SUPPLEMENTAL BID BULLETIN

Supply and Delivery of PELCO II's 40 MW Baseload Energy Requirements for Ten (10) Years Through a Power Supply Agreement (PSA) In Accordance With the Department of Energy Circular No. DC2018-02-0003 and National Electrification Administration No. 2019-007

TO ALL BIDDERS:

Please find below the following supplemental bid bulletin (SBB):

SBB No. 2020-001-9
Section 19 entitled, Contents of Bid Envelope 1, *19.3 A* of Pages 8-9 of Instruction to Bidders and Annexes "C" & "C1" of the BIDDING DOCUMENTS
Original: 19.3 The Second Envelope shall be marked "Financial Proposal" and shall contain: 19.3. A Duly executed Financial Proposal Form in the form attached as ***Annexes "C" and "C1"***. The Financial Proposal Form must be signed on each page by its authorized signatories.
The statement should be read as follows: 19.3. A Duly executed Financial Proposal Form in the form attached as *Annexes "C", "C1", "C2" to "C11"*. The Financial proposal Form must be signed on each page by its authorized signatories.

JANET M. QUIAZON
Chairman, Third Party Bids and Awards Committee (TPBAC)

Standard Response Form

Date: _____

I.   RESPONDENT'S INFORMATION

   a.   **Corporate Name**   _____

   b.   **Corporate Address**   _____
                                      _____
                                      _____
                                      _____

   c.   **Legally Authorized Representative**

      i.   *Name*   _____
      ii.   *Title/Position*   _____
      iii. *Phone Number*   _____
      iv.   *Fax. Number*   _____
      v.   *E-mail*   _____
      vi.   *Signature*   _____

   d.   **Primary Contact**

      i.   *Name*   _____
      ii.   *Title/Position*   _____
      iii. *Phone Number*   _____
      iv.   *Fax. Number*   _____
      v.   *E-mail*   _____
      vi.   *Signature*   _____

II. EXECUTIVE SUMMARY

Please provide a brief description of your proposal. Use another sheet if necessary.

III. SUPPLY OF POWER AND ENERGY

   a.   **Plant Technology/Fuel types to be used to supply Energy under this Proposal.**

     ☐ Coal   ☐ Natural Gas

     ☐ Geothermal   ☐ Diesel

     ☐ Hydro   ☐ Others (please specify)   _____

IV. PROPOSAL

Enumeration of Cost / Tariff Structure		Units	Power Supplier's Proposed Rates	What Indexation shall be used?	% of the Component with Escalation
Fixed Charges (FC)	Capital Recovery Fee (CRF)	PHP/kW-month		No Indexation	
	Fixed O&M Fee (FOM)	PHP/kW-month			
Variable Charges (VC)	Variable O&M Fee (VOM)	PHP/kWh			
	Fuel Fee (FF)	PHP/kWh			
					Criteria
Discounts	Prompt Payment (PPD)				Payment made on or before 10th day of the next billing month.
	Collection Efficiency (CED)				Collection efficiency shall not be lower than 80%.
	Capacity Utilization (CUD)				Load factor shall not be lower than 60%.

Reliability / Outage Allowance (OA)	Forced / Unscheduled Outages	Hours/Year		Total equivalent hours shall not more than 15 days per year.
	Scheduled Outages	Hours/Year		
	Total Outages	Hours/Year		

The offer is a Renewable Energy source?		
If yes, is it a RPS eligible plant?		
Power supplier will shoulder the VAT?		
If yes, how and how much?		
Power supplier will shoulder the Line Rental?		
If yes, how and how much?		
Power supplier will require Security Deposit (SD)?		
If yes, how many months of SD?		

V. OTHER CONTRACT TERMS

SRF INPUT PROCESS

The Bidder shall accomplish all the data needed in Standard Response Form (SRF).

