



PAMPANGA II ELECTRIC COOPERATIVE, INC.

San Roque, Guagua, Pampanga 2003

Tel. Nos. (045)9002650; 9000611; 9001294

INVITATION TO BID

Pampanga II Electric Cooperative, Inc. ("PELCO II"), through its Third Party Bids and Awards Committee ("TPBAC") is conducting its Competitive Selection Process ("CSP") for a supply of peaking energy requirement for fifteen (15) years through a Power Supply Agreement (PSA) under a Build-Operate-Own Program of 15 MW Embedded Generation Power Plant located at Porac, Pampanga in accordance with the Department of Energy Department Circular No. DC2018-02-0003 and National Electrification Administration Memorandum No. 2019-007.

I. BIDDING SCHEDULE

No.	Activity	Target Date
	Publication of the Invitation to Bid	December 26, 2019 and January 2, 2020
	Submission of Letter of Intent	December 27, 2019 to January 29, 2020 Monday-Friday 8:00 AM-5:00 PM
	Accreditation	December 27, 2019 to January 29, 2020 Monday-Friday 8:00 AM-5:00 PM
	Issuance of Bid Documents*	January 13, 2020 - January 29, 2020 Monday-Friday 8:00 AM-5:00 PM. Can be obtained from TPBAC Secretariat at PELCO II Main, San Roque, Guagua, Pampanga, 2003
	Pre-Bid Conference	February 5, 2020, 10:00 AM at PELCO II Boardroom, San Roque, Guagua, Pampanga
	Submission of Comments	February 6 to 13, 2020
	Due Diligence of Proponents	February 6 to March 7, 2020
	Issuance of Bid Bulletin and Final Instruction to Bidders, if there is any.	February 13 to March 3, 2020
	Submission and Opening of Bids	March 10, 2020**, 10:00 AM at PELCO II Boardroom, San Roque, Guagua, Pampanga
	Evaluation of Submitted Bids	March 11 to April 21, 2020**
	Post-Qualification and detailed evaluation of bids	March 11 to April 21, 2020**
	Issuance of Notice of Award to Winning Bidder	May 2020**

* Bid Documents are subject to a separate non-refundable fee.

**PELCO II may extend the scheduled Opening of Bids, depending on the number of participating and qualified Bidders.

PELCO II reserves the right to change the Bidding Schedule.

II. TERMS OF REFERENCE

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Particular	Requirement	Details
Contract Capacity	➤ 15,000 kW	<ul style="list-style-type: none"> ➤ Peaking ➤ Embedded ➤ Conventional ➤ Brand New ➤ Located at Porac, Pampanga ➤ Firm ➤ Power Supplier shall have operated at least one existing power plant of the same technology it was proposing and that has ERC approved PSA in the Philippines. A certification from ERC is required.



