



Consumers Energy

Count on Us[®]

Consumers Energy Company

Request for Proposals (“RFP”) for Electric Generation Capacity

Online Pricing Events: Thursday, July 18, 2024 at 10:30 AM ET



RFP Table of Contents

- Company Overview 3
- RFP Overview 3
- Invitation and Enablement 3
- Next Steps 3
- Product (Pricing Event) List, Schedule 4
- Product and Pricing Event Details 4
- RFP Schedule, Timeline..... 5
- RFP Process Information 5
- Enel X Platform Demonstrations..... 6
- Confidential Information..... 6
- Additional Disclaimers 7
- Questions..... 7



Company Overview

Consumers Energy (“Consumers”) is the principal subsidiary of Jackson-based CMS Energy Corporation and is Michigan’s largest energy provider, providing natural gas and/or electricity to 7 million of the state’s 10 million residents in all 68 Lower Peninsula counties. Consumers is committed to delivering reliable, clean, and affordable energy to its customers 24/7. More information about Consumers Energy is available by visiting www.consumersenergy.com.

RFP Overview

Consumers is soliciting to procure various electric capacity products via web-based pricing events administered by Enel X on the Enel X Auction Platform. Consumers will evaluate offers for both:

- **Conforming Offers:** Annual Midcontinent Independent System Operator, Inc. (“MISO”) Zonal Resource Credits (“ZRCs”) sourced from any Local Resource Zone (“LRZ”) within MISO LRZ 1 through 7 (collectively “MISO North”) across Planning Years (“PY” or “PYs”) 2025-26 through 2029-30 and,
- **Non-Conforming Offers:** Alternative capacity products as proposed by respondents, including but not limited to PJM Interconnection (“PJM”) capacity, ZRCs derived from alternative MISO LRZs, and/or offers for seasonal MISO ZRCs.

Consumers will collect conforming offers across two tranches of live reverse auction events on the Enel X Auction Platform, with one tranche for LRZ 7 offers only and an additional tranche for offers derived from LRZ 1 through LRZ 6. Consumers will collect non-conforming offers via a sealed bid submission portal on the Enel X Auction Platform.

Enel X will host online pricing events for Consumers for sought conforming and non-conforming capacity products as detailed below. The pricing events will open for offers beginning at **10:30 AM ET on Thursday, July 18, 2024**. Additional details regarding this RFP are also set out below.

Invitation and Enablement

Consumers invites your company (“Bidder” or “Supplier”) to participate in its upcoming RFP for various MISO capacity products. In support of such participation, Bidders must have an Edison Electric Institute (“EEI”) Master Power Purchase & Sale Agreements in-place with Consumers Energy and have agreed upon use of the Confirmation Template hosted on the Consumers Announcement Webpage.

In order to facilitate enablement activities in advance of the pricing event, unenabled bidders must submit enablement requests via email to wholesaleops.enelxnorthamerica@enel.com by no later than **4:00 PM ET on Tuesday, July 2, 2024**.

Next Steps

- Bidders that do not currently have active EEI Master Power Purchase & Sale Agreements in-place with Consumers must reach out to Enel X via email to wholesaleops.enelxnorthamerica@enel.com by **4:00 PM ET on Tuesday, July 2, 2024** to commence enablement efforts.
- All bidders intending to participate within this RFP process for Consumers must submit an RSVP notice via email to wholesaleops.enelxnorthamerica@enel.com by **4:00 PM ET on Wednesday, July 10, 2024**.
- The online pricing events for Consumers will be open for offers on the Enel X Auction Platform at **10:30 AM ET on Thursday, July 18, 2024**



