

**LIST OF PROPOSED AND/OR AGREED TO MODIFICATIONS  
TO COMED’S ILLINOIS AUCTION PROPOSAL**

**Agreements (including proposed revisions and clarifications) that will require changes to Rider CPP – Competitive Procurement Process (“Rider CPP”)**

- Agreed to the reorganization of Rider CPP per ICC Staff Schedule 7.1, as modified in ComEd Ex. 13.0 and ComEd Ex. 21.0. (ComEd Ex. 13.0, lines 93-139; ComEd Ex. 21.0, lines 107-115)
- Agreed to / proposed the following integrated “package”: Proposed to switch the Large Load Customer Supply Group (400 kW to 1 MW) from the CPP Auction – Blended (“CPP-B”) auction segment to the CPP Auction – Annual (“CPP-A”) auction segment and to attendant switching rules and translation process, provided that the decision period for the annual product is an “opt out” period limited to 30 days.<sup>1</sup> If this “package” is accepted, ComEd will accept the elimination of the Migration Risk Factor from the CPP-B “prism”. (ComEd Ex. 17.0 (Corrected), lines 505-518; ComEd Ex 18.0, lines 14-16, 412-505, 551-619, and diagram in lines 630-647; ComEd Ex 19.0 (Revised), lines 76-141; ComEd Ex 21.0, lines 249-315)
- Agreed to change “Peak Period” and “Off-Peak Period” definitions to the existing retail Peak and Off-Peak definitions, with the North American Electric Reliability Council holidays, for purposes of determining and applying Supply Charges pursuant to Rider CPP. (ComEd Ex. 17.0 (Corrected), line 530; ComEd Ex. 21.0, lines 128-142)
- Agreed that in its compliance filing, ComEd will make the necessary changes in Rider CPP that conform to those ComEd agreements / revisions that are approved by the Commission in its final Order (including terminology of the Supply Forward Contracts (“SFCs”) or other such documents, if such terminology is used in Rider CPP), as well as any other changes that need to be made to conform the tariff to such Order. (ComEd Exhibit (“Ex.”) 21.0, lines 87-98)
- Agreed to reduce the nominal tranche size from 100 MW to 50 MW. (ComEd Ex. 9.0, lines 265-270; ComEd Ex. 10.0 (Revised), lines 58-59 and 517-539; ComEd Ex. 11.0 (Revised), lines 1151-1153)
- Agreed to the load caps separately applicable to the fixed-price and hourly-priced auctions being reduced to 35% from 50%. (ComEd Ex. 9.0, lines 260-264; ComEd Ex. 10.0 (Revised), lines 57-58 and 483-516)

---

<sup>1</sup> As indicated in ComEd’s Initial Brief, ComEd now is willing to agree to extend this period to 50 days in the first auction year and 45 days thereafter.

- Agreed to provide greater detail to create a “common” SFC Timeline, Auction Timeline, and CPP Timeline (for ComEd’s Rider CPP and Ameren’s Rider MV). (ComEd Ex. 17.0 (Corrected) lines 527-528; ComEd Ex 19.0 (Revised), lines 408-416; ComEd Ex. 19.4)
- Agreed (as detailed) that bidders be allowed to switch between the ComEd and Ameren auctions and that it be made clear that the Commission can separately accept or reject the fixed- and hourly-priced auctions and that a decision to reject one does not imply rejection of the other. (ComEd Ex. 9.0, lines 238-253; ComEd Ex. 10.0 (Revised), lines 582-616; ComEd Ex. 11.0 (Revised), lines 40-43; ComEd Ex 12.0 (Revised), lines 798-827)
- Proposed that the monitoring and reporting functions previously assigned to the Auction Advisor should be performed directly by the ICC’s Staff, in consultation with such experts, as it deems appropriate. (ComEd Ex. 9.0, lines 290-302; ComEd Ex 10.0 (Revised), lines 62-67, 650-664; ComEd Ex. 10.1 (Corrected) and 10.2 (Corrected); ComEd Ex. 11.0 (Revised), lines 2236-2248)
- Agreed to make available a spreadsheet that would enable bidders to translate an assumed market clearing price into the final, post-mitigation Supply Charges for CPP-B auction customers. In addition, if the Large Load Customer Supply Group (400 kW to 1 MW) is moved from the CPP-B Auction Segment, then a spreadsheet for the CPP-A translation would be made available to translate an assumed market clearing price into the final, post-mitigation Supply Charges for CPP-A auction customers. (ComEd Ex 21.0, lines 419-426, 975-986)
- Agreed that the Auction Manager will retain all records of each auction for a period of five years or such longer period as is required by the applicable administrative rules of the ICC. (ComEd Ex. 9.0, lines 350 – 352; ComEd Ex. 10.0, lines 644-649)
- Agreed that ComEd will not require bidders to destroy data, but only to keep it confidential. (ComEd Ex 9.0, lines 353-354)
- Agreed that data concerning round by round prices and measures of excess supply may be released to the public thirty days prior the first date of delivery of electricity under the SFCs awarded in that auction. This information would be included in the Public Reports, the Public Report of the ICC Staff (previously referred to as The Public Report of the Auction Advisor) and The Public Report of the Auction Manager. (ComEd Ex. 9.0, lines 344-349)
- Agreed that customers eligible to receive CPP-A service that do not elect real-time pricing service or that do not choose service from a RES or PPO service during the 30-day decision period will automatically receive CPP-A service without further action on their part. (ComEd Ex. 17.0, lines 508-518; ComEd Ex. 18.0, lines 611-614; ComEd Ex 21.0, lines 144-154)
- Agreed to allow new customers to take service under the CPP-A Auction segment outside the 30-day decision period, provided that successor accounts would only be allowed to take service under the CPP-A Auction if the predecessor account was enrolled in CPP-A service.

