

Illinois Power Agency Long-Term RFP

Renewable Energy & Renewable Energy Credits

Bidder Information Session
Wednesday, September 8, 2010

ILLINOIS
POWER AGENCY

ComEd[®]

NERA
Economic Consulting

ComEd Energy RFPs
For Electric Supply & Renewable Energy Products

Contract

Procurement Plan for Long-Term Renewable Energy and RECs

- ❖ **Sep 30, 2009**: the Illinois Power Agency (“IPA”) filed a procurement plan for each of Commonwealth Edison Company (“ComEd”) and the Ameren Illinois Utilities (“Ameren”)
 - ◆ Short-term energy and capacity
 - ◆ Short-term Renewable Energy Credits (“RECs”)
 - ◆ Long-term renewable energy and RECs

- ❖ **Nov 9, 2009**: IPA filed Supplemental Recommendations (“Appendix K”) to add and modify the procurement plan

- ❖ **Dec 28, 2009**: the Illinois Commerce Commission (“ICC”) issued an Order approving Appendix K

Appendix K

- ❖ Was filed to supplement the IPA's Plan and set forth the key terms of the long term REC procurement and contract
- ❖ Appendix K specifies certain key items which the Commission approved and are not subject to change
 - ◆ Energy to be settled based on a swap and the day-ahead LMP at the utility zone
 - ◆ Delivery minimum of 90% and maximum of 110%
 - ◆ Solicitation open to new and existing units
 - ◆ Buyer not responsible for payments it can not recover through pass through tariffs

The Final Long Term Master Agreement was posted on September 7, 2010

- ❖ Posted to the RFP Web site
 - <http://www.comed-energyrfp.com/ltdocuments.asp>
- ❖ All comments by interested parties were considered and evaluated by Procurement Administrator, in consultation with, procurement monitor, ICC Staff, IPA and ComEd representatives
- ❖ The long-term Master Agreement
 - ◆ is standard and non-negotiable
 - ◆ is consistent with Appendix K and ICC Order
 - ◆ Bidders must accept terms prior to bidding
 - Bidders submit executed signature pages of Master Agreement, Schedule to Master Agreement and Paragraph 13 of Credit Support Annex prior to bidding

Contract Based on Standard ISDA Master Agreement

Document structured as follows:

- ❖ ISDA Master Agreement
 - ◆ Schedule to Master Agreement
 - Credit Support Annex
 - Paragraph 13 to Credit Support Annex
 - Schedule 1 to Credit Support Annex (Standard Letter of Credit)
 - Exhibit A to Schedule 1 (Letter of Full Transfer)
 - Schedule 2 to Credit Support Annex (Exposure Calculation Methodology)
 - ◆ Confirmation
 - Appendix A to Confirmation (Consent and Agreement)

Confirmation Provides the Specifics of the Transaction

- ❖ **Confirmation** will specify
 - ◆ The specific generating unit (tied to a revenue quality meter)
 - ◆ An annual quantity (from Proposal)
 - ◆ Fixed price for floating price energy swap (bid price)
 - ◆ Applicable percentage (from proposal)

- ❖ Although a single Master Agreement would be executed between seller and ComEd, if the Commission approves the seller's bids for several projects, there would be **one confirmation for each project**

Main Contract Terms

(page nos. in this section refer to page no. in Appendix K where term is discussed)

Product Is for RECs and Renewable Energy

- ❖ Seller delivers RECs to ComEd's GATS or M-RETS account
- ❖ Energy must be generated by the Project identified in the Confirmation and delivered to the grid
- ❖ **Single payment** (no separate payment for RECs) begins once RECs are delivered

