

REQUEST FOR PROPOSALS
FOR
LONG-TERM RENEWABLE RESOURCES

Levitan & Associates, Inc.
Procurement Administrator on behalf of

Illinois Power Agency

For

Ameren Illinois Utilities

ISSUE DATE: August 16, 2010
REVISION ISSUED: November 8, 2010
DUE DATE: December 9, 2010

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

Table of Contents

1.0	Introduction.....	1
2.0	Purpose and Scope	2
3.0	Product Definition.....	3
3.1	Procurement Quantity and Technology Preference	3
3.2	Cost Effectiveness.....	3
3.3	Eligible Renewable Resources.....	4
3.4	Location Preferences.....	4
3.5	Products Are Unit Specific	5
3.6	Bid Quantities	5
3.7	Bid Pricing	5
3.8	Energy Settlement.....	6
3.9	Delivery Schedule and Terms.....	6
4.0	Other Requirements	6
4.1	Contract.....	6
4.2	Credit Requirement.....	7
4.3	REC Tracking	7
4.4	Bidder Association.....	7
5.0	RFP Schedule and Procedure	7
5.1	Schedule.....	7
5.2	Communications	9
5.3	Bidder Pre-Qualification Application	9
5.4	Comments on Draft Long Term PPA and Form of Pre-Bid ILOC.....	12
5.5	Bidder Workshops	12
5.6	Review of Bidder Pre-Qualification Application	13
5.7	Bidder Registration	14
5.8	Supplier Fee	16
5.9	Bid Submission	17
5.10	Notification and Award.....	17
6.0	Evaluation Process and Criteria.....	18
6.1	Price Benchmarks	18
6.2	Evaluation of Binding Bids.....	18
6.3	Bids Not Subject to Subsequent Negotiation.....	18
6.4	Binding Bids	19
7.0	Confidentiality.....	19
8.0	Other	20
	ATTACHMENT A REC Bid Evaluation Methodology	
	ATTACHMENT B Long Term Power Purchase Agreement	
	ATTACHMENT C Form of Irrevocable Letter of Credit	

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

1.0 Introduction

Levitan & Associates, Inc. (“LAI”), acting as Procurement Administrator on behalf of the Illinois Power Agency (“IPA”) for the Ameren Illinois Utilities, issues this Request for Proposals (“RFP”) for Long-Term Renewable Resources, including Renewable Energy Credits (“RECs”) and financially-settled energy, for 20-year terms beginning June 1, 2012. For the purposes of this procurement, the terms “Renewable Energy Credit” and “Renewable Energy Certificate” are used interchangeably.

The Ameren Illinois Utilities serve about 1.2 million customers throughout Illinois, and include Central Illinois Light Company doing business as (“d/b/a”) AmerenCILCO, Central Illinois Public Service Company d/b/a AmerenCIPS, and Illinois Power Company d/b/a AmerenIP. On March 15, 2010, Ameren Corporation announced its plans to reorganize these three Illinois electric and gas utilities into a single public utility. The legal name of this combined utility will be Ameren Illinois Company. The intent is to complete this reorganization by October 1, 2010.¹ Unless otherwise noted, AmerenCILCO, AmerenCIPS and AmerenIP along with the combined utility Ameren Illinois Company are referred to in this RFP as the Ameren Illinois Utilities. The Ameren Illinois Utilities are subsidiaries of Ameren Corporation, headquartered in St. Louis, Missouri. More information about the Ameren Illinois Utilities can be found at <http://www.ameren.com>.

The IPA seeks to secure the partial supply requirements of the Ameren Illinois Utilities’ “Eligible Retail Customers” who are served under fixed-price, bundled service tariffs. In accord with the Renewable Portfolio Standard (“RPS”) requirements established by Section 1-75(c) of the Illinois Power Agency Act (“IPA Act”), the IPA is soliciting bids for Long-Term Power Purchase Agreements (“PPAs”) to procure renewable energy. The procurement of energy from renewable resources under Long-Term PPAs is also consistent with Section 16-111.5 of the Public Utilities Act (“PUA”). Delivery of the energy procured under this RFP will be accomplished through a fixed for floating financial swap. The Ameren Illinois Utilities will purchase the products defined in this RFP under Long-Term PPAs.

As Procurement Administrator for the 2010 procurement cycle, LAI is authorized to serve as the interface between the Ameren Illinois Utilities and Bidders. In issuing this RFP, LAI has the responsibility for managing the Bidder prequalification and registration process, receiving and reviewing all bids, and submitting a confidential report to the ICC recommending acceptance or rejection of bids.

The IPA Act and the PUA authorize the Procurement Monitor to monitor the interactions among the Procurement Administrator, suppliers, and the utilities and to report to the ICC on progress of the procurement process. The Procurement Monitor also consults with the

¹ As of the issuance of this revised RFP, the reorganization of the Ameren Illinois Utilities has been successfully completed.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

Procurement Administrator regarding the development and use of benchmark price criteria, standard form contracts, credit policies, and bid documents. Boston Pacific Company, Inc. has been selected to be the Procurement Monitor for this procurement process.

