

REQUEST FOR PROPOSALS

FOR

CAPACITY

Levitan & Associates, Inc.

Procurement Administrator on behalf of

Illinois Power Agency

for

Ameren Illinois Utilities

AmerenCILCO

Peoria, IL

AmerenCIPS

Springfield, IL

AmerenIP

Decatur, IL

ISSUE DATE: March 15, 2010

DUE DATE: April 5, 2010

V2 issued March 22, 2010

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1.0 Introduction

Levitan & Associates, Inc. (“LAI”), as Procurement Administrator on behalf of the Illinois Power Agency (“IPA”), is issuing this Request for Proposals (“RFP”) for capacity to serve customers of the Ameren Illinois Utilities covering the period June 1, 2010 through May 31, 2013. The Ameren Illinois Utilities serve about 1.2 million customers throughout Illinois, and include Central Illinois Light Co. doing business as (d/b/a) AmerenCILCO, Central Illinois Public Service Co. d/b/a AmerenCIPS, and Illinois Power Co. d/b/a AmerenIP. Unless otherwise noted, throughout this RFP AmerenCILCO, AmerenCIPS, and AmerenIP are hereafter referred to 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 procure capacity, which, when combined with previous capacity purchases, will meet 100% of the Ameren Illinois Utilities’ monthly capacity requirements for the period June 2010 through May 2011, 70% of the monthly capacity requirements for the period June 2011 through May 2012, and 35% of the monthly capacity requirements for the period June 2012 through May 2013. The capacity will be procured in accordance with the resource adequacy requirements of “Eligible Retail Customers,” who, for the Ameren Illinois Utilities, are customers served under fixed price, bundled service tariffs. Eligible customers include retail customers in the following customer classes who have peak demand less than 400 kW. The Ameren Illinois Utilities currently serve such customers through the following tariffs: residential (DS-1), non-residential less than 150 kW (DS-2), non-residential from 150 kW to 400 kW (DS-3A), and lighting service (DS-5). The capacity to be procured under this RFP on behalf of the Ameren Illinois Utilities will be allocated according to the respective requirements of AmerenCILCO, AmerenCIPS and AmerenIP.

2.0 Background

Under the Electric Service Customer Choice and Rate Relief Law of 1997 (“Customer Choice Law”), retail customers were provided the opportunity to purchase their power and energy requirements from alternative suppliers. The Customer Choice Law also contained provisions to restructure the State's electric utility industry, in particular, incentives for electric utilities to divest generation assets. After residential rates were discounted in accord with the Customer Choice Law, retail rates for all customers were frozen. Further, the utilities filed delivery service rates for those customers that elected to take their power supply from other retail suppliers. During this transition period, the Ameren Illinois Utilities utilized long-term purchased power agreements (“PPAs”) to provide capacity, energy and certain ancillary services to their full requirements customers. By January 1, 2007 the transition period and the PPAs used to supply

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this service ended.

Facing the end of the transition period and the coincident expiration of the PPAs, the Ameren Illinois Utilities participated in the Illinois Commerce Commission (“ICC” or “Commission”) approved Illinois Auction in September 2006. The goal of the Illinois Auction was to procure the full requirements service – capacity, energy and ancillary services – needed to serve the retail customers who continued to rely on the Ameren Illinois Utilities beyond the end of the transition period. For customers with peak demands up to 1 MW, the Illinois Auction produced contracts with varying terms covering total load: 17 months for about one-third of the load, 29 months for the next one-third, and 41 months for the last one-third. Upon expiration of the transition period, Ameren Illinois Utilities’ rates were unfrozen, thereby exposing customers to rate increases consistent with changes in market prices. As a result of the rate increases, Public Act 095-0481 was signed into law, including the Illinois Power Agency Act (IPA Act) and modifications to the Public Utility Act (PUA). The IPA Act and PUA replaced the Illinois Auction with a portfolio procurement process. This legislation declared that customer classes with peak demands of 400 kW or more to be competitive by no later than May 2010 for the Ameren Illinois Utilities. The legislation also established the IPA to administer a procurement process beginning in August 2008. Under Section 16-111.5(a) of the PUA, the Ameren Illinois Utilities had oversight responsibility for procuring capacity, energy, and renewable energy credits (RECs) for Eligible Retail Customers for the period June 1, 2008 through May 31, 2009. Procurement responsibility then shifted to the IPA and the IPA’s Procurement Administrator to facilitate the procurement process to ensure additional power purchases from June 1, 2009 onward.

