

Illinois Power Agency

(www.ipa-energyrfp.com)

Fall 2019 Procurement Events:

Low-Income Community Solar Pilot RFP

Webcast

Wednesday, July 31, 2019

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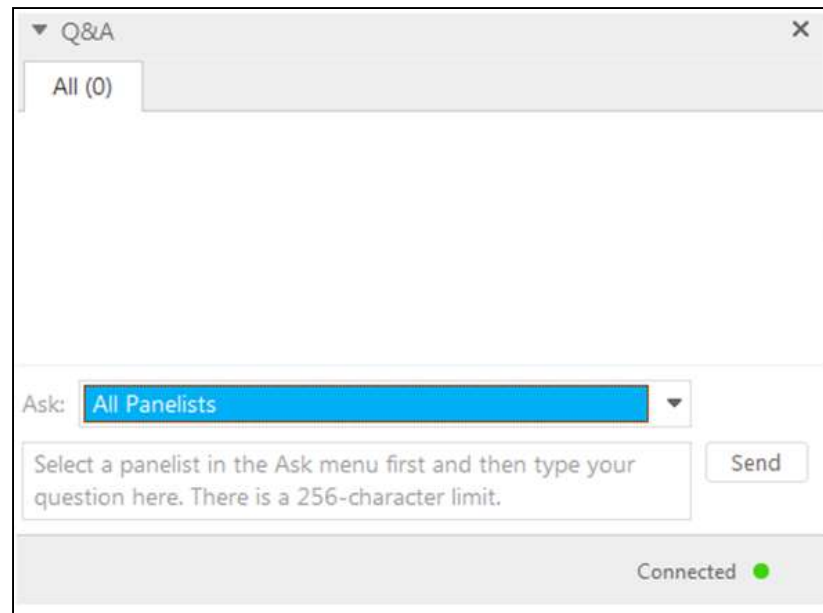
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Questions?

To submit questions to the presenters, please **locate the “Q&A” on the right hand side of your screen**, and select “All Panelists” in the “Ask” box; type in your question and click “Send” to submit your question



Presentation Materials and Q&As will be posted to

www.ipa-energyrfp.com

Agenda

- Overview of Competitive Bidding Process
- Preliminary Proposal Requirements
- Key Contract Terms



Competitive Bidding Process

Two Programs

Two Separate RFPs

Low-Income Community Solar Pilot RFP

- ❖ Community solar
- ❖ No size requirement
- ❖ Projects must result in economic benefits for the members of the community in which it is located and must include a partnership with at least one community-based organization
- ❖ Requirements based on the Illinois Solar for All Program
- ❖ Competitive Bidding Process

Non-Solar Community Renewables RFP

- ❖ Non-solar community project
- ❖ Generation type: wind, or biodiesel, crops and untreated and unadulterated organic waste biomass, or tree waste
- ❖ Must be less than or equal to 2MW (AC rating)
- ❖ Requirements based on the Adjustable Block Program
- ❖ Competitive Bidding Process

Procurement Website

Documentation and information for competitive procurements announced by the Procurement Administrator is available on www.IPA-energyRFP.com



The screenshot shows the homepage of the Illinois Power Agency (IPA) website. At the top left is the IPA logo, which consists of a sun icon and the letters 'IPA' in a bold, blue font, with 'ILLINOIS POWER AGENCY' written in smaller blue text below it. To the right of the logo is a search bar with a magnifying glass icon and the text 'Search ...'. Below the logo and search bar is a horizontal line. On the left side of the page is a vertical navigation menu with the following items: 'Home', 'Announcements', 'Fall Block Energy and Capacity' (in orange text), 'Brownfield', 'Low-Income Community Solar Pilot' (highlighted with a red rectangular box), 'Utility-Scale Wind', 'Community Renewable Generation Program', 'Calendar', 'FAQs', 'Useful Links', 'Contact Us', 'Previous RFPs', and 'Qualification Form'. Below the navigation menu is a horizontal line. On the right side of the page is a large banner image showing two men in safety gear (orange and white hard hats and high-visibility vests) looking at a laptop in a field of yellow flowers with wind turbines in the background. Below the banner image is the text 'Illinois Power Agency RFPs' in a large blue font, followed by 'For Electric Supply and Renewable Energy Products' in a smaller blue font. At the bottom left of the page, below the horizontal line, is the text 'Announcements'.

