



## PAMPANGA I ELECTRIC COOPERATIVE, INC.

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October 01, 2024

### Supplemental Bulletin No. 2024-10

## Procurement of Baseload and Peaking Power Supply Agreements

This has reference to the written requests for clarification submitted by the bidders regarding the draft Power Supply Agreement (PSA). 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 Documents.







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

 /  /  /  /  / 

#### AREA COVERAGE:

ARAYAT  
0917-543-0705  
(045) 885-0041

• CANDABA  
0917-543-0707  
(045) 875-1765/966-0269

• MAGALANG  
0917-543-0706  
(045) 866-0656

• MEXICO  
0917-543-0707  
(045) 875-1765 / 966-0269

• SAN LUIS  
0917-543-0708

• STA ANA  
0917-543-0707  
(045) 875-1765 / 966-0269

| Bidder | Item                         | Provision  | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response   |
|--------|------------------------------|--|---|---|--|
| SPI    | Draft Power Supply Agreement | THIS POWER SUPPLY AGREEMENT (this "Agreement") is made at [LOCATION] on [DATE] |   | Suggest to reword as follows;<br><br>THIS POWER SUPPLY AGREEMENT (this "Agreement") is made at [LOCATION] on [DATE] ("Execution Date"   | Accepted.  |
| SPI    | Draft Power Supply Agreement |  |   | <p>We suggest to include provisions for ERC Approval as follows:<br/> <b>ERC APPROVAL</b><br/> 4.1 The Parties shall jointly file the application for the approval of the Agreement ("ERC Application") with the ERC within thirty (30) Days from Execution Date. Parties shall exert its best efforts to secure the ERC approval of the Agreement within a reasonable time. The Buyer shall, within five (5) calendar Days from receipt of the written approval of the Agreement from the ERC, provide a copy of such approval to the Seller.</p> <p>4.2 In the event that ERC issues any decision on the ERC Application which effectively modifies or amends any of the terms of the Agreement including provisions on amounts payable under the Agreement, and which requires an amendment thereof, the Seller shall file a motion for reconsideration of such decision within fifteen (15) Days from receipt thereof, and before the decision attains finality.</p> <p>4.3 In the meantime, upon receipt of the ERC decision requiring amendments to the Agreement, the Parties shall cooperate in good faith to address the ERC modification of the Agreement and/or to negotiate</p> | <p>4.1 Accepted.</p> <p>4.2 Accepted. With revision as follows:<br/> In the event that ERC issues any decision on the ERC Application which effectively modifies or amends any of the terms of the Agreement including provisions on amounts payable under the Agreement, and which requires an amendment thereof, the Seller shall file a motion for reconsideration of such decision within fifteen (15) Days from receipt thereof, and before the decision attains finality.<br/> <i>Provided, however, that the Seller shall continue to perform its obligations to supply the Buyer in accordance with the issued Provisional Authority, Interim Relief, or Final Approval, pending the resolution of the Motion for Reconsideration by the Energy Regulatory Commission (ERC).</i></p> <p>4.3 For further discussions.</p> |

*Joe Garcia*



| Bidder | Item                                       | Provision   | Comments/<br>Observations/<br>Clarification  | Suggested Revision  | PELCO I Response   |
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|        |  |   |  | <p>amendments to the Agreement. In the event that the Parties agree to an amended Agreement, the Parties shall file the amended Agreement for approval by the ERC within thirty (30) Days from the execution of such amended Agreement.</p> <p>4.4 In the event that a) the Parties cannot agree to amend the Agreement within three (3) months from filing of the Motion for Reconsideration, or b) the ERC issues an order or resolution denying the motion for reconsideration or granting the same but still with any material term or condition that is not Accepted to the Parties, c) ERC disapproves the amended Agreement, or d) the Motion for Reconsideration is not resolved within three (3) months from the date it is filed, either Party may terminate the Agreement, or the amended Agreement, as the case may be, after thirty (30) Days prior written notice to the other Party.</p> | 4.4 For further discussions.   |
| SPI    | Draft Power Supply Agreement               | 4.2.2 Such nominations shall reflect the Buyer's good faith estimate of its projected capacity requirements for such period. Buyer shall furnish Seller with the year-ahead nominations, the month-ahead nominations, and the week-ahead nominations. |  | <p>We suggest to reword as follows:</p> <p>Such nominations shall reflect the Buyer's good faith estimate of its projected capacity requirements for such period. Buyer shall furnish Seller with the year-ahead nominations, the month-ahead nominations, and the week-ahead nominations and binding day-ahead nominations.</p>  | Accepted. However, allow the Buyer to change its day-ahead nomination at least four (4) hours before the affected trading interval.                                      |
| SPI    | Section 4.3 Reduction of Contract Capacity | The Parties shall agree on and prepare the protocol to implement the reduction in the amount of Contract Capacity, with observance of existing rules and regulations,   | We suggest for PELCO I to provide a separate Schedule in the Agreement on the Protocol to implement reduction in contract capacity which |   | Please refer to Section 4.3 of the Draft PSA which states that "The Parties shall agree on and prepare the protocol to implement the reduction in the amount of Contract |

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| Bidder | Item                                | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response  |
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|        |                                     | as a result of the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs. The Parties shall submit a copy of the protocol to the ERC.   | shall be subject to comment of all Bidders. |   | Capacity, with observance of existing rules and regulations, as a result of the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs. The Parties shall submit a copy of the protocol to the ERC." |
| SPI    | Article 4.4<br>Scheduled<br>Outages | 4.4.1 "At least thirty (30) Days prior to the Scheduled Commercial Operations Date, the Seller shall submit to Buyer its desired Scheduled Outage period...occurs, the Seller shall submit to Buyer its desired schedule of Scheduled Outage period for the following Year. xxX"  |   | We suggest to replace the term "desired" with proposed Scheduled Outage of the Plant subject to approval by the transmission service provider namely the NGCP. Further, we suggest to use the term "Delivery Date" in lieu of "Scheduled Commercial Operations Date". Thus, this Section should read as follows:<br><br>Sub- Section. 4.4.1 " At least thirty (30) Days prior to the Delivery Date, the Seller shall submit to Buyer the NGCP-approved Scheduled Outage period... occurs, the Seller shall submit to Buyer the NGCP-approved schedule of Scheduled Outage period for the following Year. xxX" | Accepted.   |
| SPI    |                                     | 4.4.2 "At least fifteen (15) Days prior to the Scheduled Commercial Operations Date and [ _____ ] Months prior to the commencement of each Year after the Year in which the Scheduled Commercial Operation Date occurs, Buyer shall notify the Seller in writing whether the requested Scheduled Outage periods are Accepted. If Buyer cannot accept any of the requested Scheduled |   | The Scheduled Outage of the Plant is not based on Seller's decision nor desire but is subject to NGCP approval. Thus, neither the Seller has any right to simply change nor the Buyer has any right to accept or not to accept such NGCP-approved Scheduled Outage periods. We suggest to delete this provision of the PSA and such other similar provision(s).   | Accepted.   |

