

**IPA Voluntary Limited Procurement of 2013-14 ComEd Curtailed RECs from Long-Term PPAs**

**DRAFT Term Sheet April 3, 2013**

**Comments requested by April 12, 2013 (See timeline below)**

- **Eligible Seller (Seller)** - Supplier under 2010 LT PPA with ComEd subject to 2013-14 curtailment who has accepted curtailment for the delivery year. Note: a supplier under a LT PPA who terminates the LT PPA is not an Eligible Seller.
- **Buyer** - IPA
- **Voluntary Transaction** - The sale of RECs by Seller is voluntary. Seller is under no obligation to deliver RECs. Buyer enters into this Transaction voluntarily and is in no way liable for anything except to make payments for RECs that have been properly delivered, documented, and invoiced.
- **Condition for Payments by Buyer** - Subject to the availability of funds duly appropriated by the Illinois General Assembly
- **No Precedent** - Seller agrees that the terms for Buyer's voluntary purchase of RECs are valid for this transaction only, and do not create any right by Buyer to accept the same or substantially similar terms in future year. This transaction does not represent an "Order" or "Ratemaking" as defined by Section 1-50 and 1-65 of the Illinois Administrative Procedure Act [5 ILCS 100/1-50].
- **Confidentiality** - No
- **Type of Product** - Unit Specific
- **Renewable Energy Facility** - Specified (same as in LT PPA)
- **Vintage** - June 1, 2013 to May 31, 2014
- **Delivery Season** - The time contained within any of the four periods bellow
  - **Summer** - June 1, 2013 through August 31, 2013
  - **Fall** - September 1, 2013 through November 30, 2013
  - **Winter** - December 1, 2013 through February 28, 2014
  - **Spring** - March 1, 2014 through July 10, 2014
- **Delivery Date** - The last day of the Spring Delivery Season in 2014. Deliveries must be made on or before the Spring Delivery Date. Buyer will accept Deliveries of RECs beginning on June 1, 2013.
- **Price** - Applicable imputed REC price applicable for the June 2013-May 2014 period. Buyer explicitly agrees to purchase and seller explicitly agrees to sell based on imputed prices.

- **Total Contract Quantity** - The number of RECs curtailed by ComEd less the maximum number of RECs proposed to be purchased by ComEd using hourly ACP funds. Seller may deliver any quantity of RECs up to the Total Quantity.
- **Billing** - Quarterly, within 10 days of the end of each Delivery Season
- **Payment** - The last Business Day of the month that follows the end of the prior Delivery Season.
- **Method of Transfer Title** – Seller will transfer of PJM EIS GATS, NARR and/or M-RETS REC Title to Buyer’s PJM EIS GATS or M-RETS accounts.
- **Supplier Fee** - Seller agrees to pay a non-refundable Supplier Fee. The supplier fees is equal to \$\_\_\_\_/REC times the Total Contract Quantity. The Supplier Fee is payable to Buyer and is due within 10 days of the execution date of the Transaction Confirmation.
- **Set-up Fee** - Seller agrees to pay a one-time, non-refundable Set-up Fee of \$\_\_\_\_\_. The Set-up Fee is payable to Buyer and is due within 10 days of the execution of the MOU below.
- **MOU** - Seller and Buyer enter into an MOU. The MOU set forth the following conditions:
  - Acknowledge the voluntary nature of transaction
  - Agreement that no precedent is established
  - Agreement not to sue, litigate, pursue regulatory relief
  - Agreement to pay a Set-up Fee to help defray set up and contracting costs
  - Agreement to pay Supplier Fee to help defray operations costs
  - Agreement to enter into Master REC Purchase and Sale Agreement
  - Agreement to the T&Cs of draft Cover Sheet and Transaction Confirmation
- **Timeline**
  - **April 3, 2013** - Workshop
  - **April 12, 2013** - Interested parties submit written comments (technical in nature) to Buyer for posting on the IPA website. Please email comments for posting to Mario Bohorquez at [Mario.Bohorquez@illinois.gov](mailto:Mario.Bohorquez@illinois.gov). If necessary, unredacted comments containing confidential material should be submitted to Michael Strong at [Michael.strong@illinois.gov](mailto:Michael.strong@illinois.gov).
  - **April 19, 2013** - Buyer presents each Eligible Seller the following documents:
    - MOU,
    - Master REC Purchase and Sale Agreement,
    - Cover Sheet, and
    - Transaction Confirmation.
  - **April 26, 2013** – Sellers submit comments on MOU and related documents to Buyer.
  - **May 3, 2013** - Buyer presents each Eligible Seller final MOU and related documents.

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- **May 10, 2013** - Seller delivers signed MOU, Master Agreement Signature Page, Cover Sheet, and Transaction Confirmation.
- **May 15, 2013** - Seller delivers payment to Buyer for Set-up Fee, and Payment for Supplier Fee.
- **May 20, 2013** - Buyer delivers executed MOU, Master Agreement Signature Page, receipts for Set-up Fee, and Supplier Fee.
- **June 1, 2013** - Delivery Season starts.
- **July 10, 2014** - Delivery Season ends.