



Province of Siquijor Electric Cooperative, Inc.
PROSIELCO
Larena, Siquijor

Tel. No. (035)377-2065 Fax No. (035)377-2065

**INVITATION TO PARTICIPATE IN THE COMPETITIVE SELECTION PROCESS
THROUGH SWISS CHALLENGE**

Province of Siquijor Electric Cooperative Inc. ("PROSIELCO"), a non-stock non-profit electric cooperative duly organized and existing since December 22, 1977, received from a private proponent (the "Original Proponent") an unsolicited proposal ("Unsolicited Proposal") for a power supply agreement involving the supply of electric power for the Province of Siquijor in addition to the existing 6.464 MW capacity power supply. The Original Proponent proposed to install brand new bunker fired generation facilities with a Net Dependable Capacity of 2.6 MW.

PROSIELCO, through its Bids and Awards Committee ("BAC"), intends to subject the Unsolicited Proposal, as negotiated with the Original Proponent, to a Swiss Challenge in accordance with its rules on a competitive selection process ("CSP Rules") based on the Revised Implementing Rules and Regulations of R.A. No. 6957, as amended by R.A. No. 7718, or the Build-Operate-Transfer Law, and in accordance with the Energy Regulatory Commission's rulings.

PROSIELCO hereby invites interested parties to submit comparative proposals to the said Unsolicited Proposal.

Under the CSP Rules, only interested parties that were issued the complete set of the CSP Rules and related documents ("CSP Package") shall be allowed to submit comparative proposals. Only interested parties who are pre-qualified by PROSIELCO may be issued the CSP Package.

Interested parties shall submit the following documents subject to evaluation of the BAC not later than October 19, 2017, 5:00 o'clock in the afternoon:

1. Notarized 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 purchase the complete set of the CSP Rules and related documents ("CSP Package") for purposes of submitting a comparative proposal to the Unsolicited Proposal;
2. Notarized Board Resolution 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;
3. Non-refundable participation fee of Ten Thousand Pesos (Php 10,000.00) in cash;
4. Original/ Certified Copy of the interested party's Certificate of Incorporation and By-laws;
5. Valid and current Mayor's Permit of the interested party ;
6. Certified True Copy of Latest General Information Sheet; and
7. A Confidentiality and Acceptance Agreement in the form provided by the BAC, duly executed by the said authorized signatory for and in behalf of the interested party.

Interested Parties will be notified within five (5) days from LOI Submission Deadline if they have complied with the requirements for Participation and will proceed to submit the Pre-Qualification

Requirements. Only pre-qualified participants will be issued with the CSP package upon payment of non-refundable fee of Twenty-Five Thousand Pesos (P25,000.00) during the Pre-Bid Conference to be held on November 24, 2017, 9:30 in the morning at the PROSIELCO Solidarity Hall in Nonoc, Larena, Siquijor.

Submitted Pre-Qualification documents will be evaluated by PROSIELCO. Interested parties who successfully pre-qualify shall be issued the CSP Package, subject to and upon notification will be issued the Competitive Selection Process Rules and Documents.

The Comparative Proposal must be submitted strictly in accordance with the said CSP Rules and with the following Terms of Reference:

Particular	Requirement	Details
Contracted Capacity	Base Load	3 MW
	Firm	
Net Dependable Capacity	Base Load	2.6 MW
	Firm	
Type of Power Plant	Bunker Fired Generating Sets	Brand new bunker fired generator engines capable of supplying the Base Load Requirements of PROSIELCO. Date of manufacture is not earlier than 2016.
Cooperation Period	The PSA shall be in force for a period of 20 years on the effectivity date of January 1, 2018 to December 31, 2038, unless earlier terminated in accordance with the provisions of the PSA	
Generator Sets	At least two (2) units	Each Generator Set should have the following: <ul style="list-style-type: none"> • Power Transformer • Revenue Meter • Switch Gear • PROSIELCO shall have the authority to access the program of the switch gear to coordinate with the protection of the distribution system
Ownership after expiration of Cooperation Period	PROSIELCO will obtain ownership of the Power Plant without any outright financial outlays through a BUILD-OPERATE-TRANSFER scheme.	
Contract Energy	No minimum energy off-take	
Outage Allowance per Generator Set	Shall not exceed 760 hours <ul style="list-style-type: none"> • Scheduled Outages • 460 hours 	Any unutilized Scheduled Outage periods shall not be used for Unscheduled Outages and vice versa. Any unutilized Scheduled and Unscheduled Outage allowances within a calendar year shall not be accumulated for use during the succeeding years of the cooperation period.
	<ul style="list-style-type: none"> • Unscheduled Outages • 300 hours 	

Tariff Structure	Shall be broken down into:	Rationale of indexation including the sources, reference date and weight of indexation. Derivation of the formula for the charges shall be included.
	Fixed Charges (PHP /kW- Mo)	Capacity Recovery Fee: <ul style="list-style-type: none"> • No indexation
		Fixed O&M Fee: <ul style="list-style-type: none"> • No Foreign Currency Indexation
	Variable Charges (PHP/kWh- Mo)	Variable O&M Fee: <ul style="list-style-type: none"> • No Foreign Currency Indexation
Fuel Recovery Fee: <ul style="list-style-type: none"> • No minimum fuel payment or take-or-pay arrangement on fuel • Pass-through fuel cost 		
Currency of Payment	Payment in Philippine Peso	
Prompt Payment Discount	<p>In the event that the full and proper payment for the Electricity is made by PROSIELCO on or before the 10th day of the month, the Power Supplier shall grant PROSIELCO a prompt payment discount of three percent (3%) of the Total Power Bill for the month.</p> <p>Prompt payment discount shall not be included in the evaluation of bid offer.</p>	
Method of Procurement of Fuel	All details on the procurement process of fuel including the Fuel Supply Agreement Sworn Statement detailing how the fuel was competitively procured, contract terms, unbundled price components (product cost, transshipment, delivery container, etc.) shall be submitted to PROSIELCO.	
Force Majeure	For the duration of the Agreement, when PROSIELCO will not be able to receive electricity at the receiving point due to force majeure, PROSIELCO shall not pay for Fixed Charges aforementioned therein.	<p>PROSIELCO shall not be required to make payments for any of the following:</p> <ul style="list-style-type: none"> • Capacity that is unavailable • Capacity that it cannot accept
Years of Experience Bidders	At least two years of experience employing the same technology. A copy of the Certificate of Project Completion with other customers is also required.	
Taxes	All taxes pertaining to the Power Supplier shall not form part of and it's excluded from the computation of the Tariff Structure.	

Among other requirements, the Comparative Proponent must possess a track record, experience and expertise in the financing, design, construction, testing and commissioning, operation and maintenance of a similar project in the country.

The Comparative Proponent must offer the least cost technology in order to be awarded the Power Supply Agreement (PSA).

The public is hereby notified that if in every stage of the competitive selection process no complete and compliant document/form/proposal is submitted, the PSA shall be awarded to the Original Proponent.

For further details, please contact MS. MAE SHEILE P. LAGUMBAY, BAC Secretariat or the designated officer-in-charge during office hours at the following contact numbers:

Province of Siquijor Electric Cooperative Inc.
Nonoc, Larena, Siquijor
Contact No. (035)377-2065

(SGD)GLENN V. GALVAN
Chairman
Bid and Awards Committee

APPROVED:

(SGD)EMELY GOM-OS
Board President