



TABLAS ISLAND ELECTRIC COOPERATIVE, INC.
(TIELCO)
 Odiongan, Romblon

THIRD PARTY BIDS AND AWARDS COMMITTEE

Supplemental/Bid Bulletin No.2

Procurement of a Power Supply Agreement (PSA) for the Intermediate, Peaking, and Reserve Requirements of Tablas Island

This **Supplemental/Bid Bulletin No.2** is being issued to revise provisions/specifications in the Bidding Documents, to address queries/clarifications submitted for the aforementioned project:

A. Questions raised during the First Round of CSP Launching and Answers made thru Supplemental Bid Bulletins No. 1 to 7:

	DESCRIPTION	QUERY	RESPONSE
1	The low average monthly kWh consumption of Residential consumers indicates that many are lifeliners.	What does "lifeliners" mean in practical terms?	In the case of TIELCO, lifeliners are those whose monthly consumption is less than 20 kWh.
2	Given a short timeframe, it is reasonable to expect that the winning NPP will not be able to put up the entire capacity requirement by COD. Thus, by COD, only a minimum of 5.3 MW with N-1 shall be required. Meanwhile, the winning NPP shall proceed with engineering...	What happens if ERC's Final Approval and COC which are required, are delayed?	Final Authority is not needed to commence delivery. Provisional Authority will suffice, and this can be secured quite easily. COC approval will depend on the winning NPP's compliance with the COC rules.
3	The delivery and metering points shall be at the connection points to TIELCO's 13.2- kV distribution system.	Does the connection point need to be at an existing substation?	There are no substations owned by TIELCO.
4	3.3.1 The cost of the Point-to-Point connection to TIELCO's distribution System shall be borne by the winning NPP.	The tapping points should be identified by the GenCo. Please specify the method of connection, is it Bus-in, Cut-in or Ordinary Connection as provided under the PGC?	The approximate locations are San Agustin, Alcantara, Sta. Fe, and SUWECO Bus. Any connection to the 13.2-kV network will do. No such provisions are in PGC.
5	GENCO shall maintain 24-hour availability of supply to TIELCO. GENCO shall ensure that it can deliver TIELCO's intermediate, peaking, and reserve requirements at any time during the effectivity of this PSA	Will TIELCO provide specifics about its requirements?	Basically, what matters is that the winning NPP will provide everything above 7.5 MW, and step in for SUWECO as needed.
6	Any drastic short-time spike or dip in the MW output of any of GENCO's plants shall be damped so as not to be seen by TIELCO's distribution system at the connection points.	What are the technical parameters for a "dampening" that TIELCO requires, if any?	There are no specifics on damping. A battery or anything with similar effects will do. Compensation by oil-based units in the same location is also acceptable.
7	Supply of electricity by GENCO and its acceptance by TIELCO pursuant to this PSA shall start on COD subject to issuance of Notice to Proceed by TIELCO to GENCO and compliance to Conditions Precedent.	Shouldn't this also be subject to ERC's final approval, NPC acknowledgement of GENCO's entitlement to UCME, among others?	Failure to secure a UCME agreement may be considered a Force Majeure event as it will be impossible for the winning NPP to fulfill its obligations under the PSA in a normal manner despite the exercise of due care and diligence.

