

Illinois Power Agency Procurement Events

**Invitation to Comment
on Proposed Changes to the Standard Contract Forms
Procurement of Energy Blocks
for the Ameren Portfolio and the ComEd Portfolio**

Invitation to Comment

On September 29, 2014, the Illinois Power Agency (“IPA”) submitted its Procurement Plan (“Plan”) to the Illinois Commerce Commission (“ICC”) in compliance with Public Act 095-0481 (the “Act”), which includes the Illinois Power Agency Act (“IPA Act”). The ICC approved the Plan with modifications on December 17, 2014. The Plan provides for the procurement of energy supply to meet the supply needs of eligible retail customers of Commonwealth Edison Company (“ComEd”) and of Ameren Illinois Company (“Ameren”) through a Request for Proposals (“RFP”). The RFP will procure on-peak and off-peak blocks of monthly and/or multi-month durations for the period June 1, 2015 to May 31, 2018.

The Procurement Administrator is proposing to use the 2014 energy contracts with only minor changes. For each utility, consensus among that utility, the IPA, Commission Staff, Procurement Administrator, and Procurement Monitor was reached on the terms that needed to be modified in the energy contract for that utility. As approved by the ICC, the Procurement Administrator invites interested parties to submit their comments on the proposed changes that have been made relative to the previously used 2014 energy contract. **Please note that comments are solicited on proposed changes only and not on the entire energy contract.**

Proposed Changes

All proposed changes as numbered below are provided for the convenience of interested parties in an attachment to this document.

Ameren Illinois Company

The Ameren Illinois Company’s standard contract form is the EEI Master Power Purchase & Sale Agreement with certain specific terms (the “(AIC) Confirmation Agreement”). A summary of the proposed changes from the previously used 2014 energy contract are provided below.

Ameren Proposed Changes		
Proposed Change	Section	Nature of Change
AIC-1	Opening Paragraph	Change of date
AIC-2	Section 2, Table 1	Placeholders for Delivery Period
AIC-3	Section 3	Formatting and Changes to Contact Information for Invoices
AIC-4	Exhibit B (Annex 2 to Letter of Credit)	Change of date

Changes 1-4 are administrative in nature and they do not modify the terms of the (AIC) Confirmation Agreement. As such, the Procurement Administrator does not expect comments from interested parties in regard to proposed changes 1-4.

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Commonwealth Edison Company

The standard contract form for Commonwealth Edison Company is the EEI Master Power Purchase & Sale Agreement with certain specific terms (the “(ComEd) Master Agreement”). A summary of the proposed changes from the previously used 2014 energy contract are provided below.

ComEd Proposed Changes			
Proposed Change	Document	Section	Nature of Change
ComEd-1	EEI Master Agreement and Coversheet	Coversheet, Other Changes, Paragraph 21 (Section 6.1)	Require information related to quantity and amount due to be provided in invoice to Buyer
ComEd-2	Schedule 1a to Collateral Annex, Letter of Credit (Option 1) and (Option 2)	Paragraph 10 (under Option 1) Paragraph 11 (under Option 2)	Clarify the certification of the issuing bank.
ComEd-3	EEI Master Agreement and Coversheet	Signature Block	Change name of ComEd signatory
ComEd-4	Sample Confirmation (Sample Exhibit A)	Delivery Point	Clarify the Delivery Point by specifying the Pnode ID
ComEd-5	Sample Confirmation (Sample Exhibit A)	Special Conditions, Scheduling	Remove dates related to 2014
ComEd-6	Sample Confirmation (Sample Exhibit A)	Signature Block	Update of information of ComEd signatory

Changes 1 and 2 modify the terms of the (ComEd) Master Agreement. The remaining **changes 3 to 6 are administrative in nature** and they do not modify the terms of the (ComEd) Master Agreement. As such, the Procurement Administrator does not expect comments from interested parties in regard to proposed changes 3 to 6.

Timeline and Process

The timeline and process for interested parties to provide comments on all proposed changes are as follows:

- Please enter your comments in the Comment Form and submit the Comment Form to the Procurement Administrator by email at the following e-mail address: Illinois-RFP@nera.com
- Where appropriate, you may submit your comments with tracked changes in Microsoft Word within the Comment Form. The Comment Form also includes boxes so that you may also provide explanatory notes.
- The Comment Form will ask for a telephone number and email contact information in the event that the Procurement Administrator seeks clarification regarding your comments.
- **The deadline to provide comments is 6 PM CPT on March 2, 2015.**

Please direct any questions regarding this comment process to the Procurement Administrator at Illinois-RFP@nera.com.

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Attachment to Invitation to Comment

All proposed changes are provided below for the convenience of interested parties.

