

ILLINOIS POWER AGENCY
Indexed REC RFP

**Second Invitation to Comment on
Proposed Contract Form and RFP Requirements**

Background

Public Act 102-0662 (the “Climate and Equitable Jobs Act” or “CEJA”) was signed into law and became effective on September 15, 2021. CEJA provides for the procurement of Indexed Renewable Energy Credits (“RECs”) through 20-year delivery contracts. In accordance with Section 16-111.5(b)(5)(ii)(B) of the Public Utilities Act, the Illinois Power Agency (“IPA”) developed a revision to its Long-Term Renewable Resources Procurement Plan (“2022 Long-Term Plan”) and filed this plan with the Illinois Commerce Commission (“ICC” or “Commission”) on March 21, 2022. The Commission released a Final Order approving the 2022 Long-Term Plan with modifications on July 14, 2022.

As approved by the ICC, the 2022 Long-Term Plan provides for a procurement of RECs from new utility-scale wind projects (projects over 5 MW), new utility-scale solar projects (projects over 5 MW), and new brownfield site photovoltaic projects this Summer 2023 (“Summer 2023 Indexed REC RFP”). The Summer 2023 Indexed REC RFP seeks to procure 1,750,000 RECs delivered annually from new utility-scale wind projects, 1,000,000 RECs delivered annually from new utility-scale solar projects, and 65,000 RECs delivered annually from new brownfield site photovoltaic projects. NERA Economic Consulting serves as the Procurement Administrator for the Summer 2023 Indexed REC RFP. The calendar for the Summer 2023 Indexed REC RFP is available on the procurement website [here](#).

Comment Process Timeline

On January 20, 2023, the IPA and the Procurement Administrator issued a Request for Stakeholder Feedback to seek input on structural barriers that may have limited participation in the Spring and Fall 2022 Indexed REC Procurement events. On February 15, 2023, the Procurement Administrator and the IPA held a stakeholder workshop to provide stakeholders an additional opportunity to provide feedback. The stakeholder workshop presentation and recording, as well as responses to the January 2023 request for stakeholder feedback, are posted [here](#).

Two rounds of written comments have been planned in connection with the finalization of the Summer 2023 Indexed REC RFP Rules and Indexed REC Contract. This is the request for the second round of written comments on the draft contract terms and RFP requirements.

On March 3, 2023, the Procurement administrator posted the (a) First Draft Indexed REC Contract and (b) Draft Preliminary Proposal Requirements for stakeholder feedback and the comments received are available on the procurement website [here](#).

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On March 30, 2023, the Procurement Administrator posted the (a) Second Draft Indexed REC Contract and (b) Draft Indexed REC RFP Rules including appendices for the Summer 2023 Indexed REC RFP. These documents incorporate stakeholder input from the first round of written comments. Appendix A below provides a summary of the key changes to the contract terms and proposal requirements. The next round of written comments is due by Friday, April 14, 2023.

Upcoming Workshop

A virtual stakeholder workshop is planned to discuss the comments received in the first round of written comments and the changes incorporated in the Second Draft Indexed REC Contract and RFP requirements.

Date and Time:

Tuesday, April 4, 2023 at 2:00PM-3:00PM Central Time.

Meeting link:

https://owg.zoom.us/webinar/register/WN_wskIiXBuQqe7NPf1Z2dPBA

Webinar ID: 922 0997 8607

Passcode: 675380

Join by Phone:

+1 267 831 0333

Webinar ID: 922 0997 8607

Passcode: 675380

Invitation to Comment

On March 30, 2023, the Procurement Administrator posted the Second Draft Indexed REC Contract and Draft Indexed REC RFP Rules including appendices for the Summer 2023 Indexed REC RFP.

For convenience of stakeholders, Appendix A provides a summary of the key changes to the contract terms, and Appendix B includes a summary of the Proposal Requirements, starting on page 6. To facilitate stakeholder review, the Procurement administrator has posted a redline showing changes between the First Draft Indexed REC Contract and the Second Draft Indexed REC Contract.

Comments are welcome from both participants of past procurement events for RECs, as well as from other interested parties. To facilitate the reviewer's understanding and consideration of the comments, stakeholders are strongly encouraged to provide comments in the form of redlines against the posted documents along with explanatory notes either in a separate document or highlighted in tracked changes.

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The Procurement Administrator invites stakeholder feedback on any aspect of the posted documents.

