

[Committer 14]

Comments on Draft

ISC Contract

From: [Commenter 14]

Sent: Mon 6/15/2026 7:10 PM

To: Illinois-RFP <Illinois-RFP@nera.com>

Subject: RE: [Commenter 14] – Summer 2026 Energy Storage RFP Comments

Dear IPA Procurement Administrator,

Please find attached [Commenter 14]'s comments in response to the Illinois Power Agency's Summer 2026 Energy Storage RFP Invitation to Comment (June 1st)

Please do not hesitate to contact us with any questions.

Best,




[Commenter 14]

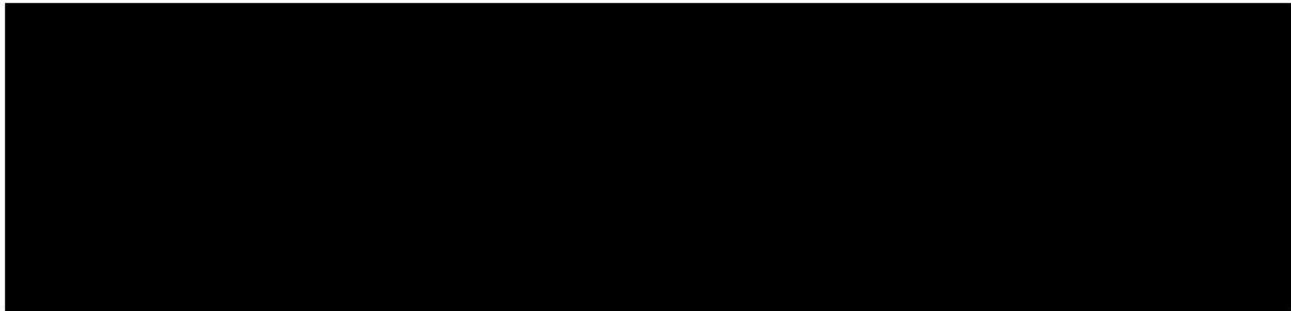
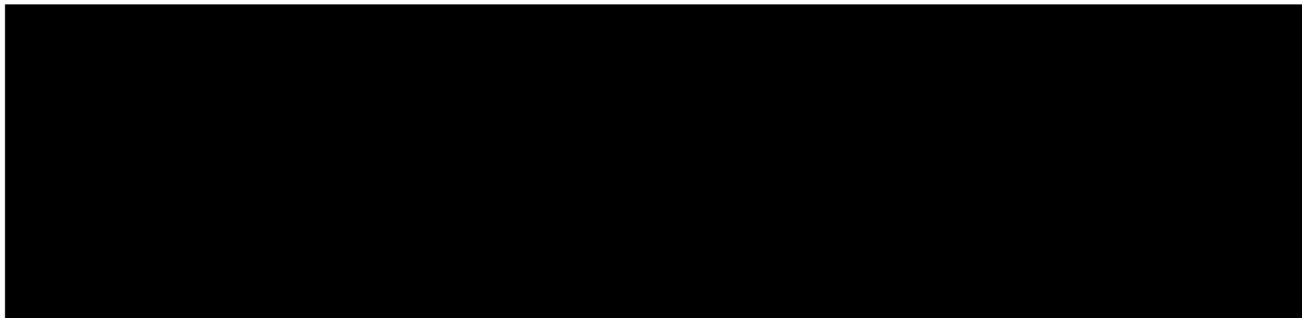


June 15th, 2026

Mr. Brian Granahan
Director
Illinois Power Agency
105 West Madison Street
Suite 1401
Chicago, IL 60602

Dear Director Granahan,

 writing in response to the Illinois Power Agency's (IPA) Summer 2026 Storage Procurement Invitation to Comment and Opportunity to Provide Feedback on the June 1, 2026 draft of the Indexed Storage Credit Agreement.  appreciates the IPA's continued engagement with industry stakeholders and acknowledges the updates reflected in the June 1, 2026 draft. While  recognizes the progress made, we write to highlight certain concerns that remain outstanding and request the IPA's continued consideration of the issues set forth below. We look forward to continuing to work with the IPA and the Legislature to refine this program and maximize its success.





Topic 3: Feedback on Potential Improvements to the IPA Storage Procurement

Set forth below is a list of key issues identified in the June 1, 2026 draft of the Indexed Storage Credit Agreement ("ISC Contract") released for comment by the Illinois Power Agency ("IPA"), to be entered into by a to-be-identified [REDACTED] project company ("Seller") and either Ameren Illinois Company d/b/a Ameren Illinois or Commonwealth Edison Company ("Buyer"). Note that the below list (i) identifies only certain issues in the ISC Contract, (ii) does not reflect full Seller specialist or local counsel review or include all issues that would be reflected in a complete redline of the ISC Contract, and (iii) reflects that all Exhibits remain under Seller review and that Seller will provide comments to the Exhibits during the shortlisting phase. Capitalized terms used in this list have the meanings given to them in the ISC Contract.

Key Issues

1. **Termination Payments (Sections 9.2, 9.3, 9.4).**

For certain Seller Events of Default, termination payments are fixed at the level of posted Performance Assurance rather than tied to demonstrated damages. In addition, Seller remedies for Buyer default are limited and do not provide for forward damages. This structure may not reflect actual economic losses and could materially affect project finance ability and bid pricing. [REDACTED] requests reconsideration of this approach to better align termination payments with real economic outcomes.