8	All of GENCO's equipment that measure electricity such as kWh meters and data loggers shall be synchronized in terms of clock and sampling regardless of location.	Will TIELCO impose a specific brand of equipment?	No brand is preferred.
9	TIELCO shall be billed and pay for energy sales as applicable in accordance with the ERC-approved SAGR. There will be no Minimum Energy Offtake.	Will TIELCO honor if GENCO puts up an RE systems which are accorded priority dispatch under the RE Law?	The new NPP's VRE units will have priority dispatch over the new NPP's conventional units. The base load contract with SUWECO will not be impaired.
10	GENCO shall provide TIELCO a copy of the lease agreement or the deed of sale for each real property on which a power plant is situated.	Does TIELCO have preferred sites for GENCO's facility? What support and assistance will TIELCO provide to GENCO for ROW acquisition?	The approximate locations are San Agustin, Alcantara, Sta. Fe, and SUWECO Bus. TIELCO will provide support in the form of limited local coordination.
11	GENCO shall ensure compliance with all applicable laws, rules, and regulations, and secure all necessary government permits relative to the construction and operation of the plants, most especially Certificates of Compliance from ERC and Renewable Energy Service Contracts from DOE, as applicable	What are TIELCO's obligations, if any, for securing permits and other government authorizations?	TIELCO's only such obligation is joint filing with ERC.
12	At any point during the life of this PSA, if there is a change in ownership of the plants, GENCO shall assign the pertinent generation company to fulfill its obligations under this PSA for the remaining life of this PSA while observing the same or lower rates upon concurrence of TIELCO and approval of both DOE and ERC. GENCO shall issue a notice of assignment to TIELCO one hundred eighty (180) days prior to the assignment.	We propose to omit "lower rates" since the rates are already agreed and approved by the ERC. Assignments cannot be held for ransom.	This will be retained. This has precedent.
13	(b) Assignment. An assignment by either Party of this PSA for the benefit of creditors.	This is unacceptable, please reconsider inclusion of this provision.	This will be retained. This has precedent.
14	Minimum total firm MW and VRE penetration limit	Can TIELCO explain why the same MW limits were both set for VRE penetration limit and minimum total firm MW?	$MW_{PV} \leq MW_{conventional}$ so if there is no solar generation, the generation capacity will still suffice.
15	3.2.9. To facilitate unbundling of costs, each Power Plant shall be powered exclusively by one energy resource type (e.g. exclusively solar, exclusively wind, exclusively oil-based).	Can different technologies be considered in the various locations? What is the specific definition of power plant and unit?	There can only be one resource type per plant but there can be multiple plants per location. Largest Unit shall be the larger of the generating capacity of the single largest rotating generating unit and the total generating capacity of all solar PV plants.

16	Assumed price for fuel	Which kind of fuel is Php 55/l?	55 P/kWh was selected to facilitate evaluation. Bidders will have to compete using the fuel rate in L/kWh.
17	Guaranteed service	If there's no minimum energy offtake, will TIELCO absorb entire generation of the plant?	Basically, what matters is that the winning NPP will provide everything above 7.5 MW, and step in for SUWECO as needed.
18	Outage Allowance per Plant and Replacement Power	To clarify, the winning NPP will have no Outage Allowance? Is there no Outage Allowance in case of PMS of the Power Plant? - Replacement Power provision also is not applicable? - Since power plants will have a regular maintenance schedule, we suggest to allow the Replacement Power to be charged at the agreed Generation Rate.	The winning NPP may have outages. However, there will be penalties for unserved energy as applicable. There is no explicit requirement for Replacement Power.
19	Plant Capacity, After 3 years: 13.7 MW with N-1 Location: San Agustin, Alcantara, Sta. Fe. SUWECO	Can the bidder offer a total of 13.7MW capacity regardless of the location?	No. The approximate locations are San Agustin, Alcantara, Sta. Fe, and SUWECO Bus.
20	Fuel Requirements Section 3.5.1 - 3.5.3	What if the plant technology is not oil based?	The fuel requirements will not apply to RE plants.
21	3.6.1. The monthly payment due shall be given by the SAGR of 5.6404 P/kWh multiplied by the energy sales in kWh, less PPD, plus applicable Taxes. There will be no Minimum Energy Offtake.	SAGR of 5.6404 P/kWh regardless of the bid price submitted by the bidder? The prevailing SAGR should be followed.	TIELCO will pay based on SAGR. The shortfall will be covered by UCME. Yes
22	San Agustin: 3.6 MW Alcantara: 3.2 MW Sta. Fe: 2.1 MW SUWECO Bus: 4.8 MW	Does this mean NPP is required to put up 4 separate plant facilities? May we know the logic behind this?	There will be four locations. These are chosen to ensure that V > 95% based on a DIS.
23	3.3.4. At its own cost, by COD, the winning NPP shall purchase licensed electrical engineering software... 3.3.5. The winning NPP shall reimburse the cost of load flow study and publication in newspaper/s of general circulation... 3.3.6. All costs of jointly filing the PSA application...	How much are these and what is the basis why GENCO should reimburse such cost? Kindly confirm if the license to be provided is for one-year subscription only and the succeeding renewals will be shouldered by TIELCO? Do you have preferred modelling software (e.g. previously used before)?	These are only small amounts. The winning NPP shall reimburse the costs as the requirements are in the TOR which was not opposed by DOE and NEA. This is with reference to the letter of NEA dated 10 November 2021 advising TIELCO to proceed with the publication of the Invitation to Bid and Certification from DOE approving the posting of TOR and ITB. TIELCO will take care of the renewals. Some software does not require annual renewals to continue functioning. No brand is preferred.

