

# **Illinois Power Agency**

## **Forward Procurement Event**

### **AIC, ComEd and MEC**

# **Fall 2022 Indexed REC Wind, Solar and Brownfield RFP**

## **Bidder Information Webcast**

### **Wednesday, October 12, 2022**

**Anthony Star, Illinois Power Agency**

**Benjamin Chee, NERA**

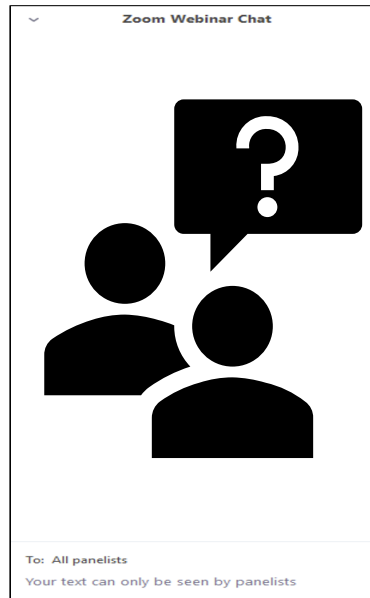
**Katie Orlandi, NERA**



# Questions

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- 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”



Today's presentation and audio recording will be posted to: [www.ipa-energyrfp.com](http://www.ipa-energyrfp.com)

# Disclaimer

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- Any statements made during this presentation describing or referring to the governing documents, including the RFP and Indexed REC Agreement, are summaries only and are qualified in their entirety by our reference to these documents
- **The governing documents are:**
  - ◆ Public Act 102-0662 (CEJA)
  - ◆ 2022 Long-Term Plan and ICC Order in Docket 22-0231
  - ◆ Final RFP Rules and appendices posted October 7, 2022
  - ◆ Final Indexed REC Contract posted October 7, 2022
- Bidders bear full responsibility for reviewing and understanding these documents

**Please see the procurement website for all RFP documents**  
<https://www.ipa-energyrfp.com/indexed-wind-solar-and-brownfield/final-materials/>

# Indexed REC RFP Documents

Documentation and information available on the procurement website [www.IPA-energyRFP.com](http://www.IPA-energyRFP.com)



ILLINOIS POWER AGENCY



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## Final Materials

### FINAL Fall 2022 Indexed REC Contract Documents

- [Final Indexed REC Contract \(October 7, 2022\)](#)
  - [Form of Guaranty](#)
  - [\(AIC\) Form of Guaranty \(October 7, 2022\)](#)
    - [\(AIC\) Optional Changes to the Guaranty \(October 7, 2022\)](#)
  - [\(ComEd\) Form of Guaranty \(October 7, 2022\)](#)
    - [\(ComEd\) Foreign Guarantor Requirement \(October 7, 2022\)](#)
    - [\(ComEd\) Optional Changes to the Guaranty \(October 7, 2022\)](#)
  - [\(MEC\) Form of Guaranty \(October 7, 2022\)](#)
    - [\(MEC\) Optional Changes to the Guaranty \(October 7, 2022\)](#)
  - [Form of Letter of Credit](#)

# Agenda

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- **Background**
- **Overview of Procurement Event**
- **Supplier Contract**
- **RFP Process**
- **Bids and Post-Bid Process**

# Background

# Regulatory Background

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- Public Act 102-0662 (the “Climate and Equitable Jobs Act”) was signed into law and became effective on September 15, 2021
- IPA filed its 2022 Long-Term Renewable Resources Procurement Plan (“2022 Long-Term Plan”) with the Illinois Commerce Commission (“ICC”) on March 21, 2022
- ICC issued an Order approving the 2022 Long-Term Plan with modifications on July 14, 2022 and the IPA issued a final 2022 Long-Term Plan in accordance with the Commission’s Order on August 24, 2022
- As approved by the ICC, the 2022 Long-Term Plan provides for a Fall 2022 procurement of renewable energy credits (“RECs”) from new utility-scale wind projects, new utility-scale solar projects, and new brownfield site photovoltaic projects
  - ◆ First procurement event for Indexed RECs held under the 2022 Long-Term Plan

# Spring 2022 Indexed REC RFP Results and Summer Stakeholder Feedback

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- As mandated by Section 1-75(c)(1)(G)(iii) of the IPA Act, the IPA held a first procurement event for Indexed RECs on May 6, 2022. The targets were:
  - ◆ 2,500,000 RECs annually from New Utility-Scale Wind
  - ◆ 2,000,000 RECs annually from New Utility-Scale Solar
  - ◆ 125,000 RECs annually from Brownfield Site PV projects
- The average winning bid price was \$52.43/MWh
- The targets for each of the three categories of projects in the Spring 2022 procurement event **were not met**. A stakeholder feedback process was initiated to identify and discuss barriers that may have limited participation in the Spring 2022 procurement and process improvements to facilitate participation in future procurements. Additionally, a stakeholder workshop was held on August 2, 2022.
- Written comments and workshop presentation are posted to IPA's website: <https://ipa.illinois.gov/renewable-resources/workshop-information.html>

# Fall 2022 Indexed REC Contract and RFP Development Process and Timeline

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All comments received have been posted on the [procurement website](#).

# Summary of Key Changes for Fall 2022

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The Fall 2022 Indexed REC RFP introduces the following **NEW** items:

- Minimum Equity Standard (“MES”) requirements established in Section 1-75(c-10) of the IPA Act and 2022 Long-Term Plan
  - ◆ MES of 10% will apply to Projects in the Fall 2022 procurement
- Bid evaluation prioritization for Projects that commit to a percentage greater than the 10% Minimum Equity Standard
- Concept of Buyer’s fraction is introduced
  - ◆ RFP Project Percentage (%) is indicated in RFP that specifies Project’s RECs allocated to utility-counterparties (thereby allowing for other off-takers)
  - ◆ Utility-counterparty no longer have first rights to the RECs; but Seller must still meet REC quantity delivery obligations under the REC contract
  - ◆ RFP Project Percentage will be used as an input to establish the standing order and cannot be modified during contract term
- Other changes and clarifications, including process for return of RECs if Buyer cannot pay for such RECs

# **Overview of Procurement Event**

# Highlights

## Bid Date: December 09, 2022 20-Year REC Delivery Contract Target

Utility-Scale Wind	1,750,000 RECs annually
Utility-Scale Solar	1,000,000 RECs annually
Brownfield Site Photovoltaic	65,000 RECs annually

- Procures **Indexed RECs from Projects** selected through RFP
- RECs from winning Projects allocated to: **AIC, ComEd, and MEC**
- **Bid** for **each Project** includes:
  - ◆ Strike Price: **\$/MWh**
  - ◆ Full Quantity: **annual # of RECs**
  - ◆ Minimum Quantity: **annual minimum # of RECs that Seller is willing to accept as a partial award**
- **New!** RFP Project Percentage: **% of Project's RECs committed to RFP**
- Index Hub: **PJM NIHUB or MISO-IL** for Index Price Trading Hub

# Utility-Scale Wind and Solar Projects

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- Project size (> 5,000 kW AC rating)
- Located in Illinois; located in a state adjacent to Illinois and meet the public interest criteria; or Projects located in a state other than Illinois may also be eligible for Illinois RPS compliance if the energy from the Project is transmitted over a High Voltage Direct Current (“HVDC”) transmission line that meets the criteria specified in Section 1-75(c)(1)(I) of the IPA Act
- $\geq 50\%$  of Project is located on site identified in the Proposal
- **New Project** with Date of First Operation after June 1, 2017
- Project Labor Agreement Act requirements
- Prevailing Wage Act requirements
- Minimum Equity Standard requirements
- Utility-Scale Solar must be installed by Qualified Persons (not applicable to wind projects)

# Brownfield Site Photovoltaic Projects

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- No minimum size requirement
- Located in **Illinois** and must be **entirely contained** within the brownfield site; may be co-located with a greenfield Project
- Supporting documentation that demonstrates the site is either: (1) regulated by the U.S. EPA or Illinois EPA under one of the four programs listed in the Act within 25 years prior to Bid Date; or (2) is located at a permanently closed coal mine and meets applicable requirements
- **New Project** with Date of First Operation after June 1, 2017
- Project Labor Agreement Act requirements
- Prevailing Wage Act requirements
- Minimum Equity Standard Requirements
- Installed by Qualified Persons

# Product Requirements

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- **RECs delivered are:**
  - **RECs** that include all environmental attributes
  - **from Project** selected through RFP
  - transferred to Buyer's **PJM EIS GATS or M-RETS** account in **unretired** state through standing order
  - must allow Buyer to comply with the **Illinois RPS**
  - Earliest Vintage Month: **January 2023**
  - Initial REC Delivery Deadline: **May 31, 2027**
    - increased collateral requirement: **May 31, 2029**
    - further extensions for good cause as described in the Indexed REC Contract

# One Proposal per Project

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- **Part 1:** respond to qualification standards
- **Part 2:** make certifications; provide bid assurance collateral

## Part 1 Proposal: Oct 13– Nov 3 (noon CPT)

- provide information using online Part 1 form
- upload completed Inserts
- upload required supporting documents
- pay Bid Participation Fee to IPA

