



BID BULLETIN NO. 03

14 June 2024

FOR PALAWAN ELECTRIC COOPERATIVE 40MW BASELOAD SUPPLY AND 15MW PEAKING SUPPLY OF POWER FOR THE PALAWAN MAIN GRID

In relation to the published *Invitation to Bid* for the Competitive Selection Process conducted by the National Electrification Administration (NEA) for Palawan Electric Cooperative’s (PALECO) 40 MW Baseload Supply and 15MW Peaking supply of power for the Palawan Main Grid, the National Electrification Administration-Special Bids Awards Committee (NEA-SBAC) hereby issues Bid Bulletin No. 3.

1. Deferral of the Release of Final Transaction Documents

Please be advised that the release of the Final Instructions to Bidders and Final Transaction Documents, which was originally scheduled on 17 June 2024, shall be deferred until further notice. The NEA-SBAC shall inform all prospective Bidders of the new release date once it has been determined. The subsequent bidding activities shall likewise be deferred.

2. Summary of the Pre-Bid Conference

The Summary of the Pre-Bid Conference held on 30 May 2024 is attached to this Bid Bulletin No. 3 as **Annex “A”**. This document provides the summary of the key discussions, questions, and answers that were addressed during the Pre-Bid Conference.

3. Template Certificate of Good Standing

The template *Certificate of Good Standing* which Bidders must secure from PALECO and/or their respective regulated off-taker(s), as the case may be, is attached to this Bid Bulletin No. 3 as **Annex “B”**. All submissions must adhere to this template.

4. Plant Location Reference Point Coordinates

The NEA-SBAC hereby issues the *Plant Location Reference Point Coordinates (per Lot)*, attached as **Annex “C”**, which prospective Bidders may use to calculate the distance requirements as stated in the Terms of Reference for this CSP.

Kindly acknowledge receipt of this Bid Bulletin in the space provided below and email it back to the NEA-SBAC through paleco.nea.csp.secretariat@gmail.com. For inquiries, please contact NEA-SBAC Secretariat Diana Jean G. Maala at numbers (02) 8929-1909 loc. 180.

For your information and Guidance.

Approved by: NEA-SBAC

ENGR. ERNESTO O. SILVANO, JR.

Chairperson

We hereby acknowledge received and acceptance of the terms and condition outlined in this Bid Bulletin.

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

**NATIONAL ELECTRIFICATION ADMINISTRATION
SPECIAL BIDS AND AWARDS COMMITTEE**

SUMMARY OF THE PRE-BID CONFERENCE

Highlights of the Pre-Bid Conference:

- After the opening program, NEA representative, Atty. Ivan Darwin Zamora discussed the Terms of Reference (TOR) and Bidding Procedures
- To help the bidders adequately prepare for their bids, Engr. Rey Lagan, TWG/PALECO Representative presented the technical overview for the CSP
- To give more time for the Q & A, the bidding procedures was discussed first by Atty. Claudette Ubaldo-Dema and Atty. Ivan Darwin Zamora
- After the presentation of the TOR and Bidding Procedures, the prospective bidders raised the following questions/clarifications and was responded to accordingly by the NEA-SBAC:

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
DPC	<p>Instruction to Bidders I-02 Subject of the Bid Proposal item 3, page 3</p> <p>3. The Transaction shall be divided into two (2) Lots as follows:</p> <p>a. Lot 1, Baseload supply at: - 27 MW from October, November, and December 2024 and January 2025; and - 40 MW from February 2025 to September 2039.</p> <p>b. Lot 2, Peaking supply at 15 MW for October 2024 to September 2039. Lot 2 shall be divided into two (2) locations:</p>	<p>If there will be ERC delays, the start of COD must not be fixed at October 2024.</p> <p>This may be adjusted according to ERC.</p>	<p>To be consistent with the provision stated in II-10 TECHNICAL PROPOSAL, we suggest to indicate in the Subject of the Bid Proposal:</p> <p>The Bidder must be able to commence delivery on 01 October 2024, (00:00H) for Lot 1 and Lot 2, as the case may be, or 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, and</p>	<p>The delivery date should be identified but will depend on the ERC approval, hence, will be adjusted accordingly.</p> <p>The Delivery Date shall be on 01 October 2024 (00:00H) or the next immediate 26th day of the month following the ERC’s issuance of a Provisional Authority or Interim Relief, as applicable, and the fulfillment of the conditions specified in the PSA.</p>

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	<p>- 8 MW should be placed in the north side of the Palawan Grid, near the Roxas substation; and - 7 MW should be placed in the south side of the Palawan Grid, between the Aborlan - Narra 69kV Transmission Line.</p>		<p>the fulfillment of other conditions precedent stated on the PSA.</p>	
DPC	<p>I-02 SUBJECT OF THE BID PROPOSAL item 7 page 57. For Lot 1: The Bidder shall provide a CUF Table containing the bid price corresponding to the CRFCUF ranging from 50% to 100% in increments of 1%, which shall be strictly binding on the Bidder during the implementation of the PSA without exception. For Lot 2: The Bidder shall provide a CUF Table containing the bid price corresponding to the CRFCUF ranging from 20% to 100% in increments of 1%, which shall be strictly binding on the Bidder during the implementation of the PSA without exception.</p>	<p>Will the CUF Table be included in the Financial Bid excel template? May we request for the Financial Bid excel template? Will there be a workshop for the Financial Bid Template?</p>		<p>The CUF Table will be included in the Financial Bid Form, which will be provided to the bidders.</p> <p>The NEA-SBAC shall hold a workshop to walk the bidders through the Financial Bid Form. The schedule of the workshop shall be announced through a Bid Bulletin.</p> <p>The Financial Bid Form will be finalized based on the comments of the bidders on the financial evaluation methodology.</p>
DPC	<p>II-09 ELIGIBILITY REQUIREMENTS</p> <p>Envelope 1, Folder 1-1: Class “A” Documents – Legal Eligibility Documents item 7 page 14</p>	<p>Who shall certify as true copy the Form 2303 and other documents that need to be certified?</p> <p>Should it be the BIR/ pertinent government agencies or the Company?</p>	<p>In order to prevent the delay connected with the issuance of certified true copies by the pertinent government agencies (e.g. BIR, SEC), we suggest to allow the Company to certify as true copy the required documents.</p>	<p>The pertinent government agency from which the document originated shall be the same agency which shall issue the Certified True Copy of the said document.</p>

