



## PAMPANGA I ELECTRIC COOPERATIVE, INC.

Sto. Domingo, Mexico, Pampanga

Tel. Nos.: (045) 361-2329 • Telefax No.: (045) 361-2330

Hotline Nos. (CALLS ONLY) 0917-554-0565, 0917-324-7983, 0932-842-6791, 0932-856-4909

0939-904-5226, 0939-923-5220

(TEXTS ONLY) 0917-553-6111

E-mail Address: [contact.us@pelco1.org.ph](mailto:contact.us@pelco1.org.ph); [pelco1\\_mexico72@yahoo.com](mailto:pelco1_mexico72@yahoo.com)

Website: [www.pelco1.org.ph](http://www.pelco1.org.ph)

September 06, 2024

### Supplemental Bulletin No. 2024-05


## Procurement of Baseload and Peaking Power Supply Agreements

This has reference to the written requests for clarification submitted by the bidders until September 02, 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 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

  
JSP / JBN / DLM

#### 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

<b>Bidder</b>	<b>Item</b>	<b>Provision</b>	<b>Comments/Observations/ Clarification</b>	<b>PELCO I Response</b>
Citicore	Executive Summary (Folder 1)	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	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own Executive Summary.
Citicore	Technical Documents (Folder 3.2) - T1	T1 - List of projects undertaken over the last ten (10) years. (Original)	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own technical documents.
Citicore	Technical Documents (Folder 3.2) - T32	T2 - List of electricity generation plants that the bidder has operated for the last five (5) years with the following minimum general information for each power plant: a. Name; b. Number of Units; c. Installed and dependable capacity; d. Type according to fuel or energy source; e. Location/site; f. Built and commissioning year; g. grid/connection; and 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	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own technical documents.
Citicore	Technical Documents (Folder 3.2) - T3	T3 - Proof of Documentation on track record for the last five (5) years of power plants operated by the Bidder, such as a certificate of compliance with the WESM Rules issued b PEMC. (CTC)	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own technical documents.
Citicore	Financial Documents (Folder 3.2) - F1	F1 - Latest Audited Financial Statement available, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the Bureau of Internal Revenue (BIR) or submitted online through the BIR eAFS System, for the preceding calendar year from the date of bid submission. (CTC)	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own financial documents.

Citicore	Financial Documents (Folder 3.2) - F2	F2 - Details of financial and operating background for the two (2) recent full financial years demonstrating the bidder's financial viability including the 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 an submitted to the ERC. (CTC)	Can the affiliate/parent company comply with this requirement?	No. The bidder shall submit its own financial documents.
Citicore	Financial Documents (Folder 3.2) - F3	F3 - Details of equity and financing plan indicating the capital structure and source of funds with supporting documents. (CTC)	Can the affiliate/parent company comply with this requirement?	This is applicable for new plants only. If not applicable, submit a statement of non-applicability.
Citicore	Financial Documents (Folder 3.2) - F4	F4 - Proof of commitment to the required equity contribution: (Original) 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 shareholders agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or ii. in the case of a consortium - an undertaking of the members thereof to infuse the required equity contribution to the consortium.	Can the affiliate/parent company comply with this requirement?	This is applicable for new plants only. If not applicable, submit a statement of non-applicability.
Citicore	Financial Documents (Folder 3.2) - F5	F5 - 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. (CTC)	Can the affiliate/parent company comply with this requirement?	This is applicable for new plants only. If not applicable, submit a statement of non-applicability.
Citicore	Financial Documents (Folder 3.2) - F6	F6 - In the case of a consortium, the agreement indicating that the members are jointly and severally liable for the obligations of the Project Proponent under the contract. (CTC)	Can the affiliate/parent company comply with this requirement?	The bidder shall comply with this requirement. If not applicable, submit a statement of non-applicability.
Citicore	Financial Documents (Folder 3.2) - F7	F7 - Bank Certification showing the financial track record and capabilities of the bidder. (CTC)	Can the affiliate/parent company comply with this requirement?	This requirement has been revised as follows:  Certificate of Good Standing or Credit Worthiness issued by the bank (Original)  The bidder shall comply with the revised requirement.