## Part 2 Proposal: Nov 18 – Dec 2 (noon CPT)

- provide information using online Part 2 form
- upload completed Inserts
- bid assurance collateral to Companies (cash or letter of credit)

**The Proposal submission process is entirely online**

# Bid Submission and Evaluation

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- Bid Submission
  - ◆ Bidders enter their Bids in an **Excel spreadsheet** that will be provided by Procurement Administrator
  - ◆ Bidders will **transfer** their spreadsheet through a secure interface
  
- Bid Evaluation
  - ◆ considers only Bids that **meet or beat confidential benchmark**
  - ◆ **Bid Evaluation Price Adjustment** for projects with Equity Level > 10% MES (See RFP paragraph VI.2.9)
  - ◆ Bids evaluated on a **price-only** basis and independently for each Category of Project (i.e., wind, solar, brownfield)
  
- There will be no Post-Bid Negotiations

# Bid Participation Fee

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- **Bid Participation Fee of \$500** is required
  - ◆ A single Bid Participation Fee per Bidder and paid once for all 2022 Procurement Events
  
- **Bid Participation Fee is due** to the IPA by 12 PM (noon) on the **Part 1 Date**
  
- Two **electronic methods of payment**:
  - ◆ **E-Pay online**
  - ◆ **ACH Automatic Clearing House in CCD or CCD+ format**
  
- Payment by check is **not** an acceptable method
  
- For a complete set of instructions, email: [\*\*Illinois-RFP@nera.com\*\*](mailto:Illinois-RFP@nera.com)

# Supplier Fees

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- Supplier Fees paid for **winning Projects** only
- Supplier Fees must be paid to the IPA within 7 business days of ICC approval of results of the procurement event
- Estimate of Supplier Fees at this time:
  - \$0.30 per REC of the Annual Quantity of RECs
  - Supplier Fee = \$0.30 x **Annual Quantity** of RECs
- Confirmation of final Supplier Fee no later than two (2) business days prior to the Bid Date

# **Supplier Contract**

# REC Contract: Structure

Article	Topic Covered
1	Definitions
2	<b>Product and Facility Requirements</b>
3	Product Order; Term of Agreement
4	<b>Delivery Obligations</b>
5	<b>Payment And Invoicing</b>
6	Reporting Requirements
7	<b>Credit And Collateral Requirements; Performance Assurance</b>
8	Representations and Warranties
9	Events Of Default; Remedies
10	Force Majeure
11	Government Action
12	Governing Law
13	Assignment
14	Limitation of Liability
15	Miscellaneous

Exhibit	Topic Covered
A	• Form of Product Order
B	• Contact Information for Notices
C	• Reserved
D	• Form of Invoice
E	• Form of Security Instruments – Letters of Credit – Letters of Full Transfer – Form of Guaranty
F	• Examples – Examples of Delivery Year Requirement Calculation

# Agreement Basics

**Seller**



**has right to convey  
title of RECs**



**Buyer  
(Company)**



**Ameren**  
ILLINOIS

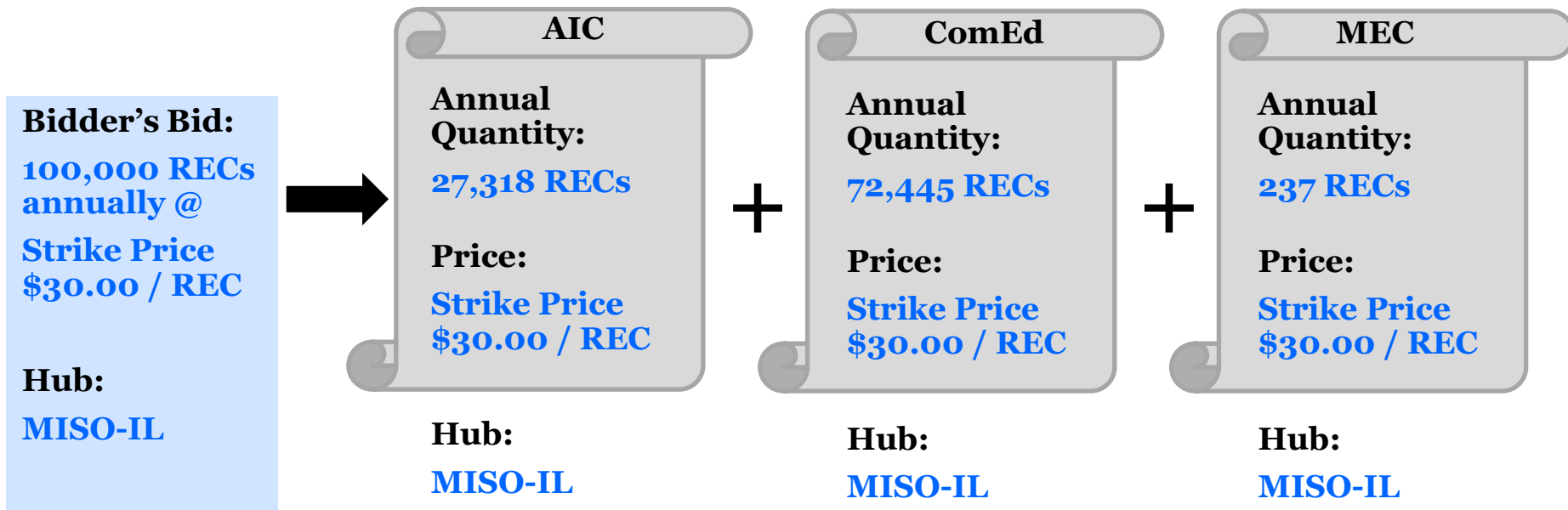
**comed**<sup>™</sup>  
AN EXELON COMPANY

**MidAmerican**  
ENERGY  
OBSESSIVELY, RELENTLESSLY AT YOUR SERVICE®

- you must be willing to sign the agreement with all 3 Companies
- RECs from winning Project are allocated among AIC, ComEd, and MEC
- contract administered separately by each applicable Company
- payment for **Delivered RECs only** (no payment for energy or capacity)

# Contract is awarded through RFP

- **Annual Quantities** across Companies sum up to the annual quantity that Seller bids for the Project
- **Maximum Contract Quantity** is Annual Quantity x 20 years



# REC Tracking Systems – Standing Order

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- PJM EIS GATS and M-RETS are the tracking systems
- Seller and Buyer work together to establish a **standing order** for the selected project for the automatic recurring transfer
- Standing order under a contract based on the applicable Company's allocated share of the RFP Awarded Annual Quantity and RFP Project Percentage
- Earliest Vintage Month possible is January 2023
- Seller shall initiate the standing order request within 30 days of:
  - ◆ Project's Date of First Operation or
  - ◆ January 1, 2023 if project is already energized

# Credit Requirements

- Collateral Requirement is based on Annual Quantity of RECs

<b>Utility Scale Wind</b>	<b>\$4 x Annual Quantity, min of \$20,000</b>
	<b>To delay 1st REC Delivery to May 31, 2029: \$8 x Annual Quantity; min of \$40,000</b>
<b>Utility-Scale Solar or Brownfield</b>	<b>\$10 x Annual Quantity; min of \$50,000</b>
	<b>To delay 1st REC Delivery to May 31, 2029: \$20 x Annual Quantity; min of \$100,000</b>

- Unsecured Credit granted to entities that are investment grade (or that rely on guarantor that is investment grade)

<b>S&amp;P</b>	<b>Moody's</b>	<b>Fitch</b>	<b>Collateral Threshold</b>
BBB- or above	Baa3 or above	BBB- or above	\$2,500,000

- Standard forms of the Guaranty and Letter of Credit are provided as exhibits to REC Contract

# **Delivery Obligations**

# Initial REC Delivery Deadline

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One REC must be delivered to Buyer by May 31, 2027

- Increased Collateral Requirement extends deadline to May 31, 2029
- subsequent extensions may be granted by the IPA on a **case-by-case basis** upon a demonstration of **good cause** by Seller. Provided that such are not primarily attributable to Seller, good cause may include:
  - ◆ Delays outside of Seller's control due to delays in finalizing interconnection agreements and installing interconnection facilities
  - ◆ Delays in obtaining other necessary governmental permits and approvals
  - ◆ Delays in the issuance of RECs from PJM-EIS GATS or M-RETS
- each subsequent extension will be for no more than **6 months**
- if extensions granted multiple times:
  - ◆ May 31, 2030: Seller may request contract termination and return of collateral
  - ◆ May 31, 2034: contract shall terminate, and collateral shall be returned to Seller

# Acceptable Vintage Period is 241 months

## ◆ Delivery Term

- starts on the date the 1<sup>st</sup> REC is issued by M-RETS or PJM EIS GATS
- ends last day of 3<sup>rd</sup> month after Acceptable Vintage Period