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	<p>“7. Regardless of the Bidder’s nationality, documentary proof of Bidder’s compliance with Tax obligation, such as: a. BIR VAT Registration (Form 2303);”</p>			<p>Considering that there's still time before bid submission, the NEA SBAC encourages bidders to promptly secure the pertinent CTCs of public documents from the government agencies that issues them.</p>
DPC	<p>II-09 ELIGIBILITY REQUIREMENTS Envelope 1, Folder 1-1: Class “A” Documents – Legal Eligibility Documents item 15 page 15 15. Proof of its right to occupy or use the land upon which the power plant/s will be constructed or are currently constructed (i.e., Certificate of Title, Right of Way Agreements, Lease Agreements, or any other similar tenorial instruments.)</p>	<p>In lieu of tenorial instruments, can the Bidder submit an Undertaking between the Bidder and the land owner that upon being declared as the Winning Bidder, the Bidder shall purchase or lease the subject property.</p> <p>Does the tenorial instruments include the contract to sell if it has a provision that we can utilize the property prior to full payment?</p>		<p><i>A Contract to Sell or Undertaking between the Bidder and the land owner that upon being declared as the Winning Bidder, the Bidder shall purchase or lease the subject property shall be accepted so long as the language of the contract/undertaking provides that the agreement/s between the owner and bidder is irrevocable for the entire Bid Validity Period and conditioned only upon the issuance of the Notice of Award for this transaction. Thus, the Contract to Sell or Undertaking shall ripen into a contract of sale or lease upon the issuance of the Notice of Award.</i></p>

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DPC	<p>II-09 ELIGIBILITY REQUIREMENTS Envelope 1, Folder 1-1: Class “A” Documents – Legal Eligibility Documents items 16 and 17 page 15 16. Certificate of Good Standing from PALECO. Bidders who have shown their previous inability to timely comply with their obligations to PALECO shall not be given a Certificate of Good Standing. The General Manager of PALECO shall issue the Certificate of Good Standing. 17. Certificate of Good Standing from all of current regulated off-takers whether such off-taker be a private distribution utility or an electric cooperative. A Bidder must also submit the list of its current regulated off-takers. The General Manager of the regulated off-takers shall issue the Certificate of Good Standing.</p>	<p>Is there a required template for the Certificate of Good Standing? Should an affiliate be required to produce an Affidavit of Financial Support in the event that the Bidder submits a Financial Bid that is higher than its NFCC, would there still be a need for the said affiliate to submit a Certificate of Good Standing?</p>		<p>The NEA SBAC shall provide a template Certificate of Good Standing (“CGS”).</p> <p>Whether the affiliate submitting the Affidavit of Financial Support shall be required to submit a CGS shall be addressed in a Bid Bulletin.</p>
DPC	<p>Envelope 1, Folder 1-2: Class “A” Documents – Technical Eligibility Documents item 5 page 16</p> <p>5. Service Contracts from the DOE, if applicable.</p>	<p>If the requirement is not applicable to the Bidder, what other document can be submitted in lieu thereof?</p>		<p>The Bidders can submit a <i>Sworn Certificate of Non-Applicability</i>, a template of which shall be provided.</p>

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DeltaP	Bidding Procedures/ II-08 (Submission of Eligibility Requirements & Bid Proposals) (2) / page 12	<p>1. For non-applicable requirements, will PALECO accept an omnibus certification of non-applicability? To wit:</p> <ul style="list-style-type: none"> a. Compliances and undertakings for bidders forming a special purpose company b. Service Contracts from DOE c. Other Technical requirements (for consortium) d. Schedule 7 (Parent Guarantee for NFCC) <p>2. If yes, will PALECO require proof of non-applicability? If yes, can we request acceptable compliances?</p>	It is indicated that the NEA-SBAC shall not accept Bids submitted by entities enumerated under Section 2.a. II-08 Submission of Eligibility Requirements & Bid Proposals.	<p>The Bidders can submit a <i>Sworn Certificate of Non-Applicability</i>, a template of which shall be provided.</p> <p>The Omnibus Certification shall be revised accordingly.</p>
DPC	<p>Envelope 1, Folder 1-3: Class “A” Documents – Financial Eligibility Documents item 2 page 17</p> <p>NFCC = [(Current assets minus current liabilities x 15)] minus the value of all unsecured outstanding or uncompleted portions of the projects under on-going contracts, including awarded contracts yet to be started coinciding with the contract to be bid.</p>	<p>How do we compute and quantify the uncompleted portion of the project under on-going contracts?</p> <p>Will it be based on the number of years in the contract?</p> <p>Or is it based on the capacity already put up?</p>		The NEA SBAC shall provide clarifications on how the Bidders shall calculate their respective NFCCs and shall provide a template document to be submitted by the Bidders.

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DPC	Envelope 1, Folder 1-3: Class “A” Documents – Financial Eligibility Documents item 3 page 17 3. Bidders may submit a sworn statement executed by the President and Comptroller of its Affiliate and Parent Company categorically stating under oath that the NFCC of the Subsidiary, Affiliate, or Parent Company complies with the foregoing requirements. For this purpose, the Bidder is required to secure from an Affiliate a duly executed Financial Support Guarantee if it will submit a Financial Bid that is higher than its NFCC (see Schedule 7). A Bidder who cites its 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 as well as the Affiliate’s or Parent Company’s 2023 Audited Financial Statements.	Emphasis on the “Bidders may submit a sworn statement executed by the President and Comptroller of its Affiliate and Parent Company..”	To be consistent with the 2nd paragraph of item 3, we suggest to replace “and” with “or” on the first statement.	Ok. This is duly noted.

