



INVITATION TO BID

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

1. The **PALAWAN ELECTRIC COOPERATIVE** (“PALECO”) is an electric cooperative duly organized by virtue of Presidential Decree No. 269, as amended, and duly registered with the Cooperative Development Authority (“CDA”) under Registration Number QC-1616-EC-012 with principal office address at Km 3.35, North National Highway, Puerto Princesa City, Palawan, Philippines (the “PALECO Main Office”).
2. The **NATIONAL ELECTRIFICATION ADMINISTRATION** (“NEA”) is a government-owned and controlled corporation organized and existing by virtue of the laws of the Republic of the Philippines, with principal address at 57 NIA Road, Diliman, Quezon City.
3. In accordance with prevailing regulations, the NEA shall conduct the Competitive Selection Process (“CSP”) for and on behalf of PALECO for the procurement of power supply for the Palawan Main Grid.
4. The duly constituted Special Bids and Awards Committee (“SBAC”) for this CSP invites all interested bidders to participate in the competitive bidding for PALECO’s power supply requirements as indicated in the Terms of Reference, to wit:

TERMS OF REFERENCE	REQUIREMENT
Area/s to be Served	<ul style="list-style-type: none"> • Palawan Main Grid
Demand Requirement	<ul style="list-style-type: none"> • Lot 1, Baseload supply at: <ul style="list-style-type: none"> ○ 27 MW from October, November, and December 2024 and January 2025; and ○ 40 MW from February 2025 to September 2039. • Lot 2, Peaking supply at 15 MW for October 2024 to September 2039. <ul style="list-style-type: none"> ○ Lot 2 shall be divided into two (2) locations: <ul style="list-style-type: none"> ▪ 8 MW should be placed in the <i>north</i> side of the Palawan Grid, near the Roxas substation; and ▪ 7 MW should be placed in the <i>south</i> side of the Palawan Grid, between the Aborlan - Narra 69kV Transmission Line.
Type of Contract	<ul style="list-style-type: none"> • Firm and Dispatchable Supply up to the Maximum Deliverable Energy as defined below. • Physical Power Supply Agreement (“PSA”) consistent with PALECO’s latest and duly posted Power Supply Procurement Plan.
Pricing Structure	<ul style="list-style-type: none"> • Capacity-based PSA for the Capital Recovery Fee (“CRF”) and Fixed Operation and Maintenance Fee (“FOMF”) components. • The SUPPLIER shall provide a Capacity Utilization Factor (“CUF”) Table for its proposed CRF depending on the actual monthly CUF level of PALECO (the “CUF Table”). • The Variable Operations and Maintenance Fee (“VOMF”) and Fuel Fee (“FF”) shall strictly be computed based on the actual energy delivered for any given Billing Period.

