

Illinois Power Agency 2012 Rate Stability Procurements Energy RFP

Bidder Practice Session February 9, 2012

LEVITAN & ASSOCIATES, INC. MARKET DESIGN, ECONOMICS AND POWER SYSTEMS

Agenda



- Supplier Fee
- Bid Submission
- Bid Evaluation
- Bidder Notification
- Procurement Administrator Contact Information
- Questions?



Supplier Fee

Supplier Fee



- Winning bidders will receive partially executed Supplier Fee Agreements from the Procurement Administrator on the day following the ICC ruling
 - Must be signed and returned to the Procurement Administrator by email, with hard copies sent by overnight mail
 - Detailed instructions included in Supplier Fee Agreement
- Supplier Fee will be \$1,825/block from each Winning Bidder
- Will be paid directly to the Illinois Power Agency, by check, ACH or e-check
- Payment due within 7 business days of ICC ruling



Bid Submission

Bid Submission Instructions (1)



1. Download Bid Form: "EnergyBidForm.xls"

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Documents
 Request for Proposals (Posted 1/9/12)
RFP Attachment A - Confirmation Agreement
   Attachment A - Confirmation Agreement (Draft) (Posted 1/9/12)
   Redline of Draft Confirmation Agreement Against 2011 Final Confirmation Agreement (Posted 1/11/12)
 Attachment B - Form of Pre-Bid Letter of Credit (Posted 1/9/12)
   Acceptable Modifications to Energy Pre-Bid Letter of Credit (Last Updated 1/26/12)
Pre-Qualification Application (Posted 1/9/12)
   Submission deadline: 12:00 noon CPT on January 23, 2012 by email (aiurfp@levitan.com) or fax (617-531-2826)
 Bid Participation Fee Payment Instructions (Posted 1/9/12)
Bidder Registration Form (Posted 1/25/12)
 Supplier Fee Binding Agreement (Posted 1/25/12)
   The Supplier Fee for the 2012 Rate Stability Energy RFP has been set at $1,825/block.
Energy Bid Form (Posted 1/25/12)
   Energy Bid Form Submission Instructions (Posted 1/25/12)
   Submit Bid Form (Link will open a new window)
Additional documents can be found on the Documents page.
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2. Fill in the name of the bidding entity

	А	В	С	D	E	F	G	Н	I	
1 Bidder: (Full legal name)										
2										
3				(All energy	products ar	e to be deliv	ered at the	AIC Load Zo	ne.)	
4										

(Note that throughout the bid form, you can only make changes to the yellow-shaded cells)

Bid Submission Instructions (2)



For each Product / Term, enter the number of 50-MW blocks you are bidding at each price, and the price in \$/MWh

	А	В	С	D	Е	F	G	Н	1	J	К	L	М
				U			U U	П		J	- r	L	101
$\overline{}$				6/1/2013 - 5/31/2014		04.0044 504.0045		CM 2004 5 5204 2004 C		CM 2040 524 2047		0.44.004.71 4.0.04.004.71	
7	Term Length			12 Months		6/1/2014 - 5/31/2015 12 Months		6/1/2015 - 5/31/2016 12 Months		6/1/2016 - 5/31/2017 12 Months		6/1/2017 - 12/31/2017 7 Months	
9	Time of Use			ATC		ATC		ATC		ATC		ATC	
10	Volume (M/V	ົ	650		650		650		650		650		
11	Energy (M/VI		5,694,000		5,694,000		5,709,600		5,694,000		3,338,400		
12	Number of 50		13		13		13		13		13		
13	7,001,000											1.0	
14	Total blocks	offered		0		0		0		0		0	
15	Total M/V offered			0		0		0		0		0	
16													
17		Group		No of 50- MW Blocks	Price, \$MMVh	No of 50- MW Blocks	Price, \$/M/Vh	No of 50- MW Blocks	Price, \$/M/Vh	No of 50- MW Blocks	Price, \$/M/Vh	No of 50- MW Blocks	Price, \$/M/Vh
18		1			,		, , , , , , , , , , , , , , , , , , , ,		,		,		•
19		2											
20		3											
21		4											
22		5											
23		6											
24		7											
25		8											
26		9											
27		10											
28		11											
29		12											
30		13											
31													
32		I	I										