	Enumeration of Cost / Tariff Structure	Units	Power Supplier's Proposed Rates	What Indexation shall be used?	% of the Component with Escalation	
Fixed Charges (FC)	Capital Recovery Fee (CRF)	PHP/kW-month	(1)	No Indexation		
	Fixed O&M Fee (FOM)	PHP/kW-month	(2)	(3)	(4)	
Variable Charges (VC)	Variable O&M Fee (VOM)	PHP/kWh	(5)	(6)	(7)	
	Fuel Fee (FF)	PHP/kWh	(8)	(9)	(10)	
					Criteria	
Discounts	Prompt Payment (PPD)		(11)	(12)	Payment made on or before 10th day of the next billing month.	(13)
	Collection Efficiency (CED)		(14)	(15)	Collection efficiency shall not be lower than 80%.	(16)
	Capacity Utilization (CUD)		(17)	(18)	Load factor shall not be lower than 60%.	(19)
	(20)		(21)	(22)	(23)	
	(24)		(25)	(26)	(27)	

Reliability / Outage Allowance (OA)	Forced / Unscheduled Outages	Hours/Year	(28)	Total equivalent hours shall not more than 15 days per year.
	Scheduled Outages	Hours/Year	(29)	
	Total Outages	Hours/Year		

The offer is a Renewable Energy source?	(30)	
If yes, is it a RPS eligible plant?	(31)	
Power supplier will shoulder the VAT?	(32)	
If yes, how and how much?	(33)	(34)
Power supplier will shoulder the Line Rental?	(35)	
If yes, how and how much?	(36)	(37)
Power supplier will require Security Deposit (SD)?	(38)	
If yes, how many months of SD?	(39)	

Step 1: Indicate the proposed Capital Recovery Fee (CRF). As discussed, the CRF shall be in PHP/kW-month and shall not be subject to any indexation.

Step 2: Indicate the proposed Fixed Operation and Maintenance Fee (FOMF). As discussed, FOMF shall also be expressed in PHP/kW-month. Bidder Genco shall only propose a single FOMF rate for the whole contract duration and subject to annual adjustment at a rate equivalent to the actual increase (or decrease) in the Philippine Consumer Price Index (PHCPI) for all income household's commodity group.

Step 3: Use the cell dropdown menu to select which indexation formula will apply to the FOMF. It is either indexation using the "Monthly PHCPI" or "Annual Average PHCPI". This is determined by the following Formulae below.

A. Index using the Monthly PHCPI

$$FOMF_{n\_month} = \left[FOMF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \right]$$

B. Index using the Annual Average PHCPI

$$FOMF_{n\_year} = \left[FOMF_B \times \left(\frac{PHCPI_{n\_year-1}}{PHCPI_B} \right) \right]$$

where:

$FOMF_{n\_month}$	– Current month's adjusted FOMF
$FOMF_{n\_year}$	– Current year's adjusted FOMF
$FOMF_B$	– Base FOMF, as indicated in the Step 2.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority
$PHCPI_{n\_year-1}$	– previous year's 12-month average PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority

In the evaluation, the projected PHCPI shown in the table below will be used.

Philippine Consumer Price Index (PHCPI)												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Jan	119.10	122.60	125.02	128.36	131.81	135.29	138.98	142.58	146.31	150.21	154.14	157.75
Feb	119.30	122.40	125.22	128.69	132.15	135.58	139.33	142.78	146.67	150.60	154.41	158.08
Mar	119.30	122.30	125.44	129.01	132.36	135.97	139.49	143.20	146.98	150.96	154.69	158.42
Apr	119.60	122.20	125.85	129.35	132.71	136.25	139.77	143.59	147.25	151.22	154.99	158.71
May	119.80	122.30	126.17	129.63	132.99	136.56	140.07	143.93	147.58	151.44	155.28	158.84
Jun	119.90	122.90	126.44	129.93	133.25	136.86	140.41	144.21	147.91	151.80	155.67	159.28
Jul	120.20	123.50	126.80	130.18	133.60	137.14	140.76	144.56	148.27	152.17	156.00	159.67
Aug	120.40	123.66	127.09	130.42	133.88	137.42	141.07	144.84	148.70	152.56	156.28	160.10
Sep	120.60	123.96	127.34	130.75	134.14	137.74	141.42	145.15	148.97	152.92	156.65	160.43
Oct	120.80	124.22	127.56	130.93	134.43	138.14	141.82	145.34	149.28	153.21	156.96	160.73
Nov	121.10	124.50	127.86	131.21	134.75	138.50	142.15	145.70	149.64	153.51	157.32	161.00
Dec	121.90	124.76	128.13	131.56	134.97	138.76	142.30	145.95	149.91	153.91	157.59	161.37
Average	120.17	123.27	126.58	130.00	133.42	137.02	140.63	144.32	148.12	152.04	155.83	159.53

