



ANNEX A

PROSPECTIVE BIDDERS' COMMENTS OR SUGGESTED AMENDMENTS TO THE TRANSACTION DOCUMENTS

Comments and/or Suggested Amendment submitted by prospective Bidder "CIPC" during the First Pre-Bid Conference

<u>Section and Page</u>	<u>Comment / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision</u>	<u>PROPOSED FINAL RESPONSE</u>
All documents	Suggest that Bidders should be allowed to make minimal alterations to bidding documents, limited to correcting typographical errors or using the correct pronouns (he/she/they/it) that pertain to the subject or signatory of the document.	Considering the volume of documents and the need for the BAC to focus on more substantial comments on the bidding documents, we suggest that minimal alterations necessitated by typographical errors or correction of pronouns be allowed. In this regard, we propose to update the language of Schedule 5 - Omnibus Sworn Certification obligation to allow clerical or typographical changes that will not affect the substance of the document.	Accepted
Annex B Information Sheet, C. Operation Progress Report, Page 1	The results of the financial operations of BISELCO shows a consistent net loss beginning 2020 to year end 2023. May we inquire why this is the case? To allow the Bidders to evaluate the financial circumstances of BISELCO, may we request for a copy of BISELCO's latest 2024 interim financial statements.	The inquiries are in line with the Bidder's responsibility to conduct due diligence on the transaction.	This might have been due to the adverse effect of the COVID-19 pandemic to the tourism activities in the island. BAC shall provide both prospective Bidders a copy of BISELCO's latest 2024 interim financial statements (as of August 2024)



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<p>Annex C Information Memorandum, Distribution Impact Study, p.6</p>	<p>May we request for BAC to provide to the Bidders the electrical system model of BISELCO?</p>	<p>The electrical system model is requested to ensure that the Winning Bidder and BISELCO can promptly execute the PSA after the Notice of Award. We note that a Distribution Impact Study (DIS) is among the pre-conditions to the signing of the PSA. The conduct of the study requires significant time and effort (depending on the scope and availability of input data) which we believe can be reduced with the availability of the model.</p>	<p>Bidder must submit a Connection Single Line Diagram, which shall be binding on it during PSA implementation, following the connection configuration requirements provided in the Bidding Procedures. (See <i>Technical Proposal</i>)</p>
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<p>Annex H - Bid Security Evaluation Form</p>	<p>The monthly CUF indicated in the Bid Security formula is 80%. However, in the ITB, the CUF is 76%. May we clarify what percentage should be used?</p>	<p>To lessen any confusion between the conflicting percentages.</p>	<p>76% will prevail. It is based on the maximum projected CUF of the power plants for this CSP.</p>
<p>Bidding Procedures, Forecasted Energy Dispatch, Page 33</p>	<p>Page 33 of the Bidding Procedures provides for the forecasted energy dispatch total of the lot as a whole. However, the energy demand for Coron and Busuanga was not segregated.</p> <p>We would like to request the BAC to provide the Bidders separate energy forecasts for Coron and Busuanga, respectively.</p>	<p>The Bidders will not be able to compute the TCGR for each of the Coron and Busuanga facilities without the separate energy forecasts.</p>	<p>For purposes of evaluation of the Bidder's Financial Bid proposal, BISELCO BAC shall provide the indicative energy required from the Bidder's proposed Busuanga and Coron power plants.</p> <p>Please note that the indicative energy provided in Financial Bid Form is for evaluation purposes only.</p>
<p>Bidding Procedures, II-09 ELIGIBILITY REQUIREMENTS, no. 4, p. 12</p>	<p>Would the submission of the latest amended Articles of Incorporation and By-laws of the Bidder suffice or should the original (first-issued) AOI be submitted as well?</p>	<p>To clarify if submission of the latest amended Articles of Incorporation only is sufficient.</p>	<p>The Bidder's latest amended Articles of Incorporation and By-laws would suffice.</p>
<p>Bidding Procedures, II-09 ELIGIBILITY REQUIREMENTS, nos. 1 and 2, p. 12</p>	<p>Please confirm if the BAC has a prescribed template for all board resolutions and secretary's certificates.</p>	<p>To ensure the Bidder's compliance with the requirement.</p>	<p>The BAC shall not prescribe a template</p>



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<p>Bidding Procedures, II-10 Technical Proposal, page 20</p>	<p>The Technical Proposal refers to an Annex, which is supposed to contain the instructions on how to fill out the Technical Simulation Form. Unfortunately, this is not part of the documents furnished to the Bidders. May we request that the Bidders be provided a copy of the said Annex. In addition, we would like to request for the MS Excel File of the Technical Simulation Form.</p>	<p>To ensure the Bidder's compliance with the requirement.</p>	<p>Please see the Revised Transaction Documents</p>
<p>Bidding Procedures, II-13 Bid Security, Page 25</p>	<p>We would like to confirm if the intended effectivity date of the Bid Security is the date of bid submission.</p> <p>The procedures did not specify the date in which the Bid Security should come into effect, or the "Effective Date". May we confirm if the Bid Submission Date should be the Effective Date of the Bid Security?</p>	<p>To ensure the Bidder's compliance with the requirement.</p>	<p>In accordance with the ERC Resolution 16, Series of 2023, the Bid Security shall be valid for 180 calendar days from the Bid Submission date. The BAC shall finalize the date of the Bid Submission Deadline in the Final Transaction Documents</p>
<p>Bidding Procedures, II-13 Bid Security, Page 25 II-19 Performance Bond, Page 37</p>	<p>Since there is no template provided for the Bid Security and Performance Bond in the form of a Stand-by Letter of Credit, we have attached Annex 1.1 in our comments for consideration of the BAC to use as a format for the Stand-by Letter of Credit for both the bid security and the performance bond.</p>	<p>The standardized template reduces errors and ensures consistency across all documents submitted by the Bidders and saves time and effort of the BAC in the evaluation of the bids.</p>	<p>No format shall be prescribed for the SBLC. However, the sample SBLC template submitted by the Bidder is acceptable and may be used by the other Bidders.</p> <p>The template is attached as Appendix "A" hereto for the reference of other bidders.</p>



<p>Bidding Procedures, II-19 Performance Bond, Page 37 II-13 Bid Security, Page 25 II-19 Performance Bond, Page 37</p>	<p>1. In a recently concluded CSP conducted by NEA, parent companies or affiliates were permitted to procure the Bid Security and Performance Bond on behalf of the Bidder. We suggest that BAC adopt this arrangement for as long as the Bid Security and/or Performance Bond are issued in favor of BISELCO.</p> <p>2. In the event the response of the BAC is favorable, will the Bidder be required to submit an affidavit of affiliation?</p>	<p>Bidders that require infusion from their parent/ affiliate may not have sufficient finances to secure a Bid Security or Performance Bond by themselves.</p>	<p>Yes, the Bidder's parent company can procure the Bid Security and Performance Bond on behalf of the Bidder.</p> <p>Bidder needs to submit an affidavit of affiliation showing the relationship between itself and its parent company/affiliates.</p>
<p>Draft PSA</p>	<p>Suggest that either "Contracted Capacity" or "Guaranteed Dependable Capacity"/ "GDR" be used throughout the PSA and all conflicting references be changed.</p>	<p>To ensure consistency in the terminology used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.</p>	<p>The term "Guaranteed Dependable Capacity" or "GDC" shall be used to refer to the <i>Contract Capacity</i> for this Transaction.</p> <p>Please note that while the Bidder may offer a Guaranteed Dependable Capacity that exceeds the Contract Capacity, BISELCO shall only nominate and dispatch the Winning Supplier up to the Guaranteed Dependable Capacity of 10 MW for Phase 1 and 24 MW for Phase 2.</p>

<p>Draft PSA, 2. SALE AND PURCHASE OF CAPACITY, sec. 2.2, p.3</p>	<p>Suggest to:</p> <ol style="list-style-type: none"> 1. Revise the provision to refer to a "total" Guaranteed Dependable Capacity to be consistent with the 24MW GDC; 2. To correct the typographical error in the 24MW GDC period from "2029 to 2030" to "2029 to 2039". 3. Revise "Contracted Capacity" to "Guaranteed Dependable Capacity". <p>Proposed revision: 2.2. SUPPLIER shall supply BISELCO a total Guaranteed Dependable</p>	<p>Considering that this CSP is for a Guaranteed Dependable Capacity, the use of the term 'Contract Capacity' is inaccurate.</p> <p>The delivery period is also updated to be consistent with Clause 1-02, Table 1.1 of the Bidding Procedures.</p>	<p>Please see revised PSA</p>
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	<p>Capacity-</p> <ul style="list-style-type: none"> • 10 MW from 2025 to 2029 • 24 MW from 2029 to 2039. 		
Draft PSA, 2. SALE AND PURCHASE OF CAPACITY, sec. 2.3, p.3	<p>Proposed revision: On a monthly basis, OFFTAKER shall purchase from and utilize the Power Plants of the SUPPLIER up to the Guaranteed Dependable Capacity as provided in SCHEDULE 2, subject to allowable outages on the SUPPLIER's connection facilities only.</p>	<p>This is a correction of a grammatical/typographical error.</p>	<p>Accepted.</p>
Draft PSA, 3.1. Contract Term, p. 4	<p>Suggest to use: "DELIVERY DATE" instead of "COMMENCEMENT DATE".</p> <p>Proposed revision: This Agreement shall take effect immediately from Effective Date, and from such date shall remain in force and effect for FIFTEEN (15) YEARS FROM DELIVERY DATE, unless sooner terminated in accordance with this Agreement and upon approval by the ERC.</p>	<p>To ensure consistency in the terminology and avoid any ambiguity in the interpretation of the PSA.</p>	<p>Accepted.</p>
Draft PSA, 3.2. Effective Date, sec. a,, p. 4	<ol style="list-style-type: none"> 1. We would like to clarify if the Bidder is expected to commence construction of the power stations after Effective Date. 2. If yes, we propose that the following conditions for Delivery Date be transposed to the conditions to Effective Date: <ol style="list-style-type: none"> a. ERC Approval b. Subsidy Agreement c. Connection Agreement 	<p>Banks/Financial Institutions require ERC approval (IR/PA/FA) to secure project financing. Consequently, a Winning Bidder will not be able to secure project financing to commence project development without the ERC approval.</p>	<p>The revised conditions for "Delivery Date" shall be as follows:</p> <p>The Delivery Date shall be later of either 01 January 2025 (00:00H) or the next immediate 26th day of the month following the ERC's issuance of a Provisional Authority ("PA") or Interim Relief ("IR"), as applicable, for the implementation of this Agreement as well as the fulfillment of the following conditions:</p> <ol style="list-style-type: none"> a. Achievement of Effective Date: b. The ERC Certificate of Compliance ("COC") or Provisional Authority to Operate (PAO) issued for the Power Stations; c. The SUPPLIER's filing of the Point-to-Point Application ("P2P Application") with the



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			<p>ERC. The SUPPLIER shall endeavor to file the P2P Application within thirty (30) days from signing of this Agreement.</p> <p>d. The execution of a Subsidy Agreement with NPC-SPUG; and</p> <p>e. Execution of the Connection Agreement with OFFTAKER.</p>
<p>Draft PSA, 3.3. Delivery Date p. 4</p>	<p>Considering the issuance of a Provisional Authority, Interim Relief, or Final Approval is dependent on the ERC approval, provisions covering possible Delays in Delivery Date should be considered in the PSA.</p> <p>We suggest to add the following provisions: Section xx. Failure to Achieve Delivery Date. In the event that the Delivery Date is not achieved, the following provisions shall apply, depending on the reason therefor:</p> <p>"Delay in Delivery Date due to Force Majeure. If the delay shall be due to an Event of Force Majeure affecting both Parties, the Parties shall agree on a date which shall be then the Delivery Date shall be the day immediately after the Force Majeure has been resolved, subject to the compliance with the procedure set out in SECTION xx governing events of Force Majeure."</p> <p>b. SUPPLIER Delay. Notwithstanding Section 3.3 of this Agreement, if the ERC issues a PA or IR, whichever comes first, for the implementation of this Agreement but still SUPPLIER fails to commence supply to OFFTAKER, SUPPLIER shall</p>	<p>Given the possible delays in the proceedings of the ERC, delays resulting from Force Majeure, and/or delays attributable to the Parties, the Parties should consider options to terminate the agreement, taking into account existing laws and policies.</p> <p>Note: For ERC decisions, Section 13(e) of the Energy Virtual One-Stop Shop (EVOSS) Act (Republic Act 11234) provides that the ERC has 270 calendar days to act on a valid application submission (final approval) and 75 calendar days for provisional authority.</p>	<p>Accepted.</p> <p>At any rate, the Bidder shall be allowed to offer a physical power plant for its interim power supply while the power plant for its long-term power supply is being constructed, provided that the Bidder's offer covers the entire 180 months (i.e., 15-year period.).</p> <p>Bidder's offered power plants should be consistent with its Financial Bid Form and Technical Bid Form, and shall be binding on the Bidder during PSA implementation.</p>



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arrange an alternative power supply for OFFTAKER for a maximum period of twelve (12) months. By the end of the 12-month period, SUPPLIER must ensure that the Power Station that it committed to construct shall be installed and commissioned and that all the conditions stated in Section 3.3 of this Agreement are complied with. Accordingly, the SUPPLIER shall commence the alternative power supply on the 26th day of the month following the ERC's issuance of a PA or IR, whichever comes first. This date shall be considered as the Deemed Delivery Date.

