



PALAWAN ELECTRIC COOPERATIVE

Third-Party Bids and Awards Committee (TPBAC)
 Km 3.35 North National Highway, Barangay Tiniguiban, Puerto Princesa City
 paleco.csp@gmail.com; www.paleco.net; (048) 433-9144 loc. 863

BID BULLETIN NO. 03

October 27, 2023

**Competitive Selection Process
 For the 15 MW Supply of Power in the Municipality of El Nido, Palawan**

Pursuant to the Department of Energy (“DOE”) Circular No. DC2018-02-003, Series of 2018, as amended by DOE Circular No. DC2021-09-0030, Series of 2021, Palawan Electric Cooperative (“PALECO”), through the Third-Party Bids and Awards Committee (“TPBAC”) hereby issues the following amendments to the Bidding Procedures and schedules for the 15 MW supply of power in El Nido, Palawan considering the queries and suggestions submitted by the Bidders.

BIDDING PROCEDURES AMENDMENTS

No.	Document Reference	Contents	Amendment/ Remarks
1	I-02 SUBJECT OF THE BID PROPOSAL	xxx The CC shall always be available	<i>Deleted</i>
2	II-01 SCHEDULE OF BIDDING ACTIVITIES		Shall be issued on a Separate Bid Bulletin
3	II-02 GENERAL RULES FOR THE VIRTUAL CONDUCT OF CSP	A.1. xxx for the purpose of participants and observers xxx	A.1 xxx for the purpose of observers xxx
4		A.2 xxx registered bidders at least one day before the scheduled activity. Only two accounts will be provided to each bidder or his authorized representative/s.	A.2 xxx observers at least one day before the scheduled activity.
5		Item No. 4	<i>Deleted</i>
6	II-06 PREPARATION OF BID PROPOSALS	3.A Printed in long bond paper size (8.5x13) except the LTLR;	3.A Printed in long bond paper size (8.5x13); <i>(Note: all succeeding provisions containing “LTLR” are replaced to “Levelized Rate” or deleted when no longer applicable.)</i>

7		d) The LTLR should be printed in A3 size.	<i>Deleted</i>
8		8. Notwithstanding the Pre-qualification Guidelines xxx	8. Notwithstanding the Eligibility Requirements xxx <i>(Note: all succeeding provisions containing "pre-qualification/eligibility" are replaced to "eligibility".)</i>
9		13. xxx using the Long-Term Levelized Rate (LTLR) methodology.	13. xxx using the Levelized Rate methodology.
10		14. The LTLR evaluation xxx xxx c) reimbursables (e.g. ER1-94, VAT, RPT)	14. The Levelized Rate evaluation xxx xxx c) Government Remittances and Payables (e.g. ER1-94, VAT, RPT)
11	II-08 ELIGIBILITY REQUIREMENTS (ENVELOPE 1)	The pre-qualification process aims to determine xxx To be able to participate in Part II Process of the Competitive Selection Process (CSP) xxx	The submission of eligibility requirements aim to determine xxx To be able to participate in the Competitive Selection Process (CSP) xxx
12	A. LEGAL DOCUMENTS	f.i. Proof of VAT Payment for the past six months (EFPS, e-mail or BIR acknowledgement receipt of payment) Use Annex J to summarize proof of VAT Payment.	f.i. Proof of VAT Payment for the past six months or the last two quarters (EFPS, e-mail or BIR acknowledgement receipt of payment) Use Annex J to summarize proof of VAT Payment.
13		4. xxx showing that the Bidder and all its partners, shareholders, joint venture, associates xxx	4. xxx showing that the Bidder and all its partners, joint venture, associates xxx
14		5. Bidder's notarized certification that the bidder and/or each member of its Consortium is not prohibited or restricted from participating in the bidding process of this transaction in any manner under applicable law, agreement or license	5. Bidder's notarized certification that the bidder and/or each member of its Consortium is not prohibited or restricted from participating in the bidding process of this transaction in any manner under applicable law, agreement or license (ANNEX "D-0")