2. **Tariff Risk:** The ISC Contract does not provide any relief in connection with a change in tariffs or duties, including the imposition of new or increased tariffs on equipment necessary for the development or operation of the Project. Given the long-term nature of storage contracts and the current uncertainty around trade policy, this exposure creates meaningful risk. [REDACTED] requests that the IPA consider incorporating an explicit tariff adjustment mechanism, including price adjusters, and/or a Seller no-fault termination right, in connection with any material change in tariffs or duties affecting the Project.

3. **Buyer Limitation of Liability (Section 14.1).**

Buyer liability is capped at 100% of payments already made to Seller, while Seller liability includes the Collateral Requirement plus prior Buyer payments. This results in minimal Buyer liability prior to COD and limited recourse for Seller in the event of Buyer default. [REDACTED] believes this allocation of risk is unbalanced and may render financing difficult or impossible. [REDACTED] requests consideration of a more balanced limitation of liability framework.

4. **Cost Recovery (Section 5.4).**

The Agreement permits suspension of Seller payments during periods when the Buyer is not authorized to recover costs from customers. While recent legislation is intended to support continued utility cost recovery, the inclusion of payment suspension rights in the contract creates ongoing cash flow uncertainty for storage projects. [REDACTED] requests clarification on the continued



[REDACTED]

need for this provision and consideration of removing or narrowing payment suspension language in light of the updated statutory framework.

5. **Availability and Curtailment (Sections 2.6, 4.3).**

Excused outages for Availability purposes are limited to Force Majeure and RTO-directed Technical Curtailment, with all other outages counting against the guaranteed Availability requirement of 4,320 hours per Delivery Year. Given the long-term nature of storage contracts, this narrow definition increases operational and performance risk. [REDACTED] requests consideration of broader excused outage definitions or an adjustment to the Availability requirement.

6. **ISC Generation (Section 4.1).**

The treatment of excused ISC generation differs depending on payment direction. When Seller owes Buyer, ISC generation is excused only for Planned Outages, while when Buyer owes Seller, generation is excused whenever the Project is not Available. [REDACTED] requests clarification on this asymmetry and consideration of aligning excused generation treatment in both circumstances.

7. **Performance Assurance (Section 7.1).**

The Agreement requires the Seller to post Performance Assurance with short cure periods for replacement credit support. [REDACTED] requests a longer cure period of at least fifteen (15) Business Days to replace credit support. In addition, [REDACTED] requests that the Agreement require a minimum of three (3) Business Days' prior notice before any Buyer draw on a Letter of Credit.

8. **Seller Representation (Section 8.1(o)).**

The Seller representation that all information furnished in connection with the Agreement is true, accurate, complete, and not misleading is broader than typical PPA representations. [REDACTED] requests consideration of standard materiality and knowledge qualifiers consistent with market practice.

9. **Force Majeure (Section 10).**

The Force Majeure definition requires that an event not be reasonably anticipated and does not expressly include certain risks that may reasonably arise over the development and operating life of a storage project, including labor disruptions (such as strikes), changes in law, or interconnection delays. [REDACTED] requests clarification of the Force Majeure definition and consideration of expanding the list of qualifying events to better reflect these risks.

10. **Regulatory Risk Allocation (Section 11.2).**

The requirement that the Product remain "Regulatorily Continuing" places ongoing regulatory and program change risk on the Seller after contract execution. [REDACTED] requests consideration of clearer relief mechanisms or additional flexibility where regulatory changes materially affect project economics beyond Seller control.

11. **ITC Contingency (Section 11.3).**

If the Investment Tax Credit is eliminated or materially reduced prior to COD, the Seller may request termination subject to IPA approval. [REDACTED] notes that developers typically expect a firm termination right tied directly to tax law changes and requests greater certainty around this provision.

12. **Assignment and Change of Control (Section 13.1).**

The Agreement applies creditworthiness thresholds to certain assignment transactions, which may require parent company guarantees or other credit support in cases where the assignee is unrated. [REDACTED] requests consideration of additional flexibility to support customary ownership

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

transfers without imposing creditworthiness restrictions that could complicate financing and asset rotation transactions.

13. **Minimum Availability Obligation for Shortened First Delivery Year (Section 2.6).** The 4,320-hour minimum Availability requirement is not prorated for a shortened first Delivery Year, which could result in a disproportionately high obligation depending on when the Earliest Vintage Month is elected. Given that no cure period is available for an Availability shortfall under Section 2.6(a)(iv), this exposes Seller to an Event of Default. [REDACTED] requests that the minimum Availability guarantee not apply for any first Delivery Year that is less than 12 months in duration, or alternatively that the 4,320-hour requirement be prorated proportionally for any shortened first Delivery Year.

[REDACTED] will continue to evaluate opportunities to bring clean and competitively priced energy to customers in the State of Illinois, particularly through commercial and industrial customers who have their own sustainability goals. We appreciate that the IPA has previously integrated stakeholder feedback into their contracts, and we hope that further improvements can be made to future IPA-led procurements. We commit to continue to work collaboratively with the IPA and its stakeholders to build a structure that effectively and efficiently unlocks Illinois' energy storage potential.

Sincerely,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]