(ComEd Ex. 10.0 (Revised), lines 1145-1148; ComEd Ex. 13.0, lines 246-256; ComEd Ex. 19.0, lines 105-108; ComEd Ex. 21.0, lines 212-241)

- Agreed that CPP-B customers that become eligible for CPP-A due to load growth will be allowed to terminate service under the annual default rate with a 7-day notice to take RES supplied service. (ComEd Ex 18.0, lines 615-617)
- Agreed to eliminate the 60-day termination notice requirement for customers who are on hourly service, provided that standard DASR requirements apply (restricting termination to the customer's normally scheduled meter reading date). (ComEd Ex. 10.0 (Revised), lines 1300-1309; ComEd Ex. 13.0, lines 228-242)
- Proposed changes in ComEd Exhibit 13.1 and ComEd Ex. 21.0, which respond to the numerous ICC Staff recommendations concerning the pass-through formula set forth in the Accuracy Assurance Mechanism ("AAM") part of Rider CPP and include, in relevant part (ComEd Ex 13.0, lines 71-74)
  - Agreed that the internal audit report will be filed with the Commission's Manager of Accounting and a confidential copy will be filed with the Chief Clerk. (ComEd Ex. 21.0, lines 743-747)
  - Proposed provisions for the submission of annual reports verified by an officer of ComEd. (ComEd Ex 13.0, lines 686-704)
  - Agreed to provide a single annual report (not a separate "annual report" and "annual reconciliation statement") and a report on the results of an internal audit, both by April 30 of each year. (ComEd Ex 21.0, lines 737-742)
  - Replacement of terms in original Accuracy Assurance Factor ("AAF") formulae with new terms that reflect an accrual accounting method. (ComEd Ex 21.0, lines 768-886)
  - Use of ComEd forecasts instead of historical data in the denominators of the Accuracy Assurance Factor ("AAF") formulae. (ComEd Ex 21.0, lines 748-767)
  - Agreed to rename "Factor A" something other than "A". ICC Staff suggests that ComEd rename this Factor "O". ComEd differs. This factor includes the provision of interest in the AAF formulae. (ComEd Ex 13.0, lines 810-811 (item (3)), 824, and 838-851; ComEd Ex 21.0, lines 644-686)
  - Inclusion of interest in the balancing terms ("AB" and "CFA") of the formulae (ComEd Ex 13.0, lines 900-905; ComEd Ex 13.1)
  - In the event of an informal process for resolving issues with ICC Staff, ComEd proposed language in the AAF, as shown on Original Sheet No. 292 of ComEd Ex. 13.1, concerning amortization of amounts to be refunded or recovered. (ComEd Ex. 21.0, lines 687-695)
  - Agree (as detailed) to accept responsibility for the AAF, which will be filed with the Commission and will be available for inspection by any interested party. However, if an annual docketed proceeding is required regarding the AAF, a proposal that ComEd opposes, then ComEd proposes modified wording. (ComEd Ex. 21.0, lines 550-585)
  - If a formal proceeding, ComEd also offers changes to the "Factor O" language proposed by ICC Staff. (ComEd Ex. 21.0, lines 696-709)