Simultaneous but separate procurements will be held for the Ameren Illinois Utilities and Commonwealth Edison Company (“ComEd”). The IPA has retained NERA Economic Consulting (“NERA”) as the 2010 Procurement Administrator for ComEd’s Long-Term Renewable Resources. In this RFP, “Procurement Administrator” means LAI, unless specifically stated otherwise. This single procurement event will procure up to 2,000,000 MWh annually: 600,000 MWh each year for the Ameren Illinois Utilities and 1,400,000 MWh each year for ComEd. LAI and NERA will coordinate the long-term renewable resource procurements through the pre-qualification, registration, and bid submission phases, as described more fully throughout this document.

The products to be procured by NERA for ComEd are not identical to the products to be procured under this RFP for the Ameren Illinois Utilities, in that they have different financial settlement points and variations in certain contract terms. Bidders should review the ComEd RFP on NERA’s website at <http://comed-energyrfp.com/> for information regarding the details of the NERA / ComEd procurement.

2.0 Purpose and Scope

The RPS requires a minimum percentage of the Ameren Illinois Utilities’ supply for Eligible Retail Customers to be procured from cost-effective renewable energy resources. The IPA Act allows the utilities to satisfy the RPS by purchasing either the energy from qualifying renewable resources, or by acquiring qualifying RECs.

The Procurement Plan prepared by the IPA was approved by the Illinois Commerce Commission (“ICC”) on December 28, 2009 with certain modifications, including the addition of Appendix K, which specifically addresses the procurement of long-term renewable resources. In accordance with the approved Procurement Plan, this RFP is intended to solicit and procure renewable resources for 20-year terms beginning on June 1, 2012. Subject to receipt of acceptable bids, the Ameren Illinois Utilities will enter into one or more Long-Term PPAs for energy and RECs from renewable resources as a hedge against carbon risk, that is, potential federal and/or state legislation that would add a premium to the cost of fossil fuel generation.² The hedge will be in the form of a fixed for floating financial swap for energy. Accompanying RECs will be delivered to the Ameren Illinois Utilities to meet a portion of their RPS requirements over the 20-year PPA term.

² 09-0373 (Illinois Power Agency – Petition for Approval of Initial Procurement Plan) Order, December 28, 2009.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

3.0 Product Definition

The product solicited by this RFP is “Unit Firm Financial Swap plus associated RECs”. All resources that qualify as renewable energy resources under Section 1-10 of the IPA Act (see Section 3.3 below) are eligible to submit offers in this procurement. Bidders will specify an annual Percentage Commitment and Annual Contract Quantity Commitment by unit for energy plus the associated RECs that are expected to be provided on average in each delivery year (June 1st through May 31st). The same Annual Contract Quantity Commitment will apply to both the energy and the RECs. **Capacity is not part of the product being purchased, and will be retained by the seller.**

3.1 Procurement Quantity and Technology Preference

The IPA has determined that the procurement target for the Ameren Illinois Utilities for this planning cycle shall be 600,000 MWh each year for the life of the PPAs, which will result in a total of 12 million MWh of renewable energy over the contract period. The Long-Term PPAs will represent approximately 3.5% of the total supply portfolio of the Ameren Illinois Utilities.

The IPA Act requires that, to the extent available, a minimum of 75% of the renewable energy resources must be derived from qualified wind resources. Therefore, a minimum of 450,000 MWh will be procured from qualified wind resources, if available, for each year. The Procurement Administrator additionally assumes that the governor will sign Illinois HB6202, which will amend the IPA Act and RPS such that at least the following specified percentages shall come from photovoltaics on the following schedule: 0.5% by June 1, 2012; 1.5% by June 1, 2013; 3% by June 1, 2014; and 6% by June 1, 2015 and thereafter. The photovoltaic target for this RFP is 6%, which is equivalent to 36,000 MWh.

Bidders may submit bids for any whole number of annual MWh, up to the procurement target of 600,000 MWh for each renewable resource type, as defined in Section 3.3.

3.2 Cost Effectiveness

Notwithstanding the procurement goals stated in Section 3.1, lesser quantities than the quantities stated above may be purchased if the renewable energy resources bid are deemed to be not “cost effective” in accordance with Sections 1-75(c)(1-2) of the IPA Act. The RECs purchased through the Long-Term PPAs will be governed by the Renewable Resource Budget (“RRB”) calculated for each annual delivery period over the term of the contracts. For purposes of bid selection, the RRB for the RECs to be procured through this RFP will be \$8,992,297.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

A confidential forward price curve will be developed by the Procurement Administrator, in consultation with the IPA, ICC Staff, and the Procurement Monitor, which will be applied to the annual Long-Term PPA expenditures to determine the annual REC component which will be utilized to determine compliance with the RRB.

3.3 Eligible Renewable Resources

The IPA is seeking energy and RECs from renewable energy resources that satisfy all requirements under the IPA Act. According to the IPA Act, renewable energy resources include “energy and its associated renewable energy credit or renewable energy credits from wind, solar thermal energy, photovoltaic cells and panels, biodiesel, crops and untreated and unadulterated organic waste biomass, tree waste, hydropower that does not involve new construction or significant expansion of hydropower dams, and other alternative sources of environmentally preferable energy. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. ‘Renewable energy resources’ do not include the incineration, burning, or heating of tires, garbage, general household, institutional, and commercial waste, industrial lunchroom or office waste, landscape waste other than tree waste, railroad crossties, utility poles, and construction or demolition debris, other than untreated and unadulterated waste wood.” (IPA Act, Section 1-10.)

