



NEGROS ELECTRIC COOPERATIVE ASSOCIATION (NECA) COMPETITIVE POWER SUPPLY PROCUREMENT

REFERENCE : SUPPLEMENTAL BID BULLETIN NO. 11
 ISSUE DATE : 19 JULY 2024
 FOR : ALL BIDDERS
 SUBJECT : AMENDMENTS TO THE TERMS OF REFERENCE (TOR)

Pursuant to the Department of Energy (“DOE”) Circular No. DC2023-06-0021, ERC Resolution No. 16, Series of 2023 and the NEA Memorandum No. 2023-057, the NECA JCPSP Joint Bids and Awards Committee (JBAC), hereby issues the following amendments.

ITEM	DRAFT PSA PROVISION	AMENDMENT
1	SECTION 3. Definition of Terms	<p>Conditions Precedent– refers to the requirements and conditions that must have been satisfied to achieve the Effective Date including, but not limited to, interim relief, provisional or final approval of PSA by the ERC.</p> <p>Scheduled Outage - refers to the outage of the plant generating units and equipment planned by the POWER SUPPLIER for preventive maintenance as approved by the System Operator prior to the Operating Year in accordance with the PSA. For the purpose of this transaction, the scheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NECA.</p> <p>Scheduled Outage Hours - the number of hours that the Guaranteed Delivered Capacity is not available totally or partially due to the Scheduled Outage of the POWER SUPPLIER’s power plant. For the purpose of this</p>



