

FINAL TERMS OF REFERENCE

LONG TERM AGGREGATED
BASELOAD DEMAND
(2024-2033) OF REGION 8
ELECTRIC COOPERATIVES



REGION 8 JOINT COMPETITIVE
POWER SUPPLY PROCUREMENT
(R8 JCPSP)



Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) for Long Term Aggregated Baseload Demand of Region 8 Electric Cooperatives

TERMS OF REFERENCE (TOR)

Name of Utilities:

DON ORESTES ROMUALDEZ ELECTRIC COOPERATIVE, INC. (DORELCO)
 LEYTE III ELECTRIC COOPERATIVE, INC. (LEYECO III)
 LEYTE IV ELECTRIC COOPERATIVE, INC. (LEYECO IV)
 LEYTE V ELECTRIC COOPERATIVE, INC. (LEYECO V)
 SOUTHERN LEYTE ELECTRIC COOPERATIVE, INC. (SOLECO)
 SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I)
 SAMAR II ELECTRIC COOPERATIVE, INC. (SAMELCO II)
 EASTERN SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO)
 NORTHERN SAMAR ELECTRIC COOPERATIVE, INC. (NORSAMELCO)
 BILIRAN ELECTRIC COOPERATIVE, INC. (BILECO)

Target Date of Publication: April 6, 2024

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

TERMS OF REFERENCE	REQUIREMENT									
Area/s to be Service	<input checked="" type="checkbox"/> On-Grid <input type="checkbox"/> Off-Grid <input type="checkbox"/> Both On and Off Grid									
Demand Requirement <i>(Multiple choices allowed)</i>	<input checked="" type="checkbox"/> Baseload <input type="checkbox"/> Intermediate <input type="checkbox"/> Peaking									
Supply Type	<input checked="" type="checkbox"/> Firm <input type="checkbox"/> Non-Firm									
Type of Contract	<input checked="" type="checkbox"/> Physical PSA <input type="checkbox"/> Financial PSA									
Pricing Structure	<input type="checkbox"/> Capacity-based PSA <input checked="" type="checkbox"/> Energy-Based PSA									
Contract Term <small>(The term of the PSA shall be for a maximum period of (10) years in the case of Financial PSAs. For Physical PSAs, the maximum term shall be for a period of (15) years, except for Physical PSAs where the nominated plants are renewable energy power plants, in which case, it may have a maximum term of twenty (20) years. All of these terms shall be reckoned</small>	<p>The contract capacity is divided into two (2) lots with the following contract terms:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">LOT</th> <th style="text-align: center;">PERIOD</th> <th style="text-align: center;">DEMAND</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Lot 1</td> <td style="text-align: center;">2024 - 2033</td> <td style="text-align: center;">162 MW</td> </tr> <tr> <td style="text-align: center;">Lot 2</td> <td style="text-align: center;">2027 - 2033</td> <td style="text-align: center;">28 MW</td> </tr> </tbody> </table>	LOT	PERIOD	DEMAND	Lot 1	2024 - 2033	162 MW	Lot 2	2027 - 2033	28 MW
LOT	PERIOD	DEMAND								
Lot 1	2024 - 2033	162 MW								
Lot 2	2027 - 2033	28 MW								



from commencement of supply.)

Target Delivery Date

Delivery periods for Lot 1 and Lot 2 are as follows;

EC	LOT 1 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	October 8, 2024	December 25, 2033
LEYECO III	September 9, 2024	December 25, 2033
LEYECO IV	September 15, 2024	December 25, 2033
LEYECO V	September 22, 2024	December 25, 2033
SOLECO	September 26, 2024	December 25, 2033
SAMELCO I	October 7, 2024	December 25, 2033
SAMELCO II	August 26, 2024	December 25, 2033
ESAMELCO	September 26, 2024	December 25, 2033
NORSAMELCO	September 26, 2024	December 25, 2033
BILECO	August 26, 2024	December 25, 2033