3.4 Location Preferences

Section 1-75(c)(3) of the IPA Act specifies a preference for renewable energy derived from qualified Illinois renewable resources over Adjacent State renewable resources through June 1, 2011.³ After this date, Illinois renewable resources will not be preferred over Adjacent State renewable resources, however, a preference for Illinois and Adjacent State renewable resources over Other State renewable resources will remain in effect.⁴ Because deliveries for the Long-Term PPAs that will result from this RFP will not begin until June 1, 2012, the preference for Illinois renewable resources over Adjacent State renewable resources will not apply for purposes of bid evaluation in this procurement. The requirement to procure at least 75% of the renewable energy and RECs from wind resources and at least 6% of the renewable energy and RECs from photovoltaic sources for this procurement takes precedence over the locational requirement.⁵

³ Adjacent States include: Wisconsin, Indiana, Iowa, Kentucky, Michigan and Missouri.

⁴ Other States include all states other than Illinois and the Adjacent States.

⁵ ICC Order, 07-0527, December 19, 2007, at 51.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

3.5 Products Are Unit Specific⁶

Bidders must identify the specific generating unit or units that will be the source of the renewable energy and RECs, along with the percentage of the energy from each unit that will be used to fulfill PPA obligations (the “Percentage Commitment”). The specified units must qualify as renewable energy resources (as described in Section 3.3 above) during the entire 20-year PPA term. Bidders may offer products from new or existing units.

The generating units may be located in Illinois, in an Adjacent State, or in any Other State, but the bid selection process will reflect the geographic preferences described in Section 3.4. If the renewable energy is to be provided by multiple generating units, the Percentage Commitment and Annual Contract Quantity Commitment for each unit must be specified for bid evaluation purposes.

3.6 Bid Quantities

Bidders may offer up to 100% of the output of each generating unit that will be a source of renewable energy and RECs in accordance with the Long-Term PPA. Bidders must specify the Percentage Commitment and Annual Contract Quantity Commitment for each unit. The Annual Contract Quantity Commitment is the expected total annual output of the renewable energy generating unit multiplied by the Percentage Commitment. Bidders may offer any total Annual Contract Quantity Commitment up to, but not to exceed, the procurement quantity of 600,000 MWh for each renewable resource type.

Bidders will be able to specify the minimum Percentage Commitment and Annual Contract Quantity Commitment that the Procurement Administrator can accept from each generating unit, subject to a cap of 450,000 MWh on the minimum selection quantity of MWh on a per unit basis. The Procurement Administrator may select either zero MWh or any quantity greater than the specified minimum for each unit.

3.7 Bid Pricing

Bidders must submit a fixed “all in” price for the bundled energy and REC products on a per MWh basis for each generating unit; each MWh may be offered at a different price. The fixed price will be the contract price for the first Delivery Year of the PPA, from June 1, 2012 to May 31, 2013. The fixed bid price will escalate by 2% once per year on June 1st, beginning on June 1, 2013 through the term of the PPA. Bid prices must include and take into account any relevant

⁶ In the context of the term “unit specific,” the word “unit” means the generating facility, plant, wind farm or phase of a renewable installation that will be committed by the Bidder to provide the energy and RECs under the Long-Term PPA. In this context, a “unit” may be comprised of, for example, multiple wind turbines.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

transmission interconnection costs as well as the scheduled lead times to accomplish any required transmission interconnection work.

3.8 Energy Settlement

The delivery of energy will be accomplished through a fixed for floating financial swap. The fixed price for the swap will be the full bundled contract price under the PPA. The floating price will be calculated as the average MISO DAM LMP for each hour of each settlement month at the Ameren Illinois Utilities Load Zone, currently AMIL.BGS6.⁷ See Section 1 of the PPA, included in Attachment B, for a further description of the settlement process.

3.9 Delivery Schedule and Terms

In each delivery year, Suppliers will deliver all energy and RECs produced by a Bidder's specific units, multiplied by the Percentage Commitment for each unit up to the Annual Contract Quantity Commitment, to the Ameren Illinois Utilities. Suppliers may deliver more or less than the Annual Contract Quantity Commitment in a given year, within limits, under circumstances relating to Short-Fall and Carry-Over conditions, which are described in detail in Section 1 of the PPA, included as Attachment B hereto.

All energy and RECs will be priced as of the delivery year they are being delivered to satisfy, regardless of the delivery date.

4.0 Other Requirements

4.1 Contract

The Ameren Illinois Utilities expect to enter into binding contracts with one or more winning bidders. Each winning bidder in the procurement will be expected to enter into a separate contract with Ameren Illinois Company for the total annual contract quantity of each type of renewable technology or resource for which it was a winning bidder. For example, if a winning bidder was awarded a total Annual Contract Quantity Commitment of 100,000 MWh from Illinois and Adjacent State wind resources and a total Annual Contract Quantity Commitment of 50,000 MWh from Other State non-wind resources, the bidder would be expected to enter into two contracts with Ameren Illinois Company, one for the Illinois and Adjacent State wind resources and a second for the Other State non-wind resources. If a winning bidder's award for any one type of renewable technology or resource includes quantities from multiple units, the Fixed Price included in the contract will be the weighted average Fixed Price of the individual

⁷ Historical data for this settlement point can be downloaded from:
http://www.midwestmarket.org/home/Market%20Reports?type=da_lmp&list=month

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

unit awards and the Annual Contract Quantity Commitment included in the contract will be a single value which represents the sum of the individual unit award Annual Contract Quantity Commitments.

