

DRAFT PROPOSAL REQUIREMENTS

1. Purpose

Public Act 102-0662, the Climate and Equitable Jobs Act, was signed into law and became effective on September 15, 2021. The Illinois Power Agency Act (the “Act” or “IPA Act”), as amended by Public Act 102-0662, establishes two procurement events under the Coal to Solar Initiative for the delivery of up to 625,000 renewable energy credits annually from new utility-scale solar projects (“Projects”) to Ameren Illinois Company (“AIC”) and Commonwealth Edison Company (“ComEd”). Each of AIC and ComEd is referred to as a “Company”. A utility-scale solar project is an electric generating facility that generates electricity using photovoltaic cells and that has a nameplate capacity greater than 5,000 kW (AC rating). An energy storage facility must be constructed and operated at the same site as a utility-scale solar project. In accordance with the IPA Act, Projects must be installed at sites of current or former electric generating facilities that burn or burned coal as their primary fuel source and that meet all eligibility criteria specified in Section 1-75(c-5) of the IPA Act. Projects may be installed on property adjacent to such sites if necessary for sufficient space.

The present document provides an overview of the Proposal submission process and draft Proposal requirements. These draft Proposal requirements are based on the changes to the IPA Act under Public Act 102-0662 and are provided for comments by interested parties. 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 as defined by the Act. The Coal to Solar Initiative requires that each Project be installed at or adjacent to the site of a “Coal Facility”, which is an electric generation facility in Illinois that burns or burned coal as primary fuel

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source as of January 1, 2016. A “Proposal” is a response to the Coal and Solar Initiative for a given Project. An entity that presents a Proposal is a “Proponent”. An entity that commits to installing and operating the Project and that will sign the applicable supplier contract (the “REC Contract”) with each Company is a “Seller”.

- 2.2. A Proponent submits a Proposal online, using the “Proposal Form”. Participants enter required information in the Proposal Form (for example, contact information or the size of the Project). Any supporting documentation that may be required can either be uploaded to the Proposal Form or sent via email to the Procurement Administrator at Illinois-RFP@nera.com. When a signature is required, the Procurement Administrator makes available an “Insert”, which is a stand-alone Microsoft Word form that a Proponent can fill out and then upload to the Proposal Form or email to the Procurement Administrator, using a scanned wet signature or an acceptable digital signature.
- 2.3. Each Proponent is required to pay a non-refundable Participation Fee of \$500 as a condition of completing the Proposal to the extent that such participant has not already paid a Participation Fee pursuant to its participation in a 2022 procurement event. The Participation Fee will be used to cover part of the costs of the 2022 procurement events.
- 2.4. A Proponent is required to submit proposal assurance collateral in the form of cash or a letter of credit to each Company.
- 2.5. A Proponent presenting Proposals for multiple Projects and that elects to provide proposal 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 of its Projects. Similarly, a Proponent presenting Proposals for multiple Projects and that elects to provide proposal assurance collateral in

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the form of cash for a Company may effect a single wire transfer to provide to that Company the required proposal assurance collateral for all Projects.

- 2.6. If providing proposal assurance collateral in the form of a letter of credit for a Company, the Proponent must either use the Standard Proposal Letter of Credit for that Company provided as an appendix to the Coal to Solar Initiative Rules, or the Proponent must submit an original executed proposal letter of Credit for that Company that incorporates only those modifications to the Company's Standard Proposal Letter of Credit approved by that Company and posted to the procurement website.
- 2.7. A Proposal Letter of Credit submitted by the Proponent will not be returned but will simply expire on the date stated as part of its terms. A Proponent that posted cash as proposal assurance collateral must submit a request to a Company for the return of cash.
- 2.8. The Proposal consists of (i) the completed online Proposal Form; (ii) proposal assurance collateral; and (iii) any other documents necessary to fulfill the Proposal requirements.
- 2.9. A schedule (subject to change) for the first procurement event is available on the Calendar page of the procurement website: <https://www.ipa-energyrfp.com/calendar/>. The second procurement event will be held no sooner than September 30, 2022 and no later than October 31, 2022. The schedule for the second procurement event will be posted to the procurement website at a later date.
- 2.10. Proposals are due on the "Proposal Due Date". All materials for the Proposals are due at 12 PM (noon) Central Prevailing Time on the Proposal Due Date. If a Proposal is received before 12 PM (noon) on any business day during the Proposal Window, the Procurement

Administrator sends the initial review by 12 PM (noon) on the first business day after the date the Proposal is received. If a Proposal is received after 12 PM (noon) on any business day during the Proposal Window, the Procurement Administrator sends the initial review by 6 PM on the first business day after the date the Proposal is received.

