

Illinois Power Agency

(www.ipa-energyrfp.com)

Fall 2018 Procurement Events:

Block Energy and Capacity RFP (BEC RFP)

Webcast

Tuesday, August 7, 2018

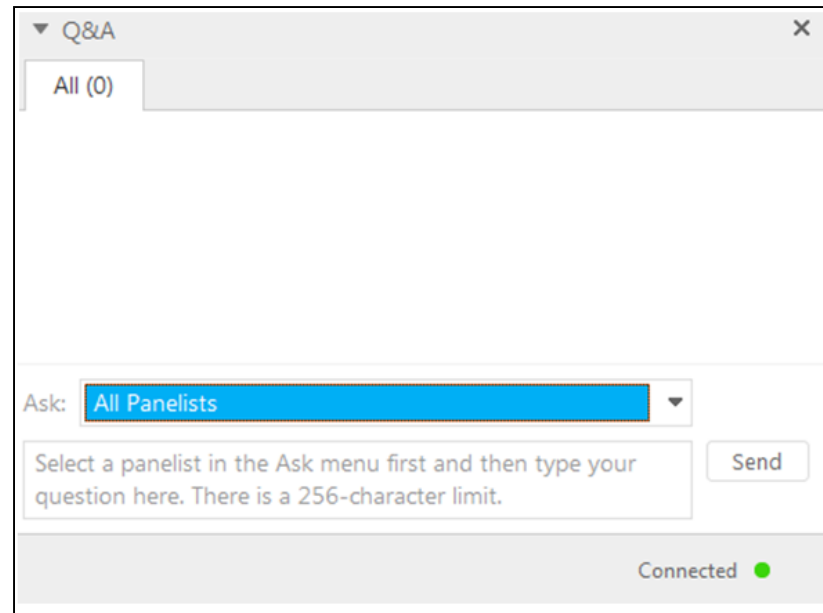
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Questions?

To submit questions to the presenters, please **locate the “Q&A” on the right hand side of your screen**, and select “All Panelists” in the “Ask” box; type in your question and click “Send” to submit your question



The screenshot shows a window titled "Q&A" with a close button (X) in the top right corner. Below the title bar, there is a dropdown menu currently set to "All (0)". Below this, there is an "Ask:" label followed by a dropdown menu set to "All Panelists". Below the dropdown menu is a text input field with the placeholder text "Select a panelist in the Ask menu first and then type your question here. There is a 256-character limit." To the right of the text input field is a "Send" button. At the bottom right of the window, there is a "Connected" status indicator with a green dot.

Presentation Materials and Q&As will be posted to

www.ipa-energyrfp.com

Disclaimer

- Any statements herein or made on the call describing or referring to the RFP and contract documents are summaries only and are qualified in their entirety by the documents
- The governing documents include the RFP and contract documents posted on **June 20, 2018** and Bidders bear full responsibility for reviewing and understanding the written documents

Agenda

- Overview
- Supplier Contracts
- The RFP Process
- Bids and Bid Forms

Overview

Regulatory Filings by the IPA

- On **Sept. 25, 2017**, the Illinois Power Agency (“IPA”) filed its Procurement Plan
- On **Dec. 20, 2017**, the Illinois Commerce Commission (“ICC”) approved the Procurement Plan with modifications
- Procurement Plan includes a **Block Energy and Capacity RFP (“BEC RFP”)** in Fall 2018
- **NERA** serves as Procurement Administrator
- The BEC RFP is **NOT** related to the Adjustable Block Program (“ABP”) for renewable resources. For updates on ABP, please see www.illinoisabp.com

BEC RFP Features Block and Capacity Products

- **Energy:** for AIC and ComEd only
 - ◆ Specific quantities of on-peak and off-peak energy in monthly periods from October 1, 2018 through May 31, 2021
 - ◆ **There are no quantities to be procured for MEC for this Fall 2018 procurement event**

- **Capacity:** AIC only
 - ◆ Zonal Resource Credits (“ZRCs”) for Planning Year 2019/2020
 - ◆ ZRCs from all zones including outside AIC’s compliance zone
 - ◆ ZRCs from outside compliance zone subject to payment adjustment

AIC Capacity Product

- A ZRC represents 1 MW of unforced capacity that qualifies to satisfy the resource adequacy requirement for a given Planning Year in a Local Resource Zone (“LRZ” or “Zone”)
- ZRCs must be transferred using Module E Capacity Tracking Tool (“MECT”) by the Delivery Deadline specified in the contract prior to MISO’s Planning Resource Auction (“PRA”)
- ZRCs may include ZRCs generated from Demand Response Resources and Load Modifying Resources
- Payment Adjusted for ZRCs outside Compliance Zone
 - ◆ LRZ 4 (or successor zone) is the Compliance Zone
 - ◆ Payment for ZRCs from other zones adjusted based on Auction Clearing Price (“ACP”) of Source Zone relative to Compliance Zone

Energy Products

- RFP procures energy blocks for AIC and ComEd
- A **product** represents block energy for:
 - ◆ a Company
 - ◆ on-peak or off-peak hours
 - ◆ a given month
- The quantity of each product is divided into blocks of **25 MW**
- Quantities in RFP documents were **provisional**; final quantities were posted on **August 7**