Under Section 16-111.5(d) of the PUA, the IPA filed a procurement plan with the ICC. On December 28, 2009, the ICC approved the procurement plan with certain modifications.¹ Consistent with the requirements of the PUA, the procurement plan identifies the portfolio of energy and power products to be procured. 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 pre-qualification 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 Commission on progress of the procurement process. The Procurement Monitor also consults with the Procurement Administrator regarding the development and use of benchmark price criteria, standard form contracts,

¹ 09-0373 (Illinois Power Agency – Petition for Approval of Initial Procurement Plan) Order December 28, 2009.

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credit policies, and bid documents. Boston Pacific Company, Inc. has been selected to be the Procurement Monitor for this procurement process.

3.0 Purpose and Scope

The IPA intends to procure capacity on behalf of the Ameren Illinois Utilities for period June 1, 2010 through May 31, 2013, consistent with the ICC-approved procurement plan. The IPA will also solicit bids for financially settled energy products and renewable energy credits to serve Eligible Retail Customer load through separate RFPs.

The capacity to be procured under this RFP consists of the following monthly “Planning Resource Credits” (“PRCs”) as such term is defined in the MISO documents:

Month	PRC Quantity (MW) 2010/2011	PRC Quantity (MW) 2011/2012	PRC Quantity (MW) 2012/2013
June	2,150	1,570	1,440
July	2,120	1,570	1,570
August	2,060	1,480	1,530
September	2,190	1,580	1,410
October	1,240	910	920
November	1,250	930	900
December	1,870	1,340	1,200
January	1,850	1,310	1,180
February	1,650	1,150	1,080
March	1,480	1,050	950
April	1,160	840	810
May	1,200	870	940

Each PRC Quantity above represents the quantity in MW of Unforced Capacity, as such term is described in the MISO documents, during the applicable Period of Delivery.

The 2010 Procurement Cycle capacity solicitation will include demand response products that are deliverable as PRCs. Demand response providers that qualify as bidders under the requirements specified in this RFP may bid on all months and volumes under the same terms and conditions as other qualified capacity bidders.

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3.1 Product Definition

The “Planning Resource Credits” (“PRCs”), as such term is defined in the MISO Documents, delivered under this Confirmation Agreement shall be usable to satisfy the MISO Resource Adequacy Requirements (“RAR”) of Buyer. PRCs must be deliverable to the AMIL Local Balancing Authority area, but can include Aggregate PRCs, Local PRCs, and External PRCs, including any PRCs properly generated from Demand Response Resources (“DRR”) and/or PRCs properly generated from Load Modifying Resources (“LMR”) pursuant to the MISO RAR. Additionally, Seller must be able to transfer the PRC to Buyer using the Module E Capacity Tracking (“MECT”) tool, or any successor system.

“Demand Response Resources,” in compliance with Illinois law, must also satisfy the following conditions:

- (A) Be procured by a demand-response provider from eligible retail customers;
- (B) At least satisfy the demand-response requirements of the regional transmission organization market in which the utility’s service territory is located, including, but not limited to, any applicable capacity or dispatch requirements;
- (C) Provide for customers’ participation in the stream of benefits produced by the demand response products;
- (D) Provide for reimbursement by the demand-response provider of the utility for any costs incurred as a result of the failure of the supplier of such product to perform its obligations thereunder; and
- (E) Meet the same credit requirements as apply to suppliers of capacity, in the applicable regional transmission market.²

3.2 Bidding Requirements

Bidders may offer bids for any or all of these monthly PRC quantities subject to the following restrictions:

1. PRCs shall be bid in whole MW amounts with a minimum bid quantity no less than 10, in increments of 10, and a maximum quantity equal to the PRC Quantity for that specific month. Each bid increment must have an associated price.

² 18 220 ILCS 5/16-111.5(b)(3)(ii)

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2. Bidders may offer PRCs for some or all the months independently. For example, a bidder may offer 80 PRCs in month A, 100 PRCs in month C, and 50 PRCs in month E, and any of those bids may be accepted or rejected in 10 PRC increments.
3. Bidders may not offer bids with contingencies, such that acceptance of one bid is conditioned upon the acceptance or rejection of another bid.