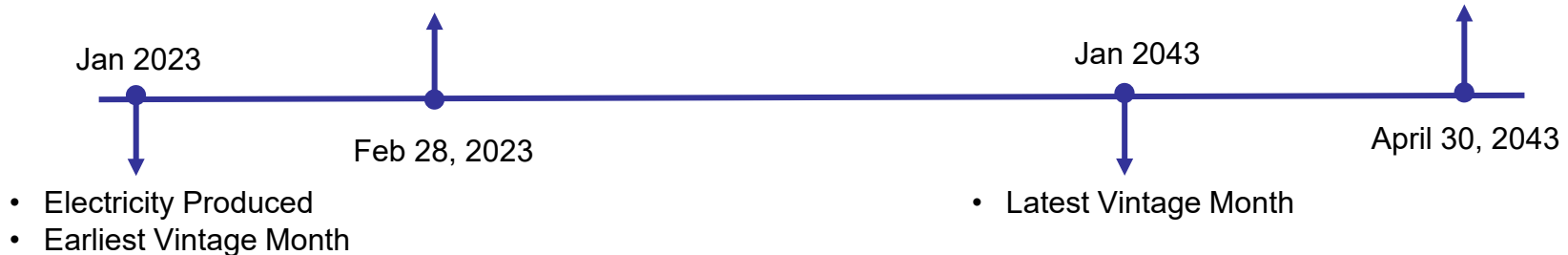
## ◆ Acceptable Vintage Period

- Earliest Vintage Month (no earlier than January 2023)
- Latest Vintage Month is 241<sup>st</sup> month after Earliest Vintage Month

## ◆ Example

- RECs (of Jan 2023 Vintage) are issued in M-RETS or PJM EIS GATS and Delivered to Buyer pursuant to Standing Order
- Beginning of Delivery Term

- End of Delivery Term



Acceptable Vintage Period:  
Jan 2023 – Jan 2043

# What are my Delivery Obligations ?

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- **Delivery Year Requirement**
  - ◆ reflects Annual Quantity allocated to contract
  - ◆ adjusted for degradation if Project is for solar or brownfield
  - ◆ provided in Product Order when contract is executed
  
- **If:** (a) failure to meet Delivery Year Requirement  $\geq 3$  times and (b) sum of shortfall amounts  $\geq$  Annual Quantity
  - ◆ Contract is terminated
  - ◆ Collateral Requirement forfeited
  - ◆ shortfalls excused through first full Delivery Year (plus first partial Delivery Year)
  
- **Delivery Year Requirement** is based on REC vintage and is the maximum REC quantity for payment in a Delivery Year

# Ineligible and Excess RECs belong to Seller

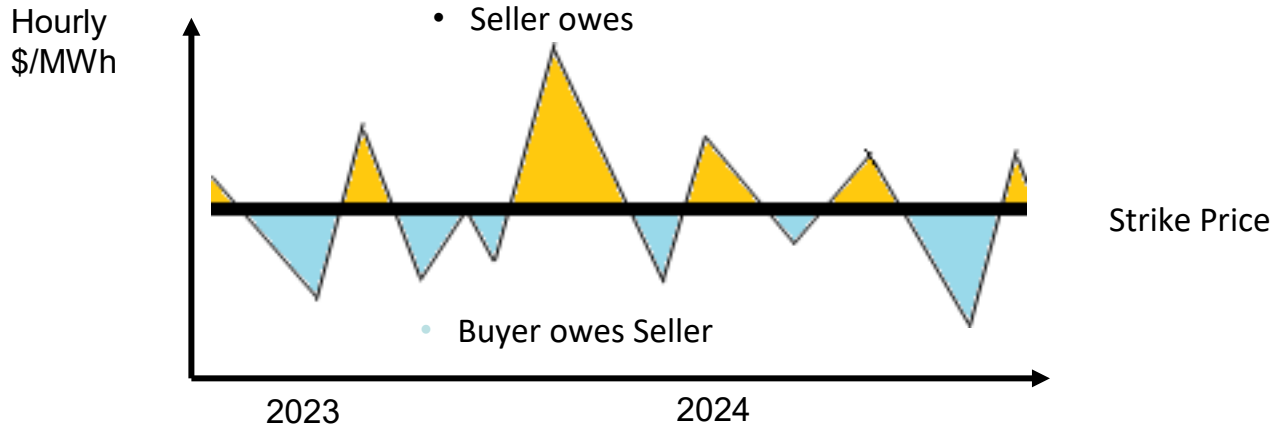
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If RECs are not eligible for payment, they are the exclusive property of Seller to be used by Seller

- RECs not transferred due to RFP Project % (to other off-takers)
- **Ineligible RECs** outside the Acceptable Vintage Period
- **Excess RECs** in excess of the Delivery Year Requirement (based on REC Vintage of such Delivery Year)
  
- **Shortfall Amounts (if any)** cannot be satisfied with Ineligible RECs or Excess RECs
  
- If transferred to Buyer's account, then Seller shall inform and request Buyer return RECs within 60 days of such transfers
  - ◆ Buyer's failure to return RECs shall be subject to REC payment in accordance with Section 2.3(f) of REC Contract

# Payment and Invoicing

# Payment Mechanism and REC Price



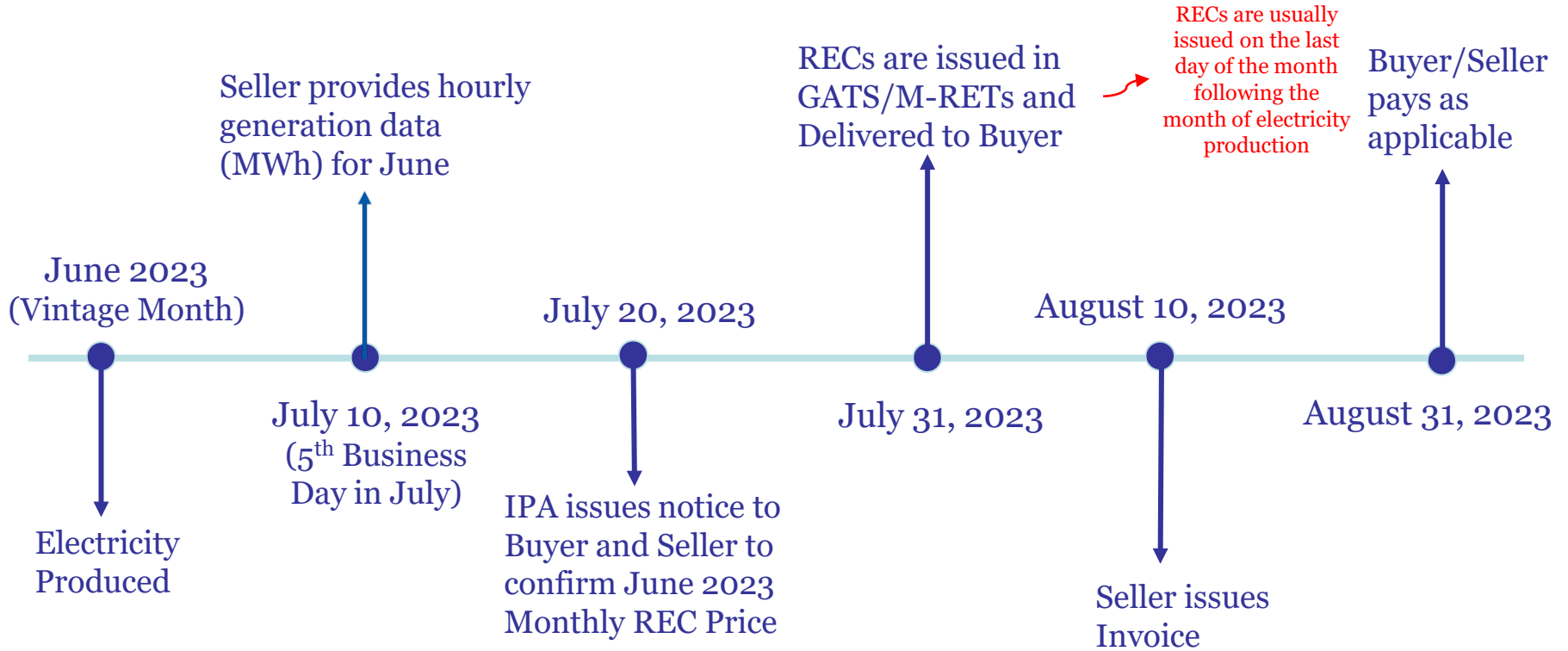
**REC Monthly Price Hourly Component** =  
(Index Price – Strike Price) x MWh generation by project during that hour

**REC Monthly Price** =  
$$\frac{\sum \text{REC Monthly Price Hourly Components in given Vintage month}}{\text{MWh actual generation of the Project for such Vintage month}}$$

- If the REC Monthly Price is **positive**, then Seller pays Buyer the Invoice Amount
- If the REC Monthly Price is **negative**, then Buyer pays Seller the Invoice Amount

**Invoice Amount** = REC Monthly Price x RECs delivered for such Vintage

# Invoice - Monthly Payment



# Invoice Calculation – Monthly Settlement

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- Seller shall issue Monthly Invoice to Buyer, regardless of whether the REC Monthly Price is positive or negative. If price is positive, Seller may request Buyer issue an invoice to Seller for documentary purposes

<b>Illustrative Example</b> <b>Invoice for August 10, 2023</b>	
(a) June 2023 REC Monthly Price (\$/REC) [determined by the IPA]	-2.98
(b) Quantity of June 2023 vintage RECs Delivered in July 2023	80
(c) Invoice Amount [(a) x (b)] (\$)	- 238.40