Bid Submission Instructions (3)



- 4. Check your bid form for any errors, which will be flagged by red-shaded cells. Possible errors can include:
 - Too many blocks for a single Product. Each Product is limited to 13 blocks. If this error is not fixed, the blocks with the highest prices will be eliminated until the max number of blocks is reached.
 - A price less than \$1.00/MWh or greater than \$1,000/MWh is bid.
 Blocks with prices outside this range will be assumed to be in error and will not be evaluated.
 - The number of blocks bid at each price must be an integer. If a non-integer number of blocks is bid, the fractional block will be eliminated.
 - If no price or no number of blocks is entered in a row, that row is interpreted as a "no bid" and ignored. This also applies to any row where the number of blocks entered is ≤0

Examples of Bid Form Errors (1)



	А	В	С	D	Е	F	G	Н	I	J	К	L	М
6	Product Bi	ds			'				,				
7				6/1/2013 - 5/31/2014		6/1/2014 - 5/31/2015		6/1/2015 - 5/31/2016		6/1/2016 - 5/31/2017		6/1/2017 - 12/31/2017	
8	Term Length			12 Months		12 Months		12 Months			onths	7 Months	
9	Time of Use			ATC		ATC		ATC		ATC		ATC	
10				650		650		650		650		650	
11	1 Energy (M/Vh)			,694,000		5,694,000		5,709,600		5,694,000		3,338,400	
12	Number of 50 M/V blocks			1 13		13		13		13		13	
13													
14	14 Total blocks offered			14		10		9		6.5		2	
15				700		500		450		325		100	
16											T		
17				No of 50 MW Block		No of 50-	Price,	No of 50-	Price,	No of 50-	Price,	No of 50-	Price,
18		Group		7	s \$/M/Vh \$5.00	MVV Blocks	\$/M/\/h \$5.00	MVV Blocks	\$MWh \$15.00	MVV Blocks	\$/M/\/h \$5.00	MW Blocks	\$/M/Vh
\vdash		1		7									AC 00
19		2		- 1	\$10.00	2	\$10.00	3	\$1,525.00	2	\$10.00	<u> </u>	\$5.00
20		3				2	\$0.15	3	\$15.50	2.5	\$15.00		╚
21		4				2	\$20.00						5 –
22		5				2	\$25.00		3	4			
23		6											
24		7					2						
25		8											
26		9											
27		10											
28		11											
29		12											
30		13											
31													
32											1		

Examples of Bid Form Errors (2)

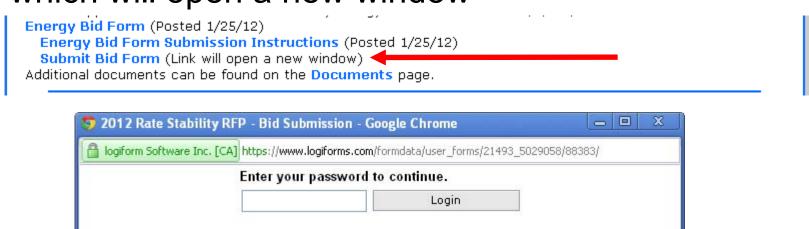


- 1. Too many blocks are entered, one of the \$10 blocks will be eliminated
- 2. The \$0.15 bid is below the minimum price, therefore this bid (two blocks) will not be evaluated
- 3. The \$1,525 bid is above the maximum price, therefore this bid (three blocks) will not be evaluated
- 4. A non-integer number of bids is entered, the number of blocks bid at \$15 will be rounded down to 2
- 5. No number of blocks price is entered in the first bid row and no price is entered for the second bid row, therefore these two bids will not be evaluated

Bid Submission Instructions (4)