- 2.11. If the Proponent receives a first deficiency notice from the Procurement Administrator regarding any item of the Proposal, the Proponent has until 12 PM (noon) on the Proposal Due Date, or until 6 PM on the second business day following the business day during which a first deficiency notice is sent to the Proponent, whichever comes later, to respond. If the Proponent responds to a deficiency notice within the time allowed but the response does not correct all deficiencies, the Proponent will, to the extent feasible, receive a further deficiency notice from the Procurement Administrator with additional time to respond. Such additional time to respond to a further deficiency notice will be no longer than (and may be shorter than) the time allowed under a first deficiency notice.
- 2.12. A Proponent qualifies a Project pursuant to a successful Proposal if: its Proposal is received on or before 12 PM (noon) on the Proposal Due Date, the Proposal is complete for the Project, and the Proposal fully complies with the requirements of the Coal to Solar Initiative Rules, including any requests for additional information from the Procurement Administrator. If a Proponent fails to qualify the Project, the Procurement Administrator notifies the Proponent of that fact by email. If a Proponent qualifies the Project pursuant to a successful Proposal, then such Project will be considered in the selection process.
- 2.13. The Procurement Administrator notifies a Proponent by 6 PM on the date the Procurement Administrator submits to the ICC the confidential report regarding the results of the

procurement event whether a Project presented by the Proponent has been selected by the Procurement Administrator. Such notification is made earlier to the extent practicable. This notification occurs by email. The Procurement Administrator provides no other information to a Proponent about the results of the procurement event. The ICC is expected to decide whether to approve the results of the procurement event within two (2) business days of receiving the confidential report from the Procurement Administrator.

2.14. Projects selected and approved by the Commission will be assessed a Supplier Fee that is also used to cover part of the costs of the procurement event.

3. Draft Proposal Requirements

The tables below provide a list of Proposal requirements that are anticipated at this time. This list is in draft form and is preliminary.

Draft Proposal Requirements	
A – Site-Specific Information	
The following information must be provided once for each Site (as defined below)	
Coal Facility Information	<ul style="list-style-type: none">• Provide name and address of coal electric generating facility (“Coal Facility”) <p>A Coal Facility presented as part of a Proposal in the first procurement event must be located in the state of Illinois and south of federal Interstate Highway 80. A Coal Facility presented as part of a Proposal in the second procurement event may be located anywhere in the state of Illinois.</p> <ul style="list-style-type: none">• State whether the Coal Facility is retired or is currently operating

	<ul style="list-style-type: none"> • If Coal Facility is retired: <ul style="list-style-type: none"> ○ Provide date of retirement ○ Provide documentation that electric generating facility burned coal as its primary fuel source as of January 1, 2016 ○ State generating capacity of Coal Facility prior to retirement • If Coal Facility is operating: <ul style="list-style-type: none"> ○ Provide documentation that electric generating facility burned coal as its primary fuel source as of January 1, 2016 ○ State generating capacity of Coal Facility in MW
<p>Owner Information</p>	<ul style="list-style-type: none"> • Provide name of owner of Coal Facility (“Owner”) • Provide contact information for representative of the Owner • State whether Owner is a public utility. If not, provide name of public utility that at one time owned, in whole or in part, the Coal Facility • Certify that the Owner is not (i) an electric cooperative as defined in Section 3-119 of the Public Utilities Act, or (ii) an entity described in subsection (b)(1) of Section 3-105 of the Public Utilities Act, or an association or consortium of or an entity owned by entities described in (i) or (ii)
<p>Site Information</p>	<ul style="list-style-type: none"> • The “Site” consists of the largest parcel of contiguous land owned by the Owner and where the Coal Facility is located. Provide a map and a description of the Site • Provide documentation that Owner controls the Site. For example, records that Owner pays property taxes for the Site may be provided
<p>Proponent Information</p>	<ul style="list-style-type: none"> • Provide name of party submitting the Proposal (“Proponent”) and contact information for 1-4 individuals who are authorized to act on behalf of the Proponent and on behalf of the Seller (as defined below). Each such individual is a “Representative”

