

ILLINOIS COMMERCE COMMISSION
Public Notice of Successful Bidders and Average Prices

Illinois Power Agency
Spring 2022 Forward Procurement of Indexed Renewable Energy Credits from
New Utility-Scale Wind, Utility-Scale Solar and Brownfield Site Photovoltaic Projects

May 12, 2022

On May 6, 2022, the Illinois Power Agency's ("IPA's") procurement administrator, NERA Economic Consulting, received bids for the sale of indexed renewable energy credits ("RECs") to Ameren Illinois Company ("Ameren"), Commonwealth Edison Company ("ComEd"), and MidAmerican Energy Company ("MEC") derived from new utility-scale wind projects, new utility-scale solar projects and new brownfield site photovoltaic projects. The bidding process was monitored for the Commission by Bates White. On May 12, 2022, voting in open session, the Commission approved the procurement administrator's selection of winning bids.

The May 2022 procurement is a result of Public Act 102-0662, also known as the Climate and Equitable Jobs Act, which became effective September 15, 2021. The Spring 2022 Indexed REC RFP is the first subsequent forward procurement required by the Climate and Equitable Jobs Act and was held within the statutorily required timeline of 240 days from the law's effective date of September 15, 2021.

The Climate and Equitable Jobs Act largely adopted the existing procurement process for procuring RECs but added one key element that distinguishes this procurement event (and future events like it) from prior REC procurement events. Specifically, the Act required use of an indexed REC pricing structure. In the past, IPA REC procurements have offered a fixed price REC structure in which bidders offer a single, fixed REC price on bid day. The indexed REC pricing affords bidders the ability to specify a "strike" price, which is a guaranteed price to be paid to bidders for their RECs but includes the energy component as well. As energy index prices rise (implying high energy revenues for the supplier), the indexed REC payment falls; as energy index prices fall (implying low energy revenues for the supplier), the indexed REC payment rises. The strike price is netted against the RTO wholesale energy market index price, resulting in a settlement between the supplier and the utility buyer in which the supplier is guaranteed its strike price for all RECs delivered to the utility buyer. This means that under the indexed REC contract, a supplier could either be owed a payment from the utility buyer, or owe a payment to the utility buyer, depending on whether the strike price was higher or lower than the index price.

This approach does make comparisons between this procurement and prior wind, solar, and brownfield solar procurements difficult, since it is not possible to directly compare a fixed price REC bid to indexed REC bids. Indexed REC bids will necessarily be higher since they include an energy component.

The procurement administrator, on behalf of the IPA, issued the Utility-Scale Wind, Utility-Scale Solar, and Brownfield Photovoltaic Request-For-Proposal ("RFP") to procure 2.5

million RECs to be delivered annually from new utility-scale wind projects, 2 million from new utility-scale solar projects, and 125,000 RECs to be delivered annually from new brownfield site photovoltaic projects.

The statute defines a utility-scale wind or solar project as an electric generating facility that has a nameplate capacity greater than 5,000 kilowatts. Brownfield site photovoltaic projects do not have a minimum size requirement but the projects are required to qualify as brownfield projects under the law. All projects must be located in Illinois or in a state adjacent to Illinois. If in a state adjacent to Illinois, the project must satisfy the public interest criteria specified in Section 1-75(c)(1)(I) of the IPA Act. 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, 2025 (though extensions are possible) and continues for a 20-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 wholesale markets.

In accordance with Section 16-111.5(h) of the Illinois Public Utilities Act, the following information is made public at the time of Commission approval of a procurement event under the Indexed REC Procurement: (i) the names of successful bidders; and (ii) the average of the winning bid prices for each contract type and contract duration; (iii) the address and nameplate capacity of the new renewable energy generating facility; and (iv) the business address and contact information for each successful bidder.

The Average Winning Bid Price in the table below reflects the strike price (\$/MWh). The price of an indexed REC is calculated by subtracting the strike price from the index price in a given settlement period.

Winning Suppliers and Projects

Supplier Name and Contact Information	Address of Winning Project	Type and Nameplate Capacity	Average Winning Bid Price (\$/MWh)
County Run, LLC 353 North Clark Street, Floor 30 Chicago, IL 60654 Siamak.niroomand@rwe.com	(39.37 -87.99) Casey, IL 62420	Utility-Scale Solar 274.00 MW	52.43
Great Plains Solar, LLC 226 N. Morgan St. Suite 200 Chicago, IL 60607 info@rangerpower.com	38°12'26.95"N; 89°34'36.61"W Coulterville, Perry County, IL 62237	Utility-Scale Solar 100.00 MW	
Prairie Creek Wind, LLC 353 North Clark Street, Floor 30 Chicago, IL 60654 Siamak.niroomand@rwe.com	(40.529 -85.374) Hartford City, IN 47348	Utility-Scale Wind 200.00 MW	
ReneSola Power Holdings, LLC 850 Canal Street, 3 rd Floor Stamford, CT 06902	Corner of Coal City Road and West River Road, Wilmington, IL 60481	Utility-Scale Solar 19.90 MW	
States Land Solar Operators, LLC 1 S. 448 Fairview Ave. Lombard, IL 60148	1369 North 2803 RD Ottawa, IL 61350	Brownfield Site Photovoltaic 4.95 MW	
Switchgrass Plains Solar, LLC 226 N. Morgan St. Suite 200 Chicago, IL 60607 info@rangerpower.com	1170 E 3100 Avenue Herrick, IL 62431	Utility-Scale Solar 100.00 MW	