The timeline and process for interested parties to provide comments is as follows:

- Please submit an attachment with your comments on the Second Draft Indexed REC Contract and the Draft Indexed REC RFP Rules by email to the Procurement Administrator at: Illinois-RFP@nera.com
- Please provide telephone and e-mail contact information in the event that the Procurement Administrator seeks clarification regarding your comments.
- If providing feedback on the Second Draft Indexed REC Contract, please submit your comments with track changes in Microsoft Word. We strongly encourage you to provide explanatory notes either in a separate document or highlighted in tracked changes.
- If providing feedback on the Draft Indexed REC RFP Rules, please include a reference to the paragraph of the Draft Indexed REC RFP Rules, the relevant appendix to the Draft Indexed REC RFP Rules and/or a reference to the left-hand column of the respective table in Appendix B.

The deadline to provide written comments is on Friday, April 14, 2023 and should be sent to Illinois-RFP@nera.com

In general, responses will be made public and published on the Procurement Administrator's website (www.ipa-energyrfp.com). However, should a commenter seek to designate any portion of its response as confidential, that commenter should provide both public and redacted versions. Independent of that designation, if the IPA or the Procurement Administrator determines that a response contains confidential information that should not be disclosed in connection with a competitive procurement event, it reserves the right to provide its own redactions.

Some elements of the Indexed REC RFP are prescribed by Public Act 102-0662 and the 2022 Long-Term Plan and cannot be changed.

Please direct all questions to the Procurement Administrator at: Illinois-RFP@nera.com

Appendix A

Key Contract Changes for Summer 2023 Indexed REC RFP

The list below reflects changes relative to the Indexed REC Contract used in the Fall 2022 procurement event. Changes that are incremental between the First Draft Indexed REC Contract posted March 3, 2023 and the Second Draft Indexed REC Contract posted March 30, 2023 are indicated as “**New!**”.

The list below includes contract modifications aimed to streamline contract administration processes, respond to stakeholder feedback, and to clarify contract provisions. This list is not exhaustive and interested parties are encouraged to review the redline documents that have been posted on the procurement website.

1. **New! Project Committed Percentage:** “RFP Project Percentage” has been updated to the “Project Committed Percentage”, as the percentage will no longer be collected during the RFP process. Rather, the Project Committed Percentage will now be collected once only prior to the establishment of the Standing Order so as to provide maximal time for Seller to secure other offtake arrangements prior to energization of the Project. The Project Committed Percentage specifies the percent of a Project’s RECs allocated to the contracts for this procurement event (thereby allowing for other off-takers). Project Committed Percentage cannot be modified after the establishment of the Standing Order. (See Section 1.79, Section 2.3(b)(i)).
2. **New! Shortfall Amount:** The contract now allows for Seller to make a manual transfer of RECs for the sole purpose of reducing Shortfall Amounts incurred in one or more prior Delivery Years. All such RECs must be generated from the Project and associated with a Vintage within the Acceptable Vintage Period. (See Sections 2.3(f), 4.1(g), and 4.1(k)).
3. **Projects in Energy Transition Community Grant Areas:**
 - a. Under the 2022 Long-Term Plan, Projects located entirely within Energy Transition Community Grant Areas will qualify for a bid reduction in the bid evaluation procedure. The Summer 2023 Indexed REC RFP is the first procurement event in which this selection criteria is implemented. As such, provisions related to such projects are introduced in the draft contract.
 - b. **New!** The contract now explicitly requires the specific ETCG area in which the Project resides to be specified in the Product Order. (see Sections 1.35, 2.2(e), 2.5(c) and Product Order). A table with the Energy Transition Community Grant Areas is provided in Appendix 16 to the RFP Rules.
4. **New! Event of Default.** The contract now clarifies that if prior to the first REC delivery Seller determines it will not construct the Project in a timely manner and requests for the termination of the Indexed REC Contract, such resulting termination will not be considered an event of default and neither party will be

entitled to any Settlement Amount that are contemplated due to an event of default under the Indexed REC Contract. (See Section 4.1(d)).

5. Collateral Requirements

- a. With respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, the minimum Collateral Requirement has been reduced from \$50,000 to \$20,000 under a contract. (See Section 1.15).
- b. The Collateral Requirement under the Indexed REC Contract is updated to be due within eight Business Days of notice from Buyer, instead of five Business Days. This allows for cash posted as bid assurance collateral under the RFP to be used to meet the performance assurance requirement under the contract without needing to post additional cash separately. (See Sections 7.1, 9.2(d), 9.2(f)).
- c. **New!** The contract now further clarifies the process and requirements for such bid assurance collateral cash to become performance assurance cash under the contract. (See Sections 7.1, 9.2(d), 9.2(f)).