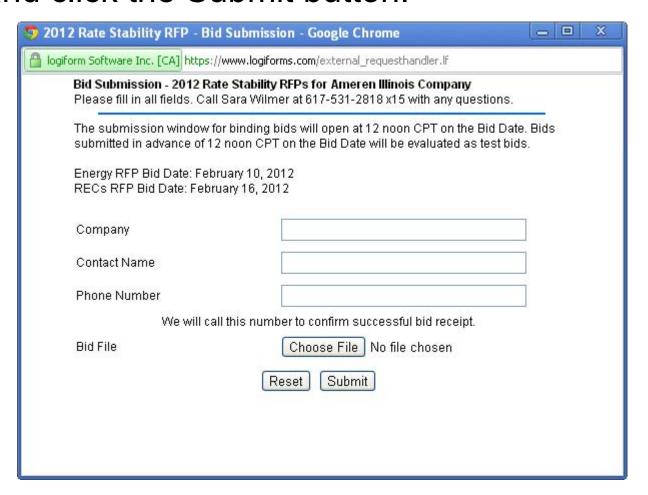
- 5. After all errors are corrected, save the file. You can add your company name or another identifier to the file name if you wish please do not use any special characters (#, ?, etc.) in the file name, as this will hinder the submission process
- On the procurement website, click on "Submit Bid" which will open a new window



Bid Submission Instructions (5)



 Fill in all fields in the form in the new window, select the file containing your bid through the Browse button, and click the Submit button.



Bid Submission Instructions (6)



- After receiving your bid, we will call the person identified on the bid form to confirm receipt
 - Practice bids will be acknowledged by email, or you can call Sara Wilmer at 617-531-2818 x15 to verify receipt

Submitting Practice Bids



- The Bid Submission site is live now for Bidders to practice submitting bids
- ◆ Bids submitted before 12:00 noon CPT on Friday, February 10th will not be considered to be binding bids, and you will not be notified immediately by phone of received submissions
- ◆ If you have any questions, please call Sara Wilmer at 617-531-2818 x15

On Bid Day



- ◆ Bids may be submitted starting at 12:00 noon CPT on Friday, February 10th
- Final binding bids must be submitted by 2:00 pm, CPT on Friday, February 10th
- Bidders will receive phone calls to confirm bid receipt
- Bids will only be evaluated if Pre-Bid Letter of Credit and Bidder Registration Form were by the Bidder Registration deadline

What If Something Goes Wrong?



- ◆ If you have any problems accessing or filling out the bid form, please call Sara Wilmer at 617-531-2818 x15
- The backup submission method is via fax, if IT problems are encountered on Bid Day
 - Levitan & Associates, Inc.'s fax number is 617-531-2826
 - If you will need to submit by fax, please notify us by phone as soon as you are aware of the need



Bid Evaluation

Bid Evaluation



- After checking each bid for errors, the bids for each Product are sorted by price, and any bids over the price benchmark for a given Product are eliminated
- The Procurement Administrator will then proceed to select the lowest-cost blocks bid for each product

What Happens In Case of a Tie?



◆ If there are two or more blocks at the clearing price (rounded to \$0.01/MWh) for a Product, the Procurement Administrator will select the required number of blocks at the clearing price in order to maximize the number of bidders in the award group for that Product



Bidder Notification

Schedule Following Bid Submission



- Procurement Administrator submits report with recommended winning bidders to ICC by Tuesday, February 14th
 - 2/13 is an Illinois state holiday
- Preliminary notifications to recommended bidders will be distributed on Monday, February 13th
 - If possible, notifications will be distributed before close of business on Friday, February 10th
- ICC has two business days after receiving report to issue a decision
 - Pre-Bench Session on 2/15
 - Bench Session on 2/16
- Winning Bidders notified following ICC decision
- Contracts executed with Winning Bidders within three business days of ICC decision
- Supplier Fee Agreements delivered to Winning Bidders one business day after ICC decision



Contact Information

Procurement Administrator Contact Information

- Procurement Web Site
 - http://www.levitan.com/AIURFP
- Mailing Address
 - Levitan & Associates, Inc. Attn: John Bitler or Sara Wilmer 100 Summer Street, Suite 3200 Boston, MA 02110
- ◆ E-Mail
 - aiurfp@levitan.com
- Phone
 - 617-531-2818 (John Bitler x22 or Sara Wilmer x15)
- Fax
 - 617-531-2826



Questions?