



NEGROS ELECTRIC COOPERATIVE ASSOCIATION (NECA) COMPETITIVE POWER SUPPLY PROCUREMENT

REFERENCE : **SUPPLEMENTAL BID BULLETIN NO. 08**
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	ITEM 2.0 CONTRACTED CAPACITY (MW)	<ul style="list-style-type: none"> • 53 MW Baseload capacity requirement effective May 26, 2024 <ul style="list-style-type: none"> • NORECO I – 5 MW • NORECO II – 18 MW • NOCECO – 10 MW • NONECO – 20 MW • 18 MW Peaking capacity requirement for May 26, 2024 <ul style="list-style-type: none"> • NORECO I – 3 MW • NORECO II – 10 MW • NONECO – 5 MW <p>The Delivery Date shall be as defined in Section 3.3 on the draft PSA. In addition, the delivery date shall start on the next immediate 26th day of the month after the issuance of the Provisional Authority/ Interim Relief/ Final Approval.</p>



<p>2</p>	<p>ITEM 10.0 OUTAGE ALLOWANCE PER PLANT</p>	<p>The Power Supplier will be allowed outages for a contract year not exceeding Outage Allowances stated in the ERC Resolution No. 10, Series of 2020.</p> <table border="1" data-bbox="1669 391 2179 704"> <caption>Allowed Scheduled and Unscheduled Outages per Plant Type</caption> <thead> <tr> <th>Plant Type</th> <th>Scheduled (Hours)</th> <th>Unscheduled (Hours)</th> </tr> </thead> <tbody> <tr> <td>Coal (Pulverized)</td> <td>669</td> <td>403</td> </tr> <tr> <td>Coal (Circulating Fluidized Bed)</td> <td>369</td> <td>405</td> </tr> <tr> <td>Gas (Combined Cycle)</td> <td>300</td> <td>184</td> </tr> <tr> <td>Gas (Turbine)</td> <td>156</td> <td>544</td> </tr> <tr> <td>Diesel</td> <td>120</td> <td>336</td> </tr> <tr> <td>Oil Fired Thermal</td> <td>739</td> <td>667</td> </tr> <tr> <td>Geothermal</td> <td>144</td> <td>328</td> </tr> <tr> <td>Hydroelectric</td> <td>554</td> <td>163</td> </tr> <tr> <td>Biomass</td> <td>784</td> <td>168</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Scheduled outages shall be provided by the Supplier as determined by the grid System Operator. • No carry-over of Outage allowance (OA) to any subsequent contract year. • No crediting of OA from scheduled to unscheduled and vice versa. • The penalty clause will be determined based on the EC-approved timeline of the scheduled outage. • Power provider must provide a replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages. • All Planned Outages must be scheduled and declared twelve (12) months in advance but subject to revision depending on the approval of NGCP. • The Power Supplier shall furnish the Buyer a copy all planned outages that is submitted to the NGCP and DOE. 	Plant Type	Scheduled (Hours)	Unscheduled (Hours)	Coal (Pulverized)	669	403	Coal (Circulating Fluidized Bed)	369	405	Gas (Combined Cycle)	300	184	Gas (Turbine)	156	544	Diesel	120	336	Oil Fired Thermal	739	667	Geothermal	144	328	Hydroelectric	554	163	Biomass	784	168
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<p>3</p>	<p>ITEM 11.0 FORCE MAJEURE</p>	<ul style="list-style-type: none"> • Acts of God 																														



		<p>Acts of God, should only be considered as force majeure sufficient to terminate the contract if:</p> <ol style="list-style-type: none"> i. The event or calamity is of the degree or intensity that the continued operation of the parties would lead to death or injury of the parties' employees or agents; ii. The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public. <ul style="list-style-type: none"> • Epidemic <p>An epidemic officially declared by the national or local government, should only be considered as force majeure and a ground for termination of contract, if the epidemic causes:</p> <ol style="list-style-type: none"> i. Impossibility to deliver the contracted goods or services; or ii. When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations. <ul style="list-style-type: none"> • Other Events of Force Majeure (Force Majeure-Acts of Man) <p>Force Majeure events occurring in or directly affecting the Philippines include:</p> <ol style="list-style-type: none"> i. any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;
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<p>4</p>	<p>ITEM 12.0 REPLACEMENT POWER</p>	<p>The Supplier shall be responsible for providing replacement power in the following cases, except for Force Majeure Events:</p> <ul style="list-style-type: none"> a) During any delay of the Start of Delivery of Supply; and b) When its power plant fully consumed the scheduled or unscheduled outage to ensure continuity of supply in compliance with the cooperation period. <p>The rates to be charged for the procurement of Replacement Power shall be the actual price of the Replacement Power; or the approved charge for the PSA, whichever is lower.</p> <p>Replacement power shall be the obligation of the Supplier. In the event of failure by the Supplier to provide the replacement power, NECA members shall be allowed to source the replacement power at the Supplier's expense.</p> <p>The obligation for the Supplier to provide replacement power shall be guided and consistent with the ERC Resolution 16, Series of 2023, Annex A, Article 5, Section 15.</p> <p>For the plants that are not physically available on the date of delivery:</p>



		Replacement power shall not exceed four (4) years, otherwise, the same shall be a ground for termination of the Contract.
5	ITEM 25.0 APPLICATION PROCESS WITH ERC	<ul style="list-style-type: none"> • There shall be joint filing for the approval of the terms and conditions under the power supply agreement and the Power Supplier will cover all expenses associated with jointly filing the Power Supply Agreement's terms and conditions for regulatory approval. • Each NECA Member Cooperative must have an individual Power Supply Agreement.
6	ITEM 28.0 ASSIGNABILITY	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) with 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. 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.

Approved By : NECA JCSP JBAC


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