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| Bidder | Item | Provision   | Comments/<br>Observations/<br>Clarification   | Suggested Revision | PELCO I Response |
|--------|------|---|---|--------------------|------------------|
|        |      | <p>Outage periods, Buyer shall advise the Seller of a period when Buyer determines such unAccepted Scheduled Outage period can be rescheduled. Such rescheduled period shall be as close as reasonably practicable to the requested period, shall comply with the Minimum Functional Specifications indicated in Schedule 3, and shall be of equal duration as the requested period. The Seller shall conduct Scheduled Outages only during periods agreed to in writing by Buyer as aforesaid. The outage periods shall be subject to the approval requirements under DOE guidelines and ERC rules and regulations."</p> |   |                    |                  |
| SPI    |      | <p>4.4.4 Buyer may, upon fifteen (15) Days prior written notice, require the Seller to reschedule a Scheduled Outage; provided, however, that Buyer shall not request that such Scheduled Outage be rescheduled in a manner or time outside the Minimum Functional Specifications.</p>  | <p>The Scheduled Outage of the Plant is not based on Seller's decision nor desire but is subject to NGCP approval. The Buyer has no right to require the Seller to reschedule a Scheduled Outage. We suggest to delete this provision of the PSA and such other similar provision(s).</p> |                    | Accepted.        |

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| Bidder | Item                                | Provision   | Comments/<br>Observations/<br>Clarification   | Suggested Revision   | PELCO I Response  |
|--------|-------------------------------------|---|---|--|---|
| SPI    | Section 4.6<br>Replacement<br>Power | <p>4.6.2 "Beyond the Allowed Outage. The procurement of Replacement Power -xxx- the rates to be charged for the procurement of Replacement Power shall be</p> <p>a) the actual price of the Replacement Power; or</p> <p>b) the approved charge for the PSA, whichever is lower."</p> | <p>The Seller having won the CSP is the "least cost" supply available in the market. Requiring a "guaranteed supply" during outage of the Plant beyond the Allowed Outage should be paid at the ERC-approved charge for the PSA in fairness to the Seller who has already offered and bid the lowest possible price and most advantageous commercial terms to benefit the PELCO I and their Member-Consumers-Owners ("MCOs"). Further, the fact that the PSA rates are approved by the ERC, then PELCO I are duly authorized to recover the same from its MCOs, thus no risks nor financial burden for the Buyer.</p> |  | <p>Retain original provision in accordance with the ERC-issued draft PSA.</p>   |
| SPI    |                                     | <p>Section 5.1.1.</p> <p>"Buyer shall pay to the Seller each Month, on the twenty-fifth (25th) Business Day of each Month, an amount equal to the Monthly Payment in accordance with Schedule 4."</p>   |   | <p>We suggest to revise as follows:<br/>5.1.1 Power Bill Invoices for the energy supplied during a Billing Period and/or invoices for other charges covered by this Agreement payable by the BUYER to the SELLER, if any, shall be served upon the BUYER within the first twelve (12) Days of the succeeding Billing Period. The SELLER shall send the power bill invoice electronically through the Online Bills Payment Portal ("OBPP") or through the designated e-mails. The OBPP shall send an email notification to the BUYER which shall be considered as receipt of the said power bill invoice. Payments shall be made to</p> | <p>5.1.1 Accepted with revision as follows:<br/>Power Bill Invoices for the energy supplied during a Billing Period and/or invoices for other charges covered by this Agreement payable by the BUYER to the SELLER, if any, shall be served upon the BUYER within the first twelve (12) Days of the succeeding Billing Period. The SELLER shall send the power bill invoice electronically or through the designated e-mails.</p> |

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| Bidder | Item | Provision  | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response   |
|--------|------|--|---|---|--|
|        |      |  |   | <p>the authorized banks/collectors of the SELLER.</p> <p>5.1.2 Buyer shall pay the Seller each Billing Period, without the necessity of demand, not later than twelve noon (12:00NN) on the twenty-fifth (25th) Day of each Month (Due Date), in cleared funds equal to the Total Generation Charge and Other Applicable Charges under this Section. Payments shall be made by cash, check or bank transfer to the Seller's designated bank. Payments by check shall be deemed received upon receipt of the proof of payment to the Seller, unless the check is later not honored by the bank of account.</p> | <p>Payments shall be made to the authorized banks/collectors of the SELLER.</p> <p>5.1.2 Accepted.</p> |
| SPI    |      | Section 5.1.1 Further, Buyer shall bear all costs of such transmission service, from the Delivery Point up to the Receiving Point including the cost of any electric losses incurred in such transmission. |   | <p>We suggest to reword as follows:</p> <p>Further, Buyer shall bear all costs of such transmission service, from the Delivery Point up to the Receiving Point including, but not limited to, the cost of any electric losses, incurred in such transmission, WESM charges including the line rental cap of up to PhP_____/kWh. Actual line rental beyond line rental cap shall be for the account of the Seller.</p>   | As per TOR and IB, the Seller shall charge the Buyer the actual LR or LR cap whichever is lower.       |