If, for any reason, the period of delay exceeds twelve (12) months, OFFTAKER shall have the right to terminate the Agreement and the Performance Bond shall be forfeited. For the avoidance of doubt, SUPPLIER shall be responsible for the provision of alternative power supply for the deficient capacity at the generation rate equivalent to the approved rate for this Agreement or the actual rate of the Replacement Power, whichever is lower. The difference between said rates shall not be passed on to the OFFTAKER.

To compute the cost of the alternative power supply for any Billing Period, SUPPLIER shall attach the computation of the following in its monthly Invoice:

1. The TCGR based on the approved tariff for this Agreement. For this purpose, the CRFCUF shall be calculated using the Contract Capacity under



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	<p>this Agreement regardless of the actual utilization of the power plant providing the alternative power supply. Further, the Fuel Price shall be the average fuel price for the same technology as billed to OFFTAKER from its existing suppliers for the past three (3) months; and</p> <p>2. The actual generation rate of the alternative power supply, provided that SUPPLIER shall be allowed to recover only the Fixed and Variable O&M Fees, as well as the pass-through Fuel Fees. SUPPLIER shall not be allowed to recover any Capital Recovery Fees for the power plant providing the alternative power supply. SUPPLIER shall be allowed to recover the lower of the two (2) rates, provided that the Subsidy Fee shall be paid only if the rate is greater than the SAGR.</p> <p>"OFFTAKER Delay. If delay is due to OFFTAKER's fault and such delay does not exceed one hundred eighty (180) Days, and the Power Station would otherwise have been ready for testing as SUPPLIER had issued the Notice of Testing, SUPPLIER may issue a written notice to the OFFTAKER declaring that the Delivery Date has\ commenced. The date on which the OFFTAKER receives the written notice shall be considered the Deemed Delivery Date."</p> <p>"Extended Delay. Except as provided in Section XX.b, In the event of any delay under this Section of more than one hundred eighty (180) Days from Effective Date, the Parties shall meet</p>		
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	<p>and consult each other regarding the terms by which this Agreement may continue. If the Parties fail to reach an agreement within thirty (30) Days from commencement of consultations, the non-delaying or non-defaulting Party may exercise its right to terminate this Agreement pursuant to the provisions of SECTION xx."</p> <p>In addition, we would also like to suggest to add the following conditions to Delivery Date:</p> <ul style="list-style-type: none">a. Achievement of Effective Date;b. The ERC Certificate of Compliance ("COC") or Provisional Authority to Operate "PAO") issued for the Power Station;c. The SUPPLIER's filing of the Point-to-Point Application ("P2P Application") with the ERC. The SUPPLIER shall endeavor to file the P2P Application within thirty (30) days from signing of this Agreement.		
Draft PSA, 4.2. Reduction of Contract Capacity, p. 5	<p>Proposed update: "...written notice specifying the reduction in Contract Capacity 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 the OFFTAKER to comply with its obligation to supply electricity in the least cost manner to its captive market. Except for such reduction of amount of Contract Capacity to be specified by OFFTAKER (including the resulting reduction in payments payable under this Agreement), all other terms and conditions of this Agreement shall remain in full force and effect, subject to the approval by the ERC."</p>	<p>To ensure consistency in the terminology used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.</p>	<p>Accepted.</p>
Draft PSA, 4.3. Scheduled Outages, p. 5	<p>Under Section 2.3 of the PSA, only the connection facilities of the Supplier are allowed outages. May we confirm if the Scheduled</p>	<p>To clarify if the application of Section 4.3 is restricted to connection facilities only.</p>	<p>Allowable outage of 48 hrs./yr shall include outage attributable to SUPPLIER's connection and common facilities.</p>



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	Outages under Section 4.3 is intended to govern outages of the connection facilities mentioned in Section 2.3 only?		
Draft PSA, 4.3. Scheduled Outages, p. 5	Please confirm if "Scheduled Commercial Operations Date" is different from DELIVERY DATE. If yes, we suggest that this term should be defined in the PSA.	The use of an undefined term may lead to confusion in the interpretation and/or implementation of the PSA.	Same, no need to define.
Draft PSA, 4.3.2 Scheduled Outages, p.5	Rescheduling of requested Scheduled Outage periods should be time-bound. We suggest that notification should be made no more than a month from the requested dates of Scheduled Outages.	Planned outages require coordination of manpower, parts, tools, and other resources. Keeping the rescheduled dates open would be impractical from a planning perspective. Moreover, maintenance schedules should be followed closely to keep equipment in optimal condition. Any delays could risk equipment breakdown.	Accepted with revisions. Please see the revised draft PSA.
Draft PSA, 5.4 Liquidated Damages, p. 7	<p>1. Will the liquidated damages be treated separately from the performance bond drawing events? If there are already liquidated damages, will BISELCO still draw from the performance bond?</p> <p>2. How will the penalties for the liquidated damages be computed? Will it be a uniform amount for each event of default?</p> <p>3. What are the events of default?</p>	<p>To confirm if liquidated damages will be deducted from the performance bond and identify the drawing events stated under liquidated damages.</p> <p>To provide clarity on provisions governing liquidated damages.</p>	Please see the revised draft PSA.
Draft PSA, 6.1.1 Acts of God, sec. a and b, p. 7	<p>Proposed updates:</p> <p>(a) The event or calamity is of the degree or intensity that the continued operation of the affected party would lead to death or injury of the parties' employees or agents; or</p> <p>(b) The event or calamity is of the degree or intensity that the continued operation of the</p>	The revision will cover scenarios where a force majeure event affects one of the Parties only.	Noted



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	affected party would be of great hazard to the security and safety of the public.		
Draft PSA, 6.1.2 Epidemic, p. 7	Suggest to add in the subheading: Epidemic, Pandemic, or Outbreaks	To cover other Events of Force Majeure.	Accepted with revisions. Please see the revised draft PSA.
Draft PSA, 6.1.2 Epidemic, sec. b, p. 8	Proposed update: "When there is no effective remedy or protocol placed/ issued by the government or the regulatory agencies to assist the affected party in fulfilling its obligations."	To cover other Events of Force Majeure.	Noted.
Draft PSA, 6.1.3 Other Events of Force Majeure, p.8	<p>Suggest to expand the provision on Force Majeure to include:</p> <ol style="list-style-type: none"> 1. Delay in the payment of the subsidy fee by NPC-SPUG for more than sixty (60) Calendar Days from receipt of the relevant invoice for the subsidy fee; 2. Epidemic, Pandemic, Quarantines, or similar global health crises; 3. Any relevant consents or approvals not being granted or renewed upon application duly made (unless previously revoked for cause), or having been granted, ceases to remain in full force and effect, or having been granted, ceases to remain in full force and effect, or attachment subsequent to its grant of any terms and conditions preventing performance. 4. Instructions from System Operator/BISELCO to maintain grid security and reliability that prevents the Winning Bidder from carrying out its obligations or from enjoying its rights under the PSA. 	These events, while not attributable to any fault of the Winning Bidder, affect the continued operations of the power facilities and should be considered as Events of Force Majeure.	Accepted with revisions. Please see the revised draft PSA.
Draft PSA, 6.3 Consequences of Force Majeure, p. 8	<p>Suggest to add a provision on temporary force majeure and consultation period.</p> <p>Proposed additions:</p>	Certain causes of force majeure may be temporary. Considering this has to be evaluated on a case-to-case basis, a provision specifically covering these events with a consultation	Accepted.



	<p><i>"Temporary Force Majeure. Both Parties shall be excused from performing their respective obligations under this Agreement upon the occurrence of a Force Majeure for a period not exceeding ninety (90) Days ("Temporary Force Majeure Period")."</i></p> <p><i>"Consultation Period. The Parties shall consult with each other upon the occurrence of the Temporary Force Majeure, such consultation period not exceeding thirty (30) Days after the end of the Temporary Force Majeure Period. During this time, the Parties will work collaboratively to determine appropriate measures, adjustments, or solutions to mitigate the effects of the Force Majeure and to resume normal operations as swiftly as possible."</i></p>	<p>period will ensure both parties can continue complying with their obligations under the PSA despite the occurrence of such an event.</p>	
<p>Draft PSA, 6.3 Consequences of Force Majeure, p. 8</p>	<p>Suggest to add a provision on extended force majeure.</p> <p>Proposed addition:</p> <p><i>"Extended Force Majeure. If the Force Majeure subsists beyond the thirty (30)-day period from the Consultation Period, the same shall be considered as an Extended Force Majeure and shall give the Party experiencing the Force Majeure the right to terminate the Agreement pursuant to [insert provision here] and such termination shall be subject to the approval of the ERC."</i></p>	<p>To ensure that BISELCO's consumers are protected in cases of extended force majeure.</p>	<p>Accepted.</p>
<p>Draft PSA, 6.3 Consequences of Force Majeure, p. 8-9</p>	<p>Proposed update: "...provided further, that the Parties may file the proper motion for termination, when the Force Majeure is considered as an Extended Force Majeure."</p>	<p>To consider the effect of extended force majeure and allow parties to avail of termination in such cases.</p>	<p>Accepted.</p>
<p>Draft PSA, 7. Defaults and Termination, p. 9</p>	<p>Proposed revision: DEFAULT AND TERMINATION</p>	<p>To correct a grammatical/typographical error.</p>	<p>Accepted.</p>



<p>Draft PSA, 7. Defaults and Termination, sec. 7.1, p. 9</p>	<p>Proposed update:</p> <p>Each of the events described below shall constitute an Event of Default, provided that such events result to, in the case of the SUPPLIER, an actual failure to deliver to the OFFTAKER of the required Guaranteed Dependable Capacity; or, in the case of the OFFTAKER, an actual failure to accept from, or pay to, the SUPPLIER the [Monthly Payments]. An "Event of Default" shall mean, with respect to the relevant Party (such Party being, with respect to the Event of Default, a "Defaulting Party" and the other Party being the "Non-Defaulting Party"):</p>	<p>"Contract energy" is not applicable because the PSA requires GDC.</p>	<p>Accepted.</p>
<p>Draft PSA, In general</p>	<p>The draft PSA does not have provisions covering the Performance Bond requirement and its drawing events. Given that the posting of the Performance Bond is among the integral obligations of the supplier, we would like to suggest the following provisions:</p> <p><i>PERFORMANCE BOND</i></p> <p><i>The Performance Bond amount shall be _____, which shall be effective until the expiration of the Term. The SUPPLIER shall post the Performance Bond within ten (10) Days from the execution of this Agreement. The Performance Bond shall be returned to SUPPLIER after the end of the Term unless sooner terminated for causes provided herein.</i></p> <p><i>The Performance Bond shall be issued in favor of BISELCO and must be in Philippine Peso in the form of:</i></p> <p><i>a. Cash or cashier's/manager's check issued by a</i></p>	<p>II-19 of the Bidding Procedures mentions the requirement of a Performance Bond. However, the PSA does not have any provisions regarding the Performance Bond.</p>	<p>Accepted.</p>



	<p><i>Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;</i></p> <p><i>b. Bank draft/ guarantee or irrevocable/ standby letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank; or</i></p> <p><i>c. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.</i></p> <p><i>In case the Performance Bond 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 Bond shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.</i></p> <p><i>Within thirty (30) days after BISELCO has notified the SUPPLIER in writing that it has drawn on the Performance Bond, the SUPPLIER shall provide such additional security or securities as may be sufficient in order to restore the Performance Bond to its full amount.</i></p>		
<p>Draft PSA, In general</p>	<p>We suggest to add the following provisions in the PSA</p> <p>1. Representation and Warranties;</p> <p><i>"The Parties hereby represent and warrant,</i></p>	<p>To ensure that both parties are fully capable of entering the PSA.</p> <p>To ensure winning bidder's compliance with the TOR and PSA, we propose to add a provision on testing and commissioning of the winning</p>	<p>Accepted.</p>