Citicore	Technical Bid (Folder 4) TB1	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. (Original)	Clarify if we need to indicate other potential affiliated plant sources (including new plants)? If yes, are we to provide individual technical, legal and financial eligibility requirements for each plant?	Yes, bidder is allowed to list a maximum of two (2) nominated plants from which it shall source its supply of electricity.  The bidder is not required to provide the complete set of eligibility requirements for each plant. However, only a Notarized Certificate of Available Capacity from the plant/s from which the bidder shall source the supply of electricity shall be submitted.
Citicore	Technical Bid (Folder 4) TB2	TB2 - Certificate from the plants which shall source the electricity. (CTC)	Clarify if we need to indicate other potential affiliated plant sources (including new plants)? If yes, are we to provide individual technical, legal and financial eligibility requirements for each plant?	The bidder is not required to provide the complete set of eligibility requirements for each plant. However, only a Notarized Certificate of Available Capacity from the plant/s from which the bidder shall source the supply of electricity shall be submitted.
Citicore	Technical Bid (Folder 4) TB3	TB3 - Scheduled and Unscheduled Outage Allowances in calendar days. (Original)	Clarify if we need to indicate other potential affiliated plant sources (including new plants)? If yes, are we to provide individual technical, legal and financial eligibility requirements for each plant?	The bidder is not required to provide the complete set of eligibility requirements for each plant. However, only a Notarized Certificate of Available Capacity from the plant/s from which the bidder shall source the supply of electricity shall be submitted.
Citicore	Unsatisfactory (2) regulated/retail customer (CESI) to CC	Certificate of No Unsatisfactory Performance issued by the contracted customer/s, preferably DUs.  Valid Joint Venture Agreement (JVA), in case of a joint venture is already in existence. In the absence of JVA, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful. Each partner of the joint venture shall submit the required eligibility documents.	Can we use our own template for this requirement?	Confirmed.