Step 4: Indicate the percentage of the FOMF where escalation, with respect to the PHCPI, will apply. (e.g., "0%" if no escalation on the FOMF will apply; "50%" if half of the FOMF will escalate; "100%" if the whole FOMF is expected to escalate). Steps 2 to 4 will be the basis in computing the Fixed O&M Cost. This is determined by the following Formula below.

A. Index using the Monthly PHCPI

$$FOMF_{n\_month} = \left[E \times FOMF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \right] + [(1 - E) \times FOMF_B]$$

B. Index using the Annual Average PHCPI

$$FOMF_{n\_year} = \left[E \times FOMF_B \times \left(\frac{PHCPI_{n\_year-1}}{PHCPI_B} \right) \right] + [(1 - E) \times FOMF_B]$$

where:

$FOMF_{n\_month}$	– Current month's adjusted FOMF
$FOMF_{n\_year}$	– Current year's adjusted FOMF
$FOMF_B$	– Base FOMF, as indicated in the Step 2.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority
$PHCPI_{n\_year-1}$	– previous year's 12-month average PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority
E	– percentage of the price components where escalation will apply, as indicated in step 4

Step 5: Indicate the proposed Variable Operation and Maintenance Fee (VOMF). As discussed, VOMF shall also be expressed in PHP/kWh. Bidder Genco shall only propose a single VOMF rate for the whole contract duration and subject to annual adjustment at a rate equivalent to the actual increase (or decrease) in the Philippine Consumer Price Index (PHCPI) for all income household's commodity group.

Step 6: Use the cell dropdown menu to select which indexation formula will apply to the VOMF. It is either indexation using the "Monthly PHCPI" or "Annual Average PHCPI". This is determined by the following Formulae below.

A. Index using the Monthly PHCPI

$$VOMF_{n\_month} = \left[VOMF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \right]$$

B. Index using the Annual Average PHCPI

$$VOMF_{n\_year} = \left[VOMF_B \times \left(\frac{PHCPI_{n\_year-1}}{PHCPI_B} \right) \right]$$

where:

$VOMF_{n\_month}$	– Current month's adjusted VOMF
$VOMF_{n\_year}$	– Current year's adjusted VOMF
$VOMF_B$	– Base VOMF, as indicated in the Step 5.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority
$PHCPI_{n\_year-1}$	– previous year's 12-month average PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the base year 2019, as published by the Philippine Statistic Authority

Step 7: Indicate the percentage of the VOMF where escalation, with respect to the PHCPI, will apply. (e.g., "0%" if no escalation on the VOMF will apply; "50%" if half of the VOMF will escalate; "100%" if the whole VOMF is expected to escalate). Steps 5 to

PELCO II

APRIL 23, 1979

PAMPANGA II ELECTRIC COOPERATIVE, INC.
San Roque, Guagua, Pampanga 2003

ANNEX "C5"

INVITATION TO BID 2020-001 PSA   **SRF Input Process**

7 will be the basis in computing the Variable O&M Cost. This is determined by the following Formula below.