Product (Pricing Event) List, Schedule

Lot	Description	Product	Term	ZRC Source Zone(s)	Quantity (ZRCs)	Min Offer Quantity (ZRCs)	Pricing Format	Opening Price (\$/MW-day)	Enel X Fee (\$/MW-day)	Auction Start Date (ET)	Auction End Date (ET)	
1	1a. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2025-26	Annual MISO ZRCs	PY 2025-26	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 10:40 AM	
2	1b. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2026-27	Annual MISO ZRCs	PY 2026-27	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 10:45 AM	
3	1c. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2027-28	Annual MISO ZRCs	PY 2027-28	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 10:50 AM	
4	1d. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2028-29	Annual MISO ZRCs	PY 2028-29	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 10:55 AM	
5	1e. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2029-30	Annual MISO ZRCs	PY 2029-30	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:00 AM	
6	1f. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 7 - PY 2025-26 - PY 2029-30	Annual MISO ZRCs	PY 2025-26 - PY 2029-30	LRZ 7	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:05 AM	
7	2a. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2025-26	Annual MISO ZRCs	PY 2025-26	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:10 AM	
8	2b. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2026-27	Annual MISO ZRCs	PY 2026-27	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:15 AM	
9	2c. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2027-28	Annual MISO ZRCs	PY 2027-28	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:20 AM	
10	2d. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2028-29	Annual MISO ZRCs	PY 2028-29	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:25 AM	
11	2e. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2029-30	Annual MISO ZRCs	PY 2029-30	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:30 AM	
12	2f. Consumers Energy Buys up to 400 Annual ZRCs - MISO LRZ 1-6 - PY 2025-26 - PY 2029-30	Annual MISO ZRCs	PY 2025-26 - PY 2029-30	LRZ 1-6 (Bidder Specified)	Up to 400	5	Fixed - \$/MW-day	\$700.00	\$1.65	7/18/24 10:30 AM	7/18/24 11:35 AM	
13	3. Sealed Offer Template Upload Portal for Non-Conforming Offers	<i>Bidder Proposed Alternatives</i>							-	\$1.65	7/18/24 10:30 AM	7/18/24 12:30 PM

Please note that the Auction Opening Prices are intended to serve as conservative starting points and are not indicative of transactable thresholds.

**** Award Statuses Determined, Conveyed to Bidders: July 22, 2024 by 3:30 PM ET ****

Product and Pricing Event Details

Conforming Product Details

- **Locational Requirement of Resources Backing Offered ZRCs:**
 - Tranche 1 (Lots 1 through 6) – MISO LRZ 7
 - Tranche 2 (Lots 7 through 12) – MISO LRZ 1 through 6 (bidder-specified)
 - Consumers will bear responsibility for zonal price separation for MISO North offers outside of LRZ 7.
- **Sought PYs (May through June):**
 - 2025-26
 - 2026-27
 - 2027-28
 - 2028-29
 - 2029-30
- **Term:**
 - Lots 1 through 5, Lots 7 through 11 – Annual
 - Lot 6 and Lot 12 – 5 years
- **Auction Format (Lots 1 through 12):** Live Reverse
- **Quantity of ZRCs Requested:** Up to 400 ZRCs in-total for each applicable PY
- **ZRC Offer Increment, Minimum Offer Quantity:** 5 ZRCs
- **Auction Pricing Format:** \$ / MW-day
- **Auction Opening Price (Lots 1 through 12):** \$700/MW-day
 - Opening Prices are intended as generic starting points and are not indicative of transactable thresholds.



Non-Conforming Product Details

- **Auction Format (Lot 13):** Sealed Bid
 - Bidders may submit for consideration non-conforming offers for alternative capacity products via upload of sealed offer materials (pricing sheets, written proposals, etc.) in response to Lot 13.

Enel X Transaction Fees

- **Enel X Transaction Fee:** \$1.65 / MW-day
 - Enel X will issue awarded Bidder(s) a Fee Addendum and invoice after awarded transaction(s) are executed. Fee payment is due to Enel X within 30 days from receipt of the invoice.

RFP Schedule, Timeline

ID	Milestone	Date	Time (ET)
1	RFP Notice Issued, Announcement Webpage Posted	6/27/2024	-
2	Questions and Answers Window Opens	6/27/2024	-
3	Enablement Requests Due (For Unenabled Bidders)	7/2/2024	4:00 PM
4	Bidder RSVP Notices Due	7/10/2024	4:00 PM
5	Enel X Auction Platform Demonstration (By Request)	7/12/2024	2:00 PM
6	Questions and Answers Window Closes	7/16/2024	4:00 PM
7	Pricing Events Conducted	7/18/2024	10:30 AM - 12:30 PM
8	Award Statuses Determined, Conveyed to Bidders	7/22/2024	3:30 PM

RFP Process Information

Offer Review and Awards

Consumers intends to make initial award notifications by **3:30 PM ET on July 22, 2024**. Bidders must keep their offer(s) open for a minimum of three (3) business days following the close of the final pricing event.

All offers placed on the Enel X Auction Platform are considered executable. Although competitive pricing is a key consideration to the awarding of contracts in this procurement, Consumers will also take into consideration other terms and conditions, including, but not limited to, the financial stability of each Bidder.

