



# QUEZON 1 ELECTRIC COOPERATIVE, INC.

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## THIRD PARTY BIDS and AWARDS COMMITTEE

### Bid Bulletin No. 2

#### Supply and Delivery of QUEZELCO I's additional baseload capacity/energy requirement of 5MW with 1MW yearly increment from 26 June 2022 to 25 December 2027

This Bid Bulletin No. 2 is being issued to amend/supplement provisions in the bidding documents, and to address queries/clarifications submitted for the above-mentioned project:

DESCRIPTION	QUERY	RESPONSE
ITB 1.2 - Table 1	Please clarify why the total number of hours per year in ITB 17.3 is 8640 rather than 8760.	8640 is computed at 360 hrs. per year at 30 days per month. It is also the total number of hours used in the financial data sheet, for uniformity purposes. Table 1 is also computed at 30 days/month
ITB 1.2 The winning bidder shall supply and deliver the additional baseload capacity/energy requirement of QUEZELCO I from 26 June 2022 to 25 December 2027	Can the bidder submit offer for Years 2 to 6 only? Will the term be moved in case of delay in the start of supply?	Proposal should be submitted base on our requirement which is 66 months though in actuality, it will be depending on the issuance of PA. Given any delay in the start of supply, the contract period will still be until 25 December 2027
ITB 1 Scope of Bids	<ol style="list-style-type: none"> <li>1. Is the Supply Contract Capacity and Contract Energy open to either a single nominated power plant or a portfolio of power plants</li> <li>2. Is the Annual Contract Energy under a Take-or-Pay basis?</li> <li>3. Can QUEZELCO I provide Bidders with its Power Supply Procurement Plan (PSPP)</li> <li>4. How can the winning bidder be able to supply by June 26, 2022 when the Parties are only scheduled to file the Joint Application for the approval of the PSA with ERC within the period of July 25, 2022 to August 19, 2022 as indicated in ITB 4 Transaction Schedule</li> </ol>	<ol style="list-style-type: none"> <li>1 The Supply Contract Capacity and the Contract Energy is open to either a single nominated power plant or a portfolio of power plants.</li> <li>2 The Annual Contract Energy is under a Take-or-Pay basis.</li> <li>3 PSPP is downloadable from DOE website.</li> <li>4 It is stated in the TOR that start of delivery will be on the immediate 26<sup>th</sup> day of the month upon completion of the conditions precedent to start supply or ERC issuance of Provisional Authority</li> </ol>
ITB 3 Definition of Terms	Please clarify what is the relevance of the term "Operating Year" under this CSP	Operating Year is stated as regards to the one year operating program in relation to the Approved Scheduled outage.
ITB 4 – Transaction Schedule	May we request that the deadline for clarification be	Schedule of activities is based on DOE guidelines and NEA