Bidders can Bid for Combinations

- Bidders may also bid on **Combinations**, which are packages of products (e.g., Jan-Feb, Mar-Apr, Jul-Aug, Q4, June-May)
- The number of blocks available in a Combination is the minimum number of blocks available in the months of the Combination

Illustrative Example

Targets for ComEd (Number of Blocks of 25 MW)

Month	On-Peak	Off-Peak	Month	On-Peak	Off-Peak
Oct 2018	22	19	Feb 2020	12	11
Nov 2018	25	22	Mar 2020	11	10
Dec 2018	27	24	Apr 2020		
Jan 2019	29	26	May 2020		
Feb 2019	26	25	Jun 2020		
Mar 2019	23	21	Jul 2020		
Apr 2019	21	18	Aug 2020		
May 2019	22	19	Sep 2020		
Jun 2019	15	12	Oct 2020		
Jul 2019	17	14	Nov 2020		
Aug 2019	17	14	Dec 2020	11	10
Sep 2019	12	10	Jan 2021	10	10
Oct 2019	10	9	Feb 2021	11	9
Nov 2019	12	10	Mar 2021	8	7
Dec 2019	12	11	Apr 2021	6	6
Jan 2020	13	13	May 2021	8	7

Product has 3 elements

- Company: AIC or ComEd
- Segment: on-peak or off-peak
- Month: e.g., May 2019

Number of Blocks Available for Each Combination (ComEd)

Combination	On-Peak	Off-Peak	ComEd
Oct-Nov-Dec18	22	19	Mar-Apr
Jan-Feb19	26	25	Jun19
Mar-Apr19	21	18	Jul-Aug
Jun18 to May19	-	-	Oct-Nov
Jul-Aug19	17	14	Jan-Feb
Oct-Nov-Dec19	10	9	Mar-Apr
Jan-Feb20	12	11	Jun20

Combinations: packages of products

- e.g., Jul-Aug 2019
- blocks available: minimum number of blocks available in the months of the Combination

Application Process is Online

- **Part 1 (pre-qual): respond to qualification standards**
- ◆ Information retained for Bidders that successfully completed the Part 1 Proposal in the BEC RFP previously
- ◆ **Part 2 (registration): make certifications; pre-bid security**

Part 1 Proposal (Aug. 08–Aug. 16)

- **Online:** provide information using online P1 form
- **Online:** upload completed Inserts
- **Online:** upload required supporting documents
- **Send to IPA:** Bid Participation Fee

Part 2 Proposal (Aug. 22– Aug. 29*)

- **Online:** provide information using online P2 form
- **Online:** upload completed Inserts
- **Send for each procurement event separately:** pre-bid letter of credit

*Pre-Bid Letter of Credit for Energy Products is due September 05, 2018

Bid Submission and Evaluation

- Bid Submission
 - ◆ Bidders enter their Bids in an **Excel spreadsheet** that will be provided to them at the time of qualification
 - ◆ Bidders will **transfer** their spreadsheet through a secure interface
 - ◆ Bidders may **encrypt** their Bid Forms for additional security
- Bid Evaluation
 - ◆ The evaluation considers only Bids that **meet or beat the benchmarks**
 - ◆ Evaluation identifies the least cost package
- Benchmarks developed using confidential methodology approved by ICC

Bid Participation Fee and Supplier Fee

- **Bid Participation Fee of \$500** is paid by **Bidders** to IPA by the **Part 1 Date**
 - A single Bid Participation Fee applies to all procurement events under this RFP and all RFPs in 2018
- **Supplier Fee** is paid by **Winning Bidders only** to IPA within **7 business days of ICC decision**
- **Estimates of Supplier Fees** at this time:
 - **\$250** per on-peak block
 - **\$170** per off-peak block
 - **\$20** per ZRC(Final Supplier Fees will be announced on Part 2 Date)

For a complete set of instructions, email Illinois-RFP@nera.com

Supplier Contracts

Final Contracts Posted on June 20

- Separate energy contracts for AIC and ComEd
- A separate contract for the AIC Capacity Product
- Each contract is standard and **non-negotiable**
- Bidders **must accept terms** of applicable supplier contract prior to bidding
- Bidders will execute the applicable supplier contract and related documents after the ICC decision
- Contracts are the same as those used in Spring 2018

Energy: AIC Contract

(AIC) Confirmation Agreement

- **Based on industry standard** EEI Master Power Purchase & Sale Agreement
 - Confirmation Agreement
 - Exhibit A – Form of Guaranty and acceptable modifications
 - Exhibit B – Form of Letter of Credit
 - Exhibit C – EEI Master Power Purchase & Sale Agreement
 - Exhibit D – EEI Collateral Annex
 - Exhibit E – Paragraph 10 to EEI Collateral Annex
- Confirmation Agreement contains:
 - all **modifications** to the EEI Master Power Purchase and Sales Agreement
 - **Elections** to certain contract and credit terms

AIC: Main Features (non-credit)

▪ **Scheduling Requirement**

- ◆ For each delivery month, applicable utility and supplier will work together to enter and approve all DART/Financial Scheduling entries within the MISO Portal no later than 10 business days prior to the start of the delivery month