	<ul style="list-style-type: none"> • If Proponent and Owner are different entities, explain the relationship between the Proponent and Owner, including a chart of the ownership structure as appropriate
<p>Information Regarding Projects</p>	<ul style="list-style-type: none"> • Provide name and size of all Projects and all energy storage facilities (“Storage Facilities”) that Proponent proposes to install and operate at or adjacent to the Site (size in MW AC rating for solar, size in MW DC for storage facilities) • Provide total area of the Site in acres (this total area must be consistent with the Site map) • Indicate location of all Projects and Storage Facilities on Site map • Identify any Project that is an “Adjacent Project”, which is: <ul style="list-style-type: none"> ○ A Project that is installed entirely or partly on a parcel adjacent to the Site; or ○ A Project installed entirely on the Site, but the total area of the Site is less than 4 acres times the combined sizes of the Projects. <p>In this latter case, the site associated with the Project must include adjacent parcels, and one or more Projects must be designated by the Proponent as Adjacent Projects.</p>
<p>B – Project-Specific Information</p> <p>The following information must be provided for each Project</p>	
<p>Link to Site</p>	<ul style="list-style-type: none"> • Provide name of Coal Facility and Site at which (or adjacent to which) Project is located
<p>Seller Information</p>	<p>The “Seller” is the entity that will sign the REC Contract with one or both Companies if the Project is selected</p> <ul style="list-style-type: none"> • Provide the name and address of the Seller • Provide Seller’s ultimate parent • Provide the number of years that the Seller has been in business. The Seller must be an entity that has been formed as of the Proposal Due Date

	<ul style="list-style-type: none"> • Provide contact information for an officer of the Seller (an officer of the Seller is an individual empowered to undertake contracts and bind the Seller) • Provide all information necessary to prepare the REC Contract (including information regarding the guarantor as applicable) • Seller is not in violation of the Displaced Energy Workers Bill of Rights
<p>Project Information</p>	<ul style="list-style-type: none"> • Confirm size of Project (in MW, AC rating, rounded to 2 decimals) and confirm whether the Project is an Adjacent Project • Confirm storage capacity for energy storage facility (in MW, DC rating, rounded to 2 decimals) <p>In the first procurement event, the size of Project must be greater than or equal to 20 MW and less than or equal to 100 MW. The energy storage facility must have storage capacity greater than or equal to 2 MW and less than or equal to 10 MW.</p> <p>In the second procurement event, the size of Project must be greater than or equal to 5 MW and less than or equal to 20 MW. The energy storage facility must have storage capacity greater than or equal to 0.5 MW and less than or equal to 1 MW.</p> <ul style="list-style-type: none"> • Describe the stage of development (solar and storage) 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.) • If the Project is an Adjacent Project, provide proof of site control for a portion or the entirety of the adjacent parcel. Site control, must be provided for an area of at least 4 acres per MW, including the relevant portion of the Site and adjacent parcels if any. <ul style="list-style-type: none"> ○ Proof of site control includes supporting documentation for each landowner (e.g., signed lease agreement, proof of land ownership, memorandum of understanding with landowner, or letter of intent to lease the land) ○ If the entity that has control of the land is neither the Proponent nor the Seller, please specify the

	<p>relationship between the entity controlling the land and the Seller</p> <ul style="list-style-type: none"> • Specify the commercial operation date for the Project. Such commercial operation date must be June 1 of a given year. (“Commercial Operation Date”) • Provide the annual quantity of RECs that the Seller is offering to deliver under the terms of the REC Contract (“full quantity”). The full quantity must not exceed a “maximum quantity”, which is the product of: (i) the Project size in MW (AC rating), (ii) a standard capacity factor of 30%, and (iii) 8,760 hours. A Proponent that optionally wants to provide evidence to support a capacity factor for the Project that is higher than the standard capacity factor must provide: (i) an estimate of energy production for the Project and (ii) any relevant design specifications. • Provide an annual minimum quantity of RECs that the Seller is willing to accept as a partial award (“minimum quantity”). The minimum quantity is less than or equal to the maximum quantity • Additional information may be required depending on results of the evaluation procedure
<p>Certifications by Seller</p>	<ul style="list-style-type: none"> • All information with respect to the Project and the Proposal is true, up-to-date, and accurate to the best of my knowledge and belief (*) • The Project is a “utility-scale solar project” as this term is defined in the Act and the Seller has made all investigations it deems necessary to make this determination • The Date of First Operation of the Project, as this term is defined by PJM EIS GATS or M-RETS, did not occur on or before June 1, 2017 • The Project is in Illinois and is entirely located within the physical location identified in the description of the Project site • The Project has reached the appropriate development milestones to fully expect that the Project will deliver its first REC to each Company on or before the applicable commercial operation date provided in the Proposal

