



BID BULLETIN No. 5
14 November 2024

Pursuant to Item 6, Section I-01¹, and Item 1, Section II-03² of the Bidding Procedures for the Joint Competitive Selection Process for the Aggregated Baseload Supply of Luzon On-Grid Electric Cooperatives,³ (the “Transaction”) the National Electrification Administration-Special Bids Awards Committee (NEA-SBAC) hereby issues Bid Bulletin No. 5.

The NEA-SBAC’s official responses to the questions and issues raised by the prospective Bidders on the Revised Transaction Documents received on 22 October 2024 is attached as **Annex “A”** to this Bid Bulletin.

In response to the comments raised by the prospective Bidders as well as the independent evaluation of the NEA-SBAC, the *Final Terms of Reference (Annex “B”)* and *Final Transaction Documents* are hereby issued. The NEA-SBAC shall distribute the *Final Transaction Documents* to the prospective Bidders via their registered email addresses.

Prospective Bidders are reminded to refer to the *Final Transaction Documents* and no longer rely on the previous versions. Relief will not be granted to any prospective Bidder for any plea of negligence, error, or mistake resulting from reliance on the previous version of the Transaction Documents.

Bidder’s bidding documents and proposals must be physically and actually received by the NEA-SBAC Secretariat at the Gen. Pendro Dumol Hall, BENECON Headquarters located at 04 South Drive, Baguio City from **7:00 AM to 9:30 AM** on **03 December 2024** following the Philippine standard time as provided in <<https://oras.pagasa.dost.gov.ph/widget.shtml>>.

Bidders are reminded that the opening of bids shall take place on **03 December 2024, starting at 10:00 AM** at Gen. Pedro Dumol Hall, BENECON Headquarters, 04 South Drive, Baguio City.

Kindly acknowledge receipt of this Bid Bulletin and accomplish the form provided below and send to the NEA-SBAC through luzonaggregation.nea2024@gmail.com. For inquiries, please contact NEA-SBAC Secretariat Diana Jean G. Maala at (02) 8929-1909 loc. 8180.

For your information and guidance.

Approved by: NEA-SBAC

ENGR. ERNESTO O. SILVANO, JR.
Chairperson

We hereby acknowledge receipt and acceptance of the terms and conditions outlined in this Bid Bulletin.

Received by : _____
Name of Company : _____
Date : _____

¹ The final version of the Transaction Documents (the “Final Transaction Documents”), which incorporates changes provided for in the Bid Bulletins duly issued by the NEA-SBAC, if any, shall be issued not later than fifteen (15) calendar days before the Bid Submission Deadline.

² The NEA-SBAC reserves the right to amend, revise, modify, or clarify, whether in whole or in part, any of the Transaction Documents. Such amendments, revisions, modifications, or clarifications, if any, will be made through Bid Bulletins, copies of which will be made available to all Interested Bidders

³ Namely, ALECO, BENECON, CASURECO I, CASURECO II, CENPELCO, INEC, ISECO, ISELCO I, ISELCO II, KALCO, MOPRECO, NEECO II-A2, PANELCO III, PELCO I, PRESOCO, SORECO I, TARELCO I, and TARELCO II.



PROSPECTIVE BIDDERS' COMMENTS OR SUGGESTED AMENDMENTS TO THE REVISED TRANSACTION DOCUMENTS

Questions on the Revised Bidding Procedures

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
1.		AP Renewables, Inc. (APRI)	<p>General Comment:</p> <p>We noticed that some of the comments / clarifications raised and answered in Bid Bulletin No. 3 were not reflected in the Revised Transaction Documents. May we request the SBAC to reflect these in the Final Transaction Documents.</p>		Noted.
2.	Section 3.3: Delivery Date	AP Renewables, Inc. (APRI)	Propose to qualify that it should be the later of target date and PA/IR/FA, and the delivery date shall be the later date between the ERC Approval and the Delivery Date.		<p>Section 9, I-02 of the Bidding Procedures reads:</p> <p>The Winning Bidders shall commence delivery of the Offered Contract Capacity to each Member EC on the later of either:</p> <p>a. the Target Delivery Date per Member EC provided in the Transaction Documents; or</p>

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					<p>b. the next immediate 26th day of the month following the Energy Regulatory Commission's ("ERC") issuance of a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued</p> <p>Section 3.3 of the draft PSA now reads:</p> <p>The Seller shall commence delivery of the Contract Capacity to Buyer on Delivery Date. The Delivery Date shall be the later of either:</p> <p>a. [Member EC's target delivery date as per the Transaction Documents]; or</p> <p>b. The next immediate 26th day of the month following the ERC's issuance of a Provisional Authority or Interim Relief (as applicable) or Final Authority (if neither Provisional Authority nor Interim Relief was issued by the ERC) for the implementation of this Agreement.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
3.	Section I-02.3	GNPOWER DINGININ LTD. CO.	<p><u>Response from LECA BB3:</u></p> <p>The costs for filling the Joint Application for approval of the PSA resulting from this CSP (such as the newspaper publication costs and filing fees) shall be shouldered by the Winning Suppliers.</p> <p><u>Suggested Amendments:</u></p> <p>The costs for filling the Joint Application for approval of the PSA resulting from this CSP (such as the newspaper publication costs and filing fees) shall be shouldered <u>by both the Seller and the Buyer.</u></p> <p><u>Furthermore, all costs attributable to penalties in case of delays in filing should be borne by the Party that caused the delay in the process.</u></p>	<p>The cost should be borne by both Seller and the Member EC since this is a Joint Application.</p> <p>The Party causing the delays in the filing process will bear any penalties imposed by the ERC.</p>	Proposal not accepted.
4.	Section II-01: Schedule of Bidding Activities	Sual Power Inc. (SPI)	Please align the Schedule of Bidding Activities between the latest Bidding Procedures and Bid Bulletin No. 2.		The Schedule of Bidding Activities has been aligned with the Bid Bulletin No. 4.

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5.	Section II-01: Schedule of Bidding Activities	Masinloc Power Co. Ltd. (MPCL)	Please align the Schedule of Bidding Activities between the latest Bidding Procedures and Bid Bulletin No. 2.		The Schedule of Bidding Activities has been aligned with the Bid Bulletin No. 4.
6.	<p>SECTION II-01 Schedule of Bidding Activities</p> <p>Item 3</p> <p>Unless otherwise amended, the Bidder's bidding documents and proposals must be physically and actually received by the NEA SBAC Secretariat at the BENEKO Headquarters located at 04 South Drive, Baguio City from 7:00 AM to 9:30 AM on 15 November 2024 following the Philippine standard time as provided in <https://oras.pagasa.dost.gov.ph/widget.shtml>.</p>	AP Renewables, Inc. (APRI)	Please clarify the deadline of Bid Submission, Opening, and Evaluation of Bids if it would be November 15, 2024 or November 22, 2024.	For clarification	The Bid Submission Deadline is on 03 December 2024, consistent with the issued Bid Bulletin No. 4.

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7.	<p>Section II-08: Preparation And Contents Of Bids</p> <p>10. Preferably, the documents to be submitted by the Bidder should be in the following format:</p> <p>a. Printed in long bond paper size (8.5 inches x 13 inches); and</p> <p>b. 12-point font size using any easily readable font.</p> <p>The Bidder may print in back-to-back pages</p>	Sual Power Inc. (SPI)	Please confirm that documents certified as true copy by the government agencies printed in different bond paper size will suffice.		Confirming that documents certified as true copy by the government agencies printed in different bond paper size shall suffice.
8.	Section II-08: Preparation And Contents Of Bids	Masinloc Power Co. Ltd. (MPCL)	Please confirm that documents certified as true copy by the government agencies printed in different bond paper size will suffice.		Please see answer to Q7.

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	<p>10. Preferably, the documents to be submitted by the Bidder should be in the following format:</p> <p>a. Printed in long bond paper size (8.5 inches x 13 inches); and</p> <p>b. 12-point font size using any easily readable font.</p> <p>The Bidder may print in back-to-back pages</p>				
9.	<p>Section II-08</p> <p>SBAC' response:</p> <p>Certified true copies may be issued by the person or officer holding the original copy of the</p>	AP Renewables, Inc. (APRI)	<p>Suggest to allow the Authorized Representatives to sign and certify the documents as true copy instead of the actual Government Authority.</p> <p>Suggest to delete:</p>	<p>Obtaining certifications or certified true copies from government agencies will take time and might not be available by the bid submission deadline.</p>	<p>After due reconsideration, this proposal shall be accepted.</p> <p>The Bidders' Authorized Representatives shall be allowed to certify the document/s as true copies subject to the presentation of the original document/s during the Bid Opening and during the post-qualification.</p>

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	<p>document or by any other appropriate Governmental Authority.</p> <p>If the document is issued by a Governmental Authority (e.g., Articles of Incorporation issued by the SEC), the said Governmental Authority shall issue the certified true copy.</p> <p>Documents executed by the Bidder specifically for this Transaction (e.g., board resolutions, secretary's certificates, accomplished schedules for this Transaction) must be submitted as original copies.</p>		<p>If the document is issued by a Governmental Authority (e.g., Articles of Incorporation issued by the SEC), the said Governmental Authority shall issue the certified true copy.</p>	<p>“The required Secretary’s Certificate for this Transaction will also give authority to the Authorized Representatives to perform such function.</p> <p>Board Resolution or Secretary’s Certificate evidencing the grant of authority to the Bidder’s Authorized Representative to:</p> <p>a. receive all Bid Bulletins, the Final Transaction Documents, communications, correspondences, notices and legal processes for and on behalf of the Bidder;</p>	

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				<p>b. submit the Bidder's Eligibility Documents and Bid Security, Technical Proposal, and Financial proposal, make representations for and on behalf of the Bidder, including the execution and signing of the Final Transaction Documents; and</p> <p>c. act for and on behalf of the Bidder during the opening and evaluation of Bids, post-qualification, and on all matters to be taken in the Transaction.</p> <p>The Board Resolution or Secretary's Certificate must expressly contain the foregoing</p>	

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				<p>authorizations.”</p> <p>The bidder may present the original documents during post qualification.</p>	
10.	<p>Section II-08: Preparation and Contents of Bids</p> <p>12. Certified true copies may be issued by the person or officer holding the original copy of the document or by any other appropriate Governmental Authority.</p>	GNPOWER DINGININ LTD. CO.	<p><u>Response from LECA BB3:</u></p> <p>Current language retained. If the document is issued by a Governmental Authority (e.g., Articles of Incorporation issued by the SEC), the said Governmental Authority shall issue the certified true copy.</p> <p><u>Additional Comments:</u></p> <p>We would like to reiterate our appeal to allow the Authorized Representatives to certify the documents as true copies, since the original documents are in the company's possession.</p>		Please see answer to Q9.

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			<p><u>Suggest to delete:</u></p> <p>If the document is issued by a Governmental Authority (e.g., Articles of Incorporation issued by the SEC), the said Governmental Authority shall issue the certified true copy.</p>		
11.	SECTION II-10: TECHNICAL PROPOSAL AND TECHNICAL PROPOSAL EVALUATION	Sual Power Inc. (SPI)	<p>Does Installed Capacity refer to Aggregate Rated Capacity in the PAO/COC? Does Net Dependable Capacity refer to Dependable Capacity in the PAO/COC?</p> <p>The declared value of the dependable capacity in the PAO is gross. Based on NEA’s response, they want the bidders to follow what is written in the PAO. With this, we will not be compliant with the requirement since we will be inputting a GROSS value and not the NET Dependable Capacity.</p>		<p>The Bidder may refer to its “Aggregated Rated Capacity” or its equivalent, as provided in the COC/PAO and encode under the “Total Installed Capacity” requirement.</p> <p>The Bidder may refer to its “Aggregated Dependable Capacity” or its equivalent, as provided in the COC/PAO and encode the under “Total Dependable Capacity” requirement.</p>

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12.	SECTION II-10: TECHNICAL PROPOSAL AND TECHNICAL PROPOSAL EVALUATION	Masinloc Power Co. Ltd. (MPCL)	<p>Does Installed Capacity refer to Aggregate Rated Capacity in the PAO/COC? Does Net Dependable Capacity refer to Dependable Capacity in the PAO/COC?</p> <p>The declared value of the dependable capacity in the PAO is gross. Based on NEA's response, they want the bidders to follow what is written in the PAO. With this, we will not be compliant with the requirement since we will be inputting a GROSS value and not the NET Dependable Capacity.</p>		Please see answer to Q11.
13.	Section II-10: Technical Proposal and Technical Proposal Evaluation	Sual Power Inc. (SPI)	Can the basis of the Net Dependable Capacity be cited from a document other than the PAO/COC.		No.
14.	Section II-10: Technical Proposal and Technical Proposal Evaluation	Masinloc Power Co. Ltd. (MPCL)	Can the basis of the Net Dependable Capacity be cited from a document other than the PAO/COC.		Please see answer to Q13.
15.	SECTION II-10: Item 4	Therma Visayas, Inc. (TVI)	We suggest that the Minimum Hourly Nomination shall be equivalent to 50% of the Contracted Capacity.	Each power plant has different minimum specifications	Proposal partially accepted. The Minimum Hourly Nomination shall be equivalent to 35% of the Contracted

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	<p>The Minimum Hourly Nomination (MHN) is a percentage of the Member EC's Monthly Contracted Capacity which must be nominated for each hour on any given trading interval. The MHN is calculated as the ratio of the Minimum Stable Load (PMIN) to the Maximum Stable Load (PMAX) of the Nominated Power Plant, expressed as a percentage</p>			<p>which may result in varying minimum hourly nomination for each Supplier.</p> <p>We strongly suggest that instead of an arbitrary number for each Supplier, a fixed minimum hourly nomination is set. This alleviates any future confusion during contract implementation on the differences in nomination protocols among various suppliers.</p> <p>A fixed minimum hourly nomination is also beneficial to the Member ECs, rather than using the ratio of PMIN to PMAX. If the winning bidder with a</p>	<p>Capacity for the applicable Billing Period.</p>

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				higher rate also has a higher MHN based on the ratio, the Member ECs will be required to utilize the bidder with the higher rate instead of allowing the Member EC to manage its own nomination.	
16.	<p>Section II-10: Technical Proposal and Technical Proposal Evaluation</p> <p>10. The Environmental Compliance Certificate/s (“ECC”) issued by the Department of Environment and Natural Resources (DENR) for the Nominated Plants, or application/s for ECC pending before the DENR</p>	Sual Power Inc. (SPI)	Kindly confirm that in case of an IPPA it is sufficient for the latter to submit the ECC of the current operator/owner of the Plant.		Confirmed.
17.	Section II-10: Technical Proposal and Technical Proposal Evaluation	Masinloc Power Co. Ltd. (MPCL)	Kindly confirm that in case of an IPPA it is sufficient for the latter to		Confirmed.

