



**CENTRAL NEGROS ELECTRIC COOPERATIVE, INC.
THIRD PARTY BIDS AND AWARDS COMMITTEE
(CENECO TPBAC)**

Corner Gonzaga – Mabini Streets, Bacolod City

REFERENCE : **Bid Bulletin No. 04**
Invitation to Bid No. 01, Series of 2023

ISSUE DATE : **February 8, 2023**

FOR : **ALL BIDDERS**

SUBJECT : **ISSUANCE OF MATRIX OF COMMENTS**

Please be informed of the issuance of the Matrix of Comments as a result of the discussions during the Pre-bid Conference held on February 8, 2023 for the procurement of CENECO's 20MW Base Load Power Supply Requirement for 2023 to 2033.

For further queries, please refer to:

CENECO TPBAC Secretariat

Central Negros Electric Cooperative, Inc.
Corner Gonzaga-Mabini Streets
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ENGR. NORMAN A. POLLENTE, MBA
TPBAC Chairperson

MATRIX OF COMMENTS

Reference Document	Section or Page	Comments or Clarifications	Recommendations or Proposed Revision	TPBAC's Comment
ITB 14.5.6	Details of financial and operating background for the three (3) recent full financial years demonstrating the Bidder's financial viability	Is this the same as the AFS to be submitted by the Bidder?		Kindly refer to Item 59 and 60 of the Clarifications to Bid Documents.
ITB 14.5.2	Proof of Value-Added Tax payments for the past six (6) months reckoned from the date of submission of the bids;	1. Can we submit VAT returns as proof that the Bidder does not pay VAT? 2. Is a Certification from BIR still needed?		Yes, submit proof of filing of VAT returns instead. There is no need to submit certification from the BIR.
ITB 14.5.4	Complete set of audited financial statements stamped received by the Bureau of Internal Revenue for the three (3) preceding calendar or fiscal years from the date of submission of bids	Can the Bidder submit the AFS for 2019, 2020 and 2021 since the AFS for 2022 will still be submitted in April this year?		Yes. 2022 Audited Financial Statements is not required as it will only be due on April 15, 2023.
ITB 14.4.3	Track records for the last five (5) years in operating the power plant, if any, which shall include the following information:	Will a Generation Company Management Form from the ERC suffice for this requirement?		Yes as this includes the required information by the TPBAC.
	14.4.3.1. Information on individual units' Rated Capacity;			
	14.4.3.2. Maximum stable load (Pmax);			
	14.4.3.3. Minimum stable load (Pmin);			
	14.4.3.4. Ramp up rate;			
	14.4.3.5. Ramp down rate; and			
14.4.3.6. Heat rate (BTU, kCal, KJ), if applicable;				
ITB 20.7	Before the deadline for submission of bids, Bidder shall send to the CENECO TPBAC the proof of mailing of the hard copy of the Bids to CENECO TPBAC's electronic mail address. Such proof of mailing shall be shown on screen prior to the opening of each Bid.	Can the Bidders physically submit the hard copies during the Opening of Bids?		Yes
Annexes	Annexes	Will the TPBAC allow for the annexes to be signed using the e-signature of the Authorized Representative?		Yes
ITB 19.3	The Bid Security shall be in the form of:	Is the irrevocable letter of credit good as a standby letter of credit?		Yes
	19.3.1. Cashier's/manager's check by a Universal or Commercial Bank licensed by the Bangko Sentral ng Pilipinas; or 19.3.2. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank licensed by the Bangko Sentral ng Pilipinas;			
ITB 29.1	There shall be a failed bidding if any of the following circumstances exists:	1. In case of Failure of Bidding, will CENECO immediately proceed with Direct Negotiation?		Yes, procurement 20MW requirement will proceed to negotiation as this is already the 2nd round for this CSP.
	29.1.1. No bid offers were received by CENECO TPBAC;	2. If yes, will it be open to all bidders or will the Bidders who participated in Round 2 of the CSP be given priority?		Bidders who bought bid documents shall be given priority during the offer solicitation phase of the negotiation.
	29.1.2. Only one (1) bid offer was submitted; and 29.1.3. Bid offer of prospective suppliers failed to meet or comply with the requirements prescribed in the Bid Documents, as determined by the CENECO TPBAC.			
ITB 13.3	Bid Envelopes shall be properly sealed and the sealed flaps shall be signed by the Bidder's authorized signatory.	Will the honorable JTPBAC confirm on the signing of the portion of the envelope on what do they mean sealed flaps?		Sealing means that the envelope's flaps are glued, pasted or taped together.
ITB 8.1	Timeline	1. Will the Technical Session on Financial Proposal Template require a separate Letter of Authorization for the representatives who will attend?		All attendees to the technical session on the financial template must submit a letter of authorization signed by the authorized signatories/representatives.
		2. Did the timeline already consider the period for PSA negotiations?		Yes
ITB 14.4.5	Certificate of Good Performance	1. Please confirm on the "Type of Contract" is the TPBAC referring to the kind of supply (e.g. baseload, intermediate or peaking) or whether the type of contract of the PSA (e.g. energy or capacity based)?		Type of contract refers to baseload, mid-merit or peaking.
		2. Does it need the customer's letterhead?		No need to use the customer's letterhead.

