



COTABATO ELECTRIC COOPERATIVE, INC.
(COTELCO)
Manubuan, Matalam, Cotabato
Email: cotelco2day@yahoo.com

BIDS & AWARDS COMMITTEE-POWER SUPPLY PROCUREMENT

INVITATION TO BID

Pursuant to Department of Energy (DOE) Circular No. 2023-06-0021, Energy Regulatory Commission (ERC) Resolution No. 16, Series of 2023 and National Electrification Administration (NEA) Memorandum No. 2023-57, COTELCO, thru its Bids and Awards Committee for Power Supply Procurement (BAC-PSP), invites all interested and qualified Bidders to participate in the competitive bidding for the procurement for the 3MW Supply Renewable Energy under a Power Supply Agreement.

Prospective Bidders may obtain a copy of the Bidding Documents upon complete submission of: (a) Letter of Intent; (b) duly accomplished "Non-Disclosure Undertaking" (form prescribed by the BAC-PSP, [Schedule 1](#)); and payment of a non-refundable "Participation Fee" of Seventy-Five Thousand Pesos (PHP 75,000.00), VAT-inclusive, either cash or Manager's Check payable to Cotabato Electric Cooperative, Inc. to BAC-PSP Secretariat located at COTELCO Headquarters, Brgy. Manubuan, Matalam, Cotabato.

Prospective bidders must specify in their Letter of Intent the designated representative(s) authorized to partake in the execution of the CSP. Only these authorized representatives are allowed to attend the Pre-Bid Conference and the bidding process alongside NEA and other invited observers.

BIDDING ACTIVITIES AND SCHEDULES

No.	Activity	Schedule
1.1	Publication of ITB – 1 st Publication	February 10, 2025
1.2	Publication of ITB – 2 nd Publication	February 17, 2025
2	Issuance of Bid Documents	February 10 -20, 2025
3	Pre-bid Conference (in person/virtual)	February 20, 2025
4	Issuance of Bid Bulletin/s (if necessary)	March 6- March 21, 2025
5	Deadline of Submission of Bids	On or before April 11, 2025, 8:00 am

6	Opening, Evaluation and Declaration of Lowest Calculated Bid (in person/virtual)	April 11, 2025
7	Post Qualification of Bids	April 12-April 25, 2025
8	Issuance of Notice of Award	June 16, 2025

Bids shall be submitted in two (2) separate sealed envelopes. The first main envelope shall contain the technical bid proposal and the eligibility requirements. The technical bid proposal and eligibility requirements shall be placed in separate sealed envelopes inside the first main envelope. The second main envelope shall contain the financial component of the bid and the Bid Security, which shall be placed in separate sealed envelopes inside the second main envelope.

