

## **DRAFT PROPOSAL REQUIREMENTS**

### **1. Purpose**

The New Solar RFP is expected to be issued on February 07, 2018 and will be applicable to both procurement events scheduled for the first half of 2018. The procurement events are for the annual delivery of renewable energy credits from new Solar Projects (utility-scale solar projects or brownfield site photovoltaic projects) to AIC, ComEd, and MEC. The present document provides an overview of the Proposal submission process and draft Proposal requirements. These requirements are based on:

- Public Act 99-0906, which was signed into law on December 7, 2016 and became effective June 1, 2017;
- the draft REC Contract, which was posted to the procurement website on January 12, 2018 for comments by participants; and
- the procurement event held under the Wind and Solar RFP in Fall 2017.

These draft Proposal requirements are subject to change.

### **2. Overview of Proposal Submission Process**

2.1. A “Project” is a new utility-scale solar project or a new brownfield site photovoltaic project as defined by the Act. A “Proposal” is a response to this RFP for a given Project. A participant submits a Proposal for each Project for which the participant wants to present a bid.

2.2. If a participant qualifies a Project to be bid in the first procurement event and that Project is not selected as a winning Project in the first procurement event, the participant can bid that Project in the second procurement event without having to resubmit to the qualification process (barring changes in circumstances that could in

turn change the evaluation of those qualification standards for the Project). The participant will be required to confirm the information provided for the first procurement event remains up-to-date and accurate.

- 2.3. A Proposal consists of two (2) parts. The first part of the Proposal (“Part 1 Proposal”) is the participant’s response to the qualification standards. The qualification standards are set to provide assurances that the Project can satisfy the requirements of Public Act 99-0906 and to establish that the participant accept the terms of, and can meet the obligations under, the REC Contract. The second part of the Proposal (“Part 2 Proposal”) includes the bid and financial support for the bid.
- 2.4. Each participant is required to pay a non-refundable Bid Participation Fee of \$500 as a condition of completing the Part 1 Proposal. The Bid Participation Fee will be used to cover part of the costs of the 2018 procurement events. The Supplier Fees, which are levied only on those that have bids approved by the Illinois Commerce Commission (“ICC” or “Commission”), are also used to cover part of the costs of the procurement events. An estimate of the Supplier Fees, which will be in \$/REC and which will be applied to the annual quantity of RECs for a winning Project, will be provided during the webcast planned for February 08.
- 2.5. Participants submit the Part 1 Proposal online, using the “Part 1 Form”. Participants enter required information in the Part 1 Form (for example, contact information for the participant and the size of the Project). Any supporting documentation that may be required can either be uploaded to the Part 1 Form or sent via email to the Procurement Administrator at [Illinois-RFP@nera.com](mailto:Illinois-RFP@nera.com). When a signature is required, the Procurement Administrator makes available to participants an “Insert”, which is a

stand-alone Microsoft Word form that a participant can fill out, print, sign, scan, and then upload to the Part 1 Form or email to the Procurement Administrator. Additional details on Part 1 Proposal requirements are provided in the next section.

- 2.6. The Part 1 Proposal consists of the completed online Part 1 Form as well as documents required by the Part 1 Form (emailed to the Procurement Administrator or uploaded to the online Part 1 Form).
- 2.7. Similarly, participants use an online “Part 2 Form” to submit information and documents in response to the Part 2 Proposal requirements for each Project. A participant makes a number of certifications, including that any bid submitted is binding until seventeen (17) business days after submission. A participant is required to submit bid assurance collateral in the form of cash or a letter of credit to each utility to support its bids.
- 2.8. A Bidder presenting Proposals for multiple Projects and that elects to provide bid assurance collateral in the form of a letter of credit for a Company may present a single letter of credit to that Company for all Projects, subject to several requirements to be outlined in the RFP Rules. A Bidder presenting Proposals for multiple Projects and that elects to provide bid assurance collateral in the form of cash for a Company may effect a single wire transfer to provide to that Company the required bid assurance collateral for all Projects.
- 2.9. If providing bid assurance collateral in the form of a letter of credit for a Company, the Bidder must either use the Standard Pre-Bid Letter of Credit for that company provided as an appendix to the RFP Rules, or the Bidder must submit an original

executed Pre-Bid letter of Credit for that Company that incorporates only those modifications to the Company's Standard Pre-Bid Letter of Credit approved by that Company and posted to the procurement website.

- 2.10. Generally, cash posted as bid assurance collateral will be returned as soon as practicable after the Commission decision on the results of the second procurement event and any Pre-Bid Letter of Credit will expire on the date stated as part of its terms. However, if a participant has posted bid assurance collateral in the first procurement event, has no Bids approved by the Commission in that procurement event and does not submit any Part 1 Proposal materials for the second procurement event, then bid assurance collateral will be returned as soon as practicable but no later than three (3) business days after the Part 1 Date for the second procurement event.
- 2.11. The Procurement Administrator will provide a Bid Form in Microsoft Excel format to be used by the participant to submit a bid for each of its Projects.
- 2.12. The Part 2 Proposal consists of (i) the completed online Part 2 Form; (ii) bid assurance collateral in the form of cash or Pre-Bid Letters of Credit; (iii) any other documents necessary to fulfill the Part 2 Proposal requirements; and (iv) the Bid Form, which is submitted separately from the other components of the Part 2 Proposal.
- 2.13. A schedule (subject to change) for the two procurement events is available on the Calendar page of the procurement website: <https://www.ipa-energyrfp.com/calendar/>
- 2.14. Part 1 Proposals are received and processed during a specific timeframe, the "Part 1 Window". The last day of the Part 1 Window is called the "Part 1 Date". All materials

for the Part 1 Proposals are due at 12 PM (noon) Central Prevailing Time on the Part 1 Date.