Contract Term	For both Lot 1 and Lot 2, fifteen (15) years from commencement of supply																																																																																																
Delivery Date	<p>The SUPPLIER shall 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 the fulfillment of other conditions precedent stated on the PSA.</p> <p>The SUPPLIER shall be responsible to provide Replacement Power and pay penalties for failure to deliver the contracted capacities by the Delivery Date.</p>																																																																																																
Contracted Capacity	<p>On a monthly basis, PALECO shall purchase and utilize the power plant/s of the Winning Bidder/s at the Monthly Minimum CUF as provided below.</p> <p>Nonetheless, the Winning Bidder/s must make available for dispatch the Annual Maximum Deliverable Energy per Lot as provided below, subject to allowable outages.</p> <p>Table 1.1-Lot 1</p> <table border="1" data-bbox="565 673 1284 1372"> <thead> <tr> <th>Year</th> <th>Capacity</th> <th>Monthly Minimum CUF</th> <th>Annual Maximum Deliverable Energy (in kWh)</th> </tr> </thead> <tbody> <tr><td>2024</td><td>27</td><td>50%</td><td>79,572,000</td></tr> <tr><td>2025</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2026</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2027</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2028</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2029</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2030</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2031</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2032</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2033</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2034</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2035</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2036</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2037</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2038</td><td>40</td><td>50%</td><td>318,288,000</td></tr> <tr><td>2039</td><td>40</td><td>50%</td><td>318,288,000</td></tr> </tbody> </table> <p>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.</p> <p>Table 1.2-Lot 2</p> <table border="1" data-bbox="565 1520 1284 1796"> <thead> <tr> <th>Year</th> <th>Capacity</th> <th>Monthly Minimum CUF</th> <th>Annual Maximum Deliverable Energy</th> </tr> </thead> <tbody> <tr><td>2024</td><td>15</td><td>20%</td><td>32,850,000</td></tr> <tr><td>2025</td><td>15</td><td>20%</td><td>131,400,000</td></tr> <tr><td>2026</td><td>15</td><td>20%</td><td>131,400,000</td></tr> <tr><td>2027</td><td>15</td><td>20%</td><td>131,400,000</td></tr> <tr><td>2028</td><td>15</td><td>20%</td><td>131,400,000</td></tr> <tr><td>2029</td><td>15</td><td>20%</td><td>131,400,000</td></tr> </tbody> </table>	Year	Capacity	Monthly Minimum CUF	Annual Maximum Deliverable Energy (in kWh)	2024	27	50%	79,572,000	2025	40	50%	318,288,000	2026	40	50%	318,288,000	2027	40	50%	318,288,000	2028	40	50%	318,288,000	2029	40	50%	318,288,000	2030	40	50%	318,288,000	2031	40	50%	318,288,000	2032	40	50%	318,288,000	2033	40	50%	318,288,000	2034	40	50%	318,288,000	2035	40	50%	318,288,000	2036	40	50%	318,288,000	2037	40	50%	318,288,000	2038	40	50%	318,288,000	2039	40	50%	318,288,000	Year	Capacity	Monthly Minimum CUF	Annual Maximum Deliverable Energy	2024	15	20%	32,850,000	2025	15	20%	131,400,000	2026	15	20%	131,400,000	2027	15	20%	131,400,000	2028	15	20%	131,400,000	2029	15	20%	131,400,000
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Plant Location and Connection Requirements	<p>The power supply to PALECO can be sourced from a single or portfolio of power plants. Bidders must indicate in their Bids the power plant/s that will supply PALECO's energy requirements.</p> <p>The power plant/s per Lot shall be located in the following locations:</p> <p style="text-align: center;"><u>For Lot 1</u></p> <ul style="list-style-type: none"> • The power plant/s should be within the following distances: <ul style="list-style-type: none"> ○ 20 KMs from the National Power Corporation's ("NPC") Irawan Substation; and ○ 20 KMs from PALECO's Tiniguiban Substation • The power plant/s should be connected to the NPC Palawan 69kV Main Grid via bus-in connection or cut-in connection with the corresponding installation of a switching station • The power plant/s should be capable of grid-connected and island operation modes • The power plant/s should be connection-ready to PALECO's distribution system through a 13.8kV and 69kV bus connection. <p style="text-align: center;"><u>For Lot 2</u> <i>Roxas (8 MW)</i></p> <ul style="list-style-type: none"> • The power plant/s should be within the following distances: <ul style="list-style-type: none"> ○ 10 KMs from NPC's Roxas Substation • The power plant/s should be connected to the NPC Palawan 69kV Main Grid via bus-in connection or cut-in connection with the corresponding installation of a switching station • The power plant/s should be capable of grid-connected and island operation modes • The power plant/s should be connection-ready to PALECO's distribution system through a 13.8kV and 69kV bus connection. <p style="text-align: center;"><i>Between the Aborlan - Narra 69kV Transmission Line (7 MW)</i></p> <ul style="list-style-type: none"> • The power plant/s should be within the following distances: <ul style="list-style-type: none"> ○ 10 KMs from NPC's 69kV Transmission Line and Poblacion area. • The power plant/s should be connected to the NPC Palawan 69kV Main Grid via bus-in connection or cut-in connection with the corresponding installation of a switching station • The power plant/s should be capable of grid-connected and island operation modes 																																								