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DPC	Envelope 1, Folder 1-3: Class “A” Documents – Financial Eligibility Documents item 4 page 18 4. Details of equity and financing plan indicating the capital structure and source of funds with supporting documents. A narrative on the Bidder’s plan to finance its capital expenses as well as its possible source of financing shall suffice.	Will a template for the financing plan be provided?		No template shall be provided. The NEA SBAC will allow bidders to create their own narrative detailing their plan for financing capital expenses and identifying sources of funding.
DPC	II-10 TECHNICAL PROPOSAL Technical Soundness item 3 page 19 For Lot 2 Roxas - The power plant/s should be connection-ready to PALECO’s distribution system through a 13.8kV and 69kV bus connection.	Please clarify the statement Connection-ready to 13.8kV PALECO’s distribution system thus it mean only provision for tapping/ connection to nearest distribution line? Please clarify the scope of the Bidder to comply with this requirement. Connection via bus-in in existing switching stations	Rephrase the statement into “The power plant/s should be connection-ready to PALECO’s distribution system through a 13.8kV and 69kV bus connection” 69kV bus connection is already described in the preceding sections Yes. It should tapped to nearest distribution via Tee connection. Show in the SLD the boundary limits of supplier 69kV bus-in connection to existing IPP switching station must be allowed	The primary connection of the power plant is a cut in or bus in connection to NPC 69kV facilities. This provision additionally requires that the power plant should have an available connection for: (1) PALECO to connect its existing 13.8kV distribution line; (2) PALECO to connect a planned project of 69kV sub-transmission line.

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DPC	<p>II-10 TECHNICAL PROPOSAL Technical Soundness Item 3 page 19</p> <p>Between the Aborlan - Narra 69kV Transmission Line (7 MW) The power plant/s should be within the following distances: - 10 KMs from NPC's 69kV Transmission Line and Poblacion area.</p>	<p>Please clarify location of "Poblacion". Does this refer to Poblacion of Aborlan?</p>		<p><i>Poblacion</i> refers to both the Barangay Poblacion of Narra and Barangay Poblacion of Aborlan.</p> <p>Specific coordinates shall be provided in a separate Bid Bulletin.</p>
DPC	<p>II-10 TECHNICAL PROPOSAL Technical Soundness item 4 page 19 The CSP shall be open for all technology that can supply the baseload demand for Lot 1 and the peaking demand for Lot 2, subject to the environmental limitations, regulations, and promulgations of the local government units of Palawan.</p>	<p>Does the Bidder still need to submit supporting documents pertaining to the type of technology? Or stating the type of technology in the Technical Evaluation Form will suffice?</p>	<p>Proper filling up of the prescribed Technical Evaluation Form shall suffice</p>	<p>For an existing power plant, a COC from ERC will suffice. For a new power plant, submission of the Manufacturing Manual and highlighting the relevant features that meet the technical requirements will be sufficient for the technical evaluation. However, note that the technology adopted for Lot 1 must be strictly for a baseload power plant, while for Lot 2, it must be strictly for a peaking power plant.</p>

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DPC	<p>II-10 TECHNICAL PROPOSAL</p> <p>Technical Soundness item 6 page 19</p> <p>Metering Point: For connection to NPC's transmission system via bus-in: At connection point to NPC's existing substation/switching station facility.</p> <p>For connection to NPC's transmission system via cut-in: At SUPPLIER's switching station at the 69kV connection point.</p> <p>For connection to PALECO's distribution system: At SUPPLIER's plant gate.</p>	Please clarify the scope of the Bidder's tapping point.	Show in the SLD the boundary limits of supplier	The NEA SBAC shall provide a cleared Single Line Diagram.
DPC	<p>II-10 TECHNICAL PROPOSAL</p> <p>Technical Soundness item 7 page 19 "Power Plant/Generating Units must have the following capabilities:"</p>	Is there a manufacturing date requirement for the generating units?	In the interest of reliable service, we suggest that the manufacturing date should not be earlier than 2010.	There is no manufacturing date requirement.
DPC	<p>II-10 TECHNICAL PROPOSAL</p> <p>Technical Soundness item 7 page 20</p> <p>Black Start Capability</p>	Considering that Lot 2 is for Peaking, is it required to have black start capability?	Since peaking is last in the order of priority dispatch, it shall not be a requirement for Lot 2 to have a black start capability.	The power plants for Lot 2 shall have black start capability as the power plants for Lot 2 must be capable of operating in island mode.

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DPC	II-10 TECHNICAL PROPOSAL Technical Soundness item 7 page 20 Power plant/s must be able to integrate with System Operator's SCADA	Please clarify if this provision is for SCADA-ready only	It shall be SCADA-ready only.	The power plant(s) must install the necessary devices to integrate with the System Operator's SCADA system.
	Compliance with prevailing Environmental Standards page 21	What documents will the Bidder submit?	Proper filling up of the prescribed Technical Evaluation Form stating that the environmental regulations and standards will be complied by the suppliers	For an existing power plant, the Environmental Compliance Certificate issued by the DENR shall suffice. The NEA SBAC shall provide more details on how to comply with this requirement in a separate Bid Bulletin.
	II-11 FINANCIAL PROPOSAL page 21 Tariff Structure	For Lot 2, is it possible split the tariff rates for Aborlan and Roxas?		This item shall be submitted to the consideration of the NEA SBAC.
	II-11 FINANCIAL PROPOSAL page 22 Fixed O&M Fee ("FOMF")	Can we include in the formula for FOMF the Foreign Exchange Rate fluctuations?		This item shall be submitted to the consideration of the SBAC.