- Invoice Amount shall be paid by the last business day of the month in which invoices are timely submitted
- Section 5.1 of REC Contract provides invoicing instructions

# Reporting Requirements

# Reporting Requirements

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- Monthly Generation Report to be submitted within 5 business days after Vintage Month:
  - ◆ Hourly real time LMP at the applicable index hub
  - ◆ Hourly MWh generation data at Project Pnode
  
- Read-only access to be granted to Buyer and the IPA for:
  - ◆ PJM Power Meter system, or
  - ◆ MISO Market Portal
  
- Seller is encouraged to inform IPA once Date of First Operation has occurred to ensure REC Monthly Price Calculation can be performed on a timely basis for first Vintage month

# Labor-Related Requirements

# Prevailing Wage Act Requirements

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- Applicable to **all** Projects
- Seller must provide to the IPA documentation and verification demonstrating that all construction work has been performed by employees who received general prevailing rate of hourly wages:
  - ◆ 5 Business Days of: Date of First Operation (or Effective Date of Agreement if Project is already energized)
  - ◆ **throughout contract term**, for any applicable work performed subsequent to Seller's initial submission of documentation and verification, no later than July 15 following the end of the Delivery Year of when work is done
- Prevailing Wage Act requirements for adjacent state projects:
  - ◆ For projects located in an *adjacent state*, use published prevailing wages if available or the federal Davis-Bacon rates to comply with Illinois Prevailing Wage Act requirements
- See “Construction Activities” definition and REC Contract Section 6.2

# Project Labor Agreement Requirements

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- Applicable if construction activities for the Project began on or after September 15, 2021:
  - ◆ PLA shall be filed with the Director of IPA within the later of: 30 days of the execution of PLA or PLA amendment (or Effective Date if energized) or 60 days prior to the start of the Project's construction
  - ◆ Seller shall work constructively with the IPA to file such PLA in accordance with procedures established by the IPA
  - ◆ PLA contains elements including: “provisions for minorities and women, as defined under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, setting forth goals for apprenticeship hours to be performed by minorities and women and setting forth goals for total hours to be performed by underrepresented minorities and women”
    - Seller complies with this requirement by providing a description of the efforts Seller will take or has taken to achieve such goals, including recruitment of minorities and women into apprenticeship roles
- See “Project Labor Agreement” definition and REC Contract Section 6.3

# Minimum Equity Standard Requirement

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- Applicable if the Project is not operational as of contract execution
- MES of **10% will be fixed** throughout the life of the contract and is applicable **each delivery year for which Construction Activities are performed starting on the contract effective date through Date of First Operation**
  - ◆ A forward-looking MES Compliance Plan is due by July 15 (beginning of delivery year); first plan due within 30 days of bid approval
  - ◆ A Mid-Year MES Confirmation due by December 1 of a delivery year
  - ◆ A year-end MES Report due by July 15 succeeding each delivery year
- If Seller is an Equity Eligible Contractor, the MES of 10% is deemed to be met, but Seller is subject to MES reporting requirements
- See definitions of “Equity Eligible Contractor”, “Equity Eligible Persons, Project Workforce”, “Construction Activities” and REC Contract Section 6.4
- Additional information on the Minimum Equity Standard and Equity Accountability System has been posted to the Final Materials page of the procurement website under the subheading “Minimum Equity Standard - Additional Information”: <https://www.ipa-energyrfp.com/indexed-wind-solar-and-brownfield/final-materials/>

# Option to Commit to an Equity % > MES

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- If Construction Activities **have not begun** as of the submission of the Part 1 Proposal, a Seller may choose to commit to an Equity Level (%) greater than the MES to qualify for the bid evaluation price reduction described in RFP Rules paragraph VI.2.9
- If Project is selected, Seller must meet the reporting requirements in REC Contract Section 2.5 (in addition to meeting the reporting requirements related to the MES under REC Contract Section 6.4.)
- Equity % measured for the **entirety of the period for which Construction Activities occurred up through the Date of First Operation and not for each delivery year separately**
- Failure to demonstrate fulfillment of the higher Equity % requirements is an Event of Default
- See definitions of “Equity Eligible Contractor”, “Equity Eligible Persons, Project Workforce”, “Construction Activities” and REC Contract Section 2.5

# **The RFP Process**

# RFP Process Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
October 3	4	5	6	7 Final Contract and RFP Documents posted
10	11	12 Webcast	13 PART 1 WINDOW OPENS	14
17	18	19	20	21
24	25	26	27	28
31	November 1	2	3 Part 1 Date Bid Participation Fee	4
7	8	9	10	11
14	15	16	17 PART 1 NOTIFICATION	18 PART 2 WINDOW OPENS
21	22	20	21	25
28	29	30	December 1	2 Part 2 Date Bid assurance collateral due
5	6 Bidder Training	7	8	9 BID DATE
12	13	14	15 ICC decision on results	16

# Bidders Must Register for an Account to Access the Online Proposal Form



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#### Useful Links

Contact Us

Ask a Question

Register

Qualification Registration Form

Previous RFPs

#### Announcements

Indexed REC RFP –  
REMINDER: RSVP for the  
Webcast TOMORROW,  
...

## Qualification Registration

The information for the [Adjustable Block Program](#) and the [Illinois Solar for All Program](#) can be found [here](#).

Use this form to register for an account to access the online forms to submit a Proposal to one of the RFPs.

Please select a category:

- Indexed Wind, Solar, and Brownfield
- Coal to Solar
- Capacity
- Block Energy and Capacity

**First, check "Indexed Wind, Solar, and Brownfield"**

For Indexed Wind, Solar and Brownfield and for Coal to Solar, please indicate the number of projects for which you are submitting a Proposal. A separate Proposal must be submitted for each project. \*

Name: \*

**Second, indicate the number of projects for which you are submitting a Proposal. A separate Proposal must be submitted for each Project.**

Company: \*

Position/Title:

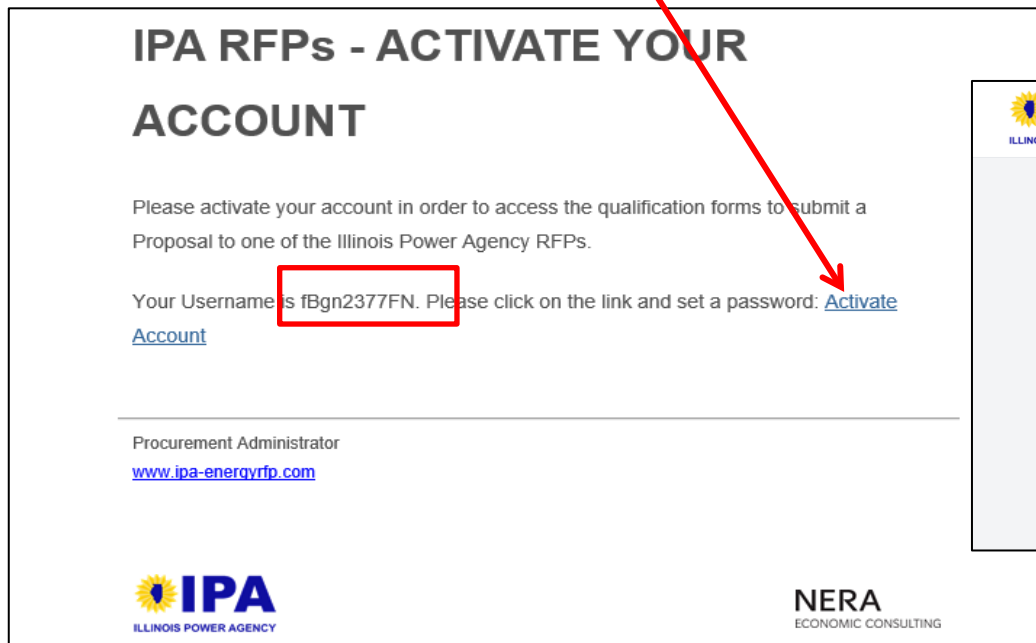
E-Mail: \*

**Alternatively, send an email to [Illinois-RFP@nera.com](mailto:Illinois-RFP@nera.com) with:**

- Company name and name of contact
- Email address and phone number
- Number of projects

# Activate Your Account

- A single account per company will be issued to the individual that registers for the account
- This individual will receive an email with account activation instructions from [info@ipa-energyrfp.com](mailto:info@ipa-energyrfp.com) (shown below) and a separate email with a guide with screenshots for account activation, and for completing and submitting the online form will also be sent
- Click on **Activate Account** in the email body and choose a secure password




**IPA RFPs - ACTIVATE YOUR ACCOUNT**


Please activate your account in order to access the qualification forms to submit a Proposal to one of the Illinois Power Agency RFPs.