Other changes previously incorporated in the First Draft Indexed REC Contract include:

6. **Project Size Clarification:** Clarity has been provided within the contract to explicitly state that there is no prohibition to Project size changes between the RFP and contract term. (See Section 2.1(a)).
7. **Initial REC Delivery Deadline Extensions.** The period of each extension allowed to be granted by the IPA is now extended from six months to one year at a time. (See Section 2.4(a)).
8. **Force Majeure:** If Seller is unable to complete construction of the Project due a Force Majeure event, Seller may provide such notice to the Buyer and IPA for the early termination of the contract and return of its performance assurance. In connection with this, the timeline for any objection to the Force Majeure claim is extended from 10 business days to 20 business days. Any dispute of the existence of Force Majeure by Buyer shall be subject to the concurrence of the IPA. (See Section 10.1).
9. **Minimum Equity Standard (MES)**
 - a. The contract clarifies that MES requirements shall apply for Construction Activities occurring on or after December 15, 2022, consistent with the timeline for the application of MES under the prior contract and the Long-Term Plan. (See Section 6.4(a)).
 - b. If a Seller is an Equity Eligible Contractor, then Seller is deemed to have met the MES. The contract now provides that such EEC Seller is not subject to the MES reporting requirements. (See Section 6.4(d)).

Appendix B

1. Draft Part 1 and Part 2 Proposal Requirements

1.1. Utility-Scale Wind Projects and Utility-Scale Solar Projects

The table below provides a list of requirements that are anticipated at this time for the Part 1 and Part 2 Proposals for utility-scale wind Projects and utility-scale solar Projects. The list of requirements for brownfield site photovoltaic Projects is provided in the following section. **This list is in draft form and is preliminary.**

Draft Part 1 Proposal Requirements for Each Utility-Scale Wind Project and Each Utility-Scale Solar Project	
Identification of the Parties	<ul style="list-style-type: none"> • Name of party submitting the Proposal (“Bidder”) and contact information for 1-4 individuals (“Representatives”). • Name of party who would be signing the Indexed REC Contract (“Seller”) and contact information for an officer of the Seller. • Bidder and Seller may be the same or different. • Indicate whether the Seller is an Equity Eligible Contractor and provide evidence of such.
Project Information	<ul style="list-style-type: none"> • <u>Type of Project</u>: utility-scale wind Project or utility-scale solar Project • <u>Size</u>: in MW, AC rating. Only Projects with a nameplate capacity greater than 5,000 kW (AC rating) are eligible to participate. • <u>Commercial Operations Date</u>: Date at which the Project commenced or is expected to commence operations <ul style="list-style-type: none"> ○ Projects that started operations prior to June 1, 2017 are not eligible. • <u>Project Labor Agreement</u>: <ul style="list-style-type: none"> ○ If construction activities began prior to September 15, 2021, these requirements do not apply. ○ If construction has not yet begun, Seller certifies that the Project will be built by general contractors that entered into a project labor agreement prior to construction and acknowledges the requirements under the contract. ○ If construction has begun (but not prior to September 15, 2021), Bidder must provide evidence that the project labor agreement and any amendments thereto for the Project has been filed with the Director of the IPA (evidence that the IPA has determined such documentation meets the requirements is due with the Part 2