	<p>moved to three (3) days after the issuance of Bid Bulletin and Minutes of the Pre-Bid Conference.</p>	<p>Memorandum on CSP for PSA. Deadline for clarification is 14 calendar days before the submission of bids, that is May 24, 2022. (Note: Bid Bulletin No. 1 is issued to amend the transaction schedule.</p>
<p>ITB 6 – Clarification and Amendment of Bidding Documents</p>	<p>It is suggested that any related documents to the CSP (Bid Bulletin, Minutes of the Pre-Bid, forms, etc.) be provided to the Bidder without the need to further inquiry or follow up. As a suggestion, any further issuances should be transmitted via email to all Bidders.</p> <p>Signing of PSA on July 18 or 19, 2022. We believed that allotted 10 day period would not be enough for any possible negotiation between the Parties as well as for the NEA to issue a Notice to Proceed to sign the PSA.</p>	<p>Bid Bulletin/Addendum shall be e-mailed to bidders without prior request. Minutes of Pre-Bid and Opening of Bids per request at P100/page which will apply in hardcopy or electronic copy. The issuance of bid bulletin will be final. The schedule of PSA signing is based on NEA Memo and still subject to change depending on the NEA's issuance of Notice to Proceed on the signing of PSA.</p>
<p>ITB 8.6 Eligible Bidders</p>	<p>What is the definition of the investment requirement of each power plant?</p>	<p>Investment requirement means capital spending in energy supply capacity in terms of energy infrastructure and power generation.</p>
<p><b>ITB 8 Eligible Bidders</b> 8.6 The bidder must have an Unrestricted Net Worth of at least 30% of the investment requirement of each power plant including the cost of point-to-point connection. The value of the bidder's Unrestricted Net Worth shall be based on the latest Audited Financial Statements (AFS) submitted to the Bureau of Internal Revenue (BIR) for the last two (2) years." Unrestricted Net Worth" refers to the sum of subscribed and paid up equity, including additional paid-in capital, and unrestricted retained earnings, preferred shares, perpetual shares less treasury shares of common, preferred and perpetual shares. Unrestricted retained earnings means the amount of accumulated profits and gains realized out of the normal and continuous operations of the company after deducting therefrom distributions to stockholders and transfers to capital stock or other accounts and which is: (i) not appropriated by the Board of Directors for corporate expansion projects or programs; (ii) not covered by a restriction for dividend declaration under a loan agreement; (iii) not required to be retained under special circumstances obtaining in the corporation such as when there</p>	<p>The requirement (indicated in 8.6) for the bidder to have an Unrestricted Net Worth of at least 30% of the investment is too restrictive and prohibitory which runs counter to policy of open, equitable and competitive selection process. Please note that power projects have varying funding strategies and arrangements implemented to ensure its completion and operations.</p> <p>In view of the foregoing, we respectfully request for QUEZELCO I's reconsideration of the requirement above and allow the Bidder to submit alternative proof of financial capability such as but not limited to commitments from financial institutions and/or lenders as well as equity partners to support the funding requirements should suffice to comply with the requirements in lieu of the required</p>	<p>The eligibility requirements is maintained. Rest assured that the TPBAC will be very lenient subject to the bidder's presentation of the alternative proof of financial capability concerned.</p>

<p>is a need for a special reserve for probable contingencies (as defined in SEC Memorandum Circular NO. 11-08 dated December 5, 2008); and (iv) not otherwise covered by any other legal restriction on the ability of the company to distribute or otherwise apply its equity.</p>	<p>financial ratios.</p> <p>We would like to emphasize that the CSP 2018/21 Rules provides for the conduct of the procurement of power supply which shall be governed by some principles including the competitiveness by extending equal opportunity to eligible and qualified Gencos to participate in the CSP.</p>	
<p><b>15. Eligibility Requirements for Bidders</b></p> <p><b>15.2 c Financial Documents</b></p> <p>(a) The bidder's In-house Statement (2021) and Audited Financial Statements, stamped "received" by the Bureau of Internal Revenue (BIR) for the last two years (i.e. for year 2019-2020 and 2021 if available), showing, among others, the bidder's total and current assets and liabilities. Complete set of financial statement includes the following:</p> <ol style="list-style-type: none"> <li>i. Balance Sheet;</li> <li>ii. Income Statement;</li> <li>iii. Statement of Changes in Equity,</li> <li>iv. Cash Flow Statement</li> <li>v. Notes to Financial Statement;</li> <li>vi. Statement of Management Responsibility for Financial Statement; and</li> <li>vii. Financial Ratios indicating liquidity measurement ratio, debt ratio, profitability ratio and operating performance ratio.</li> </ol> <p>(b) Calculation sheet of the unrestricted networth of the bidder certified by the Finance Manager or officer of the bidder.</p>	<ol style="list-style-type: none"> <li>1. 15.1 - Please clarify if the 2<sup>nd</sup> paragraph only pertains to consortium or joint ventures of 2 or more existing corporations or partnership created or to be created for the purpose of this CSP.</li> <li>2. 15.2a - MPPCL was not issued a Registration Certificate by SEC when it was established in 2007. Thus, in lieu of said requirement, MPPCL requests that it be allowed to submit a copy of the certificate issued by the SEC approving its Articles of Partnership, as well as its original Articles of Partnership</li> <li>3. 15.2b - MPPCL is a partnership, can we submit the latest amended Articles of Partnership?</li> <li>4. 15.2c - Please clarify what document are you pertaining to as "In-house Statement" of the Bidder? <ol style="list-style-type: none"> <li>4.1 May we know what is the difference between "In-house" and Audited FS? (2) 2019- 2020 FS are already under Eligibility Requirements. Kindly confirm if we will produce new set of copies for this section.</li> </ol> </li> <li>5. Can we submit the acknowledgement receipt from the BIR since our FS are submitted electronically?</li> </ol>	<ol style="list-style-type: none"> <li>1. 2<sup>nd</sup> paragraph pertains to joint venture or consortium.</li> <li>2. Bidder is allowed to submit the Certification issued by the SEC approving its Articles of Partnership.</li> <li>3. Bidder must submit the latest Amended Articles of Partnership and the original articles of partnership.</li> <li>4. In-house statement means Unaudited Financial Statement (FS), both Unaudited and Audited FS are to be submitted <ol style="list-style-type: none"> <li>4.1 The eligibility requirement specified in ITB 15.2c financial documents and the eligibility requirements in the TOR are the same</li> </ol> </li> <li>5. Acknowledgement receipt from the BIR that the FS are already electronically submitted thru Electronically Audited Financial Statement (EAFS) will be accepted.</li> </ol>

