



LEYECO II
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**LEYECO II POWER SUPPLY COMPETITIVE SELECTION PROCESS
FOR THE 20MW BASELOAD DEMAND FOR
THE PERIOD AUGUST 12, 2024 TO AUGUST 25, 2034**

REFERENCE: **BID BULLETIN NO. 05**

ISSUE DATE: **APRIL 15, 2024**

FOR: **ALL BIDDERS**

SUBJECT: **AMENDMENTS/CLARIFICATIONS TO THE TERMS OF REFERENCE (TOR) AND BIDDING DOCUMENTS**

Pursuant to the Department of Energy (“DOE”) Circular No. DC2023-06-0021, ERC Resolution No. 16, series of 2023 and the NEA Memorandum No. 2023-057, the Leyte II Electric Cooperative, Inc. (LEYECO II), through the Bids and Awards Committee (“BAC”), hereby issues the following amendments and clarifications to the Terms of Reference (TOR) for the 10MW baseload demand for the period August 12, 2024 to August 25, 2034.

TERMS OF REFERENCE (TOR) AMENDMENTS / CLARIFICATIONS

ITEM	TERMS OF REFERENCE	REQUIREMENT	COMMENTS	AMENDMENTS/CLARIFICATION
1	10. Contract Term	Bid Price Base on Bid Bulletin No. 04: “The ceiling price is P6.50/kWh.	Please clarify whether excise tax (in the fuel cost) is excluded in computing the Base Price.	VAT and Excise Taxes, Discounts and other penalties are EXCLUDED in Base Price.

FOR MORE DETAILS:

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2	Plant Outage Allowance	<p>Total Scheduled and Unscheduled Outage should not exceed the ERC-prescribed allowances under the existing guidelines.</p> <p>While the ERC permits certain technologies to have more than 30 days outage, the total maximum allowed outage shall not exceed 30 days or 720 hours.</p> <p>All scheduled outages must be scheduled and declared three (3) months in advance.</p> <p>There shall be no carry-over of any unutilized outage allowances from a calendar year on the succeeding years of the contract term.</p> <p>In the event the Buyer was only able to provide the partial contract capacity requirement for a specific period, such shortfall shall be considered as an outage resulting as a deduction from the maximum allowed outage through pro-rata computation.</p> <p>Sourcing the contract capacity requirement from another plant within the Power Supplier's indicated portfolio of power plants shall not be deemed as an outage, provided it meets the required contract capacity.</p> <p>Buyer may, within thirty (30) days from receipt of written notice of the Scheduled Outage, require the Seller to reschedule a Scheduled Outage; provided, however, that Buyer shall not request that such Scheduled Outage be rescheduled in a manner or time outside the Minimum Functional Specifications. Buyer shall use its reasonable endeavors to coordinate its maintenance program for the Interconnection Facilities with the approved Scheduled Outages so as to minimize any disruption to the operation of the Facility.</p>	<p>1. We note the TPBAC's response via Bid Bulletin No. 04 that Buyer can only provide flexibility to the Seller, provided that it is within the indicated portfolio of the Seller.</p> <p>We would like to appeal to LEYECO II to have WESM as an alternative source of supply of the Seller as long as the contract price, signed and duly approved by the ERC, will be preserved. This is to allow power generation companies who only have single power plants to compete. We note that only a handful of generation companies own and control a portfolio of power plants.</p> <p>2. What will be LEYECO II's basis of the counting of outages? Will it be based on Seller's availability declaration and BCQ declaration?</p> <p>3. May we be clarified on the instances where the Buyer will request for a reschedule of outage?</p>	<p>1. We cannot consider this proposal. We stick to the provision of the TOR.</p> <p>2. Yes. We rely to the BCQ Declaration subject for verification.</p> <p>3. This will be discussed during the PSA Negotiation.</p>
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3	Discounts	The Bidder may offer Prompt Payment Discount (PPD) and any other applicable discounts which must be specified in its bid proposal and shall form part of the bid price as specified in the formula for bid computation.	<p><i>"specified in its bid proposal and shall form part of the bid price as specified in the formula for bid computation"</i></p> <p>Please confirm if the discounts will be part of the evaluation of the LCRB.</p> <p>Please clarify Under Tariff Structure, it is mentioned that the bid price shall exclude any penalties, and/or discounts to be implemented for the duration of the Contract Period.</p>	<p>Yes. Discount will be part of the evaluation of the LCRB.</p> <p>This part of the provision will be deleted. Please refer to Bid Bulletin No. 04, Item 03 (Tariff Structure)</p>
4	Line Rental	<p>Pass-through Line Rental charge up to a maximum of PhP1.00/kWh shall be for the account of the EC.</p> <p>Any Line Rental charge beyond PhP1.00/kWh shall be for the account of the Power Supplier.</p>	<p>We note your response via Bid Bulletin No. 04 that you cannot reconsider having the line rental as a pass-through charge.</p> <p>In view of LEYECO II's response that recovery of line rental charges in case it surpasses the PhP1.00/kWh threshold will be in a form of bill adjustments/discounts, we propose to have LEYECO II draft a protocol for this considering that line rental is billed in lump to LEYECO II as a WESM direct member. Only BCQs by the specific seller should be charged back (or the difference), as necessary. Additionally, instead of imposing a cap on the line rental which is a risk to the Seller, we propose that the Seller be allowed to propose a mitigation protocol to manage the LR?</p>	<p>Mitigation protocol will be discussed during the PSA negotiation.</p>