24	15.1. The Bidder shall submit a Bid Security in the form of cashier's check or manager's check issued by a local Universal or Commercial Bank in the amount of Five Million Pesos (PhP5,000,000.00).	Will TIELCO reconsider adding Standby Letter of Credit (SBLC) as one of the options for the Bid Security?	SBLC is not acceptable.
25	PSA	Are the provisions of PSA still negotiable?	With reference to TOR 5.3, "The Draft PSA shall serve as the template for the PSA to be executed. Changes shall be anchored on mutual agreement between TIELCO and the winning NPP. However, no provision in the PSA shall be inconsistent with this TOR unless beneficial to TIELCO's captive customers."
26	3.2. Uninterrupted 24-hour Service. These safeguards minimize the probability of the winning NPP failing to maintain 24-hour service to TIELCO. There will be no explicit requirement for Replacement Power. However, to compel the winning NPP to perform its obligations, a penalty rate in P/kWh equal to the ERC-approved TCGR for unserved energy that is not due to distribution-side outages or Force Majeure events shall be imposed. Such unserved energy will be easily determined once TIELCO's Technical Skills Modernization is accomplished.	The penalty rate should only be limited to SAGR. Kindly note that TIELCO's collection is limited to SAGR. Also, may we request for provision on allowable downtime (hours per year) for both parties.	No. In the event of a prolonged outage, TIELCO will most likely enter into genset rental agreements, where fees are based on the true cost of energy. The winning NPP may have outages. There is no explicit requirement for Replacement Power. However, there will be penalties for unserved energy as applicable.
27	Force Majeure events	What is the treatment for EC grid outages? Embedded solar plants cannot run if EC has issues?	Distribution-side outages are not necessarily Force Majeure events. Even in the worst cases of typhoon destruction, service can be restored quickly with maximum effort.
28	Performance Security shall be in the form of cashier's check or manager's check issued by a Universal or Commercial Bank in the amount of Php 5,000,000	Until when is the validity of the Performance Security?	The Performance Security shall be valid until 31 August 2034.
29	For purposes of the PSA subject to this CSP, Largest Unit shall be the larger of the generating capacity of the single largest rotating generating unit and the total generating capacity of all solar PV plants.	Any provision in N-1 for wind power plant capacity?	Wind turbines are considered rotating generating units, although not a firm source of supply.
30	In case of RE plant(s), the energy resources should be available in Tablas Island and covered by valid RE Service	That will be the dispatch and scheduling methodology of the available plants? Will it be based on variable cost and O&M? Will VREs be must-run in dispatch?	The new NPP's VRE units will have priority dispatch over the new NPP's conventional units. The base load contract with SUWECO will not be

	Contract(s) between the winning NPP and DOE.		impaired. All other units will be dispatched based on load flow analysis and fuel economy, among other considerations.
31	By 15 August 2026 (COD + 3), the capacities shall be distributed as follows subject to the conduct of a Distribution Impact Study prior to commissioning:	If the connection of power plant to TIELCO will require upgrading of TIELCO facility, who will implement the upgrade works and shoulder associated cost?	The cost of the Point-to-Point connection to TIELCO's distribution system shall be borne by the winning NPP. The delivery and metering points shall be at the connection points to TIELCO's 13.2-kV distribution system. There can be no tapping to secondary, single-phase primary, and vee-phase primary lines. Reinforcement of the existing distribution network (which excludes the Point-to-Point connection) is TIELCO's responsibility.
32	The winning NPP's Power Plants shall be capable of black start	Usually, only Diesel plants and some Hybrid VREs have capability to provide blackstart. Will this provision also apply to pure non-hybrid VREs?	To facilitate unbundling of costs, each Power Plant shall be powered exclusively by one energy resource type (e.g. exclusively solar, exclusively wind, exclusively oil-based). If a plant is incapable of black start due to its nature as a VRE plant, the black start requirement can be waived, provided that the plants consisting the Minimum Total Firm MW (TOR 3.2.7) are capable of black start at each location.
33	The winning NPP shall maintain 24-hour availability of supply to TIELCO despite no required Minimum Energy Offtake.	Will the unit commitment suffice this provision if there is no energy dispatch? Any maintenance duration provision per plant type?	24-hour availability of supply does not necessarily mean 24-hour availability of all units. The winning NPP may have outages. There is no explicit requirement for Replacement Power. However, there will be penalties for unserved energy as applicable.
34	Estimated Consumption Profile	Kindly provide appropriate definition for the types of requirement: intermediate, peaking, and reserve. Is intermediate equivalent to mid-merit?	Intermediate is the same as mid-merit, but there are no stiff definitions. Basically, what matters is that the winning NPP will provide everything above 7.5 MW, and step in for SUWECO as needed.