All transactions will be conducted under the Long-Term PPA, a draft of which is included with this RFP as Attachment B.

Based on comments received through the comment process, the Procurement Administrator reserves the right to modify the terms of the Long-Term PPA prior to the date when binding bids are due. Bidders must agree to the terms of the final contract in advance of submitting binding bids for evaluation. The terms of the contract will not be subject to negotiation with the winning bidders.

4.2 Credit Requirement

Prospective bidders will be required to submit credit information in conjunction with the Bidder Pre-Qualification Application described in Section 5.3 of this RFP. Each Bidder will be required to provide either an irrevocable letter of credit (“ILOC”) in the form of Attachment C, acceptable modifications to which will be posted to the procurement website as bidder comments are reviewed, or cash as pre-bid collateral to ensure that winning bidders whose bids are accepted by the ICC execute contracts.

4.3 REC Tracking

Winning suppliers will be required to utilize either the M-RETS or PJM GATS generation tracking system. All costs and fees associated with utilizing a generation tracking system will be borne by the supplier of the RECs. The Ameren Illinois Utilities do not hold accounts with the REC tracking systems. Suppliers will retire RECs on behalf of the Ameren Illinois Utilities, and will bear any costs associated with retiring the RECs.

4.4 Bidder Association

A qualified Bidder must certify that it is not associated or acting jointly with any other qualified Bidder for the purposes of submitting a bid in response to this RFP. This certification form will be provided to Bidders to complete and return as part of the registration phase.

5.0 RFP Schedule and Procedure

5.1 Schedule

The following schedule and deadlines apply to this RFP. Subject to the provisions of the IPA Act, the Procurement Administrator reserves the right to revise this schedule at any time with the concurrence of the Procurement Monitor.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

Announcements regarding any schedule revisions will be posted on the RFP website at <http://www.levitan.com/AIURFP/LongTerm>.

Activity	Date
RFP and Draft Contract Documents Issued	August 16, 2010
Comments to Contract Documents Due	August 25, 2010 / October 22, 2010
Bidder Workshops in Chicago, IL	August 30-September 1 / October 26 / November 1 / November 4, 2010
Final Pre-Bid ILOC Modifications and Final Contract Issued	November 8, 2010
Bidder Pre-Qualification Application Due	12:00 noon CPT, November 16, 2010
Bidders Notified of Results of Pre-Qualification Application Review	November 22, 2010
Pre-Bid Collateral Due; Bidder Registration Form Due	12:00 noon CPT, December 2, 2010
Bidder Practice Session	December 7, 2010
Binding Bids Due	12:00 noon, CPT, December 9, 2010
Procurement Administrator Submits Report to ICC	December 13, 2010 ⁸
Bidders Notified of Preliminary Recommendation	December 13, 2010 ⁹
Procurement Monitor Submits Report to ICC	December 13, 2010 ¹⁰
ICC Approval of Recommendation	December 14 or 15, 2010 ¹¹
Bidders Notified of Selection	December 14 or 15, 2010 ¹²
Contracts Executed with Winning Bidders	No later than December 17 or 20, 2010 ¹³

⁸ Legislation allows the Procurement Administrator two business days to submit their report to the ICC.

⁹ Bidders who have bids recommended to the ICC for award will be notified following submission of the Procurement Administrator's report.

¹⁰ Legislation allows the Procurement Monitor two business days to submit their report to the ICC.

¹¹ Legislation allows the ICC two business days after receipt of the Procurement Administrator and Procurement Monitor reports to approve the recommendation of the winning bids.

¹² Bidders will receive final notification of whether or not they have been selected for award immediately after the ICC approves the Procurement Administrator's report and recommendations.

¹³ Legislation allows the Ameren Illinois Utilities three business days after the ICC approves the results of the procurement to execute contracts with the winning bidders. The contract execution deadline will therefore depend on the date the ICC approves the results of the procurement.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

5.2 Communications

The Procurement Administrator's points of contact for this RFP are:

John Bitler, Vice President & Principal
(617) 531-2818 x22
jrb@levitan.com

Sara Pierce, Sr. Consultant
(617) 531-2818 x15
sp@levitan.com

Levitan & Associates, Inc.
100 Summer Street, Suite 3200
Boston, MA 02110
Fax: 617-531-2826

All questions regarding this RFP must be submitted in writing to the procurement website at: <http://www.levitan.com/AIURFP/LongTerm>. Questions may not be directed to the Ameren Illinois Utilities. Questions and responses will be posted on the procurement website. All identifying information will be redacted from the questions and responses prior to posting.

5.3 Bidder Pre-Qualification Application

Bidders shall submit a complete Pre-Qualification Application to the Procurement Administrator no later than 12:00 noon CPT on November 16, 2010.¹⁴ The Pre-Qualification Application is available for download from the procurement website. The preferred means of submission for the Pre-Qualification Applications is via email to aiurfp@levitan.com; submissions via fax or courier will also be accepted.

A non-refundable fee of \$500 (the "Bid Participation Fee") will be required for any Bidder submitting a Pre-Qualification Application.¹⁵ The Bid Participation Fee can be submitted by check mailed to Illinois Power Agency, Attn: Mark Pruitt, James R. Thompson Center, 100 West Randolph Street, Suite 3-355, Chicago, IL 60601. The check should be made out to "Illinois Power Agency."

