



Illinois Power Agency
2012 Rate Stability Procurements
Renewable Energy Credits RFP

Bidder Practice Session
February 14, 2012

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

Agenda



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

Coordination with ComEd REC RFP



- ◆ Levitan & Associates is the IPA’s Procurement Administrator for the Ameren Illinois Company
- ◆ NERA Economic Consulting is the IPA’s Procurement Administrator for ComEd
- ◆ REC bidding process has been harmonized between the two Procurement Administrators
 - Components of the Part 1 / Pre-Qualification package were consolidated
 - Part 2 / Registration deadline coordinated
- ◆ Bid evaluation will be conducted separately for each utility, with no contingent bids between the two utilities



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 \$0.05/REC from each Winning Bidder
- ◆ Will be paid directly to the Illinois Power Agency, by check, e-check or ACH
- ◆ Payment due within 7 business days of ICC ruling



Bid Submission



Bid Submission Instructions (1)

1. Download Bid Form: “RECBidForm.xls”

[REC Bid Form](#) (Posted 1/25/12) ←
[REC 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.

2. Fill in the Bidder name

	A	B	C	D	E	F	G	H	I
1	Bidder: (full legal name)								

****Note that only the yellow-shaded cells in the bid form can be edited**



Bid Submission Instructions (2)

3. For each REC Class (IAW, IAP, IAN, OSW,OSP, OSN) within each term, enter the number of RECs you are bidding at each price, and the price in \$/REC (equivalent to \$/MWh)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
21	Bids:													
22	Term:	June 2013 - May 2014												
23	Maximum Quantity:	536,020												
24	REC Class:	IAW	IAP	IAN	OSW	OSP	OSN							
25	Total number of RECs offered:	0	0	0	0	0	0							
26														
27	Bid Group	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs
28	1													
29	2													
30	3													
31	4													
32	5													
33	6													
34	7													
35	8													
36	9													
37	10													
38	..													

- ◆ Bid form contains 50 rows, if additional rows are needed, please notify us at aiurfp@levitan.com
- ◆ Bids should be submitted as values rather than formulas

Bid Submission Instructions (3)



4. Check your bid form for any errors, which will be flagged by red-shaded cells. Possible errors include:
 - ◆ Too many RECs for a single Class are bid. Each Class is limited to the Maximum Quantity for the applicable term, as shown on Row 23 of the bid form. If this error is not fixed, the RECs with the highest prices will be eliminated until the max number of RECs is reached
 - ◆ A price less than \$0.01/REC or greater than \$1,000/REC is bid; RECs with prices outside this range will be assumed to be in error and will not be evaluated
 - ◆ The number of RECs bid at each price must be an integer. If a non-integer number of RECs is bid, the fractional block will be discarded (*i.e.* the number of RECs will be rounded down to the nearest integer).
 - ◆ If no price or no number of RECs 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 RECs entered is ≤ 0



Examples of Bid Form Errors (1)

D30		fx 1.5													
A		B	C	D	E	F	G	H	I	J	K	L	M	N	
21	Bids:														
22	Term:	June 2013 - May 2014													
23	Maximum Quantity:	536,020													
24	REC Class:	IAW	IAP	IAH	OSW	OSP	OSH								
25	Total number of RECs offered:	600,000	62	8,000	5,000	0	0								
26															
27	Bid Group	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)	No. of RECs	Price (\$/REC)
28	1	100,000	\$2.00	15	\$2.00	1,000	\$8.00	1,000	\$2.00						
29	2	100,000	\$4.00	15	\$4.00	1,000	\$8.50	1,000	\$4.00						
30	3	100,000	\$5.00	2	\$6.00	1,000	\$9.00	1,000	\$6.00						
31	4	100,000	\$6.00	15	\$8.00	1,000	\$9.50	1,000	\$8.00						
32	5	100,000	\$10.00	15	\$10.00	1,000	\$0.00		\$10.00						
33	6	100,000	\$12.00			1,000	\$10.50	1,000							
34	7					1,000	\$11.00								
35	8					1,000	\$1,150.00								
36	9														
37	10														



Examples of Bid Form Errors (2)

1. Too many RECs are entered, only 36,020 RECs from the \$12.00 bid row will be evaluated
2. A non-integer number of RECs is entered, the number of RECs evaluated at \$6.00 will be rounded down to 1
3. The \$0.00 bid is below the minimum price, therefore this bid will not be evaluated
4. The \$1,150.00 bid is above the maximum price, therefore this bid will not be evaluated
5. No number of RECs is entered in row 5, therefore this bid will not be evaluated
6. No price is entered in row 6, therefore this bid will not be evaluated



Bid Submission Instructions (4)

