

Illinois Power Agency

(www.ipa-energyrfp.com)

Fall 2019 Procurement Events:

Non-Solar Community Renewables RFP

Webcast

Wednesday, July 31, 2019

Anthony Star, IPA

Chantale LaCasse, NERA

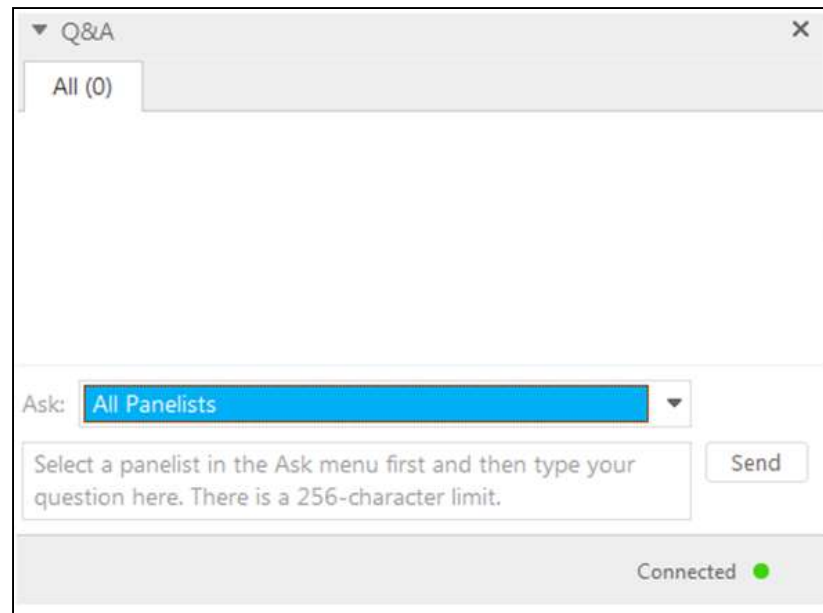
Benjamin Chee, NERA

Katie Orlandi, NERA



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 displays the homepage of the Illinois Power Agency (IPA) website. At the top left is the IPA logo, which includes a sun icon and the text "IPA ILLINOIS POWER AGENCY". To the right of the logo is a search bar with a magnifying glass icon and the text "Search ...". Below the logo is a vertical navigation menu with the following items: "Home", "Announcements", "Fall Block Energy and Capacity", "Brownfield", "Low-Income Community Solar Pilot", "Utility-Scale Wind", "Community Renewable Generation Program" (highlighted with a red box), "Calendar", "FAQs", "Useful Links", "Contact Us", "Previous RFPs", and "Qualification Form". The main content area features a large photograph of two workers 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 photograph, the text reads "Illinois Power Agency RFPs" and "For Electric Supply and Renewable Energy Products".

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	Draft Contract for Comments by Participants (Non-Solar)
Weeks of 02-Sep, 09-Sep				
16-Sep	17-Sep	18-Sep	19-Sep	20-Sep
				Comments on Draft Contract Due (Non-Solar)
Weeks of 23-Sep, 30-Sep, 07-Oct, 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



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
- **Benchmarks** developed using confidential methodology approved by ICC



Non-Solar Community Renewables RFP

Preliminary Qualification Requirements

Part 1 Proposal - Project Description and Site

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

- **Basic Information:**
 - ◆ Name of Project
 - ◆ Generating type
 - ◆ System Size (AC rating) in MW
 - ◆ Technology-specific 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 location of the project, and location of any co-located project on the same parcel or a contiguous parcel

Additional Requirements for Co-Located Projects

- If two or more community renewable projects are co-located then:
 - ◆ Provide the size (kW, AC rating) of all Projects
 - ◆ Indicate the location of the Project on the Project Site map

The Procurement Administrator may require additional information

Required Documentation for Seller

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

- All other Sellers provide additional information including:
 - ◆ 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:

- at least 30x the
project size for
wind
- to be determined
for other
technologies

If Site Control Documentation Required

- Acceptable documentation includes:
 - ◆ a signed lease agreement; proof of land ownership; a memorandum of understanding with a land owner; and 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.