The Pre-Qualification Application must contain the following information, as described within the form. All non-public information will be treated as confidential. The Procurement Administrator may contact Bidders to obtain additional clarification regarding the Pre-Qualification Application. All requests for information from the Procurement Administrator will be issued in writing, via email.

¹⁴ Bidders who submitted a Pre-Qualification Application for the original September deadline do not need to re-submit these materials, unless changes have occurred.

¹⁵ Bidders who submitted the Bid Participation Fee for the original September deadline do not need to submit an additional fee.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

5.3.1 Bidder Information

The Bidder must provide the legal name of company and the company address, and must identify the company representative (name, phone number, email address and fax number), along with additional basic information on the Bidder as requested, including a brief description of Bidder ownership or operation of renewable energy resources and any defaults or adverse situations. This information will be treated as confidential.

5.3.2 Financial Information

The Bidder or its parent company that is providing an unconditional corporate guarantee (“Guarantor”) must provide the following information indicating financial condition and evidence of creditworthiness. The Procurement Administrator will utilize this financial information to assess the creditworthiness of the Bidder or its Guarantor, and to calculate the Collateral Threshold (set forth in Table A in Section 5.6 below) that will be in effect for the Bidder. If a Bidder is unrated or cannot provide financial statements as requested, that Bidder will not be awarded any unsecured credit.

(a) Credit information must include the current senior unsecured long-term debt credit ratings from Standard & Poor’s, Moody’s, and Fitch, if available, or if not available, the current issuer or corporate credit ratings.

(b) Financial information must include: (i) the most recent annual audited financial statements, including a balance sheet, income statement, statement of cash flows, all notes corresponding to those financial statements and schedules – this requirement should be met by an SEC Form 10-K, if available; (ii) the most recent quarterly unaudited financial statements, including a balance sheet, income statement, statement of cash flows, all notes corresponding to those financial statements, and schedules – this requirement should be met by an SEC Form 10-Q, if available; and (iii) any SEC Form 8-Ks, or equivalent, filed since the most recent quarterly financial statement.

If these SEC financial statements, or their international equivalents, are not available, the Bidder shall provide substitute financial information that must include: (i) annual audited financial statements for the most recently completed fiscal year, including notes corresponding to the annual financial statements and schedules; (ii) the most recent quarterly unaudited financial statements, including notes corresponding to the quarterly financial statements and schedules; and (iii) any notifications from the company to investors or the public that were issued following the most recently completed fiscal year. All such substitute financial information

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

must include an attestation from an authorized officer of the company that certifies the financial statements as accurate and complete, as well as an independent accountant's report that certifies the financial statements as being free from material misstatement. Rejecting non-SEC financial reports is at the Procurement Administrator's discretion if the Procurement Administrator deems any non-SEC financial reports to be insufficiently supported.

(c) Prior to execution of the PPA referenced in this RFP, if there is any subsequent change in credit rating (including watch list actions), litigation, financial commitments, contingencies, or financial condition, a statement describing such material change must be submitted to the Procurement Administrator within 1 business day of occurrence.

5.3.3 Additional Contact Information

The Bidder must provide additional contact information that will be used to complete PPAs with winning bidders.

5.3.4 Renewable Energy Resource Information

Bidders must provide a complete description of the generation unit or units that will produce the renewable energy. Such information shall include, but not be limited to: unit name, owner, operator, location, NERC region, date of commercial operation (actual or expected), technology type and fuel specifications, nameplate capacity (MW) and, if applicable, the number of identical sub-units, such as wind turbine generators or photovoltaic arrays, which make up the unit. Bidders must also provide, on an indicative basis only, the minimum and maximum percentage and quantity of each unit's output that will be bid into this procurement. These percentages and quantities, as provided in the Pre-Qualification Application, are not binding.

5.3.5 Agency Agreements

A Bidder submitting a proposal under an agency authorization ("Agency Agreement") must identify the Principal or Principals in the Agency Agreement. Bidders applying under an Agency Agreement must provide one (1) copy of the Agency Agreement with the Pre-Qualification Application. If the Bidder is acting as agent for a single Principal, identify the Principal as the entity on whose credit ratings the Bidder relies. If the Bidder is acting as agent for multiple entities, the Bidder must identify the Principal with the lowest credit rating as the entity on whose credit ratings the Bidder relies.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

5.3.6 Participation in ComEd Long-Term Procurement

Bidders who intend to also participate in the 2010 ComEd Long-Term Renewable Resources RFP, as administered by NERA, can indicate on the Pre-Qualification Application that they would like to have the common information automatically transmitted to the ComEd Procurement Administrator. Bidders who have provided the information in the starred fields for the ComEd procurement do not need to complete the starred fields in the Pre-Qualification Application. While the Procurement Administrator will provide the information in the starred fields to the ComEd Procurement Administrator, Bidders should be aware that they will need to provide additional information to participate in the ComEd procurement; the details of these requirements can be found on the ComEd Procurement Administrator's website at <http://comed-energyrfp.com>.

Evaluation of Ameren Illinois Utilities and ComEd bids will proceed independently, therefore Bidders cannot bid to commit the same products from the same units into both procurements.