Contracting and Credit

Consumers utilizes EEI Master Power Purchase & Sale Agreements to support MISO ZRC transactions. Bidders that do



not have EEI Master Power Purchase & Sale Agreements in place with the Consumers must submit enablement requests via email to wholesaleops.enelxnorthamerica@enel.com by no later than **4:00 PM ET on Tuesday, July 2, 2024** if interested in participating within this RFP process.

Bidder RSVP Notice

All recipients of this RFP who intend to participate in the pricing event(s) as a Bidder are required to submit an RSVP Notice via email to wholesaleops.enelxnorthamerica@enel.com. RSVPs are non-binding and by themselves do not create any obligation for the Bidder, Consumers, or Enel X with respect to this RFP, the online pricing events, and/or any transactions that may result.

Delivery of ZRCs; Payment for ZRCs

ZRC delivery and payment terms have been outlined within the Consumers EEI Transaction Confirmation template currently hosted in the Documents section of the Consumers Announcement webpage.

Within the Transaction Confirmation, delivery requirements will generally be anchored to a set window of time preceding the Fixed Resource Adequacy Plan (“FRAP”) submission deadline for each contract Planning Year. The transactions must be entered into MISO’S Module E Capacity Tracking tool (“MECT”) at least 10 business days prior to the FRAP submission deadline(s) for each contracted Planning Year.

MPSC Review, Approval

Within thirty (30) Days after full execution of Transaction Confirmation(s), such Transaction Confirmation(s) shall be submitted by Consumers to the Michigan Public Service Commission (“MPSC”) for review and approval. If the Transaction Confirmation(s) are not approved by the MPSC in a form deemed acceptable to Consumers Energy within 365 Days, then the Transaction Confirmation(s) shall be deemed to be void ab initio, and the parties shall have no further obligations to each other.

Enel X Platform Demonstrations

Enel X will host optional platform demonstrations for any bidders that desire to participate. To request a demonstration, please do so by logging such requests alongside submitted RSVP emails.

Confidential Information

All offers submitted in response to this RFP become the property of Consumers Energy and/or Enel X upon submittal. Consumers Energy and Enel X will take commercially reasonable precautions and use commercially reasonable efforts to maintain the confidentiality of all offers submitted. Respondents shall clearly identify each page of information considered to be confidential or proprietary.

Consumers Energy reserves the right to release any selected offer(s) to its agents or consultants for purposes of due diligence, contract negotiations, and quality assurance. Consumers Energy’s disclosure policies and standards will automatically bind such agents or consultants.

Regardless of the confidentiality claimed, all such information may be subject to review by the appropriate state



authority, or any other governmental or regulatory authority or judicial body with jurisdiction relating to these matters and may be subject to discovery.

Under such circumstances, Consumers Energy and Enel X will make commercially reasonable efforts to protect respondent's confidential information, such as through entry of a typical protective order or other form of confidentiality agreement used in such proceedings.

Additional Disclaimers

Preparation Costs

All costs directly or indirectly related to preparation of a response to this RFP or any oral presentation required to supplement and/or clarify an offer and/or any related activity following the submission of any such offer which may be required by Consumers shall be the sole responsibility of the Bidder(s).

No Warranties

Consumers makes no representation or warranty, express or implied, as to the accuracy or completeness of any information contained herein or otherwise provided to any Bidder by or on behalf of Consumers. Consumers shall have no liability relating to or arising from any offer information or the use thereof. Bidders are encouraged to conduct their own investigation and analysis of any and all information contained herein or otherwise provided by or on behalf of Consumers.

Liability with Respect to the RFP

This RFP shall not, by itself, give any right to any party for any claim against Consumers Energy and/or Enel X. Furthermore, by submitting an offer, respondent shall be deemed to have acknowledged that Consumers Energy assumes no liability in any fashion with respect to this RFP or any matters related thereto. By submission of an offer, the respondent, for itself as well as for its successors and assigns (if any), agrees that, as between respondent and Consumers Energy, respondent is to be solely responsible for all claims, demands, accounts, damages, costs, losses and expenses of whatsoever kind in law or equity, known or unknown, foreseen or unforeseeable, arising from or out of this RFP.

Reservation of Rights

Consumers may select any offer(s) or no offer(s) submitted in response to this solicitation at Consumers' sole discretion. That determination may not necessarily be based on the lowest offered price but may take into account other factors. Consumers further reserves the right to reject any and all offers.

Questions

For general questions regarding the RFP process and/or products, please contact Sean Perry of Enel X (contact information detailed below).

Sean Perry
Office/Mobile: (617) 688-1322
sean.perry@enel.com