		<p>transaction, the scheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NECA.</p> <p>Unscheduled Outage – refers to the forced outages and short-term unplanned outages for repairs that are not part of the approved Scheduled Outage. For the purpose of this transaction, the unscheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020 for the POWER SUPPLIER for its contracted capacity to NECA.</p> <p>Unscheduled Outage Hours - the number of hours that the Guaranteed Delivered Capacity is not available totally or partially due to Unscheduled Outage of the POWER SUPPLIER’s power plant/s. For the purpose of this transaction, the unscheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NECA.</p>																								
2	SECTION 4. Transaction Schedule	<table border="1"> <thead> <tr> <th data-bbox="1454 899 1983 932">Activities</th> <th data-bbox="1983 899 2454 932">Target Dates</th> </tr> </thead> <tbody> <tr> <td data-bbox="1454 932 1983 964">Publication of Invitation to Bid</td> <td data-bbox="1983 932 2454 964">April 30, 2024, and May 7, 2024</td> </tr> <tr> <td data-bbox="1454 964 1983 997">Issuance of Bid Documents</td> <td data-bbox="1983 964 2454 997">May 10, 2024</td> </tr> <tr> <td data-bbox="1454 997 1983 1029">Pre-Bidding Conference 1</td> <td data-bbox="1983 997 2454 1029">May 24, 2024</td> </tr> <tr> <td data-bbox="1454 1029 1983 1062">Pre-Bidding Conference 2 (If applicable)</td> <td data-bbox="1983 1029 2454 1062">May 31, 2024</td> </tr> <tr> <td data-bbox="1454 1062 1983 1094">Issuance of Bid Bulletin and Final Instruction to Bidders</td> <td data-bbox="1983 1062 2454 1094">July 19, 2024</td> </tr> <tr> <td data-bbox="1454 1094 1983 1127">Due Diligence of the Bidders</td> <td data-bbox="1983 1094 2454 1127">May 10, 2024 – August 9, 2024</td> </tr> <tr> <td data-bbox="1454 1127 1983 1159">Submission and Opening of Bids</td> <td data-bbox="1983 1127 2454 1159">August 12, 2024</td> </tr> <tr> <td data-bbox="1454 1159 1983 1192">Post Qualification and Evaluation of Bids</td> <td data-bbox="1983 1159 2454 1192">August 13, 2024 – August 16, 2024</td> </tr> <tr> <td data-bbox="1454 1192 1983 1224">Issuance of Notice of Award</td> <td data-bbox="1983 1192 2454 1224">October 11, 2024</td> </tr> <tr> <td data-bbox="1454 1224 1983 1256">Final Evaluation/Assessment of PSA</td> <td data-bbox="1983 1224 2454 1256">October 18, 2024</td> </tr> <tr> <td data-bbox="1454 1256 1983 1289">The signing of PSA</td> <td data-bbox="1983 1256 2454 1289">October 28, 2024</td> </tr> </tbody> </table>	Activities	Target Dates	Publication of Invitation to Bid	April 30, 2024, and May 7, 2024	Issuance of Bid Documents	May 10, 2024	Pre-Bidding Conference 1	May 24, 2024	Pre-Bidding Conference 2 (If applicable)	May 31, 2024	Issuance of Bid Bulletin and Final Instruction to Bidders	July 19, 2024	Due Diligence of the Bidders	May 10, 2024 – August 9, 2024	Submission and Opening of Bids	August 12, 2024	Post Qualification and Evaluation of Bids	August 13, 2024 – August 16, 2024	Issuance of Notice of Award	October 11, 2024	Final Evaluation/Assessment of PSA	October 18, 2024	The signing of PSA	October 28, 2024
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		Posting of Performance Security	On or before November 7, 2024
		Issuance of Notice to Proceed	November 12, 2024
		Submission of Documents for Pre-Filing with ERC	November 27, 2024
3	SECTION 6.3 Clarification and Amendment of Bidding Documents	6.3. The NECA JBAC shall respond to the said request by issuing Bid Bulletin/s made available to all Bidders. The last Bid Bulletin will be issued July 19, 2024, or at least fourteen (14) calendar days before the deadline for the submission and receipt of bids.	
4	SECTION 8.2. Eligible Bidders	8.2. The Bidder must have a power plant/s connected to the Philippine Grid whose total dependable and available uncontracted capacity is no lesser than the requirement of NECA. The full contracted capacity of NECA must be source from either a single plant or portfolio of plants owned and operated by the Bidder.	
5	SECTION 8.4. Eligible Bidders	8.4. Bidders must provide copies of its Certificate of Compliance (COCs) issued by ERC, the latest Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR). In lieu of COC, Bidders shall submit a certification issued by the ERC indicating the status of the bidder’s application or submission of a copy of Provisional Authority to Operate (PAO).	
6	SECTION 8.5. Eligible Bidders	8.5. Bidders must have a debt ratio not exceeding 50% as reflected in the 2022 Audited Financial Statements.	
7	SECTION 10.2. Due Diligence	10.2. The Bidders may conduct due diligence until May 10, 2024 to August 9, 2024 .	
8	SECTION 11.3.e.i DISQUALIFICATION OF BIDDER	i. Board Resolution/Secretary’s Certification of the Bidder’s Authorized Representative to the NECA-CSP process and the Transaction, and Authorized Signatory/ies to the Bidding Documents and the PSA (Annex G).	



9	SECTION 14.2.3.e. Legal Documents	e) Shareholder’s Agreement. In lieu of the Shareholder’s Agreement, a General Information Sheet, authenticated by the SEC shall be submitted.
10	SECTION 14.2.3.i.ii. Legal Documents	i) Documentary proof of Bidder’s Compliance with tax obligations such as: i. BIR VAT Registration ii. Proof of VAT payments for the past six (6) months (4th Qtr of 2023 - 1st Qtr of 2024)
11	SECTION 14.2.4.a.i. Technical Documents	a) Company profile highlighting experiences and expertise of the company and key officers in power plant operation. The bidder must also include the submission of: i. Lists of projects (PSAs) undertaken over the last ten (10) years.
12	SECTION 14.2.4.b. Technical Documents	b) Matrix of the Bidder’s ongoing projects and generation portfolio with the following minimum information for each power plant (Annex B-2):
13	SECTION 14.2.4.c. Technical Documents	c) Matrix of Bidder’s customers with whom the Bidder have power plant operation, rental or power supply contracts (Annex B-2). The statement shall include, for each customer the following: i. Name and address of company ii. Telephone, cellphone and fax numbers, website URL, and email address of the company. iii. Name and position of authorized contact person(s) Contracted Capacity (MW), Energy (MWH), and Contract Duration (Billing Month and Year) iv. Telephone and cellphone number and email address of contact person(s)
14	SECTION 14.2.4.d. Technical Documents	d) Copy of Certificate of Compliance issued by ERC or Service Contracts from the DOE as well as copies of its Generation Company Information