15	FINANCIAL DOCUMENTS/ FINANCIAL CAPABILITY INFORMATION	<p>1.b higher than the indicative Project/Facility Cost.</p> <p>xxx on the assumption of One Hundred Seventy-Eight Million Pesos (P178,000,000.00) per MW which is equivalent to Three Billion Seven Hundred Fifty Million Pesos (P3,750,000,000.00) for 15 MW xxx</p> <p>xxx NFCC = [(Current assets minus current liabilities) (20)] minus the value of all outstanding xxx</p> <p>For clarity, the NFCC of the bidder must be at least Nine Hundred Thirty-Seven Million Five Hundred Thousand Pesos (PhP937,500,000.00).</p>	<p>1.b higher than the Bidder's Project/Facility Cost.</p> <p>xxx assumption of Seventy-Five Million Pesos (P75,000,000.00) per MW which is equivalent to One Billion One Hundred Twenty-Five Million Pesos (P1,125,000,000.00) for 15 MW xxx</p> <p>xxx NFCC = [(Current assets minus current liabilities)x(20)] minus the value of all unsecured outstanding xxx</p> <p>For clarity, the NFCC of the bidder must be at least Two Hundred Eighty-One Million Two Hundred Fifty Thousand Pesos (PhP281,250,000.00).</p>
16	II-09 CONTENTS OF BID PROPOSAL (ENVELOPE 2)	6. Duly executed Power Supply Agreement and Schedules to PSA, and attachments thereto:	7. Duly filled out Power Supply Agreement and Schedules to PSA (Schedule 8):
17		9. Form of Undertaking for the lease or ownership of the plant site.	8. Form of Undertaking for the lease or ownership of the plant site (Schedule 9).
18		none	9. Certification from the host barangay that the proposed project design and technology is socially acceptable (Schedule 10)
19		<p>Full compliance with the above requirements shall be the basis of the TPBAC in evaluating the Second Folder (Financial Proposal). The Second Folder shall be marked "Financial Proposal."</p> <p>The Second Folder shall contain two (2) copies of the following:</p> <p>1. Duly executed Financial Bid Form in the</p>	<p>Full compliance with the above requirements shall be the basis of the TPBAC in evaluating the Second Folder (Financial Proposal). The Second Folder shall be marked "Financial Proposal." and it shall contain the following</p> <p>1. A Financial Term Sheet showing pertinent details of its bid as set forth in Schedule 4;</p> <p>2. Two (2) copies of the duly</p>

		form attached as Schedule 5; and 2. Annex A of Schedule 5 (Long Term Levelized Rate Template)	executed Financial Bid Form in the form attached as Schedule 5 and its Annex A
20	II-09 CONTENTS OF BID PROPOSAL (ENVELOPE 2)	Kindly refer to the checklist of requirements provided in a separate sheet.	Kindly refer to the checklist of requirements provided in a separate sheet (Annex K).
21	II-11 BID SECURITY	xxx However, for the Winning Bidder the Bid Security shall also cover all its obligations until the Effective Date of the Power Supply Agreement.	xxx However, for the Winning Bidder, the Bid Security shall also cover all its obligations until issuance of ERC Interim Relief or Provisional Authority.
22		c) The Bid Security shall be issued in favor of PALECO in the form of Cashier's Check or Manager's Check to be included in the First Proposal Envelope.	c) The Bid Security shall be issued in favor of PALECO in the form of cash, cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit issued by a Universal or Commercial Bank. Provided, however, that the security shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank to be included in the First Proposal Envelope. Xxx f) Bid Security in the form of SBLC shall be renewed at least ten (10) days from the expiration of the SBLC. Failure to renew within the period shall trigger the right of PALECO to make a demand under the letter of credit.
23		vi. Any other ground provided in the Bidding Procedures other than those specifically provided for in this section; and	<i>Deleted</i>
24	II-12 OPENING, INVENTORY AND PRELIMINARY EVALUATION OF PREQUALIFICATION DOCUMENTS/ELIGIBILITY	II-12 OPENING, INVENTORY AND PRELIMINARY EVALUATION OF PREQUALIFICATION DOCUMENTS/ELIGIBILITY REQUIREMENTS	II-12 OPENING, INVENTORY AND EVALUATION OF <u>ELIGIBILITY REQUIREMENTS</u>
25		Only two (2) representatives	Only three (3) representatives

