



PAMPANGA I ELECTRIC COOPERATIVE, INC.

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August 21, 2024

Supplemental Bulletin No. 2024-03

Procurement of Baseload and Peaking Power Supply Agreements

This has reference to the written requests for clarification submitted by the Bidders last August 13, 2024. In this regard, the responses of the PELCO I CSP BAC are stated in the attached document. This document shall form part of the Bidding Document (Instruction to Bidders).


For your information and guidance.

Approved by: **PELCO I CSP BAC**

Noted by:


ENGR. OLIVER S. VERGARA, MEM
BAC Chairman


ENGR. ALLAN E. DAVID
General Manager


JSP / DTG / EMG / RPM / JBN / DLM

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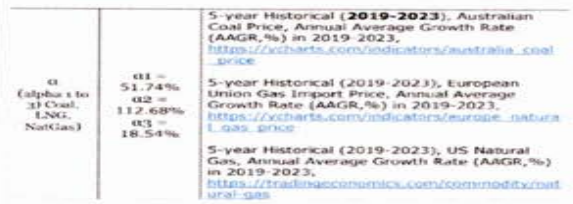
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Bidder	Item	Provision	Comments/Observations/ Clarification	Suggested Revision	PELCO I Response
TLI	IB. CSP Documents	5. Bid Form;	Requesting to provide the excel file of the Bid Form		BAC has provided a copy of the draft Bid Form to Bidders immediately after the conduct of the Pre-Bid conference. The Final Bid Form together with the Final Instructions to Bidders (IB) will also be provided to all Bidders.
TLI	IB. Amendments and Clarifications to the Bidding Document	3. ... The bidders must acknowledge the receipt of all SBs. Failure to do so may cause the bid to be considered not responsive and may result in its rejection and/or disqualification of the bidder/s.	How will the bidders acknowledge the SBs? Is there a prescribed form for acknowledgement?		Bidders may acknowledge the receipt of the Supplemental Bulletins (SBs) through email. No prescribed form.
TLI	IB. Eligible Bidders	2. Certification by the bidder to the effect that it is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Bidding Process 3. Sworn Undertaking 4. Sworn Attestation against Corruption 5. Sworn Attestation of No Conflict of Interest	We would like to suggest to the BAC to provide templates for these requirements.		All these four (4) documents will be incorporated in the Omnibus Sworn Statement (Annex E).
TLI	IB. Disqualification of Bidders	1. The bidder or any member of the partnership, JV or consortium must have no record of Unsatisfactory Performance as a power supplier. For this purpose, "Unsatisfactory Performance" means any of the following, within two (2) years prior to the bid submission:	What document is needed to comply with this requirement?		Certificate of No Unsatisfactory Performance issued by at least three (3) regulated off-takers, whether existing or previous customers. If the Bidder does not or did not have three (3) regulated off-takers, the Bidder shall submit a Certificate of No Unsatisfactory Performance from all of its current and previous regulated and non-regulated off-takers within two (2) years prior to the bid submission date.
TLI	IB. Bid Security (BS)	Amount: The amount must be equivalent to three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the bidder.	We would like to confirm that Bidders are allowed to post a higher amount of Bid Security since the processing time of Bid Security is quite lengthy and some bidders might use estimated rates in computing for the Bid Security. We suggest including the computation of Bid Security in the Bid Form.		A bidder may post a higher amount of BS, at least equal to the 12-month average energy (i.e. 9,849,235 kWh) times the offered base price (in June 2024). BS is equal to the 12-month average energy (i.e. 9,849,235 kWh) times the offered base price (in June 2024)

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TLI	IB. Bid Security	3. The required BS shall be valid for the duration of the bidding process but in no case beyond one hundred eighty (180) calendar days from the deadline for submission and opening of bids. The execution of the PSA shall be made within the Bid Validity Period and Bid Security Validity Period.	Suggest to define the expiration date of the Bid Security.		September 23, 2024 (Bid submission date) + 180 calendar days = March 22, 2025 (Expiration date). Note that Expiration date may change if the bid submission date is moved on a later date.
TLI	IB. Financial Bid	For Fuel: $Fuel_m = \left[Fuel_1 \times \left(r_1 \times \frac{FCL_m}{FCL} \times \frac{FK_m}{FK} \right) + Fuel_2 \times \left(r_2 \times \frac{FCL_m}{FCL} \times \frac{FK_m}{FK} \right) + Fuel_3 \times \left(r_3 \times \frac{FCL_m}{FCL} \right) \right] \times Q$	We suggest that the bidder may submit its own fuel formula to reflect the actual cost of the bidder. We also suggest allowing the bidder to recover non-fuel/ commodity-related costs such as transport costs and other incidentals which do not necessarily move with the fuel indices.		Bidders may submit their proposed fuel fee formula that includes fuel and non-fuel commodity and other related costs which will be evaluated and subject to approval of the BAC.
TLI	IB. Financial Bid	The bid price for each power plant technology offered by the bidder shall be based on reference market prices and indexes as indicated in the table below. This shall be referred to as the "Base Price" or "TCGR".	Suggest that the bidder may use multiple applicable indices in the fuel formula to represent the actual cost of the bidder.		Bidders may submit their proposed applicable indices in the fuel fee formula which will be evaluated and subject to approval of the BAC.
TLI	IB. Financial Bid		Please define what should be included in the Fuel ₁ , Fuel ₂ and Fuel ₃		BAC will provide the description of these Fuel Price items in the Final IB.
TLI	IB. Financial Bid	For VOM: $VOM_m = \left[\left(k_1 \times \frac{USCPI_m}{USCPI_0} \times \frac{FK_m}{FK_0} \right) + \left(k_2 \times \frac{PhCPI_m}{PhCPI_0} \right) \right] \times VOM \times Q$	Is the VOM rate required to be indexed to USCPI and PhCPI?		VOM may be indexed to either or both of the allowable CPIs (PHP and US). However, Bidders may also choose not to index the VOM to any of the allowable CPIs.
TLI	IB. Financial Bid		Suggest to use historical average values for fuel prices instead of applying an inflation rate. Historical average values already reflect the high and lows of the commodities market.		BAC has provided the revised values of the four (4) fuel adjustment rates using historical average values of 2014-2019. Bidders may propose other fuel indices and their fuel adjustment rates, but must include justification/explanation and attach supporting documents. BAC will evaluate the proposed values and include them in the Final IB if approved by the BAC.