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	10. The Environmental Compliance Certificate/s (“ECC”) issued by the Department of Environment and Natural Resources (DENR) for the Nominated Plants, or application/s for ECC pending before the DENR		submit the ECC of the current operator/owner of the Plant.		
18.	<p>Section II-10: Financial Proposal</p> <p>5. Fuel Cost (“FC”)</p> <p>For the FCR: a. The Bidder shall be allowed to provide a FCR at different capacity factors (at 1% increments) from 65% to 100% CUF.</p>	Sual Power Inc. (SPI)	<p>SPI reiterates the inclusion of degradation factor.</p> <p>Please consider FCR degradation factor since it is an industry standard that efficiency of Power Plants decreases over time. The same is allowed by ERC based on several precedent PSA Cases.</p>		<p>The FCR proposed by the Bidder shall be fixed for the entire contract Term.</p> <p>The Bidder shall be allowed to provide a FCR at different capacity factors (at 1% increments) from 65% to 100% CUF, which shall be binding through the contract Term.</p> <p>Bidders shall not input a periodic/annual degradation factor to their FCR offers.</p>

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19.	<p>Section II-10: Financial Proposal</p> <p>5. Fuel Cost (“FC”)</p> <p>For the FCR: a. The Bidder shall be allowed to provide a FCR at different capacity factors (at 1% increments) from 65% to 100% CUF.</p>	Masinloc Power Co. Ltd. (MPCL)	<p>MPCL reiterates the inclusion of degradation factor.</p> <p>Please consider FCR degradation factor since it is an industry standard that efficiency of Power Plants decreases over time. The same is allowed by ERC based on several precedent PSA Cases.</p>		Please see answer to Q18.
20.	<p>SECTION II-10: FINANCIAL PROPOSAL</p> <p>1. Fuel cost NFI 1 or NFI 2(n-1)</p> <p>Value of Bidder’s Nominated Fuel Index/Indices for the month preceding the Billing Period</p>	GNPOWER DINGININ LTD. CO.	<p><u>Additional Comments:</u></p> <p>Suggest to correct NFI 1 to NFI 1(n-1) for consistency with the fuel commodity cost formula.</p>	For consistency.	<p>The fuel formula shall be revised to reflect that the average value of Bidder’s Nominated Fuel Index/Indices for the past three (3) months immediately preceding the Billing Period shall be used.</p> <p>For purposes of evaluation only, the value of NFI 1 or NFI 2 (if any) shall be the value of the Nominated Fuel Index/Indices for August 2024.</p>

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21.	<p>Schedule II-10: Financial Proposal</p> <p>For the Fuel Commodity Cost, the following formula shall be applied (the “Fuel Commodity Cost Formula”):</p> $\text{Fuel Commodity Cost} = \frac{\% \text{SHARE}_1 \left[\text{FC}_1 \times \left[\text{NF}_1 \times \left(\frac{\text{NFI1}}{\text{NFI2}_{n-1}} \right) + (1 - \% \text{SHARE}_1) \right] + (1 - \% \text{SHARE}_1) \text{FC}_2 \right]}{(1 - \% \text{SHARE}_1) \left[\text{FC}_1 \times \left[\text{NF}_1 \times \left(\frac{\text{NFI1}}{\text{NFI2}_{n-1}} \right) + (1 - \% \text{SHARE}_1) \right] + (1 - \% \text{SHARE}_1) \text{FC}_2 \right]}$ <p>Where:</p> <table border="1"> <tr> <td>%SHARE₁</td> <td>Weight of Bidder's first (1st) Nominated Fuel Index</td> </tr> <tr> <td>%SHARE₂</td> <td>Weight of Bidder's second (2nd) Nominated Fuel Index, if any</td> </tr> <tr> <td>FC₁</td> <td>Fuel cost with reference to the Bidder's first (1st) Nominated Fuel Index, following the units of measurement for FF in TABLE 6, which shall be used for the entire duration of the PSA.</td> </tr> <tr> <td>FC₂</td> <td>Fuel cost with reference to the Bidder's second (2nd) Nominated Fuel Index, following the units of measurement for FF in TABLE 6, which shall be used for the entire duration of the PSA.</td> </tr> <tr> <td>NFI 1</td> <td>Bidder's first (1st) Nominated Fuel Index</td> </tr> <tr> <td>NFI 2</td> <td>Bidder's second (2nd) Nominated Fuel Index, if any</td> </tr> <tr> <td>NFI 1 or NFI 2_n</td> <td>Value of Bidder's Nominated Fuel Index/Indices for the month preceding the Billing Period</td> </tr> <tr> <td>NFI 1_n or NFI 2_n</td> <td>Value of Bidder's Nominated Fuel Index/Indices for the month of September 2024</td> </tr> <tr> <td>%A₁</td> <td>Percentage of rate indexed to Bidder's first (1st) Nominated Fuel Index</td> </tr> <tr> <td>%A₂</td> <td>Percentage of rate indexed to Bidder's second (2nd) Nominated Fuel Index</td> </tr> <tr> <td>Discount₁</td> <td>Discount offered by Bidder for its FC₁, if any</td> </tr> <tr> <td>Discount₂</td> <td>Discount offered by Bidder for its FC₂, if any</td> </tr> </table>	%SHARE ₁	Weight of Bidder's first (1 st) Nominated Fuel Index	%SHARE ₂	Weight of Bidder's second (2 nd) Nominated Fuel Index, if any	FC ₁	Fuel cost with reference to the Bidder's first (1 st) Nominated Fuel Index, following the units of measurement for FF in TABLE 6, which shall be used for the entire duration of the PSA.	FC ₂	Fuel cost with reference to the Bidder's second (2 nd) Nominated Fuel Index, following the units of measurement for FF in TABLE 6, which shall be used for the entire duration of the PSA.	NFI 1	Bidder's first (1 st) Nominated Fuel Index	NFI 2	Bidder's second (2 nd) Nominated Fuel Index, if any	NFI 1 or NFI 2 _n	Value of Bidder's Nominated Fuel Index/Indices for the month preceding the Billing Period	NFI 1 _n or NFI 2 _n	Value of Bidder's Nominated Fuel Index/Indices for the month of September 2024	%A ₁	Percentage of rate indexed to Bidder's first (1 st) Nominated Fuel Index	%A ₂	Percentage of rate indexed to Bidder's second (2 nd) Nominated Fuel Index	Discount ₁	Discount offered by Bidder for its FC ₁ , if any	Discount ₂	Discount offered by Bidder for its FC ₂ , if any	Therma Visayas, Inc. (TVI)	<p>May we know the basis for using the preceding month in the fuel formula:</p> <p>NFI1 or NFI2_{n-1} - Value of Bidder's Nominated Fuel Index/Indices for the month preceding the Billing Period</p> <p>Suggest allowing the bidder to define the applicable month instead of limiting it to the preceding month.</p> <p>Suggested definition: NF1_m or NF2_m - bidder to define the current index to be used whether it is based on the previous month, average of the last three months, or other relevant period.</p>	<p>To ensure a sufficient coal supply, plants maintain different inventory periods. As a result, the coal used during the current billing period may not have been purchased in the preceding month. Using the preceding month's index might not reflect the actual cost when the coal was purchased. Hence, we suggest allowing the bidder to define the current index based on the inventory period to better reflect the actual cost incurred for a specific billing period.</p>	Please see answer to Q20.
%SHARE ₁	Weight of Bidder's first (1 st) Nominated Fuel Index																												
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22.	Section II -11:	GNPOWER DINGININ LTD. CO.	<p>Additional Comments:</p> <p>For clarification, the fuel price will be adjusted using the provided fuel inflation factors per technology, regardless of the nominated index.</p>	For clarification.	For purpose of evaluation, the Bidder's offered fuel price shall be adjusted using the provided fuel inflation factors per technology, regardless of the nominated index or indices.																								

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	<p>FINANCIAL PROPOSAL EVALUATION</p> <p>8. Indexation</p> <p>For purposes of evaluation, the Fuel Price of the Energy Fee component, if any, shall be adjusted per annum according to the following:</p> <table border="1" data-bbox="269 943 525 1040"> <tr> <td><i>a_{coal}</i></td> <td>-1.5425%</td> </tr> <tr> <td><i>a_{Nat Gas}</i></td> <td>1.4472%</td> </tr> <tr> <td><i>a_{crude oil}</i></td> <td>1.9838%</td> </tr> <tr> <td><i>a_{biomass}</i></td> <td>4.1066%</td> </tr> </table>	<i>a_{coal}</i>	-1.5425%	<i>a_{Nat Gas}</i>	1.4472%	<i>a_{crude oil}</i>	1.9838%	<i>a_{biomass}</i>	4.1066%				<p>Please see the revised fuel inflation factors in the Bidding Procedures, which are based on the forecast data per fuel type available at Barcharts (https://www.barchart.com/) as of the issuance of the Final Transaction Documents.</p>
<i>a_{coal}</i>	-1.5425%												
<i>a_{Nat Gas}</i>	1.4472%												
<i>a_{crude oil}</i>	1.9838%												
<i>a_{biomass}</i>	4.1066%												
23.	<p>Section II-11:</p> <p>FINANCIAL PROPOSAL EVALUATION</p>	Therma Luzon, Inc. (TLI)	<p>Instead of a screenshot or a snapshot, can the bidder submit a certification from the publisher of the nominated index/indices?</p>	<p>Subscriptions on the nominated index/indices are typically limited to organizational use and prohibit sharing outside the organization.</p>	<p>Proposal accepted.</p>								

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>10. Energy Fee</p> <p>The Bidder shall submit a Sworn Certification (See Schedule 16A) attesting to the fuel prices of the Bidder's selected Nominated Fuel Index/Indices for the period from September 2024 and August 2024. This certification should be accompanied by a screenshot or snapshot of the actual prices of the specified index/indices, as published by the index provider. The Bidder shall likewise attest to the share of each Nominated Fuel Index.</p>			<p>To ensure the accuracy and legitimacy of the nominated index/indices without violating contract terms, we suggest having the index/indices certified directly by the publisher instead of taking a screenshot or snapshot. This certification provides official verification from the source, ensuring that the nominated index/indices are accurate.</p>	
24.	<p>Section II -11:</p> <p>FINANCIAL PROPOSAL EVALUATION</p>	<p>GNPOWER DINGININ LTD. CO.</p>	<p><u>Additional Comments:</u></p> <p>For clarity, please confirm that <i>klocal</i> and <i>kforeign</i> should not exceed 100%.</p>	<p>For clarification.</p>	<p>Confirmed.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>FOM and VOM</p> <p>k- Percentage Rate Index</p> <p><i>klocal</i> - % that moves with PH CPI</p> <p><i>kforeign</i> - % that moves with US CPI</p>				
25.	<p>Section II - 11:</p> <p>12. Adjusted GenCo Price:</p> <p>The GenCo Price shall be adjusted based on the offered Outage Allowance. Thus, the adjusted GenCo Price shall be calculated as follows:</p>	Therma Luzon, Inc. (TLI)	<p>Suggest that only the capacity fee should be adjusted based on the offered outage allowance instead of the entire GenCo price, as the energy fees are determined based on actual energy delivered.</p> <p>Suggested Formula:</p> $\text{Adjusted GenCo Price} = \frac{CRR_{Year}^{Local} + FOMR_{Year}^{Local} + FOMR_{Year}^{Foreign} + VOM_{Year}^{Local} + VOM_{Year}^{Foreign} + FR}{1 - \frac{P_o}{H_{TY}}}$	<p>Only the capacity fee should be adjusted based on the offered outage allowance rather than the entire GenCo price. Schedule 17 of the Financial Bid Form calculates the capacity fee on a take-or-pay basis, meaning the capacity fee increases when the CUF decreases. In contrast, the energy fees remain unchanged regardless of the CUF. Therefore, we suggest that only</p>	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	$\text{Adjusted GenCoPrice}_{\text{year}} = \frac{\text{GenCoPrice}}{1 - \frac{P_o}{H_{TY}}}$ <p>Where: Adjusted GenCoPrice_{year} - Adjusted Price for a given year P_o - Proposed Outages in a Year, in hours H_{TY} - Total hours in a year</p>			the price component that varies with the CUF be subject to the outage allowance.	
26.	SECTION II-11: FINANCIAL PROPOSAL EVALUATION Fuel Consumption rate	Therma Visayas, Inc. (TVI)	Suggest to add an input for FCR degradation per year to align with operations during implementation.	During implementation, a plant's Fuel Consumption Rate (FCR) can fluctuate annually due to several factors, including operational history, scheduled maintenance, and equipment upgrades. Since the contract term for this CSP is 15 years, permitting bidders to factor in degradation will lead to a more accurate evaluation of the plant's FCR.	Please see answer to Q18.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
				<p>For SBAC's reference, the following and ERC approved PSA Applications which allows for degradation factor for the Fuel Consumption Rate. These ERC Approvals are in line with Annex A - Instructions to Bidders wherein its the actual cost or the fuel cost with applied annual degradation factor whichever is lower.</p> <p>For SBAC's reference, below are the various PSAs approved by ERC which incorporate degradation factor in the FCR:</p>	

