

Illinois Power Agency

Stakeholder Workshop #1 on the Summer 2026 Energy Storage RFP

Tuesday, March 17, 2026

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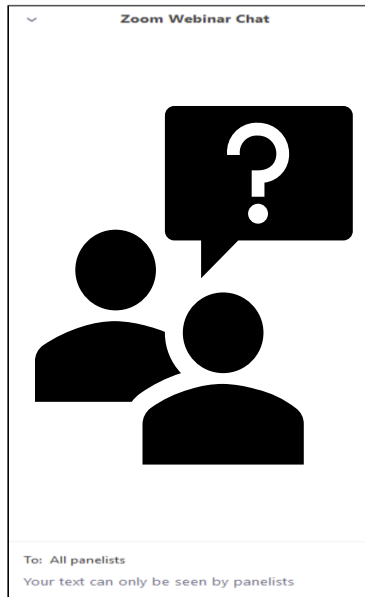
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During Presentation

- To submit questions to the panelists, please click on the “Chat” icon on the bottom of your screen; the chat panel will appear on the right; type in your question and click “Enter”



Topics and discussion items identified by the IPA and Procurement Administrator are flagged with this symbol throughout the presentation

Today's presentation will be posted to: www.ipa-energyrfp.com

Disclaimer

- The purpose of this workshop is to discuss and solicit feedback on procurement elements for consideration of the initial energy storage procurement pursuant to the new Section 1-75(d-20) of the Illinois Power Agency Act which takes effect on June 1, 2026.
- This workshop is recorded. The recording for the presentation portion will be posted after the workshop, but the discussion portion will not be posted.
- This presentation is intended for informational and discussion purposes only and do not represent the final elements of the Energy Storage RFP.
- The formal procurement process will begin on June 1, 2026. Final decisions on the procurement design, rules, and contract will be expressed in documents posted to the official procurement website.

Please see the procurement website for the latest information

<https://www.ipa-energyrfp.com/energy-storage/>

Agenda

- Legislative Background
- Comment Process Timeline
- Overview of Initial Procurement
 - ◆ Timing and Target
 - ◆ Project eligibility
 - ◆ ISC Contract Overview
 - ◆ Procurement process timeline
 - ◆ Proposal requirements
 - ◆ Bid
- Discussion Items

Background and Comment Process

Legislative Background – ICC Staff Report

- Public Act 103-1066 effective on February 20, 2025 amends the Public Utilities Act by adding subsection (g) to Section 16-135 of the Public Utilities Act.

- Section 16-135(g) required the ICC to initiate a workshop process to develop a procurement process and model contract for an initial forward storage procurement of utility-scale standalone energy storage resources (“initial procurement”)
 - ◆ The Staff of the ICC held a series of seven workshops between January 31, 2025 to March 28, 2025
 - ◆ On May 1, 2025, the ICC submitted a report prepared in accordance with the requirements of Section 16-135(g) summarizing the information obtained through the workshop process and recommendations for the procurement process, contract structure, and commercial terms
 - ◆ Information is available on the ICC website here: [Energy Storage Procurement Workshops - 2025](#)

Legislative Background - CRGA

- [Public Act 104-0458](#) (the “Clean and Reliable Grid Affordability Act” or “CRGA”), signed into law on January 8, 2026, directs the IPA to conduct competitive procurements to support the development of new utility-scale energy storage projects
 - ◆ CRGA outlines specific provisions related to the initial procurement including adopting an indexed storage credit contract and process modeled after the process from the May 1, 2025 report submitted by ICC Staff
 - ◆ All procurements must follow the procurement processes and procedures described in Section 1-75(d-20) of the IPA Act and Section 16-111.5 of the Public Utilities Act and the proposed selection of successful bids for each procurement event will be submitted to the ICC for approval
 - ◆ All procurements must comply with certain geographic requirements in Section 1-75(c)(1)(I) of the IPA Act
 - ◆ In developing the procurement rules and process for the initial procurement, CRGA provides for the opportunity for stakeholder comment on the indexed storage credit contract
 - ◆ A series of additional energy storage procurements shall be conducted in 2027 and 2028, totaling 3 GW of cumulative energy storage capacity for projects committed to reaching COD by end of 2030 or later; subsequent procurements in 2028-2030 will be pursuant to the energy storage plan to be developed by the IPA and the integrated resource planning process