		Sheet (GCIS) and Generation Company Management Report (GCMR) submission to ERC for the last five (5) years and the last 2 years in the case of RE. If COC is not available, submission of a copy of Provisional Authority to Operate (PAO) will suffice.
15	SECTION 14.2.5.a Financial Documents	a) The Bidder’s Audited Financial Statements, stamped “received” by the Bureau of Internal Revenue (BIR) for at least two (2) years (2022-2023), showing, among others, the Bidder’s total and current assets and liabilities. For those submitting their AFS online, a BIR email confirmation proving submission of the AFS will suffice. Complete set of financial statement includes the following:
16	SECTION 14.2.5.d Financial Documents	d) Proof of commitment to the required equity contribution, as specified by the EC: <ul style="list-style-type: none"> i. in the case where the Winning Bidder is a corporation - e.g., Treasurer’s Affidavit attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or shareholders agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or ii. in the case of a consortium - an Undertaking of the members thereof to infuse the required equity contribution to the consortium.
17	SECTION 14.3.a Class “B” Documents	a) Secretary’s Certificate designating the Bidder’s authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA), bearing certified sheets containing at least three (3) specimens of full signature and three (3) initials of the designated representative/s (Annex G);



18	SECTION 14.3.a Class “B” Documents	b) A document containing the name, address and contact details, including telephone number/s, fax number/s and email address/es, of Bidder duly signed by the authorized representative/s with the Sworn Undertakings (Annex H and I) ;
19	SECTION 14.3.j; 14.3.k; and 14.3.l Class “B” Documents	j) Certification by the Bidder to the effect that it is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Bidding Process (Annex D-6) ; k) Sworn Undertaking that the Bidder, if applicable, as well as their affiliates, assigns and successors-in-interest, shall abide by the decisions of the JBAC, shall hold the DU, its JBoard Members, Officers and Management, and JBAC free and harmless from any claim or cause of action arising from the conduct and award of the Project, and shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Article VI (Protest Mechanism) and Article X (Enforcement) of the ERC 2023 CSP Implementing Rules; l) Certificate of Good Performance
20	SECTION 14.4 Class “B” Documents	14.4 Bidder must issue a Sworn Certificate of Non-Applicability for all items or documents that are not applicable. This Sworn Certificate must be inserted in lieu of each of the required document during the submission of the Bid.
21	SECTION 15.1 Bid Security	15 Each Bidder shall submit, as part of its bid submission, a Bid Security in accordance with the following terms and conditions with a validity of a one hundred eighty (180) days from the deadline for the submission of Bids to be issued to Northern Negros Electric Cooperative, Inc. (NONECO):
22	SECTION 15.1.a.iv. Bid Security	iv. Irrevocable Standby Letter of Credit (SBLC) and shall be valid for at least one hundred eighty (180) days.



23	SECTION 15.2 Bid Security	15.2 Submission of a Bid Security is understood to mean that the Bidder shall enter into a PSA with NECA and furnish the required Performance Security within ten (10) calendar days from receipt of the Notice of Award the execution of the contract, and commits to pay the corresponding amount as fine in the event it violates any of the conditions stated therein.
24	SECTION 15.5 Bid Security	15.3 For Bidders whose Bid were not disqualified, their Bid Security shall be returned only after the Winning Bidder has signed the PSA and complied with the Performance Security requirements in Sections 33 and 34. A decision to withdraw the bid should not be grounds for forfeiture of the bid security unless the withdraws is made prior to the opening of the bids.
25	SECTION 15.7 Bid Security	(f) A Winning Bidder withdraws a Bid, or refuses to accept an award, or enter into the PSA with NECA, after the Bidder had been adjudged as having submitted the LCRB (g) A Winning Bidder refuses or fails to post the required Performance Security within the prescribed time (h) A Bidder refuses to clarify or validate in writing its Bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification (i) A Bidder attempts to unduly influence the outcome of the CSP in its favor (j) The Winning Bidder fails to sign the PSA intentionally or through its own fault.
26	SECTION 16 Financial Proposal	Please see “NECA _AMENDMENTS TO THE ITB_BID BULLETIN NO. 11_FINANCIAL PROPOSAL.doc”
27	SECTION 17.2 Technical Proposal	17.2 Bidder shall be required to submit the following documents:



		<ul style="list-style-type: none"> a) WESM Registration – Certified True Copy b) Certificate of Compliance (COC) issued by the ERC- In lieu of COC, Bidders shall submit a certification issued by the ERC indicating the status of the Bidder’s application. c) Certificate of Endorsement from the DOE d) Copy of Fuel/Coal/Steam Sale Agreement e) Copy of Agreement for the Supply and Delivery of Goods/Fuel f) Certificate/Document stating the Consumption Rate of Fuel Used g) Company Profile Highlights and CV of Key Officers in Power Plant Operation h) Latest Generation Company Information Sheet (GCIS) submitted to the ERC i) Latest Generation Company Management Report (GCMR) submitted to the ERC j) Planned Preventive Maintenance Schedule for 2024 to 2028 k) Risk Mitigation Plan or Resiliency Compliance Plan for 2024 to 2039 as mandated under RA 10121. <p>In case of letter (d), and (e) are bound in Confidentiality Agreement, a Fuel Procurement plan is acceptable as long as it indicates some of the details:</p> <ul style="list-style-type: none"> 1. Letter of Intent (LOI) from a Reputable Fuel Supplier, 2. Proof of Fuel Sourcing Capability; 3. Negotiation Letters with Potential Suppliers; and 4. Membership in Industry Associations related to fuel procurement. 5. And/or any relevant information that the Bidder has ensured its fuel procurement for the whole duration of the contract with NECA. <p>However, in case of the winning bidder, submission of the Fuel/Coal/Steam Sale Agreement, and Agreement for the Supply and</p>
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		<p>Delivery of Goods/Fuel is required during the Post Qualification and Detailed Evaluation process.</p>						
28	SECTION 20.1 Format and Signing of Bids	<p>20.1 The Bidder shall provide three (3) copies of the Bid, one (1) original, one (1) photocopy, and one (1) Flashdrive containing scanned copies of each document as found in envelope A. The Bid shall be printed or written in black indelible ink. In the event of any discrepancy between the original and the copies, the original shall prevail.</p>						
29	SECTION 21.1 Sealing and Marking of Bids	<p>21.1 The Bids shall be submitted in one (1) sealed main Bid envelope (or box) bearing the signature of the authorized representative/s to secure the seal and labelled as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Name of Bidder</td> </tr> <tr> <td style="text-align: center;">Address of Bidder</td> </tr> <tr> <td style="text-align: center;">The JOINT BIDS AND AWARDS COMMITTEE (JBAC) Negros Electric Cooperatives Association (NECA)</td> </tr> <tr> <td style="text-align: center;">“COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 53MW BASELOAD AND/OR 18MW PEAKING OF NECA TO SUPPLY POWER FOR 2024-2039”</td> </tr> <tr> <td style="text-align: center;">NONECO Main Office, Brgy. Tortosa, Manapla, Negros Occidental</td> </tr> <tr> <td style="text-align: center;">WARNING: DO NOT OPEN BEFORE 10:00AM OF AUGUST 12, 2024</td> </tr> </table>	Name of Bidder	Address of Bidder	The JOINT BIDS AND AWARDS COMMITTEE (JBAC) Negros Electric Cooperatives Association (NECA)	“COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 53MW BASELOAD AND/OR 18MW PEAKING OF NECA TO SUPPLY POWER FOR 2024-2039”	NONECO Main Office, Brgy. Tortosa, Manapla, Negros Occidental	WARNING: DO NOT OPEN BEFORE 10:00AM OF AUGUST 12, 2024
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30	SECTION 21.2 Sealing and Marking of Bids	<p>21.2 The Main Bid envelope shall contain three (3) non-transparent sealed envelopes bearing the name and address of the Bidder, signed by the authorized representative to secure the seal and marked as follows:</p> <p>Envelope A: Original Envelope B: Copy 1 and; Envelope C: Flashdrive containing scanned copies of each document as found in envelope A.</p>
31	SECTION 22.1 Deadline for Submission of Bids	<p>22.1 Bids must be received by NECA JBAC on or before 09:00 AM (Philippine Standard Time) of August 12, 2024, at Celso Avenue, 2nd Floor, The Baly Oriental Hotel, 121-90 Hibbard Avenue, Piapi, Dumaguete City, Negros Oriental, Philippines. The Bid is considered received by the JBAC the moment it is dropped into the Bid submission drop box. Any Bid submitted thereafter shall be declared “Late” and shall not be accepted by NECA JBAC.</p>
32	SECTION 24.1 Opening of Bids	<p>24.1 NECA JBAC shall open the Bids in public at 10:00 AM of August 12, 2024, at the Celso Avenue, 2nd Floor, The Baly Oriental Hotel, 121-90 Hibbard Avenue, Piapi, Dumaguete City, Negros Oriental, Philippines. In case the Bids cannot be opened as scheduled due to justifiable reasons, NECA JBAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted at the websites of NECA Member Electric Cooperatives, NEA, and DOE.</p>
33	SECTION 24.3 Opening of Bids	<p>24.2 Letters of Withdrawal shall be read out and recorded during Bid opening, and the envelope containing the corresponding withdrawn Bid shall be returned to the Bidder unopened. If the withdrawing Bidder’s representative is in attendance the original Bid and all copies thereof shall be returned to the representative during the Bid</p>