TERMS OF REFERENCE

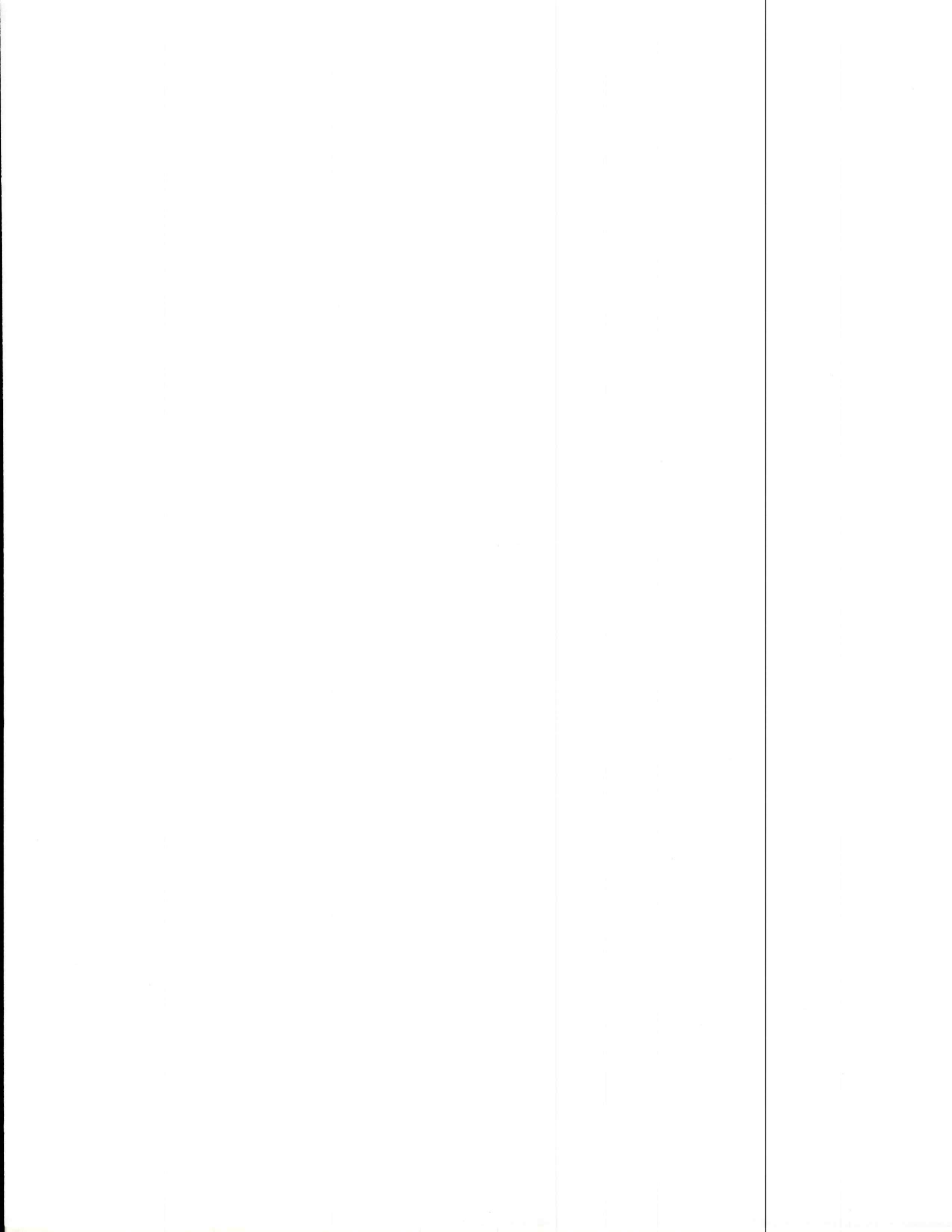
Name of Utility: COTABATO ELECTRIC COOPERATIVE INC.

Target Date of Publication (as indicated in the PSPP): July 15-29, 2024

Purpose of CSP: As scheduled in the PSPP For RPS Compliance

TERMS OF REFERENCE	REQUIREMENT
Area/s to be Service	On-Grid
Demand Requirement	Baseload
Type of Contract	Physical Contract
Pricing Structure	Capacity-based PSA
Technology	Renewable Energy Source (RPS eligible)
Contract Term	Fifteen (15) Years
Target Delivery Date	December 26, 2024 or upon issuance of Provisional or Final Authority by the ERC
Bid Price in Philippine Peso per kilowatt-hour (Php/kWh)	5.20 Php/kWh
For Capacity-based PSA	The capacity-based PSA is 3 MW for Year 1 up to Year 15.