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Bid Type	<p>Bidders may submit Bids for either Lot 1 or Lot 2, or both.</p> <p>Bidders shall submit an offer for the entire Contracted Capacity per Lot.</p> <p>A Bidder shall submit a Bid indicating its bid price as of bid submission date in PhP/kWh for the entire offer.</p> <p>There shall only be one (1) Winning Bidder per Lot.</p>
Source of Power	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.
Connection Point	<p>Must be connected to the NPC 69kV Transmission System and capable to connect to PALECO's distribution system.</p> <p>If connection is via bus-in: The SUPPLIER shall construct a dedicated line and install the Connection Assets at the Connection Point (existing substation facilities) in coordination with NPC as Grid owner or with PALECO, the Substation Facility owner.</p> <p>If connection is via cut-in: The SUPPLIER shall have the responsibility to construct its connection asset (e.g., transmission line and step-up transformer) and switching station with synchronizer for its connection to NPC's 69kV Transmission System and installed 69kV and 13.8kV bus available connection to PALECO.</p>
Metering Point	<p>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> <p>The metering system to be provided by the SUPPLIER shall be installed at the Connection Point equipped with the metering equipment specified in Section 8 of the Philippine Small Grid Guidelines ("PSGG").</p>
Tariff Structure	<p>The tariff structure shall be unbundled into components as follows:</p> $\text{Total Generation Charge} = \text{CRF}_{\text{CUF}} + \text{FOMF} + \text{VOMF} + \text{FF}$ <p>Capital Recovery Fee ("CRF"): The CRF_{CUF} shall be calculated as the product of the Capital Recovery Rate ("CRR_{CUF}") and the quantity delivered for the Billing Period.</p> $\text{CRF}_{\text{CUF}} = \text{CRR}_{\text{CUF}} * Q$ <ul style="list-style-type: none"> The CRR_{CUF}, in PhP/kWh, shall be determined using the <i>CUF Table</i> to be provided by the Bidder. Without exception, no form of indexation allowed for the CRF. Unless revised in the Final Bidding Documents, the CUF shall be calculated in accordance with the formula below:

$$CUF = Q / [CC * (H_T - H_O - H_{FM})]$$

Where

CUF	Capacity Utilization Factor
Q	Energy delivered during the Billing Period, provided that the energy delivered shall not be less than the Associated Energy equivalent of the Monthly Minimum CUF
CC	Contract Capacity, stated in kW
H _T	Total number of hours in the Billing Period
H _O	The Equivalent Hours of actual Scheduled Outages and Unscheduled Outages in the Billing Period
H _{FM}	The Equivalent Hours of actual outages due to Force Majeure in the Billing Period

Fixed O&M Fee ("FOMF"): The FOM shall be calculated as the product of the Fixed O&M Rate ("FOMR"), in PhP/kW-month, and the CC for the Billing Period, minus the capacities which were not available to PALECO due to Force Majeure and Scheduled Outages and Unscheduled Outages. The FOMR may be escalated to the PH CPI ("PHIndex") or to a Foreign CPI ("FIndex").

$$FOMF = \{FOMR * [(K * PHIndex) + (1 - K * FIndex)]\} * [CC * (H_O - H_{FM})]$$

Where

PHIndex	PHCPI _{n-1} / PHCPI ₀
PHCPI _{n-1}	Monthly Consumer Price Index for All Income Households in the Philippines by Commodity Group, ALL ITEMS for the month preceding the Billing Period , from the Philippines Statistics Authority (https://psa.gov.ph/price-indices/cpi-ir)
PHCPI ₀	Monthly Consumer Price Index for All Income Households in the Philippines by Commodity Group, ALL ITEMS for [reference month, year to be determined], from the Philippines Statistics Authority (https://psa.gov.ph/price-indices/cpi-ir). The reference month and year for PHCPI ₀ shall be finalized by the BAC in consultation with the Bidders during the course of the CSP.
FIndex	FCPI _{n-1} / FCPI ₀
FCPI _{n-1}	Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, for the month preceding the Billing Period , from the U.S. Bureau of Labor Statistics (https://www.bls.gov/news.release/cpi.t01.htm) Or other Foreign CPI as determined by the SBAC.
FCPI ₀	Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, for [reference month, year to be determined], from the U.S. Bureau of Labor Statistics (https://www.bls.gov/news.release/cpi.t01.htm)

	Or other Foreign CPI as determined by the SBAC.
	The reference month and year for USCPI ₀ shall be finalized by the SBAC in consultation with the Bidders during the course of the CSP.
K	% of rate indexed on PHIndex
1 - K	% of rate indexed on USIndex