Summer 2026 RFP Development and Comment Process Timeline

Monday	Tuesday	Wednesday	Thursday	Friday
Mar 16	Stakeholder Workshop #1			Additional Feedback Deadline
	17	18	19	20
23	24	25	26	27
Week of Mar 30 – Apr 3				
Apr 6		Stakeholder Workshop #2		Additional Feedback Deadline
	7	8	9	10
13	14	15	16	17
20	21	Draft Posting (1)	23	24
27	Stakeholder Workshop #3	29	30	May 1
Week of May 4 – May 8				
11	12	Comments Due (1)	14	15
Week of May 18 – May 29				
Draft Posting (2)				
Jun 1	2	3	4	5
Week of Jun 8 – Jun 12				
Comments Due (2)				Juneteenth
15	16	17	18	19
Week of Jun 22 – Jun 26				
Final Contract and RFP Documents Posted				Independence Day
29	30	July 1	2	3

Overview of Initial Procurement

Timing and Targets

- The IPA must conduct initial procurement events for energy storage for each AIC and ComEd on or before August 26, 2026. These procurement events will be conducted simultaneously through the Summer 2026 Energy Storage RFP.

- The targets for the Summer 2026 Energy Storage RFP are:
 - ◆ For the AIC procurement event, 450 MWs interconnected within MISO Local Resource Zone 4

 - ◆ For the ComEd procurement event, 588 MWs interconnected within the PJM ComEd Locational Deliverability Area

Project Requirements

- An **eligible energy storage project** must:
 - ◆ Meet the definition of “stand-alone”. Stand-alone means systems that are (i) separately metered by a revenue-quality meter that satisfies the requirements of the RTO; (ii) operate independently without constraints or hindrances from other generation units; and (iii) demonstrate the ability to charge and discharge independent of any generation unit output
 - ◆ Have a power capacity greater than 20 MW
 - ◆ Have a 4-hour Duration
 - ◆ Achieve commercial operation on or after June 1, 2026 AND no later than December 31, 2029 (*this date could be extended in certain circumstances to December 31, 2030 with IPA approval*)
 - ◆ Either (a) be in PJM or MISO interconnection queue and can provide a queue ID, or (b) demonstrate they are in late stage of development under an alternative interconnection process with PJM or MISO
 - ◆ Not be an energy storage system whose costs were being recovered through rates regulated by the State or any other state or states on or after January 1, 2017

** If your current project does not meet the eligibility for this initial procurement, it may still be possible to qualify in the subsequent procurements.*

Indexed Storage Credit Contract Overview

- **Indexed Storage Credit (ISC) Agreement** will be the contract structure for the initial procurement
 - ◆ Serves as a revenue hedge, providing stability and predictability in cash flows and mitigating risks associated with market fluctuations
 - ◆ ISC structure is closely aligned with the Indexed REC Agreement structure and is compatible with the legal and regulatory structures of Illinois
 - ◆ Commercial terms closely align with those of the Indexed REC contract, which has proven to be financially viable over multiple procurement events
- Seller (owner-operator) is responsible for all operational functions, ensuring alignment with market signals and resource adequacy goals
- **Contract term** will be 20 years
- **Interconnection Agreement** (“IA”) is a prerequisite for payment

Indexed Storage Credit (ISC)

