



Illinois Power Agency

2011 Energy Procurement

Bidder Practice Session

May 3, 2011

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

Agenda



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



Bidder Registration

Bidder Registration Materials



- ◆ All materials have been posted to and are available for download from:

<http://www.levitan.com/AIURFP/energy.html#docs>

Documents

[Request for Proposals](#) (Posted 4/15/11)

Note: The RFP has been updated to reflect the correct volumes for the Jan-Feb 2013 and Mar-Apr 2013 combination products

[Draft Confirmation Agreement](#) (Posted 4/15/11)

[Exhibit A - Form of Guaranty - Redline Against 2010](#) (Posted 4/21/11)

[Final Confirmation Agreement](#) (Posted 4/28/11)

[Redline Against Draft Confirmation Agreement](#) (Posted 4/28/11)

[Confirmation Agreement Exhibit C: EEI Master Power Purchase and Sale Agreement](#)

[Confirmation Agreement Exhibit D: EEI Collateral Annex](#)

[Confirmation Agreement Exhibit E: Paragraph 10 to the Collateral Annex](#)

[Pre-Bid Letter of Credit](#) (Posted 4/15/11)

[Acceptable Modifications to Energy Pre-Bid Letter of Credit](#) (Posted 4/26/11, Updated 4/27/11)

[Bidder Pre-Qualification Application](#) (Posted 4/15/11)

Submission deadline: 5:00 pm CPT on April 22, 2011 by email (aiurfp@levitan.com) or fax (617-531-2826)

[Bid Participation Fee Payment Instructions](#) (Posted 4/15/11)

Payment deadline: 5:00 pm CPT on April 22, 2011

[Bidder Registration Form](#) (Posted 4/26/11)

The Bidder Registration deadline is 12:00 noon CPT on Wednesday, May 4, 2011

[Register for the Bidder Practice Session](#) (Posted 4/26/11)

The Bidder Practice Session will be held as a webinar on Tuesday, May 3, 2011 at 3pm EPT / 2pm CPT. Materials from the webinar will be posted here following the session. Participation is not mandatory.

Supplier Fee Details

The amount of the Supplier Fee charged to winning Energy RFP bidders will be \$0.03/MWh (Posted 4/26/11)

[Supplier Fee Binding Agreement](#) (Posted 4/27/11)

Supplier Fee Binding Agreements will be completed with winning bidders following the ICC's ruling

[Energy Bid Form](#) (Posted 4/26/11)

[Energy Bid Form Instructions](#) (Posted 4/26/11)

[Submit Bid Form](#) (Posted 5/2/11) **Clicking link will open new window**

The password to access the bid submission page will be sent by email and given in the Bidder Practice Session, if you would like to submit a practice bid and have not yet received the password, please call Sara Wilmer at 617-531-2818 x15

Bids submitted before 10:00 am CPT on Thursday, May 5, 2011, will be reviewed only as practice bids

Additional documents can be found on the [Documents](#) page.

Bidder Registration Form



- ◆ Includes contact information and responsible officer certifications
 - ◆ Form must be submitted by 12:00 noon CPT on Wednesday, May 4th
 - Can be faxed to Sara Wilmer at 617-531-2826
- OR
- Can be scanned and emailed to aiurfp@levitan.com
- OR
- Can be mailed to
Levitan & Associates, Inc.
Attn: Sara Wilmer
100 Summer Street, Suite 3200
Boston, MA 02110



Pre-Bid Letter of Credit

- ◆ Acceptable Modifications (as posted on the website) to the Pre-Bid Letter of Credit can be used by all bidders
- ◆ Faxed copy must be received by 12:00 noon CPT on Wednesday, May 4th – email to aiurfp@levitan.com or fax to 617-531-2826
- ◆ Original should be sent to (can arrive on Thursday):
 - Timothy Moloney
 - Managing Supervisor
 - Ameren Services
 - 1901 Choteau Avenue, MC 960
 - St. Louis, MO 63103
 - (314) 613-9139 (phone)



Supplier Fee



Supplier Fee

- ◆ Supplier Fee Agreement process changing from last year
- ◆ 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 \$0.03/MWh from each Winning Bidder
- ◆ Will be paid directly to the Illinois Power Agency, by check or ACH
- ◆ Payment due within 7 business days of ICC ruling



Bid Submission

Bid Submission Materials



Documents

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Bids submitted before 10:00 am CPT on Thursday, May 5, 2011, will be reviewed only as practice bids

Additional documents can be found on the [Documents](#) page.



Bid Submission Instructions (1)

1. Download Bid Form: “EnergyBidForm.xls”

[Energy Bid Form](#) (Posted 4/26/11) ←

[Energy Bid Form Instructions](#) (Posted 4/26/11)

[Submit Bid Form](#) (Posted 5/2/11) **Clicking link will open new window**

The password to access the bid submission page will be sent by email and given in the Bidder Practice Session, if you would like to submit a practice bid and have not yet received the password, please call Sara Wilmer at 617-531-2818 x15

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Additional documents can be found on the [Documents](#) page.

