



AES PIKE COUNTY ENERGY STORAGE SYSTEM REQUEST FOR PROPOSALS

February 13, 2022

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ABBREVIATIONS & ACRONYMS

Abbreviation/Acronym	Term
BESS	battery energy storage system
BMS	battery management system
EPC	engineering, procurement, and construction
EPC Agreement	Battery Storage Procurement Agreement
EMS	energy management system
Facility	2,146 MW coal-fired Petersburg Generation Station
FERC	Federal Energy Regulatory Commission
IURC	Indiana Utility Regulatory Commission
LCOS	levelized cost of storage
MISO	Midcontinent Independent System Operator
MW MWh	megawatt(s) megawatt hour(s)
OSHA	Occupational Safety and Health Administration
PCS	power conversion system
Petersburg Generating Station	2,146 MW coal-fired Petersburg Generation Station
POI	point of interconnection
PPA	power purchase agreement
Project	Pike County BESS Project
RFP	request for proposal
S&L	Sargent & Lundy, LLC
SCADA	supervisory control and data acquisition

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 approximately 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 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 have 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 develop and manage this Request for Proposal (“RFP”) process. S&L is an engineering consulting firm that provides 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 the subsequent proposal evaluation.

1.1 BACKGROUND AND PURPOSE

The purpose of this 2023 BESS RFP is to solicit proposals from qualified firms for the complete delivery of a battery energy storage system (“BESS”). The Pike County Energy Storage Project (“Project”) consists of 200 MW/800 MWh battery and two (2) 34.5/345 kV collector substations that will be owned by a subsidiary of AES Indiana. This RFP is not seeking bids for PPA or similar type arrangements for the Project.

The Project will be located on the grounds of AES Indiana’s existing 2,146 MW coal-fired Petersburg Generation Station (“Petersburg Generating Station”, or “Facility”) which is currently owned and operated by AES Indiana. The Project is anticipated to be interconnected to the nearby AES Indiana transmission line through the new AES Indiana substation. The new AES Indiana substation (engineering and major procurement contracted separately) will serve as the Point of Interconnect (POI) which will tie-in to the new interconnection switching station. The Project is anticipated to participate within the Midcontinent Independent System Operator (MISO) regional transmission organization. The Project will interconnect to the new AES Indiana substation at 34.5kV. The new AES Indiana substation will then interconnect to the Petersburg Generating Station switchyard at 345 kV and will require an overhead power line to be constructed between the BESS and the POI at the new AES Indiana substation.

1.2 RFP SCOPE OF SUPPLY

The work to be provided by the Respondent shall include all work (except for those items specifically excluded) required to deliver the Project capable of operating in accordance with, applicable laws, applicable permits, and the Project schedule. The Respondent's scope of work shall include the engineering, partial design, procurement, delivery, installation, construction, commissioning, start-up and testing, as necessary to deliver the commercially operational Project. The Respondent shall design and construct the Project in accordance with Exhibit A - Substation Scope of Work, Exhibit F - BESS Scope of Work and all of the exhibits attached hereto.

The Respondent shall be responsible for all aspects of a turn-key Project; partial design, procurement, delivery, construction (including wiring, grounding, and communications), and commissioning of the BESS. Exhibit F - BESS Scope of Work and Technical Requirements defines a factory built, fully functioning BESS including, but not limited to, batteries, a Power Conversion System (PCS), enclosure(s), BESS switchgear, a Battery Management System (BMS), fire detection and suppression, environmental systems, control system(s), internal wiring, communication and software, and all required programming for integration with the AES Indiana's existing Supervisory Control and Data Acquisition (SCADA) system. Exhibit A - Substation Scope of Work and Technical Requirements specifies the requirements for a fully functioning collector substation (engineering and major procurement contracted separately).

1.3 GENERAL REQUIREMENTS

All proposals must be submitted 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 part of a proposal, be clearly labeled and organized in a fashion that facilitates easy documentation and review.

The pricing contained in each proposal shall reflect compliance with all applicable federal, state, and local environmental laws and regulations currently in effect.

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/rfp-2023-ga>). 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. Respondents are responsible for checking the RFP website for subsequent updates, notices, and postings.