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5	Regulatory Rate Determination	<p>In case the final approved rate is lower than the rate in the Agreement, the Seller shall be solely responsible for the difference to be reflected as adjustments in the billing statements.</p> <p>However, if the final approved rate is higher than the rate in the Agreement, the Parties shall endeavor to come up with a reasonable rate recovery scheme, the implementation of which shall be subject to the approval of the ERC.</p>	<p>Please confirm our understanding that this does not preclude the bidder from filing a motion for reconsideration before the ERC (with the Buyer's participation and cooperation) in case of a downward rate adjustment.</p> <p>To ensure a clear understanding of the rate recovery scheme, we respectfully request TPBAC to elaborate on the factors that would be considered "reasonable" in determining the scheme's structure and timeline for recouping any cost increases exceeding the agreed-upon rate?</p>	<p>We maintain our reply as indicated in Bid Bulletin No. 04, Item No. 14.</p>
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INSTRUCTION TO BIDDERS

ITEM	ITB PROVISION	REQUIREMENT	COMMENTS	AMENDMENTS/CLARIFICATION
ITB 1. Scope of Bid				
6	1.5	<p>In case there is a tie after the evaluation of the financial proposals of eligible Bidders, each of the bidder will be given a period of five (5) calendar days to submit a better offer. The submitted offer will be assessed and the eligible Bidder with the LCRB shall then be declared as the Winning Bidder. Subsequent occurrence of tie shall be resolved through the same manner until a Winning Bidder is determined.</p>	<p>Kindly clarify the process for resolving ties in financial proposals among eligible Bidders. Specifically, how will the period for submitting better offers be managed, and what criteria will be used to determine the Winning Bidder in such instances?</p>	<p>The process is already illustrated in the pertinent ITB provision.</p>

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ITB 2. Definition of Terms			
7		<p>Bid Security Validity Period refers to a duration within the required Bid Security shall be valid for the duration of the bidding process but in no case beyond one hundred eighty (180) calendar days from the deadline for submission and opening of bids.</p>	<p>Considering the issuance of Notice of Award is set on May 21, does it mean a Bidder can submit a Bid Security with a minimum 30-day validity up to 180-day validity?</p>
<p>No. As per guidelines validity of the Bid Security not be less than 180 days from the date of the Submission and Opening of Bids</p>			
ITB 7. Due Diligence			
8	7.2	<p>The Bidders may be given pertinent legal, financial, and technical information on LEYECO II as follows:</p> <ul style="list-style-type: none"> (a) Articles of Incorporation, Certificate of Registration, and Franchise Certificate; (b) Demand Forecast of LEYECO II; (c) 8760 Load Curve of LEYECO II; (d) Utility Statistics and Operational (Technical and Financial) Performance; (e) Audited Financial Statements of LEYECO II (2018-2022); and (f) Payment Performance Certifications from GenCos, NGCP, and Financial Institutions. 	<p>We respectfully request the BAC to furnish us with the following pertinent legal, financial, and technical information on LEYECO II to aid in our bid preparation:</p> <ul style="list-style-type: none"> (a) Articles of Incorporation, Certificate of Registration, and Franchise Certificate (c) 8760 Load Curve of LEYECO II (<i>Latest</i>) (e) Audited Financial Statements of LEYECO II (2018-2022) (f) Payment Performance Certifications from GenCos, NGCP, and Financial Institutions <p>Also to facilitate a comprehensive review of our bid, we would be grateful if you could provide a single-line diagram of LEYECO II's 69 kV system, particularly focusing on the relevant transmission nodes.</p>
ITB 8. ELIGIBLE BIDDERS			

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9	8.4	Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by any government or other entity in accordance with ITB 33.	Please confirm if this pertains to Annex K- Certification Against Blacklisting and Corrupt Practices	Yes. This pertains to Annex K.
10	8.5	Additional eligibility requirements may hereafter be prescribed by the BAC.	Please confirm that this will be for post-qualification purposes and is not required during bid submission.	Yes. If the document will be required during the Submission and Opening of Bids then it will needed during the Post-Qualification. Any additional document to be submitted during the Submission and Opening of Bids, will be issued through a Bid Bulletin.
11	8.7	The bidder must comply with the constitutional requirement for ownership.	We note that, under Section 11 of Article XII of the Constitution, ownership of public utilities are limited to associations organized under the laws of the Philippines at least 60 percent of its capital are owned by citizen of the Philippines. Under Section 6 of the EPIRA Law, power generation is not a public utility. As such, please confirm what constitutional requirement for ownership is being referred to here.	It refers to the requirement that at least 60% Filipino Ownership of the bidding company is required for geothermal sources.
12	8.8	The capacity offer of the bidder must be compliant with all the ownership limitations prescribed under EPIRA.	Please confirm and indicate the "ownership limitations prescribed under EPIRA."	Yes. This is pursuant to EPIRA and other applicable laws and regulations.