	REQUIREMENTS	from each bidder shall be allowed to witness the proceedings subject to TPBAC's rules xxx	from each bidder shall be allowed to witness the proceedings subject to TPBAC's rules xxx
26	II-15 EVALUATION OF PROPOSALS	1. Evaluation Criteria for the Technical Proposal xxx	<p>1. <u>Evaluation of the Technical Proposal</u></p> <p>i. <u>Provided that Envelope 1 (Eligibility Documents) was rated "passed", the TPBAC shall proceed to publicly open the Envelope 2 First Folder (Technical Proposal). In opening the First Folder (Technical Proposal), the TPBAC shall conduct an inventory of the contents and read out the Technical Proposal in public.</u></p> <p>ii. <u>The TPBAC, including the TPTWG, shall then proceed to verify the conformity of the format of the Technical Proposal with respect to the requirements of the Bidding Procedures and will be rated in a "Pass/Fail" criterion. Any Technical Proposal which does not conform to the format and does not pass the criteria required by these Bidding Procedures shall be declared non-compliant and shall be rejected. Should no Technical Proposal conform to the format and pass the criteria required by these Bidding Procedures, the TPBAC shall declare a failure of bidding.</u></p> <p>iii. <u>The TPBAC has the sole discretion to allow the correction of clerical errors.</u></p>

27	II-16 DETAILED EVALUATION AND POST QUALIFICATION OF PROPOSALS	2. Evaluation of Financial Proposal iii. Financial Proposals shall be evaluated using the Financial Bid Form (Schedule 5) and Long-Term Levelized Rate (LTLR) methodology	2. Evaluation of Financial Proposal iii. Financial Proposals shall be evaluated using the Financial Bid Form (Schedule 5).
28	II-16 DETAILED EVALUATION AND POST QUALIFICATION OF PROPOSALS	Financial Proposals shall be evaluated using the Financial Bid Form and the Long-Term Levelized Rate (LTLR) methodology.	Financial Proposals shall be evaluated by examining the consistency of Schedule 5 and Annex A of Schedule 5 of the Financial Bid Form.
29	II-19 AWARD AND SIGNING OF POWER SUPPLY AGREEMENT	xxx d) Payment of Transaction Fee; and e) Construction Security	<i>Deleted</i>
30	II-19 AWARD AND SIGNING OF POWER SUPPLY AGREEMENT	Failure to submit the above requirements within the prescribed period calendar days will result to the forfeiture of the bid security. xxx	Failure to submit the above requirements within <u>five (5)</u> calendar days will result to the forfeiture of the bid security. xxx
31	II-19 AWARD AND SIGNING OF POWER SUPPLY AGREEMENT	The authorized signatory(ies) of the Winning Bidder and the Chairman of the Board of PALECO shall execute and sign the PSA and other Transaction Documents.	The authorized signatory(ies) of the Winning Bidder and the Chairman of the Board of PALECO shall execute and sign the PSA and other Transaction Documents. <u>Further, the winning bidder shall pay PALECO a non-refundable transaction fee in relation to the conduct of the CSP and execution and approval of the PSA, which includes but not limited to publication expenses, researches, due diligence, post-qualification expenses, legal expenses and representations, in the amount of Five Million Five Hundred Thousand Pesos (PhP5,500,000.00) within three (3) calendar days after the signing of the PSA.</u>

32	II-20 PROTEST MECHANISM	A protest shall be made by filing a verified position with the Board of Directors of PALECO Board of Directors, accompanied by the payment of a non-refundable protest fee amounting to Two Million Five Hundred Thousand Pesos (P2,500,000.00) in a form of cash or manager's check.	A protest shall be made by filing a verified position with the Board of Directors of PALECO, accompanied by the payment of a non-refundable protest fee of <u>0.25% of the total project cost amounting to Two Million Eight Hundred Twelve Thousand Five Hundred Pesos (Php2,812,500.00) in the form of cash or manager's check.</u>
33	II-23 TRANSACTION DOCUMENTS	As part of the submission of the Technical Proposal, each Bidder shall deliver two (2) sets of signed original identical versions of the Draft PSA, Schedules to PSA, which must be duly acknowledged (i.e. notarized) before a Philippine Notary Public or Philippine Consular Official authorized to administer oaths, as the case may be. Bidder must type/print/stamp its name below the signature of its authorized representative on each and every page of all the documents submitted with the Proposal except the Information Memorandum.	As part of the submission of the Technical Proposal, each Bidder shall deliver two (2) sets of <u>duly filled-up identical versions of the Draft PSA and Schedules to PSA</u> Bidder must type/print/stamp its name below the signature of its authorized representative on each and every page of all the documents submitted with the Proposal
34	II-25 GENERAL CONDITIONS	11. Disqualification: xxx xxx e) Proposals from Bidders who (or any of its Affiliates) have any conflict, dispute or unresolved issue with the DOE, PSALM, NPC, PALECO, or any Distribution Utility arising out of or in connection with previous transactions relating to power supply; and f) Any other analogous case.	11. Disqualification: xxx xxx e) Proposals from Bidders who (or any of its Affiliates) have any conflict, dispute, <u>protest or legal action against PALECO that is in conflict with this bidding or any bidding that PALECO previously conducted with attached Certification from PALECO issued by the General Manager.</u> <i>Deleted</i>
35	III-06 PROTEST MECHANISM AND DISPUTE	xxx	<i>Deleted</i>