A. Index using the Monthly PHCPI

$$VOMF_{n\_month} = \left[E \times VOMF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \right] + [(1 - E) \times VOMF_B]$$

B. Index using the Annual Average PHCPI

$$VOMF_{n\_year} = \left[E \times VOMF_B \times \left(\frac{PHCPI_{n\_year-1}}{PHCPI_B} \right) \right] + [(1 - E) \times VOMF_B]$$

where:
$VOMF_{n\_month}$	– Current month's adjusted VOMF
$VOMF_{n\_year}$	– Current year's adjusted VOMF
$VOMF_B$	– Base VOMF, as indicated in the Step 5.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority
$PHCPI_{n\_year-1}$	– previous year's 12-month average PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority
E	– percentage of the price components where escalation will apply, as indicated in step 7

Step 8: Indicate the proposed Fuel Fee (FF). As discussed, FF shall also be expressed in PHP/kWh. Bidder Genco shall only propose a single FF rate for the whole contract duration and subject to annual adjustment at a rate equivalent to the actual increase (or decrease) in the Philippine Consumer Price Index (PHCPI) for all income household's commodity group, the Philippine Peso to US Dollar Exchange Rate (PHP/USD FOREX) or NEWC Coal Market Index.

Step 9: Use the cell dropdown menu to select which indexation formula will apply to the FF. It is either indexation using the following:

A. PHCPI only
B. PHP/USD FOREX only
C. NEWC only
D. PHCPI and PHP/USD FOREX
E. PHCPI and NEWC
F. PHP/USD FOREX and NEWC
G. PHCPI, PHP/USD FOREX and NEWC

This is determined by the following Formulae below.

A. Index using the PHCPI Only

$$FF_{n\_month} = \left[FF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \right]$$

B. Index using the PHP/USD FOREX

$$FF_{n\_month} = \left[FF_B \times \left(\frac{PHP/USD\ FOREX_{n\_month-1}}{PHP/USD\ FOREX_B} \right) \right]$$

C. Index using the NEWC Only

$$FF_{n\_month} = \left[FF_B \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \right]$$

D. Index using the PHCPI and PHP/USD FOREX

$$FF_{n\_month} = \left[FF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \times \left(\frac{PHP/USD\ FOREX_{n\_month-1}}{PHP/USD\ FOREX_B} \right) \right]$$

E. Index using the PHCPI and NEWC

$$FF_{n\_month} = \left[FF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B} \right) \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \right]$$
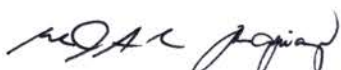
F. Index using the PHP/USD FOREX and NEWC

$$FF_{n\_month} = \left[FF_B \times \left(\frac{PHP/USD\ FOREX_{n\_month-1}}{PHP/USD\ FOREX_B} \right) \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \right]$$

G. Index using the PHCPI, PHP/USD FOREX and NEWC

$$FF_{n\_month} = \left[\begin{array}{c} FF_B \times \left(\frac{PHCPI_{n_{month}-1}}{PHCPI_B} \right) \times \left(\frac{\frac{PHP}{USD}FOREX_{n_{month}-1}}{\frac{PHP}{USD}FOREX_B} \right) \\ \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \end{array} \right]$$

where:

FF_{n_month}	– Current month's adjusted FF
FF_B	– Base FF, as indicated in the Step 8.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority
$PHP/USD\ FOREX_{n\_month-1}$	– average previous month's PHP/USD FOREX, as published by the Bangko Sentral ng Pilipinas
$PHP/USD\ FOREX_B$	– Base PHP/USD FOREX which is the 12-month average PHP/USD FOREX for the year 2019, as published by the Bangko Sentral ng Pilipinas
$NEWC_{n\_month-1}$	– previous month's NEWC Index
$NEWC_B$	– Base Coal Price index which is the 12-month average Australian Coal Price for the year 2019, as published in the World Bank Commodity Price Data