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ITB-9. ELIGIBILITY REQUIREMENTS FOR BIDDERS				
<p>13</p>		<p>A. Class “A” Documents</p> <ul style="list-style-type: none"> Executive Summary - Description of the Bidder’s company history and structure, including relevant capabilities in the construction, operation, and maintenance of a power plant or in the supply of electricity to the DUs, ECs, or contestable customers. Organizational Structure showing basic information of the Bidder’s legal status and organizational chart. <p>Legal Documents</p> <ol style="list-style-type: none"> Registration Certificate issued by the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for a sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives; In case a special purpose company is formed for purposes of undertaking the project, proof of registration in accordance with Philippine laws; The Articles of Incorporation and By-Laws or a Memorandum of Association or Partnership duly certified by the relevant authorities, as may be applicable; Valid and current Mayor’s permit or municipal license; BIR Value Added Tax registration; Latest General Information Sheet (GIS), if applicable; Power of Attorney and other documents- Each Bidder must submit the following documents: 	<ol style="list-style-type: none"> For the Executive Summary and Organizational Structure, please confirm that the bidder is allowed to use its own format/template. For item f, for bidders that do not have a GIS considering they are a Partnership, please confirm that they are no longer required to submit any alternative document. For item g.1, please confirm whether Annex E may be revised to meet the standard language of the bidder’s resolutions for as long as the intended tenor of Annex E is likewise the tenor of such resolution. For item i.1., we wish to highlight that monthly filing of VAT return is no longer a requirement as per Republic Act 10963, and BIR Revenue Memorandum Circular 52-2023. Thus, GNPk can only submit quarterly VAT filing, particularly the BIR Form No. 2550-Q. 	<ol style="list-style-type: none"> Yes. Bidders can use their own template; Any proof of partnership Yes. Annex E may be revised. Yes. This can be done as long as it is allowed under prevailing tax laws and regulations.

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		<ol style="list-style-type: none"> 1. Board Resolution or Secretary’s Certificate evidencing the grant of authority to the individual submitting the Bid and making representation on behalf of the Bidder (Annex E); 2. Sworn Statement of the qualified Bidder that it is not “blacklisted” or barred from Bidding by the Government or any of its agencies, offices, corporations or LGUs, including its non- inclusion in the Consolidated Blacklisting Report issued by the Government of the Philippines (GOP) (Annex K); 3. Sworn Undertaking that the Bidder, if applicable, as well as their affiliates, assigns and successors-in- interest, shall abide by the decisions of the BAC, shall hold the LEYECO II harmless from any claim or cause of action arising from the conduct and award of the Project, and shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Section 34 (Protest Mechanism) and ERC Resolution No 16, Series of 2023 Article X (Enforcement) (Annex J); 4. Sworn Attestation against Corruption (Annex K); 5. Sworn Attestation of No Conflict of Interest (Annex F) - The Bidder must disclose detailed information regarding any existing, potential, or future conflict of interest that a Bidder may have with the BAC. <p>h. A valid and updated license, such as Certificate of Compliance of GENCO issued by Energy Regulatory Commission (ERC);</p> <p>i. Documentary proof of bidder's compliance with E.O. No. 398, series of 2005, such as:</p> <ol style="list-style-type: none"> 1. Proof of VAT payments for the past six months (July - December 2023). 	<ol style="list-style-type: none"> 5. For item h, please confirm whether a Provisional Authority to Operate (pending the issuance of the COC for a bidder’s generating unit) is sufficient. 6. Financial Documents (c) to (f) does not apply to existing/operating companies since source of funds relies on revenue. For TPBAC's clarification, that if not applicable, can the bidder submit a letter of explanation for non-applicability? 	<p>5. Yes. Provisional Authority will suffice.</p> <p>6. The Bidder may submit a write up on the non-applicability of the requirement.</p>
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14		<p>Technical Documents</p> <ol style="list-style-type: none"> a. List of projects undertaken over the last ten (10) years; b. Statement in matrix form of all power plants owned/operated (for GENCO), awarded IPPA Contract (for IPPA) in the last five (5) years: <p>The statement shall include, for each power plant, the following:</p> <ol style="list-style-type: none"> 1. The name of the power plant; 2. Installed and dependable capacity of the power plant; 3. Type of power plant according to fuel or energy resource; 4. Location (address) of the power plant; 5. Year the power plant was built and commissioned; 6. Uncontracted capacity of the power plant for years 2024 to 2033; and; 7. Number and average duration of scheduled and unscheduled outages for the last five (5) years, if applicable; 8. The statement shall be supported by a valid Certificate of Compliance and/or License as Wholesale Aggregator issued by the ERC and certification issued by NGCP System Operator (regarding plant outages) <p>The Bidder shall submit, as part of its technical proposal, the names of the power plants (from the matrix that will be provided) from which it shall source the electricity, as well as the</p>	<ol style="list-style-type: none"> 1. For items a-c, we would like to confirm if we are allowed to use our own format. 2. For items b.7 and b.8., please confirm that submission of NGCP's Acknowledgement Letter for Scheduled Outages OR GCMR, whichever is available will suffice. 3. For item c, we would like to confirm that GCMR is acceptable to satisfy this requirement. 4. For item d, will you be issuing a template for this requirement, or can bidders use their own template? 5. What kind of projects are to be indicated here? Are you pertaining to the construction of power plant under the entity that is participating in the CSP? 	<ol style="list-style-type: none"> 1. Yes. Bidders are allowed to use their own format. 2. Yes. This may be done by the bidder. 3. Yes. GMCR is acceptable 4. Bidders can use their own template as long as the information required are indicated therein. 5. Construction of Power Plants and Supply of Power to a Distribution Utility