	<p>Proposal but may be provided with the Part 1 Proposal if already available).</p> <ul style="list-style-type: none">• <u>Minimum Equity Standard (“MES”):</u><ul style="list-style-type: none">○ If the Date of First Operation for the Project is prior to December 15, 2022, MES requirements do not apply.○ If the Seller qualifies as an Equity Eligible Contractor, as this term is defined in the Indexed REC Contract, the MES standard of 10% is deemed to have been met.○ Otherwise, the Seller must acknowledge that if the Date of First Operation for a Project is on or after December 15, 2022, a MES of 10% applies to the Project Workforce for each delivery year in which Construction Activities are performed through the Date of First Operation.○ If Construction Activities have not yet started, the Seller may commit to an Equity Level (%) greater than 10% in order to qualify for the bid evaluation price reduction from Section I.2.11. In order to qualify, the Bidder must:<ol style="list-style-type: none">1. State the Equity Level (%) for the Project (% greater than 10%). The Equity Level (%) will be included in the Form of Product Order in the Indexed REC Contract under Additional Commitments pursuant to Section 2.5.2. Certify that the percentage of the Project Workforce for the Project through the Date of First Operation that is Equity Eligible Persons or Equity Eligible Contractors will be at least the Equity Level (%) indicated in the Part 1 Proposal.3. Acknowledge the additional reporting requirements under the Indexed REC Contract.4. Acknowledge that if the Seller commits to an Equity Level (%) greater than the MES of 10% and if the Seller fails to demonstrate, and the IPA is unable to verify, that the Equity Level (%) for the Project as indicated in the Part 1 Proposal is met, the Indexed REC Contract will be terminated, and each Company shall be entitled to payment by the Seller in the amount of (i) the Collateral Requirement and (ii) 100% of the total payments Seller has received from each such Company.5. Provide a narrative plan including:<ul style="list-style-type: none">• a description of how Seller will meet the Equity Level (%) and a statement of intent to comply with equity accountability standards and to hire a diverse project workforce including Equity Eligible Persons and Equity Eligible Contractors;
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	<ul style="list-style-type: none">• projected number of workers related to Construction Activities up to the point of the Date of First Operation;• plans for the use of Equity Eligible Contractors, if applicable; Seller classification (i.e., Minority-owned, Woman-owned, Disabled-owned, Veteran-owned, Small Business, etc.), if applicable; and• communication plan for local outreach to increase the utilization of Equity Eligible Persons and Equity Eligible Contractors <p>6. Provide letter(s) of intent or evidence of current employment related to 50% times the Equity Level (%) provided in the Part 1 Proposal times the projected number of workers in the Project Workforce during delivery years for which Construction Activities will be performed up to the point of the Date of First Operation provided in the narrative plan. Any letter of intent or evidence of current employment must meet the minimum requirements provided in Appendix 14 to the RFP Rules, which has been posted as draft along with this document.</p> <ul style="list-style-type: none">• <u>Location and Site Description</u>: map of Project site and address. For a selected Project, the map and address are incorporated in the Indexed REC Contract.<ul style="list-style-type: none">○ All Projects in Illinois are eligible.○ If a Project is located in a state adjacent to Illinois and has been pre-approved by the IPA to be eligible for Illinois RPS compliance based on public interest criteria, the Bidder must provide evidence of this determination.<ol style="list-style-type: none">1. Chapter 4 of the 2022 Long-Term Plan describes the eligibility criteria and methodology for determining eligibility to meet the public interest criteria in the Act.2. The evaluation spreadsheet to be completed and submitted to the IPA is available on the IPA's website, under the header Adjacent State Facility Eligibility.○ The Bidder will be asked to confirm if the Project site will be located entirely within an Energy Transition Community Grant Area, in which case the Project will qualify for the bid evaluation price reduction from Section I.2.11. If yes, the Energy Transition Community Grant Area must be named in the Proposal. Also, the boundary of the Energy Transition Community Grant Area must be provided in the map and the entirety of the Project site must be contained within that boundary. Additionally, the Officer of the Seller must certify that the Project site will be entirely located within the boundary of the Energy Transition Community Grant community.
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	<ul style="list-style-type: none">• <u>Interconnection point</u>: PJM, MISO, or utility• <u>Project Maturity</u>:<ul style="list-style-type: none">○ PJM interconnection:<ol style="list-style-type: none">1. The Project has completed the System Impact Study; or2. Site control for an area of at least 40 acres times the Project size in MW (AC rating) for a utility-scale wind Project or an area of at least 4 acres times the Project size in MW (AC rating) for a utility-scale solar Project.○ MISO interconnection:<p>If the Project is in the DPP-2020-Cycle 1 or a later study cycle:</p><ol style="list-style-type: none">1. The Project has completed Definitive Planning Phase 1 (“DPP 1”); or2. Site control for an area of at least 40 acres times the Project size in MW (AC rating) for a utility-scale wind Project or an area of at least 4 acres times the Project size in MW (AC rating) for a utility-scale solar Project.<p>If the Project is in a study cycle prior to DPP-2020-Cycle 1:</p><ol style="list-style-type: none">3. The Project has a fully executed interconnection agreement; or4. Site control for an area of at least 40 acres times the Project size in MW (AC rating) for a utility-scale wind Project or an area of at least 4 acres times the Project size in MW (AC rating) for a utility-scale solar Project.○ Interconnection with a utility:<ol style="list-style-type: none">1. The Project has a fully executed interconnection agreement; or2. Site control for an area of at least 40 acres times the Project size in MW (AC rating) for a utility-scale wind Project or an area of at least 4 acres times the Project size in MW (AC rating) for a utility-scale solar Project.○ If documents are provided to show site control, then the following are required:<ol style="list-style-type: none">1. Supporting documentation of agreement with land owners (e.g. signed lease agreement, proof of land ownership, memorandum of understanding with land owner, letter of intent to lease the land, etc.);2. If this supporting documentation of agreement does not include the number of acres controlled by the land owner, corroborating documentation to verify the number of acres is required;3. Description of milestones that have been reached in Project development (e.g. interconnection application submitted, point of interconnection validated, etc.); and4. Additional information may be required depending on results of the evaluation.• <u>Other requirement</u>: Cost of Project is not being recovered through regulated rates by the state of Illinois or any other state
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Seller Information	<ul style="list-style-type: none"> • Legal name and address of the Seller • Seller must be formed as of the Part 1 Date • Credit ratings, if available, for Seller or guarantor of Seller
Certifications by Seller	<ul style="list-style-type: none"> • All information provided about the Project is true • Agree to the terms of the Indexed REC Contract • Agree that there will be no substitution of Project and that site will remain substantially as described in the Proposal • The Project is not a repowered facility • For a utility-scale solar Project, the Project was or will be installed by qualified persons in compliance with the requirements of Section 16-128A of the Act and any rules or regulations adopted thereunder. • 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, or if the Project is not located in Illinois, the Seller will demonstrate, at minimum, wage parity with the prevailing wage requirements in Illinois as required under the Indexed REC Contract