Calendar – Comment Processes

29-Jul	30-Jul	31-Jul	01-Aug	02-Aug
	Preliminary Proposal Requirements and Draft Contract Terms Posted	Webcast	Comments Solicited on Preliminary Proposal Requirements	
Weeks of 05-Aug, 12-Aug, 29-Aug				
26-Aug	27-Aug	28-Aug	29-Aug	30-Aug
			Comments Due on Preliminary Proposal Requirements	
Weeks of 02-Sep, 09-Sep				
16-Sep	17-Sep	18-Sep	19-Sep	20-Sep
	Draft Contract for Comments by Participants			
Weeks of 23-Sep, 30-Sep				
07-Oct	08-Oct	09-Oct	10-Oct	11-Oct
Comments on Draft Contract Due				
Week of 14-Oct				

Calendar – RFP Process

21-Oct	22-Oct	23-Oct	24-Oct	25-Oct
	Final REC Contract and Documents Posted		Webcast Part 1 Window Opens	
28-Oct	29-Oct	30-Oct	31-Oct	01-Nov
04-Nov	05-Nov	06-Nov	07-Nov	08-Nov
		Part 1 Date		
11-Nov	12-Nov	13-Nov	14-Nov	15-Nov
18-Nov	19-Nov	20-Nov	21-Nov	22-Nov
	Part 1 Notification	Part 2 Window Opens		
25-Nov	26-Nov	27-Nov	28-Nov	29-Nov
02-Dec	03-Dec	04-Dec	05-Dec	06-Dec
		Part 2 Date		
09-Dec	10-Dec	11-Dec	12-Dec	13-Dec
				Bids Due
16-Dec	17-Dec	18-Dec	19-Dec	20-Dec
			ICC decision	

Bid Participation Fee and Supplier Fee

- **Bid Participation Fee of \$500** is paid by **Bidders** to IPA by the **Part 1 Date**
- **Supplier Fee** is paid by **Winning Bidders only** to IPA within **7 business days of ICC decision**

Application Process is Online – Register for an Account

IPAA
ILLINOIS POWER AGENCY

Home
Announcements
Fall Block Energy and Capacity
Brownfield
Low-Income Community Solar Pilot
Utility-Scale Wind
Community Renewable Generation Program
Calendar
FAQs
Useful Links
Contact Us
Previous RFPs
Qualification Form

Qualification Forms

You must be logged in to access the online Forms.

If you have an account, please [log in here](#)

If you do not have an account, please [request login credentials here](#).

Register for an Account

Alternatively, email Illinois-RFP@nera.com with:

- Company name
- full name of contact
- phone and alternate number
- email address

One Account per Bidder

Proposal Processing

- Part 1 and Part 2 Proposals are submitted electronically via online forms accessed on the procurement website
 - Complete fields and upload supporting documentation
- Proposals are evaluated promptly when the Bidder clicks **SUBMIT** in the online form
- Procurement Administrator will provide notices to bidders noting any deficiencies
- Bidders generally are given until the deadline (Part 1 or Part 2 Date) or **one to two business days** to respond

Contact Information Required

- A “**Bidder**” is the entity that submits the Proposal; the “**Seller**” is the entity that will sign the REC Contract if the Project is selected and approved by the Commission

- Name **Representatives**
 - ◆ Name at least one and up to four individuals who can respond to questions regarding the Project and the Proposal

- Name an **Officer of the Seller**
 - ◆ An individual who has the power to undertake contracts and to bind the Seller

Bid Submission and Evaluation

- **Bid Submission**
 - Bidders enter their Bids in an Excel spreadsheet that will be provided by the Procurement Administrator
 - Bidders will transfer their spreadsheet through a secure interface
- **Bid Evaluation**
 - Considers only Bids that meet or beat the benchmark
 - Evaluation is on a price-only basis but several constraints will be considered
- **Benchmarks** developed using confidential methodology approved by ICC