- Product: ISCs generated from projects that are 20 MW or higher; RTE of at least 85%; 4-hour duration
- ISC Generation (Quantity)
 - ♦ If ISC Daily Value is negative in a day, Seller is credited four (4) ISCs per MW of Contract Capacity unless excused by Planned Outages.
 - ♦ If ISC Daily Value is positive in a day, Seller is credited four (4) ISCs per MW of Contract Capacity, prorated based on the available MW of the Project.
 - ♦ Planned Outages approved by the RTO shall be informed.
- ISC Index Reference Price

ISC Reference Energy Arbitrage Price in \$/MWh for a given day d is equal to:

$$\frac{\sum_{n=1}^4 \max \left(T_n - \left(\frac{B_n}{0.85} \right), 0 \right)}{4}$$

T_n : Locational Marginal Price for n th top-priced hour in day d

B_n : Locational Marginal Price for n th bottom-priced hour in day d

ISC Reference Capacity Price
= ELCC \times RTO's auction clearing price \div 4

ELCC: the project-specific effective load carrying capability rating in percentage recognized by RTO for a Delivery Year

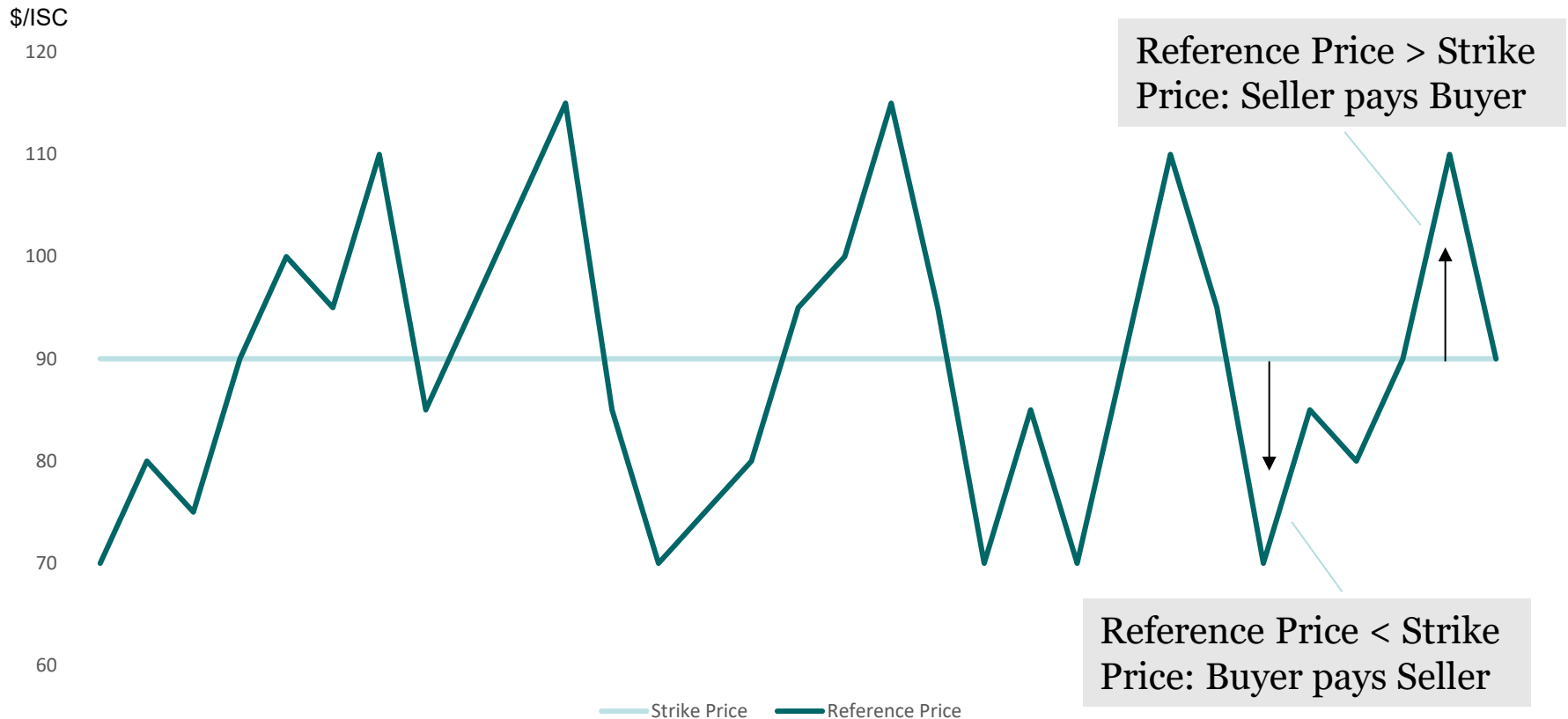
RTO's auction clearing price: as applicable to the ISC Delivery point

