



INVITATION TO BID (2020-001 PSA)

Pampanga II Electric Cooperative, Inc. ("PELCO II"), through its Third Party Bids and Awards Committee ("TPBAC") conducts its Competitive Selection Process ("CSP") for a supply of forty megawatts (40 MW) baseload power requirement for ten (10) years through a Power Supply Agreement (PSA) in accordance with the Department of Energy Department Circular No. DC2018-02-0003 and National Electrification Administration Memorandum No. 2019-007.

I. BIDDING SCHEDULE

Activity	Target Date
Publication of the Invitation to Bid	July 9 and 16, 2020
Submission of Letter of Intent	July 10 to July 30, 2020* Monday-Friday 8:00 AM-5:00 PM
Accreditation	July 10 to July 30, 2020* Monday-Friday 8:00 AM-5:00 PM
Issuance of Bid Documents*	July 17 to August 7, 2020 Monday-Friday 8:00 AM-5:00 PM. Can be obtained from TPBAC Secretariat at PELCO II Main Office, San Roque, Guagua, Pampanga, 2003
Pre-Bid Conference	August 11, 2020, 10:00 AM at PELCO II Boardroom, San Roque, Guagua, Pampanga, 2003
Submission of Comments	August 12 to 19, 2020
Issuance of Bid Bulletin and Final Instruction to Bidders, if there is any.	August 13 to 20, 2020
Submission and Opening of Bids	August 27, 2020**, 10:00 AM at PELCO II Boardroom, San Roque, Guagua, Pampanga, 2003
Evaluation of Submitted Bids	August 28 to September 14, 2020**
Post-Qualification and detailed evaluation of bids	August 28 to September 14, 2020**
Issuance of Notice of Award to Winning Bidder	September 2020**

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

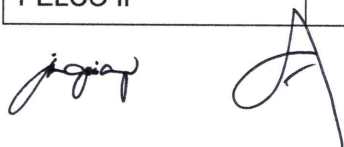
** PELCO II may extend the scheduled Opening of Bids, depending on the number of participating and qualified Bidders.

PELCO II reserves the right to change the Bidding Schedule.

II. TERMS OF REFERENCE

TERMS OF REFERENCE		
Particular	Requirement	Details
Cooperation Period / Contract Term	➤ Power Supply Agreement (PSA) for ten (10) years	December 26, 2020 to December 25, 2030
Contract Capacity/Demand	➤ 40 Megawatt (MW)	a) Base load b) Firm c) Power Supplier that owns and/or operates existing and operational power plant(s), it was proposing. d) Power Supplier must have a Certificate of Good Performance from existing customers
Contract Energy	➤ None	No take-or-pay volume. No minimum energy off-take.
Preferred Technology	➤ None	All plant technology capable of supplying baseload requirements

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Target Commercial Operations Date (COD)	➤ December 26, 2020	Power Supply shall be available by December 26, 2020
Outage Allowance (OA) / Replacement Power (RP)	<ul style="list-style-type: none"> ➤ OA shall not more than fifteen (15) days per year ➤ Seller may submit its proposal with regards to RP 	<ul style="list-style-type: none"> a) For the PSA, Seller may specify the outage allowance if such is needed b) Should be broken down into: <ul style="list-style-type: none"> (i) Scheduled outages and; (ii) Forced/ Unscheduled outages c) Unutilized equivalent hours for OA in any contract year shall not be carried forward to subsequent contract year/s.
Enumeration of Cost / Tariff Structure	<ul style="list-style-type: none"> ➤ Should be broken down into: <ol style="list-style-type: none"> 1. Fixed Charges (PhP/kW/mo) and; 2. Variable Charges (PhP/kWh) 	<ul style="list-style-type: none"> a) Fixed Charges consist of Capital Recovery Fee (CRF) and Fixed O&M Fee (FOM); b) Variable Charges consist of Fuel Fee and Variable O&M Fee (VOM) c) No Indexation CRF d) FOM and VOM can be index using only the Philippine Consumer Price Index (PhCPI) e) No foreign currency component or ForEx indexing, except for Fuel Fee, wherein Seller may submit its proposal. f) No minimum fuel payment or take-or-pay arrangement on fuel
Grounds for Termination	➤ Event of Default	<p>The following events shall constitute an "Event of Default":</p> <ul style="list-style-type: none"> a) If Bankruptcy of either Party occurs; b) If either Party is in breach of any of its material obligations under the Agreement; and c) with respect to BUYER only, the suspension by NEA or any other applicable government or regulatory authority.
Penalties and Liquidated Damages	➤ Party in default shall pay Liquidated Damages	Present Value of Capacity Fee for the remaining Contract Term at a discount rate calculated at a rate equal to Bankers Association of the Philippines new set of reference rates ("PHP BVAL Reference Rates") for a one (1)-month bid yield on Philippine government securities as displayed on the Philippine Dealing System Holdings Corporation ("PDS Group") Market Page, Bloomberg or the PDS website (or such successor electronic service provider), plus 2% per annum, computed on a 365-day basis
Currency of Payment	➤ Philippine Peso	Payment in PHP
Other Charges pertinent to the Contract Capacity and to the energy declared by Power Supplier for PELCO II	➤ Charges that for the account of Power Supplier	Example: Line Rental, Market Fees, Imbalance Charges, Billing Adjustments





PAMPANGA II ELECTRIC COOPERATIVE, INC.

San Roque, Guagua, Pampanga 2003

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

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Particular	Requirement	Details
Force Majeure	➤ No payment of Fixed Charges	PELCO II not required to make payments for any Capacity Fee and Fixed O&M Fee in respect of (a) any Contract Capacity that is unavailable, or (b) any Contract Capacity that it cannot accept
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.
Reduction of Contract Capacity	➤ Capacity Reduction	PELCO II, from time to time, shall be entitled to a reduction in the Contract Capacity equivalent to the reduction in the demand of its captive customers.
ERC Approval	➤ Provisional Authority or; ➤ Final Approval	The terms and conditions under the supply agreement, including tariff, shall be subject to approval of the ERC.

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 Three Hundred Fifty Thousand Pesos (Php 350,000.00). 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