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	<p>6. 15.2 b Technical Documents. Please confirm that this refers to existing customers only.</p> <p>7. May we suggest limiting the list to regulated distribution customers only?</p> <p>8. Details might be subject to Data Privacy issues and Bidder cannot commit to obtain consent of customers. Available customer information in their respective official websites should be sufficient.</p> <p>9. 15.2b – (b) v, We believe that item v should not be included in the matrix of information relative to the bidder’s customers as it is not related to the information being required. We suggest to delete.</p> <p>10. 15.2c In addition, item, “vii” is not include complete set of the audited financial statements, but we will provide a separatesheet if necessary. However, we would like to request what are the specific and complete ratios you would want other than those itemized in the provision’s description.</p> <p>11. 15.3h – Is it possible to submit Certificate of No Unsatisfactory Performance at least one and electronically signed certificate.</p> <p>12. Having all of the Bidder’s customers sign this may have troubles logistically. May we respectfully suggest that this requirement be from 2 customers of the bidder. We would like to note that from the past CSPs that GNPD participated, 2 certificates of such is allowed.</p> <p>13. 15.3j - Please confirm that this is already</p>	<p>6. ITB 15.2-b(c) refers Existing customer only.</p> <p>7. Requirements in ITB 15.2 b (c) is limited to regulated customers only.</p> <p>8. Customer Information in the website is sufficient.</p> <p>9. Allowed to be deleted since this data is accessible from the website.</p> <p>10. 15.2c (vii) Speaks for itself. Bidder must provide the on-hand requirements as stated to the best of its ability.</p> <p>11. Bidder shall submit in advance the scanned copy thru email and make available the original copy for the post qualification. Certificate of No Unsatisfactory Performance from at least 2 customers must be submitted.</p> <p>12. Two certificates will suffice.</p> <p>13. Yes, covered by Annex D-4.</p>
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		covered by ITB Annex-D. Are we allowed to submit Certified True Copy?	Yes, certify all the pages.
	ITB 16 Bid Security	<ol style="list-style-type: none"> <li>1. Do you have a template for the Irrevocable Letter of Credit?</li> <li>2. Does the bid security has a validity?</li> <li>3. We would like our appeal to have a fixed amount for the bid security as seen in recent CSPs conducted by ECs.</li> <li>4. In addition, we suggest that the bid security validity be until 30 days after the scheduled opening and evaluation of bids.</li> </ol>	<ol style="list-style-type: none"> <li>1. QUEZELCO I has no template for Irrevocable Letter of Credit (ILOC). Bidder can use own template.</li> <li>2. For Irrevocable Letter of Credit, validity of bid security shall coincide with the bid validity of 120 days from the opening of bids.</li> <li>3. Bid Security is fixed at Php40,845,124.80</li> <li>4. Provision on Bid Security per NEA Memo 2017—09 shall apply.</li> </ol>
	ITB 17 Annex B	<ol style="list-style-type: none"> <li>1. Can we indicate a small number of outage allowance? How it will be computed?</li> <li>2. Please reconcile the inconsistencies in the required pricing structure between the one indicated in the ITB Sec 17 vis-à-vis Article 3 of the TOR. Under the TOR, the pricing structure is capacity-based where the capacity payment is expressed in PhP/kW – month while under ITB Section 17, all components are energy-based expressed in PhP/kWh.</li> <li>3. Please confirm that default values for US CPI, PH CPI and Fuel escalation as indicated in Annex B will be the default value to be used by all of the bidders except that a specific rate component is not subject to any escalation.</li> <li>4. Also, pls. confirm that row H of the financial datasheet (Discount) should be deducted to the computed total cost.</li> </ol>	<ol style="list-style-type: none"> <li>1. Bidders can indicate lesser number of outage hours rather than state the maximum of 1080 hours. The lesser outage hours is more advantageous.</li> <li>2. There is nothing to reconcile. Under TOR 3.1 its stipulated that the bidder shall specify both its levelized capacity payment offer (PhP/kw/month) and energy payment offer (PhP/kw). The energy payment offer equivalent to 100% Capacity Utilization Factor shall be used (baseload) in the required pricing structure. In fact, the energy-based is within 100% Capacity Utilization Factor (CUF). The capacity-based table of 35% to 100% shall apply in case of force majeure</li> <li>3. The default values for US CPI, PH CPI and coal price index % escalation as indicated in Annex B will be used including assumptions/conditions indicated therein.</li> <li>4. In the financial data sheet input value in column C Row 26 (discount) shall be a negative value (-PhP/kwh) such that it</li> </ol>