35		<p>Who will provide the required Ancillary Services of TIELCO's Distribution System? How about the Ancillary requirement on the Contracted Capacity by SUWECO?</p>	<p>AS includes black start, frequency regulation, and reserves. All plants are required to be capable of black start. Frequency regulation or load following will be provided by SUWECO when the load is 7.5 MW or less, and by the winning NPP otherwise. In case of outage by SUWECO, the winning NPP's plants should be capable of acting as reserves. Basically, what matters is that the winning NPP will provide everything above 7.5 MW, and step in for SUWECO as needed.</p>
36	Purchase of Bidding Documents	<p>Can the bidder who purchased the Bidding Documents later assign its right to participate in the CSP in favor of another entity prior to the DOSO of Bids?</p>	<p>Only the prospective Bidders who have timely purchased the Bidding Documents are allowed to join the pre-bid conference, access the minutes of the pre-bid conference, and make requests for clarifications. It goes without saying that they are the only ones who can participate in the subject CSP.</p>
37	Type of Contract – Firm Intermediate, Peaking and Reserve	<p>Is the Winning Bidder the sole provider of Intermediate, peaking, and Reserve requirements of TIELCO?</p> <p>What will be the role of SUWECO's solar plant in the supply mix?</p> <p>Is the Contractual Arrangement between TIELCO and the Winning Bidder BOO or BOT?</p> <p>Please clarify/elaborate the specific role and dispatch succession of the existing and incoming power plants during the Cooperation Period.</p>	<p>It can be said that the winning NPP is the sole provider of intermediate, peaking, and reserve requirements if dispatched.</p> <p>SUWECO's existing solar plant will provide only a portion of the 7.5 MW contracted capacity if SUWECO loses.</p> <p>There will be no BOO or BOT agreement. The plant will be owned by the winning NPP by the end of the PSA.</p> <p>With regards to priorities, SUWECO will be limited to 7.5 MW. Anything in excess will be provided by the winning NPP.</p>

38	Plant Capacity	<p>For SUWECO Bus, San Agustin, Alcantara, and Santa Fe, is that the location of the substations? If so, what is the capacity of the substations?</p> <p>Is it required that the proposed locations be followed?</p>	<p>There are no TIELCO-owned substations at SUWECO Bus, San Agustin, Alcantara, and Sta. Fe. Except for SUWECO Bus, these are general locations along the 13.2-kV line.</p> <p>These locations should be followed subject to DIS.</p>
39	Take-off Structure	<p>Where is the location of the substation/connection points for all the proposed areas by TIELCO?</p>	<p>There are no specific identified connection points. These will depend on the lot purchased for the plants, the nearest three-phase tapping point, and right-of-way, among others.</p>
40	Contracted Energy	<p>Is the TIELCO's forecasted kWh consumption exclusive of those energy to be supplied by existing power providers?</p>	<p>TIELCO will provide the PSPPs as well as raw MW = f(t) data. Such information may be put to use subject to the prospective NPPs' own discretion and conduct of due diligence.</p>
41	Schedule of Delivery	<p>Who will be the System Operator? Is it TIELCO or Transco?</p>	<p>TIELCO will be the System Operator if SUWECO wins. Otherwise, it will be TransCo.</p>
42	Fixed O&M P/kwh, adjusted according to monthly CPI	<p>Is the monthly payment fixed or per kwh?</p> <p>Is the monthly CPI local or also includes foreign CPI for items purchased abroad like spare parts?</p> <p>Is there a foreign exchange adjustment for items purchased abroad?</p> <p>We suggest that monthly payment for Fixed O&M should be fixed amount subject to CPI (local & foreign) and foreign exchange adjustments)</p>	<p>TIELCO will pay based on SAGR. The shortfall will be covered by UCME.</p> <p>Only local CPI will be considered. It is up to the bidders to package their bids accordingly.</p> <p>There will be no foreign exchange adjustment. It is up to the bidders to package their bids accordingly.</p> <p>No. This was emplaced to facilitate direct comparison of bids. It is up to the bidders to package their bids accordingly.</p>
43	Penalties	<p>Why the penalty is equal to the ERC-approved TCGR? It is more than the amount to be paid by TIELCO to the winning bidder which is based on ERC-approved SAGR.</p>	<p>In the event of a prolonged outage, TIELCO will most likely enter into genset rental agreements, where fees are based on the true cost of energy.</p>
44	Plant Capacity Initial: 5.3 Mw with N-1	<p>Is the 13.7Mw Capacity already inclusive of the N-1 requirement?</p>	<p>No. With unavailability of the Largest Unit, the aggregate capacity of the winning NPP shall be at least 13.7 MW upon full phase-in.</p>