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TLI	IB. Financial Bid	Reference Market Prices, Indices and ForEx Coal: Australian Coal Price	Suggest allowing the bidders to use other fuel indices (Indonesian Coal Price) to reflect the actual fuel cost of the Bidder.		Bidders may propose other fuel indices, but must submit the supporting data such as the historical monthly fuel prices from Jan 2013-July 2024. BAC will evaluate the proposed indices and include them in the Final IB if approved by the BAC.
TLI	IB. Format and Signing of Bids	The bid shall be printed or typewritten in black indelible ink.	We would like to confirm if signatures and documents on file that are not in black ink will still be accepted.		Acceptable
TLI	IB. Format and Signing of Bids	5. Except for pages where the signature of the authorized representative/s is specifically required, all portions of the pages where corrections and/or amendments have been made, shall be initialed by the bidder's authorized representative/s. Failure to do so shall be a valid ground for the rejection of the bid and/or disqualification of the bidder.	We would like to confirm that all the authorized representatives are allowed to sign any documents to be submitted as part of the bid. For example, Authorized Representative 1 will sign the Technical Documents while Authorized Representative 2 will sign the Financial Documents.		All authorized representatives are allowed to sign any documents to be submitted as part of the bid, provided they have been authorized through a Secretary's Certificate.
TLI	IB. Format and Signing of Bids	10. All photocopied documents must be stamped "Certified True Copy" ("CTC") at least on the first page of each document by bidder's responsible/ authorized officer/employee such as document custodian.	We would like to confirm if the bidder's authorized representative is only required to sign the first page of each document and not required to sign each and every page of the documents to be submitted.		For original documents which originated from the Bidder, all pages must be signed by the authorized representative of the Bidder. For documents stamped with "CTC", at least the first page must be signed by Bidder's responsible/authorized officer/employee such as document custodian if authorized to do so.
TLI	IB. Sealing and Marking of Bids	Subject: Bid for the 15MW Power Supply Agreement (Lot __)	We would like to confirm if this is the correct marking for Lots A and B.		Confirmed.
TLI	IB. Evaluation of Bids	11.c. The BAC shall verify whether the bid information, the bid price, total bid price, and the calculated LCOE in the electronic copy and in the hard copy of the financial Bid Form submitted by each bidder are the same.	In case of discrepancy in the electronic copy and hard copy, which will prevail?		The hardcopy will prevail. However, the BAC shall verify the calculation of LCOE using its official Bid Form.
TLI	IB. Evaluation of Bid Price - Methodology	5-year Historical (2019-2023), Australian Coal Price, Annual Average Growth Rate (AAGR,%) in 2019-2023	Suggest allowing the bidders to use other fuel indices (Indonesian Coal Price) to reflect the actual fuel cost of the bidder.		Bidders may propose other fuel indices, but must submit the supporting data such as the historical monthly fuel prices from Jan 2013-July 2024. BAC will evaluate the proposed indices and include them in the Final IB if approved by the BAC.