		<p>opening. If the representative is not in attendance, the Bid shall be returned unopened by registered mail. Bidders who withdraw their bids shall not be allowed to attend the bid opening proper.</p>
34	SECTION 27.1 Evaluation Methodology	<p>27.1 The Financial Proposal of Bidders shall be evaluated by calculating the Long-Term Levelized Price over a 15-year period, with the allowable adjustments already applied on the price components.</p> <p>The same file that was forwarded to the Bidders shall be used for the computation of the Bid Proposal.</p> <p>The annual adjustments in the components are subjected to limits as provided in Table 01. Should the adjustment factor/multiplier be greater than the maximum limit provided, the maximum limit shall prevail in the computation of the allowable adjustments.</p>
35	SECTION 29.1 Tied Bids	<p>29.3 In case of tied Bids, that is, if multiple Bidders have the same calculated Long-Term Levelized Price, the Bids shall be evaluated using the effective rate if the discount as provided by the Bidder is applied. However, if there are still tied Bids, Bidders shall be required to submit a new Financial Proposal to compete with each other. The new financial proposal shall undergo the same process of evaluation detailed in Section 26 and 27.</p>
36	SECTION 31.3 Post Qualification	<p>31.3 The Bidder shall show proof of financial capacity to supply the 53MW Baseload and/or 18MW Peaking requirement of NECA from 2024-2039, if awarded the PSA, through the following:</p>
37	SECTION 33.2.c Performance Security	<p>c. In case the Performance Security is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the BSP. The Performance Security shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.</p>



		<p>The amount must be equivalent to the three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder. The performance security can be renewed annually.</p>
<p>38</p>	<p>SECTION 36 Lock-up Provision</p>	<p>The Winning Bidder shall not be allowed to sell and/or assign the executed PSA resulting from a successful CSP to any other entity, except under the following conditions:</p> <p>a. Assignment to the Winning Bidder’s subsidiary project company, provided that the Deed of Assignment shall state that the Winning Bidder and its stockholders shall be jointly and severally liable for any violation of the PSA terms and these Guidelines committed by its Assignee project company; and</p> <p>b. Upon ERC’s approval and determination of the assignee or buyer’s legal, technical and financial eligibility.</p> <p>The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium’s special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) without the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller’s obligations and duties under this Agreement.</p> <p>Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.</p>



Approved By : NECA JCSP JBAC

ROEL F. SALGADO, REE
NECA JCSP JBAC, CHAIRMAN
19 JULY 2024