▪ **Delivery Point (Physical transaction for day-ahead market)**

- ◆ AIC: MISO CP Node AMIL.BGS6

▪ **Confidentiality**

- ◆ Included reference to the Illinois Public Utilities Act

▪ **Transaction Details**

- ◆ Pricing and volume details for all products for which Bidder has approved Bids are indicated in Table 1

AIC: Main Credit Terms

- **Exposure** is based on MtM methodology
- Standard Letter of Credit and Guaranty are provided as Exhibits to Confirmation Agreement
- A single Guaranty may be applicable to **multiple contracts**
- Acceptable modifications to Guaranty are provided as Schedules to the Confirmation Agreement
- Collateral Requirement applies **only to Seller**

Energy: ComEd Contract

- **Based on industry standard** EEI Master Power Purchase & Sale Agreement
 - EEI Master Power Purchase and Sales Agreement and Cover Sheet
 - EEI Collateral Annex (including Paragraph 10)
 - Schedule 1A to Collateral Annex (Post-Bid Letter of Credit)
 - Exhibit A to Schedule 1A (Letter of Full Transfer)
 - Schedule 2 to Collateral Annex (Guaranty)
 - Schedule 3 to Collateral Annex (MtM Calculation Methodology)
 - Confirmation Sheet (Sample)

- Cover Sheet contains all **modifications** to the EEI Master Power Purchase & Sales Agreement

- **Elections** to certain contract terms are found in Cover Sheet and Paragraph 10 of Collateral Annex

ComEd: Main Features (non-credit)

▪ **Scheduling Requirement**

- ◆ Seller shall submit schedule contract quantities through PJM InSchedules
- ◆ Seller must schedule 4 weeks in advance of delivery month
- ◆ Buyer must confirm 3 weeks in advance of delivery month

▪ **Delivery Point**

- ◆ Physical transaction scheduled to ComEd Residual Aggregate (currently Pnode ID 116472935) for the day-ahead PJM market

▪ **Confidentiality**

- ◆ Included reference to the Illinois Public Utilities Act

▪ **Confirmation**

- ◆ A single confirmation for all products for which Bidder has approved Bids

ComEd: Main Credit Terms

- **Exposure** is based on MtM methodology
- Methodology for calculating current MtM value is given in **Schedule 3** to the Collateral Annex
- Standard Letter of Credit and Guaranty are provided as Schedules to Collateral Annex
- A single Guaranty may be applicable to **multiple contracts**
- Acceptable modifications to Guaranty have been posted to the website
- Collateral Requirement applies **only to Seller**

Capacity: AIC Contract

(AIC) Capacity Agreement

- Confirmation Agreement
 - ◆ Attachment A – Performance Assurance
 - ◆ Attachment B – Form of Guaranty and acceptable modifications
 - ◆ Attachment C – Form of Letter of Credit

Main Features (non-credit)

- **ZRC Transfer and Delivery**
 - ◆ Seller transfers ZRCs to AIC's account via MECT
 - ◆ ZRCs must be transferred by later of: (a) 5 business days prior to Fixed Resource Adequacy Plan ("FRAP") submission deadline or (b) the date when MECT becomes available for transfer

- **Confidentiality**
 - ◆ Included reference to the Illinois Public Utilities Act

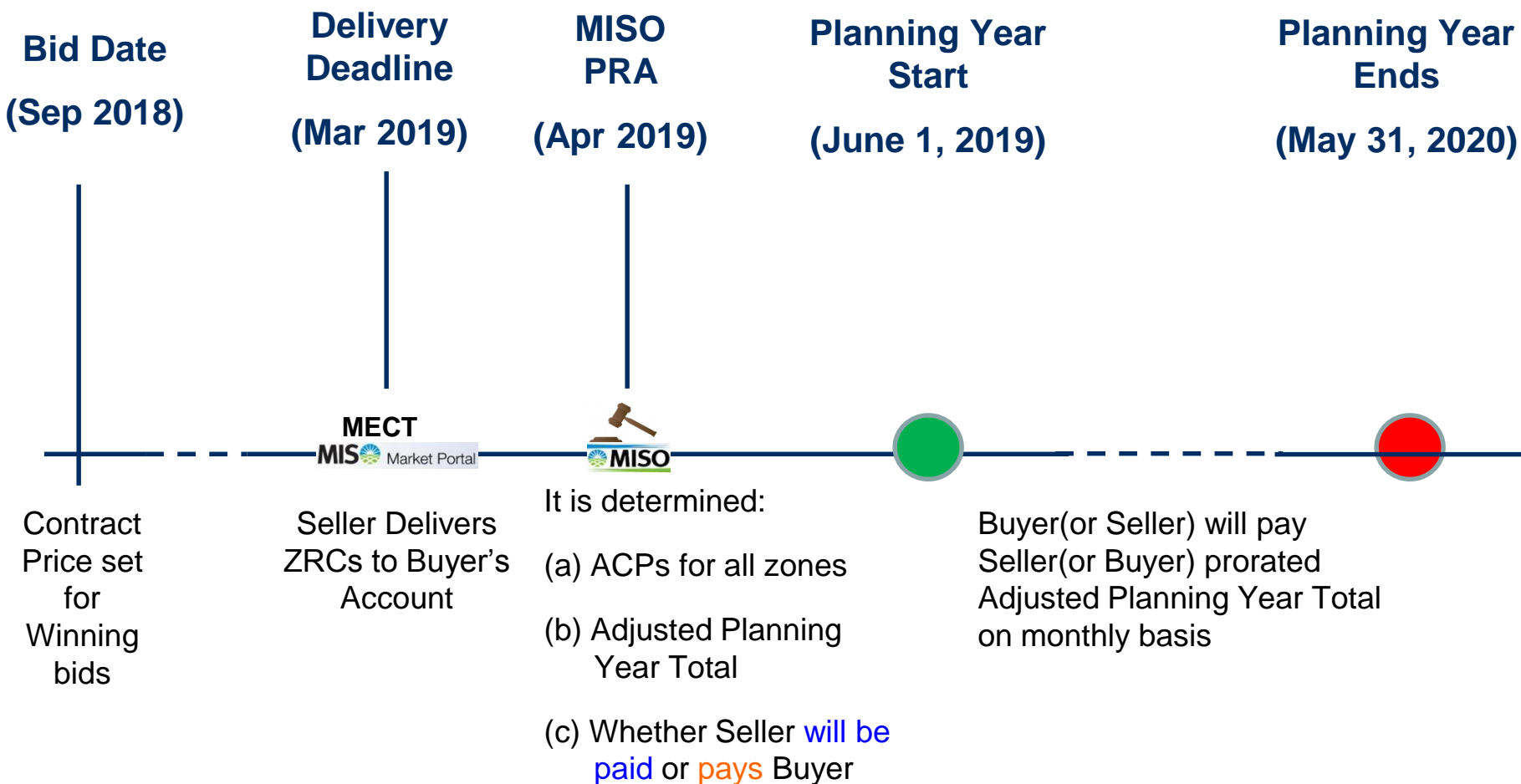
- **Transaction Details**
 - ◆ Quantity and Pricing details for ZRCs from each Zone for which Bidder has approved Bids are indicated in Table A of Confirmation Agreement