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| Bidder | Item | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response  |
|--------|------|---|---|--|---|
| SPI    |      | <p>Section 5.1.2</p> <p>The supplier shall provide the Buyer the copy of the invoices showing but not limited to the cost of fuel purchases and the quantities of fuel purchases by the Supplier, fuel purchase agreement/fuel supply contracts with its fuel suppliers, delivery receipts by fuel suppliers, and transaction summaries or similar documentation for WESM purchases, in accordance to ERC Resolution No. 14 series of 2022 and/or subsequent issuances.</p> |   | <p>We suggest to reword as follows:</p> <p>5.1.2 The Seller shall include as attachments, documentations, and any other relevant information pertaining to movements in applicable indices affecting the Total Generation Charge in every power bill invoice that will enable the Buyer to determine that the billing computation is compliant with the Agreement.</p>   | <p>Retain original provision.</p>   |
| SPI    |      | <p>Section 5.3</p> <p>The Seller shall extend the discount to three percent (3%) of the current total bill to Buyer as prompt payment if: 1) payment is made within five (5) Business Days from receipt of Seller's billing, and 2) buyer is up to date with all its payment obligations under this Agreement.</p>  |   | <p>Suggest to reword as follows:</p> <p>The Seller shall extend a three percent (3%) discount on the non-fuel fees (Capital Recovery Fee, Fixed Operation and Maintenance Fee and Variable Operation and Maintenance Fee) to the Buyer as Prompt Payment Discount if: 1) full payment is made within five (5) Business Days from receipt of Seller's power bill invoice, and 2) Buyer is up to date with all its payment obligations under this Agreement.</p> | <p>Accepted with revision as follows:</p> <p>The Seller shall extend a three percent (3%) discount on the non-fuel fees (Capital Recovery Fee, Fixed Operation and Maintenance Fee and Variable Operation and Maintenance Fee) to the Buyer as Prompt Payment Discount if: 1) payment is made within five (5) Business Days from receipt of Seller's power bill invoice, and 2) Buyer is up to date with all its payment obligations under this Agreement.</p> <p>Note: If partial payment was made during the discount period, the partial payment</p> |

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| Bidder | Item   | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response  |
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|        |  |   |   |  | shall be subject to proportionate discount.   |
| SPI    |  | <p>Section 5.4.3</p> <p>If either party hereto materially breaches this Agreement and such breach results in the pre-termination of this Agreement by the non-breaching Party, the breaching Party shall be liable to the non-breaching Party for liquidated damages in an amount equal to the prevailing one-year total contract cost.</p> |   | <p>We suggest to reword as follows:</p> <p>If either party hereto materially breaches this Agreement and such breach results in the pre-termination of this Agreement by the non-breaching Party, the breaching Party shall be liable to the non-breaching Party for liquidated damages in an amount equal to the prevailing one-year total contract cost for the remaining Billing Periods of the Agreement or twelve (12) Billing Periods, whichever is shorter.</p>   | Retain original provision.  |
| SPI    | Section 5.<br>Compensation,<br>Payment and<br>Billing. |   |   | <p>We suggest to include a Provision of Overdue Account as follows:</p> <p>5.5 Overdue Account</p> <p>If any amount payable by the Buyer is not paid on Due Date the same shall be considered as an Overdue Account.</p> <p>5.5.1 The Overdue Account shall bear interest at twelve percent (12%) per annum computed from the first day it becomes due and payable until the date of actual payment. Interest shall be computed based on a 360-day year.</p> <p>5.5.2 In case of Buyer's default under Section 7.1.1, the Seller shall send a Notice of Default to Buyer requiring the latter to settle its Overdue Account. Further, Buyer pursuant to Section _____ should post Security Deposit which can be used to off-set against the Overdue Account.</p> | <p>5.5 Accepted</p> <p>5.5.1 Accepted</p> <p>5.5.2 Accepted with revision as follows:</p> <p>In case of Buyer's default under Section 7.1.1, the Seller shall send a Notice of Default to Buyer requiring the latter to settle its Overdue Account.</p> |

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| Bidder | Item   | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response                              |
|--------|--|-----------|---|--|---|
| SPI    | Section 5.<br>Compensation,<br>Payment and<br>Billing. |           |   | <p>5.5.3 If any Overdue Account would remain unpaid for more than three (3) Billing Periods, the Buyer shall pay an additional penalty of one percent (1%) of the Overdue Account per Billing Period for every additional Billing Period of delay.</p> <p>5.5.4 Seller has the right to immediately suspend the delivery of electricity and declare Total Generation Charge for electricity supplied but not invoiced immediately due and payable, whereupon Buyer shall pay such Total Generation Charge immediately upon delivery by Seller of the corresponding power bill invoice to Buyer.</p>  | <p>5.5.3 Accepted.</p> <p>5.5.4 Accepted.</p> |
|        |  |           |   | <p>5.5.5 In addition to the above-stated penalty interest charges and without prejudice to its right under this Section, the Seller shall have the right, subject to not less than seven (7) Days advance written notice to the Buyer, to commence disconnection proceedings in accordance with the existing DOE regulations or policy on disconnection. In case of discontinuance of electric service, the Buyer shall not be liable to pay the Contract Energy at the Total Generation Charge for said period while the service is discontinued. The discontinuance of electric service shall be without prejudice to the right of the Seller to exercise all legal remedies to recover unpaid bills and other penalties from the Buyer.</p> | <p>5.5.5 Accepted.</p>                        |
|        |  |           |   | <p>5.5.6 Failure of BUYER to make full payment of the Overdue Account due within a period of thirty (30) Days from</p>   | <p>5.5.6 Accepted.</p>                        |