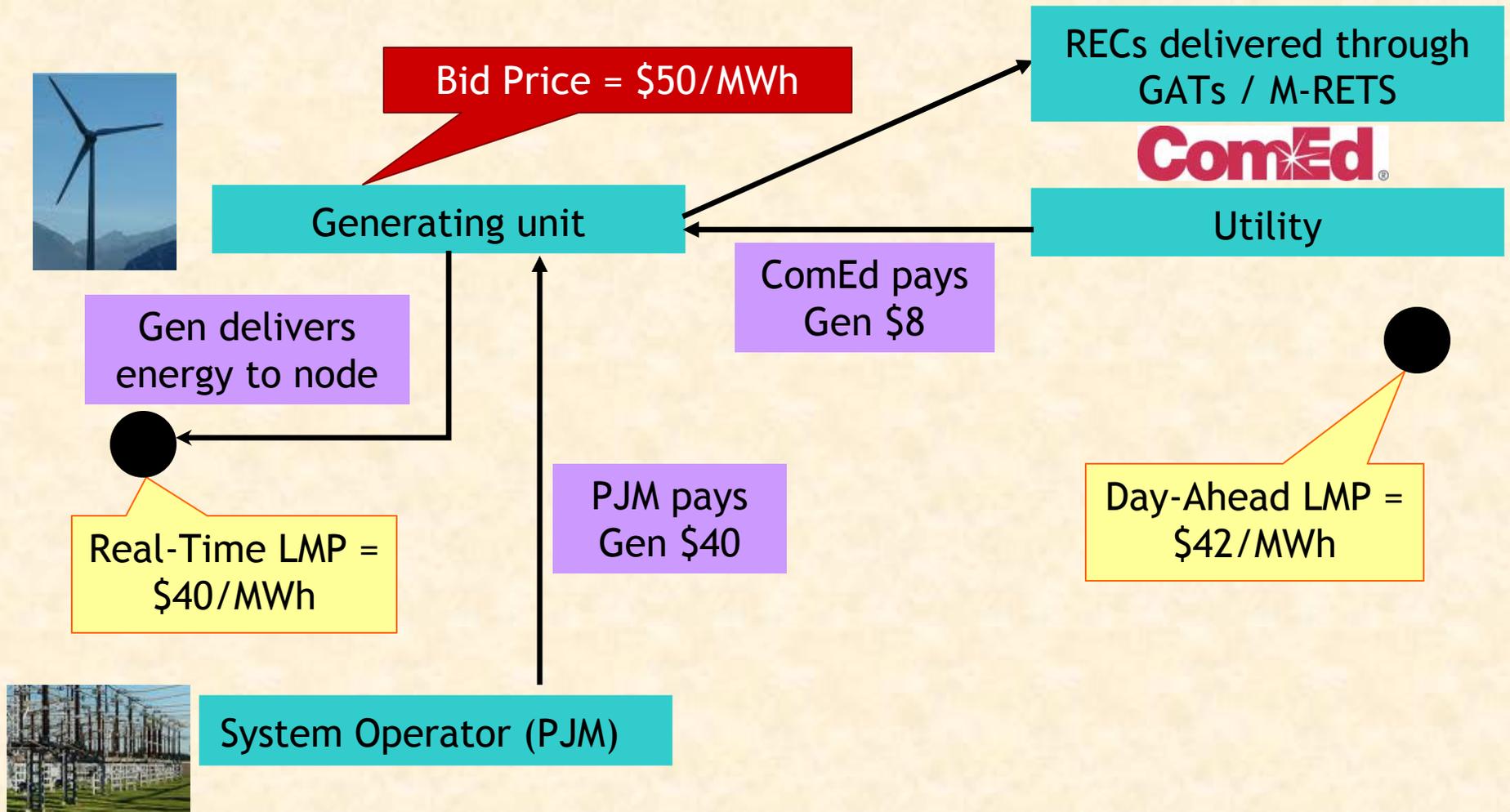
Energy Settlement Is through a Financial Swap

- ❖ **Payments** are monthly and calculated as follows (p. 4):
- ❖ In each hour, calculate the difference between
 - ◆ The fixed price (bid price escalated at 2% per year)
 - ◆ The floating price (day-ahead LMP at ComEd zone)and apply the difference to the volume of energy produced by the project times the percentage specified by the seller
- ❖ Add the amounts over all hours of the month
- ❖ If the difference is positive (on average, the fixed price exceeds the floating price) then the utility pays the seller this difference
- ❖ If the difference is negative (on average, the floating price exceeds the fixed price) then the seller pays the utility the difference