Note for Bidders:

- **For Lot 1:** The Bidder shall provide a *CUF Table* containing the bid price corresponding to the CRF_{CUF} 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 CRF_{CUF} 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.
- Should PALECO fail to dispatch the SUPPLIER at the Monthly Minimum CUF, and the SUPPLIER has made the same available for dispatch, PALECO shall pay to SUPPLIER the CRF_{CUF} at the associated energy for 50% CUF level for Lot 1 and 20% CUF level for Lot 2, as the case may be.
- The computation of CRF shall be based on the Monthly Minimum CUF or the SUPPLIER's actual utilization, whichever is higher in the Billing Period.
- BAC reserves the right to adopt other foreign consumer price indices and currency exchange rate as may be necessary. Such will be issued in the Instruction to Bidders or Bid Bulletins.

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 be escalated to the PHIndex or to a FIndex, and the applicable foreign exchange rate ("FOREX"), if any.

$$VOMF = \{VOMR * [(K * PHIndex) + (1 - K * FIndex * (FOREX_{n-1} / FOREX_0))] * Actual Energy Delivered$$

- The VOMF shall be strictly based on Actual Energy Delivered for the Billing Period.
- The VOMF may be subject to PH and US Consumer Price Index as well as Forex Exchange Index, if any.
- BAC reserves the right to adopt other foreign consumer price indices and currency exchange rate as may be necessary. Such will be issued in the Instruction to Bidders or Bid Bulletins.

Fuel Fee ("FF"): The FF shall be calculated as the product of: (i) the summation of the Fuel Price ("FP"); (ii) the Fuel Consumption Rate ("FCR")

	<p>per fuel type; and (iii) the Actual Energy Delivered for the Billing Period per fuel type.</p> <p><i>Where</i></p> $FF = \sum FP * FCR \text{ (depending on technology used)} * \text{Actual Energy Delivered (depending on technology used)}$ <ul style="list-style-type: none"> • The Fuel Fee shall be a pass-through component of the price. • The BAC shall prescribe a fixed price per fuel type, based on appropriate references, which shall be used in the evaluation of bids. • The BAC shall prescribe a range of acceptable FCR for each fuel type based on ERC-approved cases. The Bidder must offer an FCR within the acceptable range provided by the SBAC, which shall be binding on the Bidder during the implementation of the PSA. The range of acceptable FCR shall be provided in the Instruction to Bidders. <p>For the purpose of evaluation, the Bidder shall indicate in its Technical Bid the power plant/s (and its corresponding fuel type) that would supply PALECO's energy requirements for the entire 15-year period, which shall be consistent with the Bidder's Financial Bid.</p> <p>Note for Bidder:</p> <ul style="list-style-type: none"> • Except for Value-Added Taxes ("VAT") which shall be a pass-through component of the price, all other taxes and government dues including ER 1-94 (Benefits to Host Community), shall be to the account of the SUPPLIER/s.
Evaluation Framework	<p>The Financial Proposal of the Bidders shall be evaluated by calculating the equivalent price in 2024 of the Levelized Cost of Electricity (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 Instruction to Bidders.</p> <p>The LCOE shall be the basis for comparison of bid offers to determine the lowest calculated bids.</p>
Outage Allowances	<p>As long as it is able to operate at the Monthly Minimum CUF, the SUPPLIER shall be allowed an Outage Allowance (Planned and Unplanned) of 45 days per annum per unit subject to the following conditions:</p> <ul style="list-style-type: none"> • No plant-level planned outage and Preventive Maintenance Schedule ("PMS") during peak months April, May, June, and December; • The PMS of any of the generating units at a power plant shall be scheduled separately such that SUPPLIER shall not conduct simultaneous PMS for more than one (1) generating unit at any given time; • All Planned Outages must be scheduled with the PALECO and the System Operator at least 12 months prior the PMS, subject to the dispatch protocol to be agreed by the SUPPLIER and PALECO; and • Even during Outage Allowance, the SUPPLIER must nonetheless be able to supply the Monthly Minimum CUF. <p>Any outage categorized under "Outside Management Control" as defined by ERC under Resolution No. 9 Series of 2022 (A Resolution Adopting the Rules and Procedures to Govern the Monitoring of Reliability Performance of Small Grid Generating Units), shall not be charged against the SUPPLIER's outage allowance.</p>