2.2 RFP AND PROJECT SCHEDULE

Milestone dates for the RFP process and Project execution 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.¹

Table 2-1 — Milestone Schedule

/	Date
RFP Released to Public	February 13,2023
Bidder Site Visit	February 22, 2023
Respondent Clarification Submittal Deadline	5:00 p.m. CST February 27, 2023
Respondent Proposal Submission Date	11:59 p.m. CDT March 13, 2023
EPC Agreement Execution	April 15, 2023
Limited Notice to Proceed (LNTP)	April 22, 2023
Full Notice to Proceed (FNTP)	September 30, 2023
Commercial Operation Date (COD)	December 1, 2024
Substantial Completion	December 31, 2024

¹ <https://www.aesindiana.com/rfp-bess-2023>

2.3 DEADLINE AND METHOD FOR SUBMITTING PROPOSALS

Proposals must be submitted by 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 contractually 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 Table 2-1. 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 Exhibit E -Data Form Schedule H), 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 until the proposal submittal date, identified in Table 2-1 as the Respondent Clarification 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 any identifying information.

Respondents shall identify any conflicting statements, need for clarification, or omissions of pertinent data from this RFP through the question form prior to the proposal due date. Any questions not resolved by the proposal submittal date, identified in Table 2-1, 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 this RFP. Such Respondents may be removed from consideration for this RFP.

2.3.2 PROPOSAL VALIDITY

All proposed pricing and terms and conditions must be firm, representing best and final bid. Proposals and bid pricing must be valid for 90 days after the Proposal submission date shown in Section 2.2.

3. PROPOSAL SUBMISSION

AES Indiana or S&L shall not reimburse the Respondent, and the Respondent is responsible for any cost incurred in the preparation or submission of a proposal, in agreement negotiations, and/or any other activity implemented by the proposal 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 the Respondent in satisfying its due diligence efforts.

3.1 PROPOSAL ORGANIZATION

The Respondent understands that AES Indiana and S&L will rely on the representations contained in the Respondent's proposal in its evaluation and consideration of proposals submitted pursuant to this RFP. Further, the Respondent 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 the Respondent's knowledge and belief.

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

- Proposal Completion Checklist — check all that apply (See file *Proposal Readiness Checklist.xlsx*)
- Appendix A:
 - Appendix A-1: Project Plan
 - Appendix A-2: Procurement Plan
 - Appendix A-3: Construction Plan
 - Appendix A-4: Testing, Commissioning, & O&M Handover Plan
 - Appendix A-5: Health & Safety Plan
 - Appendix A-6: QA/QC Plan
 - Appendix A-7: Permitting Plan
 - Appendix A-8 - Battery Degradation Curves
- Appendix B - Non-Disclosure Agreement (NDA) – Signed (See Exhibit B - Non-Disclosure

Agreement (NDA))

- Appendix C - EPC Agreement – Redlined (See Exhibit C - EPC Agreement)
- Appendix D - AES Indiana Due Diligence Questionnaire (See Exhibit D - AES Indiana Due Diligence Questionnaire)
- Appendix E: (See Exhibit E - Data Forms)
 - Appendix E-1: Exhibit E - Schedule B: Qualitative Assessment
 - Appendix E-2: Exhibit E - Schedule C: Project Pricing Proposal
 - Appendix E-3: Exhibit E - Schedule D: Project & Milestone Payment Schedule
 - Appendix E-4: Exhibit E - Schedule E: Performance Guarantees
 - Appendix E-5: Exhibit E - Schedule F: Suppliers for Major Equipment
 - Appendix E-6: Exhibit E - Schedule G: Relevant BESS EPC Experience
 - Appendix E-7: Exhibit E - Schedule H: Project Team Members
 - Appendix E-8: Exhibit E - Schedule I: Exceptions to EPC
- Appendix F - Project Level 1 Schedule
- Appendix G – EPC and Main Subcontractor OSHA Records (Previous 3 Years)
- Appendix H - Audited Financial Statements (Previous 3 Years)
- Appendix I - Performance Security
- Appendix J - Certificate of Insurance

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 PROPOSAL READINESS CHECKLIST

Respondents shall complete the Proposal Readiness Checklist (See file *Proposal Readiness Checklist.xlsx*) and submit the completed form with the proposal.

3.2.2 PROJECT PLAN

Respondents shall provide a Project description providing an overview of the Respondent's scope of work with all critical scope requirements, as per the technical requirements specified in the RFP. The proposal shall consist of a procurement, construction, testing and commissioning, O&M handover, health and safety, and a QA/QC plan. Respondents shall provide references to any supporting documents or attachments, as

applicable. In addition, respondent shall provide battery degradation curves for the proposed BESS for the Project.

