix A. Credit Application
- Appendix B. Proposal Completeness Checklist
- Appendix C. Proposal Data Forms
 - Schedule A – Project Description
 - Schedule B – Initial Scoring Criteria
 - Schedule C – Pricing Proposal (Select one of the two schedules below to complete, as applicable to the proposal pricing structure)
 - Schedule C.1. Asset Transfer Pricing
 - Schedule C.2. PPA Pricing
 - Schedule D – Renewable Energy Production Forecast (For renewable generation proposals only)
 - Schedule E – Guaranteed Performance (Complete the schedules below as applicable to the proposed technology)
 - Schedule E.1. Guaranteed Performance – Energy Storage
 - Schedule E.2. Guaranteed Performance – Thermal Resource
 - Schedule F – Suppliers for Major Plant Equipment
 - Schedule G – Power Plant Development Experience
- Appendix D. Non-Disclosure Agreement
- Appendix E. Asset Transfer Agreement Contract Template - Solar Resource Proposals
- Appendix J. Asset Transfer Agreement Contract Template - Solar plus Storage Resource Proposals
- Appendix G. Asset Transfer Agreement Contract Template - Wind Resource Proposals
- Appendix H. Asset Transfer Agreement Contract Template – Wind plus Storage Resource Proposals
- Appendix I. Existing Asset Transfer Agreement Contract Template
- Appendix J. Power Purchase Agreement Contract Template
- Appendix K. Generating Facility Requirements

The following sections describe AES Indiana's requirements for the proposal content as they relate to ATA and PPA proposals.

4.4 ASSET TRANSFER PROPOSAL REQUIREMENTS

For asset transfer proposals, AES Indiana will only consider proposals for facilities with the following characteristics:

- The estimated remaining useful life must be 10 or more years.
- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO are not allowed in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction.
- AES Indiana prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least the IndianaHub.
- Specific point(s) of interconnection including the type(s) of transmission service; AES Indiana requires NRIS service.
- Nodal economic analyses under base case for the 1st year, 5th year, and 10th year (for example, for 2025, 2030, and 2035 for the projects proposals targeting the 2025–2026 MISO Planning Year) under base case (n-1) and outage scenarios (n-1-1) must be performed to identify expected congestion impacts on energy production.
- Costs of any infrastructure costs required for fuel delivery shall be included.
- Costs of any property, state, and local taxes and tax abatements shall be identified and included.
- The facility must be complete and commercially operable and available for the 2025–2026, 2026–2027, or 2027–2028 MISO Planning Year.
- The acquisition date and title transfer must occur before the start of the 2025–2026, 2026–2027, or 2027–2028 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2025–2026, 2026–2027, or 2027–2028 Planning Resource Auction.
- The asset must utilize a commercially viable technology.
- The operating and maintenance history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C.1, D, and E, shall describe (i) dates of maintenance events and findings based on original equipment manufacturer recommendations, (ii) service agreements and other contracts, (iii) outage reports, and (iv) awarded UCAP and its relation to the indicated equivalent forced outage rate demand, installed capacity, and renewable energy production.
- Expected outages and approximate durations over the next 10 years of operation shall be indicated.
- Expected changes in future operating and maintenance, compared with the historical information provided, shall be explained.
- The fuel delivery history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C.1, and E, shall describe (i) fuel sourcing, (ii) fuel supply contract

provisions, and (iii) fuel supply and storage infrastructure.