2. Fill in your Company name

	A	B	C	D	E	F	G	H	I
1	Bidder: (Full legal name)								
2									
3	<i>(All energy products are to be delivered at the AIU Load Zone. Hours of</i>								
4									

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



Bid Submission Instructions (2)

- Enter your Maximum Willingness to Supply 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.

	A	B	C	D	E	F	G	H	I	J	K
7	Max Willingness to Supply										
8	Month			Jun-11		Jul-11		Aug-11		Sep-11	
9	Time of Use			On-Peak		On-Peak		On-Peak		On-Peak	
10	Volume (MW)			500		500		450		500	
11	Max Willingness to Supply (Blocks)										
12	Max Willingness to Supply (MW)			0		0		0		0	
13											

If there are months in which you are not submitting any bids, you do not need to fill in zeros for the Max Willingness to Supply, blank cells will be assumed to be zeros.



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

	A	B	C	D	E	F	G	H	I	J	K	L	M
14	Single-Month Products												
15	Month			Jun-11		Jul-11		Aug-11		Sep-11		Oct-11	
16	Time of Use			On-Peak		On-Peak		On-Peak		On-Peak		On-Peak	
17	Volume (MW)			500		500		450		500		400	
18	Energy (MWh)			176,000		160,000		165,600		168,000		134,400	
19	Number of 50 MW blocks			10		10		9		10		8	
20													
21	Total blocks offered			0		0		0		0		0	
22	Total MW offered			0		0		0		0		0	
23													
24		Group		No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh
25		1											
26		2											
27		3											
28		4											
29		5											
30		6											
31		7											
32		8											
33		9											
34		10											
35		11											
36		12											
37		13											
38		14											
39		15											
40		16											
41		17											
42		18											
43													



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

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
45	Monthly Combination Products																
46	Term					July / August 2011						October / November / December 2011					
47	Time of Use					On-Peak						On-Peak					
48	Volume (MW)					450						400					
49	Energy (MWh)					309,600						403,200					
50	Number of 50 MW blocks					9						8					
51																	
52	Total blocks offered					0						0					
53	Total MW offered					0						0					
54																	
55		Group				No of 50-MW Blocks		Price \$/MWh				No of 50-MW Blocks		Price, \$/MWh			
56		1															
57		2															
58		3															
59		4															
60		5															
61		6															
62		7															
63		8															
64		9															
65		10															
66		11															
67		12															
68		13															
69		14															
70		15															
71		16															
72		17															
73																	

Bid Submission Instructions (4)



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

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
75	Annual Combination Products																										
76	Term			June 2011 through May 2012																							
77	Time of Use			On-Peak																							
78	Volume (MW)			400																							
79	Energy (MWh)			1,638,400																							
80	Number of 50 MW blocks			8																							
81																											
82	Total blocks offered			0																							
83	Total MW offered			0																							
84																											
85		Group		No of 50-MW Blocks												Price, \$/MWh											
86		1																									
87		2																									
88		3																									
89		4																									
90		5																									
91		6																									
92		7																									
93		8																									
94		9																									
95		10																									

Bid Submission Instructions (6)



7. Check your bid form for any errors, which will be flagged either red or blue. Possible errors can include:
 - ◆ A Maximum Willingness to Supply 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 maximum 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.
 - ◆ A price less than \$1.00/MWh or greater than \$1,000/MWh is bid. Blocks with prices outside this range will be assumed to be in error and will not be evaluated.
 - ◆ If no price or no number of blocks is entered in a row, that row is interpreted as a “no bid” and ignored. This also applies to any row where the number of blocks entered is ≤ 0
 - ◆ Conflict between Max Willingness to Supply and entered bids for a particular Product (sum of single-month and combination blocks can be higher than Max Willingness to Supply)

Examples of Bid Form Errors (1)



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
7	Max Willingness to Supply														
8	Month			Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11						
9	Time of Use			On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak						
10	Volume (MW)			500	500	450	500	400	450						
11	Max Willingness to Supply (Block)		1	12	10	9	9	6	8						
12	Max Willingness to Supply (MW)			600	500	450	450	300	400						
13															
14	Single-Month Products														
15	Month			Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11						
16	Time of Use			On-Peak	On-Peak	On-Peak	On-Peak	On-Peak	On-Peak						
17	Volume (MW)			500	500	450	500	400	450						
18	Energy (MWh)			176,000	160,000	165,600	168,000	134,400	151,200						
19	Number of 50 MW blocks			10	10	9	10	8	9					7	
20															
21	Total blocks offered		2	12	5.5	9	9	6	9						
22	Total MW offered			600	275	450	450	300	450						
23															
24		Group		No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh	No of 50-MW Blocks	Price, \$/MWh
25		1		3	\$5.00	5	\$10.00	3	\$15.00	3	\$10.00	2	\$10.00	3	\$15.00
26		2		3	\$10.00	0.5	\$15.00	3	\$20.00	3	\$0.15	2	\$15.00	3	\$20.00
27		3		3	\$15.00			3	\$2,500.00	3	\$20.00	2		3	\$25.00
28		4		3	\$20.00	3						2	\$20.00		
29		5													
30		6							4						
31		7													
32		8													
33		9													
34		10													