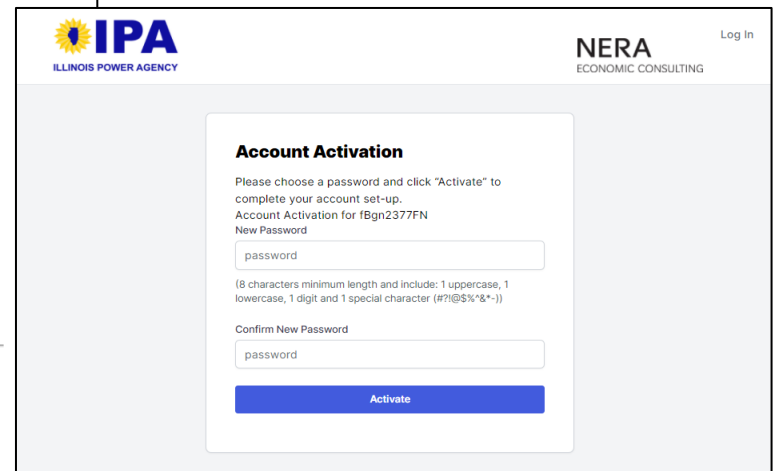
Your Username is **fBgn2377FN**. Please click on the link and set a password: [Activate Account](#)


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Procurement Administrator  
[www.ipa-energyrfp.com](http://www.ipa-energyrfp.com)

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 **IPA**  
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 **NERA**  
ECONOMIC CONSULTING Log In

**Account Activation**

Please choose a password and click "Activate" to complete your account set-up.  
Account Activation for fBgn2377FN  
New Password

(8 characters minimum length and include: 1 uppercase, 1 lowercase, 1 digit and 1 special character (#?@\$%&\*~))

Confirm New Password

# Access the Online Proposal Form

- Go directly to <https://forms.ipa-energyrfp.com> or access the **proposal** website through the procurement website

The screenshot displays the website for the Illinois Power Agency (IPA) under the heading "Indexed Wind, Solar, and Brownfield". The left sidebar contains a navigation menu with the following items: Home, Announcements, Block Energy and Capacity Procurement, Indexed Wind, Solar, and Brownfield, Results, Final Materials, Draft Documents, Qualification Form (highlighted with a red box), Coal to Solar, Calendar, FAQs, Useful Links, Contact Us, and Previous RFPs. The main content area features a search bar, a paragraph about Public Act 102-0662, a section on the 2022 Long-Term Plan, and a list of quantities to be procured. Below this, there are links for "Deadlines and dates of main events", "Register Page", and "RSVP for the Fall 2022 Index REC RFP Webcast here!". A "Click here" link is provided for FAQs. At the bottom, a navigation bar includes icons and links for Results, Final Materials, Draft Documents, and Qualification Form (highlighted with a red box). A red arrow originates from the "Qualification Form" link in the sidebar and points to the "Qualification Form" link in the bottom navigation bar.

# Submitting a Separate Proposal for each Project

- Click the icon in the top right corner to access the drop-down menu to navigate between Part 1 Forms for your different Projects

**IPA RFPs - Qualification Forms**  
You are logged in as fBgn2377FN . Click on the Edit button to access the online qualification form.

**Indexed Renewable Energy Credit Part 1 Form**

LOGGED IN AS FBGN2377FN

Update Password

PROJECTS

- Entity ABC-01
- Entity ABC-02
- Entity ABC-03
- Entity ABC-04

Log Out

First, click on this icon

Second, select a Project to access the online Part 1 Form for that Project

**Note:** The Projects for this example entity are identified as “ENTITY ABC-01 – ENTITY ABC-04” in the drop-down menu.

It is **VERY IMPORTANT** for a Bidder to prepare a key internally to identify which number corresponds with which Project.

**ILLINOIS POWER AGENCY  
FALL 2022  
INDEXED RENEWABLE ENERGY CREDIT RFP**

Public Act 102-...  
September 15, 2...  
0662, establish...  
utility-scale win...  
The RECs produc...  
Indexed Renewable Energy Credit as defined in Section 1-10 of the IPA Act.

same effectiv...  
d by Public Act 102...  
RECs") from new...  
otovoltaic projec...  
Energy Credit and

EDITING FORM AS ENTITY ABC-01

Click here to go to the top of the form.

Click here to go to the bottom of the form.

Save and Continue

Log Out

The menu in the bottom right corner displays the project corresponding to the Part 1 Form that is being edited

EDITING FORM AS ENTITY ABC-01

# Navigating the Online Form

---

- As you navigate through the form to complete each section, additional required fields may appear depending on your response to items and questions
- Some sections that are specific to the Category of a Project will not display until an election has been made in Section 2

## 2. Project Information

### First Item: Category.

THE BIDDER MUST PROVIDE THE CATEGORY OF THE PROJECT, NAMELY WHETHER THE PROJECT IS A UTILITY-SCALE WIND PROJECT, UTILITY-SCALE SOLAR PROJECT, OR A BROWNFIELD SITE PHOTOVOLTAIC PROJECT.

PLEASE SPECIFY THE CATEGORY OF THE PROJECT.

Utility-Scale Wind    Utility-Scale Solar    Brownfield Site Photovoltaic

**Please be sure to answer each question to ensure that the form displays all the required fields and uploads to complete your Proposal**

# Submitting Information for Multiple Projects

---

- Some information is only required to be submitted by the Bidder **once** as indicated in the form
- This information that is applicable across all projects should be submitted with the **first** project for which a proposal is submitted

The information that is required to be submitted only once should be provided with the first project for which a proposal is submitted.

## 9. Bid Participation Fee

If a Bidder is presenting Proposals for multiple Projects, the Bidder is only required to submit the information required by this section once, in a Part 1 Proposal for one of the Projects.

*Has the Bidder already completed this section in the earliest submitted Proposal for another Project under this Indexed REC RFP?*

Yes  No

## 10. Option to Provide Comments

If the Bidder is presenting Proposals for multiple Projects, the Bidder may only submit the materials for this section once.

*Has the Bidder already provided comments to the letters of credit under this Indexed REC RFP?*

Yes  No

# Proposal Requirements

# Part 1 Proposal Overview

- A “**Bidder**” is the entity that submits the Proposal; the “**Seller**” is the entity that will sign the Indexed REC Contract if the Project is selected
- **A Part 1 Proposal consists of:**
  - ◆ Information submitted through the online Part 1 Form
  - ◆ Supporting documents (uploaded to the online form or emailed)
  - ◆ **Inserts** (uploaded to the online form or emailed)

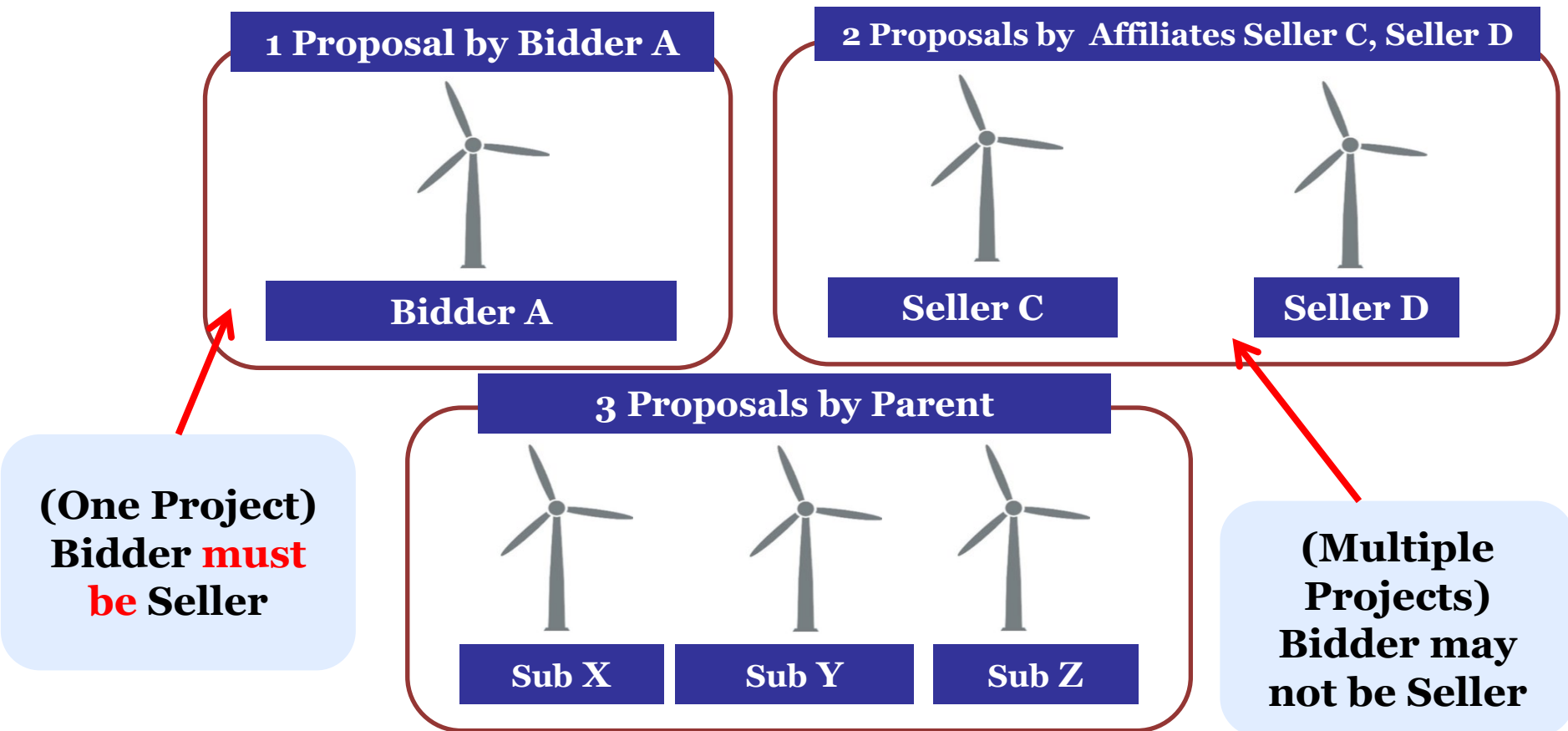
## FINAL Fall 2022 Indexed REC RFP Documents

