

Early Information Release Invitation to Comment on Capacity Factors

The early information release for the upcoming Fall 2017 Utility Distributed Generation Requests for Proposals (“DG RFP”) serves three purposes. First, in order to assist bidders in preparing their proposals, the Procurement Administrator is releasing at this time some key procurement parameters as well as a number of documents in **final form**. Second, the Procurement Administrator is releasing several parameters on a **provisional basis**, including solar capacity factors updated for the reporting of system size using an AC rating (rather than a DC rating as in previous procurement events). Third, the Procurement Administrator invites interested parties to submit comments on the updated capacity factors. Instructions to comment on the capacity factors are provided in Section 2.

Section 1: Final Procurement Parameters and Documents

- 1) There is a minimum bid size requirement of 1 MW. To reach the minimum of 1 MW, bidders may include in their proposal existing systems, new systems that have yet to be energized, as well as a forecast quantity of RECs for systems of the Small Size Class (below 25 kW) that are yet to be identified. For purposes of converting a forecast quantity to an equivalent kW size, the capacity factor applicable to solar photovoltaic cells and panels (fixed mount) will be used.
- 2) The “Overall Target” for the Fall DG procurement event will be 8,153 RECs, which represents an annual quantity of RECs. This Overall Target is the sum of a Target for AIC of 1,614 RECs and a Target for ComEd of 6,539 RECs. No RECs will be procured for MEC. The Target for each Company is set in accordance with the Act as one percent (1%) of the renewable energy resource obligation. The Target for each AIC and ComEd accounts for the RECs procured in the 2015, 2016 and Spring 2017 DG RFPs.
- 3) The following documents are available to bidders in final form at this time:
 - a. **Sample Letter of Intent.** Each bidder may develop its own letter of intent to meet the bidder’s business needs; this sample is provided for the convenience of bidders. The notes at the beginning of the document specify the circumstances when such a document may be required as part of the bidder’s proposal.
 - b. **Sample Host Acknowledgment.** This sample is provided for the convenience of bidders. The notes at the beginning of the document specify the circumstances when such a document may be required as part of the bidder’s proposal.
 - c. **Standard IPA Letter of Credit.** All bidders are required to submit a Letter of Credit with their proposal to support their bids. Bidders may, on the basis of comments from their financial institution, propose modifications to the Standard

IPA Letter of Credit for review by the IPA. Bidders can use the document released for this purpose.

New! A Bidder that already holds a letter of credit with the IPA that was submitted under the Spring Utility DG RFP will be able to use this same letter of credit for purposes of providing the financial guarantees required by the Part 2 Proposal under the Fall Utility DG RFP. Such Bidder will be required to provide an amendment to increase the value of the letter of credit and to change the expiration date. Detailed instructions will be available from the Procurement Administrator prior to the Part 2 Window.

Section 2: Preliminary Procurement Parameters

- 1) The capacity factors are used for purposes of calculating the number of Renewable Energy Credit (“RECs”) associated with a system and vary by technology. Starting with the Fall 2017 procurement event, bidders will be required to provide the nameplate capacity (**AC rating**) for a system as opposed to the DC rating that had been requested in prior procurement events. To account for this change, the Procurement Administrator adjusted the capacity factor related to solar photovoltaic cells and panels (fixed mount) from 14.38% to 17% and adjusted the capacity factor related to solar photovoltaic cells and panels (tracking) from 17% to 20%. These and the capacity factors for other technologies are provided in the table below.

Table 1. Capacity Factors (Preliminary).

Technology	Fall 2017 Capacity Factors (%) (AC Rating)
wind (below 25 kW)	11.00
wind (25-2,000 kW)	16.00
solar thermal energy	17.00
solar photovoltaic cells and panels (fixed mount)	17.00
solar photovoltaic cells and panels (tracking)	20.00
biodiesel, crops and untreated and unadulterated organic waste biomass, tree waste	47.74
hydropower that does not involve new construction or significant expansion of hydropower dams	31.06

- 2) The Procurement Administrator is releasing an **estimate** of \$7/REC for the Supplier Fee. The exact amount of the Supplier Fee per REC will be announced no later than two (2) business days before the Bid Date.

Section 3: Instructions to Comment on Capacity Factors

The Procurement Administrator invites interested parties to submit comments on whether the capacity factors in Table 1 are appropriate. Comments on the capacity factors should be submitted generally for all systems within a given technology and should not be for specific systems. The final values of the capacity factors will be applied to systems submitted by all bidders and not just to the systems submitted by the commenting party.

If you are suggesting adjustments of these capacity factors, please provide any available data or documentation to support your position. Any data provided should be generally applicable to systems within the given technology and should not be for a specific system.

Please submit your comments by email to the Procurement Administrator at: Illinois-RFP@nera.com.

The deadline to submit comments is 6PM CPT on Monday, August 7, 2017.