EC	LOT 2 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	December 26, 2026	December 25, 2033
LEYECO V	December 26, 2026	December 25, 2033
SOLECO	December 26, 2026	December 25, 2033
SAMELCO I	December 26, 2026	December 25, 2033
SAMELCO II	December 26, 2026	December 25, 2033
NORSAMELCO	December 26, 2026	December 25, 2033

Bid price in Philippine Peso per kilowatt-hour (Php/kWh)

(the "ceiling price" – inclusive of fuel cost but excluding any penalties and/or discounts to be implemented for the duration of the contract period)

In Peso per kilowatt-hour (Php/kWh) inclusive of fuel cost but excluding any penalties and/or discounts to be implemented for the duration of the contract.



For Capacity-based PSA

(CSPs with multiple demand requirements, please indicate whether for Baseload, Intermediate, or peaking)

The contract capacity is divided into two (2) lots as follows:

LOT	PERIOD	DEMAND
Lot 1	2024 - 2033	162 MW
Lot 2	2027 - 2033	28 MW

Breakdown for Lot 1 is as follows;

LOT 1 ECs	CONTRACT YEAR
	2024 – 2033
DORELCO	12
LEYECO III	8
LEYECO IV	18
LEYECO V	40
SOLECO	14
SAMELCO I	14
SAMELCO II	17
ESAMELCO	15
NORSAMELCO	16
BILECO	8
TOTAL - LOT 1	162 MW

For Lot 1, a Bidder may offer to supply capacity that is less than or equal to 81 MW or 50% of the total aggregated baseload requirement for the entire period, in increments of one (1) Megawatt (MW).

The contracts shall be awarded to the bidders with the Lowest Calculated Responsive Bid (LCRB) until the total aggregated demand is satisfied.

All winning Bidders shall enter into individual Power Supply Agreements (PSAs) with each of the participating ECs. The allocation of the offered capacity for each participating EC shall be in increment of 1MW.



Breakdown for Lot 2 is as follows;

LOT 2 ECs	CONTRACT YEAR
	2027 – 2033
DORELCO	6
LEYECO V	5
SOLECO	4
SAMELCO I	4
SAMELCO II	3
NORSAMELCO	6
TOTAL - LOT 2	28 MW

For Lot 2, Bidder must offer to supply the entire aggregated baseload requirement for the entire contract period. The contract shall be awarded to the bidder with the Lowest Calculated Responsive Bid (LCRB) for the lot.

For Energy-based PSA

(CSPs with multiple demand requirements, please indicate whether for Baseload, Intermediate, or peaking)

Energy requirement per month from 2024 to 2033 for Lot 1 is presented in the Table that follows;

Month	ENERGY REQUIREMENT (kWh)												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
2024	Min								19,796,400	70,761,600	78,343,200	75,816,000	244,717,200
	Max								30,456,000	108,864,000	120,528,000	116,640,000	376,488,000
2025	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2026	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2027	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2028	Min	78,343,200	78,343,200	73,288,800	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	924,955,200
	Max	120,528,000	120,528,000	112,752,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,423,008,000
2029	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2030	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2031	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000
2032	Min	78,343,200	78,343,200	73,288,800	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	924,955,200
	Max	120,528,000	120,528,000	112,752,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,423,008,000
2033	Min	78,343,200	78,343,200	70,761,600	78,343,200	75,816,000	78,343,200	75,816,000	78,343,200	78,343,200	75,816,000	78,343,200	922,428,000
	Max	120,528,000	120,528,000	108,864,000	120,528,000	116,640,000	120,528,000	116,640,000	120,528,000	120,528,000	116,640,000	120,528,000	1,419,120,000

For Lot 2, monthly and yearly energy demand requirement is presented in the table that follows;