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ITB 9.2		Provisions in the Terms of Reference are not subject to negotiation and revision during the finalization of the PSA.		Yes, provided that items for negotiation are consistent to the Terms of Reference.
PSA 6.8		Billing Disputes. If DU disputes any invoice, it shall so inform SUPPLIER in writing five (5) calendar days from receipt of such invoice. The DU must specify the disputed items in the invoice. The DU shall pay the undisputed amount under protest on or before such due date for purposes of continuous supply of electricity without prejudice to a complaint to be filed by the DU against the SUPPLIER for erroneous or incorrect billing. The discount, if any, shall still apply to the disputed amount upon payment by the	Will the TPBAC consider negotiations on the provisions of the PSA?	
			Will the TPBAC be willing to amend this provision as recommended?	If Customer disputes any Billing Statement, Customer must notify Supplier in writing by the twelfth (12th) day of the Payment Month, specifying in said notice the items that are disputed in the Billing Statement. If the dispute is not resolved by the Payment Date, Customer shall pay the full amount stated in the Billing Statement on or before such due date, with the disputed portion paid under protest. The Parties shall endeavor in good faith to resolve the dispute within ten (10) days after payment in full of the amount stated in the Billing Statement.
PSA	114	3.3.2. Downward adjustment in the rate shall not be a ground for the termination of the contract and the DU should not be made to shoulder the incremental difference.	Suggestion: Downward adjustment in the rate itself should not be a ground for termination. However, the parties may mutually terminate the PSA if the downward adjustment in rate is no longer economically/commercially viable for the SUPPLIER.	Retain this provision.
TOR	4	Matrix of the Bidder's generation portfolio must be supported by copies of its Certificate of Compliance issued by ERC.	Is PAO acceptable if there is no COC issued/renewal yet?	Yes
TOR	Regulatory Approvals	The DU and the Winning Bidder shall file with the ERC the joint application for the approval of the PSA in accordance with ERC Rules in thirty (30) calendar days after confirmation of the Notice of Award. The Winning Bidder shall provide for the legal services of the joint application with full support from the DU. The Supplier shall make the necessary adjustments in accordance with the directive of the ERC. Downward adjustment in the rates shall not be a ground for the termination of the contract and the DU should not be made to shoulder the incremental difference.	Please confirm if the DU will shoulder expenses should the DU engage its own legal services?	Yes
TOR/Instructions to Bidders	3/13	Technical Session on Financial Proposal Template - Feb 14, 2023 Issuance of Bid Bulletin and Final Instruction to Bidders - Feb 9, 2023 Submission of Bids - Feb 17, 2023	Technical Session on Financial Proposal Template will happen after the issuance of FITB. How will the concerns on Financial Proposal Template be captured in the FITB?	This is the same template used during the 1st round of the CSP and has undergone thorough review. However, in the event that errors are discovered, CENECO TPBAC shall adjust its calendar accordingly.
Instructions to Bidders	12	10.10 Requests for Clarifications may also be made in writing or through electronic mail after three (3) days from the scheduled pre-bid conference	If FITB will be provided on 9 February (1 day after pre-bid conference), will Bidders still be allowed to request for additional clarifications?	We will endeavor to address all comments and clarifications during the pre-bid conference. We encourage bidders to make known their comments and clarifications on or before February 9, 2023.
Instructions to Bidders	16	13.2. Bidder shall submit two (2) sets of its Bid, one containing hard copies of the original documents and the other containing the hard copies of the certified true copies of the original	Please confirm that: - original: original document or certified true copy of the internal custodian - copy: photocopy of the original	Yes
Instructions to Bidders	19	14.2.3. List of subsidiaries and associates (or parent company, whichever is applicable), indicating percentage of ownership	May we submit the latest submitted GIS to the SEC which reflects this information?	Yes

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Instructions to Bidders	19	14.3.3. Articles of Incorporation or Partnership and By-laws for those registered with the Securities and Exchange Commission;	Please confirm if only the latest (amended) AOI and By-laws is required to be submitted.	Yes
Instructions to Bidders	20	14.3.5.2.4. In relation to Section 17, that the Bidder's proprietors, partners, officers, members, directors, controlling stockholders, controlling members, and authorized representatives are not related to the members of CENECO's Board of Directors, General Manager and officers, members of CENECO TPBAC, members of CENECO TPBAC-TWG, members of CENECO TPBAC Secretariat, and CENECO consultants for this CSP, by consanguinity or affinity up to the fourth civil degree (Affidavit of Disclosure of Relations);	We kindly request CENECO to provide the list to countercheck.	We will provide list upon request.
Instructions to Bidders	20	14.3.5.2.6. That the Bidder is free and clear of all liabilities with the government;	Requesting if we could limit this to tax liabilities	Government liabilities can include tax liabilities, liabilities to local government units, and penalties/fines from government or regulatory bodies which are due and demandable .
Instructions to Bidders	21	Bidders may use the template that could be found in the ERC website for the Generation Company Management Form	Could the Bidders submit the past 5 years' GCMR?	Yes
Instructions to Bidders	22	14.4.4. Notarized matrix of details of customers with whom Bidder has entered into a power supply agreement for the last five (5) years (Annex J), if any. This form includes a certification that the individuals enumerated therein have been informed that their details have been shared to the CENECO TPBAC. Thus the Bidders must ensure that their customers have consented to such disclosure prior to including their details therein;	1. In the event that a customer refuses to share, are we still required to place their information? 2. Suggest to indicate in the form that the list shows customers who gave consent to share their information.	No. Do not include customer's information if consent has not been given.
Instructions to Bidders	22	14.4.5. Certificate of good performance (Annex K);	Suggest to provide at least one certificate of good performance for the similar contract (EC/DU PSA)	Please see Annex K of the Instructions to Bidders for format. No mention of number of certificates you should provide. If you could provide only 1, then it is acceptable. But if you can certificate more than one, it would be an advantage to the bidder.
Instructions to Bidders	22	14.5.2. Proof of Value-Added Tax payments for the past six (6) months reckoned from the date of submission of the bids;	Please confirm that this is for August 2022-January 2023	This is for July 2022 to December 2022.
Instructions to Bidders	22	14.5.4. Complete set of audited financial statements stamped received by the Bureau of Internal Revenue for the three (3) preceding calendar or fiscal years from the date of submission of bids which includes	Since the 2022 AFS stamped received by the BIR is not yet available, may we clarify that the submission of the 2019, 2020, and 2021 AFS will suffice?	Yes
Instructions to Bidders	23	14.5.6. Details of financial and operating background for the three (3) recent full financial years demonstrating the Bidder's financial viability	1. Is this applicable to new plant/s only? 2. What information is requested here? 3. Is SEC 17-A (Annual report) acceptable for this requirement?	1 and 2. Please see Item 59 and 60 of the Clarifications to Bid Documents. For Item 3: Yes
Instructions to Bidders	23	14.5.6. Details of financial and operating background for the three (3) recent viability (for Bidders with new power plant projects, submission of any available financial and/or operational report shall suffice);	If this is applicable to all bidders (even plants which are not new), will the TPBAC accept the SEC 17-A (Annual Report) for this requirement?	Yes