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	<p><i>which representations and warranties shall subsist for the Term of this Agreement:</i></p> <p><i>a. Corporate Existence. The OFFTAKER is an electric cooperative, and the SUPPLIER is a Philippine corporation, both duly organized, validly existing, in good standing and qualified to do business under the laws of the Philippines, and each holds corporate power and authority to enter into, perform and carry out all the respective obligations and covenants, under and pursuant to this Agreement.</i></p> <p><i>b. Consents. The execution, delivery, and performance by each Party of this Agreement has been duly approved and authorized by all necessary corporate action and does not require any approval or consent of any holder (or any trustee or any holder) of any indebtedness or other obligation of such Party of or any other person or entity, except approvals or consents which have been obtained or as set forth or expressly excepted herein.</i></p> <p><i>c. Full Force and Binding Agreement. This Agreement is in full force and effect, has been duly executed and delivered on behalf of each Party by the appropriate officers, and constitutes a legal, valid, and binding obligation of such Party enforceable against it in accordance with its terms upon the approval and/or ratification of this Agreement by the respective Boards of Directors.</i></p> <p><i>d. No Violation or Breach. The execution, delivery, and performance by each Party of its obligations under this Agreement and the consummation of the transactions</i></p>	<p>bidder's power station and its synchronization with BISELCO's distribution system.</p> <p>To ensure the parties are protected against potential disruptions and mitigates the risks associated with regulatory changes.</p>	
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contemplated herein will not result in any violation of any term of the OFFTAKER's franchise or by-laws, or the SUPPLIER's articles of incorporation or by-laws, or of any contract or agreement to which it is party or by which it or its property is bound, or, of any Applicable Law applicable to it, except any such violations which, individually or in the aggregate, would not adversely affect the performance by such Party of its obligations under this Agreement.

e. Warranty Against Corruption. Each Party represents and warrants to the other that it and its representatives, affiliates, or subsidiaries have complied with all laws dealing with corrupt or illegal payments, gifts, or gratuities. Each Party agrees not to (and to cause its representatives, affiliates or subsidiaries not to) in connection with the activities contemplated by this Agreement pay, promise to pay, seek, accept, or authorize the payment of any money or anything in value, directly or indirectly, to any person or entity (whether a governmental official or private individual) for the purpose of illegally or corruptly influencing any governmental employee or official, any political party or official thereof or any candidate for political office. Furthermore, each Party agrees that in connection with this Agreement and the activities contemplated hereby it and its representatives, affiliates, and subsidiaries will not take any action, or fail to take any action, which act or failure to act would subject the other Party or any of its representatives, affiliates, and subsidiaries to liability under the laws of its country of domicile dealing with corrupt payments. Each Party agrees to indemnify the other Party from and against any



loss, liability, or damage (including reasonable attorney's fees) arising from or relating to such Party's breach of its representations, warranties, and obligations under this Section. Each Party represents and warrants to the other Party that prior to the date of this Agreement, it and its representatives, affiliates, and subsidiaries have not taken any action in continuation of the foregoing in connection with the subject matter hereof."

2. Testing and Commissions

"The Parties shall develop the test procedures (the "Test Protocols") during the start-up and commissioning of the SUPPLIER's Power Station and initial synchronization with OFFTAKER's distribution system. The agreed Test Protocols shall be provided to the SUPPLIER at least ten (10) Days prior to scheduled testing. The Commissioning Fees shall be provided in [provide governing provision here on Fees] of this Agreement.

Any change to the Test Protocols shall be by mutual written agreement between the Parties. At least five (5) Days prior to the scheduled testing, the SUPPLIER shall notify the OFFTAKER in writing of the scheduled tests ("Notice of Tests"). The OFFTAKER may send representatives to witness the testing, subject to written notice to the SUPPLIER.

Electricity Requirements. OFFTAKER, at the request of SUPPLIER or its contractors, shall provide the electricity requirements during the testing, commissioning, and start-up of the



Power Stations at the cost of SUPPLIER.

3. Obligations of Parties

Supplier Obligations.

For the entire Term of this Agreement, the SUPPLIER shall have the following obligations, among other obligations provided hereunder.

- a. Execute the Subsidy Agreement with OFFTAKER and NPC-SPUG.*
- b. Secure the required Connection Agreement.*
- c. Procurement, mobilization, construction, installation, control and possession, testing, commissioning, operation and maintenance of the Power Station, including obtaining all necessary Government Consents and their renewals, such as but not limited to environmental approvals, required in connection therewith, in accordance with Good Industry Practice, the technical parameters set forth in [INSERT HERE THE SECTION/SCHEDULE ON TECHNICAL PARAMETERS] and in compliance with Applicable Law.*
- d. Provide and maintain the Performance Bond in favor of the OFFTAKER in the allowable forms stated in this Agreement.*
- e. Make available at the Delivery Point for nomination by OFFTAKER the Guaranteed Dependable Capacity in accordance with the terms, conditions, standards, and requirements set forth in this Agreement.*
- f. Procurement, mobilization, construction, installation, control and possession, commissioning, operation and maintenance of the connection assets*
- g. Pay the real property taxes assessed on the Power Station, for the duration of the Term.*



h. Comply with the connection and operational requirements of the Philippine Small Grid Guidelines (“PSGG”), the Philippine Distribution Code, and other applicable guidelines, which may be amended from time to time.

i. Maintain the validity of its Certificate of Compliance or Provisional Authority to Operate and perform all acts necessary to ensure that the same is not terminated, revoked, or shall not expire at any time during and throughout the Term of this Agreement.

Obligations of the OFFTAKER.

For the entire Term of this Agreement, the OFFTAKER shall have the following obligations, among other obligations provided hereunder:

a. Execute the Subsidy Agreement with SUPPLIER and NPC-SPUG.

b. Provide available documents/information needed by the SUPPLIER in securing necessary permits for the construction of the Power Station.

c. Assist SUPPLIER (at SUPPLIER’s cost) in procuring any required rights of way to enable SUPPLIER to connect to its distribution system

d. Assist SUPPLIER to obtain the consent of or approvals from the ERC and other Government Authority to enable OFFTAKER’s system to take electricity from the Power Station and in implementation of this Agreement; provided that SUPPLIER shall pay the necessary application fees, costs of publication and other expenses necessary in obtaining such consents and approvals.

e. Nominate the dispatch of the Power Station in accordance with the Dispatch Protocols in [INSERT HERE REFERENCE SCHEDULE].



	<p><i>f. Operate, upgrade and maintain its distribution system to achieve the reliability indices set by the ERC in compliance with the Philippine Distribution Code.</i></p> <p><i>g. Recognizing that the UCME subsidy is ultimately for the benefit of OFFTAKER's consumers, if there is a delay in receipt of payment by the SUPPLIER of the Subsidy Fee from NPC-SPUG, OFFTAKER shall exhaust all possible remedies with the ERC, DOE, and NPC-SPUG to resume payment of the Subsidy Fee. OFFTAKER shall also seek assistance from Local Government Units (LGUs) to facilitate the resumption of the Subsidy Fee payments by NPC-SPUG. OFFTAKER shall exercise due diligence in these efforts to ensure that the subsidy intended for the benefit of its consumers is disbursed by NPC-SPUG without undue delay.</i></p> <p><u>Application for Approval by the ERC.</u> <i>Within thirty (30) days from execution of this Agreement, the Parties shall file a Joint Application for Approval of this Agreement with the ERC ("ERC Application") and shall exert their best efforts to secure the ERC's provisional approval, interim relief, and final approval of this Agreement as promptly as practicable in accordance with prevailing ERC guidelines, and shall fully cooperate with each other with respect to the ERC Application.</i></p>		
<p>Draft PSA, Page 1</p>	<p>Proposed update: Each of the OFFTAKER and the SUPPLIER may hereafter individually be referred to as "Party" and together, as the "Parties".</p>	<p>To correct grammatical/typographical errors.</p>	<p>Accepted</p>
<p>Draft PSA, Section 4.1 Supplier's and Offtake's Obligations, page 4 Section 5.1 Payment of Fees, page 7</p>	<p>We would like to clarify if the intention is for the offtaker to pay the TCGR instead of the SAGR. If this is not the case, we suggest to add pertinent formulae to distinguish the payment between</p>	<p>These sections refer to the obligation of the offtaker for monthly payments to supplier, which refers Schedule 4. Schedule 4, however,</p>	<p>See revised Schedules 4A and 4B of the draft PSA.</p>



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	<p>the offtaker and NPC. Below are proposed formulae:</p> <p>Computation of OFFTAKER Fee and Subsidy Fee:</p> <p>(a) If $TCGR_t > SAGR_t$ and $SAGR_t > 0$ then –</p> <p>OFFTAKER shall pay SUPPLIER an OFFTAKER Fee (OF) for Billing Month t expressed in PhP and determined as:</p> $OF_t = SAGR_t \times ED_t$ <p>Where:</p> <p>OF_t = Offtaker Fee for Billing Month t expressed in PhP</p> <p>$SAGR_t$ = Subsidized / Approved Generation Rate for Billing Month t as determined Section 3 in Schedule G</p> <p>ED_t = Energy delivered to BANELCO as indicated in the Billing Meters during each Billing Month t expressed in kWh</p> <p>NPC-SPUG shall pay SUPPLIER a Subsidy Fee (SF) for Billing Month t expressed in PhP and determined as:</p> $SF_t = (TF_t - OF_t)$ <p>Where:</p> <p>SF_t = Subsidy Fee for Billing Month t expressed in PhP</p> <p>TF_t = Total Fee for the Billing Month t expressed in PhP</p> <p>(b) In all other cases –</p>	<p>refers to a formula for the total fees and TCGR. There is no mention of SAGR.</p>	
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	<p>OFFTAKER shall pay SUPPLIER an OFFTAKER Fee (OF) for Billing Month t expressed in PhP and determined as:</p> <p>OFt = TFt Where: OFt = Offtaker Fee for Billing Month t expressed in PhP TFt = Total Fee for the Billing Month t expressed in PhP</p>		
<p>Draft PSA, Section 5.3 Prompt Payment Discount, page 7</p>	<p>There is a discrepancy between the Prompt Payment Discount in TOR vs the PSA. We would like to clarify which formula should be used for the Prompt Payment Discount.</p>	<p>Prompt payment discount in the draft PSA is based on the non-fuel fees but the TOR refers to prevailing SAGR.</p>	<p>Basis of the PPD shall be the non-fuel cost items. The Transaction Documents shall be revised accordingly.</p>
<p>Draft PSA, Section 7 Defaults and Termination, Page 9</p>	<p>We suggest to add a provision on Termination Fees as follows:</p> <p><i>"Termination Fee. If an Event of Termination is due to an OFFTAKER Default or a SUPPLIER Default, the Non-Defaulting Party shall be entitled to claim the Termination Fee in accordance with this Section:</i></p> <p><i>Payable by OFFTAKER. Upon the OFFTAKER's default, the SUPPLIER shall be entitled to claim a Termination Fee in accordance with this Section:</i></p> <p><i>(a) After Effective Date and prior to COD, such Termination Fee shall be equivalent to the aggregate of all project and project-related costs, as well as an amount sufficient to provide the SUPPLIER with a return equivalent to the present value of foregone project return computed at prevailing rate of Treasury Notes and discounted at the same rate for a period of five (5) years. The value of the project and project related costs shall be certified by an independent auditor jointly appointed by the</i></p>	<p>The provisions on Termination Fee are proposed to protect the interest of both the Winning Bidder and BISELCO in case of a premature termination of the PSA, to address the financial implications (given the substantial investment involved) and the impact to consumers (given the possible shortfall in supply) of a premature ending of the PSA term.</p>	<p>Noted.</p>



	<p><i>Parties, or, if the Parties fail to agree, appointed by the steering committee; and</i></p> <p><i>(b) During the Term, such Termination Fee shall be the greater of (i) the Sound Value of the Guiwanon Power Plant, or (ii) an amount equivalent to the outstanding debt, cash equity, and present value of foregone project return computed at the prevailing rate of Treasury Notes, plus any lease breakage fees payable by the SUPPLIER under the lease agreement plus incidental fees including without limitation, loan prepayment penalty, less any insurance proceeds received or due to the SUPPLIER. The determination and payment of the Termination Fee in this event shall be subject to the following conditions:</i></p> <p><i>(i) The OFFTAKER shall have the option to pay the Termination Fee computed in accordance with the above provision and, as a result, purchase the power plant at its condition on Termination Date.</i></p> <p><i>(ii) Within thirty (30) Calendar Days from Termination Date, the steering committee shall appoint an independent appraiser who shall be required to determine the Sound Value of the Power Plant and the amount equivalent to outstanding debt, cash equity and present value of foregone project return as indicated in subsection (b) above. The OFFTAKER shall inform the SUPPLIER in writing no later than ninety (90) Calendar Days from Termination Date ("Option Period") whether or not it exercises its option to purchase the Guiwanon Power Plant and pay the Termination Fee computed based on subsection (b) above.</i></p>		
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(iii) If the OFFTAKER decides not to exercise its option to purchase the Power Plant or if it fails to inform the SUPPLIER of its decision within the Option Period, the SUPPLIER may:

a) Dismantle and re-deploy the Power Plant and sell such equipment, facilities or parts thereof to third parties. The SUPPLIER shall then deduct from the Sound Value of the Guiwanon Power Plant the total amount by which it sold the equipment, facility or parts and inform the OFFTAKER of the residual value of the remaining equipment, facilities or parts of the Power Plant and dismantling costs ("Residual Termination Fee"). The OFFTAKER is required to pay the Residual Termination Fee, provided that the total amount of the equipment, facilities or parts deducted by the SUPPLIER from the Sound Value of the Facility shall not be less than estimated value of each equipment, facility or part proportionate to the Sound Value and other assets; or

b) Assign its rights and interests arising from this Agreement to a third party

In the event of Termination Fee payable pursuant to either (a) or (b), the OFFTAKER shall prioritize the payment thereof to the SUPPLIER, ahead of other creditors or suppliers and warrants not to enter into any agreements contrary to or otherwise ensure that all other agreements it enters into shall be in accordance with this priority of payment clause in favor of OFFTAKER."