Preferred Plant Location	To circumvent line rental fees, must be within COTELCO's franchise area								
Receiving Point	COTELCO Metering Points								
Tariff Structure	<table border="1"> <thead> <tr> <th>Component</th> <th>Unit</th> </tr> </thead> <tbody> <tr> <td>CRF (Php/kW/Month)</td> <td></td> </tr> <tr> <td>FOM (Php/kW/Month)</td> <td></td> </tr> <tr> <td>VOM (Php/kWh)</td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> • The Bidder must submit sample bills in excel format for the process of evaluation. • Specify formula for base fee adjustment affected by factor such as CPI & others. • No indexation or escalation on Capital Recovery Fee (CRF) • Fixed & Variable O&M fee shall be indexed in Philippine Peso • Present levelized cost of electricity for the 15 years term <p>Market fees should not be included as the buyer's obligation to pay.</p> <p>Line Rental shall be on the account of the Seller.</p>	Component	Unit	CRF (Php/kW/Month)		FOM (Php/kW/Month)		VOM (Php/kWh)	
Component	Unit								
CRF (Php/kW/Month)									
FOM (Php/kW/Month)									
VOM (Php/kWh)									
Outage Allowances per plant	<p>For Each Contract Year during the Contract Period, the Supplier shall have the following outage allowance:</p> <ol style="list-style-type: none"> 1. Scheduled Outage – not to exceed thirty (30) days 2. Unscheduled Outage – not to exceed fifteen (15) days <ul style="list-style-type: none"> • Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the Buyer. The Supplier may, however, procure replacement power through other renewable sources, the cost of which shall be passed on to the Buyer. • All Planned Outages must be scheduled and declared twelve (12) months in advance and must inform the Buyer through a formal letter. • There will be no carry-over of any unutilized outage allowance. 								



	<p>3. Beyond Outage Allowance The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller. In the event of failure by the Seller to provide the Contract Capacity and/or Contract Energy, the Buyer shall be allowed to source the Replacement Power at the expense of the Seller. Provided further, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.</p>
Force Majeure	<p>An event or occurrence specified in Section 6 under Annex Appendix C2 (Template for Physical Contract) of ERC Guidelines.</p> <p>"In the event that the Supplier is unable to supply the Contracted Capacity, either in whole or in part, due to Force Majeure Events (FME), the Supplier may, at its discretion, secure replacement power at a contract rate. However, the Buyer retains the option to either accept or refuse such replacement power during such cases."</p>
Replacement Power	<p>Must comply with Section 15, Article V of 2023 ERC Guidelines</p>
Form of Payment	<p>Payment of any and all fees and charges to the Supplier may be in the form of cash, checks, and other cash equivalents. Payment made other than in the form of cash, must be in cleared funds on or before the designated due dates.</p>
Penalty Provisions in cases of delay in construction of the power plant or commencement of commercial operation	<p>Penalties for the Seller:</p> <ul style="list-style-type: none"> ● No Certificate of Compliance (COC) – Delivered energy shall be settled using NPC/TOU rates (Mindanao) ● Unmet Delivery Period – The Seller shall procure an equivalent RE Certificate (REC) at the Seller's account. ● Outages beyond the allowed limit – The Seller shall procure an equivalent RE Certificate (REC) at the Seller's account. ● Six (6) months delayed in COD – Grounds for Termination

Reduction of Contract Capacity and /or Contract Energy

Scenario 1: If the Transferring Customer transfers to a Retail Electricity Supplier (RES) that is an Affiliate of the Seller, the Buyer shall be entitled to RCOA Reduction provided that:

- a) That the Transferring Customer was an existing captive customer of the Buyer prior to COD.
- b) Buyer's RCOA Reduction quantity shall be equivalent to the average monthly demand of the Transferring Customer for the 12 months immediately preceding the switching date.

Scenario 2: If the Transferring Customer transfers to a RES that is not an Affiliate to the Seller and not an Affiliate of any of the Buyer's power suppliers, the Buyer shall be entitled to RCOA reduction provided that:

- a) The Transferring Customer was an existing captive customer of the Buyer prior to COD;
- b) The average monthly demand of the Transferring Customer for the 12 months immediately preceding the switching date
- c) Buyer's RCOA Reduction quantity shall be computed using the following formula:

Formula:

$$CO_{S1} = \left[\frac{CC_{S1}}{\sum CC_{ST} + WESM} \right] * SC$$

Where:

CO_{S1} – Seller's Carve-Out (in MW) which is equivalent to the reduction of Contracted Capacity due to switching of Contestable Customer (yearly basis from interval 0001H-2400H)