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Instructions to Bidders	24	15.1.1.7. Guaranteed annual plant unscheduled outage in hours	It is impossible to provide a guaranteed annual plant unscheduled outage in hours.	
Instructions to Bidders	35	17.1. All Bids shall be accompanied by a sworn affidavit (incorporated in the Omnibus Sworn Statement) stating that the Bidder that it is not related to the General Manager and officers, members of CENECO TPBAC, members of CENECO TPBAC-TWG, members of CENECO TPBAC Secretariat, and CENECO consultants for this CSP by consanguinity or affinity up to the fourth civil degree.	Propose to limit to 3rd civil degree (same with other CSPs provision)	Retain these provisions.
Instructions to Bidders	36	17.4.3. If the Bidder is a corporation, to all its officers, directors, controlling stockholders, and authorized representatives;	Can we limit this to those key officers named in the GIS?	Retain this provision.
Instructions to Bidders	36	19.2. Bid security shall be equivalent to the one-month contract cost of the proposed PSA computed using the bid price offered by the Bidder.	Request to make this a fixed amount for more efficient processing	Retain this provision.
Instructions to Bidders	39	20.4. Each Bidder is responsible for ensuring that only the CENECO TPBAC and its authorized users/representatives may access the files saved in Google Drive. Files downloaded from the Google Drive of Bidders shall be presumed to be tamper-free.	Please provide a list of authorized representatives and their email addresses prior to the opening and submission	Only the cenecotpbac@gmail.com email address will be used to download files from Google Drive.
Instructions to Bidders	44	In case of discrepancy, the official bid offer will be the lower value between the Bidder's bid offer and the resulting figure in the CENECO TPBAC's official template.	We suggest to revise as follows: In case of downward adjustment, the Bidder shall be informed immediately and be given the option to cancel its bid offer by officially communicating to the CENECO TPBAC through electronic mail. Should the Bidder fail to cancel its bid offer, the value in the official template shall be deemed as the official bid offer. The cancellation shall be done prior to the posting of the Summary of Bids and such shall be subject to a penalty equivalent to 2% of the	Original and proposed revision remain the same. Retain this provision.
Instructions to Bidders	48	28.2. The Bidder with the Lowest Calculated Bid shall be notified through e-mail or in writing that it shall undergo post-qualification and submit post-qualification requirements within three (3) calendar days from receipt of notice	Request that this will be based on the document that is being requested. Depending on the complexity of the requirement, some documents may take more time to procure	Retain this provision.
Instructions to Bidders	51	31.1. Within ten (10) days from the receipt of the Notice of Award, the Winning Bidder shall post a performance security equivalent to one-month contract cost (for 30 days) of the proposed power supply agreement computed using the bid price offered by the Bidder	We suggest to revise as follows: 31.1. Within fifteen(15) banking days from the receipt of the Notice of Award, the Winning Bidder shall post a performance security equivalent to one-month contract cost (for 30 days) of the proposed power supply agreement computed using the bid price offered by the Bidder. Note: Request to increase the time for submission as this would still need to be processed internally or with the bank.	Granted.
Instructions to Bidders	52	32.3. Within five (5) working days upon the signing of PSA, CENECO and the Winning Bidder shall jointly file the PSA to the ERC, copy-furnished the DOE and NEA.	Filing of PSA Applications requires several documents such as LGU certifications, publications, etc. which takes more than two (2) weeks. We request CENECO to consider adjusting the timeline.	We will adjust the timeline accordingly when the need to do so arises.
PSA	General comment		Can the PSA provisions not covered by the TOR and ITB be negotiated?	Yes

