

**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN  
THE UNITED STATES GENERAL SERVICES ADMINISTRATION  
AND  
ENTERGY ARKANSAS, LLC**

This non-binding Memorandum of Understanding (“MOU”) is made and entered into by and between the United States of America, acting by and through the Administrator of General Services (“GSA”), and Entergy Arkansas, LLC (EAL) (collectively the “Parties”).

**Parties:** GSA is an agency in the executive branch of the United States Government that provides centralized procurement for the Federal Government, offering billions of dollars worth of products, services, and facilities that federal agencies need to serve the public. EAL is a public utility that has served Arkansas customers for more than 100 years, and currently serves approximately 728,000 customers in 63 counties.

**Effective Date:** This MOU will become effective upon execution by both Parties. The date of execution by the last Party to sign will be deemed to be the effective date of this MOU.

**Authority:** Pursuant to 40 U.S.C. 501(c), GSA is authorized to represent certain executive agencies in negotiations with public utilities.

**Purpose:** To collaboratively and expeditiously work towards developing a non-binding carbon pollution-free electricity (CFE) plan (the “Plan”) that, when fully implemented by 2030, would result in all Federal Government electricity customers of EAL using electricity that is 100 percent attributable to renewable and CFE resources that are either owned or contracted for by EAL, at least 50 percent of which would meet the Federal Government’s requirements for 24/7 CFE in the State of Arkansas. Further, mutually collaborating to pursue the sustainability goals further described herein provides for the most efficient and economic path for achieving such goals for the good of the public and the State of Arkansas.

**Background:** Per Executive Order 14057 and its associated implementing instructions, the Federal Government established a goal to achieve 100% CFE on a net annual basis by 2030, including 50 percent 24/7 CFE. EAL has its own goal to reduce its carbon emissions by 50% relative to 2000 emission levels by 2030 and to achieve net-zero carbon emissions by the year 2050.

**Roles and Responsibilities:** The Federal Government and EAL strive to meet their respective sustainability goals while maintaining or improving affordability, reliability, and resilience of the electric power system. Achieving these sustainability goals benefits the environment and enables the continued expansion of economic renewable and CFE generation, which creates and provides jobs while increasing the tax base for local and state economies.

The Plan in General: In developing the Plan, the Federal Government, as represented by GSA, and EAL recognize the critical importance of EAL's existing nuclear generation and will work together to ensure that this source of CFE will be applied to reaching the annual and hourly matching CFE targets of Executive Order 14057. The parties further recognize that the Plan should provide benefits to the Federal Government and to EAL's other customers, which EAL has an obligation to serve consistent with the regulation and oversight of the Arkansas Public Service Commission.

The parties anticipate that under programs developed subject to the Plan, (1) EAL will match existing CFE to the Federal Government's load to ensure that the total share of CFE for all other EAL customers, namely non-participating customers, is not reduced on a load ratio basis by such programs; and (2) all costs of such programs, including the net cost of CFE generation and delivery, and the incremental cost of program administration shall be borne by the program participants, with no material cost shifts without corresponding benefits to non-participating customers.

Four Major Emphasis Areas of the Plan: The Parties envision that the Plan would comprise four major emphasis areas:

1. Developing a roadmap for the Federal Government's electricity needs in the State of Arkansas served by EAL to meet the targets set out in the CFE requirements of Executive Order 14057.
2. Designing and filing a CFE tariff by the end of calendar year 2022 that would provide the appropriate pricing and other terms needed to achieve the Federal Government's sustainability goals in the State of Arkansas.
3. The construction and/or acquisition of the renewable and CFE resources needed to generate additional electricity and associated Renewable Energy Credits (RECs), which, in conjunction with Emission Free Energy Credits (EFECs) associated with EAL's existing nuclear and hydroelectric resources would result in Federal Government operations in the State of Arkansas using electricity that is 100 percent attributable to CFE resources.
4. The certification and reporting of the RECs and EFECs and Scope 2 emissions accounting to satisfy the requirements of the Federal Government in the State of Arkansas, including hourly time matching of load and generation, as well as the certification of output of legacy CFE assets which are properly attributable to Federal Government customers in the State of Arkansas.

**Additional Plan Elements:** In addition to the four major emphasis areas, the Plan may include one or more of the following:

1. The Federal Government subscribing to an EAL CFE time matching tariff.
2. The parties assessing the prospect of EAL constructing, owning, and operating a solar generation and/or energy storage system at Federal Government facilities in EAL's service territory.
3. EAL developing additional tariffs for renewable energy, dispatchable CFE generation and battery storage, and flexible demand response to achieve full 24/7 CFE.

**Schedule:** The Federal Government, as represented by GSA, and EAL will endeavor to complete the work necessary to develop the Plan, including a proposed implementation schedule, by the end of the 2022 calendar year.

**Communications:** EAL and the Federal Government, as represented by GSA, also believe it is appropriate to communicate periodically with respective appropriate customers, investors, regulators, and other stakeholders regarding the work underway on the Plan in order to consider feedback from such stakeholders.

IN WITNESS WHEREOF, the Parties have executed this MOU on the dates hereinafter identified.

UNITED STATES OF AMERICA, acting by and through the Administrator of General Services

By:   
Robin Carnahan  
Administrator  
U.S. General Services Administration

Date: 10/21/2022

**ENTERGY ARKANSAS, LLC**

By:   
Laura Landreaux  
President and Chief Executive Officer  
Entergy Arkansas, LLC

Date: 11/10/22