



**ISABELA II ELECTRIC COOPERATIVE**  
Alibagu, City of Ilagan, Isabela

## TERMS OF REFERENCE

No.	TERMS OF REFERENCE	REQUIREMENTS
1	<b>Type of Contract</b>	Day time peaking
2	<b>Technology</b>	Renewable Energy Source
3	<b>Contract Capacity</b>	5 MW
4	<b>Contracted Energy</b>	No Minimum Energy Off-Take
5	<b>Contracted Term</b>	The PSA shall take effect for a period of 15 years commencing on the first day of the Commercial Operation Date, unless earlier terminated in accordance with the provision of the PSA.
6	<b>Commercial Operation Date</b>	May 2021 and subject to ERC Approval
7	<b>Schedule of Delivery</b> <i>(kWh per month or year)</i>	ISELCO II may terminate the contract in the event that the winning Bidder fails to commence operation on May 2021.
8	<b>Tariff Structure (Landed Cost)</b> Shall be broken down as follows:	<i>(Landed cost)</i> refers to the final total generation cost to be billed to the EC inclusive of interconnection facilities, transmission charges, metering charges and any applicable indexations except on Capacity Fee.
	<b>A) Capacity Fees</b> <i>(PHP/KW/month)</i>	
	<b>B) Variable O&amp;M</b> <i>(PHP/kWh)</i>	
	<b>C) Fixed O&amp;M</b> <i>(PHP/KWh)</i>	
	<b>D) Fuel Fee (if any)</b> <i>(PHP/kWh)</i>	
	<b>E) Base Fee Adjustment Formula (if any)</b> <i>- Include the derivation of each component</i>	
9	<b>Outage Allowance per plant</b>	Shall not exceed 720 hours total for scheduled and unscheduled outages per year. 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, likewise if unutilized allocated unscheduled outages cannot be credited to scheduled outages and vice versa.
10	<b>Force Majeure</b>	For the duration of the agreement, when EC will not be able to receive electricity at the receiving point due to Force Majeure, EC shall not pay for fixed charges. EC shall not be required to make payments for any of the following: Capacity that is unavailable and Capacity that it cannot accept due to a Forced Majeure event. EC and power Supplier shall jointly establish plans for operating the power plant during Force Majeure. Such plans shall include recovery from a local or widespread electrical blackout. The power Supplier shall comply with the Emergency procedures and provide contingency plan if a Force Majeure occurs.
11	<b>Replacement Power</b>	Replacement power rate should be equal or lower than the ERC approved tariff. Replacement power shall be the main obligation of the supplier. But in the event of failure by the supplier to provide the contracted capacity, the EC shall be allowed to source the replacement power at the expense of the supplier

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12	Currency for the Offer	Price offer should be in Philippine Peso
13	Regulatory Approvals	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 the EC should not be made to shoulder the incremental difference.
14	Penalties	The EC shall list a set of penalties for the power supplier not limited to the following: <ul style="list-style-type: none"> <li>• Before and during commercial operation</li> <li>• Cost of foregone revenue and surcharge</li> <li>• Ground for termination of contract</li> </ul>
15	Cause of Termination	Failure to Cure an event of Default Extended Force Majeure Failure to Achieve Commercial Operation Date
16	Plant Capacity	The Bidder shall Submit Details and Technical Specification
17	Technical Specifications	ISELCO II shall require technical specifications of the power plant for the safe and reliable operation of its distribution network.
18	Take-off Structure	Supplier should provide design of take-off structure from power plant to distribution line with specified protection equipment.
19	Tapping Point Substation/ Metering Substation	For the account and responsibility of the Supplier, which should specify the tapping scheme. The power plant should be embedded within ISELCO II's distribution system, and the supplier should indicate the voltage level of tapping point. Its metering facilities should be WESM compliant, and located at the receiving substation of ISELCO II.
20	Eligibility Requirements	Two (2) years of experience of the supplier employing the same technology; Must have proof of funding availability or support from funders; Certificate of Good performance / track record with other customers is required; Technical capability/qualification of technical staff and organizational structure shall be required; and Power supplier that owns and/or operates existing and operational power plants; and power supplier with available capacity on or before May 2021.
21	Other Terms and Conditions	Possession of the property where the power plant is constructed but in known case the lease period should not be less than the contract period.  Permits and Compliances : All permits and compliances secured such as DOE Service Contract.

  
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**DOMINADOR R. SIMON**  
Vice-Chairman

  
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Noted by:

  
**DAVID SOLOMON M. SIQUIAN**  
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