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
				<p>AEC-ANDA: 2015-077 RC FDC- DANECO:2015- 075 RC MINERGY- CEPALCO: 2013- 134 RC PEDC-ILECO III: 2011-077 RC SEC-ILPI: 2014- 178 RC SMCPC-DLPC: 2017-029 RC SRPI- ZAMCELCO:2013 -051 RC TVI-VECO: 2015- 006 RC TSI-ANECO: 2014- 164 RC</p>	
27.	<p>Section II - 10: FINANCIAL PROPOSAL</p> <p>5. Fuel Cost</p>	Therma Visayas, Inc. (TVI)	Suggest that the FCR be based on the plant's FCR, depending on the different plant capacity factors and not the CUF in the contract.	FCR is calculated based on the actual generation of the plant. This is different from the	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>For the FCR - The Bidder shall be allowed to provide a FCR at different capacity factors (at 1% increments) from 65% to 100% CUF. During the PSA implementation, if the Member EC fails to utilize the Bidder's Offered Contract Capacity at the Monthly Minimum CUF, the Bidder may apply the higher of its actual consumption rate or the consumption rate corresponding to the Minimum CUF for that Billing Period.</p>			<p>CUF, which often does not represent the plant's actual fuel consumption.</p> <p>To align with Annex A of the Invitation to Bid, where fuel cost is a pass-through cost, we suggest that FCR be based on the plant's capacity factor to ensure that it is reflective of the plant's actual fuel cost.</p>	
28.	<p>SECTION II-13: Item 1 The bidding documents and proposals must be physically and actually</p>	AP Renewables, Inc. (APRI)	Please confirm whether the Bid Submission Deadline is on November 15, 2024 or November 22, 2024.	For clarification	The Bid Submission Deadline is on 03 December 2024, consistent with the issued Bid Bulletin No. 4.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	received by the NEA SBAC Secretariat at the BENEKO Headquarters located at 04 South Drive, Baguio City from 7:00 AM to 9:30 AM on 15 November 2024 (the “Bid Submission Deadline”) .				
29.	Section II-14 Bid Opening and Evaluation of Bids par. 1	Sual Power Inc. (SPI)	Please confirm if date 16 October 2024 is accurate.		The Bid Submission Deadline is on 03 December 2024, consistent with the issued Bid Bulletin No. 4.
30.	SECTION II-14: Item 1 The NEA-SBAC shall open all bid envelopes in the presence of the CSP Observers and Bidder’s representatives who choose to attend on 16 October 2024 9:00 AM at the NEA Main Office (the “Bid Opening Date”) , unless otherwise	AP Renewables, Inc. (APRI)	Please confirm whether the Bid Submission Opening Date is on October 16, 2024 or November 22, 2024.	For clarification	The Bid Submission Deadline is on 03 December 2024, consistent with the issued Bid Bulletin No. 4.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	amended. The public may also witness the live-stream of the Bid Opening via Facebook Live or such other platform as may be set by the NEA-SBAC.				
31.	Section II-14 Bid Opening and Evaluation of Bids par. 1	Masinloc Power Co. Ltd. (MPCL)	Please confirm if date 16 October 2024 is accurate.		The Bid Submission Deadline is on 03 December 2024, consistent with the issued Bid Bulletin No. 4.
32.	Section II-18 Award of Contract	Sual Power Inc. (SPI)	What terms can Member EC ask to be negotiated? Is it possible that PSAs of Winning Bidder may differ with each Member EC. How long is the period for negotiation? What happens if Member EC and Winning Bidder fail to agree?		<p>The Winning Bidder and the Member EC may agree on changes to the draft PSA, which changes must clearly result to terms more favorable to the consumers.</p> <p>The period to negotiate shall be ten (10) days from issuance of the Notice of Award.</p> <p>In accordance with prevailing NEA regulations, the NEA-SBAC shall have the final say and make changes or revisions on the draft PSA notwithstanding the negotiations made by the Member ECs and the Winning Suppliers.</p>
33.	Section II-18 Award of Contract	Masinloc Power Co. Ltd. (MPCL)	What terms can Member EC ask to be negotiated? Is it possible that PSAs of Winning Bidder may differ with each		Please see answer to Q32.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			Member EC. How long is the period for negotiation? What happens if Member EC and Winning Bidder fail to agree?		
34.	<p>SECTION II-18:</p> <p>Item 2.b</p> <p>Second Phase of Negotiations (Optional at the instance of the Member EC but Mandatory for all Winning Bidder/s if asked by the Member EC): After the First Phase of Negotiations and at the option of the individual Member EC with prior approval of the NEA-SBAC, said Member EC may ask the Winning Bidder/s for another round of negotiations for additional changes to their PSA, which changes must</p>	Therma Luzon, Inc. (TLI)	Suggest to disallow Second Phase of Negotiations.	According to Section 25. Article VII of the ERC CSP Guidelines, the ERC will evaluate the application based on the consistency of the PSA with the TOR. Since the CSP is conducted through an aggregation, the Member ECs shall have uniform PSAs based on the TOR. Any deviations resulting from second negotiations may be treated as deviations from the TOR and pose a risk of disallowance by the ERC.	The Bidding Procedures shall be revised to remove the second phase of negotiations.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	clearly result to terms more favorable to the consumers. The changes to the draft PSA agreed upon during the Second Phase of Negotiations shall only apply to the individual Member EC and Winning Bidder/s.			As much as possible, we suggest that the contract be uniform to all Member EC for ease of filing before the ERC.	
35.	Annex C – Legal, Technical and Financial Eligibility Requirements Checklist	Masinloc Power Co. Ltd. (MPCL)	Please confirm that resubmission of the initially submitted Secretary's Certificate used to obtain the Transaction Documents will suffice the requirements under the Legal Eligibility Documents, specifically items 1 and 2.	For clarity	Confirmed.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response						
			<table border="1"> <thead> <tr> <th colspan="2" data-bbox="924 315 1398 354">Requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="924 354 966 370">1.</td> <td data-bbox="966 354 1398 483">Board Resolution or Secretary's Certificate evidencing the grant of authority to the Bidder's Authorized Representative to execute and submit the <i>Expression of Interest, Confidentiality Undertaking and Consent Form for Data Privacy, and receive the Transaction Documents.</i> The Board Resolution or Secretary's Certificate must expressly contain the foregoing authorizations.</td> </tr> <tr> <td data-bbox="924 483 966 500">2.</td> <td data-bbox="966 483 1398 760">Board Resolution or Secretary's Certificate evidencing the grant of authority to the Bidder's Authorized Representative to: a. receive all Bid Bulletins, the Final Transaction Documents, communications, correspondences, notices and legal processes for and on behalf of the Bidder; b. submit the Bidder's Eligibility Documents and Bid Security, Technical Proposal, and Financial proposal, make representations for and on behalf of the Bidder, including the execution and signing of the Final Transaction Documents; and c. act for and on behalf of the Bidder during the opening and evaluation of Bids, post-qualification, and on all matters to be taken in the Transaction. The Board Resolution or Secretary's Certificate must expressly contain the foregoing authorizations.</td> </tr> </tbody> </table>	Requirement		1.	Board Resolution or Secretary's Certificate evidencing the grant of authority to the Bidder's Authorized Representative to execute and submit the <i>Expression of Interest, Confidentiality Undertaking and Consent Form for Data Privacy, and receive the Transaction Documents.</i> The Board Resolution or Secretary's Certificate must expressly contain the foregoing authorizations.	2.	Board Resolution or Secretary's Certificate evidencing the grant of authority to the Bidder's Authorized Representative to: a. receive all Bid Bulletins, the Final Transaction Documents, communications, correspondences, notices and legal processes for and on behalf of the Bidder; b. submit the Bidder's Eligibility Documents and Bid Security, Technical Proposal, and Financial proposal, make representations for and on behalf of the Bidder, including the execution and signing of the Final Transaction Documents; and c. act for and on behalf of the Bidder during the opening and evaluation of Bids, post-qualification, and on all matters to be taken in the Transaction. The Board Resolution or Secretary's Certificate must expressly contain the foregoing authorizations.		
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36.	Annex C Legal Eligibility Documents Item 3 Schedule 2	Therma Visayas, Inc. (TVI)	If Bidder decided to increase its offer capacity and paid only the Initial Participation Fee equivalent to 20% of the Offered Contract Capacity, is there a need to re-execute the Verified Expression of Interest to reflect the full amount of participation fee including the amount Additional Participation Fee that the Bidder will pay during the Bid Submission and Opening?		Bidder shall execute Schedules 19 and 20 of the Bidding Procedures should it wish to increase its Offered Contract Capacity. Please see the revised Schedules 19 and 20 of the Bidding Procedures. Bidders are reminded that at 9:30AM on Bid Submission Date, Bidders whose Offered Contract Capacity exceeds the 20% minimum Offered Contract Capacity shall be required to submit Schedule 19 and Schedule 20 of the Bidding Procedures along with proof of payment of the additional non-refundable participation fee to the NEA-SBAC Secretariat.						

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
37.	<p>Annex C Legal Eligibility Documents</p> <p>Item 4 Schedule 5 - Omnibus Certification</p> <p>xxx</p> <p>2. I am the authorized representative of _____, as per Board Resolution No. _____ dated _____, submitted in accordance with this Transaction. Enclosed are my identification card and specimen signature.</p>	AP Renewables, Inc. (APRI)	Are all authorized representatives required to submit ID and specimen signature or only the Signatory of the Omnibus Certification is required?	For clarification	<p>All authorized representatives must submit their identification card and specimen signatures. The specimen signatures should be in should be both in longhand and shorthand signatures.</p> <p>Please see revised Schedule 5 of the Bidding Procedures.</p>
38.	<p>Annex C Legal Eligibility Documents</p> <p>Schedule 6 - Certificate of</p>	AP Renewables, Inc. (APRI)	Please confirm if the Bidder is only required to execute ONE Certificate of Non-applicability containing the list of all non-applicable eligibility requirements and submit the same	For clarification	Bidders are required to submit only one (1) Certification of Non-Applicability and do not need to resubmit the same original document for each non-applicable eligibility requirement.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	Non-applicability		original document for each non-applicable eligibility requirement.		
39.	LEGAL ELIGIBILITY DOCUMENTS – ENVELOPE 1, FOLDER 1-1 (Certificate of Good Standing)	Therma Visayas, Inc. (TVI)	Can another authorized representative, other than the GM or President of the DU/EC, serve as the signatory for the Certificate of Good Standing?		Only the General Manager of the DU/EC (or her/his equivalent) should issue the Certificate of Good Standing.
40.	Annex C Legal Eligibility Documents Item 14. Schedule 9.	Therma Luzon, Inc. (TLI)	We suggest, the bidder's customers to modify/amend Schedule 9: Certificate of Good Standing to include their own language and ensure alignment with relevant applicability		Bidders shall use the template Certificate of Good Standing provided in Schedule 9 of the Bidding Procedures.
41.	Annex C Legal Eligibility Documents Item 14. Schedule 9	AP Renewables, Inc. (APRI)	Suggest allowing the Bidder's customers to revise Schedule 9: Certificate of Good Standing to incorporate their own language. Furthermore, can another authorized representative, other than the GM or President of the DU/EC, serve as the signatory for the Certificate of Good Standing?	For clarification	Please see answer to Q40.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
42.	Annex C Technical Eligibility Documents Item 1 Matrix of Generation Portfolio	AP Renewables, Inc. (APRI)	Will the SBAC provide a template for this requirement?	For clarification	No. Nonetheless, the Bidders shall provide the following information: a. The name of the power plant/s it constructed or owned in the past ten (10) years; b. The name of the power plant/s it operated in the past five (5) years; c. Installed capacity of the power plant/s in the Philippines, which must be at least 600 MW; d. Type of power plant/s according to fuel or energy resource; e. Location of the power plant/s; and f. Year of the power plant/s was built and commissioned.
43.	Annex C Technical Eligibility Documents Schedule 11 xxx The Bidder shall submit	GNPOWER DINGININ LTD. CO.	<u>Additional Comments:</u> Please confirm if Bidders should submit 2019 and 2020 GCMR as supporting documents to Schedule 11.	For clarification	For the Technical <u>Eligibility</u> Requirement (Section II-09: Eligibility Requirements), Bidders need to submit its Generation Company Management Report (GCMR) submitted to the ERC from 2019 to 2023. However, for the Technical <u>Proposal</u> Requirement (Section II-10: Technical Proposal and Technical Proposal Evaluation), Bidder shall submit its GCMR covering the Nominated Power Plant/s submitted to the ERC for 2021,

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>its GCMR covering the Nominated Power Plant/s submitted to the ERC for 2021, 2022, and 2023 to confirm the date when the units of the Nominated Power Plant/s were in commercial operations.</p> <p>xxx</p>				<p>2022, and 2023 to confirm the date when the units of the Nominated Power Plant/s were in commercial operations.</p>
44.	<p>Annex C Financial Eligibility Documents</p> <p>Item 1</p>	AP Renewables, Inc. (APRI)	Please confirm that the SBAC will only require submission of 2022 and 2023 AFS only given there are already comparable details of the previous year in each submitted AFS.	For confirmation	Confirmed. As part of its Financial Eligibility Requirements, Bidder must submit its Audited Financial Statements (“AFS”) submitted to and received by the BIR for 2022 (containing the comparable years 2021 to 2022) and for 2023 (containing the comparable years 2022 to 2023.)
45.	<p>Annex D. Technical Proposal Checklist</p> <p>Item 1. Schedule 11.</p> <p>Minimum NDC of generating unit (for</p>	Therma Visayas, Inc. (TVI)	<p>ERC issued COC/PAO does not include Minimum NDC.</p> <p>May we clarify if this pertains to the Dependable Capacity per unit or the Minimum Stable Load per unit?</p>	For clarification	This requirement pertains to the <i>Dependable Capacity</i> and not the <i>Minimum Stable Load</i> per unit.

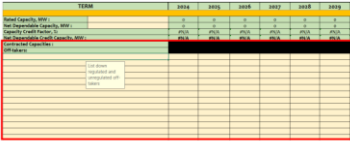
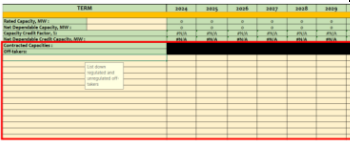
No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	plants with multiple units) (as per latest ERC-issued COC/PAO)				
46.	Annex D. Technical Proposal Checklist Item 3.Schedule 13: Technical Bid Form 2 ERC Case Order / Resolution / Decision Customer Name	Therma Visayas, Inc. (TVI)	Contracts with non-regulated off-takers are bound by confidentiality agreements. Bidders cannot disclose the names of the non-regulated off-takers. It is suggested to provide only the total contract capacity for non-regulated off-takers as a single line item.	For clarification	After due consideration, the proposal is accepted. Bidders do not need to disclose the names of the non-regulated off-takers of its Nominated Power Plant/s and do not need to submit the power supply contract for non-regulated offtakers. However, Bidders shall execute Schedule 14 and provide the total committed capacities under firm bilateral contracts of its Nominated Power Plant/s non-regulated off-takers covering the years 2024 to 2039 as a single line item. Schedule 14 and the Technical Bid Form shall be revised accordingly.
47.	Annex D Technical Proposal Checklist Item 5	Therma Luzon, Inc. (TLI)	For Bidders classified as an IPPA, Bidder is not responsible for securing and maintaining the insurance. Securing and maintaining insurance is an obligation of the power plant operator.	For clarification	Accepted. Please see the revised Schedule 15 of the Bidding Procedures.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>xxx</p> <p>I hereby certify that the Bidder has secured and maintains valid insurance policies for the Nominated Power Plant/s covering the period from 2024 to 2039. The specific insurance policies taken for the Nominated Power Plant/s are as follows:</p> <p>xxx</p>		<p>We suggest revising the template to capture this.</p> <p><u>Suggested Language:</u></p> <p>xxx</p> <p>I hereby certify that the nominated plant/s has/have insurance policies at least valid until December 31, 2024. The specific insurance policies taken for the Nominated Power Plant/s are as follows:</p> <p>xxx</p>		
48.	Annex D Technical Proposal Checklist	Therma Luzon, Inc. (TLI)	Please confirm that Bidders under IPPA Agreement with PSALM can submit Certificate of Non-Applicability for this requirement.	We would like to clarify that this requirement should not be applicable for entities under an IPPA	Confirmed. During post-qualification, Bidder shall submit a Certification from PSALM confirming that PSALM has an IPPA Agreement with the Bidder.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>Item 11. The Bidder shall also submit proof of its right to occupy or use the land upon which the Nominated Power Plant/s are currently installed (i.e., Certificates of Title, Deed of Sale, Lease Agreements, or any other similar tenurial instruments.)</p>			<p>Agreement. Bidder is contracted with the PSALM to act as the Independent Power Producer Administrator of the nominated plant. As the IPPA, the extent of Bidder's right is limited only to the right to sell and administer the energy generated by the nominated plant.</p> <p>Bidder is not a party to the energy conversion agreement executed between the plant operator and the NPC and thus, Bidder has no access to NPC's Certificates of Title, Deed of Sale, Lease Agreements, or any</p>	