Part 2 Proposal Requirements

- Bid assurance collateral in the form of a **Letter of Credit or cash**
- **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

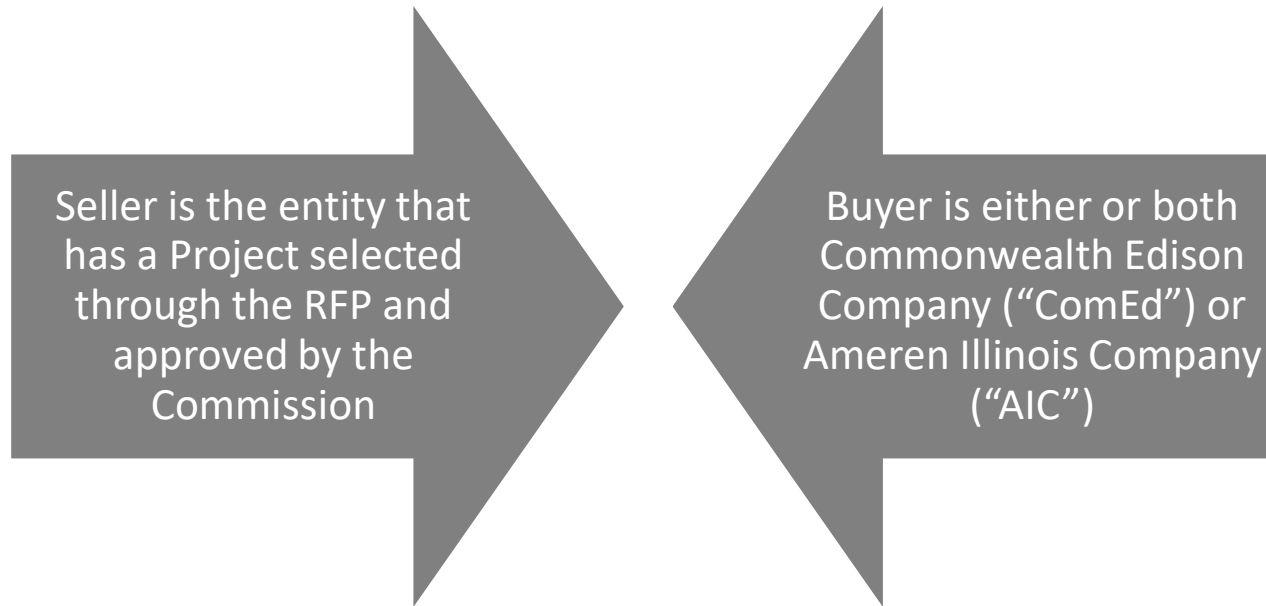
- A Bid for a Project consists of a price per REC that will be paid to the Seller for eligible RECs under the REC Contract
- The lowest-priced Projects that satisfy the targeted number of RECs or budget set by the IPA will be selected



Non-Solar Community Renewables RFP

Key Contract Terms

Contract Basics



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

Project Requirements and Representations

- Project must be powered by **wind, biodiesel, crops and untreated and unadulterated organic waste biomass, or tree waste**
- Maximum of **2MW** (AC rating)
- 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