Citicore	Terms of Reference (Outage Allowance)	Shall not exceed the Planned and Unplanned Outages as required by prevailing ERC resolutions. No carry-over of OA to any subsequent contract year. No crediting of OA from scheduled to unscheduled and vice versa.	Could you please clarify the applicability of the outage allowance for different technologies, particularly since VREs (e.g., solar) are not included in ERC Resolution No. 10, Series of 2020?	For Lot C, outage allowance excludes the reduction of energy caused by the unavailability of renewable sources (e.g. solar)																																																												
Citicore	Draft PSA Template (Schedule 2 Contract Capacity and/or Contract Energy)	<table border="1"> <thead> <tr> <th>Billing Month</th> <th>Contract Capacity (kW)</th> <th>Contract Energy (kWh)</th> </tr> </thead> <tbody> <tr><td>January</td><td>15,000</td><td>2,356,837</td></tr> <tr><td>February</td><td>15,000</td><td>2,302,463</td></tr> <tr><td>March</td><td>15,000</td><td>2,604,000</td></tr> <tr><td>April</td><td>15,000</td><td>2,384,086</td></tr> <tr><td>May</td><td>15,000</td><td>2,203,170</td></tr> <tr><td>June</td><td>15,000</td><td>1,800,759</td></tr> <tr><td>July</td><td>15,000</td><td>1,654,890</td></tr> <tr><td>August</td><td>15,000</td><td>1,599,568</td></tr> <tr><td>September</td><td>15,000</td><td>1,803,890</td></tr> <tr><td>October</td><td>15,000</td><td>2,085,930</td></tr> <tr><td>November</td><td>15,000</td><td>1,941,127</td></tr> <tr><td>December</td><td>15,000</td><td>2,156,700</td></tr> <tr><td><b>TOTAL</b></td><td></td><td><b>24,893,420</b></td></tr> </tbody> </table>	Billing Month	Contract Capacity (kW)	Contract Energy (kWh)	January	15,000	2,356,837	February	15,000	2,302,463	March	15,000	2,604,000	April	15,000	2,384,086	May	15,000	2,203,170	June	15,000	1,800,759	July	15,000	1,654,890	August	15,000	1,599,568	September	15,000	1,803,890	October	15,000	2,085,930	November	15,000	1,941,127	December	15,000	2,156,700	<b>TOTAL</b>		<b>24,893,420</b>	1. We understand that the Contracted Energy indicated in Schedule 2 represents the monthly offtake by PELCO I, which will be delivered by the Supplier. Considering that Lot C is designated for renewable energy, and RE technologies have the inherent characteristic of being dependent on natural resources—such as sunlight for solar and water for hydro plants—their dispatch is naturally variable. Considering this, we respectfully suggest that the Contracted Energy in Schedule 2 be subject to adjustment based on the actual generation capacity of the RE plant, provided that any reduction or lack of deliveries is due to insufficient sunlight for solar, rather than any technical issue or outage of the plant itself.	1. The Contracted Energy for Lot C, being an RE, is indicative and may be adjusted depending on the availability of renewable sources (e.g. solar) only but not on any technical issue or outage of the plant itself.																		
Billing Month			Contract Capacity (kW)	Contract Energy (kWh)																																																												
January			15,000	2,356,837																																																												
February			15,000	2,302,463																																																												
March	15,000	2,604,000																																																														
April	15,000	2,384,086																																																														
May	15,000	2,203,170																																																														
June	15,000	1,800,759																																																														
July	15,000	1,654,890																																																														
August	15,000	1,599,568																																																														
September	15,000	1,803,890																																																														
October	15,000	2,085,930																																																														
November	15,000	1,941,127																																																														
December	15,000	2,156,700																																																														
<b>TOTAL</b>		<b>24,893,420</b>																																																														
Citicore	2. Conversely, if the RE plant generates excess energy, we suggest it be permitted to deliver that additional power to PELCO I.	2. Bidder shall only deliver up to the nominated quantity at contract price.																																																														
Citicore	3. In summary, we propose that the power supply delivery and settlement be structured on a Take-and-Pay basis (as-available).	3. The PSA is on a Take-and-Pay basis. However, the Bidder shall only deliver up to the nominated quantity at contract price.																																																														
Citicore	4. Please confirm that Contract Energy will not be considered as the guaranteed delivery by the Supplier.	4. It is the indicative energy for RE supply.																																																														
Citicore	Terms of Reference (Nomination Protocol)	<table border="1"> <thead> <tr> <th>Plant (AC)</th> <th>Capacity</th> <th colspan="2">15,000</th> </tr> </thead> <tbody> <tr> <th>BP</th> <th>Hours</th> <th>Contract Energy</th> <th>PCF</th> </tr> <tr><td>Jan</td><td>744</td><td>2,356,837</td><td>21.12%</td></tr> <tr><td>Feb</td><td>744</td><td>2,302,463</td><td>20.63%</td></tr> <tr><td>Mar</td><td>672</td><td>2,604,000</td><td>25.83%</td></tr> <tr><td>Apr</td><td>744</td><td>2,384,086</td><td>21.36%</td></tr> <tr><td>May</td><td>720</td><td>2,203,170</td><td>20.40%</td></tr> <tr><td>Jun</td><td>744</td><td>1,800,759</td><td>16.14%</td></tr> <tr><td>Jul</td><td>720</td><td>1,654,890</td><td>15.32%</td></tr> <tr><td>Aug</td><td>744</td><td>1,599,568</td><td>14.33%</td></tr> <tr><td>Sep</td><td>744</td><td>1,803,890</td><td>16.16%</td></tr> <tr><td>Oct</td><td>720</td><td>2,085,930</td><td>19.31%</td></tr> <tr><td>Nov</td><td>744</td><td>1,941,127</td><td>17.39%</td></tr> <tr><td>Dec</td><td>720</td><td>2,156,700</td><td>19.97%</td></tr> <tr><td><b>TOTAL</b></td><td><b>8760</b></td><td><b>24,893,420</b></td><td><b>18.94%</b></td></tr> </tbody> </table> <p>PELCO I may revise any nominations: (a) in accordance with the WESM rules and operating procedure; or (b) due to its unscheduled outages.</p>	Plant (AC)	Capacity	15,000		BP	Hours	Contract Energy	PCF	Jan	744	2,356,837	21.12%	Feb	744	2,302,463	20.63%	Mar	672	2,604,000	25.83%	Apr	744	2,384,086	21.36%	May	720	2,203,170	20.40%	Jun	744	1,800,759	16.14%	Jul	720	1,654,890	15.32%	Aug	744	1,599,568	14.33%	Sep	744	1,803,890	16.16%	Oct	720	2,085,930	19.31%	Nov	744	1,941,127	17.39%	Dec	720	2,156,700	19.97%	<b>TOTAL</b>	<b>8760</b>	<b>24,893,420</b>	<b>18.94%</b>	1. Is the Day Ahead Nomination process applicable for Lot C? We suggest eliminating the need for nominations and instead allocating the BCQ based on the plant's actual generation, subject to replacement power, if applicable.	1. There will be a daily nomination of energy requirement.
Plant (AC)			Capacity	15,000																																																												
BP	Hours	Contract Energy	PCF																																																													
Jan	744	2,356,837	21.12%																																																													
Feb	744	2,302,463	20.63%																																																													
Mar	672	2,604,000	25.83%																																																													
Apr	744	2,384,086	21.36%																																																													
May	720	2,203,170	20.40%																																																													
Jun	744	1,800,759	16.14%																																																													
Jul	720	1,654,890	15.32%																																																													
Aug	744	1,599,568	14.33%																																																													
Sep	744	1,803,890	16.16%																																																													
Oct	720	2,085,930	19.31%																																																													
Nov	744	1,941,127	17.39%																																																													
Dec	720	2,156,700	19.97%																																																													
<b>TOTAL</b>	<b>8760</b>	<b>24,893,420</b>	<b>18.94%</b>																																																													
Citicore	2. To ensure proper supply management for both parties, we propose setting a forecasted 24-hour average solar generation profile per month, based on PELCO I's pro-rated Contract Capacity with the Supplier relative to the nominated plant's maximum dependable capacity. Additionally, a trading protocol should be established to address replacement power, unscheduled outages of the Distribution Utility (DU), outage allowances for the Supplier, and other relevant issues. We suggest to include in the PSA.	2. PELCO I will provide its 24-hour average Load Profile. Parties will follow the applicable WESM Rules and Operating Procedures on Nomination.																																																														