Month	ENERGY REQUIREMENT (kWh)												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
2027	Min	13,540,800	13,540,800	12,230,400	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	18,816,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2028	Min	13,540,800	13,540,800	12,667,200	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	19,488,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2029	Min	13,540,800	13,540,800	12,230,400	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	18,816,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2030	Min	13,540,800	13,540,800	12,230,400	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	18,816,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2031	Min	13,540,800	13,540,800	12,230,400	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	18,816,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2032	Min	13,540,800	13,540,800	12,667,200	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	19,488,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000
2033	Min	13,540,800	13,540,800	12,230,400	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800	13,104,000	13,540,800
	Max	20,832,000	20,832,000	18,816,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000	20,160,000	20,832,000

Minimum Energy Off-Take

The Buyer shall be allowed to nominate at least 50% of the Contract Capacity per interval divided by twelve (12) on all 5-minute Trading Intervals, but at the end of the relevant billing period, the Buyer shall be obligated to pay for the Product at 65% monthly minimum CUF or actual energy purchased, whichever is higher. The BUYER will be billed based on Monthly CUF if, at the end of the billing period and after reconciliation, the nomination falls below the Monthly CUF for reasons other than FM.

Type of Technology

Open

Preferred Plant Location, if applicable

No preferred plant location.

Conditions before the start of supply

Issuance of Provisional Authority or Interim Relief, as applicable or Final Authority, if neither Provisional Authority or Interim Relief was issued.

Security Deposit: Not Applicable

Tariff Structure

The bidder shall specify its levelized Energy Payment offer in Php/kWh.

The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items shall be itemized and classified into:

- Capital Recovery Fee (CRF)
- Fixed Operation and Maintenance Cost (FOM)
- Variable Operation and Maintenance Cost (VOM)
- Fuel Cost

a. No indexation or escalation on CRF.

b. FOM, FC, and VOM shall be subject to indexation or escalation.



	<p>c. Pricing for the capacity fee must be for each level of Capacity Utilization Factor (CUF) from 65% to 100%.</p> <p>The Bidder shall include all necessary attachments (e.g. invoices), documentations, and any other relevant information in every billing statement that will enable the EC to determine that the billing computation is compliant with the PSA.</p> <p>Bidder shall also specify all other applicable charges incorporated in its payment offers such as, but not limited to, connection facilities, wheeling charges, metering, communication equipment, and government taxes or levies.</p> <p>Bidder shall specify its Total Landed Generation Cost in PhP/kWh and shall serve as Financial Bid Price.</p> <p>Specify formula for base fee adjustments affected by factors such as Philippine Inflation Rate, FOREX, and Escalation due to fuel degradation and others.</p> <p>Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period.</p> <p>Each of the unbundled tariff components shall be accompanied by a derivation, computation, or simulated value for every year of the PSA, as applicable.</p>																														
<p>Outage Allowances per plant</p>	<p>Maximum number of hours of Allowed Scheduled and Unscheduled Outages per year shall be based on ERC Resolution No. 010, Series of 2020 as follows:</p> <p style="text-align: center;">Allowed Scheduled and Unscheduled Outages per Plant Type</p> <table border="1" data-bbox="443 1478 1305 1971"> <thead> <tr> <th>Plant Type</th> <th>Scheduled (Hours)</th> <th>Unscheduled (Hours)</th> </tr> </thead> <tbody> <tr> <td>Coal (Pulverized)</td> <td>669</td> <td>403</td> </tr> <tr> <td>Coal (Circulating Fluidized Bed)</td> <td>369</td> <td>405</td> </tr> <tr> <td>Gas (Combined Cycle)</td> <td>300</td> <td>184</td> </tr> <tr> <td>Gas (Turbine)</td> <td>156</td> <td>544</td> </tr> <tr> <td>Diesel</td> <td>120</td> <td>336</td> </tr> <tr> <td>Oil Fired Thermal</td> <td>739</td> <td>667</td> </tr> <tr> <td>Geothermal</td> <td>144</td> <td>328</td> </tr> <tr> <td>Hydroelectric</td> <td>554</td> <td>163</td> </tr> <tr> <td>Biomass</td> <td>784</td> <td>168</td> </tr> </tbody> </table> <p>All Scheduled Outages must be scheduled and declared twelve</p>	Plant Type	Scheduled (Hours)	Unscheduled (Hours)	Coal (Pulverized)	669	403	Coal (Circulating Fluidized Bed)	369	405	Gas (Combined Cycle)	300	184	Gas (Turbine)	156	544	Diesel	120	336	Oil Fired Thermal	739	667	Geothermal	144	328	Hydroelectric	554	163	Biomass	784	168
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	<p>(12) months in advance.</p> <p>There shall be no borrowing of Scheduled and Unscheduled outage allowances.</p> <p>There shall be no carry-over of any unutilized outage allowances from a calendar year on the succeeding years of the cooperation period.</p>
<p>Force Majeure <i>(Should be in accordance with prevailing DOE and ERC issuances)</i></p>	<p>"Force Majeure" refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations;</p> <ol style="list-style-type: none">1. Acts of God. Acts of God, should only be considered as force majeure sufficient to terminate the contract if—<ol style="list-style-type: none">a. The event or calamity is of the degree or intensity that continued operation of the parties would lead to death or injury of the parties' employees or agents;b. The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public.2. Epidemic. An epidemic officially declared by the national or local government, should only be considered as force majeure and a ground for termination of contract, if the epidemic causes:<ol style="list-style-type: none">a. Impossibility to deliver the contracted goods or services; orb. When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations.3. Other Events or Force Majeure (Force Majeure-Acts of Man). Force Majeure events occurring in or directly affecting the Philippines include:<ol style="list-style-type: none">a. any act of war (whether declared or undeclared, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;b. nationwide strikes, works to rule or go-slows that extend beyond the Facility or are widespread or nationwide, or that are of a political nature;