		Are the indicated Capacities Installed (Rated) or Dependable?	Firm = Dependable.
45	Contracted Capacity	Would the load profile and current configuration of the existing system be provided? Is there a foreseen deviation from the present load profile in the 2021 PSPP?	TIELCO will provide the PSPPs as well as raw MW = f(t) data. A system map was also shown in IM 2.1. Such information may be put to use subject to the prospective NPPs' own discretion and conduct of due diligence.
46	Dispatch Schedule	With a hybrid energy system currently supplying the power requirement of the island, would there be a change in dispatch protocol after the entry of intermediate, peaking, and reserve power? How is energy from batteries treated in the merit order?	The new NPP's VRE units will have priority dispatch over the new NPP's conventional units. The base load contract with SUWECO will not be impaired. All other units will be dispatched based on load flow analysis and fuel economy, among other considerations.
47	Estimated Consumption Profile	We note that the capacity of the Reserve requirement is higher than the summation of Intermediate and Peaking requirement. What is the basis of the calculation of the Reserve requirement?	Reserves are indeed high during the first few months of the PSA. However, as observed with other SPUG areas, security of supply promotes growth in demand so reserves will run dry in a few years.
48	Source of Generation The winning NPP's generating units shall be newly manufactured (not earlier than 2018).	What is the basis for setting the threshold year of 2018? Are second-hand or slightly used units but manufactured in 2018 qualified for this purpose? What sort of proof will be required and deemed sufficient?	We will not allow any used units to be emplaced. We deem units produced in 2018 new enough. Having 2021 as cut-off could lead to difficulties in procurement. There may not be enough such units in store due to suppressed demand due to the pandemic. Proof of manufacturing date will be in the nameplate or elsewhere.
49	For purposes of the PSA subject to this CSP, Largest Unit shall be the larger of the generating capacity of the single largest rotating generating unit and the total generating capacity of all solar PV plants.	Why should the total generating capacity of all solar PV plants be the basis of determining the Largest Unit? We believe that as long as the Dependable Capacity of the Conventional plant is capable of delivering the required Firm Contracted capacity with N1, it should not matter whether the installed solar plant is operational or not since it will only serve as energy displacement rather than providing firm power supply.	We will abide by Largest Unit = MAX[kVA _{U1} , kVA _{U2} , kVA _{U3} , ..., Sum(kVA _{PV})]. By convention, Largest Unit is the generating unit with the largest generating capacity based on nameplate rating. With the proliferation of solar PV generation, this definition is rendered obsolete. At present, it is not clear whether "unit" pertains to a panel, string, or array connected to an inverter. For purposes of the PSA subject to this CSP, from a

			supply reliability perspective, TIELCO considers as a “unit” all solar PV plant of the winning NPP. This is because all such plants become unavailable for dispatch at nighttime and during low-insolation periods as a single bulk. Thus, Largest Unit shall be the larger of the generating capacity of the single largest rotating generating unit and the total generating capacity of all solar PV plants.
50	In case of RE plant(s), the energy resources should be available in Tablas Island and covered by valid RE Service Contract(s) between the winning NPP and DOE.	When is the required submission of the RE Service Contract?	RESC is not necessary to TIELCO
51	The winning NPP shall ensure that fuel in stock is always good for at least forty-five (45) days. Fuel supply shortage is justifiable only if caused by Force Majeure events.	The forty-five (45) day requirement will be too costly and impractical on the part of the winning NPP.	No. We will maintain security of supply.
52	During evaluation, FF shall be calculated as FR multiplied by the assumed price for fuel of 55 P/L.	Is this for diesel oil or bunker oil? What is the basis of the 55 P/L price? Is this the current price in Tablas Island?	The CSP shall be technology-neutral such that the Power Plants’ energy resource shall not be constrained to be of a certain fuel type. No. The cap was emplaced to facilitate direct comparison of bids. It is up to the bidders to package their bids accordingly.
53	Estimated Consumption Profile Through a letter dated 28 April 2021, DOE signified that it wants TIELCO to “specify capacity for intermediate, peaking and reserve requirements.” In compliance, TIELCO produced the table below for the purpose of providing an estimate. However, TIELCO is not bound to constrain its intermediate (I), peaking (P), and reserve (R) requirements as shown	What is the basis of the calculation of the Reserve requirement? It is even higher than the sum of Intermediate & Peaking Requirements. Basically, we note that there is no payment for the Reserve plant installation since the payment is based on energy delivered. How can the winning NPP recover the investment on reserve capacity?	Reserves are indeed high during the first few months of the PSA. However, as observed with other SPUG areas, security of supply promotes growth in demand so reserves will run dry in a few years. With regards to recovery, there is no certainty. Risk is always present. The rate structure will be retained.
54	Estimated Consumption Profile Historical & Forecasted Energy	There is no provided data on; (a) Typical 24-hour load profile (b) Forecasted 24-hour load profile showing which hourly intervals will be served by	TIELCO will provide the PSPPs as well as raw MW = f(t) data. Such information may be put to use subject to the prospective NPPs’ own discretion and conduct of due diligence.