Citicore			3. Regarding item (a), would this still apply to the Supplier under Lot C? Given that RE plants are "must-dispatch," we cannot control our generation in the same way that conventional plants can, which allows them to adjust according to WESM rules and operating procedures.	3. Parties will follow the applicable WESM Rules and Operating Procedures on Nomination.															
Citicore			4. For item (b), we can adjust the BCQ allocation to PELCO I, if there is proof of an unscheduled outage and a corresponding pro-rated reduction in nominations/BCQ declarations across all its power suppliers. We suggest to include a provision in the PSA to cover this.	This will be included in the PSA.															
Citicore	Terms of Reference (Tariff Structure)	<p>Tariff component, unbundled to:</p> <table border="1" data-bbox="426 548 869 889"> <thead> <tr> <th>Tariff Component</th> <th>Unit</th> <th>Indexation</th> </tr> </thead> <tbody> <tr> <td>a. Capital Recovery Fee (CRF)</td> <td>Php/kWh</td> <td>No indexation</td> </tr> <tr> <td>b. Fixed (FOM)</td> <td>Php/kWh</td> <td>PhCPI</td> </tr> <tr> <td>c. Variable (VOM)</td> <td>Php/kWh</td> <td>PhCPI, USCPI, and/or Forex</td> </tr> <tr> <td>d. Fuel Fee (if any)</td> <td>Php/kWh</td> <td>Fuel Price and Forex</td> </tr> </tbody> </table> <p>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.</p>	Tariff Component	Unit	Indexation	a. Capital Recovery Fee (CRF)	Php/kWh	No indexation	b. Fixed (FOM)	Php/kWh	PhCPI	c. Variable (VOM)	Php/kWh	PhCPI, USCPI, and/or Forex	d. Fuel Fee (if any)	Php/kWh	Fuel Price and Forex	1. Related to our comment on Schedule 2 Contract Capacity and/or Contract Energy of the PSA above, we propose that the settlement be structured on a Take-and-Pay (as-available) basis.	1. The PSA is on a Take-and-Pay basis. However, the Bidder shall only deliver up to the nominated quantity at contract price.
Tariff Component	Unit	Indexation																	
a. Capital Recovery Fee (CRF)	Php/kWh	No indexation																	
b. Fixed (FOM)	Php/kWh	PhCPI																	
c. Variable (VOM)	Php/kWh	PhCPI, USCPI, and/or Forex																	
d. Fuel Fee (if any)	Php/kWh	Fuel Price and Forex																	
Citicore	Draft PSA Template	4.5.1 The Seller is allowed Unscheduled Outages not to exceed the number of days for each Contract Year as set forth in Schedule [ * ], during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.	1. Please confirm that for VRE (Lot C) technology, reduced deliveries due to unavailability of light should NOT be included in the allowed scheduled and unscheduled outages.	Confirmed.															

Citicore	Draft PSA Template (Schedule 4 Monthly Payment, Indexation and Adjustment)	<p>The Buyer shall pay the Seller for the Energy/Capacity at the following Fees and as adjusted on a monthly basis pursuant to the following formula:</p> <p>TGC = CRF+ FOM + VOM</p> <p>Where:</p> <p>TGC = Total Generation Charge in PhP for the Billing Period  CRF = Capital Recovery Fee as defined in the Bid Documents  FOM = Fixed Operation and Maintenance Fee as defined in the Bid Documents  VOM = Variable Operation and Maintenance Fee as defined in the Bid Documents</p>	<p>The Buyer shall pay the Seller for the Energy/Capacity at the following Fees and as adjusted on a monthly basis pursuant to the following formula for Lot C:</p> <p><math>TGC = [CRF + FOM * (PhCPI_m / PhCPI_o) + VOM * (PhCPI_m / PhCPI_o) * (FX_m / FX_o)] * Q</math></p> <p>Where:</p> <p>TGC = Total Generation Charge in PhP for the Billing Period  CRF = Capital Recovery Fee in PhP/kWh  FOM = Fixed Operation and Maintenance Fee in PhP/kWh  VOM = Variable Operation and Maintenance Fee in PhP/kWh  PhCPI<sub>m</sub> = Philippine Consumer Price Index for a billing month (Summary Inflation Report Consumer Price Index (2018=100), All Income Households, All Items), <a href="http://www.psa.gov.ph">www.psa.gov.ph</a>  PhCPI<sub>o</sub> = Summary Inflation Report Consumer Price Index (2018=100), All Income Households, All Items for June 2024 <a href="http://www.psa.gov.ph">www.psa.gov.ph</a>  FX<sub>m</sub> = Daily Pesos per US Dollar Rate, Monthly Average, <a href="http://www.bsp.gov.ph">www.bsp.gov.ph</a>  FX<sub>o</sub> = Daily Pesos per US Dollar Rate, Monthly Average for June 2024, <a href="http://www.bsp.gov.ph">www.bsp.gov.ph</a>  Q = Quantity of energy delivered by the power supplier in kWh.</p>	The final formula for the TGC will be reflected in the Final IB.
Citicore	Draft PSA Template (Assignment of Rights)	<p><b>Section 9. ASSIGNMENT OF RIGHTS</b></p> <p>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 solidarity liable under this Agreement.</p>	<ol style="list-style-type: none"> <li>1. Pending receipt/denial of ERC Approval in the assignment to an affiliate plant, can the assignee already assume the obligation of the assignor to deliver power based on the PSA and will not be considered under replacement power?</li> <li>2. Please clarify subsection (d) the revenues or any of the rights or assets of the Seller. For better understanding, can you please provide an example of assignment based on this item? Please confirm as well that such assignment must be with written consent of the Buyer as compare to subsections (a) to (c) which can be made even without the prior written consent of the Buyer. Suggest also to include assignment in the TOR.</li> </ol>	<ol style="list-style-type: none"> <li>1. The Assignment is subject to ERC approval.</li> <li>2. This will be discussed during PSA negotiation.</li> </ol>