- c. radioactive contamination or ionizing radiation originating from a source outside or inside the Philippines.
- d. Transmission failure and System Operator Curtailment, or acts of any third party that may materially affect the capability of Buyer to draw power from the NGCP grid, or the inability of the Seller to deliver due to the same event, which is unforeseen and could not reasonably be expected or is beyond the control of the affected party, except line congestions on the existing facilities of the Buyer or the Seller to the Grid.

In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder, such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure; (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (d) perform acts to avoid further loss or wastage; (e) keep such other Party apprised of such efforts on a continuous basis; and (f) provide written notice of the resumption of performance hereunder. Notwithstanding the occurrence of a Force Majeure, the Parties shall perform their obligations to the extent the performance of such obligations is not impeded by the Force Majeure.

Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to the Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Party's may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) (___) consecutive months prior to the Effective Date or (b) (___) consecutive months after the Effective Date.

There will be no payment of any capacity fee or any capacity that



	<p>the EC cannot accept, in case of outage during any force majeure.</p> <p>All other arrangements in case of force majeure may be agreed upon by parties and shall form part of the PSA, but should be consistent with the TOR.</p>
<p>Replacement Power</p>	<p>Within the Allowed Outage. The Power Supplier and the EC shall cooperate to arrange for replacement power from, including, but not limited to, any other facilities of the power supplier, third parties and the WESM. The Power Supplier, at its own cost and in consultation with the EC, shall negotiate on behalf of the EC for the supply and delivery of capacity and energy from third parties for a price as close as possible to the contract price. The EC, however, has the right to accept or reject the replacement power offered by the Power Supplier.</p> <p>Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage, including delay in the Commencement of Delivery (COD) shall be the responsibility of the Power Supplier. The rates to be billed for the procurement of Replacement Power shall be the generation rate equivalent to the provisional or final approved generation rate, or the actual rate of the replacement power, whichever is lower.</p>
<p>Form of Payment <i>(Form of Payment to be determined by the EC)</i></p>	<p>Mode of payment shall through manager's check and bank transfer.</p> <p>Currency of Payment: Philippine Peso</p> <p>Billing Period: Monthly</p>
<p>Penalty provisions in cases of delay in construction of the power plant or commencement of commercial operations or in case of default in delivery <i>(Ideally, the penalties should be at levels that is reasonably low so as not to discourage interested parties, at the same time reasonably high so as to discourage parties who may otherwise be willing to risk not meeting the delivery timetable or supply obligations in order to obtain the contract. At the same time, the penalty provisions should</i></p>	<p>Liquidated damages in case of default shall be the cost of actual replacement power and any other costs incurred to secure power and shall be paid within twenty (20) calendar days after written demand for payment.</p>