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
				<p>other similar tenurial instruments.</p> <p>Bidder can submit a certificate from PSALM certifying the status of the Bidder as an IPPA to establish the extent of its right over the energy generated by the nominated plant.</p>	
49.	Required Certifications	Sual Power Inc. (SPI)	Can the certifications to be issued by the corporate secretary be also issued by the assistant corporate secretary. (i.e. affidavit of affiliation, secretary's certification)		Confirmed
50.	Required Certifications	Masinloc Power Co. Ltd. (MPCL)	Can the certifications to be issued by the corporate secretary be also issued by the assistant corporate secretary. (i.e. affidavit of affiliation, secretary's certification)		Confirmed
51.	Section II - 11:	Therma Luzon, Inc. (TLI)	Suggest that only the capacity fee should be adjusted based on the offered outage allowance instead of	Only the capacity fee should be adjusted based on the offered outage allowance	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response																																																											
	<p>12. Adjusted GenCo Price:</p> <p>The GenCo Price shall be adjusted based on the offered Outage Allowance. Thus, the adjusted GenCoPrice shall be calculated as follows:</p> $\text{Adjusted GenCoPrice}_{\text{Year}} = \frac{\text{GenCoPrice}}{1 - \frac{P_o}{H_{TY}}}$ <p>Where: Adjusted GenCoPrice_{Year} - Adjusted Price for a given year P_o - Proposed Outages in a Year, in hours H_{TY} - Total hours in a year</p>		<p>the entire GenCo price, as the energy fees are determined based on actual energy delivered.</p> <p>Suggested Formula:</p> $\text{Adjusted GenCo Price} = \left(\frac{CRR_{\text{Year}}^{\text{Local}} + FOMR_{\text{Year}}^{\text{Local}} + FOMR}{1 - \frac{P_o}{H_{TY}}} \right) + VOM_{\text{Year}}^{\text{Local}} + VOM_{\text{Year}}^{\text{Foreign}} + FR$	<p>rather than the entire GenCo price. Schedule 17 of the Financial Bid Form calculates the capacity fee on a take-or-pay basis, meaning the capacity fee increases when the CUF decreases. In contrast, the energy fees remain unchanged regardless of the CUF. Therefore, we suggest that only the price component that varies with the CUF be subject to the outage allowance.</p>																																																												
52.	<p>Schedule 12. Technical Bid Form 1.</p> <table border="1" data-bbox="261 1144 610 1242"> <thead> <tr> <th rowspan="2">NOMINATED PLANT</th> <th colspan="5">HISTORICAL DATA</th> </tr> <tr> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Name of Plant:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Plant Type:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Planned Outages, Days:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Unplanned Outages, Days:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total Outages, Days:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Plant Availability Factor:</td> <td>100.00%</td> <td>100.00%</td> <td>100.00%</td> <td>100.00%</td> <td>100.00%</td> </tr> <tr> <td>As Per ERC Resolution:</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> </tr> <tr> <td>ERC Resolution:</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> <td>48.67%</td> </tr> </tbody> </table>	NOMINATED PLANT	HISTORICAL DATA					2010	2011	2012	2013	2014	Name of Plant:						Plant Type:						Planned Outages, Days:						Unplanned Outages, Days:						Total Outages, Days:						Plant Availability Factor:	100.00%	100.00%	100.00%	100.00%	100.00%	As Per ERC Resolution:	48.67%	48.67%	48.67%	48.67%	48.67%	ERC Resolution:	48.67%	48.67%	48.67%	48.67%	48.67%	AP Renewables, Inc. (APRI)	Suggest to provide a formula on how to compute the Planned and Unplanned Outages of Nominated Plant with multiple units.	For nominated plants with multiple units, the number of Planned Outage or Unplanned Outage will add up and may breach the allowable outage in the ERC Resolution. The computation of Planned or Unplanned Outage shall be	<p>The proposal is partially accepted. Please see the revised Technical Bid Form 1 and the updated instructions contained in Annex E of the Bidding Procedures.</p> <p>The total <i>Plant Availability Factor</i> of a Nominated Power Plant with multiple units shall be the average availability factor per unit of the Nominated Power Plant, without prorating based on the installed capacity per unit.</p>
NOMINATED PLANT	HISTORICAL DATA																																																															
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			<p>For Scheduled Outages:</p> $\text{Ave. No. of Scheduled Outages} = \frac{(U_1 \times (SO_1) + (U_2 \times (SO_2) + \dots + (U_n \times (SO_n))}{\text{Total Rated Capacity}}$ <p>where:</p> <p>U_x = Rated Capacity of Generating Unit x, MW</p> <p>SO = No. of Scheduled Outage of Generating Unit x, Day</p> <p>For Unscheduled Outages:</p> $\text{Ave. No. of Unscheduled Outages} = \frac{(U_1 \times (UO_1) + (U_2 \times (UO_2) + \dots + (U_n \times (UO_n))}{\text{Total Rated Capacity}}$ <p>where:</p> <p>U_x = Rated Capacity of Generating Unit x, MW</p> <p>UO = No. of Unscheduled Outage of Generating Unit x, Day</p> <p>For Total No. of Outages for each plant:</p> $\text{Total No. of Outages, Day} = \text{Ave. No. of } SO + \text{Ave. No. of } UO$	<p>prorated based on the installed capacity per unit since the allowable outage is on a per unit basis.</p>	<p>The availability factor per unit shall be calculated using the formula provided in the Bidding Procedures:</p> $\text{Availability Factor} = 1 - \frac{\text{Actual Outage (in Days)} \times 24 \text{ hours}}{8760 \text{ hours}}$
53.	<p>Schedule 13. Technical Bid Form 2.</p>  <ul style="list-style-type: none"> The Bidder shall input all existing firm bilateral contracts of the Nominated Power specifically the contract capacity, in MW, and the contract term – from 2024 to any. 	Therma Luzon, Inc. (TLI)	Suggest to provide additional rows to input offtakers.	Bidders cannot modify the Technical Bid Form. Some bidders may have 30 or more off takers for each nominated plant.	Please see the revised Technical Bid Form 2.
54.	<p>Schedule 13. Technical Bid Form 2.</p>  <ul style="list-style-type: none"> The Bidder shall input all existing firm bilateral contracts of the Nominated Power specifically the contract capacity, in MW, and the contract term – from 2024 to any. 	Therma Luzon, Inc. (TLI)	Contracts with non-regulated off-takers are bound by strict confidentiality agreements. It is suggested to provide only the total contract capacity for non-regulated off-takers as a single line item.	For consideration. Disclosing contract details may lead to legal implications for non-regulated off takers.	Please see answer to Q46.
55.	<p>Schedule 14</p> <p>1. List of firm bilateral contracts</p>	Sual Power Inc. (SPI)	1. Please confirm that the list should be limited to ERC-regulated entities	To ensure that there will be supply from the nominated Power	1. The Bidder shall execute and submit Schedule 14, providing the committed capacities under firm bilateral contracts,

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	2. Certification on Firm Bilateral Contract Quantities		<p>only consistent with the NEA aggregation-member ECs.</p> <p>2. Said sworn statement shall also provide the net capacity of the bidders' nominated power plant/s which are available for contracting for the years 2024 to 2039.</p> <p>Corollary to the foregoing, the sworn statement shall also provide, if necessary, that the bidder shall ensure that the available capacity of the nominated plant shall be enough to cover the contract capacity at the Target Delivery Date per Member EC as stated in Annex "A" of the ITB.</p>	Plant at the time of the Target Delivery Date per member EC.	<p>in MW, of its Nominated Power Plant/s, if any, covering the years 2024 to 2039 with regulated off-takers (i.e., private distribution utilities or electric cooperatives) and with non-regulated off-takers (e.g., Retail Electricity Suppliers and other generators, if any.)</p> <p>The applicable ERC Order/Resolution/Decision for regulated off-takers shall be submitted by the Winning Bidders during the post-qualification process. Bidders do not need to disclose the names of the non-regulated off-takers of its Nominated Power Plant/s and do not need to submit the power supply contract for non-regulated off-takers. However, Bidders shall execute Schedule 14 and provide the total committed capacities under firm bilateral contracts of its Nominated Power Plant/s covering the years 2024 to 2039 as a single line item.</p> <p>2. The Bidder shall execute Technical Bid Form 1 to determine the <i>Total Available Capacity for Contracting</i> for years 2024 to 2039.</p>


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56.	<p>Schedule 14</p> <p>1. List of firm bilateral contracts</p> <p>2. Certification on Firm Bilateral Contract Quantities</p>	Masinloc Power Co. Ltd. (MPCL)	<p>1. Please confirm that the list should be limited to ERC-regulated entities only consistent with the NEA aggregation-member ECs.</p> <p>2. Said sworn statement shall also provide the net capacity of the bidders' nominated power plant/s which are available for contracting for the years 2024 to 2039.</p> <p>Corollary to the foregoing, the sworn statement shall also provide, if necessary, that the bidder shall ensure that the available capacity of the nominated plant shall be enough to cover the contract capacity at the Target Delivery Date per Member EC as stated in Annex "A" of the ITB.</p>	To ensure that there will be supply from the nominated Power Plant at the time of the Target Delivery Date per member EC.	Please see answer to Q55.
57.	Schedule 14	Sual Power Inc. (SPI)	What do we indicate in the tables specifically the column for years 2024-2039? Do we indicate the name of the contract or the offered capacity for each year.?		Please see answer to Q55.

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58.	Schedule 14	Masinloc Power Co. Ltd. (MPCL)	What do we indicate in the tables specifically the column for years 2024-2039? Do we indicate the name of the contract or the offered capacity for each year.?		Please see answer to Q55.
59.	Schedule 17: Financial Bid Form SRF	Sual Power Inc. (SPI)	<p>Fuel Fee – Commodity Price Formula</p> <ul style="list-style-type: none"> • Please reconsider the Fuel Price formula. • The Fuel Price Formula should reflect the indicative actual fuel cost and binding to the Bidder. • Hence, SPI suggests that bidder should be required to submit its own fuel formula to reflect the equivalent fuel commodity price for specific value of the nominated fuel index. <p>Fuel Contracts with pricing linked index are not always calculated based on an index plus a constant premium/discount structure. Please</p>		Proposal not accepted.

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			note that the index is just a price reference but not the actual price.		
60.	Schedule 17: Financial Bid Form SRF	Masinloc Power Co. Ltd. (MPCL)	<p>Fuel Fee – Commodity Price Formula</p> <ul style="list-style-type: none"> • Please reconsider the Fuel Price formula. • The Fuel Price Formula should reflect the indicative actual fuel cost and binding to the Bidder. • Hence, MPCL suggests that bidder should be required to submit its own fuel formula to reflect the equivalent fuel commodity price for specific value of the nominated fuel index. <p>Fuel Contracts with pricing linked index are not always calculated based on an index plus a constant premium/discount structure. Please note that the index is just a price reference but not the actual price.</p>		Please see answer to Q59.

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61.	Schedule 17: Financial Bid Form SFR	Sual Power Inc. (SPI)	<p>1. Where in the Bid Form should the Bidder input the Fuel Consumption Rate (FCR)?</p> <p>2. In the SRF worksheet of the Bid Form, Cell Column C Row 75 (Green) should have a formula to compute share of 2nd nominated index.</p> <p>3. In the SRF worksheet of the Bid Form, Columns D,E,F Row 75, should be an input data for the Bidder and should indicate what unit of measurement is required</p>		<p>1. Please see Column G, Row 33 to 68 of the Financial Bid Form.</p> <p>2. Accepted. Please see the revised Financial Bid Form</p> <p>3. The current data encoded to columns D, E, and F, Row 75 shall be retained.</p>
62.	Schedule 17: Financial Bid Form SFR	Masinloc Power Co. Ltd. (MPCL)	<p>1. Where in the Bid Form should the Bidder input the Fuel Consumption Rate (FCR)?</p> <p>2. In the SRF worksheet of the Bid Form, Cell Column C Row 75 (Green) should have a formula to compute share of 2nd nominated index.</p> <p>3. In the SRF worksheet of the Bid Form, Columns D,E,F Row 75,</p>		Please see answer to Q61.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			should be an input data for the Bidder and should indicate what unit of measurement is required		
63.	SCHEDULE 17 - FINANCIAL BID FORM	GNPOWER DINGININ LTD. CO.	<p><u>Additional Comments:</u></p> <p>We suggest to retain the previous option to input either a fuel premium or discount in USD/MT.</p>	<p>To ensure that actual fuel costs are accurately reflected in the financial bid form, it is suggested that bidders input either a fuel premium or a discount to account for the industry-wide fuel pricing structure. Regardless of whether a premium or discount is applied, this approach will result in the most competitive offer.</p> <p>SBAC may also consider allowing the bidders to submit their own fuel formula to properly reflect the actual fuel cost of the nominated plant.</p>	<p>Proposal partially accepted. The previous option to offer a fuel premium shall be returned.</p> <p>However, the fuel premium or discount shall remain as a percentage of FC₁ or FC₂, as the case may be.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
64.	Schedule 17 Financial Bid Evaluation Form 	Therma Visayas, Inc. (TVI)	We would like to confirm that FC1 in the bid form does not need to be the base index as of September 2024. FC1 should be computed using the base index, but it does not have to reflect the actual index value alone.	For clarification, the fuel commodity cost is not solely based on the base index. Other factors such as levelizing the CV of the nominated index to the GAR CV, premiums, discounts, etc. also apply. Hence, we would like to seek confirmation that the FC1 to be put in the bid evaluation form does not need to be the September / August 2024 base index of the nominated index.	Yes, FC ₁ in the bid form does not need to be the base index as of September 2024. FC ₁ represents the fuel cost to be provided by the Bidder, following the units of measurement for FP in TABLE 6 of the Bidding Procedures, which shall be binding on it and shall remain fixed for the entire duration of the PSA. The Bidder may choose to index a part or the entire of its FC ₁ to its first Nominated Fuel Index.
65.	Schedule 17 Financial Bid Evaluation Form	Therma Visayas, Inc. (TVI)	Applying the 1.2871% inflation rate to the current FX would result in a high LCOE due to the FX denominated cost of the Bidder. The FX is projected to reach 67.9287 PhP/USD toward the last year of the contract, as the base FX is already high at 56.0713 PhP/USD	Using the average annual appreciation/depreciation of FX is a more accurate approach compared to applying a fixed FX inflation rate because it reflects	The 1.2871% annual inflation rate to the foreign exchange rate shall be retained.

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				This approach prevents overestimating the LCOE and provides a realistic outlook.	
66.	<p>SCHEDULE 18 AFFIDAVIT OF AFFILIATION</p> <p>3. I certify that (name of Bidder) (herein referred to as Corporation A) is an affiliate of _____ (herein referred to as Corporation B), which exercises/possesses (any of the following):</p> <p>a) ownership (whether directly or indirectly) of more than fifty percent (>50%) of the total issued voting share capital of the Corporation B; or</p> <p>b) the ability to unilaterally appoint a majority of the Board directors or equivalent body of Corporation B through the ownership of shares with voting power, without the need of the vote or approval of another shareholder; or</p> <p>c) the ability to unilaterally direct the business affairs and/or operations of Corporation B, day-to-day or otherwise, through means that are irrevocable and shall not expire at any given time for the duration of the Transaction, without the need of the vote or approval of another shareholder.</p>	Therma Visayas, Inc. (TVI)	Requesting to allow the Bidders flexibility to modify the contents of the Affidavit of Affiliation.	This will allow the Bidders to further provide justification on the proof of relationship between the Bidder and its declared affiliate under this Transaction.	Bidders may modify the contents of the Affidavit of Affiliation, as necessary.
67.	<p>SECTION II-08: PREPARATION AND CONTENTS OF BID</p> <p>Item 11. Where notarized documents are to be submitted, the wet ink signatures of the notary and the affiant are required.</p>	Therma Luzon, Inc. (TLI)	Please confirm that bidders may use electronic signatures signed via electronic platforms for documents that do not require notarization.	For clarification	Acceptable.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
68.	<p>SECTION II-08: PREPARATION AND CONTENTS OF BID</p> <p>Item 12</p> <p>xxx</p> <p>Certified true copies may be issued by the person or officer holding the original copy of the document or by any other appropriate Governmental Authority.</p> <p>xxx</p> <p>If the document is issued by a Governmental Authority (e.g., Articles of Incorporation issued by</p>	Therma Luzon, Inc. (TLI)	<p>1. We suggest allowing the Authorized Representatives to certify all documents issued to the bidder as true copy.</p> <p>For IPPA Bidders, the bidders cannot secure certified true copies of documents issued by government authorities to the plant operator since it is not owned by the bidders. We suggest allowing the document custodian to certify the documents as true copy of the original.</p>	For consideration	The Bidders' Authorized Representatives shall be allowed to certify the document/s as true copies subject to the presentation of the original document/s during post-qualification.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	the SEC), the said Governmental Authority shall issue the certified true copy.				
69.	Annex C Technical Eligibility Documents Item 1	Therma Luzon, Inc. (TLI)	Will the SBAC provide a template for this? Instead of constructed or owned or operated, suggesting to revise to constructed/owned/operated/administered to include nominated plants under IPPA Agreement.	For clarification	Please see the revised Item I of the Technical Eligibility Document requirements.
70.	Annex C Financial Eligibility Documents Item 5	Therma Luzon, Inc. (TLI)	xxx I hereby certify that the Bidder has secured and maintains valid insurance policies for the Nominated Power Plant/s covering the period from 2024 to 2039. The specific insurance policies taken for the Nominated Power Plant/s are as follows: xxx	For consideration	Please see the revised Schedule 15 of the Bidding Procedures.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			For IPPA, Bidder is not responsible for the securing and maintaining the insurance but the plant operator. Suggest to allow revision in the template to capture this.		