In the evaluation, the projected PHP/USD Exchange Rate and World Bank Commodity Price Data, Australian Coal ($/MT) shown in the table below will be used.
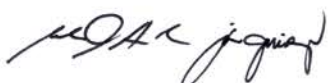
Philippine Peso per US Dollar Exchange Rate												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Jan	52.47	50.84	50.10	50.91	51.86	52.54	53.77	54.63	55.66	56.56	57.70	59.15
Feb	52.19	50.74	50.15	50.99	51.86	52.65	53.88	54.70	55.71	56.54	57.87	59.16
Mar	52.41	50.90	50.16	51.11	51.87	52.76	53.84	54.80	55.73	56.73	58.03	59.18
Apr	52.11	50.73	50.34	51.14	51.97	52.91	53.75	54.95	55.74	56.82	58.02	59.34
May	52.26	50.56	50.44	51.19	51.99	52.90	53.87	54.86	55.91	56.88	58.27	59.38
Jun	51.80	50.10	50.48	51.21	52.05	52.81	53.93	54.97	56.03	57.06	58.45	59.39
Jul	51.14	49.47	50.57	51.25	52.13	52.94	54.06	55.06	55.92	56.99	58.71	59.36
Aug	52.05	49.59	50.59	51.35	52.08	53.04	54.06	55.02	55.99	57.09	58.69	59.56
Sep	52.11	49.69	50.75	51.30	52.21	53.19	54.16	55.21	56.06	57.16	58.86	59.59
Oct	51.50	49.73	50.77	51.33	52.26	53.26	54.33	55.23	56.13	57.28	58.88	59.64
Nov	50.73	49.85	50.89	51.49	52.39	53.50	54.52	55.39	56.33	57.41	58.91	59.90
Dec	50.77	49.97	50.89	51.67	52.45	53.69	54.55	55.49	56.46	57.58	59.12	59.89
Average	51.80	50.18	50.51	51.25	52.09	53.02	54.06	55.03	55.97	57.01	58.46	59.46

World Bank Commodity Price Data, Australian Coal ($/MT)												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Jan	98.56	69.66	52.83	51.44	50.97	55.17	57.09	58.16	60.13	58.77	57.92	60.52
Feb	95.42	67.64	52.76	50.79	51.07	55.43	57.06	57.67	61.21	59.10	58.16	60.58
Mar	93.12	66.74	53.19	51.20	51.15	55.70	57.40	57.57	60.10	59.34	59.08	60.87
Apr	86.77	58.55	53.59	50.17	52.14	56.03	57.78	57.10	60.47	59.12	58.67	60.84
May	82.32	52.49	52.81	49.96	52.21	55.96	57.62	57.05	59.70	58.29	59.17	60.26
Jun	72.49	52.21	53.35	50.95	52.27	56.51	57.98	57.50	60.76	57.82	59.78	60.30
Jul	72.08	51.56	53.18	50.28	52.52	56.54	58.02	58.30	61.02	57.94	58.91	60.87
Aug	65.55	51.96	53.02	49.62	52.91	55.24	57.53	58.65	61.61	58.77	59.00	60.24
Sep	65.95	51.09	53.02	49.96	52.81	56.28	56.92	60.45	60.03	58.34	60.17	60.77
Oct	69.20	51.84	52.41	49.96	53.57	55.72	56.70	60.89	59.53	57.55	59.63	62.06
Nov	66.99	52.23	51.60	50.44	54.15	55.03	57.72	60.26	58.86	56.60	59.76	61.65
Dec	66.18	52.66	50.81	50.85	54.59	57.01	58.50	60.47	58.68	57.27	59.36	61.22
Average	77.89	56.55	52.71	50.47	52.53	55.88	57.53	58.67	60.18	58.24	59.13	60.85

Step 10: Indicate the percentage of the FF where escalation, with respect to the applicable indexation, will apply. (e.g., "0%" if no escalation on the FF will apply; "50%" if half of the FF will escalate; "100%" if the whole FF is expected to escalate). Steps 8 to 10 will be the basis in computing the Fuel Cost. This is determined by the following Formula below.

A. Index using the PHCPI Only

$$FF_{n\_month} = \left[E \times FF_B \times \left(\frac{PHCPI_{n\_month-1}}{PHCPI_B}\right)\right] + [(1 - E) \times FF_B]$$

B. Index using the PHP/USD FOREX

$$FF_{n_{month}} = \left[E \times FF_B \times \left(\frac{\frac{PHP}{USD}FOREX_{n_{month}-1}}{\frac{PHP}{USD}FOREX_B} \right) \right] + [(1-E) \times FF_B]$$

C. Index using the NEWC Only

$$FF_{n\_month} = \left[E \times FF_B \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \right] + [(1-E) \times FF_B]$$

