

ILLINOIS COMMERCE COMMISSION
Public Notice of Successful Bidders and Average Prices

Illinois Power Agency
July 2019 Forward Procurement of Renewable Energy Credits from
New Brownfield Site Photovoltaic Projects

August 1, 2019

On July 26, 2019, the Illinois Power Agency's ("IPA's") procurement administrator, NERA Economic Consulting, received bids for the sale of renewable energy credits ("RECs") to Ameren Illinois Company ("Ameren"), Commonwealth Edison Company ("ComEd"), and MidAmerican Energy Company ("MEC") derived from new brownfield site photovoltaic projects. The bidding process was monitored for the Illinois Commerce Commission ("Commission") by Bates White. On August 1, 2019, voting in open session, the Commission approved the procurement administrator's selection of winning bids.

The July 2019 procurement is a result of Public Act 99-0906, also known as the Future Energy Jobs Act ("the Act"), which was signed into law in December 2016 and became effective June 1, 2017. The Act calls upon the IPA to develop a Long-Term Renewable Resources Procurement Plan ("LTRRPP"). On December 4, 2017, the IPA filed its proposed LTRRPP with the Commission pursuant to the provisions of Sections 1-56(b) and 1-75(c) of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act. The Commission issued an Order on April 3, 2018, approving the LTRRPP with revisions, and an Amendatory Order on May 2, 2018. On August 6, 2018, the IPA filed a final version of the LTRRPP consistent with the Commission Orders.

The initial forward procurements of RECs from solar photovoltaic resources in August 2017, March 2018, and April 2018 did not successfully procure RECs from brownfield site photovoltaic projects. However, in those procurements, brownfield site photovoltaic projects competed directly with utility-scale, non-brownfield site photovoltaic projects. As part of its LTRRPP, the IPA provided for a procurement in November 2018 that carved out a separate target of 80,000 RECs annually delivered from brownfield site photovoltaic projects. The statutory goal, as specified in Section 1-75(c)(1)(C)(i) of the Illinois Power Agency Act, is at least 40,000 RECs to be delivered annually from brownfield site photovoltaic projects by May 31, 2021. Despite this procurement approach, which allowed brownfield resources to compete only against other brownfield bids, the IPA did not successfully procure RECs from brownfield site photovoltaic projects in the November 2018 RFP.

On March 28, 2019, the IPA filed a petition requesting that the Commission clarify the IPA's authority to conduct an additional procurement for RECs from new brownfield site photovoltaic projects. The Commission issued an order on April 26, 2019 that confirmed the IPA's authority to conduct an additional procurement event. This July 2019 RFP sought again to procure 80,000 RECs annually from new brownfield site photovoltaic projects but extending the deadline for the initial delivery of RECs from May 31, 2021 to May 31, 2022.

The statute requires a brownfield site photovoltaic project to be interconnected to an electric utility, a municipal utility, a public utility or an electric cooperative in Illinois and it has to

be located at a site that is regulated by an appropriate United States Environmental Protection Agency or Illinois Environmental Protection Agency program. Projects must be “new,” which means that they must have been energized after June 1, 2017.

Delivery of the RECs for each procurement begins no later than May 31, 2022 (or May 31, 2023 upon satisfying an increased collateral requirement) and continues for a 15-year period. The RECs acquired through this RFP will help the utilities meet their obligations under the Illinois Renewable Portfolio Standard (“RPS”). A REC represents all the environmental attributes corresponding to one MWh of energy generated from renewable energy resources. Projects selected in this RFP are agreeing only to supply RECs. Energy and capacity from the projects may be sold to other parties or into the PJM and MISO wholesale markets.

In accordance with Section 16-111.5(h) of the Public Utilities Act, this public notice announces the names of the successful bidders and the average winning bid price for each contract type and for each contract term. 220 ILCS 5/16-111.5(h). In accordance with previous Commission orders, quantity information is only provided when the number of successful bidders is greater than two.

Average Winning Price

	Brownfield Site Photovoltaic Projects
Average Winning Price (\$/REC)	58.10

Winning Suppliers

Suppliers
AES DE DevCo NC, LLC
DePue Holdings, LLC

The winning bids were allocated to Ameren (29.33%), ComEd (70.34%), and MEC (0.33%), each in proportion to its renewable resource budget using 2020-2021 as the reference delivery year.