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		<p>mechanism or protocol on how the manner of supply will be implemented.</p> <p>c. Proof of/Documentation on track record for the last five (5) years of power plants operated by it.</p> <p>d. Statement in matrix form of all wholesale customers/buyers (DUs and Contestable Customers) for the last three (3) years, if applicable.</p> <p>The statement shall include the following:</p> <ol style="list-style-type: none"> 1. name and address of company 2. telephone, cellphone and fax numbers, website URL, and e-mail address of the company; 3. name and position of contact person(s); 4. telephone and cellphone number and e-mail address of contact person(s) 	<p>6. Considering there are confidentiality clause with other parties of the contract, we suggest that we only specify the list of regulated customers.</p> <p>7. Can we provide the GCMR for all the documents requiring performance?</p> <p>Due to data privacy issues, we respectfully request that information be limited only to the following publicly available information:</p> <ol style="list-style-type: none"> a. Name and address of company; b. Telephone, mobile (if applicable), and fax numbers, website URL, and email address of the company; and c. Name of the General Manager only. 	<p>6. Yes. Bidders may specify their list of regulated customers.</p> <p>7. Yes. Bidder may submit GCMR.</p> <p>Yes. The information needed as you have enumerated is sufficient.</p>
15		<p>Financial Documents</p> <p>The Bidder shall submit the following:</p> <p>(a) 2018 - 2022 Audited Financial Statement (AFS) showing, among others, the prospective Bidder's total and current assets and liabilities, stamped "received" by the Bureau of Internal Revenue (BIR). In the absence of BIR-received AFS, email acknowledgment of the submission will suffice. A sworn statement of current assets and liabilities will be accepted in lieu of AFS for Bidders that have been in existence for less than one fiscal year.</p>	<p>We would like to appeal to LEYECO II not to require existing power plants to provide the requirements set forth in items b-g. We would like to emphasize that the 5-year Audited Financial Statements already provide/demonstrate the bidder's financial viability. Hence, we would like to request LEYECO II's consideration to allow GNPk as an existing power plant, to only submit its AFS from 2018-2022 to comply</p>	<p>We maintain the list as indicated in the ITB pursuant to ERC/NEA Guidelines.</p>

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		<p>(b) Details of financial and operating background for the two (2) recent full financial years demonstrating the Bidder's financial viability;</p> <p>(c) Details of equity and financing plan indicating the capital structure and source of funds with supporting documents;</p> <p>(d) Proof of commitment to the required equity contribution, as specified by the BAC:</p> <p>(1) In the case where the Winning Bidder is a corporation - e.g., treasurer's affidavit attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or shareholder's agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or</p> <p>(2) In the case of a consortium - an undertaking of the members thereof to infuse the required equity contribution to the consortium.</p> <p>(e) Letter of Credit, Bank Guaranty or Committed Line of Credit, or any proof of firm commitments from a reputable financial institution to provide sufficient credit lines to cover the total estimated cost of the project for prospective generation facilities;</p> <p>(f) In the case of a consortium, the agreement indicating that the members are jointly and severally liable for the obligations of the Project Proponent under the contract; and</p> <p>(g) Any other relevant information regarding the financial track record and capabilities of the Bidder that it believes would be helpful to the BAC.</p>	with the requirements enumerated in items b-g.	
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16		<p>B. Class “B” Documents</p> <ul style="list-style-type: none"> a. A document containing the names, addresses and contact details (including) telephone numbers, fax numbers and email addresses) of the Bidder and his authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA); b. A notarized certification issued by the Bidder or his authorized representative that each of the documents submitted in accordance with the Instructions to Bidders (ITB) is the original or faithful reproduction of the original (Annex G); c. A letter authorizing the BAC or its duly authorized representative/s to review or verify submitted documents (Annex G); d. Confidentiality Agreement (Annex H); e. Acceptance of the Bidding Documents (Annex I); and f. Any other document, in support of documents already submitted, that may be prescribed by the BAC during post-qualification. 	<ol style="list-style-type: none"> 1. For the requirement in item a, will Annex E- Secretary's Certificate suffice? If yes, can we edit the template to indicate more than one (1) authorized representative considering our company will be nominating more than one (1) authorized representative? 2. Please confirm that item f is not a hard requirement in the submission of bid, but rather a post-qualification requirement that is yet to be determined by LEYECO II. 	<p>1. Yes. You may nominate more than one (1) authorized representative and more than one (1) authorized signatory.</p> <p>2. Yes. LEYECO II may not require subsequent submissions of any other documents as long as the submitted documents contain information pursuant to the ITB.</p>
ITB-12. FORMAT AND SIGNING OF BID				
17	12.1	<p>The Bidder shall provide three (3) copies of the Bid, one original, and two (2) photocopies. The Bid shall be typed or written in indelible ink and shall be signed by the Bidder’s duly authorized signatories or representatives. All pages of the Bid where entries or amendments have been made shall be countersigned by the person(s) signing the Bid.</p>	<ol style="list-style-type: none"> 1. For the Original copy submission, can we submit a Certified True Copy (CTC) of the document provided that such documents are certified by either of the following: <ul style="list-style-type: none"> a. Internal department owning the document; b. Representatives authorized by the management to certify the documents in accordance with the Secretary’s Certificate submitted by the bidder; or c. Issuing government agency. 	<p>1. Documents must be certified by the authorized representatives by the management.</p>