Citicore	Terms of Reference (Replacement Power)	Must comply with Section 15, Article V of 2023 ERC Guidelines for CSP.	<p>1. Related to our comment on Schedule 2 Contract Capacity and/or Contract Energy of the PSA above, we proposed that replacement power is not applicable for partial, reduced or zero generation due to deficient or unavailable sunlight.</p> <p>2. If within outage allowance, the RP will be the sole responsibility of PELCO I?</p>	<p>1. Confirmed.</p> <p>2. Based on the Section 15, Article V of 2023 ERC Guidelines for CSP, the Supplier is responsible for the RP.</p>
Citicore	Terms of Reference (Performance Security)	Amount of PS: Three (3)-month contract cost of the proposed PSA computed using the bid price offered by the Winning Bidder	<p>1. May we clarify if Performance Security will not be part of the provision of the PSA wherein PELCO I would draw amounts in the event of default by the Supplier?</p> <p>2. What is the validity of the Performance Bond/Security? Is this subject to renewal?</p>	<p>1. This may be included during PSA negotiation.</p> <p>2. This will be reflected in the Final IB.</p>
Citicore	ITB (Failure of Bidding)	<p>The BAC may declare a failure of CSP under any of the following conditions:</p> <p>a. No proposal was received by the BAC on Bid Submission Deadline;</p> <p>b. Only one (1) bidder submitted a proposal;</p> <p>c. All bidders are declared ineligible;</p> <p>d. All bids fail to comply with all the requirements or fail the PQ;</p> <p>e. No Captive Market Supplier purchased the Bidding Documents after the deadline set in the published Invitation to Bid;</p> <p>f. Offers of bidders failed to meet the requirements prescribed under the TOR, as determined by the BAC; or</p> <p>g. In the event of refusal, inability, or failure of a Winning Bidder to enter into a PSA with the PELCO I.</p>	<p>1. Should there be only one (1) bidder on this round of CSP for Lot C. Will the BAC proceed in opening the bid submitted by the lone bidder?</p> <p>2. If No, bid submission will be given back to the bidder and will not be opened?</p>	<p>1. No.</p> <p>2. Yes.</p>
GNPD	IB. Financial Bid	<p>For FOM:</p> $FOM_m = FOM \times \frac{PhCPI_m}{PhCPI_o} \times Q$	FOM only moves with PH CPI. Can the bidder be allowed to have it moved with US CPI and FX just like the VOM?	No.