Draft Part 2 Proposal Requirements for Each Project

Quantity and Bid Assurance Collateral	<ul style="list-style-type: none"> • Indicate intended, non-binding, bid quantity for the Project on an annual basis. • Provide bid assurance collateral in the form of cash or a Pre-Bid Letter of Credit to each Company. Bid assurance collateral is a function of the Project size. <p>Table 1. Bid Assurance Collateral for Utility-Scale Wind.</p> <table border="1" data-bbox="516 1306 906 1512"> <thead> <tr> <th>Company</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>AIC</td> <td>\$1,600/MW</td> </tr> <tr> <td>ComEd</td> <td>\$4,000/MW</td> </tr> <tr> <td>MEC</td> <td>\$400/MW</td> </tr> </tbody> </table> <p>Table 2. Bid Assurance Collateral for Utility-Scale Solar.</p> <table border="1" data-bbox="516 1627 906 1833"> <thead> <tr> <th>Company</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>AIC</td> <td>\$5,500/MW</td> </tr> <tr> <td>ComEd</td> <td>\$13,000/MW</td> </tr> <tr> <td>MEC</td> <td>\$1,000/MW</td> </tr> </tbody> </table>	Company	Amount	AIC	\$1,600/MW	ComEd	\$4,000/MW	MEC	\$400/MW	Company	Amount	AIC	\$5,500/MW	ComEd	\$13,000/MW	MEC	\$1,000/MW
Company	Amount																
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MEC	\$1,000/MW																

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	<ul style="list-style-type: none"> • If submitting cash, acknowledge the conditions under which the Company can draw upon the cash and provide draft instructions for the return of cash. • If submitting cash, the Bidder may elect for its cash to be retained by the applicable Company as Seller’s Performance Assurance under the Indexed REC Contract with such Company should the Project be associated with a winning Bid that has been approved by the Commission.
<p>Certifications by Seller</p>	<ul style="list-style-type: none"> • Bidding independently • Commit to bids remaining valid until fourteen (14) days after the anticipated date of the Commission decision on the procurement event. • Agree to sign Indexed REC Contract within the required timeframe if Project is selected and bid is approved by the Commission
<p>Additional Information</p>	<ul style="list-style-type: none"> • <u>Project Labor Agreement</u>: If applicable, provide evidence that the IPA has determined that the Project Labor Agreement(s) and any amendments thereto meet the requirements under the IPA Act and the Project Labor Agreements Act. • May, but is not required to, provide information needed to populate the Indexed REC Contract
<p>Bid</p>	<ul style="list-style-type: none"> • A bid for the Project includes: <ul style="list-style-type: none"> ○ A Strike price (\$/MWh); ○ A full quantity (an annual quantity of RECs that the Project will deliver annually under the terms of the Indexed REC Contract); and ○ A minimum quantity (the annual minimum quantity of RECs that the participant is willing to accept as a partial award). • The annual full quantity of RECs is subject to a maximum, calculated as the multiplicative product of (a) the Project size in MW (AC rating), (b) either: a capacity factor of 45.0% for a utility-scale wind Project, or 30% for a utility-scale solar Project, and (c) 8,760 hours. <ul style="list-style-type: none"> ○ A higher capacity factor may be used to calculate the maximum annual full quantity of RECs for a Project if the Bidder submits acceptable supporting documentation with the Part 1 Proposal. • The Index Hub, namely either MISO-IL Hub or PJM-NIHUB, provided for each Project in the Bid Form, will be used for purposes of calculating the REC Monthly Price (\$/MWh), as defined in the Indexed REC Contract (e.g. if MISO-IL Hub is selected in the bid form as the Index Hub for the Project, then the Index Price for purposes of calculating the REC Monthly Price will be the hourly Real-Time LMP for the MISO-IL Hub). A Bidder may select either MISO-IL Hub or PJM-NIHUB, no matter the location of the Project.