(AIC) Confirmation Agreement

AIC-1:

THIS CONFIRMATION AGREEMENT shall confirm the Transaction agreed to on _____, 2015⁴ between _____ (“Seller” or “Party A”) and Ameren Illinois Company (“Buyer” or “Party B”) regarding the sale/purchase of the Product under the terms and conditions that follow. Party A and Party B are sometimes referred to herein as a “Party” or collectively as the “Parties”.

AIC- 2:

Delivery Period	Term	Type (On/Off-Peak)	Contract Price (\$/MWH)	Hourly Quantity (MW/HOUR)	Total Quantity (MWHs)
1A			0	0	0
2A			0	0	0
3A			0	0	0
4A			0	0	0
5A 1B			0	0	0
6A 2B			0	0	0
<u>3B</u>			0	0	0
<u>4B</u>			0	0	0

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AIC- 3:

Name (“.” or “Party A”)	Name: “Ameren Illinois Company” or “Party B”
All Notices:	All Notices:
Street: _____	Street: 1901 Chouteau Ave., MC- 1301
City: _____ Zip: _____	City: St. Louis, MO Zip: 63103
Attn: Contract Administration	Attn: Power Supply Acquisition
Phone: _____	Rich McCartney
Facsimile: _____	Phone: (314) 613-9181
Duns: _____	Facsimile: (314) 206-0210
Federal Tax ID Number: _____	Duns: 00-693-6017
	Federal Tax ID Number: 37-0211380
Invoices:	Invoices:
Attn: _____	Attn: Scott Holtgrieve Dillon Polansky
Phone: _____	Phone: (314) 554- 3440 4356
Facsimile: n/a	Facsimile: (314) 554 3639 n/a
Email: _____	Email: sholtgrieve@ameren.com dpolansky@ameren.com

AIC- 4:

THE SUM OF _____ U.S. DOLLARS. Drawn under Irrevocable
Letter of Credit No. _____ of
_____ [identify Issuing Bank] dated
_____, 20 <u>01</u> .

(ComEd) Master Agreement

ComEd-1:

21. Section 6.1 – Billing Period

Section 6.1 is amended as follows:

- (a) The last sentence of the section is revised in its entirety to read as follows:

“As soon as practicable after the end of each month, Party A will render to Party B an invoice for the payment obligations, if any, incurred hereunder during the preceding month. The invoice shall clearly state the number of MWhs delivered and the total amount due. If Party A fails to render such invoice within ten (10) Business Days after the end of any month, no payment will be processed for that month. However, such amount shall be eligible to be included in the following month’s invoice for subsequent payment.”

ComEd-2:

We, the Issuing Bank, hereby certify that as of the Date of Issuance of this Irrevocable Standby Letter of Credit our Senior Unsecured Debt is rated “A” or better by Standard and Poor’s (“S&P”) if rated by S&P, “A2” or better from Moody’s Investors Service (“Moody’s”) if rated by Moody’s, and ~~if rated by Fitch Ratings (“Fitch”)~~; “A” or better by Fitch Ratings (“Fitch”) if rated by Fitch. We hereby certify that our Senior Unsecured Debt is rated by at least two of S&P, Moody’s, and Fitch. If affiliated with a foreign bank, we further certify we are a U.S. branch office of such foreign bank and that as of the Date of Issuance of this Letter of Credit, our Senior Unsecured Debt meets the ratings requirement of this paragraph.

ComEd-3:

Party A Name

By: _____

Name: _____

Title: _____

Date: _____

Commonwealth Edison Company

Party B Name

By: _____

Name: ~~Ross C. Hemphill~~ Scott Vogt

Title: V.P., Energy Acquisition

Date: _____

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ComEd-4:

Delivery Point: [ComEd Zone ComEd Residual Aggregate, Pnode ID 116472935](#)
[\(COMED_RESID_AGG\)](#) or its successor.

ComEd-5:

Scheduling: Seller shall submit Contract Quantity through PJM InSchedules ~~by the later of October 10, 2014 or~~ four weeks prior to the beginning of the Delivery Period. Buyer shall confirm the Contract Quantity submitted by Seller through PJM InSchedules ~~by the later of October 17, 2014 or~~ three weeks prior to the beginning of the Delivery Period.

Market: Seller must schedule and deliver in the PJM Day-Ahead Market.

ComEd-6:

[Party A]

[Party B]

Commonwealth Edison Company

Signature: _____

Signature: _____

Name (Print): _____

Name (Print): [Scott Vogt](#) _____

Title: _____

Title: [V.P., Energy Acquisition](#) _____

Phone No: _____

Phone No: [\(630\) 684-3558](#) _____

E-mail: _____

E-mail: wb&cStaff@ComEd.com _____

Fax: _____

Fax: [\(630\) 684-3580](#) _____