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	General comment		May we know the validity of CENECO's franchise?	April 15, 2030
PSA	108	1.1.1 Cooperation Period shall take effect for a period of ten (10) years starting from April 26, 2023 to April 25, 2033, unless earlier terminated in accordance with this Agreement. If the provisional authority of the ERC is issued later than April 26, 2023, the Cooperation Period shall commence from the first day of the billing month following the issuance of said provisional authority;	To clarify, the date of commencement of supply of electricity will depend on the the provisional authority of the ERC. However, will the End Date of supply still be fixed on April 25, 2033?	The end date of the cooperation period will be adjusted according to commencement date.
PSA	117	4.8 Supply of Contracted Energy shall be available except for interruption and/or reduction due to: (a) any Event of Force Majeure, (b) Guaranteed Scheduled Outages, (c) Guaranteed Unscheduled Outages, or (d) safety or other causes as may be provided by law, rule, regulation, or order of a competent authority.	Section Section 4.8 and 4.10.1 are contradicting. Supply of Contracted Energy shall be available except for interruption and/or reduction due to: (a) any Event of Force Majeure, (b) Guaranteed Scheduled Outages, (c) Guaranteed Unscheduled Outages,... 4.10.1 During the Guaranteed Scheduled and Unscheduled Outage, it shall be the obligation to secure/facilitate replacement power, at no additional cost (like premium fee, line rental) to DU.	Retain this provision. Replacement power provided during the scheduled/unscheduled outage is not part of the contracted energy.
		4.10.1 Obligation During Guaranteed Scheduled and Unscheduled Outage. During the Guaranteed Scheduled and Unscheduled Outage, it shall be the obligation to secure/facilitate replacement power, at no additional cost (like premium fee, line rental) to DU.		
PSA	119	At the end of each contract year, the Capacity Fee and Fixed O&M Reduction amount shall be refunded by the SUPPLIER to the DU if, after annual reconciliation, actual outage hours is less than the allowed outage hours within a period of thirty (30) days after the receipt of a Statement of Account for the same from the DU. Reconciliation shall be concluded within thirty (30) days from the end of every contract year.	How will this be executed? Will the Capapcity Fee and Fixed O&M will be applied to the last sales invoice? Will there be no drastic impact on CENECO's blended generation rate at the last billing month of the year?	Annual reconciliation shall be done and the Supplier shall issue a credit memo after said reconciliation.
PSA	120	5.2.2. The DU shall deliver to the SUPPLIER written notice specifying the reduction in Contract Capacity under this Agreement resulting from the lowering down of the threshold, provided that: a. The reduction of the Contract Capacity shall be made only upon actual switching of the contestable customer to RES The reduction may be exercised by the DU by giving prior written notice to the SUPPLIER not later than sixty (60) days before the actual switching.	Suggest to revise Section 5.2.2 as follows: <i>a) The reduction of the Contract Capacity shall be made only upon actual switching of the contestable customer to RES and shall only be effected after verification by SUPPLIER of the actual switching of the contestable customers to RES.</i>	Supplier may verify switching to RES.

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PSA	122	6.6. Non-Payment. SUPPLIER may bill the DU interest charge for non-payment of any undisputed amount billed under this Agreement. SUPPLIER shall compute the interest charge using the rate per annum of the Treasury Bills at due date, multiplied by the number of days from the date when such payment is due until the date such amount is received in full by SUPPLIER.	"We suggest to revise as follows: 6.6 Non-Payment. If any amount payable by BUYER under this Agreement is not paid on Due Date: (i) the amount unpaid shall bear a daily interest, at a rate of twelve percent (12%) per annum, computed on a 360-day basis ; (ii) If any invoice from the SELLER is overdue for more than six (6) months, the BUYER shall pay an additional penalty of one percent (1%) per month for every additional month of delay beyond six (6) months.; (iii) SELLER has the right to immediately suspend the delivery of electricity and declare Electricity Fees for electricity supplied but not invoiced immediately due and payable, whereupon BUYER shall pay such Electricity Fees immediately upon delivery by SELLER of the corresponding invoice to BUYER; and (iv) SELLER has a right to demand from BUYER security deposit worth 100% of the monthly bill or collateral acceptable to SELLER, and the posting of such security deposit by BUYER to SELLER, shall be a condition	This may be discussed during the finalization of the PSA.
PSA	126	9.4 Extension of Cooperation Period. If any event of Force Majeure occurs during the Cooperation Period, the Cooperation Period shall be extended by a period of time equal to the period of time for which performance is excused as a result of the event of Force Majeure.	We suggest to revise as follows: 9.4 Extension of Cooperation Period. If any event of Force Majeure occurs during the Cooperation Period, the Cooperation Period shall be extended by a period of time equal to the period of time for which performance is excused as a result of the event of Force Majeure. Subject to availability of the capacity of the SUPPLIERS, and mutual agreement of the parties	
PSA	132	14.3.1. DUs Events of Default : DU defaults in payment due to any undisputed amount payable under this Agreement and such failure continues for a period of not less than forty-five (45) days.	Suggest to revise as follows: DU defaults in payment due to any undisputed amount payable under this Agreement . Reason: The due dates shall be every 25th day of the month immediately succeeding each billing period (Section 6.4) which means that SUPPLIER already supplied BUYER for 30-31 days on the due date.	Okay with this provision.
PSA	132	14.3.2. Procedure for SUPPLIER to Terminate. SUPPLIER shall send DU a Notice of Default after the lapse of the respective periods indicated above. DU shall then have three (3) months from its receipt of the Notice of Default to cure the DU Default. If DU fails to cure the DU's fault within the 3 -month curing period, SUPPLIER may send DU a Termination Notice thereafter, and this Agreement shall be effectively terminated thirty (30) days from s receipt of the Termination Notice.	Suggest to revise as follows: SUPPLIER shall send DU a Notice of Default after the lapse of the respective periods indicated above. <i>DU shall have thirty (30) days from its receipt of the Notice of Default to cure the DU default. If DU fails to cure the DU's fault within thirty (30) days, SUPPLIER may send DU a Termination Notice thereafter, and this Agreement shall be effectively terminated.</i> Reason: SUPPLIER has already been exposed for more than 60 days without the benefit of supply suspension. SUPPLIER has delivered capacity to the DU.	This may be discussed during the finalization of the PSA.
PSA	133	14.4.A Procedure of Termination: Termination of this contract for any of the events of default. The following termination process shall be consistent with the 90 days curing period:	To clarify, do Sections 14.4.A.1 to 14.4.A.6 apply to End of Corporate Life or Expiration of Franchise or NEA Registration only?	Yes