- MISO CP Node AMIL.BGS6; OR
- Pnode ID 116472935 (COMED_RESID_AGG)

Indexed Storage Credit Payment

- Invoicing and Payments are on monthly basis for ISCs generated.
- $ISC \text{ Monthly Payment} = \text{Summation across all days of the Vintage Month:}$

$$\sum ISC_d \times [Strike Price - ISC \text{ Index Reference Price}_d]$$



Contract Requirements

- Minimum Operational Requirements
 - ◆ Minimum Contract Capacity of 20 MW;
 - ◆ Ability to operate for a duration of four (4) hours of continuous discharge of the Contract Capacity per hour;
 - ◆ Minimum RTE of seventy percent (70%) provided that RTE shall be at least eighty-five (85%) for the first Delivery Year; and
 - ◆ Minimum Availability of 4,320 hours of the Contract Capacity per Delivery Year.

- Collateral Requirement
 - ◆ Prior to COD, \$100,000 times the Proposed Contract Capacity (MW)
 - ◆ On or after COD, \$100,000 times the Initial Contract Capacity (MW)

- Other Requirements
 - ◆ Prevailing Wage requirement
 - ◆ Project Labor Agreement requirement
 - ◆ Labor Peace Agreement requirement
 - ◆ Minimum Equity Standard compliance
 - ◆ Cybersecurity Requirements



2026 LTP Updates to ISC Contract

- On February 17, 2026, the ICC issued a Final Order approving IPA's 2026 Long-Term Renewable Resources Procurement Plan (ICC Docket No. 25-0945)

- Changes to the Indexed REC RFP contract stemming from the ICC's Final Order will also be implemented into the ISC Contract, including:
 - ◆ Process to petition the ICC for amending non-price-related contract provisions in the case of a Government Action during contract term
 - ◆ A third option to use a surety bond to post performance assurance. Cash or a letter of credit are also approved options.

Summer 2026 RFP Procurement Timeline

Monday	Tuesday	Wednesday	Thursday	Friday
Final Contract and RFP Documents Posted 29	Webcast 30	Part 1 Window Opens July 1	2	Independence Day 3
8	9	10	11	12
13	14	15	Part 1 Date 16	17
20	21	22	23	24
27	28	29	Part 1 Notification Date 30	Part 2 Window Opens 31
Aug 3	4	5	6	7
10	11	Part 2 Date 12	13	14
17	18	Bidder Training 19	20	21
24		Bid Date 26	27	Procurement Administrator and Procurement Monitor submit separate report to ICC 28
31	ICC Decision Sept 1	2	3	Contract Execution Completed 4

* Complete calendar for the Summer 2026 RFP process is posted on the procurement website.

Qualification Process in Two Steps

- **Part 1:** Respond to qualification standards
- **Part 2:** Make certifications; Provide bid assurance collateral

Part 1 Proposal

- Provide information using online Part 1 form
- Upload completed certifications
- Upload required supporting documents
- Pay Bid Participation Fee **to IPA**


Part 2 Proposal

- Provide information using online Part 2 form
- Upload completed certifications
- Bid assurance collateral **to either AIC or ComEd** (cash or letter of credit)

Part 1 Proposal Requirements Overview

1. Identify the parties involved in the Proposal

- ◆ Bidder is the entity submitting the Proposal
- ◆ Seller is the entity counter-signing the ISC contract

2.  Provide supporting documentation to demonstrate Bidder or Seller has experience in “developing to commercial readiness”. Developing to commercial readiness means having notice to proceed in owning or operating energy facilities with a combined nameplate capacity of at least 100 megawatts.