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, two of the \$20 blocks will be eliminated
3. A non-integer number of bids is entered, the number of blocks bid at \$15 will be rounded down to 0
4. The \$2,500 bid is above the maximum price, therefore this bid (all three blocks) will not be evaluated
5. The \$0.15 bid is below the minimum price, therefore this bid (all three blocks) will not be evaluated
6. No price is entered for the third bid and no number of blocks is entered for the fourth bid, therefore these two bids will not be evaluated
7. More blocks than allowed by the Max Willingness to Supply are entered, one of the \$25 blocks will be eliminated

Bid Submission Instructions (7)

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

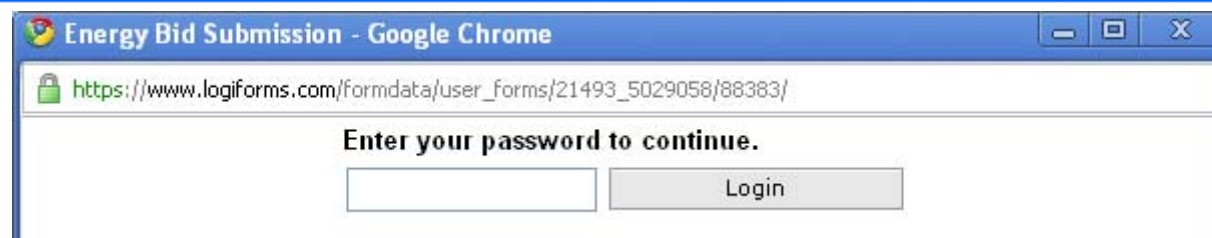
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The password to access the bid submission page will be sent by email and given in the Bidder Practice Session, if you would like to submit a practice bid and have not yet received the password, please call Sara Wilmer at 617-531-2818 x15

Bids submitted before 10:00 am CPT on Thursday, May 5, 2011, will be reviewed only as practice bids
Additional documents can be found on the [Documents](#) page.



Energy Bid Submission - Google Chrome

https://www.logiforms.com/formdata/user_forms/21493_5029058/88383/

Enter your password to continue.

Login



Bid Submission Instructions (8)

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

Bid Submission - Energy RFP
 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 10:00 am CPT on Thursday, May 5, 2011. Bids submitted before that time will be evaluated as practice bids only.

Company

Contact Name

Phone Number

We will call this number to confirm successful bid receipt.

Include Tariff Information in Confirmation Agreement? Yes No

If yes, enter tariff information:

FERC Tariff Rate Schedule No.

Dated

Docket Number

Bid File No file chosen

Fill in these fields if you would like to include tariff information in Section 3 of the Confirmation Agreement – this information can also be provided in advance by email to aiurfp@levitan.com

Submitting Practice Bids



- ◆ The Bid Submission site is live now for Bidders to practice submitting bids
- ◆ Bids submitted before 10:00 AM CPT on Thursday, May 5th will not be considered to be binding bids, and you will not be notified immediately by phone of received submissions
- ◆ If you have any questions, please call Sara Wilmer at 617-531-2818 x15



On Bid Day

- ◆ Final binding bids must be submitted by 12:00 noon, CPT on Thursday, May 5th
- ◆ Bids may be submitted starting at 10:00 am CPT on Thursday, May 5th
- ◆ Bidders will receive phone calls to confirm bid receipt
- ◆ Bids will only be evaluated if Pre-Bid Letter of Credit and Bidder Registration Form are received by 12:00 noon CPT on Wednesday, May 4th

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, Monthly Combination and Annual 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

- ◆ Procurement Administrator submits report with recommended winning bidders to ICC on Friday, May 6th
- ◆ Preliminary notifications to recommended bidders will go out after report is submitted to ICC
- ◆ ICC has two business days after receiving report to issue a decision, Special Open Meeting scheduled at 10:30 am CPT on Monday, May 9th
- ◆ Winning Bidders notified following ICC decision
- ◆ Contracts executed with Winning Bidders within three business days of ICC decision
- ◆ Supplier Fee Agreements delivered to Winning Bidders one business day after ICC decision



Contact Information

Procurement Administrator Contact Information



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



Questions?