	RESOLUTION		
36	III-10 TAXES, CUSTOMS, DUTIES, FEES, COSTS OR CHARGES	III-10 TAXES, CUSTOMS, DUTIES, FEES, COSTS OR CHARGES xxx Further, the winning bidder shall pay PALECO transaction fee in relation to the conduct of the CSP and execution and approval of the PSA, which includes but not limited to publication expenses, researches, due diligence, post-qualification expenses, legal expenses and representations, in the amount of Five Million Five Hundred Thousand Pesos (PhP5,500,000.00) after the receipt of the Notice of Award.	III-09 TAXES, CUSTOMS, DUTIES, FEES, COSTS OR CHARGES xxx <i>Deleted</i>

All other portions of the Bidding Documents affected by the above amendments shall be made to conform to the same.

Kindly acknowledge receipt of this Bid Bulletin in the space below and return the signed copy to the TPBAC through paleco.csp@gmail.com. For inquiries, please contact TPBAC Secretariat Peter Vincent S. Mendoza at Telephone No. (048) 433-9144 loc. 863.

For your information and guidance.

Approved by: TPBAC

ATTY. WILFREDO L. TAGLE
Chairperson

RGB/ALR/MCP/JPS

We hereby acknowledge receipt and acceptance of the terms and conditions outlined in this Bid Bulletin.

Received by: _____

Name of Company: _____

Date: _____

PROOF OF VAT PAYMENT FOR THE PAST SIX MONTHS OR THE LAST TWO QUARTERS

Month	Amount	BIR Acknowledgement Receipt	Transaction Number
January			
February			
March			
April			
May			
June			

**With proper index/tab per payment*

CERTIFICATION OF NON-PROHIBITION TO PARTICIPATE IN THE BIDDING PROCESS

[Location, Date]

ATTY. WILFREDO L. TAGLE

Chairperson, Third Party Bids and Awards Committee
Competitive Selection Process for the 15 MW Supply of Power
in the Municipality of El Nido, Palawan

Sir:

We certify that our company or any of our affiliates and/or each member of our Consortium is not prohibited or restricted from participating in the bidding process of this transaction in any manner under applicable law, agreement or license.

Sincerely,

Authorized Signature

Name and Title Signatory
Name of Firm
Address

ACKNOWLEDGEMENT

(before a Philippine Notary Public or Philippine Consular Official authorized to administer oaths)

REPUBLIC OF THE PHILIPPINES)
()SS

BEFORE ME, on this _____ at _____, personally
appeared:

Name	ID No./Passport No.	Expiration Date
------	---------------------	-----------------

known to me and to me known to be the same person who executed the foregoing **Certification of Non-Prohibition to Participate in the Bidding Process** and who acknowledged to me that the same is true and voluntary act an deed, and that of the Corporation which he represents.

WITNESS MY HAND AND SEAL on the date and at the place hereinabove mentioned.

Doc. No.
Page No.
Book No.
Series of 2023.

SCHEDULE 9

FORM OF UNDERTAKING FOR THE LEASE/OWNERSHIP OF THE PLANT SITE

KNOW ALL MEN BY THESE PRESENTS:

This Undertaking is made and executed by:

Mr./Ms. _____ (LESSOR/BUYER) of legal age, single/married,
 _____ citizen, presently residing _____ at _____
 Mr./Ms. _____ (LESSEE/SELLER) of legal age, single/married,
 _____ citizen, presently residing _____ at _____
 _____ in favor of _____

WITNESSETH:

That the LESSOR/BUYER is the registered owner of property covered under TCT No. _____ /CCT No. _____ located in _____, Philippines, and more particularly described as follows,
 to wit:

"Insert Lot Description"

That the LESSOR/BUYER intends to lease/purchase the above-described parcel of lot for the total price of _____.