TLI	IB. Evaluation of Bid Price - Methodology	$= \text{Fuel}_{2023} (1 + \alpha)^{a \text{ year}} - \text{Fuel}_{2023} (1 + \beta)^{b \text{ year}} - \text{Fuel}_{2023} \times Q_{\text{year}}$	We would like to confirm that this formula is for bid evaluation purposes only.		Confirmed.																				
			We suggest allowing the bidders to submit their own fuel formula to reflect the actual fuel cost.		Bidders may submit their proposed fuel fee formula that includes fuel and non-fuel commodity and other related costs which will be evaluated and subject to approval of the BAC.																				
			We also suggest allowing the bidders to use multiple fuel indices to be submitted as part of the bid as released by their respective publishers.		Bidders may propose other fuel indices, but must submit the supporting data such as historical monthly fuel prices from Jan 2013-July 2024. BAC will evaluate the proposed indices and include them in the Final IB if approved by the BAC.																				
TLI	IB. Evaluation of Bid Price - Methodology	11. Adjusted Generation Costs. The Adjusted Generation Costs are calculated by applying the Adjusted Generation Price to Total Annual Energy.	Adjusted Generation Price was not defined and was only mentioned in this statement. Suggest removing Adjusted Generation Price and revising all mentions of Adjusted Generation Price to Average Generation Price.		BAC will include the description of Adjusted Generation Price in the Final IB.																				
TLI	IB. Evaluation of Bid Price - Comparison and Selection of Lowest Calculated Bid	For Lots A and B: <table border="1"> <thead> <tr> <th>Lot A and B Bids</th> <th>LCOE</th> <th>Rank</th> <th>LCB</th> </tr> </thead> <tbody> <tr> <td>Supplier 1</td> <td>Php 4.50</td> <td>2nd</td> <td>Lot B</td> </tr> <tr> <td>Supplier 2</td> <td>Php 5.00</td> <td>3rd</td> <td></td> </tr> <tr> <td>Supplier 3</td> <td>Php 5.50</td> <td>4th</td> <td></td> </tr> <tr> <td>Supplier 4</td> <td>Php 4.00</td> <td>1st</td> <td>Lot A</td> </tr> </tbody> </table>	Lot A and B Bids	LCOE	Rank	LCB	Supplier 1	Php 4.50	2 nd	Lot B	Supplier 2	Php 5.00	3 rd		Supplier 3	Php 5.50	4 th		Supplier 4	Php 4.00	1 st	Lot A	We would like to confirm that the bidders are not allowed to bid for both Lots A and B or offer 30 MW.		Confirmed. For Lots A and B, each Bidder may only submit one (1) bid for 15MW baseload supply.
Lot A and B Bids	LCOE	Rank	LCB																						
Supplier 1	Php 4.50	2 nd	Lot B																						
Supplier 2	Php 5.00	3 rd																							
Supplier 3	Php 5.50	4 th																							
Supplier 4	Php 4.00	1 st	Lot A																						
TLI	IB Annex A. TOR. Tariff Structure	The monthly Fuel Fee shall be the lower between: (1) the resulting value of the Fuel Formula using the actual value/s, for the relevant Billing Period, of the Nominated Fuel Index/Indices, applying any premium, discount and/or other non-fuel commodity costs specified in the fuel base price; and (2) actual fuel fee as billed by the fuel supplier/s (i.e., supported by actual invoices) for the relevant Billing Period	The Terms of Reference allows the bidders to submit a Fuel Formula and nominate Fuel Index/Indices. We suggest including this in the Instructions to Bidder to provide guidance to the bidders and to reflect the actual fuel cost.		BAC will provide the final fuel formula to be used by all bidders. Bidders are encouraged to submit their proposed fuel fee formula that includes fuel and non-fuel commodity and other related costs which will be evaluated and subject to approval of the BAC.																				
TLI	IB. Annex A. TOR. Line Rental	Bidder must provide Line Rental Cap (Php/kWh) which will be used during evaluation	The Instructions to Bidder did not include the Line Rental. Requesting for clarification on how Line Rental will be considered.		The BAC will include the Line Rental in the IB. Line Rental, being a part of the total bid price, will be considered in the determination of LCOE.																				

TLI	IB. Contract Award	<p>3. Within seven (7) calendar days from receipt of the finalized PSA from the PELCO I-BOD, the NEA will review whether the finalized PSA conforms with the TOR of the PELCO I. If the NEA finds the finalized PSA to be in order, it shall issue a Notice to Execute the Agreement.</p> <p>4. Within three (3) calendar days from receipt of NEA' Notice to Execute the Agreement, the Winning Bidder and the PELCO I shall execute and sign the PSA, as approved by the NEA.</p>	In case there's a delay from the side of NEA, will parties pursue the PSA signing to comply with the 20-day timeline from NOA to PSA signing?		The PSA signing will only take place upon approval of NEA.
TLI	IB. Contract Award	Within ten (10) calendar days from receipt of the recommendation of the BAC, the PELCO I-BOD shall approve or disapprove the said recommendation. Within the same period provided herein, the BAC shall: (i) notify, in writing, including via electronic mail, the losing bidders of the decision of the PELCO I-BOD, specifying clearly the reason for disapproving the said recommendation; and (ii) return the Bid Security posted by the losing bidders.	What are the acceptable reasons of the BOD to disapprove the recommendation of the BAC?		Section 31 of the ERC's 2023 CSP Guidelines and Article XI of NEA's 2023 CSP Guidelines (Prohibited Acts and Agreements) state the acceptable reasons.
TLI	IB. Annex G	Required Authorities from Bidders	Suggest to allow Bidders to use their own template of Secretary's Certificate.		Bidders may use their own template or format of the Secretary's Certificate, provided the contents are properly captured and consistent with what the BAC has provided.
TLI	IB. Annex C	Envelope 1. L4. Board Resolution or Secretary's Certificate evidencing the grant of authority to the individual submitting the Bid and making representation on behalf of the bidder.	Confirming if this is the same with Annex G.		Confirmed.
TLI	IB. Annex C	Envelope 1. L5, L6, L7, L8	Will the BAC provide a template for these requirements?		These items will be incorporated in the Omnibus Sworn Statement.
TLI	IB. Annex C	Envelope 1. T1. List of projects undertaken over the last ten (10) years	What document is needed to comply with the requirement?		BAC will provide a template for this requirement.
TLI	IB. Annex C	Envelope 1. TB1. Detailed Supply Plan during the PSA period, containing but not limited to: List of nominated Power Plants from which it shall source the electricity, as well as the mechanism or protocol on how the manner of supply will be implemented.	Will the BAC allow multiple plants or portfolio of plants to supply the requirement? Or does this pertain to the units operated by the bidder?		The BAC allows multiple plants or portfolio of plants to supply the requirement. The PSA is a physical contract, thus the bidder shall nominate plant/s that will provide the supply requirements. The nominated plant is not necessarily being operated by the bidder.