<p><i>reasonably accommodate delays due to force majeure or circumstances outside of the control of the parties.)</i></p>	<p>Valid grounds for termination are:</p> <ol style="list-style-type: none"> a. Events of Default b. Expiration of cooperation period. c. Mutual agreement by both parties d. Changes in the circumstances as agreed under the PSA. e. If an event of force majeure as defined herein will exceed sixty (60) consecutive days and the affected party cannot fully perform its obligations under the PSA, either party may terminate the PSA by providing written notice within the 60-day period of the force majeure. <p>An ERC approved final rate lower than that of the PSA rate shall not be a valid ground for the termination of the contract. EC shall not be liable for the difference between the PSA rate and the ERC approved final rate.</p>
<p>Reduction of Contract Capacity and/or Contract Energy</p> <p><i>(EC to prepare protocol for the reduction in the contract or capacity or energy with observance with existing rules and regulation)</i></p>	<p>The reduction of contract capacity shall be allowed in case of:</p> <ol style="list-style-type: none"> a. Loss of captive customers due to Retail competition and Open Access b. Reduction of demand of the EC due to special circumstances beyond the control of the EC. <p>EC may assign, transfer, designate, or allocate its rights and obligations to purchase a portion of contract it no longer requires to:</p> <ol style="list-style-type: none"> a) Any of its business segments with prior consent of Power Supplier; or b) Any affiliate, third party, or other ECs of FRECOR 8 subject to the consent of Power Supplier <p>The consent of the Power Supplier shall not be unreasonably delayed or conditioned at the disadvantage of the EC.</p> <p>Any reduction of contract capacity shall require approval of the ERC and must comply with applicable rules of competition set by the Government.</p>
<p>Prompt Payment</p>	<p>The Seller shall extend (___) percent (___%) discount based on the non-fuel fee (sum of Capital Recovery Fee, Fixed O&M and</p>



Discount and other Discounts	variable O&M Fee, if applicable) to the Buyer as prompt payment discount if payment is made within ten (10) Days from receipt of Seller's billing provided that the Buyer has no outstanding payables to the Seller.
Bidders Qualifications	<p>Bidders qualifications are as follows;</p> <ol style="list-style-type: none"> a. All forms of business organizations including Joint Ventures are encouraged to participate in the bidding process subject to applicable government licenses and permits. b. The bidder must comply with the constitutional requirement on ownership. c. The capacity offer of the bidder must be compliant with all the ownership limitations prescribed under EPIRA. d. If bidder is formed as partnership, corporation, consortium, joint venture or any similar association for purpose of this CSP, it must present an agreement showing that the Bidder and all its partners, shareholders, joint venture, associates, as may be applicable, are jointly and severally liable to (EC) for any and all costs and obligations arising from this CSP and the resulting PSA. e. For new power suppliers, the qualification shall be based on: (i) the experience and competence of its personnel to manage and operate the plant; and, (ii) acceptability of its operational management plan during technical bid evaluation.
Transmission Failures	If the EC is not able to take the Power Contracted from the Delivery Point, for causes attributable to a system rotational brownout or load dropping imposed by the System Operator, and/or any failure by the Transmission Utility to transmit the Power Contracted, including those due to any localized transmission line outages (other than as a result of a system-wide or grid-wide blackout or service interruption), the EC may, after the occurrence of any of such events, revise its Nomination for the succeeding Trading Interval/s on the same trading day ("Real-Time Nomination") and the Seller shall accept the Buyer's Real-Time Nomination.
Assignment	Neither Party shall assign this Agreement or its rights hereunder