That the LESSEE/SELLER hereby warrant his/her title over the land above-described, with full right to utilize as plant site for the supply of power for the Municipality of El Nido, Palawan.

IN WITNESS WHEREOF, the parties hereto have signed these presents this _____ day of _____ 2023, in the City/Municipality of _____.

LESSOR/BUYER

LESSEE/SELLER

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGEMENT

(before a Philippine Notary Public or Philippine Consular Official authorized to administer oaths)

SCHEDULE 10

CERTIFICATION FROM THE HOST BARANGAY

OFFICE OF THE PUNONG BARANGAY

CERTIFICATION

TO WHOM IT MAY CONCERN:

This is to certify that the Sangguniang Barangay of Barangay _____,
Municipality of El Nido, Palawan has no objection in the proposed
_____ of _____.

This certificate has been issued for whatever purpose it may serve.

Issued this ____ of _____ 2023 at _____, Palawan.

Punong Barangay

Note: The Certification must bear the official header of the Barangay

SCHEDULE 5. FINANCIAL BID FORM

[Electronic working sheets to be provided]

ANNEX A.1 POWER GENERATION ALLOCATION

Color Coding Instruction

Mandatory data input

Technology	Start Month/Year	Installed Capacity	Dependable Capacity
Conventional	Jul-26		
RE Firm	Jul-26		
RE Non-Firm	Jul-26		

Total Power Generation Allocation			
Conventional	RE Firm	RE Non-Firm	Total
			1,158,964,495.08

No. of Months	180	180	180	
Ave. Mo				6,438,691.64
Deg Factor				
Min RE				

Energy Allocation				
Month	Conventional	RE Firm	RE Non-Firm	Total

M1				3,528,380.21
M2				3,488,183.66
M3				3,486,311.55
M4				3,901,030.95
M5				4,112,331.15
M6				4,333,915.48
M7				4,192,859.28
M8				4,365,219.79
M9				4,031,467.63
M10				5,049,605.81
M11				5,128,159.73
M12				4,665,784.01
M13				3,948,348.54
M14				3,903,367.55
M15				3,901,272.62
M16				4,365,354.33
M17				4,601,804.70
M18				4,849,763.30
M19				4,701,405.50
M20				4,894,671.38
M21				4,520,438.87
M22				5,662,065.65
M23				5,750,147.27
M24				5,231,690.63
M25				4,427,238.37
M26				4,376,801.71
M27				4,374,452.68
M28				4,894,822.24
M29				5,159,951.35
M30				5,437,984.51
M31				5,282,048.97
M32				5,499,184.01
M33				5,078,732.20
M34				6,361,354.72
M35				6,460,314.79
M36				5,877,826.56
M37				4,974,021.05
M38				4,917,355.24
M39				4,914,716.10
M40				5,499,353.50
M41				5,797,227.18
M42				6,109,598.61

Energy Allocation				
Month	Conventional	RE Firm	RE Non-Firm	Total
M43				5,945,488.87
M44				6,189,896.66
M45				5,716,634.96
M46				7,160,358.39
M47				7,271,748.12
M48				6,616,097.76
M49				5,598,771.79
M50				5,534,988.60
M51				5,532,017.97
M52				6,190,087.44
M53				6,525,374.88
M54				6,876,981.02
M55				6,703,833.20
M56				5,846,400.00
M57				5,431,200.00
M58				6,840,000.00
M59				6,919,200.00
M60				6,264,000.00
M61				5,431,200.00
M62				5,431,200.00
M63				5,256,000.00
M64				5,728,800.00
M65				6,192,000.00
M66				6,547,200.00
M67				6,324,000.00
M68				6,720,000.00
M69				6,026,400.00
M70				7,200,000.00
M71				7,440,000.00
M72				7,200,000.00
M73				5,877,600.00
M74				5,803,200.00
M75				5,832,000.00
M76				6,621,600.00
M77				7,128,000.00
M78				7,440,000.00
M79				7,440,000.00
M80				6,960,000.00
M81				7,440,000.00
M82				7,272,000.00
M83				7,514,400.00
M84				6,480,000.00
M85				6,324,000.00
M86				6,324,000.00
M87				6,120,000.00
M88				6,324,000.00
M89				6,480,000.00
M90				6,770,400.00
M91				6,696,000.00
M92				6,888,000.00
M93				6,324,000.00
M94				7,308,000.00
M95				7,551,600.00
M96				7,200,000.00
M97				6,249,600.00
M98				6,175,200.00
M99				6,408,000.00
M100				7,068,000.00
M101				7,308,000.00
M102				7,551,600.00
M103				7,142,400.00
M104				6,787,200.00
M105				7,514,400.00