D. Index using the PHCPI and PHP/USD FOREX

$$FF_{n\_month} = \left[\begin{array}{c} E \times FF_B \times \left(\frac{PHCPI_{n_{month}-1}}{PHCPI_B} \right) \times \\ \left(\frac{\frac{PHP}{USD}FOREX_{n_{month}-1}}{\frac{PHP}{USD}FOREX_B} \right) \end{array} \right] + [(1-E) \times FF_B]$$

E. Index using the PHCPI and NEWC

$$FF_{n\_month} = \left[\begin{array}{c} E \times FF_B \times \left(\frac{PHCPI_{n_{month}-1}}{PHCPI_B} \right) \\ \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \end{array} \right] + [(1-E) \times FF_B]$$

F. Index using the PHP/USD FOREX and NEWC

$$FF_{n\_month} = \left[\begin{array}{c} E \times FF_B \times \left(\frac{\frac{PHP}{USD}FOREX_{n_{month}-1}}{\frac{PHP}{USD}FOREX_B} \right) \\ \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \end{array} \right] + [(1-E) \times FF_B]$$

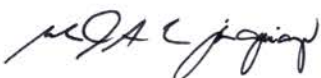G. Index using the PHCPI, PHP/USD FOREX and NEWC

$$FF_{n\_month} = \left[\begin{array}{c} E \times FF_B \times \left(\frac{PHCPI_{n_{month}-1}}{PHCPI_B} \right) \times \left(\frac{\frac{PHP}{USD}FOREX_{n_{month}-1}}{\frac{PHP}{USD}FOREX_B} \right) \\ \times \left(\frac{NEWC_{n\_month-1}}{NEWC_B} \right) \end{array} \right] + [(1-E) \times FF_B]$$

where:

FF_{n_month}	– Current month's adjusted FF
FF_B	– Base FF, as indicated in the Step 8.
$PHCPI_{n\_month-1}$	– previous month's PHCPI, as published by the Philippine Statistic Authority

$PHCPI_B$	– Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority
$PHP/USD\ FOREX_{n\_month-1}$	– average previous month's PHP/USD FOREX, as published by the Bangko Sentral ng Pilipinas
$PHP/USD\ FOREX_B$	– Base PHP/USD FOREX which is the 12-month average PHP/USD FOREX for the year 2019, as published by the Bangko Sentral ng Pilipinas
$NEWC_{n\_month-1}$	– previous month's NEWC Index
$NEWC_B$	– Base Coal Price index which is the 12-month average Australian Coal Price for the year 2019, as published in the World Bank Commodity Price Data
E	– percentage of the price components where escalation will apply, as indicated in step 10

Step 11: Use the cell dropdown menu to select the unit of measurement of the proposed Prompt Payment Discount (PPD), if there's any. It can be either in the following:

- A. PHP/kWh
- B. Percentage of the total Fixed and Variable Charges
- C. Percentage of the total Fixed Charges
- D. Percentage of the total Variable Charges
- E. Percentage of the total Fixed Charges and Variable O&M Charges
- F. Percentage of the total Fixed O&M and Variable O&M Charges

Step 12: Indicate the amount of the proposed Prompt Payment Discount (PPD), if there's any.

Step 13: Use the scroll button on the right side to change the due date for the PPD.

Step 14: Use the cell dropdown menu to select the unit of measurement of the proposed Collection Efficiency Discount (CED), if there's any. It can be either in the following:

- A. PHP/kWh
- B. Percentage of the total Fixed and Variable Charges
- C. Percentage of the total Fixed Charges
- D. Percentage of the total Variable Charges
- E. Percentage of the total Fixed Charges and Variable O&M Charges
- F. Percentage of the total Fixed O&M and Variable O&M Charges

Step 15: Indicate the amount of the proposed Collection Efficiency Discount (CED), if there's any.

Step 16: Use the scroll button on the right side to change the % collection efficiency criteria.