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			2. Please confirm that not all pages of the Bid will be signed.	3. All pages should be certified and signed.
ITB-13. SEALING AND MARKING OF BIDS				
18	13.2	ENVELOPE 2 likewise illustrated in Annex L shall include the Technical and Financial Proposal as discussed in ITB 11 and a short brown envelope containing an electronic copy (USB flash drive) of the Bid Form. These are listed in the document "Checklist of Eligibility and Bid Requirements." It shall be labeled as: Folder 2-1: Bid Security (with Bid Security Computation) Folder 2-2: a.) Bid Form (Printed Copy) b.) Electronic Copy (USB flash drive) of the Bid Form	Will the electronic copy (USB flash drive) of the Bid Form still be required to be included in COPY 1 and COPY 2?	Not required.
19	13.4	Each copy of the Eligibility Requirements and Financial Proposal, shall be similarly sealed duly marked: "COPY NO. - ENVELOPE 1 (ELIGIBILITY REQUIREMENTS)" and "COPY NO. - ENVELOPE 2 (TECHNICAL AND FINANCIAL PROPOSAL)" respectively, and the outer envelope as "COPY NO. ". The envelope with the original and the two copies shall then be enclosed in a single outer envelope that shall: 1. bear the name of the Transaction to be bid; 2. bear the name and address of the Bidder; 3. bear addressed to the L2-PSCSP BAC; 4. bear a warning "DO NOT OPEN BEFORE April 29, 2024 (1:30PM)", the time and date for the opening of Bids. Refer to Annex L for the guide on the submission of the Eligibility Requirements for the proposal.	For the Original submission, please confirm Certified True Copy (CTC) is acceptable. We note that only Representatives authorized by the management to certify the documents in accordance with the Secretary's Certificate submitted by the bidder is allowed to certify the documents.	Documents must be certified by the authorized representatives by the management.
ITB-16. BID VALIDITY				

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20	16.2	In exceptional circumstances, the BAC may request that the Bidders extend the period of validity for a specified additional period. The request and the Bidders' responses shall be made in writing. A Bidder may refuse the request without forfeiting the Bid Security. A Bidder agreeing to the request will not be required or permitted to otherwise modify the Bid but will be required to extend the validity of Bid Security for the period of the extension, and in compliance with ITB 16.1 in all respects.	May we know the instances where the BAC may request that the Bidders extend the period of validity for a specified additional period?	On occasions or situations beyond the control of the buyer that caused undue delay on the CSP process.
ITB-17. BID SECURITY				
21	17.1	Bidders shall furnish, as part of the Bid, a Bid Security equivalent to three (3) - month contract cost of the proposed power supply agreement computed using the bid price offered, in the forms specified in ITB 17.2. For the purpose of computing the Bid Security, the bid price to be used is the base price. The Bid Security folder must also contain the computation of the total amount of the Bid Security.	<p>We respectfully request LEYECO II to reconsider indicating a fixed amount for the bid security. Considering that bid security is contingent to the bid price and that it takes time to come up with the best and most competitive offer, bidders will have limited time to secure the bid security.</p> <p>Furthermore, we appeal to LEYECO II to reduce the bid security requirement to encourage more bidders to compete and submit a competitive bid. Relaxing this requirement shall be at LEYECO II's advantage as more competition provides more opportunity for LEYECO II to obtain the least cost of power supply for their consumers. It is worth noting that in the recent CSP of Meralco for its peaking supply, which resulted in a failure of bidding, the</p>	<p>Bidders may have the option to provide a bid security higher than their computed value which is determined by their bid price offer.</p> <p>We cannot reduce the amount as this computation is provided in the existing CSP Guidelines.</p>

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			bid security is the reason of one of the bidders that withdrew participation in the CSP.							
22	22.1	The BAC shall open Bid envelopes in the presence of Bidders' authorized representatives who choose to attend, on April 29, 2023 at 1:30 PM (Philippine Standard Time) at Hotel Costa Brava, Tacloban City.	Kindly revise the date to April 29, 2024.	This is noted.						
ITB-23. DETAILED EVALUATION AND COMPARISON OF BIDS										
23	23.4	<p>Bid Price Offer</p> <p>For purposes of evaluation, firm price offered by Bidders shall not be indexed while the indexed price offered by the Bidders shall be indexed by appropriate PH CPI factors to determine the projected price for Contract Years 2024 to 2034. The Capital Recovery Fee component shall not be subject to indexation.</p> <p>For Firm Offer, Fixed and Variable O&M shall not be indexed or escalated while the Fuel Cost shall be escalated using the PH CPI.</p> <p>For Indexed Offer, the Fixed and Variable Operation and Maintenance Fees and Fuel Cost shall be escalated using the PH CPI.</p> <p>For purposes of evaluation, the PH CPIs that will be used for the "Current" and "Base" Years are shown in Table 4.</p> <p style="text-align: center;"><small>Table 4. Average Philippine CPI</small></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>PH CPI</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>115.3</td> </tr> <tr> <td>2023</td> <td>122.2</td> </tr> </tbody> </table> <p><small>Firm Offer:</small> Thus, for each year, the indexed prices of the bidder shall be computed as follows:</p> $\text{Base Price}_{\text{year}} = \left[\sum_{i=1}^{n_{\text{CPI}}} (\text{CRF}_{i,\text{cur}} + \text{FDM}_{i,\text{cur}}) \times \text{Weight}_{i,\text{cur}} \right] \times \text{DAF} + \text{VOM} + \left[\text{FC} \times \left(\frac{\text{CPI}_{\text{current}}}{\text{CPI}_{\text{base}}} \right)^{\text{Year}-2023} \right]$	Year	PH CPI	2022	115.3	2023	122.2	<p>To ensure a comprehensive understanding of the evaluation methodology, we would appreciate some clarification on the application of price escalation for indexed and firm offers:</p> <p>a. The document specifies CPI escalation for Fuel Cost in both firm and indexed offers. Could you confirm if the same CPI factors from Table 4 will be used for both types of offers when calculating the escalated Fuel Cost?</p> <p>b. Could you please elaborate on whether the escalation using PH CPI for Fixed and Variable O&M in Indexed Offers applies throughout the entire contract period (2024-2034) or only during a specific timeframe?</p>	<p>Yes. We confirm.</p> <p>PH CPI indexation will be applied throughout the contract period. It can be in the form of monthly, quarterly, or annual. For evaluation purposes, average annual CPI's will be used for indexation.</p>
Year	PH CPI									
2022	115.3									
2023	122.2									