Energy Allocation				
Month	Conventional	RE Firm	RE Non-Firm	Total
M106				7,524,000.00
M107				7,618,932.00
M108				7,200,000.00
M109				7,291,200.00
M110				6,547,200.00
M111				6,430,320.00
M112				6,696,000.00
M113				6,480,000.00
M114				6,696,000.00
M115				7,365,600.00
M116				6,888,000.00
M117				6,919,200.00
M118				7,380,000.00
M119				7,626,000.00
M120				7,308,000.00
M121				6,770,400.00
M122				6,696,000.00
M123				6,768,000.00
M124				7,440,000.00
M125				7,200,000.00
M126				7,440,000.00
M127				7,440,000.00
M128				7,134,000.00
M129				7,365,600.00
M130				7,596,000.00
M131				7,588,800.00
M132				7,272,000.00
M133				6,993,600.00
M134				6,993,600.00
M135				6,768,000.00
M136				7,440,000.00
M137				7,380,000.00
M138				7,626,000.00
M139				7,440,000.00
M140				6,888,000.00
M141				6,993,600.00
M142				7,380,000.00
M143				7,588,800.00
M144				7,272,000.00
M145				7,142,400.00
M146				7,142,400.00
M147				6,768,000.00
M148				7,477,200.00
M149				7,380,000.00
M150				7,626,000.00
M151				7,514,400.00
M152				6,988,800.00
M153				7,068,000.00
M154				7,524,000.00
M155				7,774,800.00
M156				7,200,000.00
M157				7,365,600.00
M158				7,254,000.00
M159				7,200,000.00
M160				7,551,600.00
M161				7,308,000.00
M162				7,588,800.00
M163				7,514,400.00
M164				6,988,800.00
M165				7,068,000.00
M166				7,524,000.00
M167				7,774,800.00
M168				7,200,000.00

Energy Allocation				
Month	Conventional	RE Firm	RE Non-Firm	Total
M169				7,365,600.00
M170				7,254,000.00
M171				7,200,000.00
M172				7,551,600.00
M173				7,308,000.00
M174				7,588,800.00
M175				7,365,600.00
M176				7,254,000.00
M177				7,200,000.00
M178				7,551,600.00
M179				7,308,000.00
M180				7,588,800.00

SCHEDULE 5. FINANCIAL BID FORM

ANNEX A.2: ASSUMPTIONS

Notes:

Assumptions and mandatory values are required to arrive at comparable assessment of proposals.
Detailed information shall be provided by the Winning Bidder for purposes of PSA application before the ERC.

Color Coding Instruction

Mandatory data input

TECHNICAL ASSUMPTIONS

	TPBAC Assumptions from Sched 3	Bidder	Unit
Conventional Dependable Capacity			MW
RE Firm Dependable Capacity			MW
RE Non-firm Capacity			MWp
Back-up Dependable Capacity	4		MW
Spinning Dependable Capacity	2	2	MW
COD	July 2026	July 2026	
Life of the Assets	20	20	years

RE	Depedable Capacity Factor
Solar PV*	11.15%
Hydro	
Biogas	
Wind	

*Based on minimum monthly generation

PROJECT FINANCIALS

Computation of Cost of Equity

Particular	TPBAC Assumptions	Bidder	TPBAC Reference
Market Risk Premium	7.89%		2023 CRP by Aswath Damodaran of NYU, Stern
Multiple By Relevered Beta	1		
Equals	7.89%		
Plus Risk-Free Rate	6.56%		2023 Bureau of the Treasury
Cost of Equity (pre-tax)	14.45%		