ZRCs may be sourced from anywhere in MISO

- LRZ 4 (or successor zone) is the Compliance Zone
 - ◆ Contract Price reflects Bids for these ZRCs
 - ◆ No payment adjustment for ZRCs from Compliance Zone

- For ZRCs sourced from outside Compliance Zone
 - ◆ Final payment determined only after MISO PRA when the Auction Clearing Prices (“ACPs”) for all Zones are known
 - ◆ Payment is adjusted based on Source Zone ACP relative to Compliance Zone ACP

Timeline of Events



Buyer (or Seller as applicable) makes payment on a monthly basis

Payment Adjusted for Non-Zone 4 ZRCs

- No Payment Adjustment if ZRCs are from Compliance Zone!
- If ZRCs are sourced from outside compliance zone:

Scenario 1: Compliance Zone ACP < Source Zone ACP
⇒ Adjustment **adds** to payment from **Buyer to Seller**

Scenario 2: Compliance Zone ACP > Source Zone ACP
⇒ Adjustment **reduces** payment from **Buyer to Seller**

Scenario 3: (a) Compliance Zone ACP > Source Zone ACP
and (b) Adjustment (Reduction) > Payment
⇒ Adjustment results in **Payment from Seller to Buyer**

FAQs have been posted with examples

Main Credit Terms

- **Exposure under contract:**
 - ◆ 10 % of Contract Value required on Effective Date
 - ◆ If Seller is required to pay Buyer after adjusting for ZRCs sourced from other zones: the exposure is simply the amount owed to Buyer
- Standard Letter of Credit and Guaranty will be provided as Attachments to Confirmation Agreement
- Acceptable modifications to the Guaranty will be provided as Schedules to the Guaranty
- Collateral requirement applies **only to Seller**

The RFP Process

BEC RFP Calendar

06-Aug	07-Aug	08-Aug	09-Aug	10-Aug
	Webcast	Part 1 Window Opens		
13-Aug	14-Aug	15-Aug	16-Aug	17-Aug
			Part 1 Date Bid Participation Fee Due	
20-Aug	21-Aug	22-Aug	23-Aug	24-Aug
	Part 1 Notification	Part 2 Window Opens		
27-Aug	28-Aug	29-Aug	30-Aug	31-Aug
		Part 2 Date Pre-Bid LC Due for Capacity	Bidder Training	
03-Sep	04-Sep	05-Sep	06-Sep	07-Sep
		Pre-Bid LC Due for Energy	Capacity Bids Due	
10-Sep	11-Sep	12-Sep	13-Sep	14-Sep
Energy Bids Due		ICC decision - Capacity Product		ICC decision - Energy Products

NEW Bidders: Register for your Account

IPA
ILLINOIS POWER AGENCY

Home
Announcements
Fall Block Energy and Capacity
Utility-Scale Wind
Brownfield and Utility-Scale Solar
Calendar
FAQs
Useful Links
Contact Us
Previous RFPs
Qualification Forms

Qualification Forms

You must be logged in to access the online Forms.

If you have an account, please [log in here](#).

If you do not have an account, please [request login credentials here](#).