TLI	IB. Annex C	Envelope 1. TB2. Certificate from the plant/s which shall source the electricity	Will the ERC Certificate of Compliance suffice?		This refers to a certificate issued by the plant/s certifying that it has sufficient capacity to supply the contract capacity within the contract period.
TLI	IB. Annex C	Envelope 1. TB3. Scheduled and Unscheduled Outage Allowances in calendar days.	We would like to confirm if this is a statement containing the offered Outage Allowance of the bidder.		Confirmed.
TLI	IB. Annex C	Envelope 1. B1. Secretary's Certificate ("Sec Cert") approving the bid of the bidder for this CSP, designating the bidder's authorized representative/s who will sign the documents required in this bid. The Sec Cert must contain the specimen signature, one (1) full and one (1) initial of each designated authorized representative.	We would like to confirm if this is the same requirement with L4 and if this is the same with Annex G.		The said document is the same as Annex G.
TLI	IB. Annex C	Envelope 1. B4. Notarized Acceptance of Instruction to Bidders.	Confirming if the bidders will execute Annex F to comply with this requirement.		Confirmed.
TLI	IB. Annex C	Envelope 1. B5. Certificate of No Unsatisfactory Performance issued by the contracted customer/s (preferably DUs).	Suggest to submit at least two (2) Certificate of No Unsatisfactory Performance from regulated customers.		This eligibility requirement is revised as follows: L10. Certificate of No Unsatisfactory Performance issued by at least three (3) regulated off-takers, whether existing or previous customers. If the Bidder does not or did not have three (3) regulated off-takers, the Bidder shall submit a No Unsatisfactory Performance from all of its current and previous regulated and non-regulated off-takers within two (2) years prior to the bid submission date.
TLI	IB. Annex C	Envelope 1. T2. h. Number and average duration of planned and unplanned outages for the last two (2) years or the actual outage data for new power plants operating for less than two (2) years; supported by a certification issued by the System Operator or the client DU.	Suggest to allow letter of undertaking from the plant and submitted ERC outage report as supporting document/s		Revision: T2. h. Number and average duration of planned and unplanned outages for the last two (2) years or the actual outage data for new power plants operating for less than two (2) years. The 2022-2023 GCMR submitted to ERC will be used to validate these information.
TLI	IB. Annex C	Envelope 1. F3. Details of equity and financing plan indicating the capital structure and source of funds with supporting documents. F4. Proof of commitment to the required equity contribution:	Requirements F3, F4, and F5 are only be applicable to new plants. Requesting clarity on these requirements.		The bidder may submit a statement of non-applicability should these requirements are not applicable to them.

TLI	IB. Annex C.	i. in the case where the Winning Bidder is a corporation - e.g., treasurer's affidavit attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or	We would like to note that details regarding the GenCo's Sources of Funds and Financial data are confidential in nature.		The bidder may secure consent from the other party or submit a redacted copy of the required document.
TLI	IB. Annex D	Bid Security Form	Are the bidders allowed to revise the Bid Security Form? Some banks are required to include their standard provisions in the SBLC.		Bidders will just input necessary information on the Bid Security Form which will be submitted together with the original copy of BS.
TLI	IB. Annex E	Omnibus Sworn Statement	Are the bidders allowed to revise the Omnibus Sworn Statement?		Bidders may use their own template or format of Sworn Statement, provided the contents are properly captured and consistent with what the BAC has provided.
TLI	IB. Annex A. TOR	Force Majeure	Force Majeure events shall be negotiated by the Seller and the Buyer during PSA negotiation. Since Force Majeure, under law, is not limited to a definite list. As long as it meets the elements under law then it should be considered an FM event.		The FM provisions in the draft PSA are based on the ERC PSA template. Buyer and Seller may negotiate on FM during the PSA negotiation.
TLI	IB. Annex A. TOR	Replacement Power (RP)	For clarity, we would like to confirm that the Replacement Power provision is the same with the Replacement Power provision (Section 4.5) in the draft PSA.		The RP in the TOR is based on Section 15, Article V of the 2023 CSP ERC Guidelines for CSP.
			Suggest to clarify that this is only if Supplier is at fault	If Winning Bidder fails to deliver contracted capacity (nominated plant or RP) on the delivery date, and provided said failure is not justified under the circumstances allowed under the PSA, it shall pay PELCO I the amount of Php 908 per MW per hour	Retain original provision.

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TLI	IB. Annex A. TOR	Penalty Provisions	Suggest to explain the calculation of PhP908/MWh penalty		This was adopted in the penalty provision of the PSA of the largest DU in the Phils.
			Suggest to clarify the reckoning date of one-year total contract cost		Reckoning from the immediately preceding billing month.
			We also suggest including a provision on penalty due to delay in filing.	In case the ERC imposes a penalty on the Parties for failing to file the Application within the period required by the prevailing regulations, as these may be amended from time to time, the Party that caused the delay in filing shall be responsible to pay such penalty and shall indemnify the other Party for any penalty or any other liability that may have been paid in advance by virtue of such imposition.	Buyer and Seller may include this provision in the PSA.
TLI	IB. Annex A. TOR	Nomination Protocol. PELCO I may revise any nominations: (a) in accordance with the WESM rules and operating procedure; or (b) due to its unscheduled outages	Suggest to consider technical parameter/s of the plant for the gate closure		Parties will follow the applicable WESM Rules and Operating Procedures on Nomination.
TLI	IB. Annex A. TOR	Contract Term	We would like to confirm that the 120 months (10 years) will move based on the commencement date.		Confirmed.
SPI		Only the interested Bidders' authorized representative/s indicated in the "Letter of Intent" are allowed to attend and participate in the Pre-Bid Conference (and other Bidding process), together with other CSP observers invited by the BAC.	In case that the Authorized Representatives declared in the LOI are not available, please confirm that the Bidders may send other representatives authorized by the Bidder in the Secretary's Certificate.		The Bidder's other authorized representatives may join the Pre-bid or other CSP stages as long as they are included in their secretary's certificate. Bidders must submit a revised Letter of Intent.