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PSA	133	14.4.A Procedure of Termination: Termination of this contract for any of the events of default. The following termination process shall be consistent with the 90 days curing period:	90 days curing period is too long. Although 14.4.A.3a says : 14.4.A.3.a. On the 31st day from receipt of Notice and with the absence of settlement, the aggrieved party has the right to suspend the implementation of its PSA obligation pending the completion of the remaining 60 days curing period.	This may be discussed during the finalization of the PSA.
PSA	147	Schedule 5 Capacity Fee Reduction	Formula doesn't include the Fixed O&M Reduction Fee. ITB Section 4.10.3 Service Efficiency Adjustment says Capacity and Fixed O&M Fee	Okay. To add Fixed O&M Reduction formula.
PSA	149	Settlement	Suggest to specify that the nominated quantity shall be equal to the Contracted Demand since this is a baseload (100%LF) contract.	This may be discussed during the finalization of the PSA.
Instructions to Bidders	46	26.1.1. The Financial Proposal of Bidders shall be evaluated by calculating the Cost of Electricity per kWh over a 10-year period (Annex O), considering the applicable indexable components of the Bid Price, foreign currency exchange rate, and service efficiency of the Winning Bidder based on outage hours. It shall be the basis for comparison of bid offers to determine the Lowest Calculated Bid.	May we know the Base Month and Year that will be used ? Please clarify if the basis for the escalation per year is the Calendar year (January) or Contract year (April)?	Base month and year will be the commencement date of the cooperation period.
PSA	117	For every instance of failure to provide replacement power, the SUPPLIER shall pay a penalty amounting to One Hundred Thousand Pesos (PhP100,000.00) plus Distribution, Supply & Metering (DSM) and Reinvestment Fund for Sustainable Capex (RFSC) loss, wherein the latter 2 (DSM, RFSC) are equivalent to the opportunity cost arising from the failure to provide such	What is the basis of the Php 1,000,000 per hour additional cost?	This is only P100,000 for section 4.7.3. This provision is to ensure compliance.
PSA	121	6.2.2. The local components of the Basic Energy Charge subject to escalation shall be escalated annually starting year 7 by the Philippine Consumer Price Index published by the Philippine Statistics Authority, or by _____ (the rate specified by the SUPPLIER in its offer with escalation limit of 2.5%), whichever is lower. The escalation shall be determined in accordance with the formula hereto attached and made an integral part hereof as	We would like to clarify the basis for year 7.	This is year 2 or whatever year winning bidder will commence escalation. To be revised.

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ITB	33	16.1.1.15. At the end of each contract year, the Capacity Fee Reduction and Fixed O&M Fee Reduction amount shall be paid by the Winning Bidder if, after reconciliation, actual outage hours is less than the allowed outage hours within a period of thirty (30) days after the receipt of a Statement of Account for the same from CENECO. Reconciliation shall be concluded within thirty (30) days from the end of the contract year.	Please confirm, if the bidder's actual outage hours is less than the allowable outage hours will the bidder be required to pay the equivalent reduction fee.	Yes
Instructions to Bidders	13.2 Bidder shall submit two (2) sets of its Bid, one containing hard copies of the original documents and the other containing the hard copies of the certified true copies of the original, labelled as follows:	What do you mean by the "original document"? Please clarify.	Suggests that the two (2) sets will be:	Set 1 - Hard Copies of the Original or the Certified True Copy of Original Documents the Bidder is required to retain a copy of.
			Set 1 – Hard copies of the Certified True Copies of the original	Set 2 - Photocopy of Set 1
			Set 2 – Photocopy of Set 1	
Instructions to Bidders	14.2.3. List of subsidiaries and associates (or parent company, whichever is applicable), indicating percentage of	We suggest the limitation of this requirement to subsidiaries and associates directly engaged in power generation only.		Yes
Instructions to Bidders	14.3.1. Securities and Exchange Commission Certificate of Registration, Cooperative Development Authority Registration, or Department of Trade and Industry Business Name Registration, whichever is appropriate under the laws of the Philippines;	Bidder was not issued a Registration Certificate by SEC being a partnership when it was established in 2007. Thus, in lieu of said requirement, Bidder 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.		Okay
Instructions to Bidders	14.3.3 Articles of Incorporation or Partnership and By- laws for those registered with the Securities and Exchange Commission;	Bidder is a partnership and has no By-Laws. Please confirm that we can just submit the latest amended Articles of Partnership.		Yes
Instructions to Bidders	14.4.3 Track Records for the last five (5) years in operating the power plant, if any, which shall include the following information: Bidders may use the template that could be found in the ERC website for the Generation Company Management Form: xxx	Please confirm that the document required to be submitted is the Generation Company Management Report (GCMR).		Yes
Instructions to Bidders	14.4.4 Notarized matrix of details of customers with whom Bidder has entered into a power supply agreement for the last five (5) years (Annex J), if any.	Will confirmation by email be sufficient as proof of customer's consent?	We suggest limiting the list to five (5) regulated distribution utilities only (excluding contestable customers and directly connected customers).	The more DUs the Bidder includes in this list indicates Bidder's experience in the industry.
	This form includes a certification that the individuals enumerated therein have been informed that their details have been shared to the CENECO TPBAC. Thus the Bidders must ensure that their customers have consented to such disclosure prior to including their details therein.			We do not require the submission of proof of consent of customers but it is presumed that once included in the list, consent has been given.
Instructions to Bidders	14.4.7 Other relevant information showing proof of the technical capabilities of the Bidder that would be helpful to the CENECO TPBAC.	If the Bidder does not submit other relevant information which are not specified, would the Bidder be disqualified?		No, the Bidder would not be disqualified