		shall appear as negative value in column H (discounts) which will be correspondingly deducted in the computed total cost.
ITB 18 – Technical Proposal	<ol style="list-style-type: none"> <li>1. Is the Consumer Price Index indicated in Annex B the one to be used?</li> <li>2. Is the escalation of 3.5% for coal only?</li> </ol>	<ol style="list-style-type: none"> <li>1. As indicated in Annex B</li> <li>2. As indicated in Annex B.</li> </ol>
ITB 18.1b –Mandatory Documents	Should ITB 18.1b need to be submitted if the plant is already existing?	ITB 18.1 –b –i letters a and b (for renewable energy and on-going) not to be submitted.
ITB 18.1e – Bidder’s draft PSA		No longer need to submit the draft PSA during submission of bids.
ITB 18.1h – Certificate of Good Performance Track Record	Please confirm that this is the same requirement in ITB 15.3h “Certificate of No Unsatisfactory Performance”	It maybe a combination of 18.1 further stating that the bidder has no unsatisfactory performance relative to ITB 12.1 a to d entitled “Omnibus Certificate of Good Performance and No Unsatisfactorily Performance”.
ITB 21.1 Format and Signing of Bids	Is the bidder required to submit the original copy of the documents or simply a certified true copy of the original document together with a photocopy of such certified true copy?	The Bidders shall provide two (2) copies of the bid: 1. Certified true copy of the documents that is a permanent copy of the company and original copy of other documents 2. Photocopy of all the documents to be submitted.
ITB 21.1	Can the representative be allowed to certify the documents	Include in the Secretary’s Certificate the provision that the authorized representative is allowed to certify the true and faithful reproduction of the documents
ITB 21.6 Submission of electronic copy of bids	When is the deadline of submission of electronic copy of bids	Deadline of submission is on June 10,2022 9:00AM as stated in ITB 21.6
ITB 21.6	If there is discrepancy between the soft copy and hard copy, which one will prevail?	Hard copy will prevail.
ITB 27 – Evaluation of Compliance with Technical Proposal	<p>Requested ITB 27.1 items b and e be waived.</p> <p>Can we just submit Certificate of Compliance from ERC since the plant is already existing?</p>	Items b and e shall be waived however, it shall be replaced with Certificate of Compliance from ERC.
<p><b>ITB 28. EVALUATION OF METHODOLOGY</b></p> <p>28.1 The financial proposal of bidders shall be evaluated by calculating the levelized price over a six-year up to a maximum of ten (10) years (for purposes of presentation) considering the applicable inflation of indexable components of the bid price and incremental price addition due to outage allowance.</p>	<ol style="list-style-type: none"> <li>1. Please confirm that the computed generation rate in the financial worksheet in cell “O40” will be the basis of the calculated bid for the determination of the lowest calculated bid?</li> <li>2. Also, may we request to QUEZELCO I to</li> </ol>	<ol style="list-style-type: none"> <li>1. Confirmed.</li> <li>2. The Bidders offer shall be evaluated on the six year actual energy requirement while the 7<sup>th</sup> to 10<sup>th</sup> year in the financial</li> </ol>