Register for an Account

Alternatively, send an email to Illinois-RFP@nera.com with:

- Company name
- full name of contact
- phone and alternate number
- email address

Previously qualified Bidders will receive login credentials and specific instructions by email from the Procurement Administrator

The Part 1 Proposal

- Bidders
 - ◆ Provide basic information and make certifications
 - ◆ Provide credit ratings and financial information
- Previously qualified Bidders (successfully completed the Part 1 Proposal in 2016, 2017, or Spring 2018 under the STP RFP or BEC RFP) are eligible to participate in an abbreviated Part 1 Process
- Part 1 Proposal consists of:
 - ◆ Information submitted through the **online Part 1 Form**
 - ◆ Supporting **documents** (can be uploaded to the form)
 - ◆ Inserts to upload to the form
 - ◆ Payment of **Bid Participation Fee** to the IPA

Basic Information

1. **Name and Address of the Bidder**

New	Prev Qual
-----	-----------

Provide	Confirm
---------	---------

2. **Bidder that has not been a Supplier** to a Company in past three years must show that it is an Affiliate Member of PJM, Voting Member of PJM or a Certified Market Participant in MISO

Provide	Current Sellers Exempt
---------	------------------------

3. **Officer of the Bidder** is an individual empowered to undertake contracts and bind the Bidder

Provide	Update as needed
---------	------------------

- ◆ Signs all representations (Part 1 and Part 2)
- ◆ Designates the Representative

4. **Representative of the Bidder** serves as contact for purposes of the RFP (**Representative Insert, #P1-1**)

Provide	Update as needed
---------	------------------

5. **Designation of Nominees.** The Representative or the Officer may name up to three Nominees (**Nominee Insert, #P1-2**)

BOTH Provide

- ◆ Communications from the Procurement Administrator sent to the Representative and will also be sent to the Nominees

Inserts available on procurement website

Bid Participation Fee

- **Bid Participation Fee of \$500** paid by all Bidders
 - paid once for all 2018 Procurement Events
- **Bid Participation Fee is due** to the IPA **by Part 1 Date**
- Two methods of payment:
 - ♦ **Check made payable to the Illinois Power Agency**
 - ♦ **E-Pay through**
<https://magic.collectorsolutions.com/magic-ui/onetimepayment/illinois-power-agency-ipa>
- IPA cannot accept wire transfers
- For complete set of instructions: [**Illinois-RFP@nera.com**](mailto:Illinois-RFP@nera.com)

Financial Requirements

New	Prev Qual
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- 1. Name of Entity on Whose Financial Standing the Bidder Relies.** Bidder chooses either to rely on its own financial standing or on the financial standing of another party (“Entity”)

Provide	Confirm
---------	---------

- 2. Credit Ratings for the Entity.**

Provide	Update as needed
---------	------------------

- 3. Financial Information for the Entity.** Annual and quarterly financial information (**can be uploaded**)

BOTH Provide

Company-Specific Requirements for Energy Products

New	Prev Qual
-----	-----------

Separately for AIC (Section 4) and ComEd (Section 5) :

- **Information to Prepare the applicable Supplier Contract Documents.** Inserts provided as a **Word document**:

Provide	Update as needed
---------	------------------

- AIC Contract Insert, #P1-3
- ComEd Contract Insert, #P1-5

- **Representations of the Officer of the Bidder.** Officer of the Bidder makes a number of certifications – all certifications in one place

BOTH Provide

- AIC Certifications Insert, #P1-4
- ComEd Certifications Insert, #P1-6

- **No comments solicited on the Letters of Credit for Fall 2018 procurement events**

Requirements for AIC Capacity Product

- **Information to Prepare the (AIC) Capacity Agreement.** Insert provided as a **Word document:**
 - **AIC Capacity Contract Insert, #P1-9**
- **Representations of the Officer of the Bidder.** Officer of the Bidder makes a number of certifications – all certifications in one place
 - **AIC P1 Capacity Certifications Insert, #P1-10**
- **No comments solicited on the Letter of Credit for Fall 2018 procurement event**

New

Prev Qual

Provide

Update as needed

BOTH Provide

- ✓ Additional requirements for Bidders in special circumstances (sections 8 & 9)

Contract Inserts to the Part 1 Form

- The applicable supplier contract documents are **prepared by the Company** for Bidders with Bids identified as winning Bids to the ICC (between the evaluation of Bids and the ICC decision)
- Bidders are asked to provide all necessary information with the **Part 1 Proposal**
- If a Bidder does not provide this information with the Part 1 Proposal, the Bidder will be **required to acknowledge** that the information will be required by 12 PM (noon) CPT on the day after the bid date

Part 1 Proposal: Process

- Part 1 Proposal evaluated promptly when the Bidder clicks **SUBMIT**
- While the Procurement Administrator evaluates the Part 1 Proposal, the Bidder will be temporarily **locked out** of its account
- If **deficiencies** are noted, Bidders are advised
 - ◆ On the same day if materials received before noon
 - ◆ Next business day otherwise
- Bidders generally have until the Part 1 Date or **one (1) business day** to respond to a first request for additional information
- **Notification by email** to the entire Bidder Team (Representative and Nominees)
- Documents delivered via **secure electronic file transfer**

Part 1 Date	12 PM CPT on August 16, 2018
Part 1 Notification	6 PM CPT on August 21, 2018