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1.2. Brownfield Site Photovoltaic Projects

The table below provides a list of requirements that are anticipated at this time for the Part 1 and Part 2 Proposals for brownfield site photovoltaic Projects. **This list is in draft form and is preliminary.**

Draft Part 1 Proposal Requirements for Each Brownfield Site Photovoltaic Project	
Identification of the Parties	<ul style="list-style-type: none"> • Name of party submitting the Proposal (“Bidder”) and contact information for 1-4 individuals (“Representatives”). • Name of party who would be signing the Indexed REC Contract (“Seller”) and contact information for an officer of the Seller. • Bidder and Seller may be the same or different. • Indicate whether the Seller is an Equity Eligible Contractor and provide evidence of such.
Project Information	<ul style="list-style-type: none"> • <u>Type of Project</u>: brownfield site photovoltaic Project • <u>Size</u>: in MW, AC rating. <ul style="list-style-type: none"> ○ There is no minimum or maximum size requirement for brownfield site photovoltaic Projects. • <u>Commercial Operations Date</u>: Date at which the Project commenced or is expected to commence operations <ul style="list-style-type: none"> ○ Projects that started operations prior to June 1, 2017 are not eligible. • <u>Project Labor Agreement</u>: <ul style="list-style-type: none"> ○ If construction activities began prior to September 15, 2021, these requirements do not apply. ○ If construction has not yet begun, Seller certifies that the Project will be built by general contractors that entered into a project labor agreement prior to construction and acknowledges the requirements under the contract. ○ If construction has begun (but not prior to September 15, 2021), Bidder must provide evidence that the project labor agreement and any amendments thereto for the Project has been filed with the Director of the IPA (evidence that the IPA has determined such documentation meets the requirements is due with the Part 2 Proposal but may be provided with the Part 1 Proposal if already available). • <u>Minimum Equity Standard (“MES”)</u>:

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	<ul style="list-style-type: none">○ If the Date of First Operation for the Project is prior to December 15, 2022, MES requirements do not apply.○ If the Seller qualifies as an Equity Eligible Contractor, as this term is defined in the Indexed REC Contract, the MES standard of 10% is deemed to have been met.○ Otherwise, the Seller must acknowledge that if the Date of First Operation for a Project is on or after December 15, 2022, a MES of 10% applies to the Project Workforce for each delivery year in which Construction Activities are performed through the Date of First Operation.○ If Construction Activities have not yet started, the Seller may commit to an Equity Level (%) greater than 10% in order to qualify for the bid evaluation price reduction from Section I.2.11. In order to qualify, the Bidder must:<ol style="list-style-type: none">1. State the Equity Level (%) for the Project (% greater than 10%). The Equity Level (%) will be included in the Form of Product Order in the Indexed REC Contract under Additional Commitments pursuant to Section 2.5.2. Certify that the percentage of the Project Workforce for the Project through the Date of First Operation that is Equity Eligible Persons or Equity Eligible Contractors will be at least the Equity Level (%) indicated in the Part 1 Proposal.3. Acknowledge the additional reporting requirements under the Indexed REC Contract.4. Acknowledge that if the Seller commits to an Equity Level (%) greater than the MES of 10% and if the Seller fails to demonstrate, and the IPA is unable to verify, that the Equity Level (%) for the Project as indicated in the Part 1 Proposal is met, the Indexed REC Contract will be terminated, and each Company shall be entitled to payment by the Seller in the amount of (i) the Collateral Requirement and (ii) 100% of the total payments Seller has received from each such Company.5. Provide a narrative plan including:<ul style="list-style-type: none">• a description of how Seller will meet the Equity Level (%) and a statement of intent to comply with equity accountability standards and to hire a diverse project workforce including Equity Eligible Persons and Equity Eligible Contractors;• projected number of workers related to Construction Activities up to the point of the Date of First Operation;
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	<ul style="list-style-type: none">• plans for the use of Equity Eligible Contractors, if applicable; Seller classification (i.e., Minority-owned, Woman-owned, Disabled-owned, Veteran-owned, Small Business, etc.), if applicable; and• communication plan for local outreach to increase the utilization of Equity Eligible Persons and Equity Eligible Contractors <p>6. Provide letter(s) of intent or evidence of current employment related to 50% times the Equity Level (%) provided in the Part 1 Proposal times the projected number of workers in the Project Workforce during delivery years for which Construction Activities will be performed up to the point of the Date of First Operation provided in the narrative plan. Any letter of intent or evidence of current employment must meet the minimum requirements provided in Appendix 14 to the RFP Rules, which has been posted as draft along with this document.</p> <ul style="list-style-type: none">• <u>Brownfield Definition: Either:</u><ul style="list-style-type: none">○ Projects that meet the requirements under (1) of the definition of Brownfield site photovoltaic project in the Act and are interconnected to an electric utility, a municipal utility, a public utility, or an electric cooperative as defined by the Act and are regulated under a program listed (A) – (D)<ol style="list-style-type: none">1. Provide documentation that demonstrates the site is regulated under a program listed (A) – (D); and, if regulated under the IEPA’s Site Remediation Program, additional requirements to show actual blight or contamination prior to remediation2. Describe milestones in the development of the Project that have been reached to date including the status of remediation of the project site○ Projects that meet the requirements under (2) of the definition of Brownfield site photovoltaic project in the Act and are 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<ol style="list-style-type: none">1. Provide sufficient documentation to demonstrate that the Project site meets the definition. Sufficient documentation means all of: (1) a copy of the permit(s) for coal mining operation/operations including a copy of the reclamation plan approved by the Department of Natural Resources; (2) a copy of the Department of Natural Resources decision approving the permit(s); and (3) documented confirmation that reclamation
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	<p>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 3 Status is “Released” or other documentation, if appropriate.</p> <ol style="list-style-type: none"> 2. The documentation must cover the project site and does not need to cover the entirety of the site of the coal mine. <ul style="list-style-type: none"> • <u>Location and Site Description</u>: map of Project site and address. For a selected Project, the map and address are incorporated in the Indexed REC Contract. <ul style="list-style-type: none"> ○ A brownfield site photovoltaic project must be located in the state of Illinois. • <u>Interconnection point</u>: PJM, MISO, or utility • <u>Project Maturity</u>: <ul style="list-style-type: none"> ○ PJM interconnection: <ol style="list-style-type: none"> 1. The Project has completed the System Impact Study; or 2. Site control for an area of at least 3 acres times the Project size in MW (AC rating). ○ MISO interconnection: <p>If the Project is in the DPP-2020-Cycle 1 or a later study cycle:</p> <ol style="list-style-type: none"> 1. The Project has completed Definitive Planning Phase 1 (“DPP 1”); or 2. Site control for an area of at least 3 acres times the Project size in MW (AC rating). <p>If the Project is in a study cycle prior to DPP-2020-Cycle 1:</p> <ol style="list-style-type: none"> 3. The Project has a fully executed interconnection agreement; or 4. Site control for an area of at least 3 acres times the Project size in MW (AC rating). ○ Interconnection with a utility: <ol style="list-style-type: none"> 1. The Project has a fully executed interconnection agreement; or 2. Site control for an area of at least 3 acres times the Project size in MW (AC rating). ○ If documents are provided to show site control, then the following are required: <ol style="list-style-type: none"> 1. Supporting documentation of agreement with land owners (e.g. signed lease agreement, proof of land ownership, memorandum of understanding with land owner, letter of intent to lease the land, etc.); 2. If this supporting documentation of agreement does not include the number of acres controlled by the land
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	<p>owner, corroborating documentation to verify the number of acres is required;</p> <ol style="list-style-type: none"> 3. Description of milestones that have been reached in Project development (e.g. interconnection application submitted, point of interconnection validated, etc.); and 4. Additional information may be required depending on results of the evaluation. <ul style="list-style-type: none"> • <u>Other requirements:</u> <ul style="list-style-type: none"> ○ Cost of Project is not being recovered through regulated rates by the state of Illinois or any other state. ○ Project may not be a community renewable generation project as defined in the Act. ○ Project must be entirely contained within the Brownfield site. <ol style="list-style-type: none"> 1. Project may be co-located with a facility on a greenfield site. This fact must be disclosed. The facility on the greenfield site may qualify as a separate utility-scale solar Project.
Seller Information	<ul style="list-style-type: none"> • Legal name and address of the Seller • Seller must be formed as of the Part 1 Date • Credit ratings, if available, for Seller or guarantor of Seller
Certifications by Seller	<ul style="list-style-type: none"> • All information with respect to the Project is true • Agree to the terms of the Indexed REC Contract • Agree that there will be no substitution of Project and that site will remain substantially as described in Proposal • The Project is not a repowered facility • Project was or will be installed by qualified persons in compliance with the requirements of Section 16-128A of the Act and any rules or regulations adopted thereunder. • 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, or if the Project is not located in Illinois, the Seller will demonstrate, at minimum, wage parity with the prevailing wage requirements in Illinois as required under the Indexed REC Contract
Draft Part 2 Proposal Requirements for Each Project	
Quantity and Bid Assurance Collateral	<ul style="list-style-type: none"> • Indicate intended, non-binding, bid quantity for the Project on an annual basis.