GNPD	IB. Financial Bid	<p>For Fuel:</p> $Fuel_m = \left[ Fuel_1 \times \left( c_1 \times \frac{FCI_{m1}}{FCI_o} \times \frac{FX_m}{FX_o} \right) + Fuel_2 \times \left( c_2 \times \frac{FCI_{m2}}{FCI_o} \times \frac{FX_m}{FX_o} \right) + Fuel_3 \times \left( c_3 \times \frac{FCI_{m3}}{FCI_o} \right) \right] \times Q$	<p>GNPD Fuel Formula:</p> $Energy\ Fee\ (Php/kWh) = IEF \times \left( \frac{CIF\ current}{CIF\ base} \right) \times FX\ current$ <p>Where:</p> <p>IEF = to be defined by the bidder in \$/MT  CIF current = CIF Cost of Fuel for the Billing Period  CIF base = Base CIF to be defined by the bidder  FX current = FX for the applicable billing period, to be defined by the bidder</p> <p><b>IEF</b>  The Initial Energy Fee ("IEF") is computed based on the Base CIF which includes Cost of Fuel, provision for estimated coal handling and losses, current taxes, tugs, pilotage, wharfage, arrastre, brokerage and an assumed heat rate.</p> <p>Initial Energy Fee = (Base CIF in \$/million kcal * Provision for Estimated Coal Handling and Losses, Current Taxes, Tugs, Pilotage, Wharfage, Arrastre, Brokerage in %) / 1,000,000 kcals x Assumed Heat Rate in kcal/kWh</p> <p><b>CIF</b>  CIF - Cost, Insurance and Freight</p>	The final formula for the Fuel Fee will be reflected in the Final IB.
GNPD			<p>The Base CIF Cost of Fuel is based on coal and shipping prices, net of any applicable adjustments including adjustments due to the quality of coal.</p> <p>Base CIF Cost of Fuel = (Coal + Shipping Prices net of adjustments in \$/MT) / 1000 kg / Gross Calorific Value in kcal/kg x 1,000,000 kcals</p>	The final formula for the Fuel Fee will be reflected in the Final IB.
TLI	TOR Prompt Payment Discount	Three percent (3%) of the current total bill	Suggest to limit the 3% PPD to CRF, FOM, and VOM and not to include fuel and LR in the 3% PPD as this is based on actual cost.	PPD applies to CRF, FOM, and VOM only.
TLI	IB. Annex C.	Envelope 1. Folder 4. TB2. Certificate from the plant/s which shall source the electricity (CTC)	We would like to confirm that TB2 is a notarized statement issued by the bidder containing the available capacity per year. If yes, the bidder shall submit the original document instead of CTC.	<p>The requirement shall be revised as follows:</p> <p>Notarized Certificate of Available Capacity from the plant/s from which the bidder shall source the supply of electricity.</p> <p>The bidder shall submit the original document.</p>
TLI	IB. Format and Signing of Bids	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.	Suggesting to allow documents signed in Docusign or other form of electronic signature as original documents. This pertains to documents issued by customers (ECs/DUs/NGCP) and other applicable documents that were electronically signed and were considered original documents.	Accepted.

TLI	Supplemental Bulletin No. 2024-03	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).	We would like to clarify if the BS will be computed based on 1 month, 9,849,235 kWh x June 2024 base price, or will the BS still be equivalent to 3-month contract cost, 3 x 9,849,235 kWh x June 2024 base price?	Bid Security formula: BS = 3 x 9,849,235 kWh x June 2024 base price
TLI	IB. Annex A. TOR. Outage Allowance	Shall not exceed the Planned and Unplanned Outages as required by prevailing ERC resolutions.	We suggest including the Outage Allowance offer in the evaluation of bids. This will benefit PELCO I since bidders will offer higher availability.  Suggestion: Adjusted Generation Rate  $AdjGenRate = \frac{GenRate}{1 - \frac{Offered\ Outage\ Allowance}{Total\ Hours\ in\ a\ year}}$	Outage allowance will not be included in the evaluation of the financial bid.
TLI	Supplemental Bulletin No. 2024-03	The RP in the TOR is based on Section 15, Article V of the 2023 CSP ERC Guidelines for CSP	Suggest using the RP provision in the ERC and NEA's draft PSA. Bidders are allowed to offer Outage Allowance and shall be excused from supplying energy during OA.	Retained original provision.
TLI	Supplemental Bulletin No. 2024-03	Since Fuel is a pass-through cost, Bidders are required to submit a detailed fuel fee documentation from Jan to June 2024 and attach a copy of their actual invoices of fuel and non-fuel-commodity costs for June 2024 billing, for BAC evaluation.	Please confirm if the bids will be evaluated using the fuel indices in the IB or Final IB and not using actual fuel fee from Jan to June 2024. If yes, why are the bidders required to submit fuel cost from Jan to June 2024?  If the bidder will submit actual fuel cost from Jan to June 2024, will this be considered in the bid evaluation instead of the fuel formula and indices?	Bids will be evaluated using the fuel formula and fuel indices in the final IB. The actual fuel fee for June 2024 will be used as reference to the offered base price.  Bidders are required to submit the fuel cost from Jan to June 2024 for checking/validation purposes of the BAC.
TLI	Supplemental Bulletin No. 2024-03	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.	Suggest including this in the Final IB for clarity and guidance of the Bidders.	Confirmed.
TLI	IB. Bid Security	Forms of BS. 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	We would like to confirm if Standby Letter of Credit is an acceptable form of Bid Security and Performance Security.	It shall be an "irrevocable" SBLC.
TLI		All these four (4) documents will be incorporated in the Omnibus Sworn Statement (Annex E).		