Price Used for Settlement Is the Bundled Price

- ❖ There is **no separate payment** or price for RECs (p. 4)
- ❖ Although the floating price used is the day-ahead LMP at the ComEd zone, this is a financial settlement only (p. 4)
 - ◆ Energy is NOT delivered to the ComEd zone
- ❖ REC deliveries accounted for through the PJM GATS system or MISO M-RETS system (p. 6)

Payment Flows (Given Hour)



There Are Minimum Deliveries Under the Contract

- ❖ Same quantity applies for energy and RECs (p.5)
- ❖ Seller must provide a minimum quantity (90% of annual quantity) but contract offers some flexibility in managing deliveries (p.5-6)
- ❖ After contract commitments are met, seller retains full benefit and value of additional production (p.5)
- ❖ Seller may carry-over up to 10% of the annual quantity to the following delivery year (p.5)

Managing Deliveries: REC Shortfalls

- ❖ If seller fails to deliver at least 90% of the annual quantity in a year, seller has 90 days to deliver replacement RECs at least up to the 90% level
 - ◆ Replacement RECs must be of same resource type and locational preference (p.5)
 - ◆ No payment will be made for replacement RECs (p.5)

- ❖ Shortfalls of less than 10% can be made up with regular deliveries during the following year (p.5)

Managing Deliveries: Energy Shortfalls

- ❖ If Seller fails to deliver at least 90% of the annual quantity for a given year, the utility will compare the average LMP for the delivery year to the fixed price for that year
 - ◆ If the average LMP is higher, the seller will pay the difference *times* a quantity that would bring the shortfall within 10% (p.6)
 - ◆ If the fixed price in the contract is higher, no payment is made (p.6)

- ❖ As with RECs, shortfalls of less than 10% can be made up with regular deliveries during the following year (p.6)

Separate Credit Requirements for Energy and REC Portions

- ❖ **Energy credit requirement** is determined by comparing, on a three-year forward basis (p.6):
 - ◆ ATC energy value (annual quantity *times* forward ATC energy price)
 - ◆ Contract value (annual quantity *times* contract price)

- ❖ Collateral due from the seller is this difference if ATC energy value is higher than contract value (p.6)

- ❖ ComEd performs daily mark-to-market calculations (p.6)

REC Credit Requirement Also on a Three-Year Basis

- ❖ Seller posts \$5/REC in the form of cash or a letter of credit to cover the three-year forward period (annual quantity x 3) (p.6)
- ❖ Utility can use collateral to purchase replacement RECs if seller does not cure short-falls in the minimum quantity to be delivered (p.6)
- ❖ Utility has the right to terminate the contract if seller fails to deliver minimum amounts of RECs in a given year (after accounting for replacement RECs) (p.6)

Margin Examples

Example 1

Contract Price \$70

ATC Price \$50

Resource Factor 0.90

Energy Margin* = 0.90 x \$50 - \$70 = -\$25 (\$0 per MWh)

REC Margin = \$5 per MWh

Example 2

Contract Price \$70

ATC Price \$90

Resource Factor 0.90

Energy Margin* = 0.90 x \$90 - \$70 = \$11 per MWh

REC Margin = \$5 per MWh

*Energy Margin may be capped based on the credit rating of entity. See Schedule 2 to Credit Support Annex (Exposure Calculation Methodology)

Collateral Posted as Cash or Letter of Credit

- ❖ Exposure calculation provided in Schedule 2 to credit support annex
 - ◆ **Energy Exposure:** MtM for three years worth of annual quantity
 - ◆ **REC Exposure:** \$5/REC for three years worth of Annual Contract Quantity

- ❖ Collateral Requirement must be satisfied with **cash or standard Letter of Credit** and begins at contract execution

Final Master Agreement Incorporates Comments by Interested Parties

Redlines between Draft and Final Posted to Website

- ❖ Final Master Agreement incorporates comments by Interested Parties
 - ◆ Comment Process (Aug 25)
 - ◆ IPA workshop held in Chicago (Aug 30-Sept 1)