Part 1 Notification

- With the Part 1 Notification the Procurement Administrator provides the following **documents for submission of the Part 2 Proposal:**
 - ◆ Bid Forms
 - ◆ Instructions for filling out the Bid Forms and uploading to **secure bid transfer site**
 - ◆ Username, password, security code for bid submission
 - ◆ Invitation to training session on bid submission procedure
 - ◆ **Amounts of Pre-Bid Letters of Credit required to bid on all blocks for each Company**
- Materials provided to Bidders by **secure electronic file transfer**
- Bidders acknowledge in the Part 2 Proposal receipt of the confidential information required to bid

Part 2 Proposal is Due in Two Packages

- Bidders
 - ◆ Provide any update to their contact information
 - ◆ Make certifications
- Part 2 Proposal consists of:
 - ◆ Information submitted through the **online Part 2 Form**
 - ◆ Signed certifications (scan can be uploaded)
 - ◆ Submission of an executed **Pre-Bid Letter of Credit** for each procurement event in which Bidder intends to bid
 - ◆ Bids
- Additional requirements for Bidders in special circumstances

Part 2 Date: Noon CPT on Aug. 29	Part 2 Form and all supporting documents
Noon CPT on Aug. 29	Capacity Pre-Bid Letter of Credit
Noon CPT on Sep. 05	Energy Pre-Bid Letters of Credit

Part 2 Proposal Certifications

- Bidders that retain an Advisor (assisting with bidding strategy or estimation of the value of the Products) must name the **Advisor** in the Part 2 Proposal
- Bidder must make a number of certifications, including:
 - ◆ Submitted Bids are binding
 - ◆ If Bidder has winning Bids that are approved by the Commission, Bidder will execute the applicable supplier contract without modification
 - ◆ Bidder is taking all necessary care to uphold confidentiality of the Proposal
 - ◆ Bidders that have named an Advisor have additional representations required in this regard
- **Certifications Inserts** are prepared for this purpose
 - ◆ #P2-2 for AIC Energy, #P2-3 for ComEd and #P2-5 for AIC Capacity
 - ◆ #P2-1 for Bidders that name an Advisor

Pre-Bid Letters of Credit

One Pre-Bid Letter of Credit Per Procurement Event

- A Bidder that submits a Proposal for both AIC Energy Products and AIC Capacity Product must submit two separate Pre-Bid LCs to AIC
- The Pre-Bid Letter of Credit must be
 - ◆ in the standard form or incorporate only modifications accepted and posted on www.ipa-energyrfp.com
 - ◆ sent to AIC or ComEd **directly**
- Pre-Bid Letters of Credit expire no earlier than:
 - ◆ **October 02, 2018** for Capacity procurement event;
 - ◆ **October 04, 2018** for Energy procurement events;
- Bidders may provide special instructions for the return of the Pre-Bid LC

Pre-Bid Letters of Credit

Energy:

- Pre-Bid Letters of Credit in an amount of **\$5,000/block** of the Indicative Quantity subject to:
 - ◆ a **\$250,000 minimum for AIC and ComEd**
 - ◆ **The maximum for a Company** that allows for a Bidder to bid on all blocks for that Company
- **Indicative Quantity** is the most blocks that a Bidder intends to bid across all Segments and all months for a Company

Capacity:

- Capacity Pre-Bid Letter of Credit must be for **\$200,000** regardless of the amount a Bidder plans to bid

Instructions for Bid Submission

- The **Bid Form** is the exclusive method for the submission of Bids
 - ◆ Bid Forms incompletely or inconsistently filled out will not be evaluated
- Bid Forms duly filled out must be submitted to the Procurement Administrator via a **secure bid transfer** system
 - ◆ The Procurement Administrator confirms receipt of the Bid Form with each Bidder by phone
 - ◆ Procurement Administrator uses contact information on Bid Form
- **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

Overlapping Bid Windows

Capacity Product: Bids Must Be Received

Bid Date

September 06, 2018

Bid Window

10 AM to 12 PM (noon) CPT

Energy Products: Bids Must Be Received

Bid Date

September 10, 2018

**Overlapping Bid
Windows by
Delivery Period**

**2019/2020,
2020/2021**

8:30 AM to 10 AM CPT

2018/2019

8:30 AM to 11 AM CPT

Post-Bid Process: ICC Decision

- Although no notification is required prior to Commission approval under the PUA, Procurement Administrator aims to notify Bidders by phone by 6PM **on the Bid Date** whether their Bids are identified as winning Bids to the ICC with a written notice to follow (**the following day as circumstances warrant**)
- If not already done, Bidders with winning Bids must provide the Contract Insert(s) for preparation of the applicable supplier contract documents **by 12PM CPT on the date after the bid date**
- Procurement Administrator and the Procurement Monitor each submits a confidential report to ICC
 - ◆ **September 10** for Capacity procurement event
 - ◆ **September 12** for Energy procurement events
- The ICC will decide whether to accept or reject the results of each procurement event
 - ◆ **September 12** for Capacity procurement event
 - ◆ **September 14** for Energy procurement events

Post-Bid Process: Contract and Supplier Fees

- Company sends electronically to Bidder partially executed contract documents
 - ◆ ComEd prepares the guaranty for the winning Bidder's guarantor as well
 - ◆ For AIC, Bidder prepares own guaranty and submits executed guaranty for electronic receipt by AIC
- Bidder countersigns, sends back electronically contract documents and fulfills creditworthiness requirements
- **Payment of the Supplier Fee** to the IPA is due seven business days of Commission decision
- Pre-Bid Letter of Credit may be drawn upon if Supplier Fees are not paid by the deadline