- Audited or unaudited financial statements including balance sheets, income statements, and cash flow statements for the proposed asset(s) for the past three years (if existing resource).
- Environmental and other permits must be assignable to AES Indiana and any operating limitations must be explained.
- Any identified environmental liabilities (e.g., potential site remediation requirements) shall be explained.
- Any material actions, suits, claims, or proceedings (threatened or pending) against the Respondent or involving the asset transfer shall be identified.
- The purchase price indicated in Appendix C, Schedule C.1 shall be inclusive of all costs associated with providing a completed generating asset whose full output will be accredited to the MISO LRZ 6, including transmission interconnection costs, studies, siting, permitting, construction, start-up, testing, and inventories. Terms of payment and interest during construction shall be identified.
- The financing plan indicated in Appendix C, Schedule A shall include either the Respondent's or guarantors' senior unsecured debt and/or corporate issuer ratings documentation from Fitch, Moody's, and Standard & Poor's showing the name of the rating agency, the type of rating, and the rating of the Respondent or guarantor.
- Production forecasts for renewable energy facilities indicated in Appendix C, Schedule D and performance guarantees indicated in Appendix C, Schedule E shall be subject to performance tests and remedies such as liquidated damages to be negotiated with AES Indiana.
- AES Indiana does not prohibit Respondents from proposing transfer of a facility at the development phase. For those proposals, Respondents shall at least have finished early phase development activities such as obtaining site control, performing feasibility studies, and initiating permitting and interconnection processes, and provide evidence of such standing.

A contract template for an Asset Transfer Agreement is included in the RFP Appendix E. Respondent(s) with proposals selected for contract negotiation and AES Indiana shall use this contract template, along with any proposed changes and alternative contract language by the Respondent(s), as a basis for contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by AES Indiana to execute an agreement. Execution of any agreement is contingent upon AES Indiana receiving all required regulatory approvals.

4.5 POWER PURCHASE AGREEMENT PROPOSAL REQUIREMENTS

AES Indiana will consider meeting its resource requirements through medium and/or long-term PPAs. AES Indiana will only consider PPAs that have a term of 3 to 30 years. For PPA proposals, AES Indiana will only consider proposals for facilities with the following characteristics:

- The estimated remaining useful life must be 3 or more years.
- The PPA term must be between 3 and 30 years.

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- Resources must qualify as MISO internal generation. Those resources physically located outside the MISO territory and pseudo tied into MISO are not allowed in this RFP.
- Resources must be qualified to receive Zonal Resource Credits for MISO LRZ 6 consistent with MISO Planning Resource Auction.
- AES Indiana prefers Resources with energy settled or directly delivered to the IPL.IPL node. If the IPL.IPL node cannot be achieved, Resources shall have energy settled or delivered to at least to the IndianaHub.
- Specific point(s) of interconnection including the type(s) of transmission service (e.g., 50 MW NRIS and 25 MW ERIS) shall be identified.
- Nodal economic analyses under base case for the first year, fifth year, and tenth year (for example, for 2025, 2030, and 2035 for the projects proposals targeting the 2025-2026 MISO Planning Year) under base case (n-1) and outage scenarios (n-1-1) must be performed to identify expected congestion impacts on energy production.
- Costs of any infrastructure required for fuel delivery shall be included.
- Costs of any property, state, and local taxes and tax abatements shall be identified and included.
- The facility must be complete and commercially operable and available for the 2025–2026, 2026–2027, or 2027–2028 MISO Planning Year.
- The acquisition date and title transfer must occur before the start of the 2025–2026, 2026–2027, or 2027–2028 MISO Planning Year and processes must be followed consistent with MISO Tariff and Business Practice Manuals to ensure Zonal Resource Credits qualify for the 2025–2026, 2026–2027, or 2027–2028 Planning Resource Auction.
- The asset must use a commercially viable technology.
- The operating and maintenance history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, D, and E, shall describe (a) dates of maintenance events and findings based on original equipment manufacturer recommendations, (b) service agreements and other contracts, (c) outage reports, and (d) awarded UCAP and its relation to the indicated equivalent forced outage rate demand, installed capacity, and renewable energy production.
- The fuel delivery history for the last five years of operation, consistent with the information indicated in Appendix C, Schedules A, B, C, and E, shall describe (a) fuel sourcing, (b) fuel supply contract provisions, and (c) fuel supply and storage infrastructure, if applicable.
- Any operating limitations under environmental and other permits must be explained.
- Any identified environmental liabilities (e.g., potential site remediation requirements) shall be explained.
- Any material actions, suits, claims, or proceedings (threatened or pending) against the Respondent or involving the PPA shall be identified.
- The PPA pricing indicated in Appendix C, Schedule C.2 shall be inclusive of all costs associated with constructing and operating a completed generating asset for which full output will be accredited to the delivery point.

