



CAMOTES ELECTRIC COOPERATIVE

Tamban, Western Poblacion, Poro, Camotes, Cebu

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INVITATION TO PARTICIPATE AND SUBMIT COMPARATIVE PROPOSAL IN THE COMPETITIVE SELECTION PROCESSTHROUGH SWISS CHALLENGE FOR POWER SUPPLY IN CAMOTES ISLAND

Camotes Electric Cooperative Inc. ("CELCO") received from a private proponent (the "Original Proponent") an Unsolicited Proposal for a Power Supply Agreement involving the supply of electric power for the Camotes main grid and Pilar island grid.

CELCO, through its Bids and Awards Committee ("BAC"), intends to subject the Unsolicited Proposal to a Competitive Selection Process (CSP) through Swiss Challenge, and hereby invites interested parties to submit comparative proposals to the said Unsolicited Proposal, as negotiated with Original Proponent, in accordance with its rules on Competitive Selection Process ("CSP Rules"), based on the Revised Implementing Rules and Regulations of R.A. No. 6397, as amended by R.A. No. 7718, or the Build-Operate-Transfer Law, and relevant issuances/rulings of National Electrification Administration, Energy Regulatory Commission and Department of Energy.

Interested parties shall submit the following participation requirements:

1. Letter of Intent ("LOI") which must state the name and address of the party, the name of its authorized representative, and the party's intention to participate in the CSP and purchase CSP documents for purposes of submitting a comparative proposal to the Unsolicited Proposal;
2. Board Resolution or Secretary's Certificate issued by the interested party, authorizing the signatory to the LOI to act and sign documents on behalf of the entity, and signifying that any and all acts of such authorized representative shall be binding on such party; and
3. Non-refundable participation fee of fifty thousand pesos (PhP50,000.00) in cash or in manager's check payable to Camotes Electric Cooperative, Inc. ("CELCO").

Interested parties will be issued Pre-qualification requirements. Pre-qualified parties/proponents will be issued the Comparative/Tender Package upon payment of non-refundable fee of one hundred thousand pesos (PhP100,000.00). Only interested parties who are pre-qualified and were issued the Comparative/Tender Package shall be allowed to submit comparative proposals.

TERMS OF REFERENCE

Type of Agreement	Power Supply Agreement (PSA) for Camotes island
Term of PSA	15 years from Commercial Operations Date
Target Commercial Operation Date	6 months from ERC approval of the PSA
Guaranteed Dependable Capacity	4.0MW for Camotes main grid 0.6MW for Pilar
Contracted Capacity	5.6 MW for Camotes main grid 0.9MW for Pilar
Guaranteed Availability per unit	8500hrs per year
Redundancy	With N-1 capability
Power Supply Commitment	To provide baseload, peaking, standby or reserve power on sustained basis for the entire term of the PSA.
Capacity Supply Commitment	The NPP commits to supply a minimum of 4.0 MW and 0.60MW Guaranteed Dependable Capacity at all times for Camotes and Pilar grids, respectively
Type of Equipment / Technology	Modular/containerized, brand new bunker C-fired Diesel Engines, medium speed

Minimum Energy Offtake	None	
Delivery/Metering Point	First nearest three-phase distribution line to the power plant	
Power Station/Plant Location	Within 3.5-kilometer radius from load center of CELCO distribution system	
Delivery Voltage	13.8 kV	
Levelized Blended Tariff		
Description	Amount	Unit
Capacity Fee Rate	4.6378	PhP/kWh
Fixed O&M Fee Rate	1.3682	PhP/kWh
Variable O&M Fee 1 (Spare parts)	0.2506	PhP/kWh
Variable O&M Fee 2 (Consumables)	0.3079	PhP/kWh
Fuel Fee	7.4544	PhP/kWh
Total Fee or True Cost Generation Rate	14.0189	PhP/kWh

Penalty	
Dispatch Shortfall (Non-compliance to the Generation Schedule and/or Declaration of Capacity below the contracted GDC)	Total Dispatch Shortfall multiplied by the NPP applicable TCGR of the prior billing month.
For each day of delay of delivery from target COD	The NPP shall pay CELCO a penalty of P25,000.00 each day of delay beyond COD
Cause of PSA Termination	Failure to Cure an Event of Default Extended Force Majeure Termination of Subsidy Agreement Failure to Achieve COD ERC Disapproval of the Agreement
Other Requirements	1) Supplying below GDC when called by dispatch shall result to imposition of penalty 2) Generating set shall have been manufactured not earlier than 2016 3) Generator set preferably from Canada, France, Germany, Italy, Japan, United States and United Kingdom.

TIMELINE

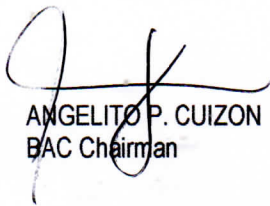
ACTIVITY	TARGET DATE
Publication of Invitation to Participate in the Competitive Selection Process through Swiss Challenge	March 1 and 8, 2018
Submission of letters of interest to participate and issuance of prequalification documents	March 2-15, 2018
Deadline for submission of pre-qualification requirements (PART1)	April 13, 2018 not later than 5 p.m.
Evaluation of pre-qualification documents and announcement/notification of pre-qualified participants	April 13-20, 2018
Issuance of Comparative/Tender Package to prequalified participants/comparative proponents (PART 2)	April 23, 2018
Deadline for submission of acceptance of CSP Documents	April 30, 2018
Due Diligence	April 24-May 4, 2018
Pre bid conference	May 8, 2018 at 10:00 a.m.
Issuance of Final Transaction Documents	May 15, 2018
Submission/opening of comparative proposal (Technical and Financial Proposal)	June 29, 2018 at 10 a.m.
Evaluation of comparative proposal	June 29-July 16, 2018
Declaration of lowest bid/winning proponent	July 17, 2018
Submission of counter proposal/right to outbid by the original proponent	July 18-28, 2018

Recommendation by the BAC/ Approval by the Board of winning proponent	August 15, 2018
Issuance of Notice of Award, and submission of additional requirements by the winning proponent	August 30, 2018

All comparative proponents' proposals shall be accompanied by a refundable Bid Security fee amounting to six million five hundred thousand pesos (PhP6,500,000.00) in manager's check payable to CELCO. CELCO hereby reserves the right to reject any or all bids/proposals, to waive any minor defects or infirmities therein, and to accept such bids/proposals as may be deemed advantageous to CELCO.

For further details, please contact BAC Chairman ANGELITO P. CUIZON, and BAC Secretariat DORIS B. ABALOS, during office hours at the following address, contact numbers and email address:

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ANGELITO P. CUIZON
BAC Chairman