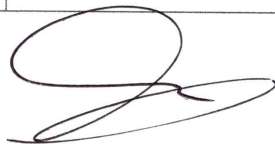
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Contract Term	➤ 15 years from Commercial Operations Date ("COD")	<ul style="list-style-type: none"> ➤ Power Supply Agreement ("PSA") under a Build-Operate-Own Program for PELCO II ➤ Target COD shall be 12 months from Issuance of Notice to Proceed ("NTP")
Contract Energy	➤ None	<ul style="list-style-type: none"> ➤ No take-or-pay volume ➤ No minimum energy off-take
Nominations	➤ Intra-day revisions allowed	➤ PELCO II may revise the nominations stated in its day-ahead nominations, subject to dispatch ramp rates and in accordance with the WESM Rules and Operating Procedures.
Outage Allowance	➤ Shall not exceed 720 hours per contract year	<ul style="list-style-type: none"> ➤ Should be broken down into: <ol style="list-style-type: none"> 1. Scheduled outages and; 2. Unscheduled/Forced outages ➤ Unutilized equivalent hours for Scheduled and Forced outages in any contract year shall not be carried forward to subsequent contract year/s.
Tariff Structure	<ul style="list-style-type: none"> ➤ Should be broken down into: <ol style="list-style-type: none"> 1. Fixed Charges <ol style="list-style-type: none"> a. Capital Recovery Fee (CRF) in Php/kW-month b. Fixed Operations and Maintenance Fee (FOM) also in Php/kW-month 2. Variable Charges <ol style="list-style-type: none"> a. Variable Operations and Maintenance Fee (VOM) in Php/kWh b. Fuel Fee (FF) also in Php/liter which further broken down into: <ol style="list-style-type: none"> i. Regular Fuel Oil (RFO) ii. Light Fuel Oil (LFO) iii. Lube Oil (LO) 	<ul style="list-style-type: none"> ➤ No Indexation on Capital Recovery Fee (CRF) ➤ Operation and Maintenance Fees (FOM and VOM) shall only indexed using the Philippine Consumer Price Index (PhCPI) ➤ No foreign currency component or ForEx indexing, except for Fuel Fee wherein Seller may submit its proposal. ➤ Fuel Fee shall be based on the actual landed cost ➤ Fuel fees shall be computed using the actual Fuel Consumption or the Maximum Guaranteed Fuel Consumption Rate, whichever is lower ➤ No minimum fuel payment or take-or-pay arrangement on fuel
Currency of Payment	➤ Philippine Peso	➤ Payment shall be in PHP

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Plant Specifications	➤ Dependable Capacity	➤ Shall be greater than or equal to contracted capacity
	➤ Installed Capacity	➤ Shall be greater than the Dependable Capacity and not less than 3 generating units
	➤ Rated Engine Speed	➤ 514 to 720 revolutions per minute (rpm)
	➤ Rated Generator Voltage	➤ 13.8 kilo-volts (kV)
	➤ Brand and Model of Engine and Major Auxiliaries	➤ Engines should be made by any known and reputable European Brand, manufactured not earlier than the year 2018. All units should be of identical brand and model including its major auxiliaries.
	➤ Delivery Voltage	➤ 69 kilo-volts (kV)
	➤ Substation	➤ Transformer shall be of reputable brand, preferably from G7 countries including Taiwan or South Korean brands. The substation shall be equipped with a 20 MVA 13.8/69KV Power transformer. The connection shall be a bus-in scheme with a dedicated transformer circuit breaker.
	➤ Transmission Line	➤ Transmission lines from generating plant to PELCO II 69kV line shall be for the account of the Power supplier and shall be erected using concrete poles in accordance with NGCP and PELCO II standards.
	➤ Guaranteed Fuel Consumption	➤ The Power Supplier must comply with the maximum fuel consumption rates as follows: 1. Regular Fuel Oil ("RFO"): 0.2400 ltr/kWh 2. Light Fuel Oil("LFO"): 0.0050 ltr./kWh 3. Lube Oil ("LO"): 0.0018 ltr./kWh
	➤ Ancillary Service Capabilities	➤ The Power Plant should be capable of providing the following ancillary services: 1. Dispatchable Reserve 2. Fast Start Capability A Certification from NGCP is required.
➤ Guaranteed Plant Availability	➤ Shall have a minimum annual Plant Availability of 91.87%	
➤ Black Start Capability	➤ The Generating Plant must be capable to start and synchronize with the System without an external power supply	