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DPC	<p>II-13 BID SECURITY item 1 page 24</p> <p>1. Bidders shall furnish, as part of the Bid proposal, a Bid Security equivalent to three (3) - month contract cost of the proposed power supply agreement computed using the bid price offered at the Monthly Minimum CUF for either Lot 1 or Lot 2. For the purpose of computing the Bid Security, the bid price to be used is the base price.</p>	<p>What is the formula to compute the 3 month contract cost?</p>	<p>May we request that a fixed amount be required by NEA-SBAC for the computation, to prevent confusion?</p>	<p>Section 10.c Appendix of the ERC Resolution No. 16, Series of 2023, states that:</p> <p><i>“The amount must be equivalent to three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder. If forfeited, the Bid Security shall be used by the DU in purchasing power covering the period affected by the delay in the bidding process, which it shall not recover from consumers;.”</i></p> <p>A formula to calculate the Bid Security shall be provided by the NEA SBAC.</p>
FLG Management and Development Corp	<p>TOR AMOUNT OF BID SECURITY</p>	<p>Can the SBAC just require a specific amount based on the assumptions so as to avoid differences in interpretation?</p>		<p>Section 10.c Appendix of the ERC Resolution No. 16, Series of 2023, states that:</p> <p><i>“The amount must be equivalent to three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder. If forfeited, the Bid Security shall be used by the DU in purchasing power covering the period affected by the delay in the bidding</i></p>

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				<p><i>process, which it shall not recover from consumers;”</i></p> <p>A formula to calculate the Bid Security shall be provided by the NEA SBAC.</p>
DPC	<p>II-13 BID SECURITY item 4 page 24 4. The required Bid Security shall be valid for the duration of the bidding process but in no case beyond one hundred eighty (180) calendar days from the deadline for submission and opening of bids. The execution of the PSA shall be made within the Bid Validity Period and Bid Security Validity Period.</p>	<p>We suggest to extend the validity of the Bid Security until January 2, 2025.</p>	<p>The 180th calendar day counted from July 3 falls on December 30, 2024, which is a holiday. Banks do not allow the expiration of bid securities to fall on a holiday. The next banking day after December 30 2024 is January 2, 2025 which is 183 days from Bid Submission Deadline.</p>	<p>Noted.</p>

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	<p>Power Supply Agreement Lot 1 and Lot 2 item 7.6 page 9</p> <p>7.6. Replacement Power a. The procurement of any Replacement Power within the Outage Allowance shall be the responsibility of the OFFTAKER. However, the SUPPLIER shall provide Replacement Power under the following conditions, regardless if such outage is within the Outage Allowance:</p> <p>i. It will not be able to supply the Associated Energy equivalent to the Monthly Minimum CUF level at a given month due to its own fault;</p> <p>ii. It will incur a scheduled plant-level outage or conduct a Preventive Maintenance Schedule for a generating unit during the peak months April, May, June, and December; and</p> <p>iii. It will conduct simultaneous Preventive Maintenance Schedules for more than one (1) generating unit.</p>	<p>May we request to allow Replacement Power if there will be a delay in the COD?</p>		<p>This item shall be submitted to the consideration of the NEA SBAC.</p>

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DPC	Power Supply Agreement Lot 2 Schedule 3 page 29 – Plant Location	“Plant Location The power plant/s should be within the following distances: - 20 KMs from the National Power Corporation’s (“NPC”) Irawan Substation; and - 20 KMs from PALECO’s Tinguiban Substation” is for Lot 1	To be consistent with the bid docs, kindly change to “10km from NPC’s Roxas Substation” for 8MW while “10km from NPC’s 69kV transmission Line and Poblacion Area” for 7MW	Noted.
	Power Supply Agreement Lot 1 and Lot 2 Schedule 3 page 33 – Single Line Diagram	Instead of a single transformer (three winding transformer), can we use two separate Power Transformers for 69kV and 13.8kV connection	This option should be acceptable.	Acceptable as long as the substation design satisfies the requirements for both the 69kV and 13.5kV connection.
DeltaP	Bidding Procedures/ II-09 (Eligibility Requirements) (1) / page 13	Does the bidder need to include the CoR of the original AOI and all amendments, or will the CoR of the latest Amended AOI and and the latest Amended AOI suffice?	There might be Bidders that are corporations that have made amendments to their original AOI and By-Laws.	The latest amendment to the Certification of Registration and/or Articles of Incorporation shall suffice.
	Bidding Procedures / II-09 (Envelope 1, Folder 1-3: Class "A" Documents - Financial Eligibility Documents (5) / page 17	1. What proof is required to establish relationship with an affiliate? 2. Will the SBAC accept an Affidavit of Affiliation and attach the General Information Sheet of the Bidder, the Affiliate and/or the Parent to show the ownership?	In the last paragraph of item 3, a Bidder who cites its Affiliate or Parent Company to comply with financial capability requirement must present proof to establish that the cited entity is indeed its Affiliate or Parent Company.	An <i>Affidavit of Affiliation</i> executed by the Corporate Secretary shall be accepted. Please include the Corporation’s latest General Information Sheet along with an Organization Chart showing the percentage ownership of the affiliate/parent company relative to the Bidder.

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DeltaP	Bidding Procedures / II-09 (Envelope 1, Folder 1-3: Class "A" Documents - Financial Eligibility Documents (5) / page 18	1. For clarification if the proof of commitment is required to be submitted after the winning bidder is determined or if all bidders are required to submit the same 2. Can a Bidder just submit the Treasurer's Affidavit?	1. There is confusion whether this requirement will be submitted as part of the bid or as a Winning bidder. 2. This requirement is for a Bidder that is a corporation, and not all corporations have a separate subscription agreement, other than the terms agreed in the AOI and By-Laws, which already serve as de facto subscription agreement under the law.	This item shall be submitted to the consideration of the NEA SBAC.
	Bidding Procedures/ II-10 (Technical Proposal) / page 18	1) Should the filled-up Draft PSA be tracked or cleaned? 2) Should the Draft PSA be signed? or notarized?	As part of the submission, Bidder is required to deliver 2 sets of duly filled-out identical versions of the Draft PSA	Bidders shall be provided with an MS Word file of the final draft of the Power Supply Agreement (PSA). Bidders shall highlight (in yellow) any and all changes to the final draft of the PSA to be submitted on bid submission date. The final draft of the PSA need not be notarized.
	Bidding Procedures, II-07 (Preparation of Bids), Item 6, Page 11	For a bidder joining Lot 1 and Lot 2, will the bidder be required to submit two (2) sets of original/CTC eligibility requirements which are common for both Lot 1 and Lot 2 main envelopes?	"There shall be two (2) Main Envelopes if the Bidder will submit offers for both Lot 1 and Lot 2".	There shall be two (2) main envelopes if the bidder will submit offers for both Lot 1 and Lot 2. The two (2) main envelopes shall be treated independently of each other.