	without the prior written consent of the other Party. Replacement of Power by a third party shall not be construed as an assignment within the purview of this agreement.
Risk Mitigation and Value-Added Services	<p>A risk mitigation agreement shall be agreed upon by the Seller and the Buyer to mitigate the risks on account of:</p> <ul style="list-style-type: none"> a. Price Volatility in the WESM b. Plant Outages of the Seller c. Higher price for low capacity utilization d. Defaults of either party e. Other agreements to be finalized under the PSA f. Prompt Payment discount and any other applicable discounts

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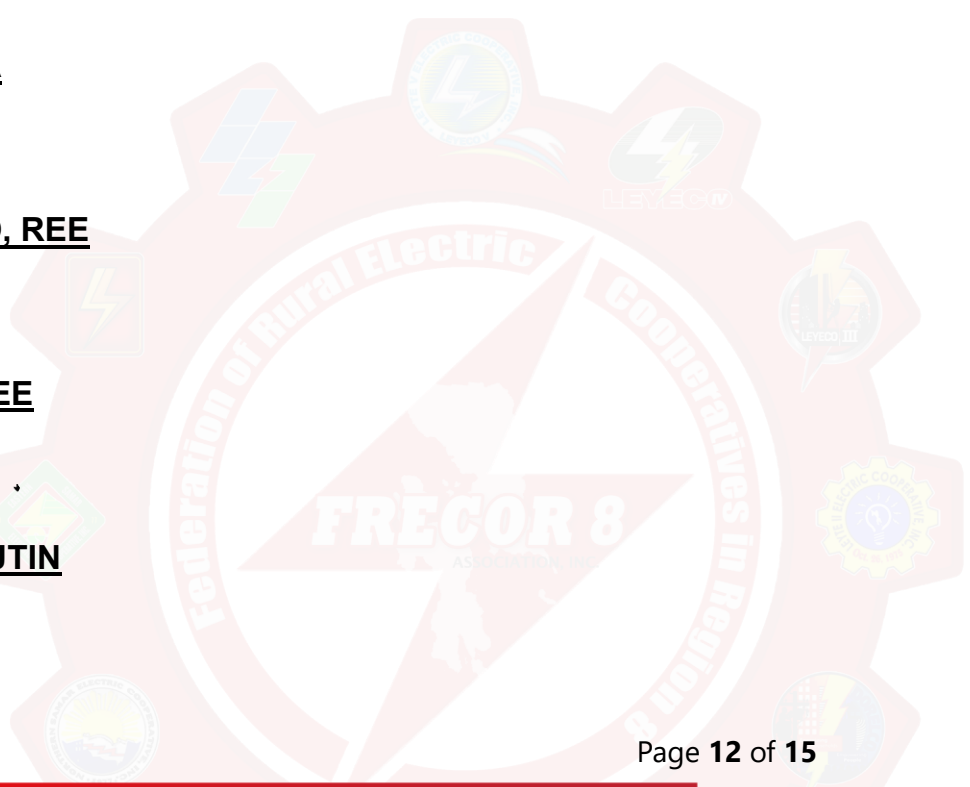
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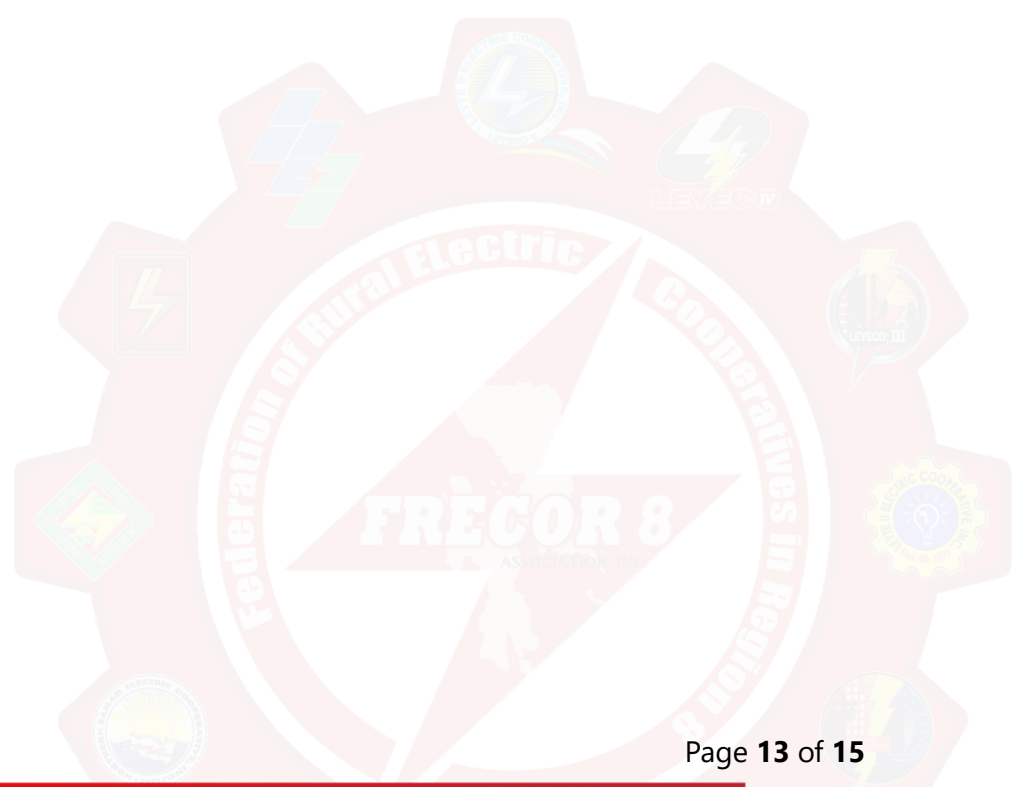
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ANNEX A