- 2.15. Part 2 Proposals are received and processed during a specific timeframe, the “Part 2 Window”. The last day of the Part 2 Window is called the “Part 2 Date”. All materials for the Part 2 Proposals, except the participant’s bids, are due at 12 PM (noon) Central Prevailing Time on the Part 2 Date.
- 2.16. The day bids are due is called the “Bid Date”. Bids are evaluated on the Bid Date. The bids will be received during a particular time window on the Bid Date (for example, between 10 AM and noon). The Procurement Administrator evaluates the bids of participants that successfully complete the Part 1 Proposal and the Part 2 Proposal.
- 2.17. A “bid” includes a price per REC for a given Project as well as an annual quantity of RECs that the Project will deliver annually under the terms of the REC Contract.
- 2.18. The evaluation of bids first eliminates the bids that fail to meet or beat the benchmarks. Second, bids are ranked in order of price per REC until the target for a procurement event is met (on an annual basis) or until all bids have been ranked. The lowest priced Projects thus selected are identified by the Procurement Administrator to the Commission as winning Projects.
- 2.19. Within two (2) business days of the Bid Date, the Procurement Administrator will submit to the Commission a confidential report that will provide the results of the procurement event. Within two (2) business days of the Bid Date, the Procurement Monitor will submit to the Commission a confidential report regarding the results of the procurement event. The Commission will decide whether to accept or reject the

results of the procurement event within two (2) business days of receiving the confidential reports from both the Procurement Administrator and the Procurement Monitor.

**3. Draft Part 1 and Part 2 Proposal Requirements**

The tables below provide a list of requirements that are anticipated at this time for the Part 1 and Part 2 Proposals. This list is in draft form and is preliminary.

<b>Draft Part 1 Proposal Requirements for Each Project</b>	
<b>Project Information</b>	<ul style="list-style-type: none"> <li>• Type of Project: utility-scale solar or brownfield site photovoltaic project</li> <li>• Size: in MW, AC rating</li> <li>• Site Description: map of site, address, and size. If project is brownfield, provide the program under which the site is regulated. The site description provided in the Proposal will be incorporated in the REC Contract for a winning project</li> <li>• Copy of the project’s signed Interconnection Agreement (with utility or ISO). If unavailable, provide:               <ol style="list-style-type: none"> <li>1) Proof of site control as will be defined in the RFP Rules, including supporting documentation for each land owner (e.g. signed lease agreement, proof of land ownership, memorandum of understanding with land owner, or letter of intent to lease the land)</li> <li>2) Contact information for land owners</li> <li>3) Description of the stage of project development by indicating the milestones that have been reached (e.g. interconnection application submitted, point of interconnection validated, system impact study completed, local inspections completed, etc.).</li> </ol> </li> <li>• Date at which the Project commenced or is expected to commence operations</li> <li>• Additional information may be required depending on results of evaluation</li> </ul>

<p><b>Identification of the Parties</b></p>	<ul style="list-style-type: none"> <li>• Name of party submitting the Proposal (“Bidder”) and contact information for 1-4 individuals (“Representatives”)</li> <li>• Name of party signing the REC Contract (“Seller”) and contact information for an officer of the Seller</li> </ul>
<p><b>Seller Information</b></p>	<ul style="list-style-type: none"> <li>• Address</li> <li>• Years in business</li> <li>• Website</li> <li>• Credit ratings, if available, for Seller or guarantor of Seller</li> </ul>
<p><b>Certifications by Seller</b></p>	<ul style="list-style-type: none"> <li>• All information with respect to the project is true</li> <li>• Agree to the terms of the REC Contract</li> <li>• Represent that project is new and that milestones in project development achieved to date provide reasonable expectation that delivery will commence no later than June 1, 2021</li> <li>• Agree that there will be no substitution of project and that site will remain substantially as described in Proposal</li> <li>• Project was or will be installed by qualified persons</li> <li>• Cost of project is not being recovered through rates</li> <li>• If project is in a state adjacent to Illinois, acknowledge that final public interest criteria, which are not yet available, may lead to contract termination</li> </ul>
<p><b>Draft Part 2 Proposal Requirements for Each Project</b></p>	
<p><b>Quantity and Bid Assurance Collateral</b></p>	<ul style="list-style-type: none"> <li>• Indicate intended bid quantity for each project; this indication is not binding</li> <li>• Provide bid assurance collateral in the form of cash or a letter of credit to each utility</li> <li>• If submitting cash, acknowledge the conditions under which the utilities can draw upon the cash and provide instructions for the return of cash</li> <li>• If submitting a letter of credit, provide special instructions for returning the letter of credit (optional)</li> </ul>

<b>Certifications by Seller</b>	<ul style="list-style-type: none"><li>• Bidding independently</li><li>• Commit to bids remaining valid until seventeen (17) days after Bid Date</li><li>• Agree to sign REC Contract within the required timeframe if Project is selected</li></ul>
<b>Additional Information</b>	<ul style="list-style-type: none"><li>• May, but is not required to, provide information needed to complete the REC Contract</li></ul>