- The financing plan identified in Appendix C, Schedule A shall include either the Respondent's or guarantors' senior unsecured debt and/or corporate issuer ratings documentation from Fitch, Moody's and Standard & Poor's showing the name of the rating agency, the type of rating, and the rating of the Respondent or guarantor.
- Production forecasts for renewable energy facilities indicated in Appendix C, Schedule D and performance guarantees indicated in Appendix C, Schedule E shall be subject to performance tests and remedies such as liquidated damages to be negotiated with AES Indiana.

A contract template for a PPA is included in the RFP Appendix J. AES Indiana and the Respondent(s) with proposals selected for contract negotiation shall use this contract template, along with any proposed changes and alternative contract language by the Respondent(s), as a basis for contract negotiations. Selection of a proposal for contract negotiations shall not be construed as a commitment by AES Indiana to execute an agreement. Execution of any agreement is contingent upon AES Indiana receiving all required regulatory approvals.

4.6 PROPOSAL EVALUATION FEE

Respondents may submit up to three proposals at no cost in response to this RFP. Respondents submitting more than three responses will incur a proposal evaluation fee of \$5,000 for each additional proposal submitted. A proposal consists of a project with a single site and single point of interconnection. S&L will have sole discretion to determine whether a submission is deemed a single or multiple proposal. Generally, proposals with the same project characteristics (e.g., site, technology, size, etc.) but only offering a different structure (e.g., asset transfer or PPA) will be considered one proposal.

Respondents shall contact S&L at AESI2022ASRFP@sargentlundy.com for proposal fee payment instructions.

4.7 CREDIT TERMS AND CONDITIONS

The credit and commitment of any proposal will be a critical part of the proposal evaluation process. A Respondent must have a credit rating for its senior unsecured debt and/or corporate issuer rating of BBB- or higher for Standard & Poor's (or Baa3 or higher for Moody's or BBB- or higher for Fitch). If a Respondent is unrated or does not meet this minimum credit rating requirement, the Respondent may provide credit support from a corporate guarantor that meets the requirement, in the form of a letter of support. Respondent may also provide credit support in the form of a letter of credit from any United States commercial bank(s) or financial institution(s) or a United States branch or subsidiary of a foreign commercial bank(s) or financial institution(s) having, or guaranteed or confirmed by an entity having, a long-term unsecured senior debt rating of any two of the following: (i) at least A3 or better by Moody's, (ii) at least A- or better by S&P or (iii) at least A- or better by Fitch.

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As part of a final binding contract, and depending on the structure of the transaction, AES Indiana will further review the credit of the Respondent and the risk associated with the transaction to determine what, if any, additional credit requirements may be necessary to protect its ability to serve its customers in a reliable manner.

For an asset transfer proposal, a Respondent shall have the corresponding obligation to post definitive agreement (DA) collateral as determined in accordance with its proposal if selected for the definitive agreement phase of the RFP. DA collateral must be posted at the execution of the DA and will be in force until the transfer of title to AES Indiana for generating asset proposals.

For PPA proposals, winning Respondents may be required to post operating collateral over the term of any PPA consistent with the terms and conditions of final agreements as negotiated between AES Indiana and the Supplier.

In each case, the collateral must be in the form of either: (a) a letter of credit or (b) cash. AES Indiana and S&L reserve the right to require a Respondent to post DA collateral in an amount that exceeds the amounts listed herein as conditions warrant.