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	<ul style="list-style-type: none"> Provide bid assurance collateral in the form of cash or a Pre-Bid Letter of Credit to each Company. Bid assurance collateral is a function of the Project size. <p>Table 2. Bid Assurance Collateral for Brownfield Site Photovoltaic Projects.</p> <table border="1" data-bbox="526 430 917 634"> <thead> <tr> <th>Company</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>AIC</td> <td>\$5,500/MW</td> </tr> <tr> <td>ComEd</td> <td>\$13,000/MW</td> </tr> <tr> <td>MEC</td> <td>\$1,000/MW</td> </tr> </tbody> </table> <ul style="list-style-type: none"> If submitting cash, acknowledge the conditions under which the Company can draw upon the cash and provide draft instructions for the return of cash. If submitting cash, the Bidder may elect for its cash to be retained by the applicable Company as Seller’s Performance Assurance under the Indexed REC Contract with such Company should the Project be associated with a winning Bid that has been approved by the Commission. 	Company	Amount	AIC	\$5,500/MW	ComEd	\$13,000/MW	MEC	\$1,000/MW
Company	Amount								
AIC	\$5,500/MW								
ComEd	\$13,000/MW								
MEC	\$1,000/MW								
<p>Certifications by Seller</p>	<ul style="list-style-type: none"> Bidding independently Commit to bids remaining valid until fourteen (14) days after the anticipated date of the Commission decision on the procurement event. Agree to sign Indexed REC Contract within the required timeframe if Project is selected and bid is approved by the Commission 								
<p>Additional Information</p>	<ul style="list-style-type: none"> <u>Project Labor Agreement</u>: If applicable, provide evidence that the IPA has determined that the Project Labor Agreement(s) and any amendments thereto meet the requirements under the IPA Act and the Project Labor Agreements Act. May, but is not required to, provide information needed to complete the Indexed REC Contract 								
<p>Bid</p>	<ul style="list-style-type: none"> A bid for the Project includes: <ul style="list-style-type: none"> A Strike price (\$/MWh); A full quantity (an annual quantity of RECs that the Project will deliver annually under the terms of the Indexed REC Contract); and A minimum quantity (the annual minimum quantity of RECs that the participant is willing to accept as a partial award). 								

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	<ul style="list-style-type: none">• The annual full quantity of Indexed RECs is subject to a maximum, calculated as the multiplicative product of (a) the Project size in MW (AC rating), (b) a capacity factor of 30%, and (c) 8,760 hours.<ul style="list-style-type: none">○ A higher capacity factor may be used to calculate the maximum annual full quantity of RECs for a Project if the Bidder submits acceptable supporting documentation with the Part 1 Proposal.• The Index Hub, namely either MISO-IL Hub or PJM-NIHUB, provided for each Project in the Bid Form, will be used for purposes of calculating the REC Monthly Price (\$/MWh), as defined in the Indexed REC Contract (e.g. if MISO-IL Hub is selected in the bid form as the Index Hub for the Project, then the Index Price for purposes of calculating the REC Monthly Price will be the hourly Real-Time LMP for the MISO-IL Hub). A Bidder may select either MISO-IL Hub or PJM-NIHUB, no matter the location of the Project.
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