Force Majeure	The provisions on Force Majeure of ERC Resolution No. 16 Series of 2023 and NEA Memorandum 2023-057 shall govern.
Replacement Power	<p>The SUPPLIER shall provide Replacement Power under the following conditions:</p> <ol style="list-style-type: none"> 1. It exceeds the outage allowance per unit; 2. It will not be able to operate at Monthly Minimum CUF level at a given month due to its own fault or negligence; 3. It will incur a scheduled plant-level outage or conduct a PMS for a generating unit during peak months (April, May, June, and December); and 4. It will conduct simultaneous PMS for more than one (1) generating unit. <p>The rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.</p>
Form of Payment	<p>Mode of payment: Check or bank transfer to a nominated bank. Currency of Payment: Philippine Peso Billing Period: Monthly to be defined in the power supply agreement</p>
Liquidated Damages	<p>The SUPPLIER shall be penalized at a rate equivalent to PALECO's Distribution Supply and Metering ("DSM") charge on top of the Replacement Power cost in case of:</p> <ol style="list-style-type: none"> 1. Delay in Start Date; 2. Failure to provide Replacement Power; and 3. Failure to secure prior approval for any scheduled outage. <p>Other penalty provisions will also apply under the resulting PSA provided that the penalty on any given Billing Period should not exceed the performance bond of the SUPPLIER.</p> <p>Penalties shall not be passed on to PALECO or its consumers.</p>
Reduction of Contract Capacity and/or Contract Energy	At the option of PALECO, 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, and other similar government programs, BUYER shall deliver to SELLER written notice specifying the reduction in Contract Capacity and/or Contract Energy resulting from the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs, indicating when such reductions shall take place. Any such reduction shall be limited to an amount that will allow Buyer to comply with its obligation to supply electricity in the least cost manner to its captive market.
Prompt Payment Discount	<p>The SUPPLIER shall extend a three percent (3%) discount based on the non-fuel fee (i.e. CRF, FOMF, and VOMF) to PALECO as prompt payment if:</p> <ol style="list-style-type: none"> 1. payment is made within 10 Calendar Days from receipt of Seller's billing, and 2. buyer is up to date with all its payment obligations under the power supply agreement. <p>For the avoidance of doubt, the prompt payment discount shall not be included in the Financial Proposal evaluation.</p>
Ground for Termination	<p>Valid grounds for termination are:</p> <ol style="list-style-type: none"> 1. Event of default to be defined in the Power Supply Agreement ("PSA");

	<ol style="list-style-type: none"> 2. Extended Force Majeure Events to be defined in the PSA; 3. Expiration of Term; 4. Upon mutual agreement; and 5. Other reasonable ground for termination as may be indicated in the PSA
Assignment or Transfer of Contract Capacity	<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: (1) 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 (2) upon ERC's approval and determination of the assignee or buyer's legal, technical and financial eligibility</p>
Eligibility Requirements	<p style="text-align: center;"><u>Legal</u></p> <p>The following entities shall be eligible to participate in this bidding:</p> <ul style="list-style-type: none"> • Duly licensed individuals or sole proprietorships; • Partnerships duly organized under the laws of the Philippines; • Corporations duly organized under the laws of the Philippines; and • Joint Ventures and Consortiums duly organized under the laws of the Philippines. <p>Bidders must submit proof of its right to occupy or use the land upon which the power plant/s will be constructed (i.e., Certificate of Title, Right of Way Agreements, Lease Agreements, or any other similar tenurial instruments.)</p> <p>Bidders must secure a 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.</p> <p>Bidders must also secure a Certificate of Good Standing from all of their current off-takers whether such off-taker be a private distribution utility or an electric cooperative.</p> <p style="text-align: center;"><u>Financial</u></p> <p>The bidder's Net Financial Contracting Capacity ("NFCC") based on its Latest Audited Financial Statement (Stamped-received by BIR or SEC) should at least be twenty-five percent (25%) higher than the Bidder's Project/Facility Cost.</p> <p>Bidders shall use the indicative project/facility cost based on the assumption of Seventy-Five Million Pesos (P75,000,000.00) per MW.</p> <ul style="list-style-type: none"> • If joining for Lot 1 only, the required NFCC would be calculated as follows: $NFCC = 125\% \times \text{PhP}75\text{M} \times 40 \text{ MW}$ • If joining for Lot 2 only, the required NFCC would be calculated as follows: $NFCC = 125\% \times \text{PhP}75\text{M} \times 15 \text{ MW}$ • If joining for both Lot 1 and Lot 2, the required NFCC would be calculated as follows: $NFCC = 125\% \times \text{PhP}75\text{M} \times 55 \text{ MW}$ <p>$NFCC = [(Current \text{ assets} \text{ minus} \text{ current} \text{ liabilities} \times 15)] \text{ minus the value of all unsecured outstanding or uncompleted portions of the projects under on-going contracts, including awarded contracts yet to be started coinciding with the contract to be bid.}$</p>