4.8 DEFINITIVE AGREEMENT COLLATERAL AND OPERATING SECURITY REQUIREMENTS

During the negotiation of the DA, AES Indiana and S&L will determine the required form of DA collateral a Respondent must satisfy at the execution of the DA (development security or maintenance security). The DA collateral to be posted will be dependent on the type of capacity asset reflected in the selected Respondent's proposal.

Capacity Asset	DA Collateral	Collateral Amount
New Generation Facility	Development Security	\$20.00/kilowatt at execution of DA
New Generation Facility	Development Security	\$75.00/kilowatt at regulatory approval
Existing Generation Facility	Maintenance Security	12 months expected total O&M expense

In addition, winning Respondents may be required to post operating collateral over the term of any PPA consistent with the terms and conditions of final agreements as negotiated between AES Indiana and the Supplier.

Capacity Asset	Operating Collateral	Collateral Amount
PPA	Operating Security	Lesser of \$200/MW or 12 months expected revenues

4.9 RESERVATION OF RIGHTS

Nothing contained in this RFP shall be construed to require or obligate AES Indiana to select any proposals

or limit AES Indiana's ability to reject all proposals in its sole and exclusive discretion. AES Indiana further reserves the right to withdraw and terminate this RFP at any time prior to the proposal submittal date, selection of proposals, or execution of a contract. AES Indiana also reserves the right to solicit additional proposals it deems necessary and the right to submit additional information requests to Respondents during the proposal evaluation process. All final contracts will be contingent on IURC approval.

All proposals submitted to AES Indiana pursuant to this RFP shall become the exclusive property of AES Indiana and may be used by AES Indiana for any reasonable purpose. AES Indiana shall consider materials provided by Respondent in response to this RFP to be confidential only if such materials are clearly designated as confidential. Respondents should be aware that their proposal, even if marked confidential, may be subject to discovery and disclosure in regulatory or judicial proceedings that may or may not be initiated by AES Indiana. Respondents may be required to justify the requested confidential treatment under the provisions of a protective order issued in such proceedings. If required by an order of an agency or court of competent jurisdiction, AES Indiana may produce the material in response to such order without prior consultation with the Respondent.

This RFP shall not, by itself, give any right to any party for any claim against AES Indiana. Furthermore, by submitting a proposal, the Respondent shall be deemed to have acknowledged that AES Indiana assumes no liability with respect to this RFP or any matters related thereto. Respondent acknowledges and agrees that AES Indiana may terminate this RFP at any time and for its convenience without liability to Respondents, its advisors, consultants, and agents. By submission of a proposal, the Respondent, for itself as well as for its successors and assignees (if any), agrees that, as between Respondent and AES Indiana, Respondent is to be solely responsible for all claims, demands, accounts, damages, costs, losses, and expenses of whatsoever kind in law or equity, known or unknown, foreseeable or unforeseeable, arising from or out of this RFP or its proposal.

AES Indiana reserves the right to modify this RFP for any reason and at any time.

4.10 CONTINGENCIES AND REGULATORY APPROVAL

Pursuant to the terms of the definitive agreement(s), the Respondent will agree to use its reasonable best efforts including, if necessary, providing data and testimony to obtain any and all state, federal, or other regulatory approvals required for the consummation of the transaction.

Approval by the IURC, MISO, and the FERC may be required before the transaction can be consummated between the selected Respondent and AES Indiana. As part of the regulatory process, responses to the RFP may be provided to parties who have executed a non-disclosure agreement/confidentiality agreement, specifically acknowledging that they are neither affiliated with any party responding to the RFP or serving as a conduit for any party responding to the RFP.

