

**TERMS OF REFERENCE FOR  
RENEWABLE PORTFOLIO STANDARD COMPLIANCE  
Power Supply Agreement "PSA"**

CONTRACT DESCRIPTION	
CONTRACT TYPE	- Baseload or 100% load factor
TECHNOLOGY REQUIRED	<ul style="list-style-type: none"> <li>- Existing RE technologies that has been in commercial operations or had incremental capacity resulting from upgrading or expansion after the effectivity of the Renewable Energy Act of 2008 (RE Act) or RA 9513.</li> <li>- RE Technologies that is duly approved by DOE or ERC</li> </ul>
FACILITY ADDRESS	Located in Luzon
DURATION PERIOD	- The PSA shall take effect for a period of 9 years commencing on the Commercial Operations Date of 26 December 2021 to 25 December 2030 unless earlier terminated in accordance with the provisions of the PSA.
DELIVERY DATE	The next immediate 26 <sup>th</sup> day of the month following the approval of the Energy Regulatory Commission.
TERMS OF SUPPLY	
CONTRACTED DEMAND	5 MW Baseload for all trading intervals: Monday to Sunday including public holidays
CONTRACTED ENERGY	<p>Contracted Energy will be based on 100% load factor. The energy allocated per billing period shall be the following:</p> <ol style="list-style-type: none"> <li>1. 28 days = 5000 kW x 24 hours x 28 days = 3,360,000 kWh</li> <li>2. 29 days = 5000 kW x 24 hours x 28 days = 3,480,000 kWh</li> <li>2. 30 days = 5000 kW x 24 hours x 30 days = 3,600,000 kWh</li> <li>4. 31 days = 5000 kW x 24 hours x 31 days = 3,720,000 kWh</li> </ol>
REPLACEMENT ENERGY	<p>Except for a Force Majeure Event, the bidder guarantees the supply for the Contracted Demand.</p> <p>In the event that the bidder is unavailable or unable to supply the Contracted Demand and Energy in whole or in part due to a Force Majeure Event, the bidder may find Replacement Energy for the Customer at its own discretion, to be charged at the Contract Price. BATELEC II has the right to refuse said Replacement Energy during such cases.</p>
SUPPLIER OUTAGE ALLOWANCE	Provision for Outage.

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
	<ul style="list-style-type: none"> <li>• Not to exceed 720 hours total for scheduled and unscheduled outage</li> <li>• Any unutilized Allowed Scheduled and Unscheduled Outage allowances within a calendar year will not be accumulated for use during the succeeding years of the cooperation period.</li> </ul> <p>Note: In the event that the renewable energy supplier or bidder failed to deliver the scheduled contracted energy, the renewable energy supplier shall be liable for the deficiency. Thus, will pay deficiency fee to the off-taker.</p> <p>Moreover, should there be replacement power offer it shall be RE technology.</p>
<b>FEES</b>	
<b>SCHEDULE OF RATES</b>	Generation Rate php/kwh (include formula if necessary)
<b>RATE COMPONENTS /ADJUSTMENTS</b>	<p>Indicate adjustment factor such as:</p> <ul style="list-style-type: none"> <li>- CPI and its formula</li> <li>- Forex and its formula</li> <li>- Other parameters relating to generation</li> </ul> <p>** If adjustments are not declared on the submitted term sheet but declared on the draft Power Supply Agreement, BATELEC II has the right not to pay the adjustments not declared on the term sheet or has the right to disqualify the potential bidder. This is to avoid having hidden charges.</p> <p>Additionally, Levelized Cost of Energy (LCOE) shall be considered in evaluation of the offer.</p>
<b>PASS-THROUGH CHARGES</b>	<ol style="list-style-type: none"> <li>1. VAT and Other Taxes (except Supplier's Corporate Income Tax)</li> <li>2. All other fees that form part of the generation charge</li> </ol> <p>(note: BATELEC II has the right not to pay pass-through charges if not provided in the TOR or PSA)</p>
<b>CURRENCY</b>	Should be in Philippine Peso (₱)
<b>BILLING &amp; SETTLEMENT</b>	
<b>BILLING DETERMINANT</b>	<p>The Energy to be nominated by BATELEC II will serve as basis of Billing and Settlement of the bidder.</p> <p>The Bilateral Contract Quantity or the Energy to be declared by the bidder in the Wholesale Electricity Spot Market that shall be the basis of the settlement amounts.</p>

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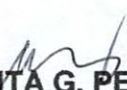
BILLING PERIOD	<b>26<sup>th</sup> of previous month to 25<sup>th</sup> of current Month</b> shall be considered as the billing period
INTEREST ON LATE PAYMENT	Any late payment shall earn an interest equivalent to BSP Lending Rate, per month of delay. Interest rates for a partial month shall be pro-rated based on 30-day month, per day of delay.
<b>GUARANTEES</b>	
SECURITY DEPOSIT	- No Security Deposit or can be waived upon showing of proof that BATELEC II is credit worthy : Coop categorization, collection efficiency, etc.
<b>FORCE MAJEURE</b>	
FORCE MAJEURE EVENT	A "Force Majeure Event" is an event beyond the reasonable control of the Party claiming a Force Majeure Event, which, through the exercise of due diligence, foresight, and Good Industry Practice, that Party could not have avoided or unable to overcome. Such events include, but are not limited to, the following:  <i>typhoon; storm; tropical depression; flood or inundation; lightning strikes; earthquake; volcanic eruption; tsunami; fire; epidemic; plague; radioactive contamination or ionizing radiation; acts of war whether war is declared or not; invasion; riot; national emergencies, civil disturbance; sabotage; explosion; insurrection; military or usurped power; strike; labor dispute; action of any court or governmental authority, or any civil or military authority de facto or de jure; act of God or the public enemy; failure in the transmission of energy due to causes consequent of decisions or actions by NGCP, the distribution utility or other governmental authority, or any other event or cause of a similar nature beyond the reasonable control of the Party claiming a Force Majeure Event.</i>
<b>OTHER INFORMATION</b>	
CHANGES ON CONTRACTED DEMAND	BATELEC II shall be allowed to reduce the contracted demand equitably among its power suppliers if affected by the reduction in demand of its captive customer with the ongoing implementation of the Retail Competition and Open Access.
REGULATORY APPROVALS	The bidder 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 BATELEC II should not be made to shoulder the incremental difference.

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