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DeltaP	<p>1. Section II-09, Legal Eligibility Documents, item 11, page 15</p> <p>2. Section II-09, Legal Eligibility Documents, item 12, page 15</p> <p>3. Section II-09, Legal Eligibility Documents, item 13, page 15</p> <p>4. Section II-09, Legal Eligibility Documents, item 14, page 15</p>	<p>Do we need to execute a separate Certification for these items? Or can we re-attach Schedule 4?</p>	<p>1. Certification by the Bidder to the effect that: a) It is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Transaction; b) The Bidder does not have any Affiliate (i) who is a Bidder or (ii) who is an Affiliate of a Bidder; c) The Bidder shall at all times fully comply with Philippine Law (see Schedule 4)</p> <p>2. Sworn Undertaking that the Bidder, if applicable, as well as their affiliates, assigns, and successors-in-interest, shall abide by the decisions of the NEA-SBAC, shall hold PALECO, NEA, NEA-SBAC, their respective Board Members, Officers, and Management, free and harmless from any claim or cause of action arising from the conduct and award of the CSP, 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 Guidelines (see Schedule 4)</p>	<p>The Bidders can submit a <i>Sworn Certificate of Non-Applicability</i>, a template of which shall be provided.</p> <p>The Omnibus Certification shall be revised accordingly.</p>

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
			3. Sworn Attestation against Corruption; (see Schedule 4) 4. Sworn attestation of No Conflict of Interest. The Bidder must disclose detailed information regarding any existing, potential, or future conflict of interest that a Bidder may have with the NEA SBAC (see Schedule 4)	
	Bidding Procedures, I-02, item 4, page 4	1. Is the "annual energy delivered" capped at Annual Maximum Deliverable Energy ("AMDE")? 2. If the winning bidder was dispatched beyond MDE per month or in a contract year, would the energy payment be capped or paid at actual energy delivered?	"On a monthly basis, PALECO shall pay the associated energy at 50% CUF level for Lot 1 or the actual energy delivered whichever is higher"	This item shall be submitted to the consideration of the NEA SBAC.
DeltaP	Bidding Procedures/ II-09 (6) / page 18	1. It is noted that in the NFCC requirement, parent guarantee is allowed. For complying with the following, can the bidder's parent support in issuing the same?: a. Bid security b. Letter of Credit, Bank Guaranty or Committed Line of Credit (for the purpose of financing the project) 2. If yes, will PALECO require a separate Schedule 7 for the parent support/guarantee?	Bidder is required to submit a letter of credit, bank guaranty or committed line of credit to cover the total estimated cost of the project.	Yes, so long as the tenor of the Letter of Credit (LC) clearly shows that PALECO is the beneficiary of the LC and/or that the credit line or bank guarantee of the parent company shall be extended to the Bidder.

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
DeltaP	Section II-09, Financial Eligibility Documents, item 6, page 18	Can we suggest a format for complying with the following requirement: 1. Bid Security 2. Letter of Credit, Bank Guaranty or Committed Line of Credit		The NEA SBAC shall leave it to the issuing entity on the format to be used so long as it complies with the form prescribed in the Bidding Procedures.
	Bidding Procedures/ II-11 (3) / page 24	What is the formula for the bid security? Will it include fuel cost and which months are being referred to? Will the SBAC consider a reduction in the amount of the bid security to also reduce the cost of posting such security?	Formula for the bid security is 3 month contract cost based on the monthly minimum CUF and bid price.	A formula to calculate the Bid Security shall be provided by the NEA SBAC.
	Bidding Procedures/ II-13 (2) / page 24	Are the forms indicated therein options for the Bidders on the type of bid security or all should be submitted?		A Bidder may choose from any of the forms provided in the Bidding Procedures.
	Bidding Procedures/ II-13 (9) / page 24	1) If there is a drawing event, will it result to full withdrawal or partial withdrawals are allowed and at what instances? 2) For clarification which entity is JBAC? 3) Will the other reason for forfeiture be indicated in a SBB?	As currently worded, in paragraph 9, [t]he Bid Security may be forfeited: xxx e. any other reason prescribed by JBAC (sic)" The CSP will be more transparent if other reasons are specified before the Bid Submission.	The Bidding Procedures do not allow for partial withdrawals of the Bid Security. The term "JBAC" is a typographical error and should be corrected to "SBAC".
	Bidding Procedures/ II-17 (10) / page 27	1. We would like to clarify if a transitory supply is allowed and if this can have a different rate should a different technology be	The standard response form mentions a transitory supply. This needs to be clarified.	This item shall be submitted to the consideration of the NEA SBAC.

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
		<p>used.</p> <p>2. Since this is not explicitly mentioned in the TOR, will SBAC publish an SBB clarifying this?</p> <p>3. What is the maximum period allowed for the transitory supply, if there's any?</p>		
DeltaP	Bidding Procedures, II-17 Financial Bid Evaluation, Item 11, Page 28	<p>1. Excluding VAT will be consistent with the "technology neutral" objective of PALECO's CSP. Adding VAT in the bid evaluation may give undue advantage to VAT-exempt technologies. 2. The "Lowest Calculated Bid" evaluation principle determines the bidder with the lowest average cost of producing electricity, which considers both the bidder's CAPEX and OPEX. It may be unfair to compare bids by bidders beyond their actual cost to generate power.</p> <p>3. Including VAT may adversely affect the comparison of bids by artificially inflating the costs associated with VAT-inclusive technologies.</p>	<p>Tax - The tax rates (based on the applicable expanded value-added tax) shown below shall be applied to Inflated Base Price depending on the type of energy resource (i.e., whether renewable energy or non-renewable energy).</p> <p>Renewable Energy - 0.00%</p> <p>Non-Renewable - 12.00%</p>	This items shall be submitted to the consideration of the NEA SBAC.
	Annex A - Invitation to Bid / Traff Structure / Page 4 (revise to TOR)	May we confirm if the outage hours pertained to by Ho and Hfm are per unit or plant-level?	$CUF = Q / [CC * (Ht - Ho - Hfm)]$	This item shall be submitted to the consideration of the NEA SBAC.