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Instructions to Bidders	15.1.7 Risk Management Plan from development to operations including, but not limited to the pertinent information on project insurance and bonding program to be put in place.	Please confirm that this plan is applicable only to new power plants or plants under construction.		Refer to Item 70 of the Clarifications to Bid Documents.
Instructions to Bidders	19.2 Bid Security shall be equivalent to the one-month contract cost of the proposed PSA computed using the bid price offered by the Bidder.		Suggest to provide the amount for the Bid Security using the reference price to have uniformity among bidders.	Retain this provision
Instructions to Bidders	19.3 The Bid Security shall be in the form of: xxx	(1) If the Bid Security is a Manager's Check, may we be allowed to deposit the MC since we will be submitting our bid via courier? If yes, may we know the bank details of the Payee?		No because the Bid Offer of the Bidder may be determined if deposited ahead to account of CENECO.
		(2) To clarify we will be submitting the copy of the deposit slip instead of the actual check.		
Instructions to Bidders	TPBAC shall allot thirty (30) minutes from 9:00 AM to 9:30 AM of February 17, 2023 for the Bidders to submit a Google Drive link containing the password-protected electronic copies of their Bids...	(2) Please clarify if bids submitted before 9:00 AM will also be accepted.		Bid Offers shall only be submitted during the 9:00 AM to 9:30 AM window.
Instructions to Bidders	Annex D Checklist of Requirements	Please confirm that only the requirements under Annex D will be required to be submitted by the Bidders.		Yes
Instruction to Bidders	Annex K and Annex N	May we request for a editable/word file for these annexes.		Please secure from the Secretariat.
Instruction to Bidders	Annex R	Please provide the basis for the penalty of "One Million Pesos (PhP 1,000,000.00) for every hour of excess."		Refer to Item 79 of the Clarifications to Bid Documents.
	4.9.1 xxx			
	the SUPPLIER			
	shall pay to the DU the Capacity Fee and Fixed O&M equivalent to the excess outage hours plus One Million Pesos (PhP 1,000,000.00) for every hour of excess. An excess of a fraction of one (1) hour shall be considered as an hour for purposes of this Section.			
Instruction to Bidders	Annex R	Please clarify the distinction between Change in Circumstances and Change in Law.	We suggest to revise the provision as follows: If as a result of a <u>Change in Circumstances including a Change in Law</u> , (i) any charges, fees, taxes, duties, assessments or other similar amounts become payable with respect to this Agreement, (ii) DU is not permitted to pass through to its customers any charges, fees, taxes, assessments or other similar amounts that may become payable, or (iii) DU is no longer permitted to pass through to its customers any amounts that is permitted to pass through as of the date of this Agreement, the DU or the Supplier shall give notice thereof to the SUPPLIER. Thereafter, upon the receipt of Notice, the Parties shall enter into good faith negotiations (or curing) to agree on a satisfactory solution regarding the amendment of this Agreement to restore the affected Party's commercial position prior to such Change in Law, including an adjustment of the Price. Pending negotiations and 30days from the Receipt of Notice, the Supplier is not obliged to supply power and the DU is not obliged to receive power from the SUPPLIER.	This may be discussed during the finalization of the PSA.
	Article 10 Change in Circumstances			
	If as a result of a Change in Law, (i) any charges, fees, taxes, duties, assessments or other similar amounts become payable with respect to this Agreement, (ii) DU is not permitted to pass through to its customers any charges, fees, taxes, assessments or other similar amounts that may become payable, or			
	(iii) DU is no longer permitted to pass through to its customers any amounts that is permitted to pass through as of the date of this Agreement, the DU or the Supplier shall give notice thereof to the SUPPLIER.			
Terms of Reference	Source of Power	Considering that requirement of CENECO is base load, suggest to define the term "Open Technology"		Open Technology refers to any type of power generating plant, including but not limited to geothermal, fossil fuel, wind, hydro, biomass, etc.

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Terms of Reference	Contract Duration	Is April 25, 2033 fixed as the end of the contract or will the 10-year term be adjusted based on the actual start of supply?	We suggest to revise the provision as follows: The Power Supply Agreement (PSA) shall take effect for a period of ten (10) years starting from the target Delivery date of April 26, 2023 or until an ERC approval is acquired whichever comes first, to April 25, 2033, unless earlier terminated in accordance with the provisions of the PSA.	Okay. Ten (10) years contract duration shall commence from April 26, 2023 or the issuance of an ERC approval or provisional authority.
Terms of Reference	Schedule of Delivery	Please confirm if the supply will be at 100% Load Factor for the entire duration of the contract.		Yes
Terms of Reference	Escalation	Please clarify if "annual escalation only" means the rate will not reduce when the relevant index goes down for a particular month of the year.		Yes
Terms of Reference	Outage Allowance per Plant	Can the bidder propose outage allowances that varies per year to reflect major maintenance schedules?	Please allow the bidder to provide outage allowance days based on major maintenance schedules which may occur once every 3-4 years.	Yes, as long as it will not exceed the allowed limits
Terms of Reference	Outage Allowance	Does having N-1 capability and contingency reserve be considered in the evaluation?		Yes
Terms of Reference	Force Majeure	For clarity, please see proposed wording.	The DU shall not be required to make payments for any of the following <i>if due to Force Majeure</i> : 1. Capacity that is unavailable; and 2. Capacity that it cannot accept.	No need to clarify as this falls under the provision for force majeure.
Terms of Reference	Force Majeure The DU and the supplier shall jointly establish plans for operating the power plant during force majeure. The supplier shall include recovery from a local or widespread electrical blackout. The supplier shall comply with the emergency procedures and provide contingency plan if a force majeure occurs.	Can we be clarified on the basis of this provision.		This is required by NEA.
Terms of Reference	Replacement Power	Considering the Seller is obligated to supply firm Replacement Power during outages beyond the Scheduled and Unscheduled Outage Allowances, applicable rate should be the Contract Price.		Refer to Item 22 of the Clarification for Bid Documents.
Terms of Reference	Regulatory Approvals The Winning Bidder shall provide for the legal services of the joint application with full support from the DU. The Supplier shall make the necessary adjustments in accordance with the directive of the ERC. Downward adjustment in the rates shall not be a ground for the termination of the contract and the DU should not be made to shoulder the incremental difference.	Please clarify the scope of "legal services". We suggest that the sentence be revised since any reduction in the Contract Price thru an ERC approval should not prevent the Seller from exercising its right to seek reconsideration of the Decision or other legal remedies.		Legal services means services provided by legal counsel from the application of the PSA to appearances with the ERC during the hearings related thereto. The Supplier is not prevented from seeking a motion for reconsideration before the ERC. Refer to Item 25 of the Clarifications to the Bid Documents.
Terms of Reference	Grounds for Termination	Suggest to qualify 2nd ground of termination	2. Supplier ceases or discontinues the delivery of electricity for a period of ninety (90) consecutive days from its own plant <u>without justifiable reasons and Supplier was not able to provide Replacement Power</u> , except in instances allowed under the Agreement.	Retain this provision
Terms of Reference	Technical Specifications of Generator Set	Please clarify what requirement is this under the Instructions to Bidders.		Refer to Item 28 of the Clarifications to Bid Documents
Terms of Reference	Years of Experience	Please confirm that this requirement is already covered by Annex I.		No. As Annex I is only limited to the previous 5 years