- [Final Indexed REC RFP Rules \(October 7, 2022\)](#)
- [Appendix 2: Illustrative Part 1 Form \(October 7, 2022\)](#)
  - [Part 1 Form: P1 Inserts Utility-Scale Wind Projects \(October 11, 2022\)](#)
  - [Part 1 Form: P1 Inserts Utility-Scale Solar Projects \(October 11, 2022\)](#)
  - [Part 1 Form: P1 Inserts Brownfield Site Photovoltaic Projects \(October 11, 2022\)](#)

Part 1 Inserts are grouped by Category of project (wind, solar, or brownfield)

# Roles of Sellers and Bidders

- **Seller:** signatory to the Indexed REC Contract
- **Bidder:** entity submitting the Proposal



# Section 1: Basic Information

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- **Name and Status of the Project.**
- **Identity and Contact Information for the Seller.**
- **Officer of the Seller.** Individual who makes all representations required in the Part 1 Proposal and in the Part 2 Proposal for the Seller
- **Identity and Contact Information for the Bidder.**
- **Representatives.** Individuals authorized to act on behalf of the Bidder and Seller
  - ◆ One Representative must be designated in the online form
  - ◆ Three (3) additional Representatives may be named
  - ◆ If multiple Projects, all Representatives **must be the same** across Projects
- **Equity Eligible Contractor.** Seller must indicate if they are an Equity Eligible Contractor (a business that is majority-owned by Equity Eligible Persons, or a nonprofit or cooperative that is majority-owned by Equity Eligible Persons, or is a natural person that is an Equity Eligible Person offering personal services as an independent contractor)
  - If yes, the Bidder must provide (i) the Equity Eligible Contractor Insert with information about the business structure of the Seller and to identify the EEPs; and (ii) an Equity Eligible Person Insert for each EEP with information about the individual and evidence of their qualified status as an EEP

# Section 2: Project Information

---

## ■ **Basic Information:**

- ◆ Category of Project
- ◆ System Size (AC rating) in MW
  - Must be > 5 MW for utility-scale wind and utility-scale solar
  - No minimum size requirement for brownfield site photovoltaic projects
- ◆ Date of First Operation (actual or expected)
  - Projects that started operations prior to June 1, 2017 are not eligible
- ◆ **Optional:** A bidder may submit evidence to support a higher capacity factor than 45% for utility-scale wind or 30% for utility-scale solar and brownfield

# Section 2: Project Labor Agreement(s)

---

If construction activities for the Project began prior to September 15, 2021 this requirement does not apply to the Project.

- ◆ **If construction activities have begun as of submission of the Part 1 Proposal, but not prior to September 15, 2021**, the Bidder provides evidence the Project Labor Agreement(s) have been filed with the Director of the IPA by email to [IPA.PLA@Illinois.gov](mailto:IPA.PLA@Illinois.gov)
- ◆ **If construction activities have not begun as of submission of the Part 1 Proposal**, the Seller:
  - ◆ Certifies the Project will be built by General Contractors that have entered into a Project Labor Agreement, as this term is defined in the Indexed REC Contract, prior to construction; and
  - ◆ Acknowledges the requirements under the Index REC Contract and the terms and conditions as defined by the Project Labor Agreements Act and the IPA Act (terms and conditions specified in paragraph IV.2.3 of the Indexed REC RFP Rules)

**Evidence that the IPA has determined that the Project Labor Agreement for the Project meets the requirements under the IPA Act and the Project Labor Agreement Act is due with the Part 2 Proposal**

# Section 3: Equity Commitments

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## ■ **Minimum Equity Standard.**

- ◆ MES requirements do not apply to a Project that is operational as of the submission of the Part 1 Proposal
- ◆ If the Seller is an Equity Eligible Contractor these requirements are deemed to have been met and the requirements also do not apply
- ◆ For all other Projects, the Officer of the Seller must acknowledge a Minimum Equity Standard of 10% will apply to the Project and there are reporting requirements under the contract

## ■ **Optional! Equity Level commitment.**

- ◆ This option is not applicable if Construction Activities for the Project have begun as of the submission of the Part 1 Proposal
- ◆ Seller may commit to an Equity Level (%) greater than the MES of 10% to qualify for the bid evaluation price reduction described in Paragraph VI.2.9 of the RFP Rules
  - ◆ Seller must make certifications detailed in Paragraph IV.3.2 of the RFP Rules;
  - ◆ Narrative Plan to meet the higher Equity Level (%) commitment (see paragraph IV.3.2 of RFP Rules for bulleted list of requirements);
  - ◆ Letter(s) of intent or evidence of current employment related to 50% times the Equity Level (%) times the projected number of workers (see Appendix 14 for minimum requirements)

# Section 4: Requirements for Utility-Scale Wind and Utility-Scale Solar

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- **Location Information.**
  - ◆ Complete address for the Project
  - ◆ Map of the Project site clearly showing the location of the Project
- **Projects located in a state adjacent to Illinois** and meet the public interest criteria in the Act must be pre-approved by the IPA to be eligible for Illinois RPS compliance
  - ◆ Evaluation spreadsheet to be completed is available under the header “Adjacent State Facility Eligibility” on the IPA website: <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/Il-rps-adjacent-state-facility-determination-eligibility-15-Aug-2022.xls>
  - ◆ Please complete the required fields as instructed in the spreadsheet and email the form to [IPA.ContactUs@Illinois.gov](mailto:IPA.ContactUs@Illinois.gov)

**The evaluation spreadsheet dated August 15, 2022 has been updated in accordance with the 2022 Long-Term Plan and must be used to qualify Projects in this Fall 2022 Indexed REC RFP**

# Section 5: Project Site for Brownfield Site Photovoltaic Projects

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## ▪ **Location Information.**

- ◆ Complete address for the Project **in Illinois**
- ◆ Map of the Project site clearly showing the site location of the Project
- ◆ Project must be entirely contained within the brownfield site, and Projects that are co-located with another facility on a greenfield site must disclose this fact

## ▪ **Project site.**

1. Project site must be regulated by the US EPA or Illinois EPA under one of four Programs in the Act (listed on the next slide); **OR**
2. Project site is located at the site of a coal mine that has permanently ceased coal production, permanently halted any re-mining operations, and is no longer accepting any coal combustion residues; has both completed all clean-up and remediation obligations under the federal Surface Mining and Reclamation Act of 1977 and all applicable Illinois rules and any other clean-up, remediation, or ongoing monitoring to safeguard the health and well-being of the people of the State of Illinois, as well as demonstrated compliance with all applicable federal and State environmental rules and regulations, including, but not limited, to 35 Ill. Adm. Code Part 845 and any rules for historic fill of coal combustion residuals, including any rules finalized in Subdocket A of Illinois Pollution Control Board docket R2020-019

# Supporting Documentation for Projects Regulated by one of the Programs

Program	Documentation that meets requirements
US EPA under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERCLA”), as amended	<ul style="list-style-type: none"> <li>• a site assessment, remedy decision, cleanup plan, or similar document</li> </ul>
US EPA under the Corrective Action Program of the federal Resource Conservation and Recovery Act (“RCRA”), as amended	<ul style="list-style-type: none"> <li>• a demonstration of the U.S. EPA requiring corrective action such as a permit application, administrative order, court order, or similar document</li> </ul>
IEPA Solid Waste Program	<ul style="list-style-type: none"> <li>• a solid waste permit</li> </ul>
IEPA Site Remediation Program	<ul style="list-style-type: none"> <li>• a Site Investigation Report, Remedial Action Plan, Remedial Action Completion Report, or No Further Remediation Letter</li> </ul>

- ◆ Document must be dated no earlier than 25 years prior to Bid Date **(December 9, 2022)**
- ◆ Additional requirements for Projects regulated by the IEPA Site Remediation Program described in paragraph IV.5.5.