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
	Annex A - Invitation to Bid / Traff Structure / Page 5 (revise to TOR)	May we confirm if it should be Ht-Ho-Hfm same with the formula for CRF?	<p>The bidding procedures says that if there's any inconsistency between the TOR and the bidding procedures, the TOR shall prevail.</p> $FOMF = \{FOMR * [(K * PHIndex) + (1-K * FIndex)]\} * [CC * (Ho-Hfm)]$	Noted.
DeltaP	Section II-09, Financial Eligibility Documents, item 2, page 17	Does the formula refer to any and all contracts/projects that Bidder executed or does this refer to those only similar to the PSA contemplated in this subject bidding?	<p>The NFCC is computed as:</p> $NFCC = [(Current\ assets\ minus\ current\ liabilities\ x\ 15)]\ minus\ the\ value\ of\ all\ unsecured\ outstanding\ or\ uncompleted\ portions\ of\ the\ projects\ under\ on-going\ contracts,\ including\ awarded\ contracts\ yet\ to\ be\ started\ coinciding\ with\ the\ contract\ to\ be\ bid.$	The NEA SBAC shall provide clarifications on how the Bidders shall calculate their respective NFCCs and shall provide a template document to be submitted by the Bidders.
	Section II-09, Financial Eligibility Documents, item 4, page 18	Will the bidder be bound to the gearing ratio (D:E ratio) and financing plan (e.g. amount of financing per bank) stated in the narrative?	4. Details of equity and financing plan indicating the capital structure and source of funds with supporting documents. A narrative on the Bidder's plan to finance its capital expenses as well as its possible source of financing shall suffice.	The NEA SBAC will defer to the ERC to evaluate the Supplier's Weighted Average Cost of Capital at the indicated gearing ratio in the application, as long as the offered CRF remains unchanged.
	Section II-10, Technical Proposal, item 1(e), page 20	Under Development Plan, for the (e) Financing Plan requirement, is this the same requirement as the "equity and financing plan" to be submitted under financial eligibility	The Bidding Procedures do not provide how to prove compliance as of bid submission date since this requirement is forward looking.	If the financing plan is the same for the Development Plan and the "equity and financing plan" requirement, the Bidder may submit the same document.

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
		document? if yes, can we just submit the same requirement?		
DeltaP	Technical Proposal/ II-10 / page 18-21	1. For those items enumerated in the technical capability, will PALECO provide list of acceptable compliances? a. technical soundness b. Distance of power plants? (google map coordinate, kmz?) c. Connection scheme? (plant connection SLD?) d. Compliance with technical regulatory standards (PDC, PSGG, etc.) e. Compliance with prevailing DENR standards 2. If we will be utilizing an existing plant for the bidding, what documents do we need to submit? 3. If we will expand our existing plant to meet the requirements, what documents do we need to submit to fulfill the requirement for technical soundness? 4. To prove compliance to this technical requirements, will a Development Plan suffice?	There are technical eligibility requirements that did not enumerate acceptable compliances	List of acceptable documents:- For existing plants: COC/PAO, GCMR For new plants or expansion: Development Plan - Connection SLD issued by a PEE.
	Bidding Procedures/ II-10 (3) / page 18	Will PALECO provide the exact coordinates for the reference points in computing the power plant's distance?		The NEA SBAC shall provide the coordinates for the reference points in computing the power plant's distance.
	Section II-09, Technical Eligibility Documents, item 2(g), page 16	May we inquire the purpose of requesting the "Number and	If the purpose of this requirement is to determine compliance with	The submission of the " <i>Number and average duration of scheduled</i>

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
		average duration of scheduled and un-scheduled outages for the last year of actual outage data per generation unit of the power plant/s." Should we also indicate that the same are compliant with our existing power supply agreements? If the purpose is to assess compliance, will the Certificate of Good Standing from PALECO or the plant's off-taker suffice?	the Bidders' current PSA, then, those that exceed outages should not be eligible in the first place, and will not be able to secure Certificates of Good Standing from their off takers.	<i>and un-scheduled outages for the last year of actual outage data per generation unit of the power plant/s"</i> reference purposes only.
DeltaP	Section II-10, Technical Proposal, item 1(b), page 20	Under Development Plan, for the (b) Engineering, Procurement, and Construction Plan requirement, what should be included in this Plan? Will this only include the timeline? Or will they need the drawings?	The Bidding Procedures do not provide how to prove compliance as of bid submission date since this requirement is forward looking.	

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
	Bidding Procedures/ II-09 (17) / page 15	<ol style="list-style-type: none"> 1. Is there a template that PALECO will provide for the Certificate of Good Standing? 2. What are the parameters or instances where PALECO will not issue this certificate? 3. Is it only the general manager who is authorized to sign this certificate or its equivalent officer can sign? 4. If we are going to use the technical and financial qualifications of our affiliate/s to meet the minimum installed capacity portfolio for joining Lot 1 and/or Lot 2, will we also be required to secure this certificate from our affiliates' off-takers? 5. If yes on Item 4, what if the affiliate is just a merchant plant which has no existing/current off-taker? 6. Is Item 17 the same as item 16 (Certificate of Good Standing from PALECO) if the bidder or its affiliates has no other off-taker? 	"Certificate of Good Standing from all of current regulated off-takers whether such off-taker be a private distribution utility or an electric cooperative. A Bidder must also submit the list of its current regulated off-takers. The General Manager of the regulated off-takers shall issue the Certificate of Good Standing."	<ol style="list-style-type: none"> 1. The NEA SBAC shall provide a template Certificate of Good Standing ("CGS"). 2. Bidders who have shown their previous inability to timely comply with their obligations to PALECO shall not be given a Certificate of Good Standing. 3. Only the General Manager shall issue the CGS. 4. Whether the Bidder's affiliate/s shall be required to submit a CGS shall be addressed in a Bid Bulletin. 5. If the Bidder's affiliate is currently a merchant plant, then it need not submit a CGS. 6. There is no need to submit anything for item 17 if the bidder or its affiliates has no regulated off-taker.
DeltaP	Section II-09, Technical Eligibility Documents, item 6, page 16	Since the GCMR is digitally submitted to ERC, will a printed email acknowledgement and internally-certified copies of GCMR suffice?	Since Bidder can utilize Affiliate's eligibility for purposes of item #2, will should also apply to the succeeding items #3, 4, 5, 6, and proof of the Bidder's relationship with the Affiliate can be submitted.	Yes, a printed email acknowledgement and internally-certified copies of GCMR shall suffice.