Low-Income Community Solar Pilot Draft Proposal Requirements

Part 1 Proposal - Project Description and Site

- This slide and the following six slides pertain to the Part 1 Proposal

- **Basic Information:**
 - ◆ Name of Project
 - ◆ System Size (AC rating) in MW
 - ◆ Standard capacity factor is used to estimate production (participant can provide documentation that supports a higher capacity factor)

- **Project Location:**
 - ◆ Name of electric utility, municipal utility, public utility, or electric cooperative to which Project is/will be interconnected
 - ◆ Complete Address
 - ◆ Map of the Project Site that clearly shows property boundaries, any structures on the property, and the location of the solar array(s)

Required Documentation for Seller

- A Seller that is already an Approved Vendor under the Illinois Solar for All Program provides:
 - ◆ proof of Approved Vendor status; IRS W-9; Statement of good standing from Illinois Secretary of State; and TIN Form

- All other Sellers provide additional information including:
 - ◆ Details of formation; details of ownership structure; confirmation of PJM EIS GATS or M-RETS account; etc.

Additional Project Information

- Project already operating:
 - ◆ Date of first operation
 - ◆ PJM EIS GATS or M-RETS ID
 - ◆ Fully executed Interconnection Agreement
- Project not yet operating:
 - ◆ Fully executed Interconnection Agreement (if available)
 - ◆ If not available, provide the following:

1

Copy of
Interconnection
Application

2

Description of how
the project will be
financed

3

Letter(s) of intent
from lenders or
equity partners to
cover 30% of
project financing

4

Documentation for
site control for an
area in acres of at
least 3x the project
size in MW (AC
rating)

If Site Control Documentation Required

- Acceptable documentation includes:
 - ◆ a signed lease agreement; proof of land ownership; a memorandum of understanding with a land owner; or a letter of intent to lease the land
- The site control documents should:



1. refer to the parcel or portion of the Project Site described in the Project Site map
2. provide the acres controlled by the land owner
3. name the Seller or an affiliated company

The Procurement Administrator will also review documentation not in the form listed above

Representations

- The Seller makes a number of certifications
 - ◆ **Regulatory**/Legal Certifications
 - ◆ Regarding the **Project**: Project credits or will credit the value of electricity generated to the subscribers; is not located outside of Illinois; etc.
 - ◆ Regarding the **Seller**: Understands and accepts the terms of the REC Contract; no substitution of Projects; Seller has title to the RECs from the Project; etc.

Community Involvement

- Demonstrate **partnership with one or more community-based organization**. The Bidder provides for each community-based organization:
 - ◆ Name of the organization;
 - ◆ Address of the organization;
 - ◆ Programs and services offered by the organization; and
 - ◆ A letter from the organization, with contact information for at least one leader of the organization, describing the partnership with the Bidder with regards to the Project.

- The community-based organization must be located within the **“community”**
 - ◆ Within a 10-mile radius for an urban county and within a 30-mile radius for a rural county
 - ◆ Bidder may provide an alternate definition with supporting documentation

Community Involvement – Cont.

- **Subscriber Ownership.** The Bidder indicates whether the Project is at least 50% owned by subscribers
 - ◆ The percentage ownership is defined as the percentage of the Project capacity owned by a subscriber
 - ◆ Bidder provides the list of subscribers with supporting documentation regarding their ownership