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Terms of Reference	Eligibility Requirements	Please confirm that this requirement is already covered under 14.4 Envelope 1 (Folder 3) Technical Documents of the Instructions to Bidders.		This is already itemized in Section 14 of the Instruction to Bidders.
Terms of Reference	Assignability		We suggest the provision be revised as follows: Assignability. Neither Party shall assign this Agreement or any rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld. <u>Provided that Supplier may</u> assign or transfer its rights and obligations under the Agreement to any of its subsidiaries or affiliates, or any other third-party for purposes of project financing, including the obligation to supply to Buyer all or any portion of the Contract Capacity. In the event of an assignment, the Assigning Party agrees to keep the Non-Assigning Party whole and free from any liability or losses, not otherwise contemplated under this Agreement.	This may be discussed during the finalization of the PSA.
Clarifications to Bid Documents	41. Do the certified true copies need to be signed on the first and last page only? Or should it be signed in each page? Answer: Section 13.7 of the Instruction to Bidders provides that all pages of each document submitted, and all pages and portions of the pages where corrections and/or amendments have been made, shall be signed by the Bidder's authorized representative. Failure to do so shall be a ground for the rejection of the Bid.	Does this mean that Section 13.7 of the Instructions to Bidders pertains to the signature of the Authorized Representative certifying the documents as true copies of the original?		Please refer to Item 43 of the Clarification to Bid Documents
Clarifications to the Bid Documents	All	Kindly confirm that all answers by CENECO to the questions contained in this document are still valid and applicable for the new CSP scheduled on Feb. 17, 2023.		Yes
ITB No. 01 Series of 2023	15.1.5	"Key Terms of Fuel Supply Agreements" which include the following: a. fuel supplier; b. quantities of fuel to be supplied; c. fuel prices; and d. period of fuel supply are considered confidential since our suppliers would not allow us to disclose their prices to others.	Can we redact the fuel prices in the documents to be submitted?	Yes
Penalties	5. Failure of power Delivery	To be expounded, for there will be cases that failure of power delivery is due to transmission lines		This may be discussed during the finalization of the PSA.
Security Deposit	No Security Deposit	There should be a Security Deposit (as a safeguard for the Supplier since this is a Baseload and Firm Supply)		Retain this provision
4.9.1	If the SUPPLIER's actual outage for the contract year exceeds total guaranteed outage hours, the SUPPLIER shall pay to the DU the Capacity Fee and Fixed O&M equivalent to the excess outage hours plus One Million Pesos (PhP 1,000,000.00) for every hour of excess. An excess of a fraction of one (1) hour shall be considered as an hour for purposes of this Section.	Should it be only if Supplier cannot provide Replacement power? Basis of PHP 1M penalty per hour? (what is the basis of Php 1 Million)		Refer to Item 79 of the Clarifications to Bid Documents.

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4.7.3	For every instance of failure to provide replacement power, the SUPPLIER shall pay a penalty amounting to One Hundred Thousand Pesos (PhP100,000.00) plus Distribution, Supply & Metering (DSM) and Reinvestment Fund for Sustainable Capex (RFSC) loss, wherein the latter 2 (DSM, RFSC) are equivalent to the opportunity cost arising from the failure to provide such replacement.	On a per hour or monthly basis of failure to deliver Replacement Power?		The P100,000 penalty is on occurrence basis plus Distribution, Supply & Metering (DSM) and Reinvestment Fund for Sustainable Capex (RFSC) loss
		ADD: As baseload requirement there should be a MEOT that the DU should offtake on a per interval basis		Ok. Agreed. We will add this to the PSA.
Instruction to Bidders	Sec. 8, 8.1, pg. 9	We respectfully request for an extension of submission of bids and suggest for CENECO to include the following:	<ul style="list-style-type: none"> Plot the issuance of the Final Instruction to Bidders ("FITB") and final bid bulletin in the CSP calendar to guide the bidders on their preparation and decision for the bid submission; and 	Final issuance of FITB will be on February 17, 2023.
			<ul style="list-style-type: none"> Include in the calendar a negotiation period wherein parties can perfect the long-term PSA before signing to mirror items which lacks the current PSA draft but is in good faith and will both benefit the parties 	Draft PSA has already undergone review by NEA. Any item mutually agreed will only be inserted subject to NEA/DOE's approval.
			we would like to respectfully suggest for Bidders or the Winning Bidder to be allowed to submit its own draft PSA for negotiation.	
PSA	Article 4, 4.7.32,pg. 52	Please note that absorbing the cost of replacement power, at the expense of the Seller, is already a penalty to the Seller given	the risks that it has already taken in the provision of replacement power. Hence, we appeal for CENECO's reconsideration of the RP penalty fee and waive the "whichever lower" part for the Replacement Power Rate	We retain this provision. The penalty is a deterrent for Suppliers to violate the terms of the PSA.
PSA	Article 9, 9.1.a,pg 60	we would like to propose the inclusion of the ff:	(xi) Curtailment of the Plant output by the System Operator	Granted.
PSA	Article 9, 9.1.b,pg 60	we would like to propose the inclusion of the ff:	(i) mechanical and electrical breakdown or failure of equipment, machinery or plant owned or operated by either Party due to the manner in which such equipment, machinery or plant has been operated or maintained (whether or not by such Party);	(i) Granted.
			(ii) the Seller finding another market for the Product at a price greater than the Contract Price;	(ii) Not granted.
			(iii) the Buyer having the opportunity to buy the Product at a price lower than the Contract Price;	(iii) Not granted, in consideration of number 2.
			(iv) the Buyer losing its markets;	(iv) Not granted.
			(v) the Buyer's inability economically to use or resell the Product purchased hereunder; and,	(v.) Not granted.
PSA	Article 4, 4.9, pg52	We respectfully suggest to have an outage allowance in accordance to ERC Resolution No. 10, Series of 2020 "A Resolution Adopting the Interim Reliability Performance Indices and Equivalent Outage Days Per Year of Generating Units".		
		Seller shall have the right, but not the obligation, to provide the Replacement Power to the Buyer during Scheduled Outage. For this purpose, Replacement Power during Scheduled Outage shall be billed at Contract Rate, or WESM rates, whichever is applicable, whether sourced from the Facility or other third-party supplier including the WESM, at the ERC-approved rate.		We retain this provision.