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| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response   |
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|        |      |           |   | Due Date thereof shall entitle SELLER to terminate this Agreement without prejudice to the right of SELLER to exercise all legal remedies to recover unpaid bills and other penalties from the BUYER.  |  |
| SPI    |      |           |   | <p>We suggest to include a Provision of Disputed Bills as follows:</p> <p>5.6 Disputed Bills</p> <p>5.6.1 The Buyer shall notify the Seller in writing of any dispute in a power bill invoice within thirty (30) Days from the date of its receipt of the disputed power bill invoice. The Seller shall act on such disputed power bill invoice on a best effort basis and endeavor to resolve the claim within thirty (30) Days from the date of filing of the claim. Failure by the Buyer to question the power bill invoices within the said period shall constitute a waiver by the Buyer of any claim on such bills.</p> <p>5.6.2 Disputed power bill invoices shall be paid by the Buyer without deductions or offsets and the Seller shall evaluate the claim and adjust the billings, where appropriate, in accordance with its findings. Disputed billing shall not be an excuse or ground for the Buyer to delay payment of the disputed bill or any succeeding billings or to unilaterally deduct any amount therefrom.</p> <p>5.6.3 In the event that the Buyer does not agree with the decision of the Seller on a disputed power bill invoice,</p> | <p>5.6.1 Accepted with revision as follows:<br/>The Buyer shall notify the Seller in writing of any dispute in a power bill invoice within sixty (60) Days from the date of its receipt of the disputed power bill invoice. The Seller shall act on such disputed power bill invoice on a best effort basis and endeavor to resolve the claim within thirty (30) Days from the date of filing of the claim. Failure by the Buyer to question the power bill invoices within the said period shall constitute a waiver by the Buyer of any claim on such bills.</p> <p>5.6.2 Accepted.</p> <p>5.6.3 Accepted.</p> |

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| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response                              |
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|        |      |           |   | <p>the Buyer and the Seller shall seek to amicably resolve the disagreement. If the disagreement cannot be resolved by the Parties within thirty (30) Days from the date the Buyer informs the Seller in writing of its disagreement with the Seller's decision on a disputed power bill invoice, such matter shall be resolved in accordance with the provisions under Section 8 (Dispute Resolution).</p> <p>5.6.4 In case the claim of the Buyer as to a disputed power bill invoice is found by the Seller to be meritorious, the pertinent adjustments in the subject power bill invoice shall be reflected in the succeeding power bill invoice to be issued by the Seller. In case of overpayment by the Buyer, the Seller shall credit the same in the immediately succeeding Billing Period.</p> <p>5.6.5 In the event that any disputed power bill invoice(s) remains unresolved upon the expiration of this Agreement, Buyer shall not deduct the disputed portion of the power bill invoice(s) from its final payment unless otherwise requested and approved by Seller. The disputed power bill invoice shall still be resolved by the Seller within the period and in accordance with this Section. In the event that the Buyer's claim is found meritorious, the Seller shall make the appropriate adjustments to the power bill invoice and refund any overpayment to the Buyer within seven (7) Business Days from such agreement, resolution or settlement.</p> | <p>5.6.4 Accepted.</p> <p>5.6.5 Accepted.</p> |

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| Bidder | Item                     | Provision  | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response           |
|--------|--------------------------|--|---|---|----------------------------|
| SPI    |                          |  |   | <p>We suggest to include a Provision of Payments Free and Clear.</p> <p>5.7 All payments made by Buyer to the Seller shall be subject to withholding taxes, unless the Seller provides proof of tax exemptions. Payments by Buyer to Seller supported by Certificate of Taxes Withheld in the name of the Seller with the correct amount of tax withheld shall be considered payment free and clear. Bank charges shall be for the account of the Buyer.</p>  | 5.7 Accepted.              |
| SPI    | Section 6. Force Majeure | <p>6.3 Consequences of Force Majeure<br/>Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to</p> |   | <p>We suggest to revise as follows:</p> <p>6.3 Consequences of Force Majeure<br/>Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Parties may</p> | Retain original provision. |

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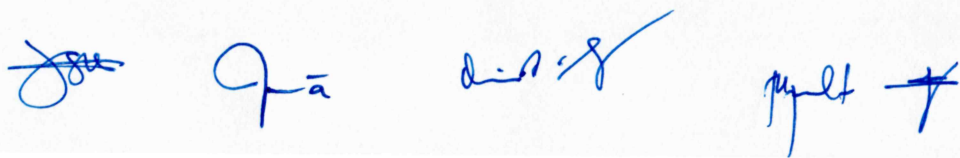
| Bidder | Item | Provision   | Comments/<br>Observations/<br>Clarification  | Suggested Revision   | PELCO I Response                        |
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|        |      | the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Parties may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) six (6) consecutive months prior to the Effective Date or (b) six (6) consecutive months after the Effective Date. |  | file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than sixty (60) consecutive Days <del>(a) six (6) consecutive months prior to the Effective Date or (b) six (6) consecutive months after the Effective Date.</del>  |   |
| SPI    |      |   |  | We suggest to include this Provision 6.4 During an event of Force Majeure preventing Buyer from taking or receiving the Contract Capacity, Seller may freely sell the Contract Capacity or a portion thereof to third parties, including the WESM. On the other hand, in the event that the Seller is prevented from supplying the Contract Capacity, the Buyer shall be entitled to purchase such replacement power from the WESM to the extent affected by such event of Force Majeure, at its own cost. | Accepted.                               |
| SPI    |      | Section 7.1<br><br>In relation to Schedule 4 of the PSA. Monthly Payment, Indexation and Adjustment.  | The "Monthly Payment" covered under Schedule 4 of the PSA, only contains the applicable FEES (CRF, FOM, VOM and Fuel) and adjustment formulas. It does not clearly state the "pertinent billing determinants" to calculate |  | Schedule 4 will be revised accordingly. |



| Bidder | Item | Provision   | Comments/<br>Observations/<br>Clarification   | Suggested Revision | PELCO I Response           |
|--------|------|---|---|--------------------|----------------------------|
|        |      |   | the "absolute amounts" to be paid by the Buyer  |                    |                            |
| SPI    |      | <p>Section 7.1.1</p> <p>A Party fails to make any payment required pursuant to this Agreement when due and payable and such payment is not made within thirty (30) Days after the due date;</p> | <p>Suggest to revise as follows:</p> <p>A Party fails to make <b>full</b> payment required pursuant to this Agreement when due and payable. <del>and such payment is not made within thirty (30) Days after the due date;</del> <b>In case Event of Default pertains to the Buyer's failure to pay the power bill invoice in full, there is no Security Deposit that can be applied to fully pay the power bill invoice.</b></p>              |                    | Retain original provision. |
| SPI    |      | <p>Section 7.1.2</p> <p>A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement; and</p>  | <p>We suggest to reword as follows:</p> <p>A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement <b>unless such non-compliance or failure to perform is excused by an Event of Force Majeure. For avoidance of doubt, the failure of the Buyer to post a Security Deposit when required under Section 13.1.1 is a breach of a material obligation under this Agreement;</b> and</p> |                    | Retain original provision. |