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Standard Compliance	<ul style="list-style-type: none"> ➤ Performance Standards, Connection Requirements, Planning, Operations, and Revenue Metering Requirements 	<ul style="list-style-type: none"> ➤ Power Supplier must comply all applicable requirements and standards for Embedded Generators indicated in the latest edition of the Philippine Distribution Code (PDC), Philippine Grid Code (PGC), Philippine Electrical Code (PEC), Environmental Standards, and other related standards pertaining to the installation of power plant
Replacement Power	<ul style="list-style-type: none"> ➤ If plant's availability falls below the guaranteed 91.78% or exceed the allowed 720 outages hours, the Power Supplier shall provide replacement power at the same price as the agreed rate 	<ul style="list-style-type: none"> ➤ Addition Charges pertinent to the Contract Capacity and to the energy declared by Power Supplier for PELCO II shall be for the account of Power Supplier (e.g. Line Rental, Market Fees, Imbalance Charges, Billing Adjustments)
Force Majeure	<ul style="list-style-type: none"> ➤ No payment of Fixed Charges 	<ul style="list-style-type: none"> ➤ PELCO II shall not be required to make payments for any Capacity Fee and Fixed O&M Fee in respect of (i) any Contract Capacity that is unavailable, or (ii) any Contract Capacity that it cannot accept
Transfer Contract Capacity	<ul style="list-style-type: none"> ➤ Capacity Transfer 	<ul style="list-style-type: none"> ➤ PELCO II is entitled to assign, transfer, designate, or allocate its rights and obligations to purchase a portion of Contract Capacity it no longer requires to: <ol style="list-style-type: none"> any of its affiliates or business segments without the prior consent of Power Supplier; any third-party subject to the consent of Power Supplier, which consent shall not be unreasonably withheld, delayed, or conditioned
Penalty for the Delay in Power Plant Completion Date	<ul style="list-style-type: none"> ➤ Php 275,000 per day of delay 	<ul style="list-style-type: none"> ➤ Provided that if the aggregate penalty exceeds Php 50 million, the parties may terminate the PSA, unless the delay is due to force majeure.
Liquidated Damages	<ul style="list-style-type: none"> ➤ Party in default shall pay Liquidated Damages 	<ul style="list-style-type: none"> ➤ Present Value of Capacity Fee for the remaining Contract Term at a discount rate calculated at a rate equal to Philippine Dealing System Treasury Reference Rate ("PDST-R2") for a one (1)-month bid yield on Philippine government securities as displayed on the Philippine Dealing and Exchange Corporation ("PDEX") Market Page, Bloomberg or the PDEX website (or such successor electronic service provider), plus 2% per annum, computed on a 365-day basis
ERC Approval	<ul style="list-style-type: none"> ➤ Provisional Authority or; ➤ Final Approval 	<ul style="list-style-type: none"> ➤ The terms and conditions under the supply agreement, including tariff, shall be subject to approval of the ERC.



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Interested parties are required to submit the following requirements for accreditation: 1) Letter of Intent to Participate in the Bidding, 2) Company Profile; certified true copies of Registration from the following: 3) BIR, 4) DTI and/or SEC; and 5) Mayor's Permit. Accreditation is subject to a non-refundable fee amounting to One Thousand Five Hundred Pesos (Php 1,500.00). Original copies of mentioned documents must be presented for proper authentication.

Bid documents may be obtained from the TPBAC Secretariat upon payment of a non-refundable fee of One Hundred Twenty Five Thousand Pesos (Php 125,000.00). Contact numbers are: (045) 900-0423 loc 127, 132 and 135 / (045) 900-2650.

Only accredited bidders who secured bid documents and paid the bidding costs (non-refundable fees) will be allowed to participate in the bidding. All such proposals shall include the following contact information:


[Contact Person]
[Position and Office]
[Office Address]
[Email Address/es]
[Contact Number/s]
[Fax Number/s]

The resulting PSA shall be awarded to the Power Supplier that offers the most complying and responsive bid pursuant to the terms and conditions specified in the above Terms of Reference.

PELCO II MANAGEMENT RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS, WAIVE ANY OF THE REQUIRED FORMALITY THEREIN AND ACCEPTS BIDS ONLY DEEMED MOST ADVANTAGEOUS TO THE COOPERATIVE.


JANET M. QUIAZON
TPBAC Chairman

Noted by:


AMADOR T. GUEVARRA
General Manager