# Supporting Documentation for Projects Located at the Site of a Permanently Closed Coal Mine

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- Certify the coal mine has permanently ceased coal production, permanently halted any re-mining operations, and is no longer accepting any coal combustion residues
  
- **Demonstrate that the Project site meets the definition under the Act:**
  - i. a copy of the permit(s) for coal mining operation including a copy of the reclamation plan approved by the Department of Natural Resources;
  - ii. a copy of the Department of Natural Resources decision approving the permit(s); and
  - iii. documented confirmation that reclamation Phases I, II, and III have been completed for the Project site by providing evidence that the entirety of the performance bond for the Project site has been released
    - Sufficient evidence of performance bond release at the completion of Phase III includes, but is not limited to, a screenshot from the Illinois Mine Permits map showing the Phase III Status is “Released” or other documentation, if appropriate
    - Permit(s) must cover the Project site, which may be a portion of the coal mine

# Section 6: Additional Project Information

## ■ Project Maturity

- ◆ If available, the Bidder must provide one of the following:

<b>PJM Interconnection</b>	<b>MISO Interconnection</b>	<b>Electric Distribution Utility</b>
<b>1.</b> The Queue/OASIS ID; <b>and</b> <b>2.</b> a copy of the completed System Impact Study	<b>1.</b> Project Number and a copy of Preliminary System Impact Study under Definitive Planning Phase 1 (“DPP 1”) under the DPP-2020-Cycle 1 or a later study cycle; <b>or</b> <b>2.</b> Project Number and a copy of the fully executed interconnection agreement	A fully executed interconnection agreement

- ◆ If these are not available or if the Bidder cannot provide a document that shows that the Project is further in the interconnection process, the Bidder must:
  - Describe stage of development of the Project applicable to the point of interconnection and to the size of the Project; and
  - Demonstrate control for a portion of the Project site as described in the RFP Rules

# Additional Project Information (cont'd)

## ■ Project Maturity (through site control)

- ◆ The size of the Project determines the area for which site control must be demonstrated:
  - At least **40 acres times the Project size for a utility-scale wind project**
  - At least **4 acres times the Project size for a utility-scale solar project**
  - At least **3 acres times the Project size for a brownfield site photovoltaic project**
  - Further information required if the documentation provided to show site control does not include the area controlled by an Owner

Accepted documentation to demonstrate site control:	
■ an executed <b>lease agreement or easement</b>	■ an <b>executed option</b> with a unilateral right to lease or purchase Project site
■ a <b>memorandum of understanding</b> regarding OR a <b>letter of intent</b> to enter in an agreement for a lease, an easement, an exclusive option, or sale of Project site	■ <b>another document</b> demonstrating the right to develop the Project on the site

**Additional information may be required by the Procurement Administrator depending on the results of the evaluation of the documents provided**

# Section 7: Representations

---

- ◆ The Seller makes a number of certifications:
  - **Regarding the Project:** meets requirements in RFP Rules; has or will have a single revenue quality meter, there will be no substitution for another Project, Project is not repowered facility, etc.
  - **Regarding the Seller:** accepts the terms of the Indexed REC Contract, is aware of the collateral requirements under the Indexed REC Contract, etc.
  
- ◆ Seller, including its contractors and subcontractors, rendering services under the Indexed REC Contract will comply with the requirements of the **Prevailing Wage Act**, including but not limited to, all wage requirements and notice and record keeping duties. Projects that are not located in Illinois must demonstrate, at minimum, wage parity with the prevailing wage requirements in Illinois.
  
- ◆ Bidder and Seller are not in violation of the **Displaced Energy Workers Bill of Rights** as provided under Section 10-25 of the Energy Community Reinvestment Act (20 ILCS 735/) at the time of the submission of the Part 1 Proposal
  - The Energy Community Reinvestment Act is available here:  
<https://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=4222&ChapterID=5>

# Sections 8-9 of Part 1 Proposal

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- **Financial Requirements.** If the Seller or its Guarantor is rated by one or more of the major rating agencies (S&P, Moody's, or Fitch) then all available credit ratings must be provided
- **Bid Participation Fee of \$500** is required of Bidders that have not paid a Bid Participation Fee pursuant to participation in a prior 2022 procurement event

# Optional! Section 9: Comments on the Post-Bid Letters of Credit

---

- Bidders may provide comments on or **propose modifications** to the **Post-Bid** Letters of Credit and Letters of Full Transfer (Exhibit E of the Indexed REC Contract)
- Bidders **intending to use the letters of credit as financial guarantees** under the Indexed REC Contract can thus propose any changes to the letters of credit that their financial institutions may require

**A preliminary list of modifications that are acceptable to each Company are available with the FINAL Fall 2022 Indexed REC Contract Documents:**  
<https://www.ipa-energyrfp.com/indexed-wind-solar-and-brownfield/final-materials/>

# Optional! Section 10: Comments on Pre-Bid Letters of Credit

---

- Bidders may provide comments on or **propose modifications** to the Standard **Pre-Bid** Letter of Credit for each Company
- There are two versions of the Standard Pre-Bid Letter of Credit for a Company with different terms:
  - **Electronic Version** accommodates transmission by the issuing bank by electronic means (Appendices 5-7)
  - **Hardcopy Version** accommodates transmission by the issuing bank via overnight delivery service (Appendices 8-10)
- Each of the Electronic Versions and Hardcopy Versions of the Pre-Bid Letters of Credit have been posted in separate zip files

**A preliminary list of modifications that are acceptable to each Company are grouped by Electronic Version and Hardcopy Version and posted with the FINAL Fall 2022 Indexed REC RFP Documents:**

<https://www.ipa-energyrfp.com/indexed-wind-solar-and-brownfield/final-materials/>

# Required Signatures

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- Some Inserts to the Part 1 Form or to the Part 2 Form require a signature.
- The Bidder may complete all Inserts at one time and submit these with the Part 1 Proposal for **early processing**
- Inserts may be
  - printed, signed, scanned, and uploaded to the form; **Or**
  - submitted with a **digital signature along with an additional document or information that verifies the identity of the signatory** (i.e. a certification of completion (DocuSign), Final Audit Report (Adobe Sign), use of a document signing certificate)

# Part 1 Proposal Process

---

- Part 1 Proposals are evaluated promptly when the Bidder clicks **SUBMIT** in the online Part 1 Form
- While the Procurement Administrator evaluates the Part 1 Proposal, the Bidder will be temporarily **locked out of its account for that Project**
- Procurement Administrator will evaluate the proposals and provide notices to bidders noting any deficiencies
- Bidders generally have until the Part 1 Date or **two (2) business days**, whichever is later, to respond to a **first** request for additional information

<b>Part 1 Date</b>	<b>12 PM CPT on November 3, 2022</b>
<b>Part 1 Notification</b>	<b>November 17, 2022</b>

# Submitting Proposals for Multiple Projects

- If you are submitting Part 1 Forms for multiple Projects, **any Part 1 Forms not yet submitted will remain open for editing**

The screenshot displays the NEPA ECON user interface. On the left, the IPAA logo (Illinois Power Agency) is visible. The main content area shows a confirmation message: "Indexed Renewable Energy Credit Part 1 Form - Submission Confirmation". The message states: "Your Indexed Renewable Energy Credit Part 1 Form was successfully submitted. Your account will be locked while the Procurement Administrator reviews your submission. An acknowledgement of your submission was sent by email. Please [click here](#) to log out." On the right, a user profile dropdown menu is open, showing the user is logged in as "FBGN2377FN". Below the user information, there is a "PROJECTS" section with a list of entities: "Entity ABC-01", "Entity ABC-02", "Entity ABC-03", and "Entity ABC-04". The "Entity ABC-01" option is highlighted in grey, indicating it is the selected project.

Projects for which a Part 1 Form has been submitted will be locked while the Procurement Administrator reviews your submission and appear in **grey** in the drop-down menu

**This means if you complete a proposal for a project, you do not need to wait to submit until you have completed all of your proposals.**

# Part 1 Notification

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- A Bidder is notified whether the Project has qualified pursuant to a successful Part 1 Proposal by **November 17, 2022** (the Part 1 Notification Date)
- **Contents**
  - ◆ Part 1 Notification letter
  - ◆ Customized Bid Form
  - ◆ Instructions for completing, encrypting, and submitting the Bid Form
  - ◆ Invitation to training session on the bid submission procedure
  - ◆ Confidential information for submission of the Bid Form, including a username, a password, and a security code unique to that Bidder
  - ◆ Instructions for providing bid assurance collateral to the Companies

# Part 2 Proposal is Due in Two Packages

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- **Part 2 Proposal consists of:**

- ◆ Information submitted through the **online Part 2 Form**
- ◆ Signed certifications (email or upload)
- ◆ Submission of **bid assurance collateral**
- ◆ Bids

- **Bidders**

- ◆ Provide any update to the contact information
- ◆ Preliminary RFP Project Percentage (%) (more next slides)
- ◆ Elect form of bid assurance collateral (cash or letter of credit): if cash is elected, Bidder must acknowledge conditions under which cash may be drawn; if letter of credit is elected, Bidder must confirm if transmission will be by electronic means or overnight delivery service
- ◆ Provide information for preparing the contracts
- ◆ Provide **Indicative Quantity** for Project (annual number of RECs)

***Part 2 Proposal Excluding Bids Must be Received by***

**Part 2 Date**

**12 PM CPT on December 2**

# Project Labor Agreement(s) – Part 2

## Proposal Requirement

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- A Bidder that provided evidence that the Project Labor Agreement(s) for a Project were filed with the Director of the IPA by email to [IPA.PLA@Illinois.gov](mailto:IPA.PLA@Illinois.gov) with the Part 1 Proposal:
  - Must submit evidence that the IPA has determined that the Project Labor Agreement(s) for the Project meets the requirements under the IPA Act and the Project Labor Agreement Act with the Part 2 Proposal

# RFP Project Percentage

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- “RFP Project Percentage” is defined in the Index REC Contract as “the percentage of the Project’s Actual Production, as offered by Seller through the RFP and as indicated in the Product Order. The RFP Project Percentage may not be amended during the Term of this Agreement.”
  