- Inclusion of “Determination Period” and “Effective Period” definitions. (ComEd Ex. 13.0, lines 906-929)
  - Provision of a formulaic depiction of the AAF applicable to customers supplied through the CPP-H Auction. (ComEd Ex 13.0, lines 906-929)
  - Miscellaneous wording changes to the AAM part. (ComEd Ex 13.0, lines 933-937)
- Agreed to language clarifying the ICC’s authority to oversee ComEd computations and correct errors regarding Supply Charges and AAFs, including potential refunds. Defined in more detail the circumstances under which refunds can be made in response to errors in the calculation of charges and incorrect inclusion of costs. (ComEd Ex 13.0, lines 811-820; ComEd Ex 17.0, lines 519-521; ComEd-Staff Stipulation filed August 31, 2005)
  - Also agreed (as detailed) to provide detailed reports to ICC Staff, and to prudence review by the ICC and potential refunds, relating to purchases made in certain contingent scenarios. (ComEd Ex 9.0, lines 355-369; ComEd Ex.10.0 (Revised), lines 1429-1499; ComEd Ex 13.0, lines 257-266; ComEd Ex. 13.1; ComEd Cross Ex. 11)
  - Accepted ICC Staff’s proposed rate mitigation plan for customers taking service under the CPP-B auction segment, with certain agreed clarifications. (ComEd Ex. 9.0, lines 370-377, 606 -618; ComEd Ex. 13.0, lines 1119-1205; ComEd Ex 21.0, lines 123-127, 987-991)
  - If the Commission adopts ICC Staff’s proposal concerning rate mitigation, ComEd will provide specific tariff language in its compliance filing. (ComEd Ex 21.0, lines 992-995)

**Agreements that will require changes to the SFCs**

- Agreed with various changes proposed by Barry Huddleston of Dynegy, which include (ComEd Ex. 9.0, lines 710-733):
  - making the obligation to comply with PJM requirements reciprocal;
  - making the obligation to comply with governmental or civic authority directives reciprocal;
  - making it an event of default for ComEd to lose its ability to transact business in PJM;
  - eliminating the provision that gave ComEd the ability to reject a request by the supplier to assign the SFC if any necessary regulatory approvals were not obtained within 90 days;
  - eliminating the requirement for the supplier to accelerate payment if ComEd had to accelerate payment due to a downgrading; and
  - eliminating of the 6% cap on interest payments.
- Agreed with numerous clarifications to the SFC proposed by Barry Huddleston, including modifications to the following sections: 2.1.b(vii), 2.2, 2.3, 2.6, 3.1(v), 3.1(vii), 3.1(ix), 3.2(v), 3.2(viii), 3.2(x), 3.3, 4.1.b, 4.2, 5.1(x), 5.1(xiii), 5.1(xvii), 5.4.e, 6.3, 9.1(iv)(b). (ComEd Ex. 9.0, lines 710-733)

- Agreed that the Non-Defaulting Party (not just ComEd) will calculate a termination payment when multiple agreements are in existence between the parties. (ComEd Ex. 9.0, lines 736-738)
- Agreed that upon the termination of one SFC between ComEd and a supplier due to an event of default, all SFCs between the same two parties are automatically terminated. (ComEd Ex. 9.0, lines 739-742)
- Agreed to provide copies of any valid tax exemption certificates. (ComEd Ex 9.0, lines 734-743)
- Agreed that RPS obligations for the suppliers must be in effect at the time of the execution of the SFC and must not be simply agreed to by ComEd. (ComEd Ex. 9.0, lines 750-783)
- Agreed to clarify in the SFC that Force Majeure does not apply to situations where power is available from PJM and can be delivered to the Delivery Point. (ComEd Ex. 9.0, lines 798-801)
- Agreed to reduce the period for a disputing party to provide supporting documentation for a disputed statement or invoice from 120 days down to 90 days. (ComEd Ex 9.0, line 812)
- Agreed that ComEd's ALM portfolio should reduce the amount of capacity that will need to be supplied under the CPP-H SFC. (ComEd Ex 9.0, lines 815-824; ComEd Ex. 9.3)
- Clarified the start time / dates such that the SFC will start in the hour ending 0200 EPT on Jan. 1, 2007 for the first Auction and on 0100 EPT June 1 for all subsequent Auctions. (ComEd Ex 9.0, lines 889-897)
- Agreed to revise and clarify the SFC regarding its notch down policy in situations where a supplier does not have a senior unsecured debt rating. (ComEd Ex 17.0 (Corrected), lines 715-744)
- Agreed to remove a provision from Section 6.1 of the SFC that allowed ComEd to establish less restrictive credit requirements in a non-discriminatory manner. (ComEd Ex 17.0 (Corrected), lines 723-727)
- Agreed to make even clearer in the SFC that ComEd is responsible for new or increased charges relative to Network Integrated Transmission Service ("NITS"), as set out in Appendix C. (ComEd Ex 17.0 (Corrected), lines 757-768)
- Agreed to harmonize ComEd and Ameren's SFC (recognizing differences in the product design and RTO requirements) including the following revisions: corrected typos; revised Appendix D (MtM Exposure Amount Methodology); minimized discretion in the Mark-to-Market calculation; revised policy regarding credit exposure for CPP-H Suppliers and the requirements for posted collateral; revised to reflect amended bankruptcy laws; and determined application fee to be assigned to Part 1 of the Application. We have also agreed

to revise certain language, such as “Final Clearing Price” to “Final Auction Price” and more, and other structure changes. If approved in this docket, ComEd and Ameren will file SFCs with the Commission within thirty days of the Commission Order and the other updated documents (Auction Rules; Rider CPP, Rider PPO-MVM – Power Purchase Option (Market Value Methodology) (“Rider PPO-MVM”) and Rider TS-CPP – Transmission Services (Competitive Procurement Process) (“Rider TS-CPP”) within ten business days of the Commission Order. (ComEd Ex 9.0, lines 846-856; ComEd Ex 9.5; ComEd Ex. 10.0 (Revised), lines 672-679; ComEd Ex. 17.0 (Corrected), lines 141-153, 522-526, 803-823)

