



**BOHOL I ELECTRIC COOPERATIVE, INC.**

CABULIJAN, TUBIGON, BOHOL

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BOHECO

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TERMS OF REFERENCE	DESCRIPTION		REQUIREMENT								
<b>Type of Contract</b>	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><b>Firm</b></td> <td style="text-align: center; width: 50%;"><b>Non-firm</b></td> </tr> <tr> <td><input checked="" type="checkbox"/> Base load</td> <td><input type="checkbox"/> Peaking (or take and pay)</td> </tr> <tr> <td><input type="checkbox"/> Emergency replacement power</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Full load requirement</td> <td></td> </tr> </table>			<b>Firm</b>	<b>Non-firm</b>	<input checked="" type="checkbox"/> Base load	<input type="checkbox"/> Peaking (or take and pay)	<input type="checkbox"/> Emergency replacement power		<input type="checkbox"/> Full load requirement	
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<b>Contracted Capacity</b> (MW)	Long Term - contract duration from 26 March 2021 to 25 December 2031.	1.6 MW									
<b>Contracted Energy</b> (kWh per year)	Long Term - contract duration from 26 March 2021 to 25 December 2031.	9,811,200 kWh									
<b>Dependable Capacity</b> (MW)	One Hundred Percent (100%) of the Contracted Capacity										
<b>Contract Duration</b>	The PSA shall take effect for a period of ten (10) years for commencing from the Commercial Operations date of 26 March 2021 to 25 December 2031 unless earlier terminated in accordance with the provisions of the PSA.										
<b>Commercial Operation Date</b> (MM/DD/YYYY)	03/26/2021 or upon the issuance of Provisional Authority or Final Approval from ERC.										
<b>Tariff Structure</b> (landed cost)	<ul style="list-style-type: none"> <li>• Maximum price components shall be broken down into the ff:               <ol style="list-style-type: none"> <li>1. Capacity Fee (PHP/KW/month). Fixed Cost 1 - Capital Recovery Fee</li> <li>2. Fixed O&amp;M (PHP/KW/month). Fixed Cost 2 – Other fixed costs (e.g., Fixed O&amp;M Fee</li> <li>3. Variable O&amp;M (PHP/kWh). Variable Cost 1 – Non-fuel variable costs (e.g., Variable O&amp;M Fee), and</li> <li>4. Fuel Fee (PHP/kWh). Variable Cost 2 – Fuel Fee</li> </ol> </li> <li>• The Bidder must specify the base fee adjustment formula, if any, and applicable adjustment in percent that each component is being affected by factor such as CPI and escalation due to Fuel degradation &amp; others.</li> <li>• NO indexation or escalation on Capital Recovery Fee (CRF) is allowed.</li> <li>• Fixed O&amp;M Fee shall be indexed on Philippine Peso</li> <li>• Variable O&amp;M Fee shall be indexed on Philippine CPI</li> </ul>										



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		<ul style="list-style-type: none"> <li>Fossil Fuel is passed on charge based on actual market price but limited to guaranteed fuel rate (Li/kWh).</li> <li>Lube oil is based on local market price (Li/kWh)</li> </ul>
<b>Outage Allowance per plant</b>		<ul style="list-style-type: none"> <li>Allowed Scheduled Outage = 360 hours per annum</li> <li>Allowed Unscheduled Outage = 360 hours per annum</li> <li>No carry-over of outage allowance to any subsequent contract year.</li> <li>No crediting of Outage Allowance from scheduled to unscheduled and vice-versa.</li> <li>Penalty clauses should be determined based on the EC approved timeline of scheduled outage.</li> <li>On the unscheduled outage, delay on return to service per pre-determined timeline by the EC and power provider must also have a penalty clause notwithstanding the provision on replacement power.</li> </ul>
<b>Force Majeure</b>		<p>Extraordinary event which is not foreseen, or which though foreseen, is inevitable to happen, such event maybe produced by two general causes: (1) by nature, such as but not limited to a typhoon, storm, tropical depression, flood, drought, volcanic eruptions, earthquake, tidal wave, or landslide; (2) epidemic and pandemic; and (3) by the act of man, such as but not limited to war, conflagration, inundation, sabotage, blockade, revolution, riot, insurrection, civil unrest or any violent, or threatening actions; or any system emergency that may affect delivery of power by the Genco.</p> <p>BOHECO I <b><i>shall not be required</i></b> to make payments for any of the following:</p> <ul style="list-style-type: none"> <li>Capacity that is unavailable</li> <li>Capacity that it cannot accept</li> </ul>
<b>Replacement Power</b>		<p>The supplier must be responsible to provide replacement power in the following cases, except for Force Majeure Events:</p> <ul style="list-style-type: none"> <li>During any delay of the Start of the Delivery of Supply; and</li> <li>When its power plant is on scheduled or unscheduled outage to ensure continuity of supply in compliance with the cooperation period.</li> </ul> <p>Recovery of replacement power should be based on ERC-approved rate. If said ERC-approved rate is lower than the</p>