- ❖ Major changes relate to:
 - ◆ Force Majeure
 - ◆ Regulatory Out Clause
 - ◆ Cap on Credit Exposure
 - ◆ Dodd-Frank
 - ◆ Lender & Affiliate Assignments

Force Majeure

- ❖ Force Majeure language is added to Confirmation
 - ◆ Must last 7 consecutive days
 - ◆ Excludes loss or failure of Seller's supply or fuel source and Seller's ability to sell the Product at higher price
 - ◆ Includes buy-through provision for failure to deliver replacement RECs
 - Pays Buyer Fixed Price x number of Replacement RECs needed

- ❖ Annual Contract Quantity is reduced based on hours Force Majeure is in effect

Regulatory Out Clause

- ❖ Buyer is not liable for amounts that cannot be recovered through pass-through tariffs

- ❖ In the event Buyer cannot recover costs, process and options are specified in Confirmation under “Payment Obligations”
 - ◆ Buyer to provide notification to Seller
 - ◆ Annual contract quantity and applicable percentage reduced on pro-rata basis
 - ◆ Seller may accept or terminate contract
 - ◆ Buyer to return unpaid RECs, if delivered

Cap on Exposure Is applicable to Energy MtM

- ❖ Cap on Exposure is implemented via Energy Value (Vmkt) definition in Confirmation and Schedule 2 to Credit Support Annex
 - ◆ $V_{mkt} = Q \times RF \times \min(AMP, AMPCap)$

- ❖ AMPCap based on credit rating of entity
 - ◆ 1.5 x Fixed Price if A and above
 - ◆ 1.75 x Fixed Price if between BBB+ and A-
 - ◆ 2.0 x Fixed Price if between BBB- and BBB

Dodd-Frank Legislation

- ❖ Master Agreement is not expected to be governed by Dodd-Frank legislation for derivative transactions
- ❖ Confirmation clarifies the following:
 - ◆ Physical generation of energy and delivery to a transmission system required
 - ◆ Delivery of energy is to transmission system of seller's choice; ComEd does not take delivery
- ❖ If law related to OTC derivatives are adopted that would significantly affect contract
 - ◆ Parties to reform contract to keep original intent
 - ◆ Contract terminated if unable to reform contract

Lender and Affiliate Assignments

- ❖ Assignment is allowed under contract
- ❖ Language on assignment is added to Confirmation
 - ◆ Section H of Confirmation provides for assignment by both parties with prior written consent, which consent shall not be unreasonably withheld
 - ◆ Appendix A to Confirmation provides standard agreement and consent for assignment for Lenders

Other Changes

- ❖ Other changes include clarifications on:
 - ◆ calculation of basis
 - ◆ vintage of replacement RECs
 - ◆ extended time to provide metered data
 - ◆ submission of additional tax related documents
 - ◆ timing on delivery of collateral requirement
 - ◆ representations regarding ownership

- ❖ Corrections of typos

Questions?

Two RFPs

Two RFPs, Two Contracts, One Common Framework

- ❖ **Two RFPs:** The IPA will solicit proposals separately for ComEd and Ameren
 - ◆ NERA Economic Consulting is the Procurement Administrator for the ComEd portfolio
 - ◆ Levitan and Associates is the Procurement Administrator for the Ameren portfolio

- ❖ **Two contracts:** The contracts that would be signed by ComEd and Ameren following ICC approvals of the bids rely on the standard ISDA Master Agreement
 - ◆ However, there are differences in the way the contracts are customized for ComEd and Ameren
 - ◆ Each contract was subject to a separate comment process

- ❖ **One common framework:** Contracts and RFPs faithful to Commission Order approving Appendix K and governing legislation