5.4 Comments on Draft Long Term PPA and Form of Pre-Bid ILOC

Prospective Bidders were provided the opportunity to comment on the draft contract documents. The contract comments were reviewed by the Procurement Administrator, Procurement Monitor, Ameren Illinois Utilities, IPA and ICC. Bidders also had the opportunity to discuss their comments with these parties further at the Bidder Workshops, which are discussed further in Section 5.5 below.

The Procurement Administrator is not obligated to make any of the requested changes. All approved modifications to the Pre-Bid ILOC will be posted to the procurement website on a rolling basis as they are submitted, and each Bidder may use any of the proposed modifications, regardless of whether a given Bidder proposed the modifications.

Based on edits received from Bidders, the Procurement Administrator may issue a revised Long-Term PPA. The final Long-Term PPA and acceptable modifications to the Pre-Bid ILOC will be posted to the procurement website and made available to Bidders on or before November 8, 2010.

5.5 Bidder Workshops

Bidder workshops were held in Chicago, IL on August 30th, August 31st, September 1st, October 26th, November 1st and November 4th, 2010. These workshops included a review of procurement information and procedures and discussion of the proposed contract terms. Additional information regarding the

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

Bidder Workshops is available on the procurement website at <http://www.levitan.com/aiurfp/LongTerm>.

5.6 Review of Bidder Pre-Qualification Application

The Procurement Administrator and Procurement Monitor will review the Pre-Qualification Applications submitted by prospective Bidders to determine the completeness of the applications. The information provided will be used to pre-qualify prospective Bidders.

Bidders who are selected as suppliers in this procurement will be required to provide performance assurance as described in the Long-Term PPA. Bidders must meet specific creditworthiness criteria in order to be eligible for a positive collateral Threshold. Table A below illustrates the collateral Thresholds for different credit ratings and levels of tangible net worth. Each Bidder or its Guarantor will be granted a single credit limit to be applied across any PPA awarded as a result of this RFP and all other Fixed Price Customer Supply Contracts (as defined in the PPA) between the parties. Affiliated Bidders will be limited to a maximum aggregate unsecured credit limit that equals the highest potential Threshold provided in Table A, *i.e.* \$80 million.

The credit rating used for Table A will be the lowest senior unsecured long-term debt rating then assigned by Standard and Poor's (a division of The McGraw-Hill Companies, "S&P"), Moody's Investors Service, Inc. ("Moody's") or Fitch Ratings (a subsidiary of Fimalac, S.A., "Fitch"), or their respective successors, or if such senior unsecured long-term debt rating is not available, then the issuer rating (or corporate credit rating) then assigned by Fitch, discounted one notch, or the issuer rating then assigned by Moody's, or the issuer rating then assigned by S&P if such entity is a U.S. utility operating company with an investment grade rating, or the issuer rating then assigned by S&P, discounted one notch, if such entity is not a U.S. utility operating company with an investment grade rating; provided, however, that (a) in the event a Party is rated by all three rating agencies, then the lower of the two highest ratings will be used and (b) in the event the two highest ratings are common, such common rating will be used. In the event the Bidder is not rated, the collateral Threshold will be \$0.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

Table A

Credit Rating			Threshold (the lesser of the following)	
S&P	Moody's	Fitch	Percent of Tangible Net Worth	Credit Cap ¹⁶
A- and above	A3 and above	A- and above	16%	\$80,000,000
BBB+	Baa1	BBB+	10%	\$60,000,000
BBB	Baa2	BBB	8%	\$40,000,000
BBB-	Baa3	BBB-	6%	\$20,000,000
Below BBB-	Below Baa3	Below BBB-	0%	\$0

5.7 Bidder Registration

Once the Procurement Administrator has completed its review of the Pre-Qualification Applications, Bidders will be notified of their pre-qualification status and stand-alone collateral Threshold. Notification of pre-qualification will be issued no later than November 22, 2010. Following notification of pre-qualification, Bidders will be required to submit a bidder registration package consisting of the following components.

5.7.1 Pre-Bid Collateral

If a Bidder satisfies the pre-qualification requirements, the Bidder will then be required to provide the Ameren Illinois Utilities with pre-bid collateral in the amount of \$100,000. Bidders have two options for submitting this pre-bid collateral: letter of credit or cash. Bidders must submit a Pre-Bid Collateral Selection Form by the Pre-Qualification Application deadline on November 16, 2010; this form can be downloaded from the procurement website.

Bidders submitting bids for multiple units only need to submit pre-bid collateral once, not for each unit. Bidders submitting bids for multiple bidding entities (*i.e.*, a Bidder is submitting bids for multiple units, each

¹⁶ Values shown are based on completion of the planned reorganization of the Ameren Illinois Utilities into a single public utility prior to the execution of the Long-Term PPAs. Should the planned reorganization not be complete at that time, the winning bidder will be expected to execute separate PPAs with each of the Ameren Illinois Utilities and the values shown will be allocated across the individual PPAs such that the sum of the individual PPA Credit Caps equals the values shown here.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

with a unit-specific corporation) can either submit pre-bid collateral once, or for each bidding entity.

Irrevocable Letter of Credit

Bidders opting to provide an ILOC as pre-bid collateral must use the form provided in Attachment C hereto, with the only acceptable modifications those that have been posted to the procurement website. The ILOC must remain valid from December 2, 2010 through December 21, 2010.