	TPBAC Assumptions	Bidder	Remarks
Debt Financing Share	60%		
Equity Financing Share	40%		
Corporate Tax Rate	25%		
Cost of Debt, pre-tax	9.00%		
Cost of Debt, post-tax	6.75%		
Cost of Equity, pre-tax	14.45%		
Cost of Equity, post-tax	10.84%		
WACC, pre-tax	11.18%		
WACC, post-tax	8.39%		
Terminal Value	5.00%		of Project Cost
A/P	0.127		
A/F	0.015		

	TPBAC Assumptions	Bidder	Reference
Forex, PhP/USD	56.8270	56.8270	https://www.bsp.gov.ph/SitePages/Statistics/ExchangeRate.aspx
US CPI	307.789	307.789	https://www.bls.gov/news.release/cpi.t01.htm
Philippine CPI ₂₀₁₈₌₁₀₀	123.900	123.900	https://psa.gov.ph

Available data as of October 26, 2023

Year	FOREX (USD)	Local Inflation	US Inflation
-2	57	3.25%	2.40%
-1	57	3.25%	2.40%
1	58	3.25%	2.40%
2	58	3.25%	2.40%
3	58	3.00%	2.00%
4	58	3.00%	2.00%
5	59	3.00%	2.00%
6	59	3.00%	2.00%
7	59	3.00%	2.00%
8	59	3.00%	2.00%
9	59	3.00%	2.00%
10	59	3.00%	2.00%
11	60	3.00%	2.00%
12	60	3.00%	2.00%
13	60	3.00%	2.00%
14	60	3.00%	2.00%
15	60	3.00%	2.00%

ANNEX A.3: PROJECT COST AND EXPENDITURES

Color Coding Instruction	
Mandatory	
Optional	

A. 15MW POWER SUPPLY

Component	Component, PHP			Sub-Total
	Conventional	RE Firm	RE Non-Firm+ BESS	
Item 1-n				
(expand as needed)				
TOTAL				
Terminal Value				
Annualized Value of the Project Cost				
Annualized Value of the Terminal Value				
Return on 2-months Working Capital	0	0	0	0
Annual Levelized Recovery Fee				
Plant Cost/MW				

Component	Component, PHP			Sub-Total
	Conventional	RE Firm	RE Non-Firm	
Item 1-n				
(expand as needed)				
Sub-total				
Annualized Value of the Fixed Operating Costs				
Local Cost Component, PHP				
Excluded from Indexation, PHP				

Component	Component, PHP			Sub-Total
	Conventional	RE Firm	RE Non-Firm	
Item 1-n				
(expand as needed)				
Sub-total				
Annualized Value of the Variable Operating Costs				
Foreign Cost Component, PHP				
Local Cost Component, PHP				
Excluded from Indexation, PHP				

4. FUEL COSTS

Fuel	TPBAC Assumptions*	Conventional	RE
HFO	0.250	0.250	0.280
LFO	0.005	0.005	0.005
Lube Oil	0.0015	0.002	0.002

Basis: Operational efficiency performance of bunker plants in Palawan

Fuel (Ex-VAT)	TPBAC Assumptions	Conventional	RE
HFO	46.7300	46.73	46.73
LFO	58.3844	58.38	58.38
Lube Oil	161.7609	161.76	161.76

Basis: Landed fuel cost of bunker plants in Palawan as of September 2023

Fuel Rate, PHP/KWh	Conventional	RE
	12.2171	13.6190

Fuel Cost (Exclusive of TLU), PHP

Fuel	TPBAC Assumptions	Conventional	RE
HFO	71,541,487.42		
LFO	1,282,676.79		
Lube Oil	1,485,891.13		
Total	74,815,055.33		

Note: For other fuel-based technologies, for Bidder to provide efficiency rate and fuel unit cost for the computation of Fuel Rate

GAS/LNG FUEL	TPBAC Assumptions	Basis
GAS PRICE (All-in, Ex-VAT)	USD/MMBTU	Indicate basis of cost for validation
CONTRACT HEAT RATE	BTU/KWh	GSF Range: 9000-11000 BTU/KWH
FUEL RATE	USD/KWh	CCGT Range: 7000-9200 BTU/KWH
FUEL RATE	PHP/KWh	