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
FLG Management and Development Corp	TOR - Demand Requirement	Is capacity installed or dependable?		Dependable Capacity
	TOR Source of Power	Will RE source be given priority dispatch even under peaking supply?		The prevailing laws and regulations for off-grid distribution utilities shall govern.
	TOR Demand Requirement	Should units be brand new? If not, is there a max RH requirement? Brand?		The units need not be brand new. There is no max Running Hours requirement.
	TOR Black Start Capability	"At least 2 generating units (minimum).. " What if you have 1 big unit instead of 2 units?		The Generating Unit per Power station shall start, synchronize and energize grid with carrying initial feeder load and capable to energize another power plant. At least two (2) Generating Unit per Power station(minimum) to response at 1st attempt within 10 minutes, respectively.
	TOR BID SECURITY	Validity of proposal is 180 days from bid submission but ERC guidelines says that 180 days start from when ITB was 1st published. Is this okay?		The validity of the proposal will start from the deadline for submission of bids and opening of bids. Refer to ERC Resolution No. 16, Series of 2023, Appendix B, Section 10. Bid Security

Name of Bidder	<u>Section and Page</u>	<u>Comments / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision (by the bidders)</u>	Responses
	General	The last 2 CSPs required brand new gensets with very high standard requirements - 20MW in Puerto and 15MW in El Nido. Why are the requirements for this CSP relatively relaxed.		<p>The NEA SBAC did not distinguish between brownfield and greenfield projects. The efficiency of the power plant supplying power to PALECO will also be measured by the plant's net heat rate or fuel consumption.</p> <p>The units need not be brand new. There is no max Running Hours requirement. There is no manufacturing date requirement.</p>

Before ending the conference, the NEA-SBAC reiterated that nothing stated in the pre-bid conference shall amend the bidding documents. As such, bid bulletins will be issued to reflect the amendments.

Moreover, bidders were reminded on the deadline of submission of written comments on the bidding documents on **03 June 2024** using (Schedule 9) and must be sent to **paleco.nea.csp.secretariat@gmail.com**.

CERTIFICATE OF GOOD STANDING
(for [Name])

This is to certify that [Name] has satisfactorily fulfilled its obligations throughout the duration of its power supply agreement(s) with [PALECO or insert name of EC/DU].

This is to further certify that [Name] has no record of unsatisfactory performance with [PALECO or insert name of EC/DU]. Further, during the commercial operations period from [insert duration of commercial operations with PALECO or EC/DU], [Name]:

- i. has timely and fully met its obligations to [PALECO or insert name of EC/DU];
- ii. has satisfactorily performed all material obligations in its power supply agreement(s) with [PALECO or insert name of EC/DU];
- iii. has not been expelled from any power supply agreement(s) with [PALECO or insert name of EC/DU];
- iv. has not caused the termination or suspension of any contract(s) due to willful breach of obligations; and
- v. has not committed any material violations of applicable laws and/or regulations, including but not limited to environmental, health, safety, labor, and social welfare laws.

This certification is issued in connection with [Name]’s participation in the Competitive Selection Process conducted by the National Electrification Administration for PALECO.

Certified By:

[Name of General Manager]

[kindly insert name of DU]