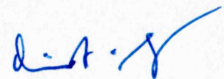
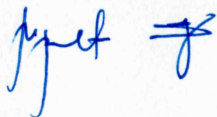
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| Bidder | Item                                | Provision   | Comments/<br>Observations/<br>Clarification   | Suggested Revision  | PELCO I Response           |
|--------|-------------------------------------|---|---|---|----------------------------|
| SPI    |                                     |   | <p>We suggest to include this Provision:<br/>           Section 7.6 The Parties hereby agree that the termination or expiration of this Agreement shall not abrogate, impair, release or extinguish any debt, obligation or liability of either Party incurred or arising prior to the effective date of termination or expiration of this Agreement.</p> |   | Accepted.                  |
| SPI    | Section 7. Defaults and Termination | <p>Section 7.2 Notice of Default and Termination or Upon Event of Default</p> <p>In case an Event of Default is not cured within the applicable Cure Period or if the Event of Default is not capable of being remedied the Non-Defaulting Party may terminate this Agreement in accordance with Section 7.4, subject to the approval of the ERC, and may pursue any remedy available to it under this Agreement or at law.</p> |   | <p>Suggest to revise as follows:</p> <p>In case an Event of Default is not cured within the applicable Cure Period or if the Event of Default is not capable of being remedied the Non-Defaulting Party may terminate this Agreement in accordance with Section 7.4, <del>subject to the approval of the ERC,</del> subject to notification to the ERC, and may pursue any remedy available to it under this Agreement or at law.</p> | Retain original provision. |





| Bidder | Item  | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response           |
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| SPI    |   | <p>Section 7.3 Suspension upon Events of Default</p> <p>In case an Event of Default is awaiting to be cured during the Cure Period under Section 7.2, the Non-Defaulting Party may suspend this Agreement, subject to the approval of the ERC, until such time the Event of Default is cured, or the applicable Cure Period lapsed.</p> |   | <p>Suggest to revise as follows:</p> <p>Section 7.3 Suspension upon Events of Default</p> <p>In case an Event of Default is awaiting to be cured during the Cure Period under Section 7.2, the Non-Defaulting Party may suspend <b>supply under</b> this Agreement, subject to the approval of the ERC until such time the Event of Default is cured, or the applicable Cure Period lapses. <b>In case supply is suspended, the Non-Defaulting Party shall inform the ERC.</b></p> | Retain original provision. |
| SPI    | Section 7.4 Termination upon Event of Default | <p>7.4.1 The Non-Defaulting Party shall issue a notice (a "Termination Notice") to the other Party, specifying in detail the Event of Default giving rise to such Termination Notice, and the date on which the Party giving such Termination Notice proposes to terminate this Agreement, subject to the approval of the ERC.</p>      |   | <p>7.4.1 The Non-Defaulting Party shall issue a notice (a "Termination Notice") to the other Party, specifying in detail the Event of Default giving rise to such Termination Notice, and the date on which the Party giving such Termination Notice proposes to terminate this Agreement. Upon termination, the Non-Defaulting Party shall inform the ERC. <del>subject to the approval of the ERC.</del></p>   | Retain original provision. |



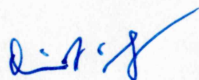
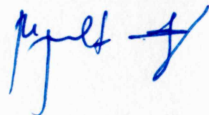





| Bidder | Item | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response           |
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| SPI    |      | <p>In circumstances where the Party in receipt of the Termination Notice has referred a Termination Notice Dispute for resolution in accordance with Section 7.4.3 above, if:</p> <p>(ii) at any time after the expiry of the period referred to in Section 7.4.1, the event giving rise to the Termination Notice has not been remedied; and</p> <p>(iii) the Termination Notice Dispute has been determined in favor of the Party who has issued the Termination Notice, the Agreement may be terminated only upon prior notification to and approval by ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.</p> |   | <p>Suggest to revise as follows:</p> <p>In circumstances where the Party in receipt of the Termination Notice has referred a Termination Notice Dispute for resolution in accordance with Section 7.4.3 above, if:</p> <p>(ii) at any time after the expiry of the period referred to in Section 7.4.1, the event giving rise to the Termination Notice has not been remedied; and</p> <p>(iii) the Termination Notice Dispute has been determined in favor of the Party who has issued the Termination Notice, the Agreement may be terminated only upon prior notification to <del>and approval</del> <del>by</del> ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.</p> | Retain original provision. |

*John*      *fa*      *dit:8*      *pylt -j*



| Bidder | Item  | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response           |
|--------|---|---|---|---|----------------------------|
| SPI    | Section 7.5<br>Termination as a<br>Result of Events<br>Other than Event<br>of Default | 7.5.1 Nonfulfillment of Conditions Precedent to Effectivity. If any condition to the Effective Date has not been fulfilled on or before [date], then either Party has the option to terminate this Agreement by giving written notice of such termination to the other Party, provided that the fulfilment of such condition is not within the control of the Party seeking to give such notice, subject to the prior notification to and approval of ERC, pursuant to its rules and regulations. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than [number of days] Days from the date of such notice, subject to the approval of the ERC. |   | Suggest to revise as follows:<br><br>7.5.1 Nonfulfillment of Conditions Precedent to Effectivity. If any condition to the Effective Date has not been fulfilled on or before [date], then either Party has the option to terminate this Agreement by giving written notice of such termination to the other Party, provided that the fulfilment of such condition is not within the control of the Party seeking to give such notice, subject to the prior notification to <del>and approval of</del> ERC, pursuant to its rules and regulations. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than [number of days] Days from the date of such notice, subject to the approval of the ERC. | Retain original provision. |