		<p>Suweco and which will be served by the winning NPP</p> <p>(c) Historical and Forecasted Energy Requirement showing which part will be supplied by the Winning Bidder</p> <p>Will TIELCO send a final version of this section and provide hourly estimates for each of the capacities? (I, P, and R)</p> <p>What has been the historical growth rate for demand? What are results in 2020 and 2021?</p>													
55	<p>Source of Generation</p> <p>For each generating unit, a FRT shall be performed at least once every three hundred sixty-five (365) days preferably after a major overhaul, rehabilitation, or maintenance activity, as applicable.</p>	<p>Why is there a need for a FRT when there is an established FR (i.e., at 0.285 L/kWh) and billing is based on the lower of actual fuel rate and fuel cap?</p>	<p>PPM will be observed to ensure that realistic pass-on costs are charged to UCME, which is the lifeblood of small island ECs.</p>												
56	<p>The winning NPP shall install fuel flow meters (or equivalent thereof) for all generating units as applicable and submit data as required by TIELCO for its data analytics system.</p>	<p>Can the installation of fuel flow meter be on a per site basis instead of per generator?</p> <p>Please clarify if TIELCO or the TPBAC confirmed the requirements for fuel consumption measurement with the NPC?</p> <p>It is our understanding that NPC prefers measurement by sounding and not by flow meter.</p>	<p>No. There will be one fuel flow meter per generating unit, as applicable.</p> <p>Fuel flow meters were emplaced by NPC in its plants.</p>												
57	<p>Unbundled Tariff Components per Plant The proposed NPP TCGR shall be broken down into unbundled tariff components exclusive of taxes, for each plant, as follows:</p> <table border="1" data-bbox="235 1744 597 1873"> <thead> <tr> <th>Component</th> <th>Unit</th> </tr> </thead> <tbody> <tr> <td>Capital Recovery Fee (CRF)</td> <td>P/kWh</td> </tr> <tr> <td>Fixed O&M (FOM)</td> <td>P/kWh</td> </tr> <tr> <td>Variable O&M (VOM)</td> <td>P/kWh</td> </tr> <tr> <td>Fuel Rate (FR) as applicable</td> <td>L/kWh</td> </tr> <tr> <td>Lube Oil Rate (LOR) as applicable</td> <td>L/kWh</td> </tr> </tbody> </table>	Component	Unit	Capital Recovery Fee (CRF)	P/kWh	Fixed O&M (FOM)	P/kWh	Variable O&M (VOM)	P/kWh	Fuel Rate (FR) as applicable	L/kWh	Lube Oil Rate (LOR) as applicable	L/kWh	<p>All should be expressed in Php/kWh.</p> <p>Please clarify because there seems to be a conflict between TOR 3.7.1 and Info Memo 3.1.</p> <p>What would be the tariff under the PSA? Will the CRF and FOM be energy based or capacity-based?</p> <p>What would be the tariff on the Bid Evaluation?</p> <p>Please confirm if there should be a separate Financial Bid Form per each location.</p>	<p>Follow Form "B" of InsTB. Being in terms of P/kWh, CRF and FOM are energy-based. The Bid Calculator will determine the bid price in line with TOR 3.7.</p> <p>Only a single Form "B" will be submitted. The tables will be replicated as needed.</p>
Component	Unit														
Capital Recovery Fee (CRF)	P/kWh														
Fixed O&M (FOM)	P/kWh														
Variable O&M (VOM)	P/kWh														
Fuel Rate (FR) as applicable	L/kWh														
Lube Oil Rate (LOR) as applicable	L/kWh														
58	<p>The minimum firm contracted aggregate capacity of the winning NPP shall be 13.7 MW with N-1 and a three-year phase-in period commencing</p>	<p>To avoid misinterpretation, please clearly indicate that the 13.7MW is GDC.</p>	<p>37a. 13.7 MW with N-1 is the minimum firm contracted aggregate capacity.</p>												