General Manager

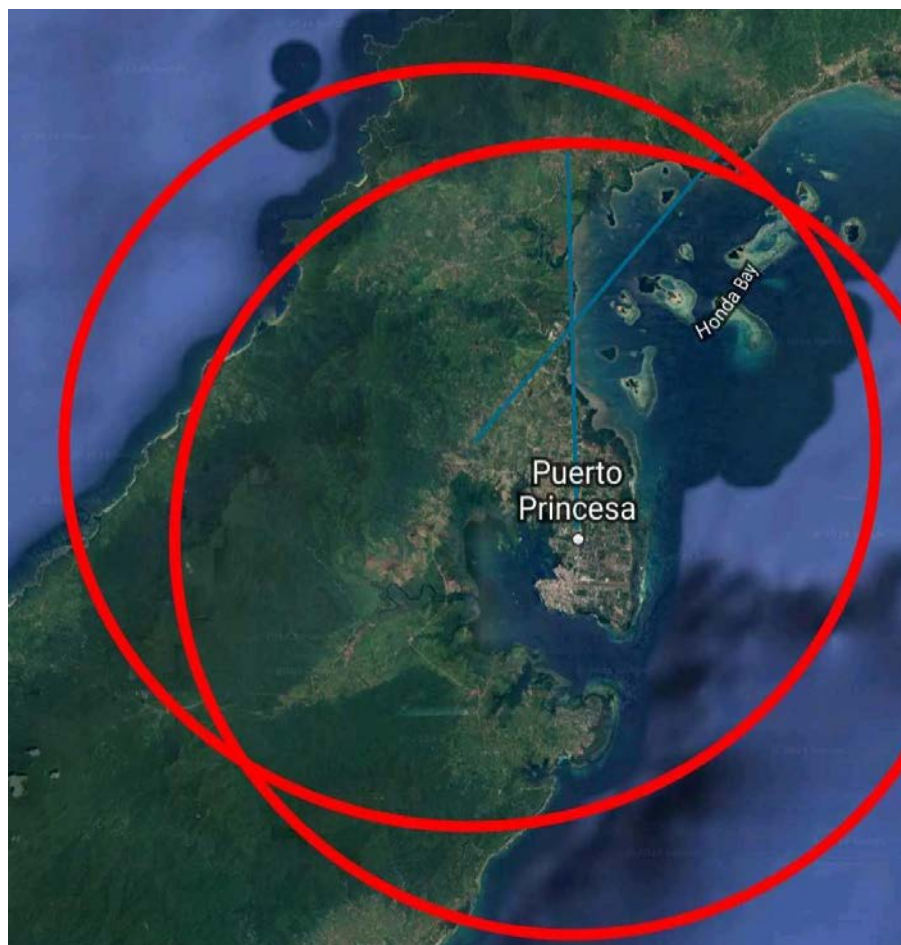
Date: _____

PLANT LOCATION REFERENCE POINT COORDINATES

For Lot 1

- The power plant/s should be within the following distances:
 - 20 KMs from the National Power Corporation’s (“NPC”) Irawan Substation; and
 - 20 KMs from PALECO’s Tiniguiban Substation

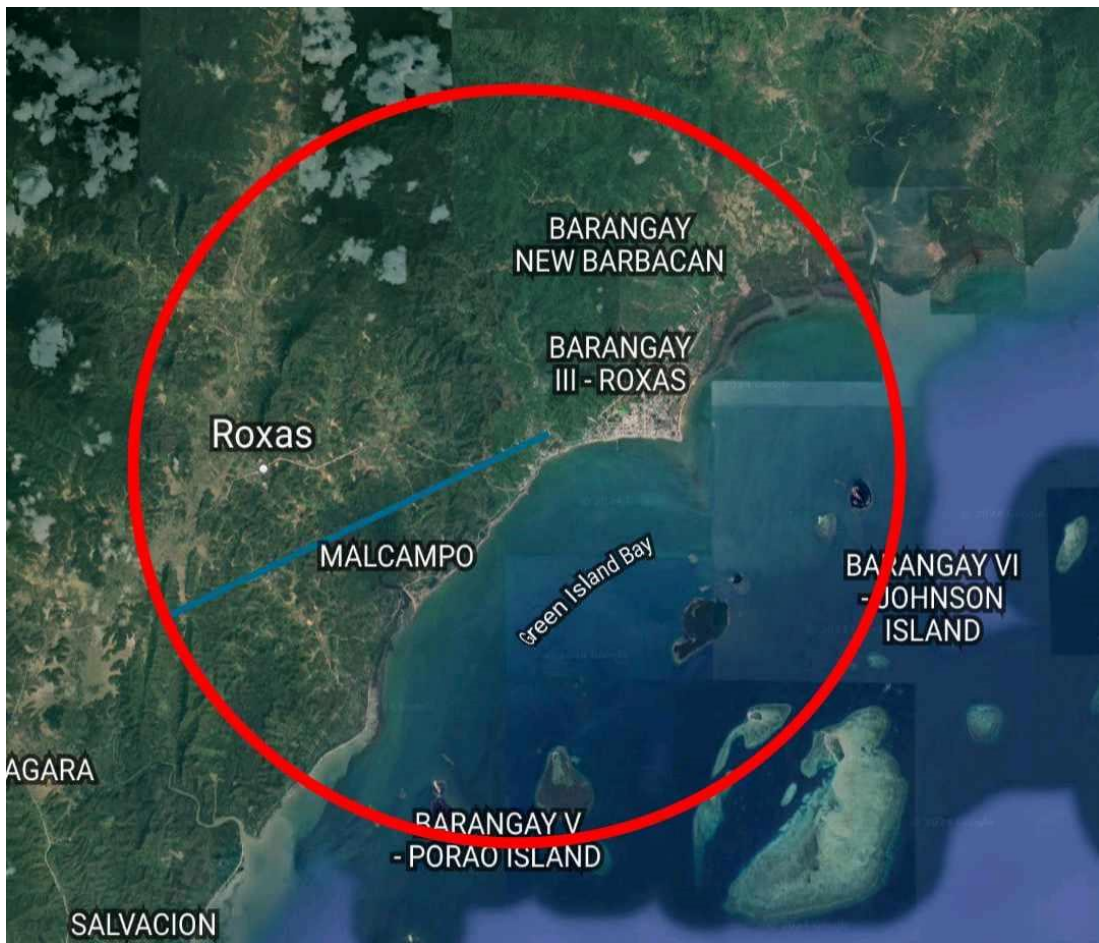
Lot No.	Plant Location reference point	Radius	Coordinates	
			Latitude	Longitude
1	NPC Switching Station, Irawan, Puerto Princesa City	20 kM	9°48'35.64"N	118°41'50.37"E
1	Paleco SS, Tiniguiban, Puerto Princesa City	20 kM	9°46'8.56"N	118°44'49.76"E



For Lot 2
Roxas (8 MW)

- The power plant/s should be within the following distances:
 - 10 KMs from NPC's Roxas Substation

Lot No.	Plant Location reference point	Radius	Coordinates	
			Latitude	Longitude
2	NPC SS, Roxas	10 km	10°18'59.41"N	119°19'26.65"E



For Lot 2
Between the Aborlan - Narra 69kV Transmission Line (7 MW)

- The power plant/s should be within the following distances:
 - 10 KMs from NPC's 69kV Transmission Line and Poblacion area.

Lot No.	Plant Location reference point	Radius	Coordinates	
			Latitude	Longitude
2	Public Market, Poblacion, Aborlan	10 km	9°26'19.04"N	118°32'52.42"E
2	From Public Market, Perpendicular to NPC Tx line, Aborlan	10 km	9°26'37.30"N	118°32'15.17"E
2	Municipal Hall of Narra, Poblacion, Narra	10 km	9°16'2.83"N	118°24'17.54"E
2	From Municipal Hall, Perpendicular to NPC Tx line, Narra	10 km	9°16'30.69"N	118°23'57.42"E