Questions on the draft PSA

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
1.	3.2 Effective Date (b)	Sual Power Inc. (SPI)	Suggest that the list of the required Government Consents be itemize already.		Please see the revised Section 3.2 (b) of the draft PSA.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
2.	3.2 Effective Date (b)	Masinloc Power Co. Ltd. (MPCL)	Suggest that the list of the required Government Consents be itemize already.		Please see answer to Q1.
3.	4. ERC Approval “xxx failure to timely file the ERC Application is caused by Buyer’s failure, inability, refusal or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall be liable to and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC.”	Sual Power Inc. (SPI)	“xxx failure to timely file the ERC Application is caused by Buyer’s failure, inability, refusal or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall <i>shall hold the Seller free and harmless from</i> any fine, penalty or demerit to be imposed by the ERC.” [Note: If the PSA is not filed, it becomes an ineligible contract. If this is not due to any fault on the Seller’s part, the Seller should not be penalized for implementing an ineligible contract if the Buyer proceeds to submit nominations.]	To ensure that penalty provision is applicable to both Parties as either Party may cause the delay in the filing.	Current language retained.
4.	SECTION 4 ERC APPROVAL	AP Renewables, Inc. (APRI)	Suggest to provide for rights available to parties in case of unfavorable ERC approval: <ul style="list-style-type: none"> . Right to file MR a. Right to submit amendment <u>Suggested Language:</u>	There are gaps in the CSP Guidelines which can be addressed by terms of the PSA. Putting these rights/remedies in the PSA will benefit both	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>In the event that the Final Authority shall have the effect of impairing the terms and conditions of this Agreement, including any downward adjustment on the applicable Electricity Fees that may be charged for supply of Contract Capacity and/or Contract Energy hereunder, (a) Seller may file a Motion for Reconsideration with the ERC to question the terms of such Final Authority; (b) notwithstanding item (a), the Parties shall immediately meet to discuss alternative ways of addressing the terms of the Final Authority to restore the intended commercial position of the Parties, which may include the execution of an agreement that will amend this Agreement. Any agreement between the Parties that will require the amendment of this Agreement shall be submitted to the ERC for approval. If neither Party files a Motion for Reconsideration of the Final Authority within fifteen (15) days from receipt thereof, or notifies the other Party of its non-acceptance</p>	<p>parties to avoid any confusion/dispute in the future.</p>	

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>of the Final Approval, the Final Authority shall be deemed accepted.</p> <p>In the event (A) that the agreement referred to under item (b) of this section is not executed within fifteen (15) days from the receipt by Supplier of the Final Authority, or (B) of a denial by the ERC of the (i) Motion for Reconsideration under item (a), or (ii) amendment to this Agreement under item (b), either Party shall have a right to terminate</p>		
5.	<p>4. ERC Approval</p> <p>“xxx failure to timely file the ERC Application is caused by Buyer’s failure, inability, refusal or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall be liable to and shall indemnify Power Supplier for any</p>	Masinloc Power Co. Ltd. (MPCL)	<p>“xxx failure to timely file the ERC Application is caused by Buyer’s failure, inability, refusal or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall shall hold the Seller free and harmless from any fine, penalty or demerit to be imposed by the ERC.”</p> <p>[Note: If the PSA is not filed, it becomes an ineligible contract. If this is not due to any fault on the Seller’s part, the Seller should not be</p>	To ensure that penalty provision is applicable to both Parties as either Party may cause the delay in the filing.	Please see answer to Q3.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	fine, penalty or demerit to be imposed by the ERC.”		penalized for implementing an ineligible contract if the Buyer proceeds to submit nominations.]		
6.	5. Performance Bond	Sual Power Inc. (SPI)	The provision should include the manner of computing the performance bond and the instances when the performance bond is forfeited.		<p>Proposal accepted. The Performance Bond amount shall be equivalent to the three (3) - month contract cost of the proposed power supply agreement computed using the LCOE offered by the Bidder.</p> <p>The Performance Bond amount shall be calculated as follows:</p> $\text{Performance Bond} = 2,190(\text{hr}) \times CC_n \times 65\% \text{ CUF} \times \text{LCOE}(\text{php} / \text{kWhr})$ <p>Where the CC_n shall be the average Contract Capacity of the Member EC for the subsequent calendar year.</p> <p>Seller shall be allowed to submit a Performance Bond on an annual basis or in periodic increments, provided that the bond is renewed at least fifteen (15) days before its expiration</p>
7.	5. Performance Bond	Masinloc Power Co. Ltd. (MPCL)	The provision should include the manner of computing the		Please see answer to Q6.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			performance bond and the instances when the performance bond is forfeited.		
8.	<p>SECTION 6 SECURITY DEPOSIT</p> <p>Section 6.1</p> <p>The Buyer shall not be required to post Security Deposit upon the execution of this Agreement.</p>	Therma Luzon, Inc. (TLI)	<p>We highly suggest that the Buyer should post Security Deposit in the same manner that the Supplier is required to Post Performance Bond at the onset of the PSA.</p> <p>In relation to this comment, we suggest deleting Section 6.2 as it pertains to posting of Security Deposit upon failure to fully pay one (1) Seller Invoice.</p>	The Security Deposit is a guarantee that the Supplier will be paid on time. Suppliers also have financial obligations with their suppliers that need to be paid on time.	<p>The language of Section 6.1 shall be retained.</p> <p>As to Section 6.2, please see answer to Q9.</p>
9.	<p>6.2 Security Deposit</p> <p>In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice, the Buyer shall be required to post a Security Deposit within thirty (30) calendar days of the</p>	Sual Power Inc. (SPI)	"In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice -xxx-	The "waiver" of an otherwise mandatory requirement is already an accommodation to the Buyer. Further, the Buyer can always request for a continuation of said waiver.	<p>Proposal partially accepted.</p> <p>The draft PSA shall be revised to read:</p> <p>In the event that Buyer fails to fully pay a Seller Invoice after the Cure Period provided in SECTION 17.1.3 (a), Seller may require Buyer to post a Security Deposit. Buyer shall act on this request within thirty (30) calendar days from</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	immediately succeeding Billing Period.				receipt of Seller's request to post a Security Deposit
10.	<p>6.2 Security Deposit</p> <p>In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice, the Buyer shall be required to post a Security Deposit within thirty (30) calendar days of the immediately succeeding Billing Period.</p>	Masinloc Power Co. Ltd. (MPCL)	"In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice -xxx-	The "waiver" of an otherwise mandatory requirement is already an accommodation to the Buyer. Further, the Buyer can always request for a continuation of said waiver.	Please see answer to Q9.
11.	<p>6.3 "The amount of the Security Deposit shall be equivalent to the Buyer's lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods xxx</p>	Sual Power Inc. (SPI)	<p>To Reword as follows:</p> <p>""The amount of the Security Deposit shall be equivalent to the Buyer's lowest average monthly power bill invoice generation cost with issued by the Seller over the past twelve (12) Billing Periods or the number of Billing Periods from Target</p>	The proposal is based on equity and fair play. If the subject amendment will not be accepted, the Seller would always be made to suffer for a deficient SD which at the start, if it will be based on the lowest monthly generation cost, is destined to be not enough to guarantee	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>Delivery Date whichever is shorter.xxx</p>	<p>the payment by the Buyer of the monthly generation cost. Further recommend the use of the term “power bill invoice” and not “generation cost”.</p>	
12.	<p>6.3 “The amount of the Security Deposit shall be equivalent to the Buyer’s lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods xxx</p>	<p>Masinloc Power Co. Ltd. (MPCL)</p>	<p>To Reword as follows: ““The amount of the Security Deposit shall be equivalent to the Buyer’s lowest average monthly power bill invoice generation cost with issued by the Seller over the past twelve (12) Billing Periods or the number of Billing Periods from Target Delivery Date whichever is shorter.xxx”</p>	<p>The proposal is based on equity and fair play. If the subject amendment will not be accepted, the Seller would always be made to suffer for a deficient SD which at the start, if it will be based on the lowest monthly generation cost, is destined to be not enough to guarantee the payment by the Buyer of the monthly generation cost. Further recommend the use of the term “power bill invoice” and not “generation cost”.</p>	<p>Please see answer to Q11.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
13.	<p>SECTION 6 SECURITY DEPOSIT</p> <p>Section 6.3. The amount of the Security Deposit shall be equivalent to the Buyer's lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods, and shall be in the form of cash, cash bond, manager's or cashier's check, bank certified check, irrevocable stand-by letter of credit, surety bond or bank guarantee "callable on demand" issued by a financial institution.</p>	Therma Luzon, Inc. (TLI)	<p>Suggest to reword as follows:</p> <p>Item 6.3. The amount of the Security Deposit shall be equivalent to the Buyer's <u>average</u> generation cost with the Seller over the past twelve (12) Billing Periods xxx</p>	<p>Security Deposit shall cover the maximum financial exposure of the Supplier for the Buyer's payment default. Hence, Security Deposit shall be reckoned from the average monthly generation costs to cover the maximum and minimum financial exposures of the Supplier.</p>	Proposal not accepted
14.	6.6. If the Buyer remains current on its payment obligations with the Seller for three (3) consecutive Billing Periods following the posting of the Security Deposit, the Security	Sual Power Inc. (SPI)	Provide the rationale and a clear basis/precedence for this provision.		Please see answer to Q9.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	Deposit shall be returned to the Buyer. The Buyer need not post another Security Deposit unless it again fails to fully pay one (1) undisputed Seller's Invoice		We propose that this provision should be deleted as the initial non-submission of the SD is already an accommodation to the Buyer. Further, the submission of an SD is for the protection of the Seller as the Performance Bond to be posted by the Seller is for the protection of the Buyer.		
15.	6.6. If the Buyer remains current on its payment obligations with the Seller for three (3) consecutive Billing Periods following the posting of the Security Deposit, the Security Deposit shall be returned to the Buyer. The Buyer need not post another Security Deposit unless it again fails to fully pay one (1) undisputed Seller's Invoice	Masinloc Power Co. Ltd. (MPCL)	Provide the rationale and a clear basis/precedence for this provision. We propose that this provision should be deleted as the initial non-submission of the SD is already an accommodation to the Buyer. Further, the submission of an SD is for the protection of the Seller as the Performance Bond to be posted by the Seller is for the protection of the Buyer.		Please see answer to Q9.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
16.	<p>9.1 Reduction in Contract Capacity</p> <p>“Any such reduction shall be limited to an amount that will allow the relevant Member EC to comply with its obligation to supply electricity in the least cost manner to its captive market.”</p>	Sual Power Inc. (SPI)	“Any such reduction shall be <i>proportionate among the Buyer’s power suppliers provided it is still able to comply with the requirements of its RPS.</i> ”		Proposal not accepted.
17.	<p>9.1 Reduction in Contract Capacity</p> <p>“Any such reduction shall be limited to an amount that will allow the relevant Member EC to comply with its obligation to supply electricity in the least cost manner to its captive market.”</p>	Masinloc Power Co. Ltd. (MPCL)	“Any such reduction shall be <i>proportionate among the Buyer’s power suppliers provided it is still able to comply with the requirements of its RPS.</i> ”		Proposal not accepted.
18.	10. 1 Scheduled Outages	Sual Power Inc. (SPI)	“xxx The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on		Proposal accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>“xxx The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility’s units during the months of April, May and June of any given year.”</p>		<p>its Facility’s units during the months of April, May and June of any given year, <i>except when required and approved by the NGCP to ensure the reliability of the transmission grid.</i>”</p>		
19.	<p>10. 1 Scheduled Outages</p> <p>“xxx The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility’s units during the months of April, May and June of any given year.”</p>	Masinloc Power Co. Ltd. (MPCL)	<p>“xxx The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility’s units during the months of April, May and June of any given year, <i>except when required and approved by the NGCP` to ensure the reliability of the transmission grid.</i>”</p>		Proposal accepted.
20.	<p>Sec. 9.2.5 Scheduled Outages</p>	GNPOWER DINGININ LTD. CO.	<p><u>Response from LECA BB3:</u></p> <p>The draft PSA shall be revised as follows:</p>	<p>Suggest to let NGCP to determine the Scheduled Outage or Preventive Maintenance of the plant.</p>	<p>Proposal not accepted. Please see the revised Section 10.1 of the draft PSA.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>Every October of each year, the Seller shall inform the Buyer of its NGCP-approved Scheduled Outages, ensuring that these are aligned with the most recent DOE-approved Grid Operating and Maintenance Program.</p> <p>The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility's units during the months of April, May, and June of any given year.</p> <p><u>Suggest to delete:</u></p> <p>The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility's units during the months of April, May, and June of any given year.</p>		
21.	SECTION 10 OUTAGES AND REPLACEMENT POWER	Therma Visayas, Inc. (TVI)	Suggest to remove qualifiers of April, May, and June.	Suppliers have no control of what the System Operator will approve as scheduled	Please see the revised Section 10.1 of the draft PSA.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>Section 10.1 Scheduled Outages. Every October of each year, the Seller shall inform the Buyer of its NGCP-approved Scheduled Outages, ensuring that these are aligned with the most recent DOE-approved Grid Operating and Maintenance Program. The Seller shall not be permitted to conduct any plant-level Scheduled Outages or Preventive Maintenance Schedule (“PMS”) on its Facility's units during the months of April, May, and June of any given year.</p>			<p>outage. Plant operators will follow the SO instructions in the implementation of plant outages.</p>	
22.	<p>10.4.2 Beyond the Outage Allowance.</p> <p>xxx provided that the rates to be paid by the Buyer for the procurement of Replacement Power</p>	Sual Power Inc. (SPI)	<p>Propose to reword as follows:</p> <p>xxx provided that the rates to be paid by the Buyer for the procurement of Replacement Power including line rental, if applicable, shall be a) the actual cost of the Replacement</p>		Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	including line rental, if applicable, shall be a) the actual cost of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.		Power, including all inherent cost; or b) the approved contract charges under for the PSA, whichever is lower.		
23.	10.4.2 Beyond the Outage Allowance. xxx provided that the rates to be paid by the Buyer for the procurement of Replacement Power including line rental, if applicable, shall be a) the actual cost of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.	Masinloc Power Co. Ltd. (MPCL)	Propose to reword as follows: xxx provided that the rates to be paid by the Buyer for the procurement of Replacement Power including line rental, if applicable, shall be a) the actual cost of the Replacement Power, including all inherent cost; or b) the approved contract charges under for the PSA, whichever is lower.		Please see answer to Q22.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
24.	<p>10.5 Scheduled Outages</p> <p>xxx Replacement Power cost and the approved PSA rate including line rental, if any, plus reasonable fees in the amount of ___ Pesos (PHP ___) to cover the cost of the Buyer to fill in the shortage as well as liquidated damages pursuant to SECTION 16.</p>	Sual Power Inc. (SPI)	<p>1. Provide the rationale and a clear basis/precedence for this provision.</p> <p>2. We suggest to delete this portion of this provision as failure to supply replacement power may be temporary and shall not result to a termination of PSA which is what SECTION 18 refers to.</p>		<p>Section 10.5 shall be revised to read as:</p> <p>Additionally, Seller shall pay reasonable fees to cover the cost of the Buyer to fill in the shortage as well as liquidated damages provided under SECTION 16 of this Agreement.</p> <p>For purposes of SECTION 10.5, “reasonable fees” shall mean that Seller shall pay Buyer two thousand pesos (PhP2,000) per day that Buyer had to source the Replacement Power to be paid within thirty (30) Days after written demand for payment.</p>
25.	<p>10.5 Scheduled Outages</p> <p>xxx Replacement Power cost and the approved PSA rate including line rental, if any, plus reasonable fees in the amount of ___ Pesos</p>	Masinloc Power Co. Ltd. (MPCL)	<p>1. Provide the rationale and a clear basis/precedence for this provision.</p>		Please see answer to Q24.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	(PHP ___) to cover the cost of the Buyer to fill in the shortage as well as liquidated damages pursuant to SECTION 16.		2. We suggest to delete this portion of this provision as failure to supply replacement power may be temporary and shall not result to a termination of PSA which is what SECTION 18 refers to.		
26.	SECTION 10 OUTAGES AND REPLACEMENT POWER Section 10.5	Therma Luzon, Inc. (TLI)	Suggest to change reference to “Winning Supplier” to “Seller” “In the event of failure by the Seller to provide the Replacement Power, the Buyer shall source Replacement Power at the expense of Seller. The Seller Winning Supplier shall shoulder the positive difference...	For alignment. Execution of PSA necessarily implies Seller already won	Accepted.
27.	Section 10 Compensation, Payment, and Billing New provision:	Therma Luzon, Inc. (TLI)	We suggest to insert provision on Interest for Late Payment: — If any amount payable by the Buyer is not paid on Due Date:	For reconsideration. Bidders shall be allowed to impose interests as a form of security on the side of the Bidder.	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	Interest for Late Payment		<p>a.) The amount unpaid shall bear a daily interest, at a rate of twelve percent(12%) per annum, computed on a 360-day basis, until payment by the Buyer;</p> <p>b.) If any invoice from the Seller is overdue for more than six (6) months, the Buyer shall pay an additional penalty of one percent (1%) per month for every additional month of delay beyond six (6) months; and</p> <p>c.) Seller has the right to immediately suspend the delivery of electricity and declare Basic Energy Charges for electricity supplied but not invoiced immediately due and payable, whereupon Buyer shall pay such Basic Energy Charges immediately upon delivery by Seller of the corresponding invoice to Buyer.</p>		