	<ul style="list-style-type: none">• The Project has or will have a single revenue quality meter that satisfies the requirements of the applicable regional transmission organization, transmission provider, or distribution company and that measures or will measure its generation output• The Project has been configured and metered to ensure that payment is only for RECs related to energy generated from the Project• The Project is or will be registered in PJM EIS GATS or M-RETS and the Seller will deliver RECs to the Companies by delivering such RECs to each Company's PJM EIS GATS or MRETS account in an unretired state• The Project will be constructed or installed by a qualified entity or entities in compliance with the requirements of subsection (g) of Section 16-128A of the Public Utilities Act and any rules adopted thereunder• The personnel operating the Project will have the requisite skills, knowledge, training, experience, and competence, which may be demonstrated by completion or current participation and ultimate completion by employees of an accredited or otherwise recognized apprenticeship program for the employee's particular craft, trade, or skill, including through training and education courses and opportunities offered by the owner to employees of the Coal Facility presented in the Proposal or by previous employment experience performing the employee's particular work skill or function• Commit that not less than the prevailing wage, as determined pursuant to the Prevailing Wage Act, will be paid to the Seller's employees engaged in construction activities associated with the Project and to the employees of Seller's contractors engaged in construction activities associated with the Project, and that, on or before the commercial operation date of the utility-scale solar project, the Proponent shall file a report with the Agency certifying that the requirements of this certification have been met• Commit to negotiating a project labor agreement for the construction of the Project that includes provisions requiring the parties to the agreement to work together to establish
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	<p>diversity threshold requirements and to ensure best efforts to meet diversity targets, improve diversity at the applicable job site, create diverse apprenticeship opportunities, and create opportunities to employ former coal-fired power plant workers</p> <ul style="list-style-type: none"> • Agree to all terms of the REC Contract. The Sellers commits to constructing and operating the Project as well construct and operate the Storage Facility under the terms of the REC Contract and to sell RECs from the Project as a price of \$30 per REC for the applicable duration • Agree to execute the REC Contract with the deadlines provided if Project is selected • Agree that there will be no substitution of Project and that the Site will remain as described in Proposal • Agree to pay the Supplier Fees within seven (7) business days of approval by the Commission of the Project being selected <p>(*) this certification must also be made by an officer of the Seller’s ultimate parent, if any.</p>
<p>Proposal Assurance Collateral</p>	<ul style="list-style-type: none"> • Provide proposal assurance collateral of \$6,000/MW to AIC and \$14,000/MW to ComEd, as cash or a letter of credit • Proponent can submit a single instrument for purposes of all Projects • Proponent can use cash submitted as proposal assurance collateral towards any Collateral Requirement under the REC Contract
<p>Targets and Selection</p>	<ul style="list-style-type: none"> • The first procurement event will target no less than 400,000 RECs annually and no more than 580,000 RECs annually. The second procurement event will target no more than 625,000 RECs annually less the amount of RECs contracted through the first procurement event • If the sum of the full quantities associated with all qualified Projects is less than or equal to the maximum number of RECs sought, all Projects are selected. If the sum of the full quantities associated with all qualified Projects exceeds the maximum number of RECs sought, the evaluation considers the minimum quantities submitted for each Project. The evaluation then strives to select a group of Projects that deliver the maximum number of RECs sought.

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	<ul style="list-style-type: none">• If a Project is selected by the evaluation procedure and approved by the Commission, the Procurement Administrator allocates the quantity of RECs selected to each Company in pre-specified proportions based on respective KWh delivered to delivery service customers for the year ended December 31, 2021. The Seller will be the counterparty to each Company for delivery of RECs from the Project. If the same Seller has other Projects approved by the Commission, the Seller will execute a separate REC Contract with each Company and for each Project.
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