SPI	CSP Schedule	Joint Filing of PSA to ERC December 20, 2024	Under the EPIRA and its IRR, the LGU is given at least thirty (30) days to comment on the joint application before the ERC to issue a PA/IR. Thus, the target delivery date of 26 December 2024 may not be feasible.		December 26, 2024 is the target date of delivery. However, the actual supply delivery will only commence upon ERC's issuance of at least PA/IR.
SPI	Demand Requirement	Lot Capacity Demand Requirement A 15MW Base Load Firm, Take-and-Pay Scheme B 15MW Base Load Firm, Take-and-Pay Scheme C 15MW Peaking (RE)	What's the difference between Lot A & Lot B baseload requirement? Why does it have to be in separate lots?		No difference. Lot A or B is 15MW each, both baseload. Lot A is for the lowest and responsible bid while Lot B is for the second lowest and responsible bid. PELCO I will award each PSA to two (2) different suppliers.
SPI	Tariff Structure	(2) actual fuel fee as billed by the fuel supplier/s (i.e., supported by actual invoices) for the relevant Billing Period	1. Please confirm that for purposes of supporting Base Fuel Fee, the Bidder may submit actual invoice to customers supplied under the same Nominated Plant showing the Actual Fuel Fee for the base month (June 2024). Detailed Fuel Fee documentation may be submitted to support Actual Fuel Fee implemented from SED and onwards.		Since Fuel is a pass-through cost, Bidders are required to submit a detailed fuel fee documentation from Jan to June 2024 and attach copy of their actual invoices of fuel and non-fuel-commodity costs for June 2024 billing, for BAC evaluation. Note that ERC Resolution No. 14, Series of 2022 requires the DU to submit actual invoices of fuel costs on a monthly basis during the PSA implementation.
SPI	Penalty Provisions	• If Winning Bidder fails to deliver contracted capacity (nominated plant or RP) on the delivery date, it shall pay PELCO I the amount of Php 908 per MW per hour: Provided, that the provision of RP should not exceed 6 continuous billing months.	1. What is the basis of the Php 908 per MW per hour penalty?		This was adopted from the penalty clause of the PSA of the largest DU in the Phils.
			2. This provision should be further qualified that the Bidders failure to deliver Contracted Capacity on the Delivery Date is beyond its control.		Other FM events may be considered by the Parties during contract negotiation but are subject to the ERC approval.
			3. What happens if the RP exceeds 6 months? Can the genco assign to an affiliated genco?		If the RP exceeds 6 continuous billing months, the PSA may be terminated. The Power Supplier may assign the PSA in accordance with the Assignability Provision of the PSA.
			4. Please explain the difference between this Php 908 per MW per hour penalty vis-a-vis the liquidated damage equivalent to one (1) year contract cost.		Php 908 per MW per hour shall apply if winning bidder fails to deliver contracted capacity on the delivery date. Liquidated damage equivalent to one-year contract cost - penalty of defaulting party resulting to premature termination of the PSA.
SPI	Performance Bond	Three (3)-month contract cost of the proposed PSA computed using the bid price offered by the Winning Bidder	We suggest to reword as follows: Three (3)-month contract cost of the proposed PSA computed using the bid-price-base prices offered by the Winning Bidder.		Original provision retained. Bid price (at year 0) = Base Price where: Bid price = CRF+FOM+VOM+Fuel Fee (if any)
SPI	Nomination Protocol	PELCO I may revise any nominations: (a) in accordance with the WESM rules and operating procedure; or (b) due to its unscheduled outages	We suggest that the Nomination Protocol be agreed upon by the Parties during the finalization of the PSA.		Accepted.
			1. Is the Bidder required to offer PPD. If yes, can it be lower or higher than 3% or must be equal to 3%?		Yes. The PPD must be 3%.