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			d.) For clarity, any payment made by Buyer under this Agreement shall be applied first against any interest or penalties imposed under this Agreement, and owing to Seller, before it is applied against the principal amount on which the interest or penalty was derived from.		
28.	11.1 Payment of Fees. If an invoice is not disputed by the Buyer within sixty (60) days of receipt or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable. (Alternative Comment)	Sual Power Inc. (SPI)	Suggest to reword as follows: If an invoice is not disputed by the Buyer within sixty (60) days of receipt <i>of Seller's Invoice</i> or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable.	The invoice is supposed to be correct unless disputed and therefore should be paid in full by the Buyer (whether under protest or not). If not paid in full the Buyer shall be required to post a Security Deposit. Also the Buyer may avail of the provision of section 15 on Disputed Bills.	Proposal not accepted.
29.	11.1 Payment of Fees.	Masinloc Power Co. Ltd. (MPCL)	Suggest to reword as follows:	The invoice is supposed to be correct unless disputed and	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>If an invoice is not disputed by the Buyer within sixty (60) days of receipt or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable. (Alternative Comment)</p>		<p>If an invoice is not disputed by the Buyer within sixty (60) days of receipt <i>of Seller's Invoice</i> or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable.</p>	<p>therefore should be paid in full by the Buyer (whether under protest or not). If not paid in full the Buyer shall be required to post a Security Deposit. Also the Buyer may avail of the provision of section 15 on Disputed Bills.</p>	
30.	<p>11.3 Payments</p> <p>Payments. Each Seller Invoice shall be due and payable not later than thirty (30) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or</p>	<p>Sual Power Inc. (SPI)</p>	<p>Suggest to revise as follows:</p> <p>Payments. Each Seller Invoice shall be due and payable not later than thirty (30) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). without necessity of demand not later than twelve noon of the 25th Day of the calendar month immediately succeeding the current Billing Period ("Due Date"). Payments shall be made to</p>	<p>It is suggested that the provision be amended to align with existing billing protocols.</p>	<p>Proposal not accepted.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day.		the authorized banks/collectors of the SELLER. If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day.		
31.	11.3 Payments Payments. Each Seller Invoice shall be due and payable not later than thirty (30) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall	Masinloc Power Co. Ltd. (MPCL)	Suggest to revise as follows: Payments. Each Seller Invoice shall be due and payable not later than thirty (30) Days from receipt of the Seller Invoice by the Buyer ("Due Date") . without necessity of demand not later than twelve noon of the 25th Day of the calendar month immediately succeeding the current Billing Period ("Due Date") . Payments shall be made to the authorized banks/collectors of the SELLER. If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable	It is suggested that the provision be amended to align with existing billing protocols.	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	be made on the immediately succeeding Working Day.		local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day.		
32.	<p>14.1 Prompt Payment Discount</p> <p>xxx</p> <p>Payment is made within fifteen (15) Calendar Days from receipt of the Seller's billing; and</p>	Sual Power Inc. (SPI)	<p>14.1 Prompt Payment Discount</p> <p>xxx</p> <p>Payment is made in full on or before the tenth (10th) Day of the calendar month following the current Billing Period within fifteen (15) Calendar Days from receipt of the Seller's billing; and</p>		Proposal not accepted.
33.	<p>14.1 Prompt Payment Discount</p> <p>xxx</p> <p>Payment is made within fifteen (15) Calendar Days</p>	Masinloc Power Co. Ltd. (MPCL)	<p>14.1 Prompt Payment Discount</p> <p>xxx</p>		Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	from receipt of the Seller's billing; and		Payment is made in full on or before the tenth (10th) Day of the calendar month following the current Billing Period within fifteen (15) Calendar Days from receipt of the Seller's billing; and		
34.	<p>15. Disputed Bills</p> <p>15.4 "In the event that any disputed invoice(s) remains unresolved after Sixty (60) Days from the first Conciliation Meeting, the Buyer shall be allowed to deduct the disputed portion of the invoice(s) from its succeeding power bills until fully satisfied. The disputed power bill shall still be resolved by the Seller within the period and in accordance with the procedure set out in Section 19."</p>	Sual Power Inc. (SPI)	<p>Suggest to reword as follows:</p> <p>"In the event that any disputed invoice(s) remains unresolved after Sixty (60) Days from the first Conciliation Meeting, <i>the disputed amount shall earn interest at rate equivalent to the Seller's Depository Bank until the dispute is resolved.</i> The disputed power bill shall still be resolved by the Seller within the period and in accordance with the procedure set out in Section 19. <i>In the event that the dispute is resolved in favor of the Buyer, the Seller shall credit the disputed amount including accrued interest to the Buyer's succeeding power invoices until fully refunded.</i>"</p>	The Buyer should not make any deductions on the succeeding power bills while the dispute is pending, since the dispute may still be resolved against it.	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
35.	<p>15. Disputed Bills</p> <p>15.4 “In the event that any disputed invoice(s) remains unresolved after Sixty (60) Days from the first Conciliation Meeting, the Buyer shall be allowed to deduct the disputed portion of the invoice(s) from its succeeding power bills until fully satisfied. The disputed power bill shall still be resolved by the Seller within the period and in accordance with the procedure set out in Section 19.”</p>	Masinloc Power Co. Ltd. (MPCL)	<p>Suggest to reword as follows:</p> <p>“In the event that any disputed invoice(s) remains unresolved after Sixty (60) Days from the first Conciliation Meeting, <i>the disputed amount shall earn interest at rate equivalent to the Seller’s Depository Bank until the dispute is resolved.</i> The disputed power bill shall still be resolved by the Seller within the period and in accordance with the procedure set out in Section 19. <i>In the event that the dispute is resolved in favor of the Buyer, the Seller shall credit the disputed amount including accrued interest to the Buyer’s succeeding power invoices until fully refunded.</i>”</p>	The Buyer should not make any deductions on the succeeding power bills while the dispute is pending, since the dispute may still be resolved against it.	Proposal not accepted.
36.	<p>SECTION 15 DISPUTED BILLS</p> <p>Section 15.4</p>	Therma Luzon, Inc. (TLI)	<p>Suggest the following revisions:</p> <p>“In the event that any disputed invoice(s) remains unresolved after sixty (60) days from the first Conciliation Meeting, the matter shall be submitted for dispute resolution in accordance with</p>	There may be valid circumstances that explain why the parties are unable to resolve a disputed bill.	<p>Proposal not accepted.</p> <p>Please see revised Section 15 of the draft PSA.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>Section 19 the Buyer shall be allowed to deduct the disputed portion of the invoice(s) from its succeeding power bills, until fully satisfied. Should the dispute be resolved in favor of the Buyer, it shall be allowed to deduct the disputed portion of the invoice(s) from the succeeding power bill after the resolution becomes final”</p>	<p>The parties may opt to avail dispute resolution mechanisms stated in the PSA.</p>	
37.	<p>SECTION 16 FORCE MAJEURE</p> <p>Section 16.1</p>	Therma Luzon, Inc. (TLI)	<p>Suggest to include this phrase before 16.1.1, right after the first paragraph of 16.1,</p> <p>“An Event of Force Majeure shall include, but shall not be limited to:”</p>	<p>To clarify that the events listed from 16.1.4 are mere examples and not exhaustive. An event is considered as an FM event as long as it meets the elements</p>	Proposal not accepted.
38.	<p>16.1.5 Notification of Force Majeure</p> <p>In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party</p>	Sual Power Inc. (SPI)	<p>Proposed to reword as follows:</p> <p>In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify by phone, text, e-mail or other convenient means, within five</p>		Proposal accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure;		(5) Days the other Party in writing of such Force Majeure; (b)xxx		
39.	<p>16.1.5 Notification of Force Majeure</p> <p>In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure;</p>	Masinloc Power Co. Ltd. (MPCL)	<p>Proposed to reword as follows:</p> <p>In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify by phone, text, e-mail or other convenient means, within five (5) Days the other Party in writing of such Force Majeure; (b)xxx</p>		Proposal accepted.
40.	<p>SECTION 17 DEFAULTS AND TERMINATION</p> <p>Section 17.5.2</p>	GNPOWER DINGININ LTD. CO.	<p><u>Additional Comments:</u></p> <p>Please align with 16.1.6.</p>	17.5.2 makes reference to 16.1.5 but termination due to prolonged FM is in Section 16.1.6.	Accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
				Second paragraph of 17.5.2 also seems to imply that PSA can be terminated if FM subsists for 60 consecutive days. Section 16.1.6., however, pegs this at 180 days	
41.	18.1 Liquidated Damages in Case of Default of Buyer. Where Buyer fails to comply with its obligations and is thereby in default as defined under SECTION 15 of this Agreement, Buyer shall pay an amount of ___ pesos (PhP___) per day that the Buyer continues with the default and any fraction thereof, to be paid within thirty (30) Days after written demand for payment.	Sual Power Inc. (SPI)	We suggest that this should it be made reciprocal to the LD to be paid by the Seller in case of its default.		Please see the revised Liquidated Damages provision in case of Buyer Default.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
42.	18.1 Liquidated Damages in Case of Default of Buyer. Where Buyer fails to comply with its obligations and is thereby in default as defined under SECTION 15 of this Agreement, Buyer shall pay an amount of ___ pesos (PhP___) per day that the Buyer continues with the default and any fraction thereof, to be paid within thirty (30) Days after written demand for payment.	Masinloc Power Co. Ltd. (MPCL)	We suggest that this should it be made reciprocal to the LD to be paid by the Seller in case of its default.		Please see answer in Q41.
43.	18.4 ii. Failure to provide Replacement Power. Liquidated damages shall be paid by Seller if Buyer had to source its own Replacement Power due to Seller's failure to provide Replacement Power as required under the circumstances	Sual Power Inc. (SPI)	Considering the apparent excessive penalties/ charges arising from the issue as regards failure by Seller to provide "Replacement Power" as may be required under the PSA in relation to "Liquidated Damages" ("LD"), may we inquire the justification for the presence and imposition of the LD (on top of the positive difference to be shouldered by Seller and payment of		The LD serves as compensation to Buyer for any Seller failure to provide Replacement Power.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	indicated in this Agreement.		“reasonable fees”) and or any precedence for that purpose.		
44.	18.4 ii. Failure to provide Replacement Power. Liquidated damages shall be paid by Seller if Buyer had to source its own Replacement Power due to Seller’s failure to provide Replacement Power as required under the circumstances indicated in this Agreement.	Masinloc Power Co. Ltd. (MPCL)	Considering the apparent excessive penalties/ charges arising from the issue as regards failure by Seller to provide "Replacement Power" as may be required under the PSA in relation to "Liquidated Damages" ("LD"), may we inquire the justification for the presence and imposition of the LD (on top of the positive difference to be shouldered by Seller and payment of “reasonable fees”) and or any precedence for that purpose.		Please see answer to Q44.
45.	18.4 iii “Conducting any plant-level Scheduled Outage and/or PMS on the units of Facility during the months of April, May and June”	Sual Power Inc. (SPI)	“Conducting any plant-level Scheduled Outage and/or PMS on the units of Facility during the months of April, May and June, <i>except when required and approved by the NGCP to ensure the reliability of the transmission grid.</i> ”		Accepted
46.	18.4 iii “Conducting any plant-level Scheduled Outage and/or PMS on the	Masinloc Power Co. Ltd. (MPCL)	“Conducting any plant-level Scheduled Outage and/or PMS on the units of Facility during the months of		Accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	units of Facility during the months of April, May and June”		April, May and June, <i>except when required and approved by the NGCP to ensure the reliability of the transmission grid.</i> ”		
47.	20 Assignment of Rights Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC.	Sual Power Inc. (SPI)	The assignment to an affiliate should no longer require ERC approval.	As long as there is no amendment to the terms and conditions of the PSA including pricing and other price related provisions, and the deed of assignment requires the assignee to assume all the rights and obligations of the assignor as if the assignee was the original party thereto.	Proposal not accepted.
48.	20 Assignment of Rights Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC.	Masinloc Power Co. Ltd. (MPCL)	The assignment to an affiliate should no longer require ERC approval.	As long as there is no amendment to the terms and conditions of the PSA including pricing and other price related provisions, and the deed of assignment requires the assignee to assume all the rights and obligations of the assignor as if the	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
				assignee was the original party thereto.	
49.	SECTION 20 OF ASSIGNMENT OF RIGHTS Section 20.2	Therma Visayas, Inc. (TVI)	<p>Suggest the following revisions:</p> <p>In the event that the Buyer’s franchise to operate as an electric distribution utility is not renewed or terminated, or its coverage area is reduced, the Buyer shall have the obligation to assign the rights and obligations under the Agreement that are affected by the said non-renewal, termination, or reduction to the new utility with the franchise to operate in the area affected by the non-renewal, termination, or reduction of the Buyer’s coverage area (the “Successor”). The Seller shall have the corresponding obligation to accept such assignment.</p> <p>The Supplier shall be allowed to conduct due diligence on the Successor’s credit worthiness. If the Supplier found the Successor’s is not credit worthy,</p>	<p>If the non-renewal or termination of franchise is due to the fault of Buyer, shouldn’t Seller be entitled to collect LD?</p> <p>Non-renewal, termination, or reduction of coverage area is beyond the control of the Supplier. Supplier has accepted the contract risks with the current Member ECs. However, in the event the Supplier, after conducting due diligence with the Successor of the Member ECs, found the Successor not creditworthy, Supplier</p>	Please see the revised Section 20.2 of the draft PSA.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>Supplier shall be allowed to pre-terminate the Agreement.</p> <p>If such assignment fails to occur due to reasons not attributable to the fault or negligence of the Buyer and/or the Seller, said non-renewal, termination, or reduction shall be considered as an Event of Force Majeure.</p>	<p>may be allowed to pre-terminate the Agreement.</p>	
50.	21.2. Pre-termination of Contract	Sual Power Inc. (SPI)	“a. bankruptcy or insolvency of the Seller <i>or the Buyer</i> ;”	Should be applicable to both parties.	Proposal not accepted.
51.	21.2. Pre-termination of Contract	Masinloc Power Co. Ltd. (MPCL)	“a. bankruptcy or insolvency of the Seller <i>or the Buyer</i> ;”	Should be applicable to both parties.	Proposal not accepted.
52.	21.2 Upon the approval by the ERC of the termination of the Agreement, each party thereto shall cease to have any further obligations, responsibilities or liabilities, other than such obligations or liabilities that have accrued prior to the termination and	Sual Power Inc. (SPI)	<p>Suggest to add these wordings at the last portion of section 21.2:</p> <p>“-xxx- of such termination; <i>provided that that the non-affected party for termination based on letters “a” and “c” shall have the right to suspend its obligations under the Agreement.</i>”</p>	<p>This is suggested as the other party (i.e., affected) in such situation is no longer capable of fulfilling its obligations and will result in unnecessary increase in losses.</p>	<p>Partially accepted. Please see revised Section 21.2 of the draft PSA.</p>