Schedule

30-Aug-10	31-Aug-10	1-Sep-10	2-Sep-10	3-Sep-10
Bidder Workshop	Bidder Workshop	Bidder Workshop		
6-Sep-10	7-Sep-10	8-Sep-10	9-Sep-10	10-Sep-10
LABOR DAY	Final RFP and Master Agreement issued	Bidder Information Call PART 1 WINDOW OPENS		
13-Sep-10	14-Sep-10	15-Sep-10	16-Sep-10	17-Sep-10
PART 1 DATE (noon CPT)				
20-Sep-10	21-Sep-10	22-Sep-10	23-Sep-10	24-Sep-10
Part 1 Notification	PART 2 WINDOW OPENS			PART 2 DATE (noon CPT)
27-Sep-10	28-Sep-10	29-Sep-10	30-Sep-10	1-Oct-10
		Bidder Practice	BID DATE 10AM - noon CPT	

Structure of RFP Documents

- ❖ 2010 Long-Term Renewable Energy and REC RFP Process and Rules (“RFP Rules”)
 - ◆ App 1: Long-Term Master Agreement
 - ◆ App 2: Part 1 Form
 - ◆ *App 3: Part 2 Form*
 - ◆ *App 4: Illustrative Bid Form (sample only)*
 - ◆ *App 5: Evaluation Process*
 - ◆ App 6: Pre-Bid Letter of Credit
 - ◆ App 7: Agency Officers’ Certificate
 - ◆ *App 8: Confidentiality Statement*

Procurement Administrators Coordinate for Exchange of Part 1 Information

Ameren	ComEd
Pre-Qualification Application <ul style="list-style-type: none">◆ Bidder Information◆ Resource Information	Part 1 Form
Registration Form	Part 2 Form

- ❖ Bidders that participate in both RFPs need only submit once information that is common to the Part 1 Form and the Pre-Qualification Application
- ❖ If Bidder submits the Pre-Qualification application first, Bidder can request that Ameren Procurement Administrator transmit information to ComEd Procurement Administrator and then Bidder can skip the corresponding fields in the Part 1 Form
- ❖ If Bidder submits the Part 1 Form first, Bidder can request that ComEd Procurement Administrator transmit information to Ameren Procurement Administrator and then Bidder can skip the corresponding fields in the Pre-Qualification Application

Single Bid Participation Fee

- ❖ Single **Participation Fee of \$500** paid by check to the IPA
 - ◆ One participation fee per Bidder (NOT per Project)
 - ◆ Paid once for participation in ComEd's RFP and/or Ameren's RFP
 - ◆ Must pay again if paid for participation in standard products, capacity, or short-term REC RFPs earlier this year

- ❖ Part 1 Proposal requires proof of payment of bid participation fee
 - ◆ Suggest a photocopy of the check
 - ◆ Instructions and W-9 for IPA available from Procurement Administrator upon request (pa@comed-energyrfp.com)
 - ◆ If unable to provide proof of payment at the Part 1 stage must acknowledge that if fee is not paid, Bids will not be evaluated

Supplier Fee Paid by Winners Only

- ❖ The **Supplier Fee** is paid by check to the IPA
 - ◆ Estimate of Supplier Fee is **\$0.61/MWh**
 - ◆ Ameren Procurement Administrator will release its own Supplier Fee estimate

- ❖ Single supplier fee per Bidder (not per Project)

- ❖ Amount provided in confirmation to the contract and due within 60 days of ICC decision

Eligibility and Evaluation

Eligibility

- ❖ Renewable energy resources as defined under Section 1-10 of the Illinois Power Agency Act
- ❖ Not already be under a long-term power purchase agreement
- ❖ New and existing projects eligible. New projects:
 - ◆ Must have completed appropriate transmission and interconnection milestones
 - ◆ Must take into account any relevant transmission interconnection costs as well as the scheduled lead times to accomplish any required transmission interconnection work
- ❖ Resource physically delivers energy to a transmission system
 - ◆ Interconnected to regional transmission organization
 - ◆ Interconnected with a transmission provider that is not part of RTO
 - ◆ Interconnected at the distribution level and settles energy deliveries with the distribution utility or sells energy to the distribution utility
- ❖ ComEd POG rate is eligible