TLI		L5. Notarized 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		
TLI	Supplemental Bulletin No. 2024-03	L6. Sworn Undertaking that the bidder, if applicable, as well as their affiliates, assigns and successors in-interest, shall abide by the decisions of the PELCO I BAC, shall hold the PELCO I, its Board Members, Officers and Management, and BAC free and harmless from any claim or cause of action arising from the conduct and award of the Project, and shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Article VI (Protest Mechanism) and Article X (Enforcement) of the ERC Resolution No. 16, Series of 2023 (ERC 2023 CSP Guidelines).	Since these requirements will be incorporated in the Omnibus Sworn Statement (Annex E), we would like to clarify if the bidders need to execute a separate Annex E for each requirement or will the BAC revise the checklist.  We would also like to request a copy of the revised Annex E.	This will be provided in the Final IB.
TLI		L7. Sworn Attestation against Corruption (RA 3019)		
TLI		L8. 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.		
TLI	Supplemental Bulletin No. 2024-03	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.	Please confirm that the Bidders will only provide full year data from 2022 to 2023.	Confirmed.
TLI	Supplemental Bulletin No. 2024-03	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.	Suggest to require nominated plant/s that are not necessarily being operated by the bidder to submit eligibility requirements for each plant.	The bidder is not required to provide individual eligibility requirements for each plant. However, only a Notarized Certificate of Available Capacity from the plant/s from which the bidder shall source the supply of electricity shall be submitted.
TLI	Other Concerns	Eligibility Requirements	We would like to request an updated checklist of requirements based on the revised eligibility requirements.	The updated checklist will be reflected in the Final IB.
TLI	Other Concerns	Eligibility Requirements	For requirements that are not applicable to the bidder (e.g. documents for Joint Venture), we would like to confirm that bidders will only submit a non-applicability write-up.	Confirmed.

TLI	Other Concerns	Format and Signing of Bids	Please confirm that bidders are allowed to punch holes in the bid submission for binding purposes?	Confirmed. As long as the important information will not be affected.
TLI	Other Concerns	Format and Signing of Bids	Please confirm if bidders are allowed to print back-to-back for voluminous documents? (e.g. AFS)	Confirmed.
TLI	Other Concerns	Due Diligence	We would like to request the latest 1-year load profile of PELCO I.	The BAC will provide the PELCO I Load Profile to the bidders.
SPI		Maximum bid of 15MW	We suggest to allow a Bidder to nominate the entire 30MW Baseload instead of limiting a maximum nominated Capacity Bid to 15MW as this would defeat the very purpose of conducting a Competitive Selection Process under relevant ERC/DOE Policies, which is to secure the Least Cost Power Supply to benefit the DU and its MCOs.	Retained original provision.
SPI	TLI's comment on Number and Average Duration of Outages	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.  PELCO I's response 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.	Please confirm that the submission of the Certification on the Number and Average Outages from NGCP will suffice for this requirement.	Retained revised provision as per SB No. 2024-04 dated August 28, 2024.
SPI	SPI's comment on Fuel Attachments	PELCO I's response 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.	In the Amendments and Clarifications, particularly page 14 thereof, the required reference base indices is the month June 2024. Supporting documents for actual pass through should only be required prospectively upon implementation of the PSA. We believe the requirements on fuel documentation covering Jan to Jun 2024 is not necessary.	Bids will be evaluated using the fuel formula and fuel indices in the Final IB. The actual fuel fee for June 2024 will be used as reference to the offered base price.

SPI	SPI's comment on the power plant's project	<p>PELCO I's response 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.</p>	<p>1. Please confirm that for Bidders that are IPPA, the term "Project" should be limited only to PSAs.</p> <p>2. It is suggested that the PSAs be limited only to regulated customers whose PSAs are still active by target Bid Submission date.</p>	<p>1. Confirmed.</p> <p>2. Regulated and non-regulated will be included in the requirement. BAC will provide a template for this requirement.</p>
SPI	SPI's comment on GCIS & GCMR	<p>SPI's Comment What specific information are needed from said documents? For what purpose will these information be used?</p> <p>PELCO I's response For technical evaluation , i.e. validation of outage allowances or reliability performance.</p>	<p>Please confirm that other than the outage allowances or reliability performance information, all other portions of the documents shall be redacted.</p>	<p>Bidders may redact the personal information in the GCIS and GCMR due to data privacy.</p>
SPI	SPI's comment on Bid Security	<p>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-xxx</p> <p>SPI's Comment We suggest to include "Stand By Letter of Credit" in the acceptable forms of Bid Security.</p> <p>PELCO I's response Retain original provision.</p>	<p>As mentioned during the Pre-bid Conference, please confirm that "Stand By Letter of Credit" is the same as the "Irrevocable Standby Letter of Credit".</p>	<p>It shall be an "irrevocable" SBLC as stated in the CSP Guidelines.</p>
SPI	SPI's comment on Performance Security	<p>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-xxx</p> <p>SPI's Comment We suggest to include "Stand By Letter of Credit" in the acceptable forms of Bid Security.</p> <p>PELCO I's response Retain original provision.</p>	<p>As mentioned during the Pre-bid Conference, please confirm that "Stand By Letter of Credit" is the same as the "Irrevocable Standby Letter of Credit".</p>	<p>It shall be an "irrevocable" SBLC as stated in the CSP Guidelines.</p>