3. Provide project information:

- ◆ power capacity (MW)
- ◆ anticipated commercial operation date
- ◆ confirm interconnecting within either PJM ComEd LDA or MISO LRZ 4
- ◆ address and map for the Project site

4.  Provide supporting documentation that the Project is either (a) in PJM or MISO interconnection queue and can provide a queue ID, or (b) in late stage of development under an alternative interconnection process with PJM or MISO

Part 1 Proposal Requirements (Cont.)

5. Certifications:
 - ◆ Related to meeting requirements in the Act (e.g., meet the definition of “stand-alone”, expect to achieve COD by December 31, 2029, etc.)
 - ◆ Related to performance under the ISC contract (e.g., understand and accept the terms, acknowledge collateral requirement, separately metered etc.)
 - ◆ Related to labor and equity commitments (PLA, PWA, LPA, MES)
 - ◆ Bidder or Seller is not an electric utility, as defined in Section 16-102 of the Public Utilities Act, serving more than 10,000 customers in the State
6. Pay a fee of \$10,000 per project
7. Confirm whether 50% of project site is located within an Energy Transition Community Grant Area (*ETCG areas will be posted to the procurement website*)
 - ◆ Provide supporting documentation such as a map
8. If construction has started, provide evidence PLA has been filed with the IPA
9. If project has achieved commercial operation, provide evidence LPA has been filed with the IPA

Part 2 Proposal Requirements Overview

1. Provide bid assurance collateral in the form of cash or a Pre-Bid Letter of Credit to either AIC or ComEd depending on procurement event in which the Project is qualified
 - ➡ ♦ The required amount will be \$50,000/MW
2. Certifications
 - ♦ Related to bidding independently from any other Bidder and maintaining confidentiality of Proposal
 - ♦ Bids are binding until fourteen (14) days after Commission decision
 - ♦ Acknowledge required payment of supplier fees if the bids are selected and approved
 - ♦ Acknowledge contract execution timelines
3. If construction has started, provide evidence PLA has been approved by the IPA
4. If project has achieved commercial operation, provide evidence LPA has been approved by the IPA

Bid and Bid Evaluation

1. The Procurement Administrator will provide each Bidder with a Bid Form for submission of a bid for each qualified project
2. Bids are evaluated on a price only basis
 - ◆ Tie break will consider whether a project is located 50% within an ETCGA
3. Only bids that meet or beat a confidential benchmark will be considered
 - ◆ Under CRGA, the IPA “shall procure cost-effective energy storage credits or other contract instruments intended to facilitate the successful development of energy storage projects. The procurement administrator shall establish confidential price benchmarks based on publicly available data on regional technology costs. Confidential price benchmarks shall be developed by the procurement administrator, in consultation with Commission staff, Agency staff, and the procurement monitor, and shall be subject to Commission review and approval. Price benchmarks shall reflect development costs, financing costs, and related costs resulting from requirements imposed through other provisions of State law. As used in this paragraph (5), "cost-effective" means a bidder's bid price that does not exceed confidential price benchmarks.”

Discussion Items

Discussion Items

Commenters should feel free to provide feedback on any slide and should not feel limited by discussion items identified.

If you would like to make a comment or ask a question, please raise your hand and wait. We will identify you by your first name and last initial and unmute you to speak (or you can also submit your question via the chat function).

You do not need to identify your affiliation or company.