| Bidder | Item | Provision  | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response                  |
|--------|------|--|---|---|-----------------------------------|
| SPI    |      | <p>7.5.2 Termination in Certain Events of Force Majeure. If an event of Force Majeure occurs under the circumstances and having the consequences described in Section 6, then this Agreement may be terminated, subject to prior notification to and approval by the ERC, by notice of either Party delivered to the other Party within thirty (30) Days after the end of such [number of days]-day period. If any Force Majeure is expected by the Claiming Party to exceed [number of days] Days then the Claiming Party may give notice to the other Party at any time of the Claiming Party's desire to terminate this Agreement. The Non-Claiming Party shall notify the Claiming Party, within [number of days] Days of the receipt of such notice, of either: (1) its acceptance of the notice, in which case this Agreement shall terminate effective on the date of such responsive notice, subject to the prior notification and approval of the ERC, pursuant to its rules and regulations; or (2) its disagreement with the Claiming Party's expectation of the duration of such Force Majeure event, in which case the dispute shall be resolved pursuant to Section 8.</p> |   | <p>Suggest to revise as follows:</p> <p>Termination in Certain Events of Force Majeure. If an event of Force Majeure occurs under the circumstances and having the consequences described in Section 6, then this Agreement may be terminated, subject to prior notification to and approval by the ERC, by notice of either Party delivered to the other Party within <b>five (5) Days</b> after the end of such <b>sixty-day (60-day)</b> period pursuant to Section 6.3. <del>If any Force Majeure is expected by the Claiming Party to exceed sixty (60) Days then the Claiming Party may give notice to the other Party at any time of the Claiming Party's desire to terminate this Agreement.</del> The Non-Claiming Party shall notify the Claiming Party, within five (5) Days of the receipt of such notice, of either: (1) its acceptance of the notice, in which case this Agreement shall terminate effective five (5) Days from receipt <del>on the date</del> of such responsive notice, subject to the prior notification <del>and approval</del> of the ERC, pursuant to its <del>rules and regulations</del>; or (2) its disagreement with the Claiming claim of the Party's expectation of sixty (60) Day duration of such Force Majeure event, in which case the dispute shall be resolved pursuant to Section 8.</p> | <p>Retain original provision.</p> |

*[Handwritten signatures and initials]*



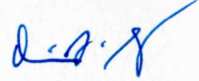



| Bidder | Item                                | Provision  | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response   |
|--------|-------------------------------------|--|---|---|--|
| SPI    | Section 8.<br>Dispute<br>Resolution | <p>Section 8. DISPUTE RESOLUTION<br/>If any dispute or disagreement ("Dispute") shall arise between the Parties in connection with this Agreement, either Party may request in writing that the respective chief executive officers of Seller and Buyer meet within seven (7) Days and attempt to resolve the Dispute. The Parties shall exert every effort to first resolve the Dispute amicably by mutual consultation.</p> <p>Should parties fail to reach an amicable settlement after mutual consultation, any Dispute arising from this Agreement shall then be settled through arbitration, at a venue within the Philippines, with the rules of Republic Act No. 876 and Republic Act No. 9285 deemed incorporated by reference in this clause.</p> <p>In the event such officers are unable to resolve such Dispute through the above arbitration clause, the ERC has the jurisdiction to hear and decide the Dispute between parties arising from this Agreement, in the exercise of its powers and functions under the EPIRA.</p> |   | <p>We suggest to revise as follows:<br/>Section 8. DISPUTE RESOLUTION</p> <p>If any dispute or disagreement ("Dispute") shall arise between the Parties in connection <b>with or arising out of</b> this Agreement, either Party shall request in writing that its respective chief executive officers, as applicable, <b>or its duly authorized representative/s</b> meet within <b>thirty (30) Days</b> from receipt of notice and attempt to resolve the dispute by themselves. The Parties shall exert every effort to first resolve the Dispute amicably by mutual consultation.</p> <p>Should the Parties fail to reach an amicable settlement after mutual consultation, any dispute <b>which remains unresolved after thirty (30) Days from the first Conciliation Meeting of the Parties shall be filed with the ERC if the same falls under its jurisdiction. Any other dispute arising in connection with this Agreement and to which exclusive jurisdiction has not been vested in the ERC or Regional Trial Courts shall be settled in accordance with the applicable arbitration laws of the Philippines, as amended from time to time. Any provision in this Agreement to the contrary notwithstanding, the Parties may, by mutual agreement, resort to other forms of alternative dispute resolution for the settlement of any dispute arising from this Agreement.</b></p> | Paragraphs 1 and 2: Subject for further discussion during PSA negotiation. |

*Jo Fa d. N. S. M. T.*



| Bidder | Item       | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response           |
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|        |            |   |   | <p><b>The pendency of conciliation or arbitration proceedings under this Section 8 shall not disrupt this Agreement and the Parties shall continue in the observance of their respective rights and obligations hereunder.</b></p>  | Paragraph 3: Accepted.     |
| SPI    | Section 9. | <p>9.ASSIGNMENT OF RIGHTS<br/>The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium's special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) without the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller's obligations and duties under this Agreement. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.</p> |   | <p>We suggest to revise as follows:<br/>Section 9. ASSIGNMENT OF RIGHTS</p> <p>The Seller may assign or transfer its rights or obligations to its Affiliates or its consortium's special purpose vehicle under, pursuant to, or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) without the prior written consent of the Buyer, provided, however, that any such assignee or Seller shall have the ability to perform all of Seller's obligations and duties under this Agreement. Such transfer of rights and obligations <del>under this provision shall require prior notification and approval of the ERC.</del> <b>to Seller's Affiliates or its consortium's special purpose vehicle shall require notice to the ERC.</b></p> <p><b>Further, Seller may pledge, transfer, sell, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any project financing or financial arrangements.</b></p> | Retain original provision. |