APPENDIX A. CREDIT APPLICATION

AES Indiana requires credit support and security arrangements that will provide protection in the event that Respondent breaches or fails to perform under any agreement arising from this RFP. Performance security will address the risks, among others, associated with (i) Respondent's completion of a new Resource and Respondent's ability to deliver contracted Capacity and associated Energy by the scheduled delivery date; (ii) the ability of Respondent to deliver contracted Capacity and associated Energy from a new or existing Resource throughout the term of the contract and/or (iii) in the case of acquisition of a new or existing Resource, Respondent's post-closing indemnification obligations.

Respondent shall provide performance security upon execution of the applicable Power Purchase Agreement, Tolling Agreement or Purchase and Sale Agreement which shall remain in place throughout the duration thereof. The amount of the performance security will be negotiated and will be determined based upon the specific characteristics and the potential risk of contract default associated with Respondent's proposal. AES Indiana will consider performance security mitigating factors such as, but not limited to, subordinate liens on project assets and step-in rights. Respondents shall include in their proposals their proposed performance security and any mitigating factors.

Based on Respondent's credit quality and tangible net worth, the amount of the performance security will vary. Performance security must be provided in the form of cash or cash equivalents (U.S. dollars or U.S. government bonds) deposited with an issuer acceptable to AES Indiana (Deposits), an irrevocable standby letter of credit drawn on an issuer acceptable to AES Indiana (Letter of Credit), and/or a company guarantee (Guarantee) from an investment-grade rated entity (Guarantor), in each case, in a form acceptable to AES Indiana. AES Indiana may limit its maximum credit exposure to Respondents or their Guarantors. The credit limit in the table below shows the maximum unsecured credit that AES Indiana may apply towards Respondent's or Guarantor's total required Performance Security; however, AES Indiana reserves the right to amend its stated limits to factor in, for example, qualitative characteristics of the entities involved (such as tangible net worth considerations or placement on a credit ratings agency watch list), unforeseen industry conditions that can have a material impact on Respondent or its Guarantor(s) (e.g., the bankruptcy of one of its committed major suppliers), or other factors that place AES Indiana at additional contractual risk. A credit limit will be calculated for each Respondent or Guarantor based on the lower of the company's senior unsecured debt rating or corporate issuer rating set forth in the table. For nonpublic companies, AES Indiana will reasonably determine a credit score.

Credit Limit Table

Senior Unsecured Debt / Issuer Rating	Credit Limit
AAA+/Aaa to AA-/Aa3	\$50,000,000
A+/A1 to A-/A3	\$40,000,000
BBB+/Baa1 to BBB/Baa2	\$25,000,000
BBB/Baa2 to BBB-/Baa3	\$10,000,000
Below BBB-/Baa3	\$0

A minimum of twenty percent (20%) of the Performance Security must be provided in the form of Deposits and/or a Letter of Credit. The remaining Performance Security shall be in the form of one or more Guarantees, Deposits, and/or Letters of Credit. Performance Security in excess of the Respondent's Credit Limit shall be in the form of Deposits and/or a Letter of Credit. The credit limit table shall be recalculated, and the form of Performance Security adjusted based on Respondent's/Guarantor's most recent fiscal year end audited financial statements or within five business days of Respondent or AES Indiana becoming aware of any change in Respondent's/Guarantor's senior unsecured debt rating or corporate issuer rating.

APPENDIX B. PROPOSAL COMPLETENESS CHECKLIST

Please check the following boxes (where applicable) to indicate that your proposal meets the minimum requirements for the RFP.