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	remain undischarged, and those set forth by the ERC in the approval of such termination.				
53.	21.2 Upon the approval by the ERC of the termination of the Agreement, each party thereto shall cease to have any further obligations, responsibilities or liabilities, other than such obligations or liabilities that have accrued prior to the termination and remain undischarged, and those set forth by the ERC in the approval of such termination.	Masinloc Power Co. Ltd. (MPCL)	Suggest to add these wordings at the last portion of section 21.2: “-xxx- of such termination; <i>provided that that the non-affected party for termination based on letters “a” and “c” shall have the right to suspend its obligations under the Agreement.</i> ”	This is suggested as the other party (i.e., affected) in such situation is no longer capable of fulfilling its obligations and will result in unnecessary increase in losses.	Please see answer to Q52.
54.	SECTION 21 PRE-TERMINATION OF CONTRACT Section 21 in relation to Section 22	AP Renewables, Inc. (APRI)	Propose to include Change in Circumstances as a ground for pre-termination of the contract and revision of Section 22.3. xxx	Change in Law is outside of the control of both parties and is thus synonymous to an event of Force Majeure.	Proposal not accepted.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
	<p>22.3 Furthermore, the failure of the Parties to reach an agreement under this provision shall not constitute grounds for a dispute, nor shall it serve as a basis for the termination of this Agreement.</p>		<p>21.2 (g) Change in Governmental Requirements in force from time to time after the date hereof, including (for the avoidance of doubt) any change in the policies (or the interpretation or application of policies) of the Department of Energy, the ERC, NGCP or any Governmental Authority that regulates or exercises jurisdiction over the electric power industry (including the WESM) or any sector thereof or participant therein.</p> <p>xxx</p> <p>xxx</p> <p>22.3 A Party may file a Motion for Reconsideration. In the event of a denial by the ERC of the Motion for Reconsideration or if the Parties fail to arrive at a solution within thirty (30) days from commencement of negotiations in accordance Section 22.1, the Supplier may terminate this Agreement upon thirty (30) days'</p>	<p>The CSP Guidelines likewise do not expressly prohibit pre-termination due to this ground and allows pre-termination for any other circumstance analogous to the foregoing grounds.</p>	

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>prior written notice to the Customer, without any liability or penalty under this Agreement.</p> <p>xxx</p>		
55.	24.1 Variations in Writing. “All additions, amendments or variations xxx and with prior approval of the ERC”.	Sual Power Inc. (SPI)	<p>Variations in Writing. “All additions, amendments or variations xxx and with prior approval of the ERC <i>if the amendment has an impact on the pass-through cost of the DU to its Member-Consumer-Owners (MCO)</i>”.</p> <p>Note: For example, we should not need an ERC approval for change in address or contact persons.</p>		Please see the revised Section 24.1 of the draft PSA.
56.	24.1 Variations in Writing. “All additions, amendments or variations xxx and with prior approval of the ERC”.	Masinloc Power Co. Ltd. (MPCL)	<p>Variations in Writing. “All additions, amendments or variations xxx and with prior approval of the ERC <i>if the amendment has an impact on the pass-through cost of the DU to its Member-Consumer-Owners (MCO)</i>”.</p> <p>Note: For example, we should not need an ERC approval for change in address or contact persons.</p>		Please see answer to Q55.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
57.	Line Rental	Sual Power Inc. (SPI)	Please clarify the rational and basis for requiring line rental to be shared between parties at the rate of 50%		The rationale is to balance the WESM line rental costs and risks between the Member ECs (and ultimately, their consumers) and the Winning Suppliers.
58.	Section 12 Line Rental	Masinloc Power Co. Ltd. (MPCL)	Please clarify the rational and basis for requiring line rental to be shared between parties at the rate of 50%:50% considering that the ERC allows a full pass-through of line rental.		Please see answer to Q57.
59.	Schedule 1. Definition of Terms	Sual Power Inc. (SPI)	“Scheduled Outage” – -xxx- maintenance or improvement; <i>and (d) not due to an event of Force Majeure.</i>	Phrase were added for purpose of clarity.	Acceptable.
60.	Schedule 1. Definition of Terms	Masinloc Power Co.Ltd. (MPCL)	“Scheduled Outage” – -xxx- maintenance or improvement; <i>and (d) not due to an event of Force Majeure.</i>	Phrase were added for purpose of clarity.	Acceptable.
61.	Schedule 1. Definition of Terms	Sual Power Inc. (SPI)	“Unscheduled Outage” –	Phrase were added for purpose of clarity.	Acceptable.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			-xxx- that is not a Scheduled Outage- <i>and not due to an event of Force Majeure.</i>		
62.	Schedule 1. Definition of Terms	Masinloc Power Co. Ltd. (MPCL)	“Unscheduled Outage” – -xxx- that is not a Scheduled Outage- <i>and not due to an event of Force Majeure.</i>	Phrase were added for purpose of clarity.	Acceptable.
63.	SCHEDULE 5 PROTOCOL REDUCTION CONTRACT CAPACITY IN	Therma Luzon, Inc. (TLI)	<p>Prioritization of Reduction:</p> <p>Suggest to remove first 2 and retain item 3 for simplicity.</p> <p>During the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), and similar policies or rules allowing for end-users’ choice of supplier, Buyer shall be entitled to reduce its Contract Capacity, subject to the following conditions:</p>	<p>Item 1 of Schedule 5 penalizes the Supplier, considering that it’s not privy to the business of a RES affiliate</p> <p>Item 2 is likewise unfair to a particular Supplier if Buyer’s determination of what is considered the highest generation rate is limited to a particular period</p>	Option 2 of Schedule 5 shall be removed.

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			<p>The reduction in the Contract Capacity shall be to the extent that (i) the reduction in Contract Capacity is a result of the transfer of Buyer's Contestable Market customer directly to Seller; or (ii) the need for such reduction is the result of the transfer of Buyer's contestable market customers, provided that the reduction shall not exceed the ratio the Contract Capacity bears against the Buyer's total capacity among all of the Buyer's suppliers.</p> <p>Buyer shall send a written request to Seller at least thirty (30) days before the date of effectivity of the requested reduction in the Contract Capacity.</p> <p>Notwithstanding this Section, Buyer may only exercise this right in the event that, Buyer, after exercising best efforts and in good faith, is unable to transfer or assign, the Contract Capacity. Any reduction</p>		

No.	Provision	Name of Bidder	Comment or Suggested Amendment	Explanation for the Comment or Suggested Amendment	NEA-SBAC Comment/Response
			under this Section shall require the approval of the ERC.		



TERMS OF REFERENCE

The On-Grid Luzon Electric Cooperatives (“ECs”) to be included in the Joint Competitive Selection Process (the “Joint CSP”) are the following (collectively, the “Member ECs”):

1. Albay Electric Cooperative. Inc., (“ALECO”)
2. Benguet Electric Cooperative (“BENECO”)
3. Camarines Sur I Electric Cooperative, Inc. (“CASURECO I”)
4. Camarines Sur II Electric Cooperative, Inc. (“CASURECO II”)
5. Central Pangasinan Electric Cooperative, Inc. (“CENPELCO”)
6. Ilocos Norte Electric Cooperative, Inc. (“INEC”)
7. Ilocos Sur Electric Cooperative, Inc. (“ISECO”)
8. Isabela I Electric Cooperative, Inc. (“ISELCO I”)
9. Isabela II Electric Cooperative, Inc. (“ISELCO II”)
10. Kalinga-Apayao Electric Cooperative, Inc. (“KAELCO”)
11. Mountain Province Electric Cooperative, Inc. (“MOPRECO”)
12. Nueva Ecija II Electric Cooperative, Inc. (“NEECO II-A2”)
13. Pangasinan III Electric Cooperative (“PANELCO III”)
14. Pampanga I Electric Cooperative, Inc. (“PELCO I”)
15. Pampanga Rural Electric Service Cooperative, Inc. (“PRESCO”)
16. Sorsogon I Electric Cooperative, Inc. (“SORECO I”)
17. Tarlac I Electric Cooperative, Inc. (“TARELCO I”)
18. Tarlac II Electric Cooperative, Inc. (“TARELCO II”)

TERMS OF REFERENCE	REQUIREMENT
Areas to be Served	Coverage areas of each Member EC that are connected to the Luzon Grid
Demand Requirement	Baseload Demand
Type of Contract	<ul style="list-style-type: none"> ● Physical Power Supply Agreement (“PSA”). ● All Winning Bidders shall enter into individual PSAs with each of the Member ECs based on the Winning Bidders’ Offered Contract Capacity. ● The Offered Contract Capacity of the Winning Bidders shall be proportionally distributed and allocated to each Member EC based on the latter’s respective Monthly Contract Capacity included in the Aggregated Contract Capacity per year.
Price Structure	<ul style="list-style-type: none"> ● Capacity-based PSA for the Capital Recovery Fee (“CRF”) and Fixed Operation and Maintenance Fee (“FOMF”) components. ● Variable Operation and Maintenance Fee (“VOMF”) and Fuel Cost (“FC”) components, if any, shall strictly be based on actual energy delivered.
Nominated Physical Power Plant	<ul style="list-style-type: none"> ● Bidder may nominate more than one (1) Physical Power Plant to supply its Offered Contract Capacity (the “Nominated Physical Power Plants”), provided that the Bidder’s Nominated Physical Power Plants must be of the same technology and use the same kind of fuel. ● Bidder’s Nominated Physical Power Plant/s should be in commercial operation no later than October 2024. ● As of Bid Submission Date, the Bidder’s Nominated Physical Power Plant/s must be technically capable of producing the Bidder’s maximum Offered Contract Capacity for this Transaction. ● If the Nominated Physical Power Plant has multiple units, each unit must have a minimum net dependable capacity of 50 MW.

	<ul style="list-style-type: none"> • The Bidder’s Nominated Physical Power Plant/s must be capable of generating its capacity for twenty-four hours a day and seven days a week (24/7). • This Transaction shall be open to all kinds of technology that can technically and adequately supply the baseload demand of the Member ECs. 																																				
Contract Term	<ul style="list-style-type: none"> • The contract Term per Member EC shall be as follows: <table border="1" data-bbox="678 493 1339 1490"> <tr><td>ALECO</td><td>15 years</td></tr> <tr><td>BENECO</td><td>14 years, 10 months</td></tr> <tr><td>CASURECO I</td><td>15 years</td></tr> <tr><td>CASURECO II</td><td>13 years</td></tr> <tr><td>CENPELCO</td><td>15 years</td></tr> <tr><td>INEC</td><td>15 years</td></tr> <tr><td>ISECO</td><td>14 years, 10 months</td></tr> <tr><td>ISELCO I</td><td>15 years</td></tr> <tr><td>ISELCO II</td><td>15 years</td></tr> <tr><td>KAELCO</td><td>15 years</td></tr> <tr><td>MOPRECO</td><td>15 years</td></tr> <tr><td>NEECO II-A2</td><td>15 years</td></tr> <tr><td>PANELCO III</td><td>15 years</td></tr> <tr><td>PELCO I</td><td>15 years</td></tr> <tr><td>PRESCO</td><td>15 years</td></tr> <tr><td>SORECO I</td><td>14 years, 10 months</td></tr> <tr><td>TARELCO I</td><td>15 years</td></tr> <tr><td>TARELCO II</td><td>14 years, 11 months</td></tr> </table> • The contract Term per Member EC shall be reckoned from their respective commencement of supply. 	ALECO	15 years	BENECO	14 years, 10 months	CASURECO I	15 years	CASURECO II	13 years	CENPELCO	15 years	INEC	15 years	ISECO	14 years, 10 months	ISELCO I	15 years	ISELCO II	15 years	KAELCO	15 years	MOPRECO	15 years	NEECO II-A2	15 years	PANELCO III	15 years	PELCO I	15 years	PRESCO	15 years	SORECO I	14 years, 10 months	TARELCO I	15 years	TARELCO II	14 years, 11 months
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Target Delivery Date	<ul style="list-style-type: none"> • The Target Delivery Date per Member EC shall be as follows: <table border="1" data-bbox="678 1677 1339 2267"> <tr><td></td><td>MM/DD/YYYY</td></tr> <tr><td>ALECO</td><td>11/26/2024</td></tr> <tr><td>BENECO</td><td>2/26/2025</td></tr> <tr><td>CASURECO I</td><td>12/26/2024</td></tr> <tr><td>CASURECO II</td><td>5/26/2026</td></tr> <tr><td>CENPELCO</td><td>12/26/2024</td></tr> <tr><td>INEC</td><td>10/13/2024</td></tr> <tr><td>ISECO</td><td>2/26/2025</td></tr> <tr><td>ISELCO I</td><td>10/26/2024</td></tr> <tr><td>ISELCO II</td><td>12/26/2024</td></tr> </table> 		MM/DD/YYYY	ALECO	11/26/2024	BENECO	2/26/2025	CASURECO I	12/26/2024	CASURECO II	5/26/2026	CENPELCO	12/26/2024	INEC	10/13/2024	ISECO	2/26/2025	ISELCO I	10/26/2024	ISELCO II	12/26/2024																
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Bid price in Philippine Peso per kilowatt-hour (PhP/kWh)	<ul style="list-style-type: none"> ● For the purpose of evaluation, the Levelized Cost of Electricity (“LCOE”) rate, in PhP/kWh, shall be subject to a predetermined <i>Ceiling Price</i>, which shall only be revealed during the opening of the bids. 																																													
Contracted Capacity	<ul style="list-style-type: none"> ● Firm and Dispatchable supply up to the Bidder’s Offered Contract Capacity. ● The Aggregated Contract Capacity of all the Member ECs per annum are provided below. The Member ECs shall individually utilize the Winning Bidder’s Offered Contract Capacity at 65% Monthly Minimum Capacity Utilization Factor (“CUF”). <p>Table 1.</p> <table border="1" data-bbox="651 1505 1365 2255"> <thead> <tr> <th>Year</th> <th>Aggregated Contract Capacity (in MW)</th> <th>Monthly Minimum CUF</th> </tr> </thead> <tbody> <tr><td>2024</td><td>262.00</td><td>65%</td></tr> <tr><td>2025</td><td>468.50</td><td>65%</td></tr> <tr><td>2026</td><td>497.00</td><td>65%</td></tr> <tr><td>2027</td><td>506.00</td><td>65%</td></tr> <tr><td>2028</td><td>522.50</td><td>65%</td></tr> <tr><td>2029</td><td>578.50</td><td>65%</td></tr> <tr><td>2030</td><td>584.00</td><td>65%</td></tr> <tr><td>2031</td><td>589.00</td><td>65%</td></tr> <tr><td>2032</td><td>594.00</td><td>65%</td></tr> <tr><td>2033</td><td>598.00</td><td>65%</td></tr> <tr><td>2034</td><td>601.00</td><td>65%</td></tr> <tr><td>2035</td><td>601.00</td><td>65%</td></tr> <tr><td>2036</td><td>601.00</td><td>65%</td></tr> <tr><td>2037</td><td>601.00</td><td>65%</td></tr> </tbody> </table>	Year	Aggregated Contract Capacity (in MW)	Monthly Minimum CUF	2024	262.00	65%	2025	468.50	65%	2026	497.00	65%	2027	506.00	65%	2028	522.50	65%	2029	578.50	65%	2030	584.00	65%	2031	589.00	65%	2032	594.00	65%	2033	598.00	65%	2034	601.00	65%	2035	601.00	65%	2036	601.00	65%	2037	601.00	65%
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2038	601.00	65%					
2039	597.00	65%					
Bid Type	<ul style="list-style-type: none"> ● Pay-as-Bid ● The Bidder shall submit an offer and commit to a fixed percentage of the total Aggregated Contract Capacity to be supplied to the Member ECs, which fixed percentage shall be the same for all Member ECs for the entire contract Term. ● The Bidder’s Offered Contract Capacity shall neither be below 20% nor beyond 50% of the Aggregated Contract Capacity for any given year. Bids with an offer lower or higher than the allowable Offered Contract Capacity shall be rejected outright and shall be a cause to disqualify the Bidder. 						
Tariff Structure	<p>The Total Generation Charge shall be unbundled into components as follows:</p> $Total\ Generation\ Charge = CRF_{CUF} + FOMF_{CUF} + VOMF + FC$ <p>Capital Recovery Fee (“CRF”): The CRF_{CUF} shall be calculated as the product of the Capital Recovery Rate (“CRR_{CUF}”), in PhP/kWh, and the energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher.</p> <ul style="list-style-type: none"> ● Without exception, no form of indexation shall be allowed for the CRF_{CUF}. <p>Fixed O&M Fee (“FOMF”): The $FOMF_{CUF}$ shall be calculated as the product of the Fixed O&M Rate (“$FOMR_{CUF}$”), in PhP/kWh, and the energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher.</p> <ul style="list-style-type: none"> ● The $FOMR_{CUF}$ may have local and foreign components. The local component of the $FOMR_{CUF}$ may be adjusted to the Philippine CPI (“PH CPI”), while the foreign component of the $FOMR_{CUF}$ may be adjusted to the US CPI (“US CPI”) and the applicable foreign exchange rate. ● The CRR_{CUF} and the $FOMR_{CUF}$ shall be determined using the <i>CUF Table</i> generated using the Financial Bid Form. The Bidder shall input its CRR_{CUF} and the $FOMR_{CUF}$ at 100% CUF and the Financial Bid Form shall automatically compute the CRR_{CUF} and the $FOMR_{CUF}$ from 99% CUF to 65% CUF. Should the Member EC fail to dispatch the Winning Bidder/s at the Monthly Minimum CUF for a Billing Period, and the Winning Bidder/s have made the same available for dispatch, the Member EC shall pay the Winning Bidder/s the CRR_{CUF} and $FOMR_{CUF}$ for the equivalent associated energy at 65% CUF level. ● The CUF shall be calculated in accordance with the formula below: 						