4.0 Other Requirements

4.1 Contract

The Ameren Illinois Utilities expect to individually enter into binding contracts with the winning bidders. Winning bidders in the RFP process will be expected to enter into three contracts: one with AmerenCIPS for 33% of the total contract amount, one with AmerenCILCO for 17% of the total contract amount and one with Ameren IP for 50% of the total contract amount. A draft of the proposed contract is included with this RFP as Attachment A, Confirmation Agreement. The terms and conditions specified in the proposed contract are designed to be consistent with the terms and conditions of the Edison Electric Institute Master Purchase and Sale Agreement Version 2.1.

Example

Following the bid evaluation process, Bidder A is identified as a winner for the following products and quantities.

July 2010	400 PRCs
August 2010	400 PRCs
January 2011	500 PRCs
February 2011	300 PRCs

At the conclusion of the ICC review period, Bidder A would enter into separate contracts with each of the three Ameren Illinois Utilities as follows:

	AmerenCIPS	AmerenCILCO	AmerenIP
July 2010	132 PRCs	68 PRCs	200 PRCs
August 2010	132 PRCs	68 PRCs	200 PRCs
January 2011	165 PRCs	85 PRCs	250 PRCs
February 2011	99 PRCs	51 PRCs	150 PRCs

Prospective bidders will be provided the opportunity to comment on the draft contract. Bidders should download the contract documents and submit comments in red-lined form via email to aiurfp@levitan.com. The

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contract comments will be reviewed by the Procurement Administrator, Procurement Monitor, Ameren Illinois Utilities, IPA and ICC. Based on comments received from bidders during the Bidder Comment Period, the Procurement Administrator reserves the right to modify the terms of the contract 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. The terms of the final contract will not be subject to negotiation with the winning bidders.

4.2 Credit Requirement

Prospective bidders will 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 a pre-bid irrevocable letter of credit (“ILOC”) in the form of Attachment B, once it has been finalized following the comment period, to ensure that winning bidders whose bids are approved by the ICC execute contracts.

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, LAI reserves the right to revise this schedule at any time with the concurrence of the Procurement Monitor. Announcements regarding any schedule revisions will be posted on the RFP website at <http://www.levitan.com/AIURFP>.

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Activity	Date
RFP Issued	March 15, 2010
Draft Contract Documents Issued	March 19, 2010
Bidder Pre-Qualification Applications Due	5:00 p.m. CPT, March 24, 2010
Bidders Notified of Results of Pre-Qualification Application Review	March 29, 2010
Bidder Contract Comment Period	March 22, 2010 to March 30, 2010
Final Contract Documents Posted to Website	March 31, 2010 (Pre-Bid ILOC) April 1, 2010 (Contract)
Bidder Practice Session	April 1, 2010
Irrevocable Pre-Bid Letter of Credit Due, Bidder Registration Form Due	5:00 p.m. CPT, April 2, 2010
Binding Bids Due	12:00 noon CPT, April 5, 2010
Procurement Administrator and Monitor Submit Reports to ICC	April 6, 2010 ³
ICC Approval of Recommendation	April 7 or 8, 2010 ⁴
Bidders Notified of Selection	April 7 or 8, 2010 ⁵
Contracts Executed with Selected Suppliers; Performance Assurance Provided	No later than April 12 or 13, 2010 ⁶

³ Legislation allows the Procurement Administrator and Procurement Monitor two business days to submit their reports to the ICC. LAI will submit its report within one business day. Boston Pacific Company, Inc. has also committed to submitting its report within one business day

⁴ Legislation allows the ICC two business days after receipt of the Procurement Administrator and Procurement Monitor reports to approve the recommendation of winning bids.

⁵ Winning bidders will be notified immediately after the ICC approves the Procurement Administrator's report and recommendations.

⁶ Legislation allows the individual Ameren Illinois Utilities three business days after the ICC approves the results of the procurement to execute contracts with winning bidders. The contract execution deadline will therefore depend on the date the ICC approves the results of the procurement.

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5.2 Communications

LAI's point of contact for this RFP is:

John Bitler, Vice President & Principal
Levitan & Associates, Inc.
100 Summer Street, Suite 3200
Boston, MA 02110

Office: 617-531-2818 x 22
Fax: 617-531-2826
Email: jrb@levitan.com

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

The Binding Bid must be submitted through the secure procurement website at <http://www.levitan.com/AIURFP>.