3.2.3 NON-DISCLOSURE AGREEMENT

Respondents shall review, sign, and include the Non-Disclosure Agreement, located in Exhibit B - Non-Disclosure Agreement (NDA) in their proposal.

3.2.4 QUALITATIVE ASSESSMENT

Respondents shall complete the qualitative assessment form in Exhibit E - Data Forms, Schedule B, for the Project being proposed.

3.2.5 PRICING PROPOSAL

Respondents shall complete the form in Exhibit E - Data Forms, Schedule C, Project Pricing Proposal. Respondents shall provide pricing for all line items and provide clarifications/comments of pricing, as applicable. The total firm, lump sum price must be inclusive of all costs associated with providing a turnkey Project and valid for the duration indicated in Section 2.3.2. Further, Respondents are to provide a non-binding, indicative LTSA price for maintaining the Project's nameplate capacity for the lifespan. Factors to be taken into account are including, but not limited to, availability guarantee (% of time), preventative and corrective maintenance, and whether the materials and components, required for maintenance, are to be provided by the OEM.

3.2.6 PROJECT AND PAYMENT MILESTONE SCHEDULE

Respondents shall provide key Project schedule dates and a corresponding payment schedule using the forms in Exhibit E - Data Forms, Schedule D.

3.2.7 PERFORMANCE GUARANTEES

Respondents shall specify performance for the Project using the form in Exhibit E - Data Forms, Schedule E.

3.2.8 SUPPLIERS FOR MAJOR BESS AND SUBSTATION EQUIPMENT

Respondents shall provide the anticipated suppliers, models, and countries of manufacture for major Project equipment using the forms in Exhibit E - Data Forms, Schedule F and according to the preferred supplier lists in Exhibit A - Substation Scope of Work. Further, Respondents shall include relevant

assumptions with respect to procurement, such as (i) applicable import tariff with respect to country of origin, (ii) any applicable import restrictions and (iii) any lead times that would fall into the critical path of the Project schedule.

3.2.9 BESS EPC EXPERIENCE

Respondents shall complete Exhibit E - Data Forms, Schedule G to provide information related to previously executed turn-key BESS projects.

3.2.10 PROJECT TEAM EXPERIENCE

Respondents shall provide names, qualifications, and experience of the management team and key individuals for permitting, design, procurement, on-site management, QA/QC, and safety of the Project in Exhibit E - Data Forms, Schedule H.

3.2.11 EXCEPTIONS/CLARIFICATIONS TO EPC AGREEMENT

Respondents shall provide any exceptions and/or clarifications to the EPC Agreement in Exhibit E - Data Forms, Schedule I. Additionally, Respondents shall review the EPC Agreement, located in Exhibit C - EPC Agreement, and provide a redline mark-up in Microsoft Word detailing any exceptions, insertions, deletions, or other proposed changes, as applicable. Alternatively, Respondents may provide a statement indicating they accept the agreement's conditions "as is."

3.2.12 PROJECT SCHEDULE

Respondents shall provide a Level 1 Project schedule, including duration and dates for (a) engineering design; (b) permitting; (c) procurement lead times and delivery for major equipment; (d) substation and BESS construction durations, (e) testing, commissioning, and startup duration, and (f) construction milestones, including backfeed power date, mechanical completion, commissioning and testing, commercial operation date, and substantial completion. Respondents shall provide the latest possible date for backfeed power to coordinate with AES.

3.2.13 SAFETY RECORDS

Respondents shall provide OSHA safety records and statistics for the last three years Respondents shall also provide OSHA safety records for the last three years of main subcontractors, if applicable.

3.2.14 AUDITED FINANCIAL STATEMENTS

Respondents shall provide audited financial statements for the last three years.

3.2.15 PERFORMANCE SECURITY

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 the Respondent's ability to deliver the completion of a new Project and contracted Capacity by the scheduled delivery date.

Respondent shall provide performance security upon execution of the EPC 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.

3.2.16 CERTIFICATE OF INSURANCE

Respondent shall provide a Certificate of Insurance detailing the insurance provisions to be included for the Project.