	on COD and terminating on 14 August 2026.	Is N-1 already included in the 13.7MW?	37b. No. With unavailability of the Largest Unit, the aggregate capacity of the winning NPP shall be at least 13.7 MW upon full phase-in.
59	The winning NPP shall emplace SCADA for its Power Plants with the view of linking with TIELCO's SCADA once it is in place and relaying real-time information on instantaneous unit MW output to TIELCO. The winning NPP shall also install kWh meters and data loggers at all generating unit terminals and at all connection points, and submit data as required by TIELCO for its data analytics system	When will the NPP be required to install SCADA? SCADA requires a reliable internet connection. Is this existing currently in Tablas Island? Will TIELCO require the Current Power Provider to install SCADA? Will it be per site? Once the power plant SCADA is in place and ready for linking to TIELCO's SCADA, who will be responsible to install the communication link between the two SCADAs? Is the intent for SCADA integration for monitoring only?	SCADA shall be emplaced before COD. This is among the condition's precedent in the PSA. Communication equipment and RTU may be required by TIELCO per plant under PDC, even if there is no such provision in the PSA. TIELCO will be responsible for linking the two SCADA systems. Initially, the intent is for monitoring. TIELCO requires real-time viewing of instantaneous unit MW output through smartphone. Integration will be of concern later.
60	FR shall be the cap on gross fuel consumption eligible for pass-on charges. Bids with FR exceeding 0.285 L/kWh shall be disqualified.	a. Is this for diesel oil or bunker oil? b. What is the basis of the 0.285 L/kwh cap?	a. The CSP shall be technology-neutral such that the Power Plants' energy resource shall not be constrained to be of a certain fuel type. b. The cap was emplaced to facilitate direct comparison of bids. It is up to the bidders to package their bids accordingly.
61	Force Majeure shall not include, among other things: (i) lack of funds for the performance of any obligation hereunder; (ii) fluctuations in the Peso-Dollar exchange rate; and (iii) ordinary or extraordinary inflation	May we request that the extraordinary inflation be considered as Force Majeure?	This will be retained. This has precedent
62	Required Capacity Peak demand is forecasted to grow from 9.045 MW in 2020 to 24.997 MW in 2034. Tablas Island's monthly peak demand less the 7.5 MW from SUWECO is its supply shortfall.	Please confirm why TIELCO is already requiring the installation of the 13.7 Mw by 2026 when the 13.7 Mw shortfall will only happen on 2034? We found the Capacity Requirement too big versus the expected Energy & Demand requirements which will make	Reserves are indeed high during the first few months of the PSA. However, as observed with other SPUG areas, security of supply promotes growth in demand so reserves will run dry in a few years.

	Following the forecast, the shortfall by 2034 is expected to be 17.497 MW. However, due to the pandemic, this is deemed to only be 13.7 MW	the bids very high compounded by the fact that there is no payment mechanism on Reserve Capacity.	
63	<p>Unbundled Tariff Components per Plant</p> <p>The total bid per Power Plant shall be the sum of CRF, base FOM, base VOM, evaluated FF, evaluated LOF, and applicable Taxes. The total bid per NPP shall be the sum of the total bid per plant multiplied by the energy mix factor for the plant. For purposes of evaluation, the energy mix factor shall be 0.85 pro-rated according to capacity for conventional plants and 0.15 pro-rated according to capacity for VRE plants.</p>	<p>1. What if there is no RE component, does this mean Conventional is automatically 100%? Please clarify.</p> <p>2. Please clarify the applicable taxes because RE are exempt from VAT.</p>	<p>a. Yes, the factor will be 100% if there will be no RE.</p> <p>b. The applicable tax is 12% VAT for non-RE plants, and zero for RE plants.</p>
64	<p>Load Flow Analysis</p> <p>TIELCO's distribution system is a simple mesh. Power is injected through a single bus and distributed through four feeders at 13.2 kV. Feeder 1 serves a portion of Odiongan, San Andres, Pag-alad, Calatrava, San Agustin, and Long Beach. Feeder 4 serves Anahao, Ferrol, Look, Guinhayaan, Alcantara, Sta. Fe, and Guinbirayan. Feeder 3 serves Pato, Sta. Maria, Bachawan, and Tugdan. Tie lines in San Agustin and Alcantara form loops with Feeders 1 and 4. Feeder 2 serves Odiongan, Budiong, and Rizal.</p>	<p>1. Where are the locations of the connection points? May we request detailed SLD?</p> <p>2. Are there constraints why TIELCO deems it impracticable to install the 5.3MW on the suggested locations in the original CSP</p> <p>3. What was the basis for the approximate locations?</p> <p>4. Is the Distribution Impact Study per location? May we request the load curve per location?</p>	<p>The approximate locations are San Agustin, Alcantara, Sta. Fe, and SUWECO Bus. A system map was also shown in IM 2.1.</p> <p>Putting up the required capacities at each location all at once is not realistic.</p> <p>These are chosen to ensure that $V > 95\%$ based on a DIS.</p> <p>DIS will have to be performed for the entire TIELCO distribution system, and not on a per-plant basis.</p> <p>It is recommended for the bidders to conduct their own technical due diligence in determining the loads.</p>