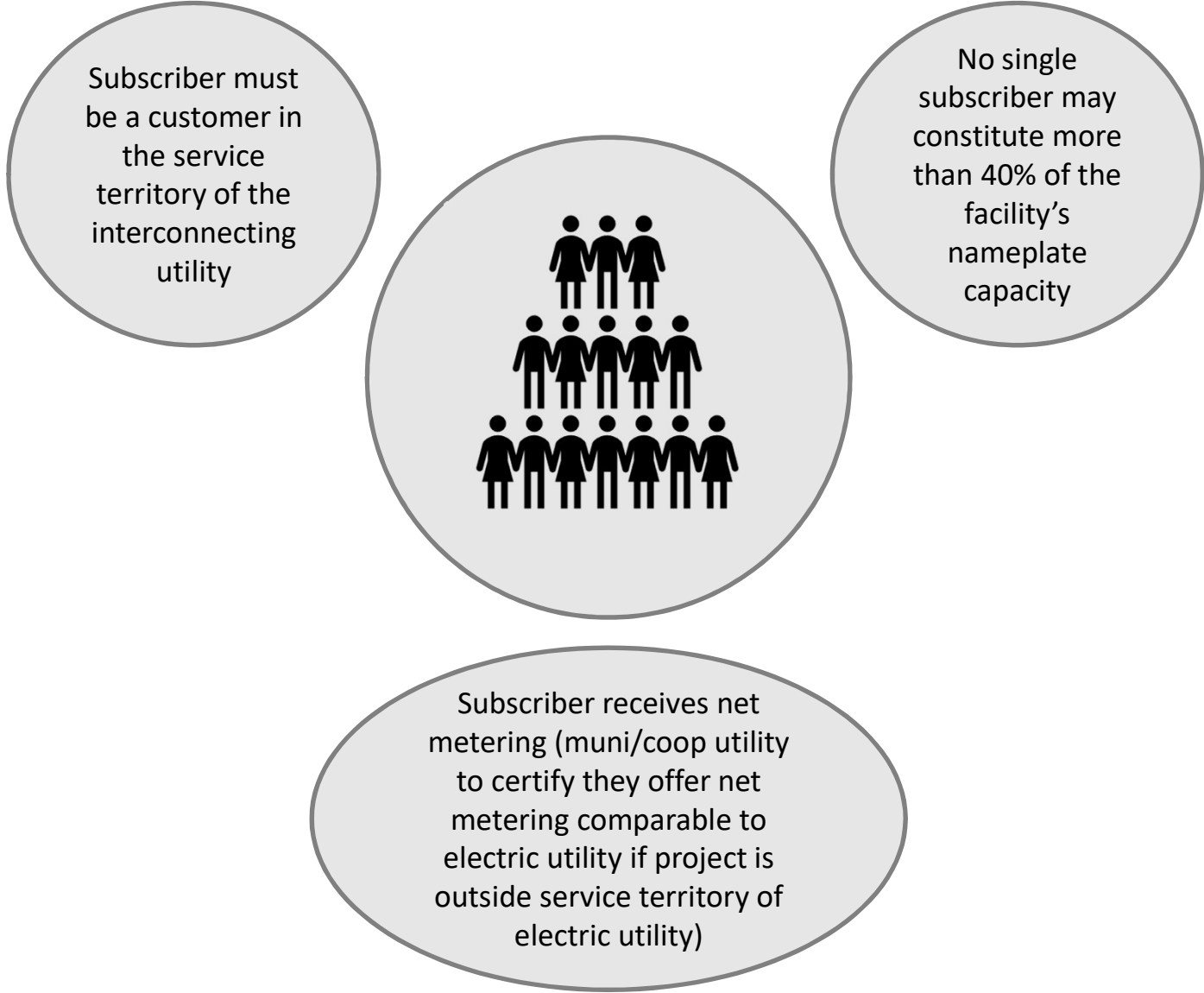
Delivery Terms

- REC contract is for 15 years of REC deliveries
- Delivery of RECs can start as soon as June 1, 2020
- 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 for the specific renewable energy source of the project
- Payments made for RECs as delivered; contract features **true-up adjustments** for actual subscriptions achieved during year

Definition of Subscriber

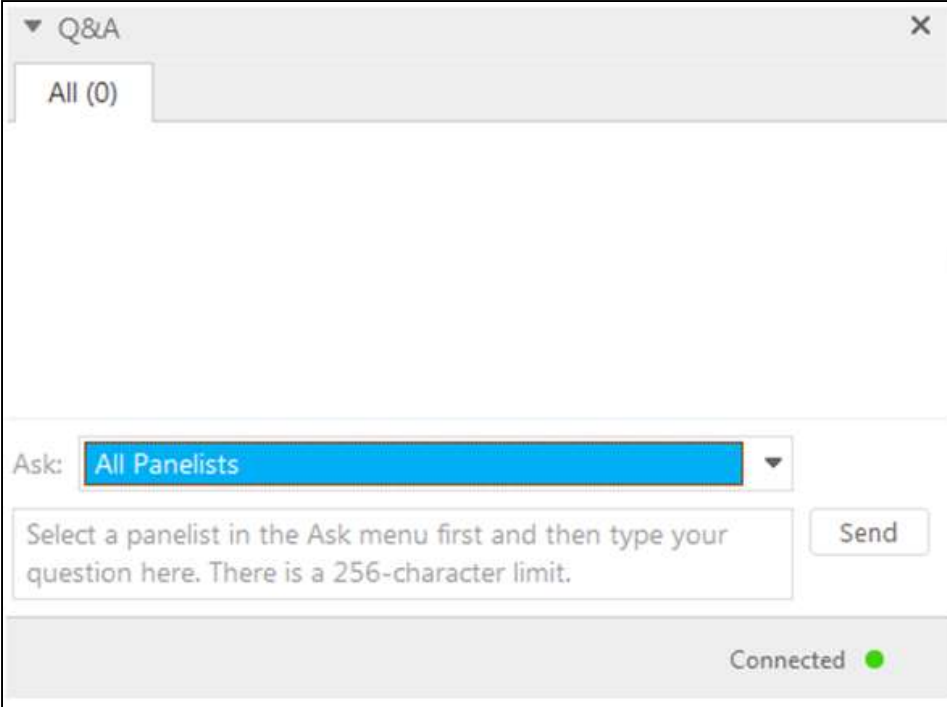


Additional Requirements

- List of subscribers provided on a yearly basis (address, interest (in kW) in the Project, and percentage of Project subscribed)
- Seller must **provide disclosure forms** generated by the Agency to subscribers comparable to the disclosure form used for community solar projects participating in the Adjustable Block Program
- Project developers and their affiliates, subcontractors and agents must **abide by marketing guidelines** comparable to those used in the Adjustable Block Program

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, there is a dropdown menu labeled "Q&A" with a close button (X). Below this, there is a tab labeled "All (0)". The main area is a large empty text box for entering a question. At the bottom, there is an "Ask:" label followed by a dropdown menu currently showing "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 very bottom of the window, there is a "Connected" status indicator with a green dot.



Contact: Illinois-RFP@nera.com