5.3 Bidder Pre-Qualification Application

Bidders shall submit a complete Pre-Qualification Application no later than 5:00 p.m. on March 24, 2010. A non-refundable fee of \$500 (the "Bid Participation Fee") will be required for any bidder submitting a Pre-Qualification Application. 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. All non-public information will be treated as confidential.

5.3.1 Bidder's Information. Provide name of company, address, and company representative (name, phone number, email address and fax number). Provide basic information on the bidder as requested, including a brief description of bidder ownership or operation of capacity sources in MISO. Describe any defaults or adverse situations as requested. This information will be treated as confidential.

Financial Information. The bidder or its parent company that is providing an unconditional corporate guarantee (Guarantor) must provide the following information indicating financial condition

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and evidence of creditworthiness.

(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 the equivalent, filed since the most recent quarterly financial statement.

If these financial statements 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 a government body regarding unscheduled material events affecting the company's investors or the public, which were issued following the most recently completed fiscal year.

All substitute financial information should include an attestation from an authorized officer of the company that certifies the financial statements are accurate and complete, as well as an independent accountant's report that certifies those financial statements are 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 Confirmation Agreement 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 LAI within 1 business day of occurrence. LAI will utilize this financial information to assess the

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creditworthiness of the bidder or its Guarantor, and calculate the collateral Threshold (set forth in Table A in Section 5.5 below) that will be in effect for the bidder.

5.3.2 Bidders must indicate whether they are bidding Demand Response Resources, which must meet the criteria listed in section 3.1 herein.

5.4 Requests for Additional Information from Bidders

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.

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 its Agency Agreement with its Bidder Pre-Qualification Application. If the bidder is acting as agent for a single Principal, identify the Principal as the entity on whose financial standing 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 financial standing the bidder relies.

5.5 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 all prospective bidders.

The bidder 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. Each bidder and Guarantor will be granted a single credit limit to be applied across any Confirmation Agreement awarded as a result of this Capacity RFP and all other Fixed Price Customer Supply Contracts (as defined in Attachment A) 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

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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.

Table A

Credit Rating			Threshold (the lesser of the following)	
S&P	Moody's	Fitch	Percent of Tangible Net Worth	Credit Limit
A- and above	A3 and above	A- and above	16%	\$80,000,000 [\$40,000,000 – IP] [\$26,400,000 – CIPS] [\$13,600,000 – CILCO]
BBB+	Baa1	BBB+	10%	\$60,000,000 [\$30,000,000 – IP] [\$19,800,000 – CIPS] [\$10,200,000 – CILCO]
BBB	Baa2	BBB	8%	\$40,000,000 [\$20,000,000 – IP] [\$13,200,000 – CIPS] [\$6,800,000 – CILCO]
BBB-	Baa3	BBB-	6%	\$20,000,000 [\$10,000,000 – IP] [\$6,600,000 – CIPS] [\$3,400,000 – CILCO]
Below BBB-	Below Baa3	Below BBB-	0%	\$0

5.6 Bidder Registration

Once the Procurement Administrator has completed its review of the Pre-Qualification Applications, bidders will be notified if they have or have not been pre-qualified, and, if they have been pre-qualified, they will also be notified of their stand-alone collateral threshold. Notification of pre-qualification will be issued no later than March 29, 2010. If a bidder

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satisfies the pre-qualification requirements, the bidder will then be required to provide the Ameren Illinois Utilities with a pre-bid ILOC in the amount of \$100,000. The pre-bid ILOC must be in the form provided as Attachment B, once it has been finalized following the comment process. The pre-bid ILOC must be provided by 5:00 p.m. CPT on April 2, 2010 in order to satisfy the registration requirements. Such pre-bid ILOC must remain valid from April 2, 2010 through April 14, 2010.

In addition to the pre-bid ILOC, pre-qualified bidders will also be required to submit a Bidder Registration Form 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. This form will be made available to bidders upon notification of pre-qualification.

5.7 Binding Bids

Registered bidders shall submit binding, firm and irrevocable bids for each product offered no later than 12:00 noon CPT, April 5, 2010. Binding bids must be submitted on the form provided on the secure procurement website. Bids shall be priced in \$ per PRC-month. Bids must be offered as sealed, binding commitments with pay-as-bid-settlement with a fixed price. The bidder will be responsible for providing Capacity for all hours of the term.