Indicate landed fuel cost based on average cost in September 2023

COAL FUEL	TPBAC Assumptions	Basis
COAL PRICE (All-in, Ex-VAT)	USD/TON	Indicate basis of cost for validation
CONTRACT HEAT RATE	BTU/KWh	Range: 9000-9900 BTU/KWH
FUEL RATE	USD/KWh	
FUEL RATE	PHP/KWh	

Indicate landed fuel cost based on average cost in September 2023

B. ADDITIONAL ANCILLARY SERVICES

Component	2MW Spinning/Operating Reserve			Sub-Total	N-1/ Backup Reserve			Total Cost
	Conventional	RE Firm	RE Non-Firm		Conventional	RE Firm	Sub-Total	
Item 1-n			n/a					
(expand as needed)			n/a					
TOTAL			n/a					
Terminal Value			n/a					
Annualized Value of the Project Cost			n/a					
Annualized Value of the Terminal Value			n/a					
Return on 2-months Working Capital			n/a					
Annual Levelized Recovery Fee			n/a					

Component	2MW Spinning/Operating Reserve			Sub-Total	N-1/ Backup Reserve			Total Cost
	Conventional	RE Firm	RE Non-Firm		Conventional	RE Firm	Sub-Total	
Item 1-n			n/a					
(expand as needed)			n/a					
Sub-total			n/a					
Annualized Value of the Fixed Operating Costs			n/a					
Local Cost Component, PHP								
Excluded from Indexation, PHP								

Component	2MW Spinning/Operating Reserve			Sub-Total	N-1/ Backup Reserve			Total Cost
	Conventional	RE Firm	RE Non-Firm		Conventional	RE Firm	Sub-Total	
Item 1-n			n/a					
(expand as needed)			n/a					
Sub-total			n/a					
Annualized Value of the Variable Operating Costs			n/a					
Foreign Cost Component, PHP								
Local Cost Component, PHP								
Excluded from Indexation, PHP								

4. FUEL COSTS

Assumed Included in Item A.4

ANNEX A.4 COMPUTATION OF FINANCIAL BID

A. POWER SUPPLY MONTHLY FEE

COMPONENTS	MONTHLY RECOVERY FEE, PHP/MONTH			
	CONVENTIONAL	FIRM RE	NON-FIRM RE	TOTAL
CRF				
FOMF				
VOMF				
FUEL FEE				
TOTAL FEE BEFORE VAT				
VAT-CRF,FOMF, VOMF				
VAT-FUEL				
TOTAL FEE				

B. ADDITIONAL ANCILLARY SERVICE MONTHLY FEE

COMPONENTS	2MW SPINNING RESERVE FEE, PHP/MONTH			
	CONVENTIONAL	FIRM RE	NON-FIRM RE	TOTAL
CRF				
FOMF				
VOMF				
FUEL FEE				
TOTAL FEE BEFORE VAT				
VAT-CRF,FOMF, VOMF				
VAT-FUEL				
TOTAL RECOVERY FEE				

COMPONENTS	MW BACKUP RESERVE FEE, PHP/MONTH		
	CONVENTIONAL	RE FIRM	TOTAL
CRF			
FOMF			
VOMF			
FUEL FEE			
TOTAL FEE BEFORE VAT			
VAT-CRF,FOMF, VOMF			
VAT-FUEL			
TOTAL RECOVERY FEE			

C. TOTAL LEVELIZED FEE AND RATES

	ALLOCATION, KWH			
	CONVENTIONAL	FIRM RE	NON-FIRM RE	TOTAL
ENERGY GENERATION				
69KV LOSSES				
TOTAL				

COMPONENTS	LEVELIZED MONTHLY FEE			
	POWER SUPPLY	LINE LOSS, PHP	ADDITIONAL ANCILLARY SERVICE CHARGE	TOTAL MONTH FEE
CRF				
FOMF				
VOMF				
FUEL FEE				
TOTAL FEE BEFORE VAT				
VAT-CRF,FOMF, VOMF				
VAT-FUEL				
TOTAL				

COMPONENTS	LEVELIZED RATE		
	POWER SUPPLY	ADDITIONAL ANCILLARY SERVICE CHARGE	TOTAL RATE
CRR			
FOMR			
VOMR			
FUEL RATE			
TOTAL RATE BEFORE VAT			
VAT-CRR,FOMR, VOMR			
VAT-FUEL			
TOTAL LEVELIZED RATE			