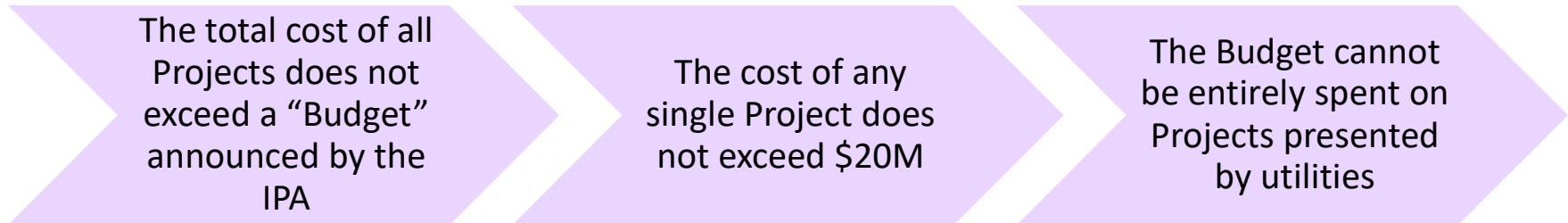
- **Workforce development.** The Bidder
 - ◆ Provides a hiring plan that is expected to result in engaging job trainees or workers residing within the community
 - ◆ Provides a summary of efforts to engage job trainees or workers residing within the community
 - ◆ Any MBE/WBE commitments

Part 2 Proposal Requirements

- Bid assurance collateral in the form of a **Letter of Credit**
- **Provide marketing materials** used to promote the Project or the participation in the IPA Programs
- **Additional Certifications** by the Seller: Commit to bids remaining valid until seventeen days after Bid Date; certify to provide disclosure forms generated by the IPA to subscribers; certify to abide by marketing guidelines; etc.

Bids and Bid Evaluation

- A Bid for a Project consists of a price per REC that will be paid to the Seller for eligible RECs under the REC Contract
- The lowest-priced Projects that satisfy the following constraints will be selected:



- A portion of the Budget must go toward a Project that is at least 50% owned by its subscribers. If there is no such Project, a portion of the Budget may be withheld for a subsequent procurement.



Low-Income Community Solar Pilot

Key Contract Terms

Contract Basics

Seller is the entity that has a Project selected through the RFP and approved by the Commission

The diagram consists of two purple arrows pointing towards each other. The left arrow points right and contains text about the Seller. The right arrow points left and contains text about the Buyer.

Buyer is the Illinois Power Agency

REC Contract is for payment of RECs only (no payment for energy or capacity)

Project Requirements and Representations

- Project must be powered by **solar photovoltaic cells or panels**
- There is no size limitation
- The Project **must be located in Illinois** and interconnected at the distribution system level of an electric utility, a municipal utility, a public utility, or an electric cooperative
- Must credit the value of electricity generated to subscribers
- The date at which operation started **cannot be before June 1, 2017**
- Operation is expected to start within 18 months after contract execution
 - ◆ An extension may be granted under certain circumstances

Delivery Terms

- REC contract is for 15 years of REC deliveries
- Delivery of RECs can start as soon as the REC Contract is executed
- Transfer of RECs by the Seller to the Buyer must occur through PJM EIS GATS or M-RETS

Payment Terms

- **Single price per REC**, applicable to all years of the REC Contract
 - ◆ price is based on Bid
 - ◆ no adders to or escalation of the price

- RECs eligible for payment are those RECs delivered that are attributable to subscribed shares
 - ◆ subject to contract maximum quantity based on standard capacity factor

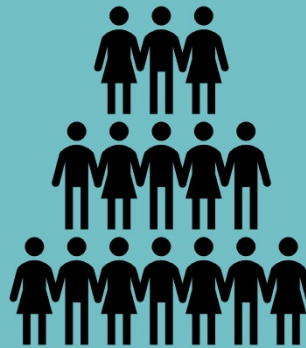
- Payment is made over the first ten years of the REC contract
 - ◆ some REC quantities (eg., in later period) will be based on estimates
 - ◆ clawbacks if subscription rates and REC deliveries are not maintained

Definition of Subscriber

A **low-income residential** customer or a **community-based organization** that provides programs and services within the community where the proposed project will be located

No single subscriber may constitute more than 40% of the facility's nameplate capacity

The portion of the project subscribed by community-based organizations in aggregate may not exceed 40% of the facility's actual nameplate capacity



Subscriber receives net metering (muni/coop utility to certify they offer net metering comparable to electric utility if project is outside service territory of electric utility)