Summary of Discussion Items

❖ The IPA and Procurement Administrator have identified the following topics and discussion items:

➡ Commercial Readiness

➡ Cybersecurity

➡ Interconnection milestones

➡ Double Payment

➡ Bid Assurance Collateral

Item 1: Commercial Readiness

- CRGA requires that the Bidder must demonstrate commercial readiness by having notice to proceed in owning or operating energy facilities with a combined nameplate capacity of at least 100 MW
 - ◆ This is not limited to owning and operating energy storage systems



Discussion Items:

- Should there be a recency requirement? If so, what would be a reasonable timeframe?
- Should there be a geography requirement? If so, what would be reasonable (i.e. US, PJM/MISO)?
- What is the most appropriate supporting documentation to require (tax record, permit, interconnection agreement)? Other sufficient documentation not considered here?
- Anything else to consider?

Item 2: Interconnection Milestone

- Project is either (a) in PJM or MISO interconnection queue and can provide a queue ID, or (b) demonstrate they are in late stage of development under an alternative interconnection process, such as Capacity Interconnection Rights (CIR) process or the Generation Facility Replacement Process with PJM or MISO or leverage underused existing interconnection capacity rights through Surplus Interconnection Service.



Discussion Items:

- If the project has been approved for an alternative interconnection process with PJM or MISO, what is the most appropriate supporting documentation to require?

Item 3: Bid Assurance Collateral

- Bidders will be required to post Bid Assurance Collateral as part of their Part 2 Proposal
- Bid assurance collateral will be proportional to a project's size
- It is proposed that the Bid Assurance Collateral be \$50,000/MW, which is 50% of the performance assurance
- Non-winning bidders will be returned the Bid Assurance Collateral upon ICC decision of the procurement results and Winning bidders will be returned the Bid Assurance Collateral upon the contract execution (and payment of supplier fees and posting of performance assurance)



Discussion Items:

- Please provide feedback on the proposed amount of bid assurance collateral.
- Would the proposed amount be prohibitive to completing a Part 2 Proposal? If so, what would be an appropriate alternative amount?
- Anything else to consider?

Item 4: Cybersecurity

- Projects should comply with *Cybersecurity Baselines for Electric Distribution Systems and Distributed Energy Resources* by NARUC and DOE (Exhibit G of the ISC Contract)



Discussion Items:

- Are projects required to meet Cybersecurity standards with PJM and MISO?
- Are there other cybersecurity standards that projects are required to comply with?
- What requirements should be included in the ISC Contract?
- Do developers anticipate that compliance with the *Cybersecurity Baselines for Electric Distribution Systems and Distributed Energy Resources* by NARUC and DOE (Exhibit G) will pose an issue related to the financeability of a project?

Item 5: Double Payment

- The Procurement Administrator is seeking feedback on ways to verify that a project is not receiving double payments by offering storage product to both AIC/ComEd and another entity



Discussion Items:

- Should contract prohibit other payments from third parties associated with the storage facility?
- What type of disclosures or documentation would be an effective mitigator without being unnecessarily burdensome?
- What penalty for failing to disclose such obligations would be reasonable?
- Anything else to consider?

Item 6: Other Discussion Items

- If you would like to make a comment or ask a question, please raise your hand and wait. We will unmute you to speak (or you can also submit your question via the chat function). You do not need to identify your affiliation or company.

OPTIONAL: Submission of Written Feedback

- The IPA and Procurement Administrator will accept written comments and feedback on the items discussed in today's workshop.
- Written comments may be submitted by filling in the form here:
<https://forms.office.com/r/gZrnfzH7hY>
- Comments are due on **Friday, March 20.**



RSVP for Stakeholder Workshop #2!

- The IPA and Procurement Administrator will be hosting a second Stakeholder Workshop on **Wednesday, April 8 at 10 AM CPT**.
- If you haven't already, you may RSVP using the [same form](#) for Stakeholder Workshop #1 on the procurement website.
- The IPA will be discussing labor and equity compliance and reporting requirements. A full agenda will be provided prior to the workshop.

Contact: Illinois-RFP@nera.com