Proposal Will Specify Bundled Price, Percentage, and Quantity

- ❖ Bidder offers a **single bundled price** for energy and RECs
- ❖ Contract is settled through a **fixed price for floating price** swap for energy and RECs
 - ◆ Fixed price is the Price Bid in the first year and escalates at 2% per year
 - ◆ Floating price is the day-ahead LMP at the utility zone
- ❖ **Quantity** is a specified percentage *times* net output of the project up to a target Annual Contract Quantity
- ❖ Bidder specifies the prices, the percentage and the annual quantity

Bids Must First Meet Benchmarks

- ❖ Target is 1,400,000 MWh - Procurement Administrator (“PA”) will also announce a Budget
 - ◆ Recommended Bids will not exceed Budget or Target
- ❖ Bids that fail to meet the **benchmarks** established by the Procurement Administrator, the Procurement Monitor, and the IPA are eliminated
- ❖ Bids adjusted using resource-specific factors to allow for **direct comparison of** renewable resources with different production profiles
 - ◆ 0.98 wind, 1.20 solar, 1.00 other
- ❖ Priority is given first to cost effectiveness, second to resource type then last to resource location
 - ◆ Cost effectiveness is on an adjusted price-only basis given acceptance of identical contract terms by all bidders

Changes to Resource Type and Location Priorities Under the Act

- ❖ **Resource Type.** Bill HB6202 amended the Illinois Power Agency Act to give priority to solar photovoltaics in addition to wind starting in 2012

- ❖ **Resource Location.** Preference is given to projects in Illinois and its adjoining states over projects in any other state
 - ◆ Starting June 1, 2011 there is no longer a preference for resources in Illinois over resources in adjoining states
 - ◆ Adjoining states are Wisconsin, Iowa, Missouri, Kentucky, Indiana, or Michigan

Procurement Administrator and Procurement Monitor Make Recommendations to ICC

- ❖ Procurement Administrator fully evaluates bids in accordance with the Act
- ❖ Procurement Administrator and Procurement Monitor submit a **confidential report** to the ICC within two (2) business days of bids
- ❖ ICC renders a decision on the bids within two (2) business days of receipt of reports

Schedule

27-Sep-10	28-Sep-10	29-Sep-10	30-Sep-10	1-Oct-10
			BID DATE	
4-Oct-10	5-Oct-10	6-Oct-10	7-Oct-10	8-Oct-10
Last day for Reports to ICC		Last day for ICC decision		
11-Oct-10	12-Oct-10	13-Oct-10	14-Oct-10	15-Oct-10
Columbus Day	Last Day for Contract Execution			

- ❖ Act requires contract execution within three days of ICC decision
- ❖ This could be October 8 or October 7

Proposal Requirements

Part 1 Proposal: Overview of Requirements

1. Bidder information
2. Project information
3. Representations
4. Financial Requirements
5. Bid Participation Fee
6. Bidders submitting a Proposal under an Agency Agreement
7. Information to prepare the Long-Term Master Agreement

NOTES:

- Each numbered item correspond to a Section in Article IV of the RFP Rules and a Section in the Part 1 Form
 - E.g., Financial Requirements are explained in Section IV.4 of the RFP Rules and the Bidder provides information in Section 4 of the Part 1 Form
- One Part 1 Proposal **per Project**
- Bidder with multiple Projects can skip portions of the Part 1 Form that would provide duplicative information

Procurement Administrator Communicates with Officer or Representative

- ❖ Contact information for
 - ◆ Officer of the Bidder (empowered to undertake contract and bind the Bidder)
 - ◆ **Representative** (point of contact for the Project)
- ❖ **Officer** should be available through the procurement event
 - ◆ Signs all representations of the Part 1 Proposal
 - ◆ Signs all representations of the Part 2 Proposal
 - ◆ Signs the Long-Term Master Agreement documents submitted with the Part 2 Proposal
- ❖ Bidders with multiple Projects:
 - ◆ Should provide a single Officer for all Projects
 - ◆ May choose different Representatives for different Projects