	<p>Bidders may submit a sworn statement executed by the President and Comptroller of its Subsidiary, Affiliate, or Parent Company categorically stating under oath that the NFCC of the Subsidiary, Affiliate, or Parent Company complies with the foregoing requirements. Further the Subsidiary, Affiliate, or Parent company must execute a Financial Support Guarantee as provided in the bidding documents.</p> <p>A Bidder who cites an Subsidiary, Affiliate, or Parent Company to comply with the financial capability requirement must present proof to establish that the cited entity is indeed its Subsidiary, Affiliate, or Parent Company.</p> <p style="text-align: center;"><u>Technical</u></p> <p>The Bidders, including its Affiliates, shall have the following aggregate generation portfolio at the time of submission of Bid:</p> <ul style="list-style-type: none"> • Installed capacity of at least 40 MW in the Philippines for Lot 1; • Installed capacity of at least 15 MW in the Philippines for Lot 2; and • Installed capacity of at least 55MW in the Philippines for Lot 1 and 2. <p>The Bidders shall have a track record of at least five (5) years of experience in operating power plants in the Philippines.</p> <p>In lieu of the foregoing Technical requirements, the Bidder may submit the following: (a) 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 (ii) Other relevant information showing proof of the technical capabilities of the Bidder that would be helpful to the BAC.</p>
Bid Security	<p>In accordance with Appendix B, Section 10 of ERC Resolution No. 16 Series of 2023, each Bidder shall submit, as part of its bid submission, a Bid Security equivalent to three (3) month contract cost of the proposed PSA computed using the bid price offered by the Bidder.</p>
Performance Bond	<p>Within ten (10) calendar days from the execution of the contract, the Winning Bidder shall post a Performance Bond equivalent to the three (3)-month contract cost of the proposed PSA computed using the bid price offered by the Winning Bidder.</p> <p>Failure to post the required Performance Bond within the prescribed period will result in the forfeiture of the Bid Security. Failure, inability or refusal of the Winning Bidder to join in the timely filing of the application will result in the forfeiture of the Performance Bond.</p>
Other Term and Condition	<p>Power Plant/Generating Units must have the following capabilities:</p> <ul style="list-style-type: none"> • Regulation of Active Power to provide frequency control under normal operating conditions based on the requirement under the PSGG. The frequency variation must be within the limits of 59.4 Hz to 60.6 Hz at normal operating conditions • Regulation of Reactive Power to control terminal voltage based on the requirement under the PSGG • Fast-Start Capability depending on technology • Black-Start Capability • Capable to operate both on grid and island mode • The generating units and switching station shall have 69kV synchronizing equipment