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Draft PSA, Section 7.5 Termination as a Result of Events Other than Event of Default, Page 10	<p>We suggest to add the following as Termination Events:</p> <ol style="list-style-type: none">1. Privatization of the OFFTAKER2. Non-renewal of the OFFTAKER's franchise	<p>This is to ensure that the winning bidder will be able to recover termination fees in the event of these occurrences.</p> <p>The provisions on Termination Fee are proposed to protect the interest of both the Winning Bidder and BISELCO in case of a premature termination of the PSA, to address the financial implications (given the substantial investment involved) and the impact to consumers (given the possible shortfall in supply) of a premature ending of the PSA term.</p>	Not accepted. A similar provision already written in the draft PSA. .
Draft PSA, Section 8 Dispute Resolution, Page 11	<p>We suggest to add a provision that allows the Parties to constitute a steering committee or administrative council composed of representatives from both Parties, that would serve a governance body to provide support, guidance and oversight on significant issues and matters concerning the PSA. In case of any dispute, the committee shall also be convened to hasten the dispute resolution.</p>	<p>This is to ensure that the PSA is implemented smoothly and any issues can be resolved on a timely manner.</p>	This will be part of PSA negotiation.
Draft PSA, Section 9 - Assignment of Rights, Page 11	<p>Propose to add the provision below on assignment of rights to facilitate securing project financing:</p> <p>"Further, the SUPPLIER may assign all or any of its rights or obligations hereunder to lenders or such other persons for purposes of arranging or rearranging financing for the Power Station, subject only to prior written notice to the OFFTAKER. The assignment of transfer by the SUPPLIER to lenders or such other persons that may have arranged or rearranged financing for the Power Station shall not relieve the SUPPLIER of its obligations under this Agreement."</p>	<p>Among the requirements of Banks/Financial Institutions for project financing is the assignment of the borrower's (Winning Bidder) rights and obligations in the PSA, thus we propose this addition to facilitate project financing.</p>	Accepted.



<p>Draft PSA. 6.1.1 Acts of God, p. 7</p>	<p>The conditions that allow the termination of the PSA resulting from Acts of God can be expanded to include other unforeseeable and unavoidable catastrophes which result to the total or substantial destruction of the plant or other events that result in damage to property/equipment (plant, connection facilities) that would render it impossible to perform the service (i.e. plant is completely damaged ergo there is nothing to operate).</p> <p>Below is our proposed provision for consideration:</p> <p><i>c) The event or calamity is of a degree or intensity that causes material damage to or destroys or nearly destroys property or equipment, including but not limited to plant facilities, connection facilities, or other critical infrastructure ("Plant Assets"), thereby rendering it impossible for the SUPPLIER to operate or to continue its operations, or rendering the Plant Assets unfit for operations.</i></p>	<p>This scenario is within the definition of a force majeure event as such an event or calamity would be unforeseeable and/or unavoidable.</p>	<p>See revised Force Majeure provisions</p>
<p>II-07 PREPARATION OF BIDS, no. 12, p. 10</p>	<p>Proposed update: All submissions must be properly arranged, indexed and bound either ring bind or hard bound. For voluminous submissions, bidders may place their submissions in sealed boxes and the authorized representative shall affix his/her signature on the overlaps or flaps of the seal.</p>	<p>Submissions comprising of voluminous documents may not fit inside an envelope and may be difficult to directly ring bind or hard bind. Thus, we request that such submissions may be made in plastic sheets that are bound together and subsequently placed in sealed boxes bearing the authorized representative's signature on the seals.</p>	<p>Accepted.</p>
<p>II-18 FINANCIAL BID EVALUATION, no. 1, p. 28</p>	<p>We would like to request for a copy of Schedule 18. In addition, we would like to request for an editable copy of the Financial Bid Form.</p>	<p>Schedule 18 was not included in the bid docs provided. The Annex for the financial bid form is also left blank and is also not uploaded in the drive.</p>	<p>Prospective Bidders are reminded to refer to the most recent version of the Transaction Documents. No relief shall be granted to any prospective Bidder on the grounds of negligence, error, or mistake arising from reliance on the previous version of the</p>



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			Transaction Documents, including its forms, schedules, and annexes.
Instruction to Bidders, II-07 PREPARATION OF BIDS, no. 11, par. 4, p. 10	<p>Suggest to add: <i>"certified true copy, or photocopy, if the original is presented during the submission date"</i></p> <p>Proposed update: Further, Bidders must submit to the BAC one (1) complete photocopy set of the contents of the Main Envelope/s and its sub-envelopes and folders. For the purpose of determining the Bidder's compliance with the requirements of this Transaction, only the original, certified true copy, or photocopy, if the original is presented during the submission date, and physical Main Envelope/s and its sub-envelopes and folders shall be considered. The photocopies and soft copies are for reference purposes only. After the Bid Opening Date, the photocopy set shall be returned to the Bidder.</p>	To clarify that certified true copies of documents are also considered compliant with this requirement.	Accepted.
Instruction to Bidders, II-10 Technical Proposal, p.17	We would like to request the BAC to verify the coordinates provided for the reference points.	There might have been a mix-up on the coordinates provided for the reference points. The coordinates on the Busuangua reference point is within the asset boundary of CIPC. Connection point should be on the distribution system of BISELCO.	Coordinates are verified correct.
Invitation to Bid, TOR, Type of Contract p.1	Is the Renewable Energy supplier equipped with batteries to address its generation intermittenancies? We would also like to request for the DIS of the Renewable Energy supplier.	This affects the plant operations in case of sudden drop in solar insolation. Plant protection parameters might interpret this sudden increase in load demand as a system fault. The inquiries are in line with the Bidder's responsibility to conduct due diligence on the transaction.	The BAC cannot release the DIS sans the approval of the renewable energy supplier as the said document is considered as a confidential.
Invitation to Bid, TOR, Connection Point p.2	<p>Since connection points are located within BISELCO switchyards, will the connection scheme be via bus-in?</p> <p>Is there an available space for the incoming transmission lines and connection assets? For clarity, we are expecting at least two (2) P2P</p>	This will be discussed further in the connection agreement. However, this will impact allocation for additional CAPEX items for bid purposes.	Bus-in. Switchyard expansion and upgrading is included on the ongoing CAPEX filing.



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	connections for each facility from the requirement to provide one revenue meter/facility/phase.		
Invitation to Bid, TOR, Connection Point p.2	Is the existing distribution system capable of receiving the GDC? If not, what are the projects and timeline under the latest DDP to address this?	Although distribution assets are outside the scope of the supplier, it affects its ability to meet the load demand if the distribution assets are not able to receive and convey power generated.	Upgrading and distribution system is one of the major project in the ongoing CAPEX application to ERC.
Invitation to Bid, TOR, Metering Point p.2	<p>"The metering points shall be located at BISELCO's existing switchyards located at Sitio Tulawa, Brgy. Guadalupe, Coron, Palawan and Sitio Lubao, Brgy. Salvacion, Busuanga, Palawan. The Winning Bidder shall provide separate revenue meters for each plant site and each phase".</p> <p>What is the rationale of having separate revenue meters for each phase?</p> <p>If the purpose is to exclude the upfront cost of Phase 2 during the implementation of Phase 1, we are suggesting a one revenue meter per facility configuration while still maintaining the original purpose of this provision.</p> <p>Attached to this letter is Annex 1.2 containing a proposed tariff computation, for the consideration of the BAC, which will still exclude the upfront cost of Phase 2 while having one revenue meter per facility.</p>	<p>Tariff submission for ERC approval is separated by facility as outlined in the tariff structure section of this TOR. A single metering point per facility will then be consistent with this requirement. This should also make it consistent with the billing, NPC, DOE, and ERC reportorial requirements.</p> <p>The reduction on the metering points will reduce CAPEX on the part of BISELCO in providing space for two separate incoming P2P assets to each switchyard. Also, this will streamline the billing process once Phase 1 and Phase 2 are both in operation as there will only be one revenue meter reading per facility.</p> <p>Consequently, this will affect the computations in the tariff structure. We will propose in our written comment's minor changes in the tariff computation to accommodate our suggestion while still incorporating the original purpose of this provision.</p>	Please see the Revised Transaction Documents
Invitation to Bid, TOR, Outage Allowance p.3	We acknowledge the 48 hours/year allowance for the connection assets. As shown and required in the GDC computation, N-1 units will also be provided. These N-1 unit per facilities will cover planned and unplanned outages on a unit level. We would like to request additional allowance for multiple-unit or plant-level outages not covered by 48h/yr and N-1	There are possibilities of multiple-unit outages or plant-level outages not under asset connection or categorized as OMC. Example is an outage cause by breakdown of shared auxiliaries or the MV switchgear.	Coverage of outage allowance is expanded to both connection facilities and common facilities.



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	provisions. Example outages are breakdown of shared auxiliaries (compressed air) or common equipment (switchgear).		
Invitation to Bid, TOR, Prompt Payment Discount, p.4	In order for the discount transaction to meet the BIR policy on granting discounts, we would like to suggest that the prompt payment discount be granted on the current billing month. However, to ensure that both parties are protected and that the nature of the prompt payment discount is met, would like to suggest to add a penalty provision instead should the off taker fail to pay within 10 days which shall be reflected in the next billing month. This will result to a net zero discount once payment is not made within 10 days which will be the same scenario as intended in the TOR.	The seller is required to extend 3% prompt payment discount, which contradicts existing BIR policy that prompt payment discount should be provided automatically without reference to a future event, such as the payment of the billing with 10 days from receipt of invoice, the current wording would subject the Supplier to income tax exposures.	Noted.
Schedule 1, Subheading, p. 1	Proposed update: To Participate in the Competitive Selection Process for Busuanga Islands Electric Cooperative Inc.'s 24MW Guaranteed Dependable Capacity (GDC) for the Busuanga and Coron Island Grid	To correct grammatical/typographical errors.	Accepted
Schedule 13 (Affidavit to Infuse Equity - Bidder), no. 4, p. 1	In Schedule 13 of the ITB, a firm commitment to infuse a specific amount to the Bidder as equity is required from the Bidder's [shareholder/parent company]. Since the amount for equity contribution may change depending on the final project financing plan (i.e. possible arrangements with lender/s on the D/E ratio), we suggest to add: " <i>or any amount necessary, as outlined in the equity and financing plan to be submitted, to develop and operate the proposed power facility</i> ". This will ensure that the Bidder's [shareholder/parent company] will not be restricted to infuse just the amount stated in Schedule 13, and will allow flexibility to contribute equity that may be required by the lenders.	The amounts for infusion must align with the financing and equity plan, contingent upon whether the project will be funded solely by equity or through project financing. This may change depending on events outside the bidder's control.	Accepted. To be included on the SBB