Project Information is Used to Prepare the Bid Form

- ❖ Bidder provides
 - ◆ Applicable Percentage (rounded to the second decimal e.g., xx.xx%)
 - ◆ Maximum Annual Quantity (rounded to an integer number of MWh)
 - ◆ Minimum Annual Quantity (rounded to an integer number of MWh) (optional)

- ❖ The quantity for which a Seller is paid under the Long-Term Master Agreement is calculated by summing over all hours of the month the Applicable Percentage multiplied by the output of the Project in each hour, up to the Annual Contract Quantity

- ❖ The PA may select any integer MWh quantity between the Minimum Annual Quantity and the Maximum Annual Quantity at the Price Bid

- ❖ If the Bidder does not specify a Minimum Annual Quantity, the Procurement Administrator may only select a single quantity, namely the Maximum Annual Quantity

- ❖ Bidder may modify this information when submitting Bids:
 - ◆ Increase or decrease Applicable Percentage or Minimum Annual Quantity
 - ◆ DECREASE ONLY Maximum Annual Quantity

Part 1 Proposal is the Opportunity to Propose Modifications to the Letters of Credit

- ❖ Standard Form of Letters of Credit are posted
 - ◆ Pre-Bid LC (Appendix 6 of RFP)
 - ◆ Post-Bid LC (Schedule 1 to Credit Support Annex)
- ❖ Bidder submits a redline of the standard format electronically (saved to a CD or via email to pa@comed-energyrfp.com)
- ❖ Priority given to comments on the Pre-Bid Letter of Credit
 - ◆ **two business days** expected turn-around
- ❖ Accepted modifications to the Letters of Credit will be posted to the RFP Web site
 - ◆ Each modification accepted for the benefit of all bidders

Draft (Redline) LC Due	Part 1 Date: Noon Sept 13, 2010
Final LC Modifications document posted on Web site	Pre-Bid LC: Sept 21, 2010
	Post-Bid LC: Sept 24, 2010

Part 1 Proposal: Content Summary

- ❖ Part 1 Proposal consists of
 - ◆ three (3) completed Part 1 Forms with original signatures (**hard copies**)
 - ◆ Part 1 Form in Microsoft Word (soft copy)
 - ◆ Draft Pre-Bid Letter of Credit (soft copy) **OPTIONAL**
 - ◆ Draft Post-Bid Letter of Credit (soft copy) **OPTIONAL**
 - ◆ Evidence of payment of Bid Participation Fee (**hard copy** or soft copy)
 - ◆ Draft Officers' Certificate (hard copy or soft copy) **OPTIONAL**

- ❖ Hard copies provided by overnight delivery

- ❖ Soft copies saved to a CD and sent by overnight delivery or sent by email
 - ◆ Provide basic information and make certifications
 - ◆ Provide all information necessary to prepare Master Agreement

Part 1 Date: Part 1 Proposals due	Noon Sept 13, 2010
Notification of Qualification	6PM, September 20, 2010

Part 1 Proposal Documents on RFP Web Site

Document	Role for Part 1 Proposal
RFP Rules	Article IV provide qualification standards
App 1: Long-Term Master Agreement Schedule 1 to Credit Support Annex Exhibit A Letter of Full Transfer	Bidder may propose modifications
App 2: Part 1 Form	One Part 1 Form for each Project
App 3: Part 2 Form	
App 4: Illustrative Bid Form	
App 5: Evaluation Process	
App 6: Pre-Bid Letter of Credit	Bidder may propose modifications
App 7: Agency Officers' Certificate	For Bidders under Agency Agreement (draft)
App 8: Confidentiality Statement	

Procurement Administrator Prepares Long-Term Master Agreement for Bidder

- ❖ Bidder with **multiple Projects**
 - ◆ Single Long-Term Master Agreement
 - ◆ Multiple Confirmations
- ❖ Bidder submits information to fill in all fields of the Long-Term Master Agreement in the Part 1 Form
- ❖ PA **prepares the Long-Term Master Agreement for the Bidder** and provides it for signature with or shortly after the notification of qualification
- ❖ At time of notification of qualification, PA also provides the Bidder
 - ◆ One **Bid Form for each Project**
 - ◆ instructions for bid submission