FOR MORE DETAILS:

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		<p>Indexed Offer:</p> <p>Thus, for each year, the indexed prices of the bidder shall be computed as follows:</p> $\text{Base Price}_{\text{Year}} = \sum_{i=1}^{20} \left[\left(\text{O\&M} + (\% \text{VOM} \times \text{POM}_{\text{Year}} \times \left(\frac{\text{CPI}_{\text{Year}}}{\text{CPI}_{\text{Base}}} \right)^{\text{Indexation}} + (1 - \% \text{VOM}) \times \text{POM}_{\text{Year}} \right) \times \text{Weight}_{\text{O\&M}} \right) \times \text{DAF} \right] + \left[(\% \text{VOM}) \times \text{VOM} \times \left(\frac{\text{CPI}_{\text{Year}}}{\text{CPI}_{\text{Base}}} \right)^{\text{Indexation}} + (1 - \% \text{VOM}) \times \text{VOM} \right] + \left[(\% \text{FC}) \times \text{FC} \times \left(\frac{\text{CPI}_{\text{Year}}}{\text{CPI}_{\text{Base}}} \right)^{\text{Indexation}} + (1 - \% \text{FC}) \times \text{FC} \right]$ <p>Where,</p> <p>$\text{Base Price}_{\text{Year}}$ Price: Calculated base price in Php/kWh with escalated Variable O&M & Fuel Cost</p> <p>$\text{Base Price}_{\text{Year}}$ Price: Calculated base price in Php/kWh with Fixed and Variable O&M & Fuel Cost indexed to PH CPI</p> <p>$\% \text{VOM}$ The percentage of the Variable Operation and Maintenance Fees to be indexed</p> <p>$\% \text{POM}$ The percentage of the Fixed Operation and Maintenance Fees to be indexed</p> <p>FC Fuel Cost that will be subjected to Indexation</p> <p>$\left(\frac{\text{CPI}_{\text{Year}}}{\text{CPI}_{\text{Base}}} \right)^{\text{Indexation}}$ CPI Factor to be applied to components that will be subjected to indexation such as Fixed & Variable O&M, Fees and Fuel Cost</p>		
24	23.5 WESM Price	<p>For evaluation of Proposals with Allowed Outages, the computed Base Price will be substituted with a WESM Price that shall be used as part of the computation for the Blended Price as discussed in ITB 23.8 . The WESM Price that will be used in the evaluation is Php7.6120/kWh, which is the 2023 average WESM Price during outage.</p>	<p>The statement mentions using the 2023 average WESM Price (Php7.6120/kWh). Could you please confirm if this is a fixed value for all proposals with allowed outages, or will a different, more recent average WESM price be considered during the actual evaluation process?</p>	<p>Yes, WESM price during Power Plant outage is fixed value for all proposals.</p>
25	23.8	<p>Annual Effective Blended Generation Cost</p> <p>The Annual Effective Blended Generation Cost is the sum of the Annual GenCo Generation Cost with applied Discount as offered by the Supplier, and the Annual WESM Generation Cost, as expressed by the following formula:</p> $\text{ANNUAL EFFECTIVE BLENDED GENERATION COST} = \text{ANNUAL GENCO GENERATION COST} \times (1 - 50\% \text{Discount}) + \text{ANNUAL WESM GI}$	<p>Kindly confirm how the discounts will be included in the formula since the bid form has options (i.e. discounts on Energy fee only, discounts in CF only, and discount for the all the components). Such discounts should have different weights since it has different equivalents for each components.</p>	<p>Prices will be computed per sub-component of Capacity and Energy Fee and discount/s will be applied accordingly.</p>
ITB-24. POST QUALIFICATION OF THE LOWEST CALCULATED BID				
26	24.6	<p>In the event that the BOD disapproves the BAC's recommendation, such disapproval shall be based only on any of the prohibited acts of the BAC under ERC Resolution No. 16, Series of 2023, Section 31 or any of the prohibited acts of the Bidders under Section 32 of the same resolution. The BOD's disapproval shall be expressed through a Board Resolution and provided to the BAC and to NEA. The BAC shall inform in writing</p>	<p>We note that, under Section 31 of ERC Resolution No. 16, series of 2023, the BAC and its members are prohibited to do the following acts; otherwise LEYECO II's Board may disapprove the BAC's recommendation:</p>	<p>ITB – 25 falls on Section 31 (L.) of the ERC Resolution No. 16.</p>

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		<p>the Bidder within a reasonable period of time of the BOD's disapproval of its LCRB.</p>	<ul style="list-style-type: none"> (a) Conducting bid-opening stage in a non-public manner; (b) Failing to read out or show the bid prices and terms at bid opening; (c) Changing or discarding parts of bids or deliberately misplacing all or parts of bids; (d) Changing the announced evaluation criteria during the evaluation process; (e) Arbitrarily assigning or changing bid scores, or making deliberate mistakes or errors in scoring; (f) Voiding all bids for alleged errors in specifications and re-bidding the work; (g) Extending the bid due date to permit late, changed, or altered bids; (h) Allowing unauthorized persons to participate in and influence the bid evaluation; (i) Failing to record important information in the bid evaluation report, such as the ranking of Bidders or bid prices; (j) Refusal to accept CSP Observers without valid reason; (k) Awarding of the contract to an entity other than the Winning Bidder; and (l) Any act or omission thereof that tends to undermine the objectives of these Guidelines. 	
ITB-25. RIGHT OF THE BOD TO REJECT ANY OR ALL OF THE BIDS				
27		<p>The BOD reserves the right to reject any and all Bids, declare a failure of bidding, or not award the contract in the following situations:</p> <ul style="list-style-type: none"> a. If there is prima facie evidence of collusion between officers or employees of LEYECO II, or between the BAC and any of the Bidders, or if the collusion is between and among the Bidders themselves or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress, or nullify the selection process. b. If the BAC is found to have failed in following the prescribed Bidding Procedures. c. For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of LEYECO II as follows: (i) if the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the BOD; (ii) if the project is no longer necessary as determined by the BOD. 	<p>Please confirm the difference in the application of ITB-24.6 with ITB-24.6</p>	<p>ITB – 25 falls on Section 31 (L.) of the ERC Resolution No. 16.</p>
ITB-28. SIGNING OF CONTRACT				