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	Proposed update: On behalf of the Corporation, I hereby certify and attest that the Corporation shall infuse the required equity contribution to the Bidder in amount of _____ Pesos (Php_____) or any amount necessary, as outlined in the equity and financing plan to be submitted, to develop and operate the proposed power facility, should the Bidder be declared as the Winning Bidder in the Transaction.		
Schedule 17 (Certification - DENR)	Please specify the schedule number, or confirm if this schedule needs to be renamed as "Schedule 16".	Schedule 16 was not made available in the bidding documents.	Noted
Schedule 2, 1. CONFIDENTIAL INFORMATION, par. 3, p. 1	Suggest to qualify this phrase to exclude publicly available information: <i>"As used herein, "Confidential Information" means all information concerning BISELCO..."</i>	The use of "all" may be overbroad. Publicly available information cannot be confidential by their very nature.	The definition will be retained. Said definition was specifically made by BISELCO for purposes of the undertaking executed by the bidders to the CSP. The purpose of which is to impose upon the bidders the obligation not to use any information they gathered from BISELCO to purposes other than the CSP, and not to make public documents confidential.
Schedule 2, 6. CONSENT FORM FOR DATA PRIVACY, par. 2, p. 2	Suggest to replace: <i>"In view thereof, I hereby give consent to BISELCO to:..."</i> with the following: <i>"I hereby confirm that BISELCO may utilize the personal information for the purposes below, hereinafter referred to as the "Declared, Specified, and Legitimate Purpose."</i>	The consent for data privacy is given by each person whose personal information is being used. This modification is suggested to ensure that proper consent is given by the person actually signing this Schedule.	Accepted.
Schedule 2, 6. CONSENT FORM FOR DATA PRIVACY, par. 2, p. 2	Please confirm if BAC will provide the required data sharing agreement from the National Privacy Commission to allow BISELCO to process the sensitive personal information that will be provided by the bidder in each of its submissions.	To ensure BISELCO will process the information being provided by the bidders in compliance with the Data Privacy Act and its requirements.	Cooperatives are not required to execute this to conduct a CSP and to receive the bid offers of the bidders under the CSP Guidelines.
Schedule 2, 6. CONSENT FORM FOR DATA PRIVACY, par. 3, p. 3	Proposed update: The personal data collected is accurate as of the date it was collected, and I undertake to keep the same up to date when necessary for the declared, specified and legitimate purpose.	Changes that occur after the collection of the information may affect its accuracy.	The provision is retained. The concern of CIPC may already be addressed by the second phrase.



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Schedule 2, 7. MISCELLANEOUS, par. 1, p. 3	<p>Please clarify if the emphasized phrase is sanctioned under the DOE CSP Policy: "Bidder acknowledges that BISELCO has reserved the right to terminate or suspend, at any time and without cause, further participation by the Bidder and to refuse to disclose any further Confidential Information to the Bidder."</p> <p>May we know the basis for this?</p>	The DOE CSP policy requires transparency. A blanket authority to terminate or suspend any bidder "without cause" may be subject to abuse.	Noted
Schedule 5, no. 1, p. 1	<p>Suggest to remove: "<i>as conducted by the BISELCO</i>"</p> <p>Proposed update: This Certification is being issued in connection with Busuanga Island Electric Cooperative's (BISELCO) conduct of a Competitive Selection Process for 24MW Guaranteed Dependable Capacity for Busuanga and Coron Island Grid (the "Transaction").</p>	To provide a clearer definition of the transaction.	Noted. To be considered in SBB#5
Schedule 5, no. 2, p. 1 Schedule 7, no. 2, p. 1 Schedule 17, no. 2, p.1	Please confirm if reference may be made to a Secretary's Certificate instead of a Board Resolution.	This will enable the bidder to ensure compliance with and accuracy of this requirement.	Yes, reference may be made to a Secretary's Certificate.
Schedule 6 (Affidavit of Affiliation)	Please clarify if the bidder is allowed to edit or modify this schedule, as may be necessary.	This will ensure the accuracy of the statements contained in the schedule.	Yes, the Bidder may modify only to ensure applicability. Any substantial modification on the terms therein shall be subject to the approval of the BAC.
Schedule 6 (Affidavit of Affiliation)	May the bidder submit one affidavit of affiliation listing all its affiliates and attach the GIS and organizational chart covering each affiliate to the same affidavit?	If a bidder has several affiliates, the requirement to submit one affidavit of affiliation per affiliate will lead to more voluminous submissions, as each affidavit also requires its own attachments.	Accepted
Schedule 7 (Certificate of Non-Applicability), and Instruction to Bidders II-09 ELIGIBILITY REQUIREMENTS, par. 5, p. 11	<p>Considering the Certificate of Non-Applicability asks the bidders to list down each requirement that is not applicable to them, does the bidder need to attach this for each non-applicable requirement? Or will one attachment be enough?</p> <p>May we also know where bidders should attach</p>	Some bidders may have several inapplicable requirements and the repeated attachment of the same certificate will create more voluminous submissions.	One attachment would suffice.



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	this certificate in the order of documents provided in the checklist?		
Schedule 9, (Authorization Letter)	Please confirm if this letter needs to be notarized.	To ensure compliance with this requirement.	Yes
Schedules 1, 2, 5, 6, 7, 12, 13, Jurat (end of document)	Proposed update: SUBSCRIBED AND SWORN to before me this ___ day of _____ in the City of _____, affiant exhibiting to me his _____ issued in _____ on _____. Doc. No. _____; Page No. _____; Book No. _____; Series of 2024	To correct a grammatical/typographical error.	Noted. To be considered on SBB#5
TOR, Annex A-1, Prompt Payment Discount, Page 3	TOR states that Prompt Payment Discount shall be based on the prevailing SAGR of BISELCO. We suggest to specify SAGR to the prevailing SAGR during bid submission to make it clear and determinable for both parties.	In order to provide coverage for the Winning Bidder in terms of the expected returns from the project, we suggest to refer PPD discount to the prevailing SAGR during bid submission. Any significant increase in SAGR will result to a lower return to the Winning Bidder which is unforeseeable during bid submission which will affect the feasibility of the project. Fixing the SAGR to the prevailing rate at the time of the Bid Submission will preserve the viability of the project. Any significant increase in the SAGR, which cannot be foreseen by the Parties, will result to an erosion in the project returns and will significantly affect feasibility of the project.	Please see the Revised Transaction Documents
Draft PSA, Schedule 4, Page 27	We suggest to add a provision stating that once UCME is removed, BISELCO will pay full TGCR. Proposed provision and definitions: <i>"In the event that the Universal Charge for Missionary Electrification (UCME) is removed for any reason, ceases to apply, or is revoked or</i>	This is to ensure the viability of the PSA.	We are of the position that any question on the possibility of connecting BISELCO to the GRID is a matter of policy which shall be addressed by the regulatory bodies such as the DOE, ERC and NEA. BISELCO, at the moment, is not expected to address this. At most, BISELCO may include in the PSA that, once the cooperative is connected to the Grid,



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	<p><i>invalidated by Government Authority, the OFFTAKER shall be required to pay the True Cost of Generation Rate (TCGR) as defined in this Agreement. The obligation of the OFFTAKER to pay the TCGR shall become effective immediately upon the removal of the UCME."</i></p> <p><i>"Government Authority" refers to any agency, office, authority, commission, department, or political subdivision of the Republic of the Philippines, whether national, regional, provincial, municipal, or otherwise.</i></p> <p><i>"National Power Corporation-Small Power Utilities Group" or "NPC-SPUG" refers to the department or division in NPC that directly administers and performs the missionary electrification function of NPC pursuant to Section 70 of the Republic Act No. 9136.</i></p> <p><i>"True Cost of Generation Rate" or "TCGR" refers to the total cost incurred by the SUPPLIER to generate the supply of electricity to OFFTAKER set in accordance with Schedule 4.</i></p> <p><i>"Universal Charge for Missionary Electrification" or "UCME" refers to the portion of the universal charge collected from end-users remitted to the NPC-SPUG and deposited to a special trust fund in accordance with Section 34 of the Republic Act No. 9136; to fund the missionary electrification function of NPC in accordance with Section 70 of Republic Act No. 9136.</i></p>		<p>the parties may exercise their rights in accordance with the prevailing laws, rules and guidelines applicable at the time of the occurrence of this incident.</p> <p>Even if the removal of the UCME is not a result of connecting to the Grid, the provision is still not acceptable since the same is not beneficial to consumers. It cannot be added to the PSA template of ERC.</p>
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Comments and/or Suggested Amendment submitted by prospective Bidder "YHP4" during the First Pre-Bid Conference



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ITB - IO2-8	We would like to propose that the implementation/delivery date should be at least 8 months to 1 year upon issuance of the PA or Provisional Approval or final approval. This will provide a leeway for the establishment of a new power plant.		Bidder's proposed amendment is not acceptable as BISELCO needs the power as early as January 2025. At any rate, the Bidder shall be allowed to offer a physical power plant for its interim power supply while the power plant for its long-term power supply is being constructed, provided that the Bidder's offer covers the entire 180 months (i.e., 15-year period.). Bidder's offered power plants should be consistent with its Financial Bid Form and Technical Bid Form, and shall be binding on the Bidder during PSA implementation.
ITB - IO3-1	Are the amendment, revision, modification on the bid documents will be limited on the discussions during the pre-bid conference?		No.
ITB - IO3-1C	What is the timeline for the approval of the DIS?		The DIS should be ready before the Parties file the Joint Application for Approval of the PSA with the ERC
ITB - IO4-3	What are the grounds that would require the amendments and revision of the PSA in favor of the consumers?		The BISELCO Management and the Winning Bidder shall follow the prevailing rules of the ERC and the NEA
ITB - IO8-2d	BISELCO has an existing MOU/JVA with YH Green Energy Incorporated. Will this affect the eligibility of Yhp4 Energy Inc. to participate in this CSP?		The BAC initially believes that the BISELCO-YHGE MOU/JVA will not impact YHP4's eligibility to participate in this Transaction. However, this remains subject to the BAC's review of YHP4's eligibility documents during the post-qualification stage.
ITB - IO9-Legal 11B	Since YHP4 was only registered in 2023, it has yet to start its operation, no vat payment yet. What is the alternative document that we need to submit in lieu of vat payment?		In this case, Bidder needs to submit a Certificate of Non-Applicability (See Schedule 7 of the Bidding Procedures) explaining why it cannot submit the required quarterly VAT returns.
ITB - IO9-Legal 16	Since YHP4 is a newly created company and has no current regulated off-takers. What is the		In this case, Bidder needs to submit a Certificate of Non-Applicability (See Schedule 7 of the



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	alternative document that we need to submit or can we be exempted from this requirement.		Bidding Procedures) explaining that it has no regulated off-takers. However, if the Bidder shall use the technical and/or financial qualifications of its affiliate, the Bidder must submit a Certificate of Good Standing issued to the affiliate.
Schedule 16	Who will provide Schedule 16 of the PSA?		Please see the Revised Transaction Documents
Schedule 18	Who will provide Schedule 18 of the PSA?		Please see the Revised Transaction Documents
Schedule 19	Who will provide Schedule 19 of the PSA?		Please see the Revised Transaction Documents
ITB - II18 - Financial proposal 3	To be consistent with the PSA schedule 3, does the formula prescribed under HFO technology includes light fuel and lube oil?		Yes
ITB - II18 - Financial proposal 11	Can we remove the minimum FCR range and apply the maximum instead?		Accepted.
ITB - II18 - Financial proposal 14	What is the application of annual generation cost in the bid evaluation?		The annual generation cost would be used to calculate the Levelized Cost of Electricity. Please see the revised Financial Bid Form
ITB - II18 - Financial proposal 15	PV per month calculation. The discount rate provided is per month?		The Bidder's PV per month shall be calculated by multiplying the Bidder's proposed monthly generation cost considering the applicable inflation of the indexable components and the Annuity Factor, which shall be calculated by dividing 1 by the sum of 1 and the Discount Rate, raised to the power of the difference between the year when such generation cost was incurred and the year 2024. The Discount Rate shall be based on Philippine CPI. The discount rate shall be applied on an annual basis.
table 2.1	Can we confirm the net expected energy of the new plant for this CSP?		Please see Table 2.1
ITB - II26 - 1	What is BISELCO latest approved TCGR from Jan to June 2024? For consistency, can we propose the fuel prices for evaluation shall also be based on the actual prices as indicated in the		As for the revised reference for the fuel price, the Bidder's proposed amendment is accepted.



