



# Illinois Power Agency

## 2012 Energy Procurement

Bidder Practice Session

April 24, 2012

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

# Agenda



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



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# Supplier Fee

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# 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 \$0.70/On-Peak MWh and \$0.45/Off-Peak MWh applied to each Winning Bidder's award
- ◆ Will be paid directly to the Illinois Power Agency, by check or e-check
- ◆ Payment due within 7 business days of ICC ruling



# Bid Submission



# Bid Submission Instructions (1)

## 1. Download Bid Form: “EnergyBidForm.xls”

### Bid Submission

[Bid Form](#) (Posted 3/14/12, Updated 4/11/12) ←

[Submission Instructions](#) (Posted 3/14/12)

Bidder Practice Session Materials (To Be Posted By 4/24/12)

[Submit Bid Form](#) (Link will open a new window)

The binding bid submission window will be open on 4/26/12 from 12:00 noon CPT to 2:00 pm CPT

## 2. Fill in your Company name

	A	B	C	D	E	F	G	H	I
1	<b>Bidder:</b> (Full legal name)								
2									

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

# Bid Submission Instructions (2)



3. Enter your Maximum Willingness to Supply (MWS) for each month, by number of 50-MW blocks, both on-peak and off-peak, in the yellow-shaded cells in row 11 of the bid form spreadsheet. The cells are pre-filled with the target number of blocks.

7	<b>Max Willingness to Supply</b>					
8	Month	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
9	Time of Use	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak
10	Volume (MW)	250	250	50	50	0
11	Max Willingness to Supply (Blocks)	5	5	1	1	0
12	Max Willingness to Supply (MW)	250	250	50	50	0

- ◆ It is *\*not\** an error for the MWS for a Product to be higher than the quantity bid
- ◆ It *\*is\** an error for the quantity bid for a single-month or combination product to be higher than the MWS
- ◆ It is *\*not\** an error for the total quantity between linked single-month and combination products to be higher than the MWS



# Bid Submission Instructions (3)

- For each Single-Month Product, both on-peak and off-peak, enter the number of 50-MW blocks you are bidding at each price, and the price in \$/MWh

14	<b>Single-Month Products</b>									
15	Month		Jun-12	Jul-12	Aug-12	Sep-12	Oct-12			
16	Time of Use		On-Peak	On-Peak	On-Peak	On-Peak	On-Peak			
17	Volume (MW)		<b>250</b>	<b>250</b>	<b>50</b>	<b>50</b>	<b>0</b>			
18	Hours		336	336	368	304	368			
19	Total Energy (MWh)		84,000	84,000	18,400	15,200	0			
20	Number of 50 MW blocks		<b>5</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>0</b>			
21										
22	Total blocks offered		0	0	0	0	0			
23	Total MW offered		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
24										
25		Group	No of 50-MW Blocks	Price, \$/MWh						
26		1								
27		2								
28		3								
29		4								
30		5								
31		6								
32		7								
33		8								

# Bid Submission Instructions (4)



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

36	<b>Monthly Combination Products</b>								
37	Term		July / August 2012						
38	Time of Use		On-Peak						
39	Volume (MW)		50						
40	Hours		704						
41	Total Energy (MWh)		35,200						
42	Number of 50 MW blocks		1						
43									
44	Total blocks offered		0						
45	Total MW offered		0						
46									
47		Group		No of 50-MW Blocks		Price \$/MWh			
48		1							
49		2							
50		3							
51		4							
52		5							
53		6							
54		7							



## Bid Submission Instructions (6)

6. Check your bid form for any errors, which will be flagged either red or blue. Possible errors can include:
- ◆ MWS higher than the maximum number of blocks for a given month
  - ◆ Too many blocks for a single Product. Each Product is limited to the number of blocks shown in the column headers. If this error is not fixed, the blocks with the highest prices will be eliminated until the max number of blocks is reached.
  - ◆ 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  $\leq 0$
  - ◆ More blocks are bid for a Product than entered for the MWS