Step 17: Use the cell dropdown menu to select the unit of measurement of the proposed Capacity Utilization Discount (CUD), if there's any. It can be either in the following:

- A. PHP/kWh
- B. Percentage of the total Fixed and Variable Charges
- C. Percentage of the total Fixed Charges
- D. Percentage of the total Variable Charges
- E. Percentage of the total Fixed Charges and Variable O&M Charges
- F. Percentage of the total Fixed O&M and Variable O&M Charges

Step 18: Indicate the amount of the proposed Capacity Utilization Discount (CUD), if there's any.

Step 19: Use the scroll button on the right side to change the capacity utilization criteria.

Step 20: Indicate the description of proposed additional discount, if there's any.

Step 21: Use the cell dropdown menu to select the unit of measurement of the proposed additional discount, if there's any. It can be either in the following:

A. PHP/kWh
B. Percentage of the total Fixed and Variable Charges
C. Percentage of the total Fixed Charges
D. Percentage of the total Variable Charges
E. Percentage of the total Fixed Charges and Variable O&M Charges
F. Percentage of the total Fixed O&M and Variable O&M Charges

Step 22: Indicate the amount of proposed additional discount, if there's any.

Step 23: Indicate the criteria to be met of proposed additional discount.

Step 24: Same as Step 20

Step 25: Same as Step 21

Step 26: Same as Step 22

Step 27: Same as Step 23

Step 28: Indicate the guaranteed maximum number of Forced / Unscheduled Outages. It shall be expressed in no. of Hours per year (hrs).

Step 29: Indicate the guaranteed maximum number Scheduled Outages. It shall be expressed in no. of Hours per year (hrs).

It is based on the average 2019 NPC Luzon Effective Rate which is PHP 4.3893 per kWh. The RP is subject to annual adjustment at a rate equivalent to the actual increase (or decrease) in the Philippine Consumer Price Index (PHCPI) for all income household's commodity group. Such adjustment shall be determined by the formula below.

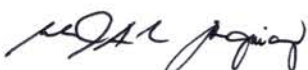$$RP_n = RP_B \times \frac{PHCPI_{n-1}}{PHCPI_B}$$

where:

RP_n – Adjusted Replacement Power rate
RP_B – NPC Luzon Effective Rate which is PHP 4.3893 per kWh.
$PHCPI_{n-1}$ – previous year's 12-month average PHCPI, as published by the Philippine Statistic Authority
$PHCPI_B$ – Base PHCPI which is the 12-month average PHCPI of the year 2019, as published by the Philippine Statistic Authority

Also the RP of Forced / Unscheduled Outages is subject to an increment factor of 1.05 with respect to the RP rate of the Scheduled Outages.

Step 30: Specify the plant where PELCO II will be contracted is a Renewable or Non-renewable plant technology.

Step 31: Specify the plant where PELCO II will be contracted is a Renewable Portfolio Standard (RPS) eligible plant.

Step 32: Specify if the Bidder Genco will shoulder the Value Added Tax (VAT).

Step 33: Indicate how it will be shouldered the Value Added Tax (VAT). It can also be expressed in the following form:

    A. Full – Shoulder the whole amount
    B. Partial – in terms of Php/kWh
    C. Partial – in terms of percentage of the total VAT amount

Step 34: Indicate the amount of VAT to be shouldered.

Step 35: Specify if the Bidder Genco will shoulder the Line Rental

Step 36: Indicate how it will be shouldered the Line Rental. It can also be expressed in the following form:

    A. Full – Shoulder the whole amount
    B. Partial – in terms of Php/kWh
    C. Partial – in terms of percentage of the total VAT amount

Step 37: Indicate the amount of Line Rental to be shouldered.

Step 38: Specify if Bidder Genco will require a Security Deposit (SD).

Step 39: If yes, specify how many months will be required as Security Deposit (SD). For this evaluation PELCO II will use the Standby Letter of Credit (SBLC) rate formula below in the computation of the premium cost:

$$P = GC_{Month} \times 1\% \times \frac{1}{32} \times SD_{Month}$$

where:
    P – SBLC's premium cost
    GC_{Month} – Projected Monthly Generation Cost
    SD_{Month} – No of required SD months

Step 40: Print and sign the following sheet from the SRF excel template:

    A. SRF
    B. Summary of Rates
    C. Simulation Annually