| Bidder | Item                                       | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response           |
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| SPI    | Section 10.<br>NOTICES                     | 10.1 Address for Notices<br><br>xxx- "Recipient" shall mean the president, managing partner, general manager, corporate secretary, treasurer, or in- house counsel, or signatory to this Agreement of the Party, or in their absence or unavailability, on their secretaries. |   | Suggest to revise as follows:<br><br>xxx- "Recipient" shall mean the president, managing partner, general manager, corporate secretary, treasurer, in house counsel, or signatory to this Agreement in house counsel, or signatory to this Agreement of the Party <b>or any representative of Seller's Sales &amp; Marketing – DU Department</b> , or in their absence or unavailability, on their secretaries.  | 10.1 Accepted.             |
| SPI    | Section 11.<br>MISCELLANEOUS<br>PROVISIONS |   |   | Suggest to include Provision of Change in Circumstances<br><br>Section _ Change in Circumstances<br><br>_.1 If change in law, circumstances and other variables beyond the control of either Party has a material and adverse effect on its financial and economic returns, the affected Party shall give written notice to the other Party of such changes, the adverse impact thereof on its financial and economic returns and the proposed adjustment to the Capital Recovery Fee and/or other material conditions or components of this Agreement; and the Parties shall meet within ten (10) Days from receipt of the other Party's notice, to discuss and come to an agreement on an equitable and justifiable adjustment of the Capital Recovery Fee as may be reasonably Accepted to the Parties, with a view of substantially preserving both Party's financial and economic capability to perform its obligations under this Agreement. | 1. For further discussion. |

| Bidder | Item                                       | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response  |
|--------|--|-----------|---|---|---|
| SPI    | Section 11.<br>MISCELLANEOUS<br>PROVISIONS |           |   | <p>_.2 Change in Circumstances shall include but not be limited to:</p> <p>a. Any change in the applicable laws, regulations, resolutions or ordinances, or their application and interpretation, in force on Execution Date.</p> <p>b. Amendments, modifications, repeal or revocation of approvals, licenses, permits, consents, registrations or exemptions in force on Execution Date.</p> <p>c. Any change in the operating environment of the Facility or in the requirements of the Grid which require modifications in the Facility or Facility operations.</p> <p>d. Any extraordinary change in the variables affecting the Capital Recovery Fee that were not contemplated by the Parties on Execution Date.</p> <p>_.3 Any increase in the Capital Recovery Fee and/or other material conditions or components of this Agreement as a result of the above changes and agreed upon in writing by the Parties shall be effective upon receipt of an ERC approval. The Parties shall jointly file the application for the approval of the adjustment(s) within thirty (30) Days from execution of such agreement; provided that, existing Electricity Fees shall be implemented for a maximum period of three (3) Billing Periods from date of application. Thereafter, either Party shall have the right to terminate this Agreement within thirty (30) Days from notice by the requesting Party.</p> | <p>2. For further discussion.</p> <p>3. For further discussion.</p> |

*[Handwritten signatures and initials]*



| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response                  |
|--------|------|-----------|---|--|-----------------------------------|
|        |      |           |   | <p>_.4 If the Parties cannot come to an agreement within thirty (30) Days from receipt of the Seller's written notice, either Party shall have the right to terminate this Agreement.</p>  | <p>4. For further discussion.</p> |
| SPI    |      |           |   | <p>Suggest to include a Provision of Security Deposit under Section 11</p> <p>_.1 The BUYER shall not be required by the SELLER to post Security Deposit upon the execution of this Agreement. In any case that the BUYER fail to pay in full its current power bill invoice on or before its Due Date, it shall be required to post a Security Deposit within fifteen (15) days of the immediately succeeding Billing Period after the Due Date equivalent to one hundred percent (100%) of the average monthly power bill invoice for the Billing Periods from Delivery Date up to the current Billing Period. Failure of the BUYER to post the required Security Deposit within such period shall be deemed a BUYER's event of default pursuant to Section 12.1.2 and may result to the suspension of supply, disconnection or termination of this Agreement.</p> <p>_.2 Form. The Security Deposit shall be in the form of cash, cash bond, manager's or cashier's check, bank certified check, irrevocable stand-by letter of credit, performance bond or bank guarantee "callable on demand" issued by a financial institution, or any other forms of security, such as but not limited to escrow account to be administered by a bank Accepted to</p> | <p>For further discussion.</p>    |

| Bidder | Item                                       | Provision   | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response           |
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|        |  |   |   | <p>the SELLER, in such form and substance Accepted to the SELLER.</p> <p>_.3 Depletion of Security Deposit. In case the Security Deposit is fully or partially depleted, the BUYER shall replenish the Security Deposit to meet the required amount not later than thirty (30) Days from receipt of SELLER's Notice of Collection.</p>   |                            |
| SPI    | Section 11.<br>MISCELLANEOUS<br>PROVISIONS | <p>Section 11.2 Entire Agreement</p> <p>This Agreement and all Schedules thereto together represent the entire understanding between the Parties in relation to the subject matter thereof and supersede any or all previous agreements or arrangements between the Parties in respect of the Facility (whether oral or written).</p> |   | <p>Suggest to revise as follows:</p> <p>This Agreement and all schedules thereto together represent the entire understanding between the Parties in relation to the subject matter thereof and supersede any or all previous agreements or arrangements between the Parties in respect of the Facility (whether verbal or written).</p> <p><b>This Agreement may be entered into in counterparts and by the Parties in separate counterparts, and each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, and taken together, they shall constitute one and the same instrument, provided that this Agreement shall be effective on the date of the signature of the last signing Party.</b></p> | Retain original provision  |
| SPI    | Section 11.<br>MISCELLANEOUS<br>PROVISIONS | 11.4.3 The Parties shall not, through mutual agreement, or consent or acquiescence of the other, waive any rights or obligations under this contract that may prejudice the rights of consumers.  |   | Suggest to delete this provision   | Retain original provision. |



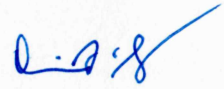
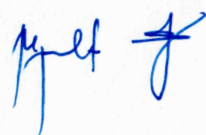
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| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response |
|--------|------|-----------|---|---|------------------|
| SPI    |      |           |   | <p>Suggest to include Provision of Data Privacy</p> <p>____. Data Privacy Law.</p> <p>The Parties shall comply with the applicable provisions of the Data Privacy Act of 2012, also known as Republic Act No. 10173, its implementing rules and regulations, the issuances and circulars of the National Privacy Commission ("NPC"), as well as other applicable personal data privacy and protection laws and regulations (collectively, "Privacy Laws").</p> <p>At all times, both Parties shall implement the appropriate and reasonable level of organizational, physical, and technical security measures to ensure the confidentiality, integrity, and availability of any personal information and sensitive personal information as defined under the Privacy Laws.</p> <p>____.1 In the event that any Personal Data shall be disclosed in relation to this Agreement, the Party disclosing such Personal Data shall ensure that the required consents under the Privacy Laws have been obtained from the relevant Data Subjects (as defined under the Privacy Laws)</p> | Accepted.        |
| SPI    |      |           |   | <p>____.2 To the extent applicable and required under the Privacy Laws and this Agreement, the Discloser shall:</p> <p>a. Process the Personal Data only upon the documented instructions of the Discloser, including the transfers of</p>  | Accepted.        |