Energy Bids and Bid Forms

Bids in the Energy Procurement Events

- A **Bid** is a price in \$/MWh for a block of a Product or for a block of a Combination

ComEd On-peak blocks	Dec 2018	Jan 2019	Feb 2019	Jan & Feb 2019
1	50.00		50.00	60.00
2			52.00	

- A Bidder may bid on **any number of Products** and may bid on all Products
- A Bidder may bid on **any number of Combinations** and may bid on all Combinations
- A Bidder may bid **both** on a Product and on a Combination that includes this Product

Energy Bid Forms

- The General Information tab has information about the products – and contact information that the Bidder fills out

**Appendix 7A (2018-2019 Delivery Year)
Illinois Power Agency Fall 2018 Procurement Events
Bid Form - General Information
Due Monday, September 10, 2018 between 8:30 AM and 11 AM (CPT)**

General Information:

In addition to this 'General Information' sheet, this Bid Form contains the following eighteen (18) sheets:

- | | | |
|--------------------------------|-----------------------------------|----------------------|
| 1) AIC On-Peak Bids 2018-2019 | 7) ComEd On-Peak Bids 2018-2019 | 13) MWS 2018-2019 |
| 2) AIC Off-Peak Bids 2018-2019 | 8) ComEd Off-Peak Bids 2018-2019 | 14) MWS 2019-2020 |
| 3) AIC On-Peak Bids 2019-2020 | 9) ComEd On-Peak Bids 2019-2020 | 15) MWS 2020-2021 |
| 4) AIC Off-Peak Bids 2019-2020 | 10) ComEd Off-Peak Bids 2019-2020 | 16) Checks 2018-2019 |
| 5) AIC On-Peak Bids 2020-2021 | 11) ComEd On-Peak Bids 2020-2021 | 17) Checks 2019-2020 |
| 6) AIC Off-Peak Bids 2020-2021 | 12) ComEd Off-Peak Bids 2020-2021 | 18) Checks 2020-2021 |

Sheets one through twelve are for entering Bids. Sheets thirteen through fifteen are for entering a Maximum Willingness to Supply for each month and Segment. Sheets thirteen through fifteen are optional. Sheets sixteen through eighteen provide checks on entered Bids.

Bidder Information:

Company Name
Contact Name
Phone Number

Bidder information is incomplete. All fields are mandatory.

**Bidder
Information**

Each Tab for a Segment/Delivery Year/Company

- Fifteen tabs for Bid Entry for all Companies across two Bid Forms
 - First Bid Form: 2018-2019 DY: On-Peak and Off-Peak
 - Second Bid Form: 2019-2021 DYs: On-Peak and Off-Peak

Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19

**Bid Entry for
Single Months**

Oct-Nov-Dec 2018	Jan-Feb 2019	Mar-Apr 2019

**Bid Entry for
Combinations**

Maximum Willingness to Supply

- The **maximum willingness to supply** is a maximum number of blocks that a Bidder wants to win for a particular Segment and month for a Company
- It will be assumed that the Bidder is willing to supply up to:
 - ♦ The Target for the Segment and month; OR
 - ♦ The number of blocks bid across all Products and Combinations that include that Segment and monthwhichever is smaller
- The Bidder may, **but is not required to**, specify a **maximum willingness to supply** for a Segment of a month to override this default
 - ♦ A Bidder would do this to specify a willingness to supply **smaller than** the default (smaller than the target and smaller than the total number of blocks bid for a Segment and month)

Additional Information in Bid Forms

- Additional information by delivery year for each month, Segment and Company:
 - ◆ Components of the calculation of the **Default MWS**;
 - ◆ Checks on **Bidder specified MWS** relative to blocks Bid and the Default MWS; and
 - ◆ Checks on the **number of blocks Bid** on Products or Combinations relative to the Targets
- **Warnings appear next to checks** on Bidder specified MWS and number of blocks Bid
- **Cells are highlighted** indicating which month(s) and/or Combination(s) warnings apply to

Checks and Flags - AIC:
Details of Default MWS

	AIC Off-Peak Products											AIC Off-Peak Combinations					
	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	JA-19	OND-19	JF-20	MA-20	EY 19-20
Blocks Bid on Month	2	2	4	3	1	1	5	4	2	2	4	2	2	2	2	1	1
+ Blocks Bid on Combinations that Include Month	1	3	3	1	3	3	3	3	3	2	3	2	1				
(A) Total Blocks Bid on Month	3	5	7	4	4	4	8	7	5	4	6	3					
(B) Target for Month	4	4	4	3	3	4	4	5	5	3	3	3					
Default MWS Calculation = min[(A), (B)]	3	4	4	3	3	4	4	5	5	3	3	3					
MWS	0	4	3	3	3	1	4	5	6	3	3	3					

MWS Checks

MWS = 0 but Blocks bid																		None of the Blocks bid for the highlighted month (Blocks bid on month or on the Combination that includes the month) will be evaluated because the MWS specified is zero
MWS < #Blocks Bid on Month																		Some of the Blocks bid on the highlighted month will not be evaluated because the MWS specified is less than the number of Blocks bid. Lower priced Bids up to the MWS will be evaluated.
MWS < #Blocks Bid on a Combination that Includes Month																		Some of the Blocks bid on a Combination that includes the highlighted month will not be evaluated because the MWS specified is less than the number of Blocks bid. Lower priced Bids up to the MWS will be evaluated.
MWS > Default MWS																		The MWS specified exceeds the Default MWS. The MWS will be discarded and the Default MWS will be used in the evaluation.