LOT 1 : Aggregated Baseload Demand of Region 8 ECs (2024-2033)

EC	CONTRACT YEAR
	2024 – 2033
DORELCO	12
LEYECO III	8
LEYECO IV	18
LEYECO V	40
SOLECO	14
SAMELCO I	14
SAMELCO II	17
ESAMELCO	15
NORSAMELCO	16
BILECO	8
TOTAL - LOT 1	162 MW

LOT 2 : Aggregated Baseload Demand of Region 8 ECs (2027 – 2033)

EC	CONTRACT YEAR
	2027 – 2033
DORELCO	6
LEYECO V	5
SOLECO	4
SAMELCO I	4
SAMELCO II	3
NORSAMELCO	6
TOTAL - LOT 2	28 MW



ANNEX B

EC	LOT 1 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	October 8, 2024	December 25, 2033
LEYECO III	September 9, 2024	December 25, 2033
LEYECO IV	September 15, 2024	December 25, 2033
LEYECO V	September 22, 2024	December 25, 2033
SOLECO	September 26, 2024	December 25, 2033
SAMELCO I	October 7, 2024	December 25, 2033
SAMELCO II	August 26, 2024	December 25, 2033
ESAMELCO	September 26, 2024	December 25, 2033
NORSAMELCO	September 26, 2024	December 25, 2033
BILECO	August 26, 2024	December 25, 2033

EC	LOT 2 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	December 26, 2026	December 25, 2033
LEYECO V	December 26, 2026	December 25, 2033
SOLECO	December 26, 2026	December 25, 2033
SAMELCO I	December 26, 2026	December 25, 2033
SAMELCO II	December 26, 2026	December 25, 2033
NORSAMELCO	December 26, 2026	December 25, 2033