SPI	Prompt Payment Discount	Three percent (3%) of the current total bill	2. If Bidders offers PPD, will the same be considered in the determination of the <u>Lowest Calculated Bid (LCB)</u> ? 3. PPD should apply only to any or all of the components of the Generation Rate (CRF, FOM, VOM and/or Fuel) excluding applicable taxes and other charges and not to the total bill.		Yes. The PPD shall be considered in the determination of the LCB. Current Total Bill is equivalent to the charges billed by the supplier before fuel fee, any taxes and line rental. Thus, PPD applies to CRF, FOM, and VOM only, excluding applicable taxes and other charges.																				
SPI	Comparison and Selection of Lowest Calculated Bid (LCB)	For Lots A and B: <table border="1"> <thead> <tr> <th>Lot A and B Bids</th> <th>LCOE</th> <th>Rank</th> <th>LCB</th> </tr> </thead> <tbody> <tr> <td>Supplier 1</td> <td>Php 4.50</td> <td>2nd</td> <td>Lot B</td> </tr> <tr> <td>Supplier 2</td> <td>Php 5.00</td> <td>3rd</td> <td></td> </tr> <tr> <td>Supplier 3</td> <td>Php 5.50</td> <td>4th</td> <td></td> </tr> <tr> <td>Supplier 4</td> <td>Php 4.00</td> <td>1st</td> <td>Lot A</td> </tr> </tbody> </table>	Lot A and B Bids	LCOE	Rank	LCB	Supplier 1	Php 4.50	2 nd	Lot B	Supplier 2	Php 5.00	3 rd		Supplier 3	Php 5.50	4 th		Supplier 4	Php 4.00	1 st	Lot A	Please clarify this further.		Lot A or B is 15MW each, both baseload. Lot A is for the lowest and responsible bid while Lot B is for the second lowest and responsible bid. PELCO I will award each PSA to two (2) different suppliers.
Lot A and B Bids	LCOE	Rank	LCB																						
Supplier 1	Php 4.50	2 nd	Lot B																						
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Supplier 4	Php 4.00	1 st	Lot A																						
SPI	Evaluation of Bid Price		Please explain how will this be used by the Bidders in its Bid Proposal		These are the annual adjustments on fuel fee which will be used in the calculation of the LCOE.																				
SPI		The bidders may request in writing for clarification or interpretation on any part of the bidding documents. The bidders must submit such request to the BAC Secretariat at least twenty-one (21) calendar days before the submission of bids. The BAC shall respond to said request by issuing SB/s to be made available to all bidders at least fifteen (15) calendar days before the submission of bids.	1. Please confirm that Bidders can still submit their comments/ clarifications until 02 September 2024 or 21 calendar days before the submission of bids on 23 September 2024.		Confirmed.																				
SPI	Amendments and Clarifications to the Bidding Document	3. The BAC, using its official e-mail addresses (cspbac@pelco1.org.ph and cspbac.pelco1@gmail.com), shall send the copies of SBs to all bidders' official e-mail addresses. The bidders must acknowledge the receipt of all SBs. Failure to do so may cause the bid to be considered not responsive and may result in its rejection and/or disqualification of the bidder/s.	Please confirm that email acknowledgement is acceptable to PELCO I.		Confirmed.																				
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	a) Executive Summary - Brief description of the bidder's company history and structure, including relevant capabilities in the construction, operation, and maintenance of a power plant or in the supply of electricity to the Distribution Utilities, Electric Cooperatives, or contestable customers;	If a bidder is an IPPA, who is not the owner nor responsible for the operation and maintenance of the plant, what information should be provided to comply with this executive summary requirement?		Relevant capabilities as an IPPA will suffice.																				
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	c) Legal Documents (iii) Latest General Information Sheet (GIS), if available;	Kindly confirm that the Bidders can redact the personal information in the GIS due to data privacy.		Confirmed.																				
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iv) Power of Attorney and other documents - Each bidder must submit the following documents: 1. Board Resolution or Secretary's Certificate evidencing the grant of authority to the individual submitting the Bid and making representation on behalf of the bidder;	Please confirm that the Bidders can submit their own template covering the requirements for both L-4 and B-1; and, that the Secretary's Certificate can be issued by the Assistant Corporate Secretary.		Confirmed. Bidder must ensure that the Asst. Corporate Secretary is authorized to sign the Secretary's Certificate.																				




SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iv) Power of Attorney and other documents - Each bidder must submit the following documents: 2. Certification by the bidder to the effect that it is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Bidding Process;	Please confirm that this is already covered by ITB Annex E.		Confirmed.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iv) Power of Attorney and other documents - Each bidder must submit the following documents: 5. Sworn Attestation of No Conflict of Interest - The bidder must disclose detailed information regarding any existing, potential, or future conflict of interest that a bidder may have with the BAC.	Please confirm that this is already covered by ITB Annex E.		Confirmed.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(i) List of projects undertaken over the last ten (10) years;	Please confirm that the term "projects" pertain to projects in power plants owned and/or constructed by the Bidder.		The Project here pertains to power plant/s owned or constructed or operated by the Bidder and the PSAs to regulated or non-regulated customers.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iv) Copy of the following: (a) Generation Company Information Sheet ("GCIS") and (b) Generation Company Management Report ("GCMR") submitted to ERC.	1. What specific information are needed from said documents? 2. For what purpose will these information be used?		For technical evaluation, i.e. validation of outage allowances or reliability performance.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(i) Key Personnel Experience - curriculum vitae of key personnel of the prospective bidder showing they have sufficient experience in the electric power -industry, particularly in the generation sector; and	Please confirm that a summary of job description and experience would suffice as personal information under curriculum vitae are covered by data privacy laws.		The job description will not support the sufficient experience of key personnel. Bidders may redact personal information on curriculum vitae of key personnel.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(ii) Other relevant information showing proof of the technical capabilities of the bidder that would be helpful to the BAC.	Please clarify the "other relevant information" that the Bidders need to submit.		Other relevant information refers to the other technical eligibility requirements as stated in the Annex C of IB.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	The bidder shall submit, as part of its technical proposal, the names of the power plants from which it shall source the electricity, as well as the mechanism or protocol on how the manner of supply will be implemented.	If a Bidder proposes to source from a portfolio of Nominated Power Plants, will the Bidder be required to submit technical and financial documents for each plant?		Yes.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(ii) Details of financial and operating background for the two (2) recent full financial years demonstrating the bidder's financial viability; but not limited to: Calculation sheet of the Financial Ratios indicating: Profitability ratio (Net Profit Margin, Return on Assets); Liquidity ratio (Current, Quick); and Solvency ratio (Debt). A total of three (3) calculation sheets, one (1) sheet from each AFS. Also, the calculation sheet of the latest DSCR and "Program to Comply" (if any) submitted to the ERC.	We suggest that the submission by the Bidder of its Audited Financial Statements (AFS) showing its financial and operating background for two (2) recent full financial years will suffice this requirement.		Bidders shall submit the computation and summary of the Financial Ratios. The Formulas are provided in the IB.

SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iii) Details of equity and financing plan indicating the capital structure and source of funds with supporting documents;	Please confirm that this requirement is only applicable for new plants.		Confirmed. Submit a statement of non-applicability if this requirement is not applicable to the Bidder.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(iv) Proof of commitment to the required equity contribution, as specified by the PELCO I: 1. in the case where the Winning Bidder is a corporation - e.g., treasurer's affidavit attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or shareholders agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or	Please confirm that this requirement is only applicable for new plants.		Confirmed. Submit a statement of non-applicability if this requirement is not applicable to the Bidder.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(v) Letter of Credit, Bank Guaranty or Committed Line of Credit, or any proof of firm commitments from a reputable financial institution to provide sufficient credit lines to cover the total estimated cost of the project for prospective generation facilities;	Please confirm that this requirement is only applicable for new plants.		Confirmed. Submit a statement of non-applicability if this requirement is not applicable to the Bidder.
SPI	C. Bidder's Eligibility, Responsibilities and Disqualification	(vii) Any other relevant information regarding the financial track record and capabilities of the bidder that it believes would be helpful to the BAC.	Please clarify the "other relevant information" that the Bidders need to submit.		Other relevant information refers to the other financial eligibility requirements as stated in the Annex C of IB.
SPI	Bid Security	i. Cash or cashier's/manager's check issued by Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas (BSP) as authorized to issue such financial instrument; ii. 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 Universal or Commercial Bank, if issued by a foreign bank; or iii. In case the BS is issued by an international bank, said BS 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.	We suggest to include "Stand By Letter of Credit" in the acceptable forms of Bid Security.		Retain original provision.
SPI	Bid Security	The BAC shall return the BS posted by the losing bidders only after the PELCO I-BOD has approved the BAC recommendation and upon submission of a written waiver of their right to file a motion for reconsideration and/or protest.	We believe that the requirement for a losing Bidder, who is considered ineligible, disqualified or post-disqualified, to submit a written waiver of its right to file a motion for reconsideration and/or protest is not necessary. Thus their Bid Security should be returned immediately.		Retain original provision.

SPI	Bid Security	4. The BS may be forfeited under any of the following conditions: e. bidder withdraws its bid, or refuses to accept an award or enter into the PSA with PELCO I, after the bidder had been declared as having submitted the LCRB;	We suggest to reword as follows: bidder withdraws its bid, or refuses to accept an award or enter into the PSA with PELCO I without justifiable reason, after the bidder had been declared as having submitted the LCRB;		Retain original provision.
SPI	Bid Security	f. A bidder refuses or fails to post the required performance security within the prescribed period;	We suggest to reword as follows: A bidder refuses or fails to post the required performance security within the prescribed period at its own fault.		Retain original provision.
SPI	Format and Signing of Bids	3. The name of the bidder shall be typewritten or printed. Below the bidder's name is the name, signature and position/designation of the bidder's authorized representative/s on all the documents to be signed.	We suggest to reword as follows: The name of the bidder shall be typewritten or printed. Below the bidder's name is the name, signature and position/designation of the bidder's authorized representative/s on the first page of all the documents to be signed.		Retain original provision.
SPI	Performance Security	1. To guarantee the faithful performance by the winning bidder of its obligations under the PSA, the winning bidder shall post a PS within ten (10) calendar days from the execution of the contract.	May we suggest that the Winning Bidder should post the required Performance Security within thirty (30) calendar days from the signing of the PSA for the Winning Bidder to have ample time to process the requirement. (normally takes almost thirty (30) days)		Retain original provision to meet the target date of delivery.
SPI	Performance Security	a. Cash or cashier's/manager's check issued by Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas (BSP) as authorized to issue such financial instrument. b. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank; or c. In case the PS is issued by an international bank, said PS 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.	Kindly include "Stand By Letter of Credit" in the acceptable forms of Performance Security.		Retain original provision.
SPI	Performance Security	Failure to post the required PS by the Winning Bidder within the prescribed period will result in the forfeiture of the Bid Security.	Please confirm that the forfeiture of the Bid Security will only happen if Bidder fails to post the required Performance Security within the prescribed period at its own fault.		Retain original provision. Bidder may submit justification/motion in case there will be a delay on the issuance of the bank of the PS.
SPI	Failure of Bidding	All bidders who have initially responded to the invitation to bid and have been declared eligible in the previous biddings shall be allowed to submit new bids. The BAC shall observe the same process.	Please confirm that bidders who have been declared eligible in the previous biddings will not be required to pay the Participation Fee for the 2nd round of CSP.		Confirmed.