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	provide the rationale of using a 10-year evaluation on a "6-year" actual energy requirement?	bid form is for purposes of presentation only.
<b>ITB 31 Post Qualification</b>	The eligibility requirement which indicates that the bidders shall provide a list of similar projects owned, developed, constructed, and operated by the bidder in the last two (2) years. This requirement is not reflective of the state of the industry (power generation). Power projects are not that easy to develop, construct and operate. Hence, requiring a list of similar projects owned, developed, constructed, and operated by the bidder in the last two (2) years is too restrictive. In addition, the last two (2), and even at the present, there is the COVID-19 Pandemic.	Provisions in ITB 31.2 and 31.3 are held in abeyance.
<b>ITB 33 Performance Security</b>	We would like to suggest to have a fixed amount for the performance security.	The Performance Security is fixed at Php102,112,812.00
<b>ITB 36 Reservation Clause</b>	The provisions of 36.2 (both of them) are unfair to the Winning Bidder as it violates the principle of fair play. The provisions allow QUEZELCO to no longer proceed with the PSA even after the award without any liability. Suggest amending or deleting this provision.	The fear that QUEZELCO will use iron hand in these instances in both ITB 36.2 is misguided. Prudence dictates that if these situations actually occur, these shall be subjected to thorough and open line investigations for the sake of due process.
<b>ITB 39 Protest Mechanism and Dispute Resolution</b>	The payment of a <u>non-refundable protest fee</u> is prohibitory in the filing of a protest. Is there any basis as to why QUEZELCO indicated these amounts?	Sec.13 of DOE DC 2021-09-0030 provides for Protest Mechanism and the payment of non-refundable fee is based on Sec.55, Rule XVII of "The 2016 Revised Implementing Rules and Regulations of RA 9184".
<b>TOR 3 - COST AND TARIFF STRUCTURE</b> <b>3.1</b> For Capacity-based contract, the bidder shall specify both its levelized <b>Capacity Payment Offer in PhP/kW/month</b> and <b>Energy Payment Offer in PhP/kWh</b> in its bid proposal. For Energy-based contract, the bidder shall specify its levelized <b>Energy Payment Offer in PhP/kWh</b> only.  <b>3.2</b> The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items such as capital cost, fuel, and other operation	<ol style="list-style-type: none"> <li>As mentioned in section 3.1, does this mean that the bidder has the liberty not to use the template under Annex B-1 that requires a capacity fee for a specific capacity utilization factor?</li> <li>For the Total Project Cost template, given</li> </ol>	<ol style="list-style-type: none"> <li>Annex B-1 shall be used. Capacity Utilization Factor will only be applicable in case of force majeure event.</li> <li>The project cost template is waived however, the winning bidder is required to</li> </ol>