CC_{S1} – Contract Capacity of Seller (in MW) prior to the reduction date

$\sum CC_{ST}$ – Current Aggregated Capacity (in MW) of suppliers contracted by Buyer, immediately prior to the reduction date

WESM– Annual Average Exposure (Purchases, in MW) of Buyer to the Wholesale Electricity Spot Market, immediately prior to the reduction date

	<p>SC – Capacity for Switching (in MW), equivalent to the Average Demand of contestable customers for the 12 months immediately preceding the reduction date.</p> <p>The Contract Capacity and Associated Energy may be reduced equivalent to the reduction in the demand of captive customers of COTELCO by reason of the implementation of Retail Competition and Open Access, the Renewable Energy Law, or other Laws and Legal Requirements.</p>										
<p>Prompt Payment Discount</p>	<p>The Buyer shall be given a PPD Equivalent to 1.5% of the Total Capacity & Energy Charges and other components of the power bill, if any, provided that the Buyer pays the power bill in full on or before the 15th day of the calendar month following the current billing period.</p> <p>Discount will not be part of the Rate Evaluation but rather will be included in the Bid offer in the form of a statement for the terms and conditions set forth by the respective RE Supplier.</p>										
<p>Application Process with ERC</p>	<ul style="list-style-type: none"> • Joint Filing of Application for Approval of PSA • Winning bidder shall shoulder the filing and publication costs 										
<p>Regulatory Approvals</p>	<p>The Bidder understands that the award of the PSA shall be subject to ERC review and approval and shall make the necessary adjustments in accordance with the directive of the ERC</p>										
<p>Other Terms & Conditions</p>	<p>1. The Buyer shall be entitled of Collection Efficiency Discount (CED) provided that it has complied with the following parameters:</p> <table border="1" data-bbox="594 1493 1417 1719"> <thead> <tr> <th>Collection Efficiency Levels</th> <th>Discount (Php/kWh)</th> </tr> </thead> <tbody> <tr> <td>Below 75%</td> <td>None</td> </tr> <tr> <td>76% - 85%</td> <td>0.05</td> </tr> <tr> <td>86% - 95%</td> <td>0.10</td> </tr> <tr> <td>96% and above</td> <td>0.15</td> </tr> </tbody> </table> <p>Conditions of CED Availment:</p> <ul style="list-style-type: none"> • Buyer has no outstanding obligation to the Supplier • Must Submit a copy of its Monthly Financial and Statistical Report (MFSR) 	Collection Efficiency Levels	Discount (Php/kWh)	Below 75%	None	76% - 85%	0.05	86% - 95%	0.10	96% and above	0.15
Collection Efficiency Levels	Discount (Php/kWh)										
Below 75%	None										
76% - 85%	0.05										
86% - 95%	0.10										
96% and above	0.15										

	<p>2. Nomination Protocol - Non-binding year-ahead, month-ahead, week-ahead, and day-ahead nominations.</p> <p>3. Other Terms & Conditions that may be specified in the PSA</p>
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Unless otherwise expressly specified in writing, all references to times and dates shall refer to Manila time. Should any of the above dates fall on a holiday, the deadline shall be extended to the same time of the immediately succeeding Business Day. Unless otherwise expressly specified in writing, the venue of all the above shall be at the COTELCO Headquarters at Brgy. Manubuan, Matalam, Cotabato.

For further clarifications, you may contact the BAC-PSP Secretariat, ENGR. ANNALOU B. ALCARDE, via telephone (064) 521 1661, via cell +639190674611 or by sending an email inquiry address to BAC-PSP Chairman at cotelco_corplan@yahoo.com or kindly visit COTELCO Headquarters at Brgy. Manubuan, Matalam, Cotabato.

**BIDS & AWARDS COMMITTEE-POWER SUPPLY PROCUREMENT (BAC-PSP)
Cotabato Electric Cooperative, Inc. (COTELCO)**

Signed by:


ENGR. BALFREDO J. LAYRON
 BAC-PSP Chairperson

Noted by:


JOEL V. DE GUZMAN, JR., MBA
 General Manager