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PSA	Article 10, pg 62	We would like to respectfully suggest for any changes in the cost of VAT to remain as passed on given that governmental taxes are subjected to legislation and not controlled by the Generator.		Granted. This provision will be revised during the finalization of the PSA.
TOR	Escalation, pg 1	A fixed rate with annual escalation may not be viable at the moment considering that the fuel market conditions are still recovering back to its normal levels		Not granted.
		By this, we would like to ask if the TPBAC will consider the fuel cost to be passed on. Having this arrangement will make the PPSA more contract sustainable compared to fixed fuel rates.		
Instruction to Bidders	Sec 14, 14.3.2, pg.19	Limited Partnerships are not required to have GIS. In this regard, can the bidder indicate "N/A" in its submission		Yes.
TOR	Currency, pg. 1	Please confirm that while the transaction will be in Philippine Peso, Bidders are allowed to have dollar-based rate components in their respective tariff offers.		Dollar-based rates shall be converted into Philippine Peso.
PSA	Article 4, 4.7, 4.7.b, pg. 11	Please Please confirm that provision of an replacement power by the Seller within the Allowed Outage regime will be considered as actual deliveries by the Seller and not be counted as an outage.		No.
PSA	Article 4, 4.3	we would like to clarify the meaning of this provision: "DU shall have the right to dispatch the power plant up to its dependable capacity following the dispatch protocol in accordance with the economic merit order."		See item 26 of the Clarifications to bid documents.
TOR	Tariff Structure / Evaluation Worksheet	In the TOR, the Fuel Fee provides for a computation which is subject to yearly escalation WITH LIMITATIONS. In the Evaluation Sheet, it provides for "Escalation for Fuel-related Index in % NOT SUBJECT TO LIMITS		For Fuel Tariff, the escalation is subject to CPI,USCPI and FOREX subject to limitations. TPBAC allows the bidder to have other escalation index for fuel eg. NCI,ICI, hence these other indexation is not subject to limits.
ITB	13	EDC: Given this timeline, if the pre-bid is 8 Feb, 7 working days after will be 17 February, which is the Submission and Opening of Bids. This will not be enough time for the Bidders to make adjustments according to the Minutes of the Pre-bid. We would like to request to move the bid submission and		Request for extension is granted. New Bid Opening date will be February 27, 2023
TOR	16.1.1.8.10.	Please clarify if there is a limit to the escalation of the NEWC prices in the fuel cost computation because the formula in the bid docs does not mention limit on the index to be used.		For Fuel Tariff, the escalation is subject to CPI,USCPI and FOREX subject to limitations. TPBAC allows the bidder to have other escalation index for fuel eg. NCI,ICI, hence these other indexation is not subject to limits.

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TOR	Evaluation Worksheet Row 81: Escalation for Fuel-Related Index in % not subject to Limits	Please clarify if fuel cost will be indexed or fixed.		For Fuel Tariff, the escalation is subject to CPI,USCPI and FOREX subject to limitations. TPBAC allows the bidder to have other escalation index for fuel eg. NCI,ICI, hence these other indexation is not subject to limits.
ITB	12	10.10 Requests for Clarifications may also be made in writing or through electronic mail after three (3) days from the scheduled pre-bid conference On Summary of Matrix, CENECO answered: CENECO: We will endeavor to address all comments and clarifications during the pre-bid conference. We encourage bidders to make known their comments and clarifications on or before February 9, 2023. CENECO effectively disallows Bidders Section 10.20 allowing the Bidders to submit additional comment/s after three (3) days from the scheduled pre-bid conference. We want to ask CENECO to reconsider adjusting the timeline.		This is automatically adjusted in accordance with the new Bid Opening Date. Will send bid bulletin for new timeline
PSA	General Comment	On page 7 of Summary of Matrix, CENECO confirmed that its franchise validity is until April 15, 2030. Please explain rationale for contracting beyond 2030 after CENECO's current franchise expires?		The management is currently on the process of renewing CENECO's franchise however, approval of the same depends on our legislators.
BID BULLETIN		since the date of the bidding has been moved to Feb 27, will we also assume that the date of the start of supply will likewise be moved to May 26 ? thank you		We are still within the timeline per procurement guidelines. We will adjust the timeline if there is a need to do so. The official start of the cooperation period will be the time the ERC approval is scheduled. This is our alternate schedule