Two Steps to Bid Evaluation

- 1. First Step:** Bids that fail to meet the benchmarks are eliminated
- 2. Second Step:** Selection of package that yields the lowest average cost per MWh

AIC Capacity Bids and Bid Form

ZRCs can be from any Zone

- Bidders may bid on ZRCs from any Zone
- Bidders must indicate
 - ◆ Quantity of ZRCs
 - ◆ Price
 - ◆ Source Zone of ZRCs
- A Bidder may bid on a number of ZRCs not to exceed the Target number of ZRCs

Bid in the AIC Capacity Procurement Event

- A **Bid** is a price for a quantity of ZRCs and Source Zone (no standard block size)

Planning Year 2019-2020		
Bid (\$/MW-day)	ZRCs Bid (Number)	Source Zone
\$10	10	4

- A Bidder may indicate the number of ZRCs offered at a given price

Bid Form

- The General Information tab has information on the Target – and contact information that the Bidder fills out

Appendix 8
Capacity Procurement Event
Bid Form - General Information
Due Thursday, September 6, 2018 between 10 AM and 12 PM (CPT)

Template Information:

In addition to this 'General Information' sheet, this Bid Form contains the following sheet:

1) AIC ZRC Bids 2019-2020

Bidder Information:

Company Name
Contact Name
Phone Number

**Bidder
Information**

Bidder information is incomplete. All fields are mandatory.

All ZRC Bid Entries on One Tab

Section 1. Number of ZRCs bid

ZRCs Bid

0

Section 2. Bids and number of ZRCs at given Bid price (All bids are \$/MW-Day, all ZRCs are whole numbers)

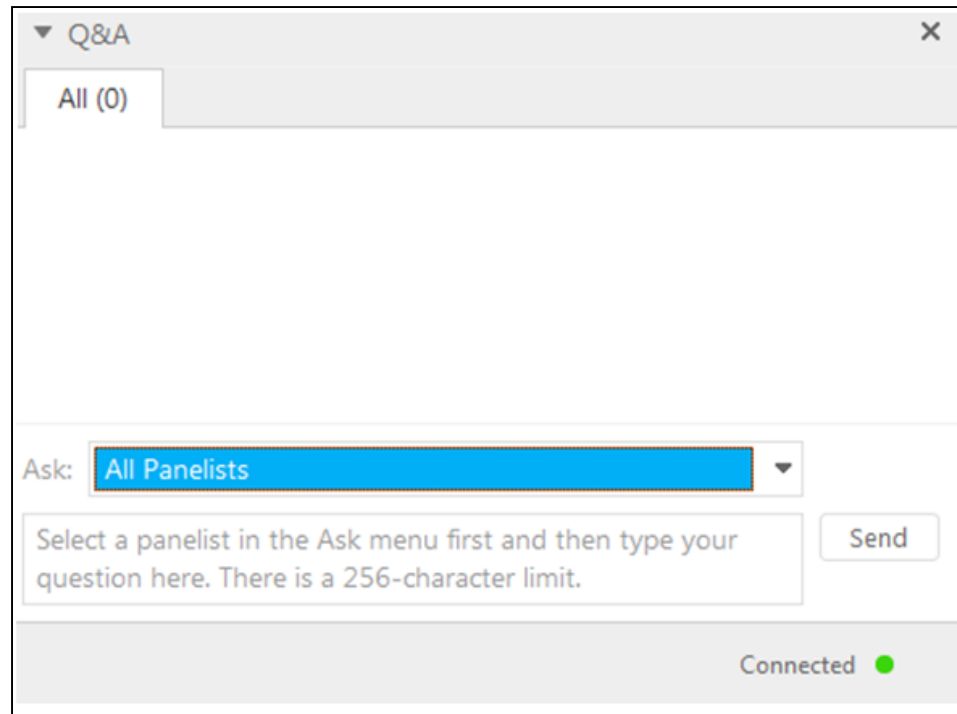
Planning Year 2019-2020			
	Bid (\$/MW-Day)	ZRC Quantity (#)	Source Zone
1			
2			
3			
4			
5			

Bid Evaluation Procedure

- 1. First Step:** Bids that fail to meet the benchmark are eliminated
- 2. Second Step:** Selection of lowest priced Bids

Questions?

To submit questions to the presenters, please **locate the “Q&A” on the right hand side of your screen**, and select “All Panelists” in the “Ask” box; type in your question and click “Send” to submit your question



The screenshot shows a Q&A interface with the following elements:

- A window title bar with a dropdown arrow and the text "Q&A" and a close button "x".
- A tab labeled "All (0)".
- An "Ask:" dropdown menu with "All Panelists" selected.
- A text input field containing the instruction: "Select a panelist in the Ask menu first and then type your question here. There is a 256-character limit."
- A "Send" button.
- A status bar at the bottom right showing "Connected" with a green dot.

Contact: Illinois-RFP@nera.com