A copy of the ILOC must be sent to the Procurement Administrator by email (aiurfp@levitan.com) or fax (617-531-2826) prior to the submission deadline. The original ILOC should be sent to Managing Supervisor, Credit Risk Management, Ameren Services, 1901 Chouteau Avenue, MC 960, St. Louis, MO 63103, and can be delivered on the business day following the submission deadline.

Cash

Bidders opting to provide cash as pre-bid collateral must complete the Pre-Bid Cash Collateral Acknowledgement, which can be downloaded from the procurement website. At least one business day before forwarding cash, a copy of the Acknowledgement form must be sent to the Procurement Administrator by email (aiurfp@levitan.com) or fax (617-531-2826), along with a W-9 for the bidder and fedwire instructions to be used for the return of the cash collateral by Ameren Illinois to the bidder on company letter and signed by an authorized officer of the bidder. The original Acknowledgement form should be sent to Managing Supervisor, Credit Risk Management, Ameren Services, 1901 Chouteau Avenue, MC 960, St. Louis, MO 63103.

Upon receipt of an acceptable, signed Acknowledgement form, fedwire instructions for sending the cash collateral will be provided to the bidder. The pre-bid cash collateral must be transmitted via fedwire.

Following the bidding, Ameren Illinois will return pre-bid cash collateral upon either of the following: (1) a bidder is confirmed not to have been successful in its bidding and, therefore, will not be required to execute any contracts; or (2) a bidder has executed binding agreements as required. In the event of (1), the cash will be returned by fedwire one business day after the winning bidders have been notified. In the event of (2), the cash will be returned by fedwire one business day after the bidder has signed all of the required binding agreements and provided evidence of such.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

5.7.2 Bidder Registration Form

In addition to the pre-bid ILOC, pre-qualified Bidders will also be required to submit a Bidder Registration Form confirming the Bidder's information and certifying that they are not part of a joint venture or participating in a bidding agreement with another Bidder for the purposes of submitting a bid under this RFP.¹⁷ This form will be made available on the procurement website prior to the Pre-Qualification Application deadline.

The Bidder Registration Form must be submitted to the Procurement Administrator (aiurfp@levitan.com), fax (617-531-2826) or courier (Levitan & Associates, Inc., Attn: Sara Pierce, 100 Summer Street, Suite 3200, Boston, MA 02110) prior to the submission deadline.

5.7.3 Deadlines and Processing

The deadline for submitting bidder registration materials is 12:00 noon CPT on December 2, 2010. Bidders will be notified of receipt of bidder registration materials by phone and email. After reviewing submitted materials, the Procurement Administrator will notify Bidders by phone or email if there is a deficiency with any component of the registration materials; Bidders will then have until 6:00 pm CPT on the next business day, or the original submission deadline, whichever is later, to correct the deficiency.¹⁸ No registration materials will be accepted after 6:00 pm CPT on December 8, 2010. Bidders will be notified by fax once all registration materials have been received and accepted.

5.8 Supplier Fee

The Illinois Power Agency has determined that a Supplier Fee will be charged to winning bidders in the 2010 long-term renewable resource procurement for the Ameren Illinois Utilities. The Supplier Fee is designed to cover the costs of administering the procurement process. Bidders will be required to submit a signed Supplier Fee Agreement agreeing to pay the Supplier Fee if they are awarded MWh in this procurement. Additional details regarding the amount and payment of the Supplier Fee will be posted to the procurement website along with the Supplier Fee Agreement.

¹⁷ Bidders who have already submitted a completed Bidder Registration Form do not need to re-submit unless there have been changes.

¹⁸ Examples of deficiencies include: missing registration package components, incomplete forms, ILOCs including modifications not previously accepted, *etc.*

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

5.9 Bid Submission

Registered Bidders shall submit binding, firm, and irrevocable bids between 10:00 am and 12:00 noon CPT on December 9, 2010. Binding bids must be submitted via the secure procurement website. Each bid must be offered as a sealed, binding commitment with a firm price specified in \$/MWh that will be the contract price for the June 1, 2012 through May 31, 2013 delivery year. Each bid must be tied to a specific unit, and include a firm price, Percentage Commitment and Annual Contract Quantity Commitment. Bidders may submit a minimum Percentage Commitment and Annual Contract Quantity Commitment for each unit, and may submit a different price for each MWh.

Additional instructions regarding bid submission will be provided to Bidders through the procurement website prior to the Pre-Qualification Application deadline.

5.10 Notification and Award

In accordance with the IPA Act, the Procurement Administrator will evaluate the binding bids immediately after 12:00 noon CPT on December 9, 2010, and will submit a confidential report of the procurement and the bids recommended for selection within two business days of receipt to the ICC. Following transmission of the Procurement Administrator's report to the ICC, Bidders who have been recommended for award will be notified, with the caveat that awards are not final until they have been approved by the ICC. The Procurement Monitor will submit a report to the ICC within two business days. As specified in Section 16-111.5(f), the ICC shall review the confidential reports and shall accept or reject the recommendations of the Procurement Administrator within two business days after receipt of both the Procurement Administrator's and Procurement Monitor's reports.

