

REPORT OF COMMUNICATIONS WITH THE ILLINOIS POWER AGENCY

This form must be completed and submitted to the Illinois Procurement Policy Board within 30 days for each communication report required by 30 ILCS 500/50-39. Submit reports to:

PROCUREMENT POLICY BOARD
511 W. CAPITOL AVENUE, SUITE 102
SPRINGFIELD, IL 62704

Or you may send a signed, scanned copy via email with "IPA Communication Report" in the Subject line to: ppb@illinois.gov

Date of Communication: 9/19/2012 Time of Communication: 3:20 pm

Type of Communication:

- Telephone
 In Person
 Electronic (Email, Fax, Etc.) – Attach A Complete Copy of the Entire Communication String
 Written – Attach Copy
 Other



Initiator:

Initiator of Communication: Michael Strong
Representing: Illinois Power Agency
Location:
Email Address (if communication was via email) michael.strong@illinois.gov
Telephone Number (if telephonic): (312) 814-4635
Is this person a Lobbyist required to register under the Lobbyist Registration Act

Duration of Call or In-Person Communication: 40 minutes
 Yes No

Recipient(s): *(If there are additional persons involved in the communication, attach an additional sheet that lists the other participants' names, job titles, which entity they represent, email address and/or telephone number, if applicable)*

Recipient One Name: See attached.

Recipient Title:

Representing:

Location:

Email Address (if communication was via email)

Telephone Number (if telephonic):

Recipient Two Name:

Recipient Title:

Representing:

Location:

Email Address (if communication was via email)

Telephone Number (if telephonic):

Recipient Three Name:

Recipient Title:

Representing:

Location:

Email Address (if communication was via email)

Telephone Number (if telephonic):

If any of these additional participants are lobbyists required to register under the Lobbyist Registration Act, **they** must submit a written report to be submitted with this communications report to the Procurement Policy Board that memorializes the communication that includes, but is not limited to (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the identity and job title of the person to whom each communication was made; (iv) if a response is made, the identity and job title of the person making each response; (v) a detailed summary of the points made by each person involved in the communication; (vi) the duration of the communication; (vii) the location or locations of all persons involved in the communication and, if the communication occurred by telephone, the telephone numbers for the callers and recipients of the communication; and (viii) any other pertinent information.

Communication Details:

Provide a detailed summary of the points made by each person involved in the communication:
See attached.

Was a response made? If so, complete the following for each person making the response (attach an additional sheet that lists the other respondents' names, job titles, which entity they represent, email address and/or telephone number, if applicable):

Respondent Name:

Respondent Title:

Location:

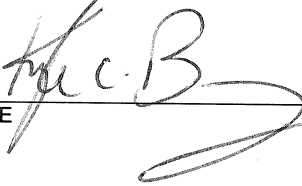
Telephone Number (if telephonic):

Provide a detailed summary of the response:

See attached

Other pertinent information:

SIGNATURE

A handwritten signature in black ink, appearing to read "M.C.B.", written over a horizontal line.

DATE

Oct. 16, 2012

Addendum to Communications Report with Illinois Power Agency for September 19, 2012 Meeting

On September 19, 2012, Michael Strong, Chief Counsel for the Illinois Power Agency, met with representatives of the FutureGen Industrial Alliance at the Springfield office of McGuireWoods Consulting.

Meeting Participants:

Name	Employer	Party represented
Michael Strong	Chief Counsel, Illinois Power Agency	Illinois Power Agency
Kyle Barry	McGuireWoods	FutureGen Industrial Alliance
Paul Champagne (via telephone)	Acting Project Director, FutureGen Industrial Alliance, Inc., and President, PKM Energy Consulting, LLC	FutureGen Industrial Alliance

Summary of Substantive Content of Communication:

The participants discussed the following substantive matters/issues during the meeting:

- Mr. Strong indicated that he wished to discuss the public comments submitted in response to the draft 2013 Illinois Power Agency Procurement Plan relating to the FutureGen clean coal project. Mr. Strong divided the comments in three categories: (a) changes and edits to the project's proposed sourcing agreement; (b) an assertion (by RESA, in particular) that the IPA must provide a legal justification for including the sourcing agreement in the IPA Plan; and (3) arguments that the IPA has no authority to compel the alternative retail electric suppliers (ARES) to enter into the sourcing agreement.
- Mr. Strong discussed the requested changes to the sourcing agreement first. He asked whether the Alliance was receptive to any of the requested changes. Mr. Champagne said yes, and stated that the Alliance was working to address the lack of completeness for several items in the sourcing agreement as well as in exhibits. Mr. Champagne asked whether the IPA expected all blanks to be filled in for the sourcing agreement. Mr. Strong stated that filling in all blanks would be the IPA's preferred, default position. He stated that the IPA desired to have a sourcing agreement that was as complete as possible.
- Mr. Strong asked what the reaction of the Alliance was to comments relating to the price term. Mr. Champagne stated that the Alliance had seen similar comments previously from ComEd and Ameren. Mr. Strong asked whether there were any irreconcilable issues relating to the sourcing agreement. Mr.

Champagne stated that there were not necessarily any irreconcilable issues raised, and that the public comments were similar to those that had been raised before.

- Mr. Strong next discussed the second category of public comments, the legal justification for including the FutureGen sourcing agreement in the draft IPA Plan. Mr. Strong advised that the IPA would likely include more legal citations to justify its authority to include the sourcing agreement in the final IPA Plan. Mr. Strong also discussed issues relating to how the FutureGen project's inclusion in the IPA Plan would satisfy the requirements of Section 16-111.5(d)(4) of the Public Utilities Act (PUA). Mr. Barry stated that some of the comments ignored the IPA Act's requirement to include clean coal in every procurement plan and sought to cherry pick items in Section 16-111.5(d)(4) of the PUA. Mr. Barry also stated that some of the public comments brushed past some the specific definitions in the IPA Act in favor of the more general items of Section 16-111.5(d)(4), and that some of the commenters seek to ignore and/or undermine the Clean Coal Portfolio Standard in the IPA Act.
- Mr. Strong next discussed the third category of comments, which argued that the IPA cannot compel the ARES to enter into the FutureGen sourcing agreement. Mr. Strong indicated that the IPA would likely assert that the IPA's authority was not relevant because it is the ICC which would ultimately decide whether to require the ARES to enter into the sourcing agreement. Mr. Strong indicated that while the Plan will indicate that the IPA approves the FutureGen sourcing agreement, the ICC will need to approve it as well. Mr. Strong stated that the IPA would likely point out that its approval powers relating to the sourcing agreement were much narrower than those it was called to exercise for other coal projects.
- Mr. Strong next asked about the timing for submitting any revisions to the proposed sourcing agreement. Mr. Champagne stated that the Alliance was in the process of revising the sourcing agreement to accommodate changes requested in the public comments and changes requested in discussions with ComEd and Ameren. Mr. Champagne also stated that the Alliance would be providing the IPA with a cost and ratepayer impact report for the project. Mr. Champagne stated that he hoped to provide both the revised sourcing agreement and the cost and ratepayer report (or at least a summary) to the IPA by the following Thursday. Mr. Champagne stated that the Alliance was weighing whether to ask the ICC to approve all issues in the IPA Plan proceedings, or to request a subsequent proceeding to approve some issues later.
- Mr. Barry and Mr. Strong last discussed issues relating to proprietary and confidentiality information contained in the cost and ratepayer impact report. Mr. Barry indicated that the Alliance would be withholding certain confidential and proprietary information in the cost and ratepayer report pursuant to a protective order.