	<ul style="list-style-type: none"> • Fuel reserve is equivalent to 30 days at Monthly Minimum CUF operation • Power plant/s must be able to integrate with System Operator's SCADA • The power plant/s connected and synchronized to the Palawan Grid shall comply with the latest edition of the PSGG and the Philippine Grid Code, as may be necessary. • For power plant with Renewable Energy technology, it must have grid balancing and firming services such as the use of batteries and ancillary resources to provide a stable power supply and to address intermittent characteristics of RE sources, if applicable. If a storage system would be applied, it must be capable to supply the expected electrical output within the affected period from RE for at least 24hours for Lot 1 and 4-5hours for Lot 2. • Proposal to include the following facilities to attach to the Connection Points: <ul style="list-style-type: none"> ○ 69kV and/or 13.8kV protection equipment and revenue metering assemblies; ○ Dedicated 69kV and/or 13.8kV tie lines. <p>Notwithstanding the above, the SBAC and/or PALECO reserve the right to amend or include other technical parameters which must be complied by the Bidders.</p> <ul style="list-style-type: none"> • In the event that PALECO's franchise to operate as an electric distribution utility is not renewed or terminated, or its coverage area is reduced, PALECO shall have the obligation to assign the rights and obligations under the PSA 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 PALECO's coverage area. The SUPPLIER shall have the corresponding obligation to accept such assignment. <p>If such assignment fails to occur due to reasons not attributable to the fault or negligence of PALECO and/or the SUPPLIER, the Parties must agree on a transition period, subject to the terms of the PSA. During this period, both the SUPPLIER and PALECO must make all reasonable efforts to prevent any power supply disruption to the Palawan Main Grid.</p>
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5. A complete set of Bidding Documents may be acquired by interested bidders from **17 May 2024 until 29 May 2024** upon:

- a. submission of a *Verified Expression of Interest, Confidentiality Undertaking and Consent Form for Data Privacy*, downloadable at <https://shorturl.at/hqLM6>;
- b. payment of a non-refundable participation fee in cash, cashier's/manager's check payable to Palawan Electric Cooperative, or be deposited through:

Bank: BDO Puerto Princesa
Account No.: 005040004061

Participation fees for each Lot are as follows:

Lot 1: Php 720,000.00
Lot 2: Php 280,000.00

Two original copies of the *Verified Expression of Interest, Confidentiality Undertaking and Consent Form for Data Privacy*, and the proof of payment shall be submitted to the NEA SBAC

Secretariat at the RAO Office located at the 8th Floor, NEA Office, 57 NIA Road, Diliman, Quezon City. Scanned copy of these documents shall also be sent to paleco.nea.csp.secretariat@gmail.com.

Upon verification of the submitted documents, the NEA SBAC Secretariat will provide the link to a cloud-based server where the interested bidders can download the complete set of Bidding Documents.

6. The indicative schedule of activities for this CSP shall be:

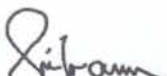
Activity	Schedule
Publication of Invitation to Bid in a newspaper of general circulation	First Publication: 10 May 2024 Second Publication: 17 May 2024
Issuance of Bidding Documents to interested bidders	17 - 29 May 2024
Pre-bid Conference	30 May 2024
Issuance of Final Instruction to Bidders	17 June 2024
Bid Submission Deadline, Opening, and Evaluation of Bids	03 July 2024
Post Qualification and Detailed Evaluation of Bids to Determine the Lowest Calculated and Responsive Bid	04 – 05 July 2024
Issuance of Notice of Award to Winning Bidder	26 July 2024
Signing of Power Supply Agreements	15 August 2024

The SBAC reserves the right to amend the schedule of activities, upon due notice to the bidders.

7. Unless otherwise amended, the NEA-SBAC shall hold a Pre-Bid Conference on 30 May 2024 starting at 9:00 AM at the PALECO Main Office.

Only CSP Observers and bidders who purchased the Bidding Documents shall be allowed to attend the Pre-Bid Conference.

8. Unless otherwise amended, the Bidder's bidding documents and proposals must be physically and actually received by the NEA-SBAC Secretariat at the PALECO Main Office not later than 9:00 AM on 03 July 2024.
9. For queries or concerns, please contact the NEA SBAC-Secretariat Ms. Diana Jean G. Maala, with office address at 57 NIA Road, Diliman, Quezon City, through telephone number (02) 8929-1909 loc. 180, or through electronic mail at paleco.nea.csp.secretariat@gmail.com.


ENGR. ERNESTO O. SILVANO, JR.
Chairperson
Special Bids and Awards Committee
For the conduct of the CSP for the Main Grid of Palawan

Noted By:


ENGR. REZ L. CONTRIVIDA
General Manager
Palawan Electric Cooperative