SPI	SPI's comment on Insurance Policy	<p>TB Insurance Policy; or Notarized Certification containing the list and scope of insurance, issued by authorized officer/s or representative/s of the bidder.</p> <p>SPI's Comment</p> <p>Please clarify the purpose of this requirement.</p> <p>PELCO I's response</p> <p>This document is for Risk Mitigation/Resiliency to assure PELCO I that the plant is covered by an insurance policy.</p>	<p>Please confirm that this requirement is not applicable for a Bidder that is an IPPA, as it is not the owner, nor is responsible for the operations and maintenance of the power plant, and that a statement of non-applicability to be submitted by the IPPA Bidder shall suffice.</p>	<p>The bidder shall provide a copy of the Insurance Policy or Notarized Certification containing the list and scope of insurance of each nominated plant/s.</p>
SPI	SPI's comment on Certificate of Available Capacity	<p>TB2 Certificate from the plant/s which shall source the electricity.</p> <p>PELCO I's response</p> <p>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.</p>	<p>Please confirm that an IPPA Bidder shall comply with this requirement by the submission of a Certification of Available Capacity based on its Net Contracted Capacity under the IPPA Agreement.</p>	<p>Confirmed.</p>
SPI	Annex C. Item T2	<p>List of electricity generation plants that the bidder has operated for the last five (5) years with the following minimum general information for each power plant:</p>	<p>Please confirm that this requirement is not applicable for a Bidder that is an IPPA, thus a statement of non-applicability should suffice.</p>	<p>Confirmed.</p>
SPI	Item T2 g.	<p>Grid Connection</p>	<p>Does this requirement pertain to Single Line Diagram?</p>	<p>Yes.</p>
SPI	Item T3	<p>Proof of documentation on track record for the last five (5) years of power plants of power plants operated by the Bidder, such as certificate of compliance with the WESM Rules by PEMC.</p>	<p>Please confirm that this requirement is not applicable for a Bidder that is an IPPA, thus a statement of non-applicability should suffice.</p>	<p>Confirmed.</p>
SPI	Item T7	<p>Risk Management Plan and Business Continuity Plan/ Resiliency plan related to the subject PSA.</p>	<p>Please confirm that this requirement is not applicable for a Bidder that is an IPPA, as it is not the owner, nor is responsible for the operations and maintenance of the power plant, and that a statement of non-applicability to be submitted by the IPPA Bidder shall suffice.</p>	<p>The bidder shall comply with this requirement.</p>
SPI	SBB #4, page 3 of 3	<p>Bidders are encouraged to propose a Fuel Fee Formula with details on fuel commodity and non-fuel commodity costs, but subject to evaluation and approval of the BAC.</p> <p>Bidders may submit their proposed fuel fee formula until September 2, 2024.</p> <p>The Final Fuel Fee formula will be reflected in the Final Instructions to Bidders.</p>	<p>Can the proposed Fuel Fee Formula be submitted together with Bidder's Bid Documents on September 23, 2024.</p>	<p>The deadline for the submission of the proposed Fuel Formula is the same as the deadline for the submission of comments/clarification, which is on September 2, 2024.</p>



SPI	SBB #4, page 3 of 3	These values are not yet final and still subject to comment by the Bidders. The Bidders may propose other fuel indices, value/s of fuel adjustment rate (alpha), provided they will explain the basis and submit supporting data such as the monthly historical fuel prices from January 2013 to July 2024. BAC will evaluate the proposed indices and adjustment rates and include the final values in the Final Instructions to Bidders.	<p>1. We suggest for PELCO I to provide the Final values of fuel adjustment rate (alpha) including all the details used to determine such alpha levels.</p> <p>SBB #4, page 3 of 3</p> <p>2. What's the relevance of the period January 2013 to July 2024 which is too far from the initial proposed period of 2014 to 2019?</p>	<p>1. The final values of fuel adjustment rate (alpha) will be reflected in the Final IB.</p> <p>2. The January 2013 to July 2024 will serve as the reference on the determination of the different fuel rate adjustments, and comparison of fuel sources.</p>
SPI	Schedule 2	Contract Energy	Please confirm that the Contract Energy indicated in Schedule 2 is the committed minimum volume of energy to be utilized by PELCO I for each pertinent Billing Period.	Confirmed.
SPI	General Comment	Issuance of Supplemental Bulletins, Responses to Queries of Bidders and Final Instruction to Bidders	Please confirm that the Bidders are still allowed to send clarificatory questions after the issuance of the Supplemental Bulletins, Responses to Queries and Final Instruction to Bidders.	No.

Note: Other matters relating to PSA will be discussed or negotiated with the Winning Bidder/Supplier during the PSA negotiation.

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