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 I:** Initial screening of proposals based on a Qualitative and Quantitative Evaluation
- **Phase II:** Selection of proposals for contract negotiations based on detailed Qualitative Evaluation of the screened proposals

Both evaluations will use the information supplied by the Respondent in the Proposal and other required submissions. The Respondent must provide all required information listed in the Proposal Readiness Checklist by the proposal submittal date, as noted in Table 2-1, to be included in the evaluations. The proposal evaluation process is described in the following sections.

4.1 PHASE I: INITIAL SCREENING OF PROPOSALS

The initial screening of proposals in Phase I will be performed by S&L, on behalf of AES Indiana, according to an initial qualitative and pricing evaluation. The evaluation will consist of the following steps:

- Verify that the Respondent has provided all information listed in Proposal Readiness Checklist
- Confirm each proposal complies with the following RFP Submission Requirements:
 - The proposal consists of a BESS Project with all critical scope requirements as per the technical requirements specified in the RFP
 - The proposal has been received by the Proposal Submittal Date, as specified in Table 2-1
 - The proposal has been submitted in the proper format, as specified in the RFP
 - The proposal has been submitted in the complete name of the party expecting to execute any resulting agreement
- Each proposal that passes the Proposal Readiness Checklist and RFP Submission Requirements will then be qualitatively and quantitatively assessed based on the strength of the proposal. The assessment will comprise of a series of questions and data forms that the respondents will be required to answer and complete in their entirety, included in but not limited to, Schedules B, C, D, E, F, G, H and I in Exhibit E - Data Forms of the RFP. The questions and their subsequent weighted points are based on the categories listed in Table 4-1.
- Proposals will also be reviewed to ensure they are compliant with all project and technical requirements outlined in the RFP documents- and EPC Agreement.
- Following the Phase I scoring evaluation, proposals will be sorted from highest to lowest score to facilitate the screening process prior to the Phase II in-depth evaluation.
- At the conclusion of the Phase I evaluation, Respondents will be notified as to whether their proposals were successful for further evaluation in Phase II.

The Phase I scoring will be weighted as follows:

Table 4-1 — Phase I Scoring

	Category	Points Available
Levelized Cost of Storage Evaluation	LCOS	200
Total EPC Cost	Cost	200
Initial Qualitative Evaluation	Performance Indicators	100
	Respondent's EPC BESS Experience	100
	Project Schedule	150
	Payment Milestone Schedule	150
	Safety	100
Total		1000

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 (AESI-PetersburgBES@sargentlundy.com) and sent to the Respondent's Designated Contact (as defined in Schedule H, Exhibit E - Data Forms). 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 I evaluation process, the Respondents' identities will remain confidential and will not be disclosed to AES Indiana.

Upon conclusion of the Phase I evaluation, Respondents will be notified as to whether their proposals were successful for further evaluation in Phase II.

4.2 PHASE II: SELECTION OF PROPOSALS FOR CONTRACT NEGOTIATIONS

The Phase II evaluation will refine the Phase I evaluation to perform a more detailed qualitative, technical, and cost review of each proposal that has advanced to Phase II, for the purpose of determining which proposals will be selected as a finalist proposal. During the Phase II evaluation process, the Respondents' identities will remain confidential and will not be disclosed to AES Indiana.

Throughout the Phase II evaluation, S&L may request additional information and/or clarifications from the short-listed Respondents. These requests, and any communications with Respondents during the evaluation process, shall not be construed as contract negotiations. Requests made by S&L for additional information and/or clarifications will be in writing via email (AESI-PetersburgBES@sargentlundy.com) and sent to the Respondent's Designated Contact (as defined in Schedule H, Exhibit E - Data Forms). Respondents shall have three business days from the transmission of each request to respond. Screened

Proposals with outstanding requests beyond the response period may be removed from consideration and the final evaluation.

The Phase II detailed qualitative evaluation will consider the criteria shown in Table 4-2, in no particular order:

Table 4-2 – Phase II Scoring

Item	Category/Criteria
A	Technical Compliance and Viability
B	Project Schedule Risk
C	Permitting Risk
D	Performance Guarantees
E	Respondent’s EPC BESS Experience
F	Exceptions to EPC Agreements

The categories of the criteria for evaluation are defined as follows:

- **Technical Compliance and Viability:** The evaluation team will review each proposal for conformance to the technical requirements in the RFP and the technical viability of the proposed BESS Project.
- **Project Schedule Risk:** The evaluation team will assess the completeness and feasibility of the proposed project implementation to the likelihood of meeting the milestone dates and expected performance.
- **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 of the proposed Project.
- **Performance Guarantees:** The evaluation team will review the Performance Guarantees form in Exhibit E - Data Forms, Schedule E, and any other relevant performance information and indicators.
- **Respondent’s EPC BESS Experience:** The evaluation team will assess the Respondent’s relevant experience, including any proposed sub-respondents, and their success in executing turnkey BESS projects of a similar design and size to the proposed Project.
- **Exceptions to EPC Agreements:** The evaluation team will review the proposed exceptions and alternative contract language of the EPC Agreement in Exhibit E - Data Forms, Schedule I to assess both the number and extent of exceptions, the benefits and risks such exceptions impose on AES Indiana and the likelihood that 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 ranking of any proposal. Failure to note an exception by the Respondent will be considered by the evaluator as a general acceptance of that term. Should that prove not to be the case, the Respondent’s proposal may be removed from consideration during the negotiation phase.

Following completion of the Phase II evaluation, the evaluation team will recommend proposals to proceed with contract negotiations to AES Indiana. 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 any additional due diligence on the proposals which may include, but not be limited to, management interviews, commercial, legal and regulatory due diligence, and detailed schedule reviews.

4.2.1 PERFORMANCE RISK EVALUATION

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.

As part of a final binding contract, and depending on the structure of the EPC Agreement, 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. The Contractor will be required to place the corresponding Credit Support no later than ten (10) business days after agreement execution.

4.3 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 as necessary, and the right to submit additional information requests to Respondents during the proposal evaluation process.

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 Respondents 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. The 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 submitting a proposal, the Respondent, for itself as well as for its successors and assignees (if any), agrees that, as between the Respondent and AES Indiana, the 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.

EXHIBIT A - SUBSTATION SCOPE OF WORK

(See the following files:)

- AES-Petersburg-30% Submittal_2.9.23.pdf*
- Exhibit A_Scope of Work_R2_Feb 6 2023.pdf*
- AES Reference 1- Geotechnical Study.pdf*
- AES Reference 2- Unit 1 MISO Interconnection.pdf**
- AES Reference 3- Unit 2 MISO Interconnection.pdf**
- AES Reference 4- Fire Safety.pdf*
- AES Reference 6- Substation Preferred Equipment.pdf*
- Exhibit A_Technical Specification_Scope of Work_Attachment 2_Equipment Specifications.pdf*
- Exhibit A_Technical Specification_Scope of Work_Attachment 5_Project Testing and Commissioning.pdf*
- Exhibit A_Technical Specification_Scope of Work_Attachment 9_Project Management Requirements.pdf*
- Exhibit A_Technical Specification_Scope of Work_Attachment 10_Submittal Requirements.pdf*

*MISO Interconnection Agreements to be provided upon the execution of a mutually signed NDA.

EXHIBIT B - NON-DISCLOSURE AGREEMENT (NDA)

(See file IPL, AES Indiana One Way Non-Disclosure Agreement v.050914.docx)

EXHIBIT C - EPC AGREEMENT

(See file *BATTERY STORAGE PROCUREMENT AGREEMENT (SOLAR WITH BATTERY FORM Rev021023.docx)*)

EXHIBIT D - AES INDIANA DUE DILIGENCE QUESTIONNAIRE

(See file DDQ Ready Form_AES.pdf)

EXHIBIT E - DATA FORMS

(See *Exhibit E – Data Form.xlsm* with the following worksheets:)

- Schedule B: Qualitative Assessment*
- Schedule C: Pricing Proposal*
- Schedule D: Project and Milestone Payment Schedule*
- Schedule E: Performance Guarantees*
- Schedule F: Major Equipment and Supplier Schedule*
- Schedule G: EPC BESS Experience*
- Schedule H: Project Team*
- Schedule I: Exceptions to EPC Agreement*

EXHIBIT F - BESS SCOPE OF WORK

(See the following files:)

- AES-Petersburg-30% Submittal_2.9.23.pdf*
- Exhibit F_Scope of Work_Reference_R0Feb6_2023.pdf*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 2_BEES Criteria.pdf*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 2A_BEES Capacity Maintenance Schedule.xlsx*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 3_SCADA.pdf*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 5_Project Testing and Commissioning.pdf*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 9_Project Management Requirements.pdf*
- Exhibit F_BEES Technical Specification_Scope of Work_Attachment 10_Submittal Requirements.pdf*