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	calculation in the TCGR from Jan to June 2024 (not as per II18-12)?		
PSA - Schedule 4	Under schedule 4 1st paragraph provides that the total generation cost for the billing period T shall be adjusted on a monthly basis. Referring to formula 1 to 1.4 this provides a yearly calculation. Can we propose that the formulas under schedule 4 be computed on a monthly basis instead of yearly for consistency purposes?		The formulas are calculated on a monthly basis. Please see the Financial Bid Form.
PSA - Schedule 5-7	When can we receive the complete schedule of the PSA?		Please see the Revised Transaction Documents
BB#2	Due to the delay on the prebid conference by 2 weeks and lack of material time to prepare the bid documents. Can we extend for fairness purposes the final ITB and bid deadline should be further delayed by 2 weeks?		Please see the revised CSP activities schedule
	Regarding the NFCC, the ITB does not allow the interim 2024 FS, is there any alternative document we can submit in case a new company. Kasi may submission kayo ng at least 2 years, 2021, 2022, and 2023 which serves as the basis in the computation of NFCC. If in case a new company cannot qualify on these two, do you have any documents for us to submit		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 12). 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.
	This is regarding Annex F the Technical Evaluation Form on the PSA, item no. 7, our plant generating units must have the following capabilities. On the item, fast start capability,		All generating units shall be able to start-up and synchronize within 15 minutes from instructions by BISELCO or the System Operator ("SO").



	<p>sinabi dito, the generating unit must be capable for automatic start up and synchronize to the grid within 10-15 minutes. Baka pwedeng tanggalin ang 10?</p>		
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Comments and/or Suggested Amendment submitted by prospective Bidder "CIPC" after the Second Pre-Bid Conference

<u>Section and Page</u>	<u>Comment / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision</u>	<u>BAC Response</u>
<p>Annex B Information Sheet, C. Operation Progress Report, Page 1</p>	<p>Please see attached letter (Annex 1) for our official letter of request for the latest 2024 interim financial statement of BISELCO.</p>	<p>BAC has instructed bidder to send a letter of request.</p>	<p>BAC shall provide both prospective Bidders a copy of BISELCO's latest 2024 interim financial statements (as of August 2024)</p>
<p>Bidding Procedures, II- 13 Bid Security, Page 25 II-19 Performance Bond, Page 37</p>	<p>We are re-attaching the proposed template for the Stand-by Letter of Credit ("SBLC") as Annex 2.2, which the BAC referred to as lacking in certain key features of an SBLC.</p>	<p>We would like to direct the BAC to the following paragraphs of the template SBLC where the key features are indicated:</p> <ol style="list-style-type: none"> 1. Name of the Applicant - first paragraph, second line 2. The intended Beneficiary - first paragraph third line 3. The Maximum Amount covered by the SBLC - first paragraph, eleventh line 4. The Effectivity and Expiry Dates - 	<p>No format shall be prescribed for the SBLC.</p> <p>However, the sample SBLC template submitted by CIPC is acceptable and may be used by the other Bidders.</p> <p>The template is attached as Appendix "A" hereto for the reference of other bidders.</p>



		<p>fifth paragraph</p> <p>5. Purpose - first paragraph, fifth to seventh line</p> <p>For the BAC's ease of reference, we have also marked the template SBLC to highlight the above stated details in Annex 2.1.</p>	
<p>Instructions to Bidders, II-07 PREPARATION OF BIDS, no. 12, p. 10</p>	<p>We would like to request for a copy of the revised instruction to bidders.</p>	<p>Further to the BAC's commitment to release the revised instructions to bidders within 2 days after the pre-bid conference, we would like to confirm if the documents are available to be furnished to the Bidders.</p>	<p>Bidders shall be provided copies of the Revised Transaction Documents.</p>
<p>Instructions to Bidders, II-09 Eligibility Documents, Page 13-14</p>	<p>We would like to confirm if bidder is also required to submit the following documents for affiliates:</p> <ol style="list-style-type: none">1. Certificate of Good Standing2. GCMR3. COC/PAO	<p>The Bidder, including its Affiliates, shall have an aggregate generation portfolio at the time of the submission of its bid proposal of at least an installed capacity of 24 MW in Philippine off-grid areas and a track record of at least five (5) years of experience in operating power plants in Philippine off-grid areas. We would like to confirm if affiliates are also required to submit the enumerated legal and eligibility requirements for purposes of proving the aggregate generation portfolio.</p>	<p>If the Bidder shall use the qualifications of its affiliate for the Technical Eligibility requirements, the Bidder must submit the affiliate's compliance with the Bidding Procedures, II-09 Technical Eligibility Documents, paragraph 2, subparagraphs 4 to 6.</p> <p>The Bidder, its Affiliate (if the Bidder shall use the technical and/or financial qualifications of said affiliate), and/or all</p>



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			<p>members of the consortium/partnership must secure a Certificate of Good Standing.</p> <p>If the Bidder shall use the qualifications of its affiliate for the Technical and/or Financial Eligibility requirements, the affiliate need not submit the documents referring to the “Legal Eligibility Documents”.</p>
<p>Instructions to Bidders, II-10 Technical Proposal, Section 3c, Page 19</p>	<p>Will the BAC provide for the process of fuel accounting for facilities with shared fuel storage?</p>	<p>Having a process / protocol in place will ensure that there will be no ambiguity in the billing computation and will improve the billing process.</p>	<p>No, the BAC shall not provide the process of fuel accounting for facilities with shared fuel storage, as it cannot assume that any or all bidders will design their power plants with shared facilities, such as fuel storage.</p> <p>If necessary, this matter shall be subject to negotiation with the Winning Bidder.</p>
<p>Instructions to Bidders, II-10 Technical Proposal, Section 6, Page 19</p>	<p>What will be the treatment of N-1 units in the calculation of GDC? Will it be by facility or phase?</p>	<p>This impacts allocation of additional CAPEX items for financial bid purposes.</p> <p>The response of the BAC will be the basis for allocation of additional CAPEX for financial bid purposes.</p>	<p>Considering that this transaction involves the supply of GDC, bidders are required to offer an N-1 contingency but have the flexibility to design their plant as they see fit.</p> <p>The N-1 units must be available for each SITE, meaning bidders must provide N-1 units for both the Coron and Busuanga sites</p>



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			to compensate for the sudden loss of the largest generating unit capacity at each site.
<p>Invitation to Bid, TOR, Prompt Payment Discount, p.4</p>	<p>We would like to suggest a revision to our initially proposed solution for the prompt payment discount tax exposure:</p> <p>The PPD shall be automatically deducted from the current invoice. If a SUPPLIER Invoice is paid by the OFFTAKER beyond thirty (30) Days from its receipt of the said invoice, the SUPPLIER shall charge and collect liquidated damages equivalent to PDST BVAL reference rate for 1 month, per month of the unpaid amount in the SUPPLIER Invoice net of the PPD, due from the day after the end of the 30-Day period until full payment of the relevant invoice; provided that the penalty shall not be passed on to the consumers. If the thirtieth (30th) Day falls on a weekend, a regular holiday, special holiday, or any non-working holiday and the payment is made on the next Working Day, no penalty will be charged and collected Notwithstanding the automatic PPD deduction, if the OFFTAKER incurs a delay in payment that will warrant the imposition of liquidated damages, the OFFTAKER shall not be entitled to the PPD for the succeeding month/s until the OFFTAKER fully pays the arrears and liquidated damages.</p>	<p>The proposed provision will allow BISELCO to benefit from an outright/automatic PPD while maximizing a 30-day payment period.</p>	<p>The proposed revision is acceptable as it provides BISELCO with a 30-day period to avail of the Prompt Payment Discount (PPD), instead of 10 days as provided in the TOR.</p> <p>However, not all bidders may be in a position to offer this 30-day period. Thus, to maintain a leveled playing field, the Bidder's proposed language shall not be incorporated in the draft PSA.</p> <p>During the negotiation phase, the Winning Bidders and BISELCO may negotiate the terms of the PPD, including the language proposed by the bidder.</p>
<p>Invitation to Bid, TOR, Prompt Payment Discount, p.4, and Revised PSA, Sec 10.9 -</p>	<p>Further to our previous comments on PPD, we suggest that the PPD be computed based on the non-fuel fees (CRF, FOM, VOM) instead of the SAGR.</p>	<p>The SAGR is not a fixed amount that may be subject to possible regulatory changes within the 15-year contract term. The unpredictability of the changes to the SAGR may negatively affect the project's viability and/or</p>	<p>Basis of the PPD shall be the non-fuel cost items. The Transaction Documents shall be revised accordingly.</p>



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<p>Prompt Payment Discount, p.12</p>		<p>BISELCO's entitlement to a discount. To mitigate this risk for both parties, our proposal is to use the non-fuel fees (CRF, VOM and FOM) as basis since these will not be subject to subsequent regulatory changes once the rates are approved.</p>	
<p>Invitation to Bid, TOR, Type of Contract p.1</p>	<p>We would like to request for the DIS of BISELCO's renewable energy supplier.</p>	<p>Further to the BAC's commitment to provide CIPC a copy of the renewable energy supplier's DIS; we would like to confirm if the DIS is available for reference.</p>	<p>The BAC cannot release the Distribution Impact Study sans the approval of the renewable energy supplier as the said document is considered as a confidential.</p>
<p>Invitation to Bid, TOR, Demand Requirement p.1</p>	<p>We would like to propose that bidders be allowed flexibility on the number of power plant facilities to be used by the bidders in meeting the required capacities so long as the required capacity is fully met at a given time period. We attached Annex 3 as the proposed revised financial bid form to reflect flexibility on meeting the required contracted capacity.</p>	<p>Given that the COD is set for January 2025, it is difficult to complete construction within three months.</p>	<p>Please see the revised Financial Bid Form</p>
<p>Revised PSA</p>	<p>We would like to clarify whether "Guaranteed Dependable Capacity" will be used instead of "Contract Capacity" in all documentary submissions to the BAC.</p>	<p>To ensure consistency in the terminology used throughout the PSA and all other transaction documents.</p>	<p>The term "Guaranteed Dependable Capacity" or "GDC" shall be used to refer to the <i>Contract Capacity</i> for this Transaction.</p> <p>Please note that while the Bidder may offer a Guaranteed Dependable Capacity that exceeds the Contract Capacity, BISELCO shall only nominate and</p>



			dispatch the Winning Supplier up to the Guaranteed Dependable Capacity of 10 MW for Phase 1 and 24 MW for Phase 2.
Revised PSA - NEW PROVISION	<p>Propose to add a provision that allows the Parties to constitute a steering committee or administrative council composed of representatives from both Parties, that would serve a governance body to provide support, guidance and oversight on significant issues and matters concerning the PSA. In case of any dispute, the committee shall also be convened to hasten the dispute resolution.</p> <p>Proposed provision:</p> <p>"SECTION 15. STEERING COMMITTEE</p> <p>15.1 Within 15 days from the Effective Date, the SUPPLIER and the OFFTAKER's General Manager shall each appoint two (2) representatives from their respective officers or senior employees, with the proper authorizations, as members of the Steering Committee. The OFFTAKER's General Manager shall be entitled to appoint an additional member (i.e., a 5th member) who shall be the Chairman. The Chairman shall preside at the meeting and shall vote only in case of a tie.</p> <p>15.2 Throughout the term of this Agreement, the Steering Committee shall meet regularly at least every quarter, or as the need arises, to discuss the progress of the installation of the</p>	<p>In the recently issued Minutes of the Second Pre-Bid Conference, the BAC responded that this proposed provision will be part of the PSA negotiation. However, we respectfully request this provision be added in the revised PSA to ensure that the PSA is implemented smoothly and any issues can be resolved on a timely manner.</p>	<p>The BAC maintains that this provision shall not be included in the draft PSA.</p> <p>However, the Winning Bidder and BISELCO may negotiate the terms for establishing said steering committee, if both parties are amenable to it.</p>



	Power Plant and the implementation of the Agreement to ensure that the arrangements between the Parties proceed on a mutually satisfactory basis. Provided, that this shall be without prejudice to the need to refer any matter for decision to the respective Boards of Directors of the Parties."		
Revised PSA, Schedule 2 - Contracted Capacities, page 31	Revise "Contracted Capacities" to "Guaranteed Dependable Capacity".	This is a correction of a grammatical/typographical error.	Corrected
Revised PSA, Schedule 2 - Contracted Capacities, par.1, page 31	Revise "power plant/s" to "Power Plant".	This is a correction of a grammatical/typographical error.	Corrected
Revised PSA, Schedule 2 - Contracted Capacities, par.1, page 31	Please confirm if the Monthly Minimum CUF should be Guaranteed Dependable Capacity since no CUF is provided in the table under Schedule 2.	This is a correction of a grammatical/typographical error.	Corrected
Revised PSA, Section 10 - Force Majeure, 10.2, page 11	Revise the term "SAGR" to "Offtaker Fee". Proposed Revision: "10.2. The SUPPLIER is entitled to receive payment of the Total	This is to ensure consistency with the terms used in Schedule 4.	Corrected



	Generation Cost equal to the TCGR comprising the Offtaker Fee and the Subsidy Fee, using the Formula in SCHEDULE 4."		
Revised PSA, Section 10 - Force Majeure, page 11	Revise the title of the Section from " FORCE MAJEURE" to "COMPENSATION, PAYMENT, AND BILLING".	This is a correction of a grammatical/typographical error.	Corrected
Revised PSA, Section 11 - Force Majeure, 11.1.a and b, page 13	Revise the term "parties" to "affected party". Proposed revisions: "(a) The event or calamity is of the degree or intensity that the continued operation of the affected party would lead to death or injury of the parties' employees or agents; or (b) The event or calamity is of the degree or intensity that the continued operation of the affected party would be of great hazard to the security and safety of the public.	In the recently issued Minutes of the Second Pre-Bid Conference, the BAC accepted the proposed revisions. However, these revisions were not reflected in the revised PSA.	Not accepted
Revised PSA, Section 11 - Force Majeure, 11.1.a, page 13	Propose to add the following events or calamities under Acts of God: "• it is of such kind that, while it does not lead to death or injury to the invoking Party's employees or agents, or is not of great hazard to the security and safety of the public, but nonetheless prevents a Party from performing its obligations; • the typhoon, fire, tornado, or other calamity is of such gravity that it severely or completely damages the Power Station,	This is to cover other events of Force Majeure to include other scenarios outside the control of any of the Parties.	Accepted with revisions.