5. After all errors are corrected, save the file. You can add your company name or other identifier to the file if you wish. Please do not use any special characters (\$, #, !, etc.) in the file name, as this may impair the upload and evaluation process
6. On the procurement website, click on “Submit Bid Form” which will open a new window with a password prompt

[REC Bid Form](#) (Posted 1/25/12)
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Bid Submission Instructions (5)



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

A screenshot of a web browser window titled "2012 Rate Stability RFP - Bid Submission - Google Chrome". The address bar shows "logiform Software Inc. [CA] https://www.logiforms.com/external_requesthandler.lf". The page content includes the heading "Bid Submission - 2012 Rate Stability RFPs for Ameren Illinois Company" and instructions: "Please fill in all fields. Call Sara Wilmer at 617-531-2818 x15 with any questions." Below this, it states: "The submission window for binding bids will open at 12 noon CPT on the Bid Date. Bids submitted in advance of 12 noon CPT on the Bid Date will be evaluated as test bids." The bid dates are listed as "Energy RFP Bid Date: February 10, 2012" and "RECs RFP Bid Date: February 16, 2012". The form fields are: "Company" (text input), "Contact Name" (text input), "Phone Number" (text input), and "Bid File" (file selection). A note says "We will call this number to confirm successful bid receipt." Below the "Bid File" field are "Choose File" and "No file chosen" buttons. At the bottom are "Reset" and "Submit" buttons.

8. After receiving your bid file, we will call the person who was listed in the Bid Submission form to confirm receipt



Other Key Points

- ◆ Each bid is considered independently for each REC within each Class and Term
 - No contingencies will be considered
- ◆ The Procurement Administrator can recommend that the ICC accept all, some, or none of the RECs offered within a group / bid row
- ◆ Bid prices will be rounded to the nearest \$0.01

- ◆ Bidding window opens at 12:00 noon CPT on Thursday, February 16th
- ◆ Final binding bids must be submitted by 2:00 pm, CPT on Thursday, February 16th

Submitting Practice Bids



- ◆ The Bid Submission site is live now for Bidders to practice submitting bids
- ◆ Bids submitted before 12:00 noon CPT on Thursday, February 16th will not be considered to be binding bids, and you will not be notified immediately by phone of received submissions, but we will email to let you know that your bid was received and if there are any problems
- ◆ Each bidder can submit as many practice bids as they want
- ◆ If you have any questions, please call Sara Wilmer at 617-531-2818 x15



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 have problems submitting the bid form on Bid Day, please notify Levitan & Associates, Inc. as soon as possible and allow sufficient time for your faxed bid to reach us prior to the 2:00 pm CPT deadline



Bid Evaluation



Bid Evaluation Procedure (1)

- ◆ Each term evaluated independently
- ◆ Step 0 – Eliminate Bids Higher than Benchmark, Sort Bids by Price
 - Within each Class
 - Within Wind Pool (WP): All wind bids, regardless of location
 - Within Photovoltaic Pool (PP): All PV bids, regardless of location
 - Within Combined Pool (CP): All bids, regardless of Class or location
- ◆ Step 1 – Select Bids: Bids will be selected from the CP until the TRR or RRB is reached
 - If the TRR is reached first, go to Step 2
 - If the RRB is reached first, bids may be switched out if technology / location priorities can be managed while remaining under the RRB, go to step 2



Bid Evaluation Procedure (2)

- ◆ Step 2 – Technology Targets: Swap out selected bids to meet Wind Target and Photovoltaic Target
 - If the WT and PT were met in Step 1, go to Step 3
 - If the WT and PT have not been met, switch out selected other technology RECs in favor of wind and PV RECs to the extent possible, moving toward the WT and PT in parallel
 - Once WT and PT have been met, or progress toward WT and PT has been maximized, go to Step 4
- ◆ Step 3 – Illinois/Adjacent State Location Priority: Swap out Other State resources in favor of Illinois and Adjacent State resources
 - IA bids cannot be substituted for OS bids if doing so would violate the WT or PT
 - The costs for wind, PV and non-wind/non-PV switches will be compared, with the least costly switch selected

What Happens In Case of a Tie?



- ◆ If there are two or more RECs at the highest accepted price (rounded to \$0.01/REC) within a Class and Term, the Procurement Administrator will select the required number of RECs at that price in order to maximize the number of bidders in the award group for that Class



Bidder Notification

Schedule Following Bid Submission



- ◆ Procurement Administrator submits report with recommended winning bidders to ICC by Friday, February 21st
 - February 20th is a holiday
- ◆ Preliminary notifications to recommended bidders will be distributed on Friday, February 17th
- ◆ ICC accepts or rejects recommendation on February 22nd or 23rd
- ◆ 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: 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?