<p>and maintenance costs shall be itemized and classified into Fixed Cost and Variable Cost as may be applicable:</p> <ul style="list-style-type: none"> <li>• Fixed Cost <ul style="list-style-type: none"> <li>• Capital Cost</li> <li>• Others (please specify)</li> </ul> </li> <li>• Variable Cost <ul style="list-style-type: none"> <li>• Operation and Maintenance</li> <li>• Fuel Cost</li> <li>• Others (please specify)</li> </ul> </li> </ul> <p><b>3.3</b> Bidder shall also specify all other applicable charges incorporated in its payment offers such as, but not limited to connection facilities, wheeling charges, metering communication equipment, and government taxes or levies</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Applicable Charges</li> <li><input checked="" type="checkbox"/> Connection Facilities</li> <li><input checked="" type="checkbox"/> Wheeling Charges</li> <li><input checked="" type="checkbox"/> Metering</li> <li><input checked="" type="checkbox"/> Communication Equipment</li> <li><input checked="" type="checkbox"/> Government Taxes/Levies</li> </ul> <p><b>3.4</b> Bidder shall specify its Total Landed Generation Cost in PhP/kWh covering items 3.2 to 3.3 and shall serve as Financial Bid Price.</p> <p><b>3.5</b> Capacity payment shall only be paid when the capacity is available on the particular billing period.</p> <ul style="list-style-type: none"> <li>• The Seller must also specify the base fee adjustment formula, if any, and applicable adjustment in percent that each component is being affected by factor such as Consumer Price Index (CPI), and escalation due to fuel degradation.</li> <li>• There should be no indexation or escalation in Capital related fees.</li> <li>• The Seller must fill-up the attached Total Project Cost template, as deemed applicable, and may present basis and calculation of fees proposed.</li> <li>• Present levelized Cost of Energy (LCOE) for the contract period.</li> <li>• Lube oil is based on local market price at guaranteed fuel rate per</li> </ul>	<p>the confidential nature of the information required may we request to waive this requirement. However, please note that project cost is required and will be part of the documents to be submitted to the ERC for their evaluation and approval of PPSA. Hence, the bidder is willing to provide this during the application of the PPSA. Further note that even ERC treated this requirement with confidentiality. (No Template provided by Q1)</p> <p>3. Item 3.5 bullet no. 8: please confirm that Diesel is the fuel type that will be indexed to the monthly average pump price of petroleum published by the DOE?</p> <p>4. Also, please confirm that for this CSP, Fuel is pass-through</p>	<p>provide this during the application of the PSA.</p> <p>4. Diesel is the fuel type that will be indexed to the average pump price published by the DOE for the period of January to March 2022.</p> <p>5. Fuel is pass-through.</p>
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<p>Li/kWh</p> <ul style="list-style-type: none"> <li>Capacity payment shall only be paid when the capacity is available on the particular billing period.</li> <li>Currencies of each price component shall only be local or php/kwh</li> <li>Fuel shall be indexed to the monthly average pump prices of petroleum fuel published by Department of Energy in its website or to fuel prices published by a reference market to be agreed prior to the bid submission.</li> <li>The Seller must submit sample bills in excel for the process of evaluation.</li> </ul>		
<p>TOR 5- Outage Allowance</p>	<p>For outage allowance, will it be 100%? Is the bidder allowed to credit unscheduled to scheduled outage?</p> <p>If 100% supply availability, what will be the role of the allowed 720 hours?</p>	<p>Bidders can offer lower outage allowance but not allowed to go beyond the maximum outage allowance. Unscheduled outage is not to be credited to scheduled outage.</p> <p>Under TOR 5.1,5.2&amp; 5.3 the lower outage allowance the lower the price offer.</p>
<p>TOR 6 – Replacement Power 6.2 – The cost of replacement power provided by the power supplier shall be paid by the DU based on the ERC approved rate under the PSA or actual or WESM price, whichever is lower</p>	<p>TOR 6.2 - Requested to remove “whichever is lower” and suggested to use the contract price. Please clarify if the obligation for replacement power is upon exhaustion of outages or even during outages.</p>	<p>Provision on TOR 6.2 will remain as is. Administrative fee will only be charged if the bidder (supplier) will not be able to provide the replacement power.</p> <p>Provision of TOR 6.3 applies.</p>
<p>TOR 8 – Grounds for Contract Termination 8.2 Rate deductions made by the ERC shall not be a valid ground for the termination of the contract. DU shall not pay for the said rate reduction or adjustments.</p>	<p>We would like to reiterate our appeal to QUEZELCO I to file a Motion for Reconsideration to the ERC before implementing the PSA in case the decision is not favorable to the original applied rate (upward or downward adjustment).</p>	<p>Noted. This is subject to the mutual agreement between the winning bidder and QUEZELCO I before signing the PSA</p>
<p>TOR 10 – Reduction of Contract Capacity</p>	<ol style="list-style-type: none"> <li>Would like to confirm that the reduction of contracted capacity will be proportionate among all the suppliers equivalent to the demand of QUEZELCO1.</li> <li>We would like to reiterate our appeal</li> </ol>	<ol style="list-style-type: none"> <li>Yes, it will be proportionate unless the cause of reduction in capacity was not stipulated in the contract other power supplier.</li> <li>Noted. This is subject to mutual agreement</li> </ol>