	Transmission System, Embedded Line, or Distribution System, rendering it impossible to continue operations for either Party."		
Revised PSA, Section 11 - Force Majeure, 11.1.b, page 13	Propose to add the term "...or Pandemic ". Proposed revision: " b. Epidemic or Pandemic "	To cover other Events of Force Majeure.	Accepted
Revised PSA, Section 11 - Force Majeure, 11.1.b, page 13	Propose to add the term "... effective ". Proposed revision: "When there is no effective remedy or protocol placed/ issued by the government or the regulatory agencies to assist the affected party in fulfilling its obligations."	In the recently issued Minutes of the Second Pre-Bid Conference, the BAC responded that they prefer the original language retained. However, we respectfully request the insertion of the proposed term to cover other Events of Force Majeure in the PSA.	Noted
Revised PSA, Section 11 - Force Majeure, 11.1.c, page 13	Propose to add the following Force Majeure events: "d. Delay in receipt of payment of the Subsidy Fee from NPC-SPUG for more than ninety (90) Days from its receipt of the relevant invoice for the Subsidy Fee, subject to SECTION 11.5 hereof; e. Any action or failure to act by any Government Authority, including without limitation, expropriation or compulsory acquisition of all or any material part of the Power Plant affecting the operations, including any sub-transmission or substation facilities to which the Power Plant is connected; the denial of or delay in the granting of any Government Consent which the Parties have agreed to waive for an agreed time period past the	These events, while not attributable to any fault of the Winning Bidder, affect the continued operations of the power facilities and should be considered as Events of Force Majeure.	Accepted with revisions



	<p>Effective Date; and the failure of any such Government Consent once granted to remain in full force and effect or to be renewed on substantially similar terms; provided that in any of these cases, the affected Party complied with the timely and full submission of requirements. For the avoidance of doubt, a downward adjustment of any tariff component of SUPPLIER's generation charge as set forth in this Agreement shall not be considered as a Force Majeure event.</p> <p>f. Failure or inability of the (1) Transmission System and the Embedded Line, or (2) Distribution System to transmit or receive the Contracted Capacity without fault or negligence of the relevant Party; or</p> <p>g. Any other event of similar nature which prevents the SUPPLIER from delivering the Contracted Capacity to the OFFTAKER, or prevents the OFFTAKER from receiving the Contracted Capacity from the SUPPLIER."</p>		
Revised PSA, Section 11 - Force Majeure, 11.1.c, page 13	Revise the term "include" to "including, but not limited to:"	This is a correction of a grammatical/typographical error.	Accepted
Revised PSA, Section 11 -	Propose to add: "...affected by and..."	This is a correction of a grammatical/typographical error.	Please see the revised provision.



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Force Majeure, 11.7, page 14	Proposed revision: "...and shall give the Party affected by and experiencing the Force Majeure..."		
Revised PSA, Section 12 - Default and Termination, 12.1.b, page 14	<p>Propose to add: "except due to reasons beyond the exclusive control of such Party or any event of Force Majeure"</p> <p>Proposed revision: "b. A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement except due to reasons beyond the exclusive control of such Party or any event of Force Majeure; and"</p>	This is to clarify that any event of Force Majeure shall not cause the default of any of the Parties of its obligations under the PSA.	Accepted
Revised PSA, Section 12 - Default and Termination, 12.5, page 14	<p>Propose to include the following events in addition to the existing events of default that may result to Termination:</p> <ol style="list-style-type: none">1. Privatization of the OFFTAKER2. Non-renewal of the OFFTAKER's franchise	The Winning Bidder, will invest a substantial amount to put up the power plant/facilities needed by the OFFTAKER for the PSA. In the event that the OFFTAKER is privatized or its franchise is not renewed, there is no guaranty that the obligations in the PSA will be continued by the new entity (acquiring OFFTAKER or its franchise area) thus, the risk on part of the Winning Bidder not being able to recover its investment over the life of the project. These proposed provisions will allow the Winning Bidder to recover its investments through termination fees in the event of these occurrences.	Not accepted.



Revised PSA, Section 12 - Default and Termination, 12.5.a, page 15	Revise the term "One Hundred Twenty (120) Days from the signing of this Agreement" to "Two Hundred Seventy (270) days".	This is to be consistent with the period of time provided in the Energy Virtual One Shared System ("EVOSS") Law for the Energy Regulatory Commission to act on an application for PSA approval.	Accepted
Revised PSA, Section 12 - Default and Termination, 12.5.d, page 16	Propose to add: "Except for items 12.5 (b) and (c) which shall have no Cure Period," Proposed revision: "Except for items 12.5 (b) and (c) which shall have no Cure Period, the Non-Defaulting Party shall have the right to terminate this Agreement in the event the Defaulting Party fails to cure or remedy the Event of Default within the Cure Period or within such extended period as may be agreed between the Parties, subject to the approval of the ERC, and may pursue any remedy available to it under this Agreement or at law."	The exceptions refer to events of force majeure that require no cure period prior to termination.	Noted
Revised PSA, Section 13 - Liquidated Damages, 13.3.i, page 17	Revise "contracted capacities" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.	Accepted
Revised PSA, Section 13 - Liquidated Damages, 13.3.iii, page 17	Revise "considered" to "considering".	This is a correction of a grammatical/typographical error.	accepted

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Revised PSA, Section 13 - Liquidated Damages, 13.3.v, par. 3, page 18	Revise "BISELCO" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted
Revised PSA, Section 13 - Liquidated Damages, 13.3.v, par. 4, page 18	Revise "BISELCO" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted
Revised PSA, Section 13 - Liquidated Damages, 13.4, par. 3.b, page 18	Revise "BISELCO" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted
Revised PSA, Section 13 - Liquidated Damages, 13.4, par. 3.b, par. 1, page 18	Propose to add: "The OFFTAKER shall commence efforts to renew its franchise in [date]." Proposed revision: "The OFFTAKER shall commence efforts to renew its franchise in [date]. In the event that BISELCO's franchise to operate as an electric distribution utility is not renewed or terminated, or its coverage area is reduced..."	To provide a reckoning date from which BISELCO should commence the process for renewal of its franchise.	Accepted with revisions.
Revised PSA, Section 13 - Liquidated Damages, 13.4,	Revise "BISELCO" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted



par. 3.b, par. 1, page 18			
Revised PSA, Section 13 - Liquidated Damages, 13.4, par. 3.b, par. 1, page 18	Propose to add: "Thereafter, the SUPPLIER may terminate this Agreement pursuant to Section 12.1 (b) in relation to Section 9.2 (h) and Section 13.4 (c), and recover Termination Fee." Proposed revision: "...During this period, both the SUPPLIER and BISELCO must make all reasonable efforts to prevent any power supply disruption to the Busuanga and Coron Island Grid. Thereafter, the SUPPLIER may terminate this Agreement pursuant to Section 12.1 (b) in relation to [Section 9.2 (h) - new proposed provision] and Section 13.4 (c), and recover Termination Fee."	To specify the provisions as basis of Termination.	Not accepted.
Revised PSA, Section 13 - Liquidated Damages, 13.4.d, page 19	Revise "party" to "Party under Section 12.1".	This is a correction of a grammatical/typographical error.	Noted
Revised PSA, Section 13 - Liquidated Damages, 13.4.e, page 19	Propose to add: "extended...". Proposed revision: "(e) extended force majeure rendering..."	This is a correction of a grammatical/typographical error.	Accepted
Draft PSA, Section 14 - Dispute	add a provision on Termination Fees as follows: "Termination Fee. If an Event of Termination is due to an	The provisions on Termination Fee are proposed to protect the interest of both the Winning Bidder and BISELCO	Accept



Resolution, page 19	<p>the OFFTAKER Event of Default, SUPPLIER Event of Default, or Termination other than Default, the Non-Defaulting Party shall be entitled to claim the Termination Fee in accordance with this Section:</p> <p>(i) Payable by the OFFTAKER. Upon the OFFTAKER's default, the SUPPLIER shall be entitled to claim a Termination Fee in accordance with this Section:</p> <p>(a) After Effective Date and prior to Delivery Date, such Termination Fee shall be equivalent to the aggregate of all project and project-related costs of the Power Plant. The value of the project and project related costs shall be certified by any independent auditor jointly appointed by the Parties, or, if the Parties fail to agree, appointed by the Steering Committee; and</p> <p>(b) During the Term, such Termination Fee shall be in computed in according with the formula below:</p> $\left[\begin{aligned} & ((CRR_{COR}^{PH1} \times GDC_{COR}^{PH1}) + (CRR_{COR}^{PH2} \times GDC_{COR}^{PH2})) \\ & + (CRR_{BUS}^{PH1} \times GDC_{BUS}^{PH1}) \\ & + (CRR_{BUS}^{PH2} \times GDC_{BUS}^{PH2}) \end{aligned} \right] \times RT \times \left\{ \frac{1}{\left(1 + \left(\frac{BVAL}{12}\right)^{RT}\right)} \right\}$	in case of a premature termination of the PSA, to address the financial implications (given the substantial investment involved) and the impact to consumers (given the possible shortfall in supply) of a premature ending of the PSA term.	The draft provision is acceptable. However, the BAC shall leave it to the BISELCO Management to negotiate the appropriate Terminate Fees during the negotiation stage.
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	<p>Where:</p> <p>CRR_{COR}^{PH1} = Capital Recovery Rate expressed in Php/kw-month for the Coron Facility operating at 9MW from the year 2025 to 2039</p> <p>CRR_{COR}^{PH2} = Capital Recovery Rate expressed in Php/kw-month for the Coron Facility operating at 13MW from the year 2029 to 2039</p> <p>CRR_{BUS}^{PH1} = Capital Recovery Rate expressed in Php/kw-month for the Busuanga Facility operating at 1MW from the year 2025 to 2039</p> <p>CRR_{BUS}^{PH2} = Capital Recovery Rate expressed in Php/kw-month for the Busuanga Facility operating at 1MW from the year 2029 to 2039</p> <p>GDC_{COR}^{PH1} = Coron Facility at 9,000 kW operating from the year 2025 to 2039</p> <p>GDC_{COR}^{PH2} = Coron Facility at 13,000 kW operating from the year 2029 to 2039</p> <p>GDC_{BUS}^{PH1} = Busuanga Facility at 1,000 kW operating from the year 2025 to 2039</p> <p>GDC_{BUS}^{PH2} = Busuanga Facility at 1,000 kW operating from the year 2029 to 2039</p> <p>RT = Remaining contract term in months</p>		
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	<p>BVAL = Prevailing PDS BVAL rate that corresponds to the remaining term in months</p> <p>Payment for Termination Fee shall be made within thirty (30) days from written notice by SUPPLIER of the calculation of the Termination Fee.</p> <p>In the event of Termination Fee payable pursuant to either Section (a) or (b), the OFFTAKER shall prioritize the payment thereof to the SUPPLIER, ahead of other creditors or suppliers and warrants not to enter into any agreements contrary to or otherwise ensure that all other agreements it enters into shall be in accordance with this priority of payment clause in favor of the OFFTAKER.</p> <p>(ii) Payable by the SUPPLIER. Upon the SUPPLIER's default, the OFFTAKER shall be entitled to claim a Termination Fee equivalent to the Performance Bond posted by the SUPPLIER.</p>		
Revised PSA, Section 2 Sale and Purchase of Capacity 2.2, p.3	We request that the outage allowance be expanded to include common facilities.	This is to ensure that facilities are properly maintained and the reliability of the plant is ensured.	Accepted
Revised PSA, Section 5 -	The Delivery Date indicated in Section 5.2 " <i>shall be the later of 01 January 2025 or the next immediate 26th date xxx</i> ". We suggest	The Parties' obligations under the PSA should be prospective from the time of	Not accepted.