The Procurement Administrator will notify the successful Bidder(s) immediately upon receiving approval from the ICC. The successful Bidder(s) will be required to sign the PPA within three business days following notification that they have been selected and received ICC approval. The maximum time between the close of bidding and the execution of the Contracts is seven business days, based on the following provisions: (a) the Procurement Administrator and the Procurement Monitor submit separate confidential reports on the procurement results and recommendation to the ICC within two business days after opening the bids; (b) the ICC reviews the reports and accepts or rejects the recommendations of the Procurement Administrator within two business days after receipt of the reports; and (c) the Ameren Illinois Utilities will enter into binding contracts with the winning Bidders within three business days after the ICC accepts or rejects the results of the procurement.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

6.0 Evaluation Process and Criteria

6.1 Price Benchmarks

The Procurement Administrator, in consultation with the IPA, the ICC Staff, and the Procurement Monitor, will develop market-based price benchmarks to be used in bid evaluation. In accordance with Section 16-111.5(e)(3) of the IPA Act, the benchmarks “shall be based on price data for similar products for the same delivery period and same delivery hub, or other delivery hubs after adjusting for that difference. The price benchmarks may also be adjusted to take into account differences between the information reflected in the underlying data sources and the specific products and procurement process being used to procure power for the Illinois utilities.”

Benchmark prices will be developed for this procurement of long-term renewable resources. No bid will be selected for award that exceeds the price benchmarks. The price benchmarks will be confidential, but subject to ICC review and approval prior to bid day.

6.2 Evaluation of Binding Bids

The Procurement Administrator, in consultation with the IPA, the ICC Staff, and the Procurement Monitor, may make appropriate price adjustments for bid evaluation purposes to allow for direct comparison of offers from renewable resources that have significantly different expected production profiles.

Upon receipt of binding bids from registered Bidders, the Procurement Administrator will compare bid prices against the applicable benchmark price. Bids which exceed the applicable price benchmark will not receive further consideration. The Procurement Administrator will evaluate the remaining bids in accordance with the procedure described in Attachment A.

6.3 Bids Not Subject to Subsequent Negotiation

Illinois law grants procurement administrators the “discretion to negotiate to determine whether bidders are willing to lower the price of bids that meet the benchmarks approved by the Commission; [and further provides that] any post-bid negotiations with bidders shall be limited to price only and shall be completed within 24 hours after opening the sealed bids and shall be conducted in a fair and unbiased manner; [and further provides that] in conducting the negotiations, there shall be no disclosure of any information derived from proposals submitted by competing bidders; [and further provides that] if information is disclosed to any bidder, it shall be provided to all competing bidders.” (220 ILCS 5/16-111.5(c)(1)(vii)). Illinois law also requires the procurement administrator to “notify potential bidders that the procurement administrator may enter into a postbid price negotiation with bidders that meet the applicable benchmarks.”

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

(220 ILCS 5/16.111.5(e)(1)). **In accordance with this discretion, the Procurement Administrator has chosen NOT to engage in any postbid negotiations as a part of this RFP.**

6.4 Binding Bids

All bids must remain open, firm, and binding until 6:00 pm CPT on December 15, 2010, or until the ICC has accepted or rejected the results of the procurement event.

Those bids identified as winning bids following the ICC's acceptance or rejection of the procurement event must remain open, firm, and binding until December 20, 2010, or until the Bidder has executed PPAs with the Ameren Illinois Utilities, whichever comes first. By submitting a binding bid and pre-bid collateral, the Bidder certifies that it will execute the PPA upon award and acceptance by the ICC.

7.0 Confidentiality

Except for bidders' questions on the RFP, all information provided through the secure procurement website will be considered confidential. The Procurement Administrator will take reasonable precautions and use reasonable efforts to maintain the confidentiality of all Pre-Qualification Application materials and binding bids submitted.¹⁹ Bidders should be aware that, in addition to employees of the Procurement Administrator, the Procurement Monitor will have concurrent access to all information on the secure procurement website. The Procurement Monitor is under contract with the ICC, and has pledged to protect all confidential information to which it has access during this RFP process. The ICC will also receive confidential reports from the Procurement Administrator and from the Procurement Monitor, which may contain confidential information submitted by Bidders. The ICC will publicly announce the weighted average price of all of the selected bids after the ICC accepts or rejects the RFP results and the Procurement Administrator's recommendations.

Prior to the selection of winning bids, Bidders will be prohibited from (i) disclosing any information about their bids to other parties and (ii) receiving information about competing bids from other parties. No party will disclose the terms or conditions of such agreements, except (i) to those persons who have a need to know and have agreed to keep such information confidential, and (ii) to comply with any applicable law, rule, regulation, tariff or court order, consistent with PUA Section 16-111.5(h).

¹⁹ If bidders have indicated that the relevant information from the Pre-Qualification Application should be transmitted to the Procurement Administrator of the ComEd RECs procurement, the starred fields will be shared.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

8.0 Other

This RFP does not constitute an agreement or agreement to agree. As Procurement Administrator, LAI reserves the right to reject any or all proposals, or to recommend that no offers be accepted. Any recommendation for award made by the Procurement Administrator will require the execution of the PPA, the pricing and material terms of which will be subject to formal approval by the ICC. If there is any conflict between this RFP and the PPA, the PPA prevails.

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

ATTACHMENT A

Bid Evaluation Methodology

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

ATTACHMENT B

Long-Term Power Purchase Agreement

**Illinois Power Agency
The Ameren Illinois Utilities
Request for Proposals for Long-Term Renewable Resources**

ATTACHMENT C

Form of Irrevocable Letter of Credit