		that the reduction of Contracted Capacity shall be proportionate among all the suppliers equivalent to the reduction in the demand of QUEZELCO I.	between the winning bidder and QUEZELCO before signing the PSA.
	15. PENALTY: The Seller shall be penalized with an administrative fee of PHP0.35/kWh multiplied by the undelivered energy if the seller fails to provide the replacement power in any of the following cases: During any delay from the target delivery date; (2) During scheduled or Unscheduled outages;and Any extension on allowable outages	We would like to reiterate our appeal to waive the PHP0.35/kWh admin fee in the event that supplier was able to provide supply at contract price during outage – fulfilling its obligation to supply.	No admin fee shall be charge if the supplier is able to provide its replacement power during outage.
	Annex B	Can a bidder propose a certain percentage of any of the escalating component of the price other than 100%?	100% assumption of the capacity fee. For escalation, the bidder may change it to zero.
	<b>ITB ANNEX B-1: Capacity Fee</b>	We would like to reiterate our appeal for a higher minimum CUF and consider minimum stable load of NPP facility which is usually 50% for baseload plants.	Minimum CUF is 50%
	Annex C – Checklist of Eligibility and Bid Requirements	Is Annex C same with the required documents included in the Instruction to Bidders?	Yes, Annex C is the checklist of requirements and similar with the Instruction to Bidders in ITB 15 only, excluding the required documents in ITB 16,17 and 18.
	Annex D-1 Certification of submission of original or certified true copies of documents and authorization for TPBAC to verify said documents	Suggested to change the address of affiant to office address.	It can be changed to office address.
	Annex D-4 Certification of submission of original or certified true copies of documents and authorization for TPBAC to verify said documents  Annex D-5 Certification regarding relationship and against conflict of interest  Annex D-6 Certification against blacklisting and graft practices	Suggested to revise the Certification as per Secretary's Certificate	Its either Secretary's Certificate or Board Resolution whatever applies in the company
	Annex D-D7	Requested for soft copies in word file	Noted. Word file of the annex D will be given to the bidders.
	<b>Annex E Power Supply Agreement</b> Section 1 Documents Comprising the Agreement	In case of any inconsistencies among documents between (a) to (e), which one will prevail.	The query is pre-mature in character. Provisions in the draft PSA are still subject to mutual agreement between the winning bidder and QUEZELCO I.
	Section 5 Common Representations and Warranties of the Parties	1. We respectfully suggest having flexibility to revise the language on the Corporate Existence, which would still depend on the Winning Bidder's corporate documents.	The query is pre-mature in character. Provisions in the draft PSA are still subject to mutual agreement between the winning bidder and QUEZELCO I..

	Please confirm whether the Winning Bidder is allowed to propose its Representation and Warranties clauses	
<p>Section 16 Buyer's Events of Default</p> <p>Section 17 Seller's Events of Default</p> <p>Section 18 Events of Default, Common Provision</p>	<ol style="list-style-type: none"> <li>1. We would like to confirm whether the Winning Bidder is allowed to propose revisions to the Events of Default clauses of the PSA.</li> <li>2. <b>Section 16.3.3</b> We suggest to lessen 90 days to 30 days</li> <li>3. <b>Section 16.3.5</b> We suggest a cure/remedy period of 5 business days after Buyer's receipt of written notice for such payment</li> <li>4. Suggest that the parties establish and observe Mitigation Measures in the Event of Default. By the addition of a clause of mitigation measures, the Parties shall implement mutually agreed measures to mitigate the Buyer's and Seller's risks as a consequence of the other Party's default and establish and implement mechanisms to address the consequence of any Party's default including netting out any or all amounts due to the Defaulting Party under this Agreement against all amounts that are due to the Non-Defaulting Party under this Agreement, so that</li> </ol>	<p>The query is pre-mature in character. Provisions in the draft PSA are still subject to mutual agreement between the winning bidder and QUEZELCO I.</p>

		all such amounts shall be netted out to a single liquidated amount	
	Section 19 Settlement of Disputes	Please confirm whether the Winning Bidder is allowed to propose its Settlement of Dispute clauses.	The query is pre-mature in character. Provisions in the draft PSA are still subject to mutual agreement between the winning bidder and QUEZELCO I.
	Section 21 Warranty Against Corruption, Anti-Competitive Behavior, Unfair Trade Practices and Violations of R.A. 9136	Please confirm that the Winning Bidder may add specific clauses relating to the agreement of the Parties to comply with anti-corrupt practices laws, including the US Foreign Corrupt Practices Act	The query is pre-mature in character. Provisions in the draft PSA are still subject to mutual agreement between the winning bidder and QUEZELCO I.
	Section 23 Change in Applicable Law	We would like to suggest to merge this section under Section 25 (Force Majeure). Please note that a change in Applicable Laws in force from time to time is a force majeure event.	

For guidance and information of all concerned.

Prepared by:

*Milagros H. Cayetano* 5/27/22

**MILAGROS H. CAYETANO**  
TPBAC Chairperson

Conforme:

\_\_\_\_\_  
Signature over printed name

\_\_\_\_\_  
Date