- In the Part 2 Proposal, the Bidder must provide a **Preliminary RFP Project Percentage**, rounded to two decimals, for purposes of calculating bid assurance collateral due with the Part 2 Proposal.
  
- The **Final RFP Project Percentage** for the Project must be equal to or less than the Preliminary RFP Project Percentage provided in the Part 2 Proposal for that Project.
  
- The **Final RFP Project Percentage** provided in the bid form:
  1. will be used as an input to establish the standing order for the Project
  2. will be used in the formula to calculate the maximum annual quantity
  3. Only in the case that the Project is selected for a Partial Award (or an annual quantity of RECs less than the full quantity in the bid) can the Bidder revise the Final RFP Project Percentage for the Project after the bid window has closed

# Bid Assurance Collateral Amount

- Bid Assurance Collateral is a function of the size of the Project and the preliminary RFP Project Percentage (rounded up to the nearest \$100) and is subject to a ceiling

Company	Amount		Ceiling		
	Wind	Solar and Brownfield	Wind	Solar	Brownfield
<b>AIC</b>	\$1,600/MW	\$5,500/MW	\$1,900,000	\$2,700,000	\$175,000
<b>ComEd</b>	\$4,000/MW	\$13,000/MW	\$4,750,000	\$6,800,000	\$450,000
<b>MEC</b>	\$400/MW	\$1,000/MW	\$350,000	\$500,000	\$25,000

- For Example: The Bid Assurance Collateral required for a Wind Project that is 200MW and indicates a Preliminary RFP Project Percentage of 50% in the Part 2 Form, would be:
  - ♦ For AIC: \$160,000 ( $\$1,600 \times 200\text{MW} \times 50\%$ )
  - ♦ For ComEd: \$400,000 ( $\$4,000 \times 200\text{MW} \times 50\%$ )
  - ♦ For MEC: \$40,000 ( $\$400 \times 200\text{MW} \times 50\%$ )

# Bid Assurance Collateral (Continued)

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- **Bid Assurance Collateral** must be in the form of cash or a Pre-Bid Letter of Credit provided to each Company separately
- If a Bidder presents Proposals for multiple Projects, such Bidder may submit a single Pre-Bid Letter of Credit or effect a single wire transfer to a Company in the amount required for all Projects
- If the Bidder fails to provide bid assurance collateral to one or more of the Companies or if the Bidder provides bid assurance collateral to all Companies but the amount of the bid assurance collateral for one or more of the Companies is insufficient given the Project size and the Preliminary RFP Project Percentage across all of the Bidder's Projects, the Part 2 Proposals for all of the Bidder's Projects will be considered deficient.

# Bid Assurance Collateral (Continued)

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- **Cash**
  - ◆ W-9 for entity to which cash is returned
  - ◆ Draft request for return of the cash
  - ◆ Cash insert for each Company
  
- Two versions of the standard form of **Pre-Bid Letter of Credit** for each Company
  - ◆ **Electronic Versions**, Appendices 5-7, must be submitted to the Companies by electronic means
  - ◆ **Hardcopy Versions**, Appendices 8-10, must be submitted to the Companies by overnight delivery service
  
- A Pre-Bid Letter of Credit for a Company must be in standard form; or incorporate only modifications acceptable to that Company, applicable specifically to either the Electronic Version or Hardcopy Version, and posted to the procurement website

# **Bid and Post-Bid Process**

# Instructions for Bid Submission

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- The **Bid Form** is the exclusive method for the submission of Bids
  - ◆ The Procurement Administrator provides each Bidder with a custom Bid Form to use for all Projects that qualify
  - ◆ A Bid Form incompletely or inconsistently filled out will not be evaluated
- Bid Forms duly filled out must be submitted to the Procurement Administrator via **secure bid transfer site**
  - ◆ You must be available during the Cure Deficiency Period
- **Step-by-step guide** provided with the Part 1 Notification
- Bidders will have opportunity to practice and will have a **backup method (by email)** for bid submission

<b>Bid Date: December 9</b>	
<b>Bid Window</b>	<b>10AM-12PM CPT</b>
<b>Cure Deficiency Period</b>	<b>12PM-1PM CPT</b>

# Three Elements of a Bid

- A Bid for a Project has three elements:
  - ◆ A Strike Price (\$/MWh) that will be used for purposes of payment under the Indexed REC Contract
  - ◆ A “full quantity” of RECs that represents the annual quantity that the Seller is offering to deliver under the terms of the Indexed REC Contract
  - ◆ A “minimum quantity” that represents the minimum annual quantity of RECs that the Seller is willing to accept as a partial award

Name of Seller	Project Tag	Equity Commitment (% or N/A)	Project Size (MW)	Final RFP Project %	Max Bid Size (# of RECs)	Strike Price (\$/MWh)	Full Quantity (# of RECs)	Minimum Quantity (# of RECs)	Index Hub (MISO-IL Hub or PJM-NIHUB)
Sample Wind Seller Entity 1	ABC-01	10%	100.00	50%	179,100	100.00	150,000	130,000	MISO-IL Hub

# Additional Bid Form Parameters

- **Equity Commitment – Inputted by Procurement Administrator**
  - The Equity Commitment is "N/A" if the Minimum Equity Standard ("MES") of 10% is not applicable to the Project.
  - If the MES is applicable to the Project, then the Equity Commitment is a value of 10% or a value greater than 10% if the Seller has committed to an Equity Level (%) for that Project greater than the MES of 10% and is notified by the Procurement Administrator that all requirements related to such commitment have been met
- **RFP Project Percentage (%) – Inputted by Bidder**
  - The Final RFP Project Percentage must be less than or equal to the Preliminary RFP Project Percentage and is used to calculate the Max Bid Size
  - This percentage provided cannot change unless the Project is selected for a Partial Award
- **Index Hub – Inputted by Bidder**
  - The Bidder must select an Index Hub, either MISO-IL Hub or PJM-NIHUB, for each Project.

Name of Seller	Project Tag	Equity Commitment (% or N/A)	Project Size (MW)	Final RFP Project %	Max Bid Size (# of RECs)	Strike Price (\$/MWh)	Full Quantity (# of RECs)	Minimum Quantity (# of RECs)	Index Hub (MISO-IL Hub or PJM-NIHUB)
Sample Wind Seller Entity 1	ABC-01	10%	100.00	50%	179,100	100.00	150,000	130,000	MISO-IL Hub

# Bid Evaluation Procedure

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- The evaluation of bids is described in Paragraph VI.2.9 of the RFP Rules.
- The evaluation proceeds independently for each Category:
  1. **First Step:** For a given category, bids with strike prices that fail to meet or beat the benchmark are eliminated.
  2. **Second Step:** For a given category, bids with strike prices that meet or beat the benchmark are ranked from lowest to highest in order of strike price and the lowest strike price is identified
  3. **Third Step:** For a given category, the following adjustment is made: if in the Part 1 Proposal, the Seller commits to an Equity Level for the Project above the MES of 10% and is notified by the Procurement Administrator that all requirements related to such commitment have been met, then the strike price for such Project will be **reduced by:**
    - 1% x the lowest strike price for that Category (identified in step two) x the ratio of (a) the Equity Level (%) for that Project to (b) ten percent (10%)
- 1. **Fourth Step:** For a given category, bids are again ranked from lowest to highest in order of strike price incorporating adjusted strike prices, if applicable.
- 2. **Fifth Step:** In order of strike price, or adjusted strike price, the full quantities of the Projects with the lowest strike prices, or adjusted strike prices, are selected until all Projects are selected or until selecting the Project with the next highest strike price, or adjusted strike price, (the “marginal Project”) would exceed the target for that Category. Depending on the quantity for the marginal project, such Project is selected.

Appendix 15 to the RFP Rules will be provided with an example of the evaluation process.

# Post-Bid Process: ICC Decision

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- Procurement Administrator expects to notify Bidders by 6 PM CPT **on the Bid Date** whether they have Projects with Bids identified as winning Bids to the ICC (earlier if practicable, later as circumstances warrant)
- If not already done, Bidders with Projects that have Bids identified as winning Bids must provide the information for preparation of the Indexed REC Contracts by the Companies
- **Within 2 business days of Bid Date:** Procurement Administrator and the Procurement Monitor each submits a confidential report to the ICC
- **Within 2 business days of Report:** The ICC decides whether to accept or reject the results

# Post-Bid Process: Contract and Supplier Fees

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- Each Company sends electronically to the Seller partially executed contract documents
- Seller countersigns, sends back contract documents electronically, and fulfills creditworthiness requirements
  - Instructions regarding contract execution procedures will be provided to qualified bidders with the Part 1 Notification
- **Collateral Requirement** is due within 5 business days of approval of the results by the Commission
- **Payment of the Supplier Fees** to the IPA is due within 7 business days of approval of the results by the Commission
  - Bid assurance collateral may be drawn upon if Supplier Fees are not paid within 7 days of approval of the results by the Commission

# Questions

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- 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”



Today's presentation and audio recording will be posted to: [www.ipa-energyrfp.com](http://www.ipa-energyrfp.com)

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