ILLINOIS COMMERCE COMMISSION
Public Notice of Successful Bidders and Average Prices

Illinois Power Agency
December 2023 Forward Procurement of Indexed Renewable Energy Credits from New Utility-Scale Wind, Utility-Scale Solar and Brownfield Site Photovoltaic Projects

December 14, 2023

On December 8, 2023, the Illinois Power Agency's ("IPA's") procurement administrator, NERA Economic Consulting, received bids for the sale of indexed renewable energy credits ("RECs") to Ameren Illinois Company ("Ameren"), Commonwealth Edison Company ("ComEd"), and MidAmerican Energy Company ("MEC") derived from new utility-scale wind projects, new utility-scale solar projects and new brownfield site photovoltaic projects. The bidding process was monitored for the Commission by Bates White. On December 14, 2023, voting in open session, the Commission approved the procurement administrator's selection of winning bids.

The December 2023 procurement is a result of Public Act 102-0662, also known as the Climate and Equitable Jobs Act, which became effective September 15, 2021. This is the fourth procurement event for indexed RECs.

The Climate and Equitable Jobs Act added one key element that distinguishes this procurement event (and future events like it) from prior REC procurement events. Specifically, the Act required use of an indexed REC pricing structure. In the past, IPA REC procurements have offered a fixed price REC structure in which bidders offer a single, fixed REC price on bid day. The indexed REC pricing affords bidders the ability to specify a "strike" price, which is a guaranteed price to be paid to bidders for their RECs but includes the energy component as well. As energy index prices rise (implying high energy revenues for the supplier), the indexed REC payment falls; as energy index prices fall (implying low energy revenues for the supplier), the indexed REC payment rises. The strike price is netted against the RTO wholesale energy market index price, resulting in a settlement between the supplier and the utility buyer in which the supplier is guaranteed its strike price for all RECs delivered to the utility buyer. This means that under the indexed REC contract, a supplier could either be owed a payment from the utility buyer, or owe a payment to the utility buyer, depending on whether the strike price was higher or lower than the index price.

This approach does make comparisons between this procurement and prior wind, solar, and brownfield solar procurements difficult, since it is not possible to directly compare a fixed price REC bid to indexed REC bids. Indexed REC bids will necessarily be higher since they include an energy component.

The procurement administrator, on behalf of the IPA, issued the December 2023 Utility-Scale Wind, Utility-Scale Solar, and Brownfield Photovoltaic Request-For-Proposal ("RFP") to procure 5.6 million RECs to be delivered annually from new utility-scale wind projects, 1.1 million RECs from new utility-scale solar projects, and 127,000 RECs to be delivered annually from new brownfield site photovoltaic projects.

The statute defines a utility-scale wind or solar project as an electric generating facility that has a nameplate capacity greater than 5,000 kilowatts. Brownfield site photovoltaic projects do not have a minimum size requirement, but the projects are required to qualify as brownfield sites under the law. Brownfield site photovoltaic projects must be located in Illinois. Utility-scale wind and solar projects must be located in Illinois or in a state adjacent to Illinois. If a project is located in a state adjacent to Illinois, the project must satisfy additional public interest criteria specified in Section 1-75(c)(1)(I) of the IPA Act. All projects must be "new," which means that they must have been energized after June 1, 2017.

Delivery of the RECs for each procurement begins no later than May 31, 2028 (though extensions are possible – approved by the IPA on a case-by-case basis under certain conditions) and continues for a 20-year period. The RECs acquired through this RFP will help the utilities meet their obligations under the Illinois Renewable Portfolio Standard ("RPS"). A REC represents all the environmental attributes corresponding to one MWh of energy generated from renewable energy resources. Projects selected in this RFP are agreeing only to supply RECs. Energy and capacity from the projects may be sold to other parties or into the PJM and MISO wholesale markets.

In accordance with Section 16-111.5(h) of the Public Utilities Act, the following information is made public at the time of Commission approval of a procurement event under the Indexed REC Procurement: (i) the names of successful bidders; (ii) the average of the winning bid prices for each contract type and contract duration; (iii) the address and nameplate capacity of the new renewable energy generating facility; and (iv) the business address and contact information for each successful bidder. There were no winning projects within Energy Transition Community Grant Areas in the December 2023 Indexed REC RFP.

The Average Winning Bid Price in the table below reflects the strike price ($/MWh). The price of an indexed REC is calculated by subtracting the strike price from the index price in a given settlement period.

Supplier Name, business address and contact information	Address of Selected Project	Type and Nameplate Capacity (in MW AC rating)	Average Winning Bid Price ($/MWh)
Lotus Wind, LLC 120 Garrett Street, Suite 700 Charlottesville, VA 22902	(39.498440°N, 89.930204°W) Modesto, Illinois 62667	Utility-Scale Wind 200.00 MW	74.10
Prosperity Wind, LLC 120 Garrett Street, Suite 700 Charlottesville, VA 22902	(40.187881°N, 88.589440°W) Galesville, Illinois 61854	Utility-Scale Wind 300.00 MW	

Supplier Name, business address and contact information	Address of Selected Project	Type and Nameplate Capacity (in MW AC rating)	Average Winning Bid Price ($/MWh)
Hennepin - de Prue Solar LLC 6555 Sierra Drive Irving, TX 75039 media.relations@vistracorp.com	13498 E 800th Street Hennepin, Illinois 61327	Brownfield Site Photovoltaic 20.00 MW	
Casey Fork Solar, LLC 353 N Clark St., Floor 30 Chicago, IL 60654 siamak.niroomand@rwe.com	(38.45°N, 88.87°W) Texico, Illinois 62889	Utility-Scale Solar 150.00 MW	
Earthrise Illinois Northeast Solar I, LLC 3033 Wilson Blvd., Suite 700 Arlington, VA 22201	(41.427740°N, 87.636437°W) Crete, Illinois 60417	Utility-Scale Solar 50.00 MW	
Earthrise Illinois Northeast Solar II, LLC 3033 Wilson Blvd., Suite 700 Arlington, VA 22201	(41.398425°N, 87.673405°W) Monee, Illinois 60449	Utility-Scale Solar 125.00 MW	
Earthrise Illinois Northwest Solar II, LLC 3033 Wilson Blvd., Suite 700 Arlington, VA 22201	(41.397912°N, 87.910143°W) Manhattan, Illinois 60442	Utility-Scale Solar 100.00 MW	
Greenville Solar, LLC 4 Park Plaza 1250 Irvine, CA 92614 mkamberaj@sunpinsolar.us	East Bowman Drive and US 40 Greenville, Illinois 62246	Utility-Scale Solar 20.00 MW	
Kewanee Solar, LLC 4 Park Plaza 1250 Irvine, CA 92614 mkamberaj@sunpinsolar.us	Red Adams Rd and North 570 Ave Kewanee, Illinois 61443	Utility-Scale Solar 24.75 MW	
Stone's Throw Solar, LLC 320 N Sangamon St, Suite 1025 Chicago, IL 60607 info@rangerpower.com	1170 E 3100 Ave Herrick, Illinois 62431	Utility-Scale Solar 100.00 MW	