- ☐ Credit Application material as described in Credit Application
- ☐ Proposal Completeness Checklist (this form)
- ☐ Proposal Data Forms, Schedule A – Project Description
 - ☐ Supporting documents or attachments
 - ☐ Description includes items listed in Section 3.2.1
- ☐ Proposal Data Forms, Schedule B – Initial Qualitative Scoring Criteria
- ☐ Proposal Data Forms, Schedule C – Pricing Proposal
 - ☐ Schedule C.1 (if applicable)
 - ☐ Schedule C.2 (if applicable)
- ☐ Proposal Data Forms, Schedule D – Renewable Energy Production Forecast
- ☐ Proposal Data Forms, Schedule E – Guaranteed Performance
 - ☐ Schedule E.1 (if applicable)
 - ☐ Schedule E.2 (if applicable)
 - ☐ Correction curves (if applicable)
- ☐ Proposal Data Forms, Schedule F – Suppliers for Major Equipment
- ☐ Appendix C. Proposal Data Forms, Schedule G – Power Plant Development Experience
- ☐ Non-Disclosure Agreement, Non-Disclosure Agreement
- ☐ Appendix E. Asset Transfer Agreement Contract Template - Solar Resource Proposals (if applicable)
 - ☐ Requirements of Section 3.2.13 are met (if Asset Transfer Agreement proposal)
- ☐ Appendix F. Asset Transfer Agreement Contract Template - Solar plus Storage Resource Proposals (if applicable)
 - ☐ Requirements of Section 3.2.13 are met (if Asset Transfer Agreement proposal)
- ☐ Appendix G. Asset Transfer Agreement Contract Template - Wind Resource Proposals (if applicable)
 - ☐ Requirements of Section 3.2.13 are met (if Asset Transfer Agreement proposal)
- ☐ Appendix H. Asset Transfer Agreement Contract Template – Wind plus Storage Resource Proposals (if applicable)

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- ☐ Requirements of Section 3.2.13 are met (if Asset Transfer Agreement proposal)
- ☐ Appendix I. Existing Asset Transfer Agreement Contract Template (if applicable)
 - ☐ Requirements of Section 3.2.13 are met (if Asset Transfer Agreement proposal)
- ☐ Appendix J. Power Purchase Agreement Contract Template (if applicable)
 - ☐ Requirements of Section 3.2.14 are met (if Power Purchase Agreement proposal)
- ☐ Appendix K. Generating Facility Requirements
- ☐ Awarded UCAP of the resource for the last four MISO planning years (if existing resource)
- ☐ Expected UCAP for the first five MISO planning years beginning June 1, 2025 based on current MISO rules for the resource
- ☐ Proposal Evaluation Fee (if required, as described in Section 4.6)

APPENDIX C. PROPOSAL DATA FORMS

(see file *Proposal Data Forms*)

- ☐ Schedule A – Project Description
- ☐ Schedule B – Initial Scoring Criteria
- ☐ Schedule C – Pricing Proposal
- ☐ Schedule D – Renewable Energy Production Forecast
- ☐ Schedule E – Guaranteed Performance
- ☐ Schedule F – Suppliers for Major Plant Equipment
- ☐ Schedule G – Power Plant Development Experience

APPENDIX D. NON-DISCLOSURE AGREEMENT

(see file AES Indiana Mutual Non-Disclosure Agreement)

APPENDIX E. ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE - SOLAR RESOURCE PROPOSALS

(see file Asset Transfer Agreement Contract Template - Solar Resource Proposals)

APPENDIX F. ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE - SOLAR PLUS STORAGE RESOURCE PROPOSALS

(see file Asset Transfer Agreement Contract Template – Solar plus Storage Resource Proposals)

APPENDIX G. ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE - WIND RESOURCE PROPOSALS

(see file Asset Transfer Agreement Contract Template - Wind Resource Proposals)

APPENDIX H. ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE – WIND PLUS STORAGE RESOURCE PROPOSALS

(see file Asset Transfer Agreement Contract Template – Wind plus Storage Resource Proposals)

APPENDIX I. EXISTING ASSET TRANSFER AGREEMENT CONTRACT TEMPLATE

(see file *Existing Asset Transfer Agreement Contract Template*)

APPENDIX J. POWER PURCHASE AGREEMENT CONTRACT TEMPLATE

(see file Power Purchase Agreement Contract Template)

APPENDIX K. GENERATING FACILITY REQUIREMENTS

(see file *Generating Facility Requirements*)