$$CUF = \frac{Q}{CC \times (H_T - H_O - H_{FM})}$$

Where

CUF	Capacity Utilization Factor
Q	Energy delivered during the Billing Period or the equivalent associated energy based on the Monthly Minimum CUF, whichever is higher
CC	Contract Capacity, stated in kW, for the Billing Period
H _T	Total number of hours in the Billing Period
H _O	The Equivalent Hours of actual Planned Outages and Unplanned Outages in the Billing Period.
H _{FM}	The Equivalent Hours of Force Majeure in the Billing Period.

- The formula to calculate the H_O and H_{FM} shall be provided in the Final Transaction Documents.

Variable O&M Fee (“VOMF”): The VOMF shall be calculated as the product of the Variable O&M Rate (“VOMR”), in PHP/kWh, and the actual energy delivered for the Billing Period.

- The VOMR may have local and foreign components. The local component of the VOMR may be adjusted to the PH CPI, while the foreign component of the VOMR may be adjusted to the US CPI and the applicable foreign exchange rate.
- The VOMF shall be strictly based on actual energy delivered for the Billing Period.

Fuel Cost (“FC”): Unless revised in the Final Transaction Documents, the FC shall be calculated as the product of: (i) the Fuel Price (“FP”); (ii) the Fuel Consumption Rate (“FCR”); and (iii) the actual energy delivered for the Billing Period.

- The FC shall be a pass-through component of the price.
- The *Fuel Price* shall be composed of the Fuel Commodity Cost and the Non-Fuel Commodity Cost.
- For the Fuel Commodity Cost, the Final Transaction Documents shall provide for a Fuel Commodity Cost Formula.
 - The Bidder shall be allowed to nominate up to two (2) Nominated Fuel Indices for the Fuel Commodity Cost Formula, provided that the Bidder shall also indicate the share of each Nominated Fuel Index. The Bidder’s Nominated Fuel Index/Indices and the share of each index shall be binding on the Bidder during PSA implementation.
 - The Bidder shall offer a fixed cost (i.e., FC₁ and FC₂) to be indexed to the Bidder's Nominated Fuel Index or Indices. The Bidder may choose to index a part or the entire of its FC₁ and/or FC₂ to its Bidder's Nominated Fuel Index or Indices.

	<p>The FC₁ and FC₂ offered by the Bidder shall be binding on it and shall remain fixed for the entire duration of the PSA.</p> <ul style="list-style-type: none"> ○ The Bidder may offer a premium or discount on its Fuel Commodity Cost provided that the indicated premium or discount shall be binding on the Bidder for each year of the contract Term. <ul style="list-style-type: none"> ● For the <u>Non-Fuel Commodity Cost</u>, the Bidder shall recover either at actual pass-through cost or at a fixed cost, the mechanics and parameters of which are provided in the Final Transaction Documents. ● During PSA implementation, the FP to be billed by the Winning Supplier shall be the lower between: <ul style="list-style-type: none"> ○ The sum of the (i) resulting value using the Fuel Commodity Cost Formula and (ii) the Non-Fuel Commodity Cost; or ○ The actual fuel price as billed by the fuel supplier/s (i.e., supported by actual invoices) for the relevant Billing Period. However, if the Bidder opts for a fixed Non-Fuel Commodity Cost, Bidder shall not be required to substantiate its Non-Fuel Commodity Cost when it serves its Supplier Invoice to the Member ECs. ● For the FCR: <ul style="list-style-type: none"> ○ The Bidder shall be allowed to provide a FCR at different capacity factors (at 1% increments) from 65% to 100% CUF. During the PSA implementation, if the Member EC fails to utilize the Bidder’s Offered Contract Capacity at the Monthly Minimum CUF, the Bidder may apply the higher of its actual consumption rate or the consumption rate corresponding to the Minimum CUF for that Billing Period. <p>Value Added Tax (“VAT”) and Other Charges: Except for VAT, which shall be a pass-through component of the price, all other taxes and government dues, the WESM market fees, and ER 1-94 (Benefits to Host Community) shall be to the account of the Winning Bidder/s.</p>
<p>Evaluation Framework</p>	<ul style="list-style-type: none"> ● The Financial Proposal of the Bidders shall be evaluated by calculating the equivalent price in 2024 of the LCOE over the 15-year period from the base bid price and other bid parameters submitted in accordance with the Evaluation Methodology detailed in the Transaction Documents. ● The LCOE shall be the basis for comparison of bid offers. ● All the Offered Contract Capacities of the Bidders that meet the <i>Ceiling Price</i> of the LCOE shall be stacked from lowest to highest LCOE until the required Aggregated Contracted Capacity is filled up. ● If the resulting stack of Offered Contract Capacities goes beyond the required Aggregated Contracted Capacity, the Bidder that fills up the last stack (the “Marginal Bid Offer”) shall have its Offered Contract Capacity reduced accordingly up to the extent of the required Aggregated Contracted Capacity at its proposed tariff. ● For evaluation purposes, the Bidders’ Financial Proposals shall be computed and compared on an ex-VAT basis.

Outage Allowances	<ul style="list-style-type: none"> ● Bidders shall submit its committed Scheduled and Unscheduled Outage Allowance (“OA”) provided that the same shall not exceed the allowable outages for similar plant technology under ERC Resolution No. 10, Series of 2020 entitled “<i>A Resolution Adopting the Interim Reliability Performance Indices and Equivalent Outage Days Per Year of Generating Units.</i>” ● All Scheduled Outages must be scheduled in accordance with the most recent DOE-approved Grid Operating and Maintenance Program. ● There will be no carry-over of any unutilized OA for the following years. ● For evaluation purposes, the Bidder’s submitted Scheduled and Unscheduled OA shall be considered in calculating the LCOE.
Force Majeure	<ul style="list-style-type: none"> ● Events of Force Majeure are extraordinary events or circumstances which are not foreseeable or though foreseen, are inevitable and are beyond the will, control, participation, and influence of the affected party. The affected party shall be excused from performance to the extent affected by, and shall not be considered to be in default in respect of, any obligation under the PSA (including any obligation of the Member EC to pay the generation charge for the duration of the Force Majeure event) for so long as the failure to perform such an obligation shall be due to an Event of Force Majeure. ● The events of and the effect of Force Majeure on the obligations of the parties shall be provided in the PSA.
Replacement Power	<p>Replacement Power will be provided in the following manner:</p> <ul style="list-style-type: none"> ● If within Outage Allowance (“OA”), the procurement of any Replacement Power shall be the responsibility of the Member EC. During such period within OA, the Member EC shall source Replacement Power from other sources or from the Wholesale Electricity Spot Market (“WESM”), at its own expense, which expense shall be passed on to its customers as part of generation costs. ● If beyond OA, the procurement of any Replacement Power shall be the responsibility of the Winning Supplier; provided that, the rates to be paid by the Member EC for the procurement of Replacement Power including line rental, if applicable, shall be (i) the actual cost of Replacement Power or (ii) the approved rate for the PSA, whichever is lower. ● In the event of failure by the Winning Supplier to provide the Replacement Power, the Member EC shall source Replacement Power at the expense of the Winning Supplier. The Winning Supplier shall shoulder the positive difference between the Replacement Power cost and the approved PSA rate including line rental, if any, plus reasonable fees to cover the cost of the Member EC to fill in the shortage and liquidated damages.
Form of Payment	<p>Mode of payment: Check or bank transfer to a nominated bank. Currency of Payment: Philippine Peso Billing Period: Monthly as provided in the PSA.</p>
Penalty in case of default	<ul style="list-style-type: none"> ● In case of an Event of Default on the part of the Winning Supplier resulting to the termination of the PSA, the Winning Supplier shall pay the Member EC the product of the average generation charge for the past twelve (12) months (at the time of the occurrence of default)

	<p>or the actual WESM charge, whichever is higher, and the replacement energy for the same Offered Contract Capacity until the Member EC is able to secure and implement a new long term power supply agreement or an eighteen-(18) month period from occurrence Event of Default, whichever comes first.</p> <ul style="list-style-type: none"> ● In other cases of default, the Winning Supplier shall be penalized at a rate equivalent to the Member EC’s Distribution Supply and Metering (“DSM”) rate per kWh multiplied by the actual replacement energy sourced by the Member EC, to be paid within thirty (30) Days after written demand for payment. ● Penalties shall not be passed on to the Member EC or its consumers.
<p>Reduction of Contract Capacity and/or Contract Energy</p>	<ul style="list-style-type: none"> ● At the option of the Member EC, from time to time upon and after the implementation of Retail Competition and Open Access (“RCOA”), Green Energy Option Program (“GEOP”), Renewable Portfolio Standards (“RPS”), Net Metering programs, Distributed Energy Resources (“DER”), and other similar government programs, the relevant Member EC shall deliver to the Winning Supplier written notice specifying the reduction in Contracted Capacity and/or associated energy resulting from the implementation of RCOA, GEOP, RPS, Net Metering programs, DER, and other similar government programs, indicating when such reductions shall take place. Any such reduction shall be limited to an amount that will allow the relevant Member EC to comply with its obligation to supply electricity in the least cost manner to its captive market.
<p>Prompt Payment Discount</p>	<ul style="list-style-type: none"> ● The Wining Supplier shall extend a three (3%) discount based on the total CRF, FOMF, and VOMF for the Billing Period to the Member EC as prompt payment discount if: <ul style="list-style-type: none"> ○ payment is made within fifteen (15) Calendar Days from receipt of Winning Supplier’s billing; and ○ the relevant Member EC is up to date with all its payment obligations under the relevant PSA. ● The prompt payment discount shall not be included in the Financial Proposal evaluation.

Eligibility Requirements

Legal

- The following entities shall be eligible to participate in this Transaction:
 - Duly licensed individuals or sole proprietorship;
 - Duly organized and licensed Partnerships;
 - Duly organized and licensed Corporations; or
 - Duly organized and licensed Joint Ventures or Consortiums.
- The Bidder must secure a Certificate of Good Standing from at least three (3) regulated off-takers, whether existing or previous customers. If the Bidder does not or did not have three (3) regulated off-takers, the Bidder shall submit a Certificate of Good Standing from all of its current and previous regulated off-takers.

Financial

- Bidder, including its Affiliates, must have an Unrestricted Net Worth equivalent to Seven Million Pesos (PhP7,000,000.00) multiplied by the Bidder's highest Offered Contract Capacity, based on the Bidder's latest audited financial statements or consolidated financial statements with its Affiliates.
 - For this purpose, "Unrestricted Net Worth" means the sum of subscribed and paid-up equity, including additional paid-in capital, and unrestricted retained earnings, preferred shares, perpetual shares less treasury shares of common, preferred, and perpetual shares.
 - Bidders may submit a sworn statement executed by the President or authorized representative of its Affiliate or Parent Company categorically stating under oath that the Unrestricted Net Worth of the Bidder's Affiliate or Parent Company complies with the foregoing requirements.
 - A Bidder that cites an Affiliate or Parent Company to comply with the financial capability requirement must present proof to establish that the cited entity is indeed its Affiliate or Parent Company by submitting an Affidavit of Affiliation as provided in the Transaction Documents.

Technical

- The Bidder, including its Affiliates, shall have an aggregate installed capacity of at least six hundred (600) MW in the Philippines.
- The Bidder must have or must have had at least one (1) power supply contract of at least 73 MW with at least six (6) months contract term. The Bidder shall submit (i) a notarized certification confirming the foregoing, and (ii) a copy of the relevant power supply contract (the Bidder shall be allowed to redact confidential or private information, as appropriate).
- The Bidders or its Affiliates shall have a track record of at least five (5) years of experience in operating power plants in the Philippines.
- The Bidder's Nominated Power Plant (if already in operation for at least one (1) year) shall have an annual Plant Availability Factor

(“PAF”) greater than or equal to the following, based on the technology of the Nominated Power Plant:

Technology	PAF
Pulverized Coal	87.75%
Circulating Fluidized Bed	91.15%
Combined Cycle	94.47%
Gas Turbine	92.00%
Diesel	94.79%
Geothermal	94.60%
Hydroelectric	91.81%
Oil-Fired Thermal	83.95%
Biomass	89.12%

- The Bidder’s Nominated Power Plant must have the required PAF in at least one (1) year within 2019 to 2023.
- If the Nominated Power Plant has been in operations for less than one (1) year as of bid opening date, technical evaluation shall be conducted to determine if by design the Nominated Power Plant can meet the required applicable PAF as shown above.
- In lieu of the foregoing technical requirements, the Bidder must submit the following:
 - Key Personnel Experience – curriculum vitae of key personnel of the prospective Bidder showing they have sufficient experience in the electric power industry, particularly in the generation sector; and
 - Other relevant information showing proof of the technical capabilities of the Bidder or its Affiliates that would be helpful to the NEA SBAC.

Non-renewal, termination, or reduction to operate as an electric distribution utility

- In the event that any Member EC’s franchise to operate as an electric distribution utility is not renewed or terminated, or its coverage area is reduced, said Member EC shall have the obligation to assign the rights and obligations under the PSA which are affected by the said non-renewal, termination, or reduction to the new utility with the franchise to operate in the area affected by the non-renewal, termination, or reduction of the Member EC’s coverage area. The Winning Supplier shall have the corresponding obligation to accept such assignment.
- If such assignment fails to occur due to reasons not attributable to the fault or negligence of the Member EC and/or the Winning Supplier, said non-renewal, termination, or reduction shall be considered as an Event of Force Majeure.