Part 1 Date: Part 1 Proposals due	12 PM (noon) Sept 13, 2010
Notification of Qualification	6PM Sept 20, 2010

Part 2 Proposal is Due in Two Packages

Part 2 Date: Part 2 Proposal Due (excluding Bids)	12PM Noon Sept 24, 2010
Bid Date: Bids Due	10AM-12PM Sept 30, 2010

- ❖ Make certifications

- ❖ Submit executed **Pre-Bid Letter of Credit**
 - ◆ for the account of the Bidder
 - ◆ in an amount of $\$0.50 \times \text{Maximum Annual Quantity} \times 3$
 - ◆ maximum of \$2.1M

- ❖ Pre-Bid Letter of Credit must follow the standard format or incorporate only those modifications accepted upon review of the Part 1 Proposals

Part 2 Proposal is Due in Two Packages

- ❖ Submit **signed Master Agreement - two originals of:**
 - ◆ signature pages of the ISDA Master Agreement
 - ◆ signature pages of the Schedule to the Master Agreement
 - ◆ signature pages of Paragraph 13 to the Credit Support Annex

- ❖ **Additional documents**
 - ◆ one (1) certified copy of all documents necessary to evidence corporate (or equivalent) authorizations and approvals of execution, delivery, and performance of the Long-Term Agreement and Credit Support Annex
 - ◆ one (1) original of the certificate of authority and specimen signature of any individual executing the Long-Term Agreement or the Credit Support Annex
 - ◆ two (2) United States Internal Revenue Service Forms W-9

- ❖ **Additional documents** above must be submitted during with the Part 2 Proposal but are only evaluated if the Bidder's Project is recommended

Bidders May Submit Up to Three Bids

- ❖ The Procurement Administrator may not **select a quantity** below the Minimum Annual Quantity or above the Maximum Annual Quantity
- ❖ **Price Bid** is the weighted average Bid
 - ◆ If 12,000 MWh is the quantity selected, Price Bid is
$$[(5,000 \times \$60) + (5,000 \times \$65) + (2,000 \times \$80)] / 12,000 = \$65.42$$
- ❖ Bidder may submit a single Bid, or two Bids, or three Bids (increasing in price)

	Quantity	Bid
Minimum Annual Quantity	5,000 MWh	\$60.00 (\$ / MWh)
Intermediate Annual Quantity	10,000 MWh	\$65.00 (\$ / MWh)
Maximum Annual Quantity	15,000 MWh	\$80.00 (\$ / MWh)

Post-Bid Process

- ❖ Bidders informed if Bids are evaluated on the Bid Date
- ❖ Within **two business days** of the Bid Date, Procurement Administrator and Procurement Monitor each submits confidential report to ICC with results and recommendation on whether results should be accepted
- ❖ Bidders informed by **6 PM CPT two business days** after Bid Date if their Bids are recommended for ICC approval
- ❖ The ICC will decide whether to accept or reject the results of the procurement event within **two business days** of receiving the confidential reports from both the Procurement Administrator and the Procurement Monitor
- ❖ Exchange of Confirmation(s), posting of collateral, and full execution of Master Agreement within **three business days** of ICC approval of RFP Results

Part 2 Form To Be Posted Shortly

Document	Role for Part 2 Proposal
RFP Rules	Article V provide requirements
App 1: Long-Term Master Agreement ISDA Master Agreement Schedule to the Master Agreement Paragraph 13 of Credit Support Annex	Bidder submits Agreement prepared by PA Bidder submits additional documents required by Schedule
App 2: Part 1 Form	
App 3: Part 2 Form	One Part 2 Form for each Project
App 4: Illustrative Bid Form	
App 5: Evaluation Process	
App 6: Pre-Bid Letter of Credit	Bidder submits executed Pre-Bid LC
App 7: Agency Officers' Certificate	For Bidders under Agency Agreement (original)
App 8: Confidentiality Statement	

Questions?