### **Agreements that will require changes to other procurement documents**

- The auction manual has been revised and now includes 89 pages of detailed rules concerning the auction process for both ComEd and Ameren, now titled “Illinois Auction Rules”. (ComEd Ex. 10.0 (Revised), lines 317-322) Additional refinements will be incorporated and submitted to the Commission within ten business days of the Commission Order, as noted above.
- Proposed a new feature under which a procurement assessment will be conducted every three years by a consultant selected by the ICC Staff, ComEd, and a group consisting of CUB, the office of the AG, and the City of Chicago. (ComEd Ex. 10.0 (Revised), lines 69-72, 690, 716-752)
- Agreed to further reinforce the existing independence of the Auction Manager and proposed to retain the Auction Manager’s discretion (to the extent that there is need for discretion in the management of the CPP Auction), subject to certain conditions. The ICC Staff and the Auction Advisor will have oversight. (ComEd Ex. 9.0, lines 271-289; ComEd Ex. 10.0 (Revised), lines 629-643, 1442-1462; ComEd Ex. 11.0 (Revised), lines 2088-2219; ComEd Ex. 12.0, lines 88-107, 350-356, 504-536)
- Agreed to a list of topics to be addressed in the Auction Manager’s independent report to the Commission. (ComEd Ex 10.0 (Revised), lines 440-443; ComEd Ex 10.2 (Revised))
- Agree that both ComEd and Ameren will hold their auctions simultaneously. Agreed with Ameren that the initial auction should take place during the first ten days of September, 2006. (ComEd Ex 9.0, lines 254-259; ComEd Ex 10.0 (Revised), lines 59-60, 541-581)
- ComEd agreed to work with the Auction Manager and ICC Staff to ensure that no auction management procedure impedes the speed of the auction. Other suggested methods and software will be considered in future auctions. (ComEd Ex 9.0, Lines 321-330)
- The Part 1 and Part 2 Application process have been substantially revised and appear in ComEd Ex. 19.1 and ComEd 19.2 respectively. Additional refinements will be incorporated and submitted to the Commission within ten business days of the Commission Order, as noted above. (ComEd Ex 19.0, lines 384-393)

- Agreed to provide more detail on the general methodology used for round-to-round price decrements during the Auction using illustrative formulae. (ComEd Ex.19.3, Appendices B and C)
- Agreed to submit a revised and refined task plan for auction management. (ComEd Ex 17.0, line 529)
- Agreed to revised auction confidentiality rules in response to specific suggestions from PES witness Bollinger (PES Ex 2.0, lines 160-178). (ComEd Ex 17.0 (Corrected), lines 531-532)

**Agreements that will require changes to Rider PPO-MVM - Power Purchase Option (Market Value Methodology) (“Rider PPO-MVM”)**

- Proposed modifications to the Supply Charge and Supply Administration Charge in light of ICC Staff’s proposed changes to these sections of the tariff. (ComEd Ex. 13.0, lines 1032-1075; ComEd Ex 21.0, lines 908-912)

**Other Commitments**

- Agreed to CES’ proposal to recategorize certain condominium customers as non-residential customers for purposes of the Customer Supply Group definitions in Rider CPP. (ComEd Ex. 13.0, lines 1278-1286)
- In response to CECG, ComEd reconfirmed it would make available the “prism” mechanics to the suppliers via the data room, 105 days before the auction to limit suppliers’ uncertainty regarding the migration analysis. (ComEd Ex. 17.0 (Corrected), lines 573-582; ComEd Ex. 19.0 (Revised), lines 211-220)
- Identified FERC Accounts to be used to record AAF components. Proposed to work with ICC Staff to further segregate the revenues and expenses to be used in the AAF calculation through use of Sub-Accounts and any other necessary indicators, in order to ensure that amounts included are separately identifiable for accounting, auditing, and any other appropriate review. (ComEd Ex. 13.0, lines 766-804; ComEd Ex. 13.2(Revised); ComEd Ex. 21.0, lines 913-928; ComEd Ex 22.0, lines 67-227)
- Agreed to provide certain information regarding DASR procedures to RESs. (ComEd Ex. 13.0, lines 1275-1277)