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28	28.2	Upon receipt of the NEA's Notice to Execute the Agreement, the finalized PSA shall be signed by the Winning Bidder and LEYECO II within three (3) calendar days at the time and place to be announced by the BAC.	<p>Please confirm whether LEYECO II will receive the NEA's Notice to Execute the Agreement referred to here.</p> <p>May we formally seek clarification from the BAC regarding the timeframe for NEA to issue the "Notice to Execute the Agreement"? Furthermore, we would appreciate insights into the contingencies or protocols established in the event of delays occurring in NEA's approval process.</p>	<p>The timeframe is provided in the NEA issued CSP Guidelines.</p> <p>Please refer to NEA Memo No. 2023-057 (CSP Guidelines) Section 8.3.3.</p>
29	28.3	Within thirty (30) calendar days from the execution of the PSA, LEYECO II and the Winning Bidder shall file with the ERC the joint application for the approval of the PSA.	Please confirm whether LEYECO II's general/in-house/external counsel will represent LEYECO II in the filing of the joint application for approval of the PSA with the ERC.	This subject to management prerogative, not within the BAC's power to decide.
ITB-29. PERFORMANCE BOND				
30		Within ten (10) calendar days from the execution of the PSA, the Winning Bidder shall post a Performance Bond equivalent to the three (3)-month contract cost of the proposed PSA computed using the bid price offered by the Winning Bidder.	<p>Please confirm the acceptance form of the Performance Bond.</p> <p>The performance bond shall be required after the ERC approval of the PPSA and prior to the commencement of delivery. To have a mutual protection on both the Buyer and the Seller, we propose that Buyer also provide a 3-month security deposit to the Seller.</p> <p>Alternatively, both Performance Bond and Security Deposit shall be required</p>	<p>Same as Bid Security</p> <p>No. Please refer NEA Memo No. 2023-057 Section 8.4</p> <p>On the security deposit, buyer is not required to put a security deposit under the Guidelines.</p> <p>No. Please refer NEA Memo No. 2023-057 Section 8.4</p>

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			only, from the Buyer and the Seller, in the event of failure to supply or pay.	
ITB-33. CORRUPT AND FRAUDULENT PRACTICES				
31	33.4	The LEYECO II, through the BAC or through independent auditors, reserves the right to inspect and audit records and accounts of any Bidder or contractor involved in the Bidding.	<p>We note that the Bidder's Financial Documents submitted to the BAC, as required under ITB-9.1, include the Bidder's Audited Financial Statements.</p> <p>Please confirm what Bidder's records and accounts subject to LEYECO II's inspection and audit are referred to here.</p>	Records and Accounts in relation to the documents submitted during the bid.
32		Annex B- L2-PSCSP BID FORM Reference for Scheduled and Unscheduled Outage	In Annex B, the reference in the bid form is based on ERC Resolution 10, Series of 2020- Annex A – Rules for the Interim Reliability Performance Indices and Equivalent Outage Days per Year of Generating Units, which provides a total of 1,703 allowed outage hours. Meanwhile, in the draft PSA, the total number of outages is only 720 hours. Kindly reconcile.	Please refer to TOR Item No. 16 on Plant Outage Allowance.

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33		Annex E- Secretary's Certificate	Please confirm whether the Sec Cert is pro-forma, especially on the number of authorized representatives.	Yes. You may make revisions.
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DRAFT POWER SUPPLY AGREEMENT (PSA)

ITEM	PROVISION	REQUIREMENT	COMMENTS/CLARIFICATIONS	LEYECO II RESPONSES
34		[Name of the Seller], a domestic corporation duly organized and existing in virtue of the laws of the Republic of the Philippines, with principal office address [Company Address of the Seller] represented herein by its [Designation of Representative], [Name of Representative], who is duly authorized to enter into this Agreement, and hereinafter referred to as the "Seller".	Please note that the Winning Bidder may not be a corporation. Thus, please allow revisions here as necessary and appropriate	This is a pro-forma. May be revised.