*[Handwritten signatures and initials in blue ink]*

| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response |
|--------|------|-----------|---|---|------------------|
|        |      |           |   | <p>Personal Data to another country or an international organization, unless such transfer is authorized by law;</p> <p>b.Ensure that an obligation of confidentiality is imposed on persons authorized to process the Personal Data;</p> <p>c.Ensure that appropriate training on Privacy Laws are provided to persons authorized to process the</p> <p>d.Implement appropriate security measures and comply with the Privacy Laws, including but not limited to the following:</p> <p>i.Safeguards to protect its computer networks against accidental, unlawful, or unauthorized usage or interference with or hindering of such networks' functionality or availability;</p> <p>ii.Security policy with respect to processing of Personal Data;</p> <p>iii.Process of identifying and accessing reasonably foreseeable vulnerabilities in its computer networks, and for taking preventive, corrective and mitigating action against security incidents that can lead to a security breach; and</p> | Accepted.        |



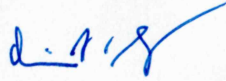
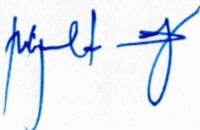







| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response |
|--------|------|-----------|---|---|------------------|
| SPI    |      |           |   | <p>iv.Process of regular monitoring and documenting all security incidents and data breaches, and for taking preventive, corrective and mitigating action against security incidents that can lead to a security breach, as required by the Privacy Laws;</p> <p>e.Not engage another personal information processor without prior instruction from the Discloser. Provided tha any such arrangement shall ensure that the same obligation for data protection under the Agreement or legal act are implemented, taking into account the nature of processing;</p> <p>f.Assist the Discloser, by appropriate technical and organizational measures and to the extent possible, in fulfilling its obligation to respond to requests by Data Subjects, relative to the exercise of their rights;</p> <p>g.Assist the Discloser in ensuring compliance with the Privacy Laws and other relevant laws, taking into account the nature of processing and the information available to the Recipient;</p> <p>h.At the choice of the Discloser, delete or return all Personal Data to the Discloser after the end of the provision of services relating to the processing. Provided, that this includes deleting existing copies unless storage is authorized by the Privacy Laws or another law</p> | Accepted.        |





*[Handwritten signatures and initials]*

| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision   | PELCO I Response |
|--------|------|-----------|---|--|------------------|
| SPI    |      |           |   | <p>i.Immediately inform the Discloser within twenty-four (24) hours or earlier, if:</p> <p>i.In its opinion, an instruction infringes the Privacy Laws; and</p> <p>ii.Upon reasonable belief that a security incident or personal data breach has occurred, to enable the Discloser to notify NPC and the affected Data Subjects, within the criteria prescribed under the Privacy Laws; and</p> <p>j.Timely document and provide a copy of the Security Incident and Personal Data Breach Reports to the Discloser through a secure channel and keep copies for the period agreed upon with the Discloser or otherwise directed by the NPC.</p> | Accepted.        |
| SPI    |      |           |   | <p>____.3 The Discloser shall have the right to monitor and audit or authorize a third party to audit the compliance by the Recipient with the Privacy Laws. The Recipient shall make available to the Discloser all information necessary to demonstrate compliance with the obligations laid down in the Privacy Laws and agrees to immediately correct or introduce improvements to its data processing system should the results show failure by the Recipient to comply with the requirements of this paragraph, without prejudice to other remedies available to the Discloser under this Agreement.</p>                                   | Accepted.        |



| Bidder | Item | Provision | Comments/<br>Observations/<br>Clarification | Suggested Revision  | PELCO I Response  |
|--------|------|-----------|---|---|---|
| SPI    |      |           |   | <p>Suggest to include this Provision in the PSA as this is covered by SBB #3, page 17 of 17</p> <p>In case of inconsistencies between signed PSA and TOR, the TOR shall prevail in accordance with the NEA CSP Guidelines.</p> <p>PSA approved by the ERC shall prevail.</p>  | <p>In accordance with Appendix B. Section 3 of the ERC CSP Guidelines 2023 and Section 8.2.2 d of the NEA CSP Guidelines 2023, the TOR shall prevail.</p> |
| SPI    |      |           |   | <p>Suggest to include this Provision of Performance Security</p> <p>____.Performance Security</p> <p>____.The Seller, within ten (10) Days from the execution of the Agreement, shall post a Performance Security in an amount equivalent to _____.</p> <p>____.The Performance Security shall be in the form of (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 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 Performance Security 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.</p> | <p>Accepted.</p>  |

| Bidder | Item                                      | Provision  | Comments/<br>Observations/<br>Clarification  | Suggested Revision   | PELCO I Response |
|--------|---|--|--|--|------------------|
| SPI    |   |  |  | <p>_____.Failure to post the required Performance Security within the prescribed period will result in the forfeiture of the Bid Security.</p> <p>_____.Failure, inability or refusal of the Seller to join in the timely filing of the application will result in the forfeiture of the Performance Security.</p> <p>_____.Buyer shall return to the Seller the Performance Security after the issuance of "Certificate of Contract Completion" and Buyer has no claims filed against the Seller.</p> | Accepted.        |
| SPI    | Schedule 1 of the PSA.<br><br>Definitions | "Year" - Each twelve (12) Month period commencing on 12:00 midnight on December 31 and ending on 12:00 midnight the following December 31 during the term of this Agreement. | We suggest to use include the term "Contract Year" in lieu of the term "Year" to clearly identify the intended duration of the contract. |  | Accepted.        |

**THE COMPETITIVE SELECTION PROCESS – BIDS AND AWARDS COMMITTEE (CSP-BAC)**

  
**ENGR. OLIVER S. VERGARA, MEM**  
 Chairman

  
**JACKIE LOU S. PEÑA, CPA**  
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