SPI	Annex C	OS1 Articles of Incorporation (AOI) and By-Laws (BL) or Memorandum of Association or Partnership.	Please confirm that the latest Articles of Incorporation and By-Laws will suffice this requirement.		Confirmed.
SPI	Annex C	OS4 Proof of VAT payments or VAT Return for the past six (6) months (i.e., Dec 2020 to May 2021).	BIR currently requires submission of quarterly payment of VAT. Please confirm that the most recent two (2) quarters proof of VAT payments will suffice (not necessarily Dec 2020 to May 2021)		Confirmed.
SPI	Annex C	T8 Insurance Policy; or Notarized Certification containing the list and scope of insurance, issued by authorized officer/s or representative/s of the bidder.	Please clarify the purpose of this requirement.		This document is for Risk Mitigation/Resiliency to assure PELCO I that the plant is covered by an insurance policy.
SPI	Annex C	T9 Annual Maintenance Schedule for 2024-2026 of the nominated plant/s.	Please confirm that the latest 3-year Plant Maintenance Program submitted to NGCP will suffice.		Confirmed.
SPI	Annex C	F7 Bank Certification showing the financial track record and capabilities of the bidder	Please clarify the purpose of this requirement.		To show the good standing or credit worthiness of the bidder. Revision: F7. Certificate of Good Standing or Credit Worthiness issued by the bank
SPI	Annex C	TB1 Detailed Supply Plan during the PSA period, containing but not limited to: List of nominated Power Plants from which it shall source the electricity, as well as the mechanism or protocol on how the manner of supply will be implemented	Please confirm that this requirement applies only to Bidders with a portfolio of nominated plants.		This document applies to all bidders regardless of number of nominated plants (either single or portfolio).
SPI	Annex C	TB2 Certificate from the plant/s which shall source the electricity	Please clarify what Certificate is this?		Certificate of Available Capacity. This refers to a certificate issued by the plant/s certifying that it has sufficient capacity to supply the requirement of PELCO I within the contract period.
SPI	Annex C	TB3 Scheduled and Unscheduled Outage Allowances in calendar days.	Please clarify the purpose of this requirement.		This refers to a document containing the committed Scheduled and Unscheduled Outage Allowances in calendar days.
SPI	Annex C	B1 Secretary's Certificate ("Sec Cert") approving the bid of the bidder for this CSP, designating the bidder's authorized representative/s who will sign the documents required in this bid. The Sec Cert must contain the specimen signature, one (1) full and one (1) initial of each designated authorized representative.	Please confirm that the Bidders can submit their own template covering the requirements for both L-4 and B-1; and, that the Secretary's Certificate can be issued by the Assistant Corporate Secretary.		Bidders may use their own template or format of Secretary's Certificate, provided the contents are properly captured and consistent with what the BAC has provided. Bidder must check the authority of the Asst. Corporate Secretary to sign the Secretary's Certificate

SPI	Annex C	B5 Certificate of No Unsatisfactory Performance issued by the contracted customer/s (preferably DUs).	<ol style="list-style-type: none"> 1. We request that this requirement be limited to the submission of the certificates from two (2) existing Distribution Utility (DU) customers. 2. Please confirm that the submission of this document that is electronically signed by the DU will be acceptable. 3. Please confirm that this will also apply to the requirement under Post-Qualification under item 3.c. 	<ol style="list-style-type: none"> 1. This eligibility requirement is revised as follows: L10. Certificate of No Unsatisfactory Performance issued by at least three (3) regulated off-takers, whether existing or previous customers. If the Bidder does not or did not have three (3) regulated off-takers, the Bidder shall submit a Certificate of No Unsatisfactory Performance from all of its current and previous regulated and non-regulated off-takers within two (2) years prior to the bid submission. 2. Electronically signed certificate is acceptable, provided the original copy of the document will be presented during the Post-qualification process. 3. Confirmed.
SPI	Annex C	Evaluation Checklist of Eligibility Requirements and Bids	Please confirm that this Checklist of Eligibility and Bid Requirements is the final list to be followed to be able to comply with ALL the requirements of this bidding.	Final list will be reflected in the Final IB.
SPI	Annex E	Omnibus Sworn Statement	Please confirm that that Bidders are free to replace the address from residence to office address.	Confirmed.
SPI	F. Evaluation of Bid Price	Bid Form	<ol style="list-style-type: none"> 1) We suggest that a Bid Form (evaluation template) to be used for this CSP in an electronic copy (Excel format) showing the detailed derivation of the Levelized Cost of Electricity (LCOE) over the 10-year supply period be provided by PELCO I on or before 15 August 2024. 2) We likewise request a briefing on the use of the Bid Form. 	<ol style="list-style-type: none"> 1. BAC has provided a copy of the draft Bid Form to Bidders immediately after the Pre-Bid conference. The final Bid Form will be provided together with the Final IBs. 2. A briefing on Bid Form was conducted during the pre-bid conference.
SPI	Post-Qualification	Item 3.g Proof of business resiliency and risk management.	Please clarify further this requirement.	The established Business Continuity Plan or Resiliency Plan or Risk Management Plan of the Bidder and the nominated plant/s.
SPI	General Comment		Please confirm that the Bidders can redact the personal information in any document under the Checklist of Eligibility Requirements and Bids due to Data Privacy.	Confirmed.

SPI	General Comment		Please confirm that the Bidders should just indicate "N/A" for documents that are not applicable.		The bidder shall submit a statement of non-applicability should a document is not applicable to them.
SPI	General Comment		In case of inconsistencies between any of the Bid Documents (ITB, draft PSA template, SBBs, FITB, etc.) and the signed PSA, the PSA provisions should prevail as we believe that the bid documents should be deemed incorporated in the signed PSA.		Yes. However, in case of inconsistencies between signed PSA and TOR, the TOR shall prevail in accordance with the NEA CSP Guidelines. PSA approved by the ERC shall prevail.

The COMPETITIVE SELECTION PROCESS - BIDS AND AWARDS COMMITTEE (CSP-BAC)


ENGR. OLIVER S. VERGARA, MEM
BAC Chairperson


JACKIE LOU S. PEÑA, CPA
BAC Vice Chairperson

DANILO T. GALANG, LL.B.
BAC Secretary


RONA P. MANALOTO, CPA
BAC Treasurer


ENGR. ENRICO M. GO
BAC Auditor