# Examples of Bid Form Errors (1)

7	<b>Max Willingness to Supply</b>											
8	Month		Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12			
9	Time of Use		On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak			
10	Volume (MW)		250	250	50	50	0	0	100			
11	Max Willingness to Supply (Blocks)	<b>1</b>	6	5	1	1			1			
12	Max Willingness to Supply (MW)		300	250	50	50	0	0	50			
13												
14	<b>Single-Month Products</b>											
15	Month		Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12			
16	Time of Use		On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak			
17	Volume (MW)		250	250	50	50	0	0	100			
18	Hours		336	336	368	304	368	336	320			
19	Total Energy (MWh)		84,000	84,000	18,400	15,200	0	0	32,000			
20	Number of 50 MW blocks		5	5	1	1	0	0	2			
21												
22	Total blocks offered		6	4.5	1	0	0	0	2			
23	Total MW offered	<b>2</b>	300	225	50	0	0	0	100	<b>6</b>		
24												
25	Group		No of 50-MW Blocks	Price, \$/MWh								
26	1		2	\$1.00	1	\$4.00	1			\$7.00	1	\$8.00
27	2		2	\$2.00	1.5	\$5.00					1	\$9.00
28	3		2	\$3.00	2	\$6.00						
29	4											
30	5											
31	6											
32	7											



## Examples of Bid Form Errors (2)

1. A Max Willingness to Supply higher than the procurement target is entered
2. Too many blocks are entered, one of the \$3.00 blocks will be eliminated
3. A non-integer number of bids is entered, the number of blocks bid at \$5.00 will be rounded down to 1
4. No price is entered for the one block bid, therefore this bid will not be evaluated
5. No number of blocks is entered for the \$7.00 bid, therefore this bid will not be evaluated
6. More blocks than allowed by the MWS are entered, the \$9.00 block will be eliminated

## Bid Submission Instructions (7)

7. 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
8. On the procurement website, click on “Submit Bid” which will open a new window

### Bid Submission

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# Bid Submission Instructions (8)



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

**Bid Submission - 2012 RFPs for Ameren Illinois Company**  
 Please fill in all fields. Call Sara Wilmer at 617-531-2818 x15 with any questions.

The submission window for binding bids will open at 12:00 noon CPT on the Bid Date and close at 2:00 pm CPT on the Bid Date. Bids submitted in advance of 12:00 noon CPT on the Bid Date will be evaluated as test bids. Bids submitted after 2:00 pm CPT on the bid date will not be accepted or evaluated.

Capacity RFP Bid Date: April 5, 2012  
 Energy RFP Bid Date: April 26, 2012  
 Renewable Energy Credits RFP Bid Date: May 10, 2012

Company

Contact Name

Phone Number

We will call this number to confirm successful bid receipt.

Bid File  No file chosen

## 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, April 26<sup>th</sup> will not be considered to be binding bids, and you will be notified by email rather than phone of received submissions
- ◆ If you have any questions, please call Sara Wilmer at 617-531-2818 x15

## On Bid Day



- ◆ Final binding bids must be submitted by 2:00 pm, CPT on Thursday, April 26<sup>th</sup>
- ◆ Bids may be submitted starting at 12:00 noon CPT on Thursday, April 26<sup>th</sup>
- ◆ Bidders will receive phone calls to confirm bid receipt

## 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



# 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 blocks from the pool for each Single-Month and Monthly Combination Product that result in the lowest total procurement cost

## 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

- ◆ Preliminary notifications delivered by phone on Friday, April 27<sup>th</sup>
- ◆ Procurement Administrator submits report with recommended winning bidders to ICC by Monday, April 30<sup>th</sup>
- ◆ ICC rules on procurement results by Wednesday, May 2<sup>nd</sup>
  - Pre-Bench Session on Tuesday, May 1<sup>st</sup>
  - Bench Session on Wednesday, May 2<sup>nd</sup>
- ◆ Final notifications delivered by email following ICC ruling
- ◆ 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



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# Contact Information

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# 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](mailto:aiurfp@levitan.com)
- ◆ Phone
  - 617-531-2818 (John Bitler x22 or Sara Wilmer x15)
- ◆ Fax
  - 617-531-2826



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# Questions?

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