Community Engagement

- The commitments made in the proposal must be upheld during the term of the contract as follows:

- Definition of the community used for the Proposal will be appended to the REC contract

- List of subscribers provided on a yearly basis (address, interest (in kW) in the Project, and percentage of Project subscribed)

- List of job trainees and workers residing with the community and hours worked by each such individuals

- Certification that, if the Project demonstrated 50% ownership from project subscribers in the Proposal, percentage has been maintained or has increased

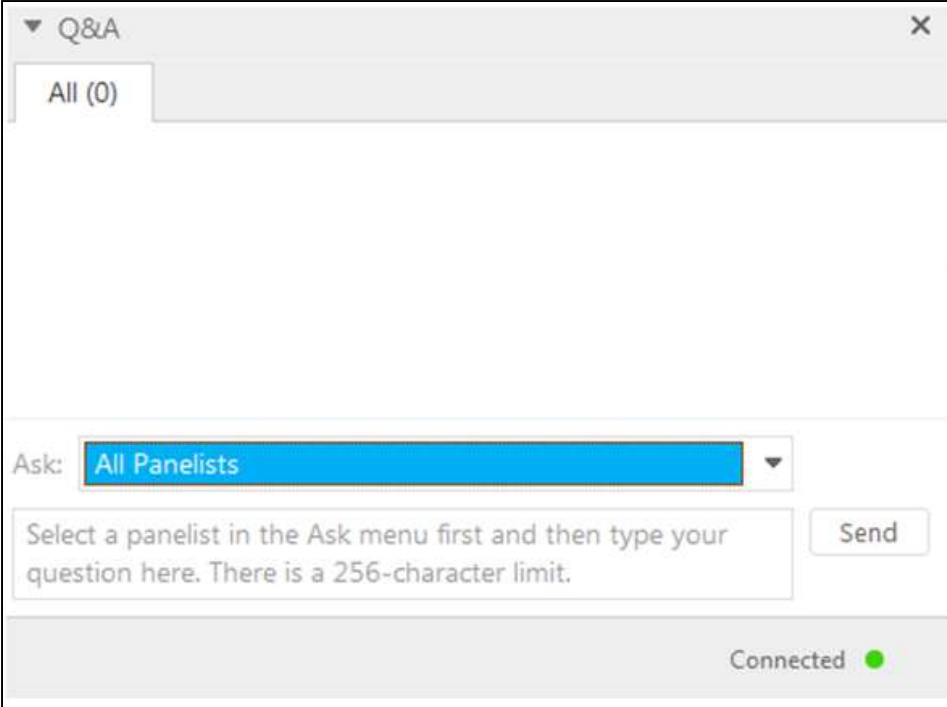
- New marketing materials used to promote the Project

Additional Requirements

- Seller must **provide disclosure forms** generated by the Agency to subscribers comparable to the disclosure form used for community solar projects participating in the Illinois Solar for All Program
- Project developers and their affiliates, subcontractors and agents must **abide by marketing guidelines** comparable to those used in the Illinois Solar for All Program
- Seller must **provide a resource guide** about energy efficiency opportunities to subscribers;
- Contract includes all required Illinois State contract provisions including that they are **subject to appropriation**
- If the project is proposed by a utility, such **project cannot be included in the utility's rate base**

Questions?

To submit questions to the presenters, please **locate the “Q&A” on the right hand side of your screen**, and select “All Panelists” in the “Ask” box; type in your question and click “Send” to submit your question



The screenshot shows a Q&A interface window. At the top left, there is a dropdown menu labeled "Q&A" with a downward arrow. Below it, a tab labeled "All (0)" is visible. The main area is empty. At the bottom, there is an "Ask:" label followed by a dropdown menu currently set to "All Panelists". Below the dropdown is a text input field with the placeholder text "Select a panelist in the Ask menu first and then type your question here. There is a 256-character limit." To the right of the input field is a "Send" button. At the bottom right of the window, there is a "Connected" status indicator with a green dot.



Contact: Illinois-RFP@nera.com