65	Eligibility and Technical Components Items (a) to (e)	For the regulatory permits and submissions (e.g., SEC Articles of Incorporation, GIS, BIR Registration) please clarify if the TPBAC will require certified true copies issued by the relevant government agencies or if photocopies of the documents (certified by the authorized representative of the bidder) will be compliant.	Photocopies are acceptable as long as signed and certified true by the authorized representative in Form "A".
66	(g) Bidders organizational structure and qualifications and capabilities of technical staff	Please clarify what documentation is expected or the qualifications and capabilities of the technical staff.	CVs are acceptable
67	3.2.6 The minimum firm contracted aggregate capacity of the winning NPP by COD shall be 5.3 MW with N-1 with no constraints on location.	<p>Is it possible to transfer the generating unit from 1 site to other site?</p> <p>Ex. Initial year the requirement is 5.3MW to be installed at San Agustin, but the requirement at year 3 is 3.6MW. Can we transfer the excess unit to other site?</p>	There will be no prohibition on the transfer of generating units as long as the Minimum Total Firm MW per approximate location are observed.
68	<p>3.1. Direct Comparison of Bids</p> <p>The total bid per plant shall be the sum of CRF, base FOM, base VOM, evaluated FF, evaluated LOF, and applicable Taxes. The total bid per NPP shall be the sum of the total bid per plant multiplied by the energy mix factor for the plant. For purposes of evaluation, the energy mix factor shall be 0.85 pro-rated according to capacity for conventional plants and 0.15 pro-rated according to capacity for VRE plants</p>	<p>1. Effect of EMF on actual billing rate during operations</p> <p>2. Effect of evaluated bid rate on the actual billing rate during operations</p> <p>3. Effect of rates per plant on actual billing rate during operations</p> <p>4. Is N-1 part of the total MW per bid calculator?</p> <p>5. In the bid calculator, will the MW based on the Rated or Dependable Capacity installed per location?</p>	<p>2a. EMF, evaluated bid rate, and rates per plant will only be of use during the determination of the lowest bid. During PSA implementation, TCGR and SAGR as approved by ERC shall apply. TIELCO and the winning NPP shall abide by ERC's determination of the rates. Any modification of the PSA terms as dictated by ERC shall not be a ground for termination of the PSA.</p> <p>2b. All component generation capacities that will be put up by the bidder will be included in the bid calculator.</p> <p>2c. For purposes of evaluation, the energy mix factor shall be 0.85 pro-rated according to capacity for conventional plants and 0.15 pro-rated according to capacity for VRE plants. Such capacity shall be the dependable capacity (which is less than the rated capacity), given that firm capacities in MW are required.</p>

8.3. Decisions of TIELCO TPBAC amending any provision of the Bidding Documents shall be issued in writing through a Supplemental/Bid Bulletin at least fourteen (14) calendar days before the Deadline of Submission and Opening of Bids as indicated in the Invitation to Bid (DOSO).

For guidance and information of all concerned.

Let copies of these be given to Prospective Bidders, DOE and NEA.

Issued this 26th day of August 2022 in Odiongan, Romblon.

Approved by:



ENGR. AMANTE S. JANDOC, JR.
Third Party Bids and Awards Committee Chairman

Received by:	

(SIGNATURE OVER PRINTED NAME & DATE)	(NAME OF COMPANY)
(PLEASE RETURN THIS PAGE @ tielcotpbac@gmail.com)	