5.8 Notification and Award

In accordance with the IPA Act, the Procurement Administrator will evaluate the binding bids immediately after 12:00 noon CPT, April 5, 2010, and will submit a confidential report of the procurement and the bids recommended for selection within one business day of receipt to the ICC.⁷ As specified in Section 16-111.5 (f), the ICC shall review the confidential report and shall accept or reject the recommendations of the procurement administrator within two business days after receipt of the report.

The Procurement Administrator will notify the successful bidder(s) immediately upon receiving approval from the ICC. The successful bidders will be required to sign the contract upon notification that they have been selected. The maximum time between the close of bidding and the execution of the contract, which is specified by the PUA, is 7 business days, based on the following provisions. (a) The Procurement

⁷ The Procurement Monitor, who must also submit a post-bidding report to the ICC, has also committed to submitting its report within one business day of Bid Day.

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Administrator and the Procurement Monitor submit separate confidential reports on the procurement results and recommendation to the ICC within 2 business days after opening the bids.⁸ (b) The ICC reviews the reports and accepts or rejects the recommendations of the Procurement Administrator within 2 business days of receipt of the reports. (c) The individual Ameren Illinois Utilities, AmerenCILCO, AmerenCIPS and AmerenIP, enter into binding contracts with the winning bidders within 3 business days after the ICC approves the results of the procurement.

5.9 Performance Assurance

Following execution of the Confirmation Agreements, if a Seller's collateral Threshold is less than the total aggregate credit exposure under each and every Fixed Price Customer Supply Contract to which Seller is a party, the Seller will be required to provide performance assurance in the form of a letter of credit or cash collateral. Such assurance would be equal to the positive difference, if any, between (a) the total aggregate credit exposure under each and every Fixed Price Customer Supply Contract to which Seller is a party, with such exposure to be calculated as per the applicable Confirmation Agreements and (b) the single collateral Threshold amount applicable to the Seller for the purposes of all the Fixed Price Customer Supply Contracts to which Seller is a party. Consistent with the provisions of section 5.5 herein, affiliates will be limited to a total collateral threshold of \$80 million, and guarantors will be limited to the limits shown in Table A.

6.0 Evaluation Process and Criteria

6.1 Evaluation of Binding Bids

Upon receipt of binding bids from Registered Bidders, the Procurement Administrator will evaluate the bids in accordance with the requirements specified in Section 16-111.5 (e) of the PUA. Bids will be evaluated based on price to arrive at the lowest cost combination of bids that satisfy the monthly PRC Quantities, subject to price benchmarks. The Procurement Administrator, in consultation with the Procurement Monitor, the ICC Staff, and the IPA, will establish market-based price benchmarks for the purpose of independently evaluating the bids received. The benchmarks will be considered confidential but will be subject to review and approval by the ICC prior to bidding. By submitting a binding bid, the bidder agrees to execute the contract upon award.

⁸ As stated previously, both the Procurement Administrator and Procurement Monitor have committed to shorten this timeline by submitting their reports within one business day of Bid Day.

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6.2 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 post-bid price negotiation with bidders that meet the applicable benchmarks.” (220 ILCS 5/16-111.5(e)(1)) **In accordance with this discretion, LAI has chosen NOT to engage in any post-bid price negotiations as a part of this RFP.**

6.3 Binding Bids

All bids must remain open, firm and binding until 5:00 pm on April 8, 2010 or until the Illinois Commerce Commission has approved the results of the procurement event, whichever comes first.

Those bids that are identified as winning bids following the Commission’s approval of the procurement event must remain open, firm and binding until April 14, 2010 or until the bidder has executed a contract, whichever comes first.

7.0 Confidentiality

Except for bidder’s 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 Applications and Binding Bids submitted. 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 the Procurement Monitor has access during this RFP. 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 winning bidders and the load weighted average of the winning bid prices for each product will be announced publicly after the ICC

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approves the RFP results and the Procurement Administrator's recommendations. In addition, the ICC determined that that the number of megawatts awarded for each contract type and for each contract term will be publicly disclosed after a Commission vote accepting a procurement administrator recommendation to accept certain bids, provided there are at least three winning bidders in the entire procurement event.

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).

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**Illinois Power Agency
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Request for Proposals for Capacity**

ATTACHMENT B