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Delivery Date, 5.2, page 5	for BISELCO to indicate a Delivery Date later than the target signing date of January 8, 2025 per SBB No. 5.	its signing, unless later indicated in the PSA.	
Revised PSA, Section 5 - Delivery Date, 5.2, page 5	Propose to add a statement in the 1st Paragraph that gives the Parties a mutual option to waive the requirements, as follows: "The Delivery Date shall be later of either 01 January 2025 (00:00H) or the next immediate 26th day of the month following the ERC's issuance of a Provisional Authority ("PA") or Interim Relief ("IR"), as applicable, for the implementation of this Agreement as well as the fulfillment of the following conditions, unless waived in writing by the Parties: xxx"	The waiver will allow the Parties to mutually agree to commence the Delivery Date pending fulfillment of all conditions precedent.	Accepted.
Revised PSA, Section 5 - Delivery Date, 5.2, page 5	In addition to the conditions to Delivery Date provided in Section 5.2, we propose to include the following: "d. The execution of a Subsidy Agreement with NPC-SPUG; and e. Execution of the Connection Agreement."	Banks/Financial Institutions require, in addition to the ERC approval, the execution of a Subsidy Agreement and the Connection Agreement to secure project financing. Consequently, a Winning Bidder will not be able to secure project financing to commence project development without the Subsidy Agreement and Connection Agreement.	Accepted
Revised PSA, Section 5 - Delivery Date, 5.3.1, page 6	Revise "Contract Capacity" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any	Contract Capacity shall be used.



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		ambiguity in the interpretation of the PSA.	
Revised PSA, Section 5 - Delivery Date, 5.3.1, page 6	Revise "power plant" to "Power Plant".	This is a correction of a grammatical/typographical error.	Accepted
Revised PSA, Section 6 - Delivery Date, 6.2.c. par. 2, page 7	<p>We propose to update Section 6.2 to provide a timeline within which the Winning Bidder should furnish BISELCO a new Performance Bond prior to the expiration of the Winning Bidder's existing Performance Bond:</p> <p>Proposed provision: "In case the Performance Bond 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 Bond shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance. A Performance Bond that will require periodic renewal must be renewed not later than fifteen (15) days before its expiry."</p>	To provide a timeline for the renewal of the Performance Bond which will ensure the Winning Bidder's compliance with the TOR and PSA.	Accepted with revisions
Revised PSA, Section 6 - Delivery Date, 6.3, page 7	Revise "BISELCO" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted

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Revised PSA, Section 6 - Performance Bond, p. 6	Please specify the drawing events of the Performance Bond that will be included in the SBLC certificate.	We refer to BAC's response in the minutes of the 2nd Pre-Bid Conference, which instructed us to refer to Section 6. However, the drawing events were not specified in the said section.	Please see the revised Section 13.3, particularly the "Drawing Events"
Revised PSA, Section 7 - Testing and Commissioning, 7.1, page 7	Revise "SUPPLIER" to "OFFTAKER".	This is a correction of a grammatical/typographical error.	Noted
Revised PSA, Section 8 - Supply of Energy, 8.2 par. 1, page 7	Revise "Contract Capacity" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.	Contract Capacity shall be used.
Revised PSA, Section 8 - Supply of Energy, 8.2 par. 2, page 8	Revise "Contract Capacity" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.	Contract Capacity shall be used.
Revised PSA, Section 8 -	Revise "Contract Capacity" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any	Contract Capacity shall be used/



Supply of Energy, 8.4, page 8		ambiguity in the interpretation of the PSA.	
Revised PSA, Section 8 - Supply of Energy, 8.6, page 9	<p>Propose to add: "...in accordance with ERC Resolution No. 4 Series of 2015 (A Resolution Adopting the Procedure in Reporting by Generation Companies of Outage Events Affecting Their Generating Facilities)."</p> <p>Proposed revision: "a. The SUPPLIER shall inform the OFFTAKER of the occurrence, nature, and expected duration of Unscheduled Outages as soon as practicable after such occurrence using the most expeditious means, including but not limited to text messages, calls through landlines or mobile cellular phones, with the details to follow by written notice in accordance with ERC Resolution No. 4 Series of 2015 (A Resolution Adopting the Procedure in Reporting by Generation Companies of Outage Events Affecting Their Generating Facilities).</p>	This is to ensure the reference policy for the reporting procedure is cited.	For review
Revised PSA, Section 8 - Supply of Energy, 8.6, page 9	<p>Propose to add the following:</p> <p>(b) Any outage categorized as "Outside Management Control" as defined by the ERC Resolution No. 9, Series of 2022 or the prevailing ERC Resolution at the time of the occurrence of the Unscheduled Outage, shall not be charged against the SUPPLIER's Outage Allowance.</p>	This is to clarify that Unscheduled Outages covered by the Outside Management Control definition of the ERC Resolution are not caused by the SUPPLIER. Thus, not chargeable to the SUPPLIER.	Not accepted.
Revised PSA, Section 8 - Supply of Energy,	<p>Propose to delete the provision crossed out below: Section 8.7 Replacement Power</p>	This statement is already captured in Section 8.7.b.	Accepted



8.7.a. par. ii, page 9	(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: i. SUPPLIER will not be able to supply the Guaranteed Dependable Capacity due to SUPPLIER's own fault; ii. SUPPLIER exceeded its Outage Allowance for connection assets and common facilities.		
Revised PSA, Section 8 - Supply of Energy, 8.7.d. par. 1, page 9	Revise "Contract Capacity" to "Guaranteed Dependable Capacity".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.	Accepted.
Revised PSA, Section 9 - Other Obligations of the Offtaker and Supplier, 9.2, page 11	Propose to add the following as other obligations of the OFFTAKER: "h. Apply for the renewal of its Congressional franchise to operate as an electric distribution utility covering the covering the entire Calamian Group of Islands; i. Comply with all governmental regulations or interpretations pertaining to the UCME and subsidy policy or subsidy mechanism."	To ensure the continuity of the PSA and to mitigate the risks associated with regulatory changes.	Accepted with revisions



Revised PSA, Section 9 - Other Obligations of the Offtaker and Supplier, 9.3, page 11	Revise "provisional approval, interim relief, and final approval" to "PA, IR or Final Approval ("FA")".	This is to ensure the terminology indicated in the TOR, ITB, and other bidding documents is consistently used throughout the PSA and to avoid any ambiguity in the interpretation of the PSA.	Accepted with revisions.
Technical Simulation Form	We would like to clarify the instruction in Annex I of the revised transaction documents wherein bidders shall encode only in the light blue cells. There are no light blue cells in the technical bid form for bidders to input details of their proposals. Instead, yellow-colored cells were provided.	This is to ensure that bidders are able to comply with the specific instructions of the BAC.	Noted
Technical Simulation Form	<p>As discussed during the 2nd pre-bid conference, the BAC initially allowed flexibility for bidders to comply with the GDC requirement as prescribed by the TOR.</p> <p>May we confirm if the bidder can submit another copy of the technical simulation form showing two plants for Phase 1 that will comply with the TOR requirement?</p>	This will ensure that bidders are able to meet the required capacity given the limited time to declare delivery date.	See revised Financial and Technical Bid Forms
Financial Bid Form	<p>BAC has responded during the 2nd pre-bid conference that: "The Bidder shall be allowed to offer different physical power plants for a specified duration period provided that the Bidder's offer covers the entire 180 months (i.e.15 year period).</p> <p>The Bidder's offered power plants should be consistent with its Financial Bid Form and Technical Bid Form, and shall be binding on the Bidder during PSA implementation."</p>	Attached is the proposed revised financial bid form for the BAC's consideration.	See revised Financial and Technical Bid Forms



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	<p>However, the technical and financial bid form is not capable of this flexibility. The Bidders are only able to propose 4 facilities. Further, editing the standard response form on the financial bid form will also be insufficient since this has to be reflected in the evaluation model as well. We would like to request for the BAC to update its documents to allow bid forms to accommodate additional facilities. Please see Annex 3 for our proposed revisions to ensure flexibility of the bidders in nominating offered power plants.</p>		
Financial Bid Form	<p>We take note of the BAC's concern on the initially proposed new tariff computation. In response, we would like to revise our proposal for the BAC's consideration. Please see attached excel file as Annex 4 which is the revised financial bid form incorporating our proposed tariff computation and Annex 5 word file for the revised tariff formula. Also attached is Annex 6 which shows a sample computation comparing the formula stated in the instructions to bidders and the proposed new formula.</p> <p>Please also note that Annex 4 addresses two concerns (i) flexibility of the bidders in nominating facilities that will meet the required capacity as stated in the above comment and (ii) revised tariff computation.</p>	<p>The revision will address the BAC's concern that a higher LCOE has resulted in the revised formula initially proposed during the first set of written comments.</p>	<p>See Revised Transaction Documents</p>
Financial Bid Form	<p>We would like to suggest that specific instructions on how to fill up the installed capacity and dependable capacity in the financial bid form are provided by the BAC specifically on which cells in the technical simulation form the bidders should refer to in filling out</p>	<p>This is to ensure that bidders can comply with the specific instructions of the BAC.</p>	<p>See revised Financial and Technical Bid Forms</p>



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	<p>the financial bid form. The cells in yellow under Installed capacity and GDC, are linked to BAC's computer-"technical financial bid form". The financial bid form will not automatically link to technical bid form even if the formula links to technical financial bid form once the bidder downloads it.</p>		
Financial Bid Form	<p>In the financial bid form, evaluation form sheet, cell H74, the GDC for Phase 2 starts in December 2029 which does not match the requirement of the TOR. The TOR prescribed that Phase 2 will start on August 20, 2029. We would like to clarify on the delivery date for Phase 2.</p>	<p>This is to ensure that the financial bid form is in compliance with the requirements of the TOR.</p>	<p>Phase 2 will strictly start on 20 August 2029</p>
Financial Bid Form	<p>Column Z Coron Plant Phase 2 Renewable Energy is linked to Busuanga Phase 2 Forecasted Energy. This should be linked to Coron Plant Phase 2 Forecasted Energy instead.</p> <p>Please note that Annex 3 and 5 has also reflected the required correction.</p>	<p>This is to ensure that the financial bid form is in compliance with the requirements of the TOR.</p>	<p>Noted</p>



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<p>Financial Bid Form</p>	<p>In Annex I, Instruction to Bidders, Item 9, the instruction that the Bidder must choose the form of the Bid Security it shall offer to BISELCO by placing a cross mark ("x") on the cell beside its chosen Bid Security form. Bidder shall choose only one (1) form of Bid Security. Bidder must encode a "Bid Security Amount" that should be more than or equal to the "Required Bid Security" indicated in the Bid Security sheet. Any amount less than the Required Bid Security shall be a cause to disqualify the Bidder.</p> <p>The financial bid form does not include a bid security sheet, nor is there a bid security form for the bidder to complete. We would like to clarify this instruction and request that the BAC provide a bid security sheet containing the bid security form in the Financial Bid Form.</p>	<p>The clarification will ensure the Bidder's compliance to the requirement of the TOR and with the Annex I item 9 stating "9. Bidder must choose the form of the Bid Security it shall offer to BISELCO by placing a cross mark ("x") on the cell beside its chosen Bid Security form. Bidder shall choose only one (1) form of Bid Security.</p> <p><i>Bidder must encode a "Bid Security Amount" that should be more than or equal to the "Required Bid Security" indicated in the Bid Security sheet. Any amount less than the Required Bid Security shall be a cause to disqualify the Bidder."</i></p>	<p>Please see the revised Financial Bid Form.</p>
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