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	<p>existing rate, the difference should be translated to lower the actual rate passed on to the consumers.</p> <p>Replacement power shall be the obligation of the supplier. In the event of failure by the supplier to provide the replacement power, BOHECO I shall be allowed to source the replacement power at the expense of the supplier.</p>	
<b>Currency</b>	Price offer should be in Philippine Peso.	
<b>Regulatory Approvals</b>	<p>BOHECO I, Inc. and the Winning Bidder shall file with the ERC the joint application for the approval of the PSA in accordance with ERC Rules in eight (8) calendar days after confirmation of the Notice of Award.</p> <p>The Power Supplier shall make the necessary adjustments in accordance with the directive of the ERC. Downward adjustment in the rates shall not be a ground for the termination of the contract and BOHECO I should not be made to shoulder the incremental difference.</p>	
<b>Dispatch by Utility</b>	BOHECO I shall have the right to Schedule a Dispatch at least 50% of its Contracted Capacity in accordance with the agreed dispatch protocol.	
<b>Penalties</b>	<ul style="list-style-type: none"> <li>• Cure Period: Events of Default shall have Cure Periods commensurate to the gravity of the default but in no case shall a Cure Period be longer than 60 calendar days.</li> <li>• Consequences of Event of Default:               <ol style="list-style-type: none"> <li>i. Either Seller or Buyer may initiate termination if the other party is unable to remedy its default within the Cure Period</li> <li>ii. Parties shall arrange Replacement Contracts. Party in Default shall pay the price difference of the PSA and the Replacement contract for three (3) years [Note: liquidated damages used in PPAs for Single Buyer Market such as payment for the Net Present Value of the Capacity Fees for the remaining life of the contract does not apply to multiple buyer market with WESM. Three (3) years should be</li> </ol> </li> </ul>	



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	<p>enough time for the Parties to arrange for permanent/long-term replacement contracts.]</p> <ul style="list-style-type: none"> <li>• Termination Procedure: The non-defaulting Party may terminate the PSA subject to prior notice which shall not be less than 15 business days.</li> <li>• The Supplier shall be penalized (monetary, etc.) in cases of the following events and circumstances:               <ul style="list-style-type: none"> <li>i. Delay in Commercial Operation Date (COD);</li> <li>ii. Failure of power delivery;</li> <li>iii. Failure of provision of replacement power;</li> <li>iv. Failure to the comply the maximum outage allowance</li> </ul> </li> <li>• Other violations under the resulting PSA.</li> </ul>	
<b>Source of Power</b>	Open Technology provided that it is compliant with Provincial Ordinance No. 2018-005 “Declaring the official policy of the Provincial Government of Bohol dis-allowing the building or establishment of any coal-fired power plant in the Province of Bohol”.	
<b>Plant Capacity</b>	The minimum generating capacity of the Bidder shall be no less than the contracted capacity of BOHECO I.	
<b>Technical Specifications</b>	The Bidder shall submit a technical proposal for each power plant offered in accordance with the set requirements prescribed in the Instruction to Bidders.	
<b>Take-off Structure</b>	These generating capacities may come from any type, size and number of power plants or generating units that are located and connected to Bohol Sub-Grid (138KV or 69KV) or directly embedded to BOHECO I’s Distribution Network considering the respective limitations of its Substation and Distribution Lines.	
<b>Experience</b>	Bidder shall submit its technical capability. Additional documents such as experiences and Certificate of Good Performance / Track Record with other customers may also be submitted.	



  
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<b>Eligibility Requirements</b>	Company profile highlighting experiences and expertise of the company and/or key officers in power plant operation.	
<b>Grounds for Termination of Contract</b>	<ul style="list-style-type: none"> <li>• The Buyer/Off-taker may terminate the Agreement by written notice to the supplier in cases of:               <ol style="list-style-type: none"> <li>a. Event of default;</li> <li>b. Expiration of Term and or Upon Mutual Agreement;</li> <li>c. Non-fulfilment of conditions for effective date;</li> <li>d. Non-occurrence of Commencement Date or Commercial Operation Date;</li> <li>e. Events of Force Majeure; and</li> <li>f. When the Supplier fails to supply for a period of sixty (60) days for reason wholly attributable to its fault and/or negligence, provided that, the Supplier fails to take reasonable actions or remedies to solve its inability to deliver capacity and energy.</li> </ol> </li>   <li>• The Supplier may terminate the Agreement by written notice to the Buyer/Off-taker when the Buyer/Off-taker:               <ol style="list-style-type: none"> <li>a. Discontinue operations;</li> <li>b. Declares bankruptcy; or</li> <li>c. Any financial obligation of the Customer is not paid when due withing any applicable grace period.</li> </ol> </li> </ul>	