

ADDENDUM 3

TO

RFQ 473-24-000010

TO ENGAGE OUTSIDE LEGAL COUNSEL FOR REVIEW, NEGOTIATION, AND FINALIZATION OF GRANT AND LOAN AGREEMENTS AND OTHER SUPPORTING DOCUMENTS USED IN THE TEXAS ENERGY FUND APPLICATION AND DUE DILIGENCE PROCESS

Written questions posed during the question period and PUCT answers in red

- **For conflicts purposes, please provide the identity of the 72 applicants for the Texas Energy Fund loan program, including corporate parents, affiliates, and financial partners. An NDA can be executed as necessary.**

The PUCT declines to provide a list of the Applicants due to the confidentiality of the information. However, entities interested in applying for a loan from the Texas Energy Fund were required to complete a Notice of Intent (NOI) notifying the PUCT of the entity's intent to apply for a loan to finance new construction of or upgrades to dispatchable electric generating facilities within the ERCOT power region. The NOIs may be viewed on the PUCT's Interchange Filing System under Docket Number 56455 and will include the potential applicant population.

- **Please state whether funding for this RFP will come from "local funds" or "funds appropriated by the General Appropriations Act" (as such terms are used in the form Outside Counsel Contract attached to the RFP), or from a different source.**

This contract will be funded through the Texas Energy Fund as described in Texas Utilities Code §§ 34.0101 and 34.0102.

- **Could you please provide the duration period of the agreement?**

The RFQ states that the term of the contract will be such time that is necessary to complete all items in the Statement of Work, but in no event longer than six (6) years from the date a contract resulting from the solicitation is fully executed. However, the PUCT expects the majority of the work associated with this solicitation to be completed within the first two years of the executed contract. A more finite term may be negotiated with the selected Proposer (Contractor). Further, after the contract is executed, options to extend the contract term may be addressed through a contract amendment approved by the PUCT and the Texas Office of Attorney General.

- **Will you allow yearly rate progression/rate increase during the term of agreement? If yes, do you have any specific instructions for the rate increase submission?**

Any anticipated or desired yearly rate progression/rate increases should be included as part of a proposer's submitted proposal, along with detailed information that establishes the basis for the price and increases proposed.

Once a contract is executed, if changes in the scope of Services to be performed will require a selected Proposer (Contractor) to increase its fees, the selected Proposer (Contractor) must request the PUCT's written authorization to increase its fees and substantiate in writing the changes in the scope of Services and why they will require additional effort and corresponding cost. The requested increase in fees must be approved by the PUCT and the Texas Office of Attorney General through a written amendment to the contract before the selected Proposer (Contractor) may perform any Services or invoice the increased fees.

- **On Page 5, Item No. 14 in the "Duties and Responsibilities" section (3.C), the RFQ asks for proposers to provide advice on compliance with "lending, finance, corporate, tax, and other applicable law." Can you be more specific about those areas you name?**

As stated in the RFQ, the PUCT has engaged Deloitte & Touche LLP to develop loan and grant agreements for applicants seeking to receive a loan or grant from the Texas Energy Fund. The selected Proposer (Contractor) will primarily be tasked with reviewing and preparing documents to be utilized in the application and due diligence process and providing legal advice regarding lending agreements, risk management, and loan and grant securitization. A Proposer should be able to provide legal advice in the areas of lending, finance, and corporate tax law, as they may relate to those lending and grant processes.