ARTICLE 4: SUPPLY OF ENERGY

35	Section 7	Plant Scheduled Outage Declaration. At least 3 months prior to the Scheduled Commercial Operations Date, the Seller shall submit to Buyer its desired Scheduled Outage periods for the remainder of the year in which the Scheduled Commercial Operations date occurs. Thereafter, by [date] of each Year, after the Year in which the Scheduled Commercial Operations Date occurs, the Seller shall Submit to Buyer its desired schedule of Scheduled Outage periods for the following Year. The outage periods shall be subject to the requirements under DOE guidelines and ERC rules and regulations. At least 3 months prior to the Scheduled Commercial Operations Date and prior to the commencement of each Year after the Year in which the Scheduled Commercial Operation Date occurs, Buyer shall notify the Seller in writing whether the requested Scheduled Outage periods are acceptable. If Buyer cannot accept any of the requested Scheduled Outage periods,	<ol style="list-style-type: none"> 1. What is the effect/consequence/remedy if the Seller cannot agree to the Schedule Outage period requested by the Buyer? 2. Please confirm, since the term "commercial" is indicated in this section, that this shall not be applicable should the Seller's facility be on its scheduled outage but still able to adhere to its obligations in Section 1 of Article IV of this PSA. 	<p>Maybe discussed during PSA Negotiation.</p> <p>Scheduled date of commercial operation refers to the facility is operating and able to produce and deliver the power to the Buyer pursuant to the PSA.</p>
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		Buyer shall advise the Seller of a period when Buyer determines such unacceptable Scheduled Outage period can be rescheduled. Such rescheduled period shall be as close as reasonably practicable to the requested period, shall comply with the Minimum Functional Specifications indicated in Schedule 4, and shall be of equal duration as the requested period. The Seller shall conduct Scheduled Outages only during periods agreed to in writing by Buyer as aforesaid. The outage periods shall be subject to the approval of requirements under DOE guidelines and ERC rules and regulations.		
ARTICLE 5 : REPLACEMENT POWER				
36	Section 1	<p>Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the Buyer. During such outage, the Buyer shall source Replacement Power from other suppliers or from the WESM, at its own expense.</p> <p>In case the Buyer fails to secure its own Replacement Power, the Seller, in coordination with and conformity of the Buyer, shall provide the Replacement Power. The cost of the Replacement Power shall be paid by the Buyer.</p>		
37	Section 2	Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller. In the event of failure by the Seller to provide the Contract Capacity and/or Contract Energy, or the Seller was not able to provide supply from the specific plant provided in this Agreement, including delay in the Commencement of Delivery (COD), the Buyer shall be allowed to source the Replacement Power at the expense of the Seller. Provided further, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price	<p>1. Suggest to be revised as:</p> <p>The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller, which may be sourced from third parties including the WESM. xxx</p>	<p>We maintain the provision.</p> <p>Answered already in Bid Bulletin No. 04, Item No. 06.</p> <p>“Yes. The Replacement Power beyond the Allowed Outage can be sourced from the WESM, provided, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the</p>

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		<p>of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.</p> <p>In case of delay in the COD and the Seller fails to timely nominate its replacement power, the Buyer shall procure Replacement Power equal to the PSA rate or the actual price of the Replacement Power, whichever is lower. In case the Replacement Power price is higher than the PSA rate, any difference shall be for the account of the Seller.</p> <p>In the event the Power Supplier was only able to provide partial electricity supply requirement of the EC, contrary to what is provided for under a duly executed PSA, the Power Supplier shall be responsible for the provision of replacement power for the deficient capacity at the generation rate equivalent to the provisional or final approved generation rate, or the actual rate of the replacement power, whichever is lower.</p>	<p>2. What is the definition of Commencement of Delivery? The term is not defined in Schedule 1 of the Agreement.</p> <p>3. What is the period to timely nominate replacement power?</p>	<p>approved charge for the PSA, whichever is lower.”</p> <p>Commencement of Delivery refers to the delivery date as indicated in Article III, Section 3 of the PSA draft.</p> <p>Will be fixed during PSA negotiation, in reference to the established protocols.</p>
38	Section 3	<p>Transmission and Interconnection. If applicable, Seller has entered into a Connection Agreement and Transmission Service Agreement with the NGCP to connect the Facility to the Grid. At all times, from and after the Effective Date, all interconnection, transmission and other agreements necessary for Seller to perform its obligations hereunder (including the Connection Agreement and Transmission Service Agreement) shall be in full force and effect.</p>		
39	Section 4	<p>Transmission Failures. If the Buyer is not able to take the Contracted Capacity from the Delivery Point, for causes attributable to a system rotational brownout or load dropping imposed by the System Operator, and/or any failure by the Transmission Utility to transmit the Contracted Capacity including those due to any localized transmission line outages</p>	<p>We kindly request confirmation regarding the possibility of further negotiation on this provision with the Winning Bidder. It is worth noting that the scenarios and conditions outlined in the draft provision not only impact</p>	<p>To be established during the PSA Negotiation.</p>

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		<p>(other than as a result of a system- wide or grid- wide blackout or service interruption), the Buyer may, after the occurrence of any of such events, revise its Nomination for the succeeding Trading Interval/s on the same trading day (“Real-Time Nomination”) and the Seller shall accept the Buyer’s Real-Time Nomination, provided, that the Buyer:</p> <p>i. Submits the Real-Time Nomination to the Seller not later than four (4) hours before the applicable Trading Interval (“RTN Deadline”); and</p> <p>ii. States the reason for submitting a Real- Time Nomination, which shall be specified by the Buyer in writing as one of the above- mentioned causes.</p> <p>The Buyer shall not be liable for any reasons of failure by the Transmission Utility to transmit the Contracted Capacity hereof.</p> <p>In the event that the Buyer did not meet the 65% minimum Contracted Capacity due to the rotational brownout of the System Operator or any failure on the part of the Transmission Utility, the Buyer shall only be obliged to pay the actual capacity delivered within the relevant Billing Period. Moreover, all other fees shall also be calculated based on the actual capacity delivered within the relevant Billing Period.</p>	<p>the Buyer's capability to receive power but also influence the Seller's capacity to transmit the contracted supply. Consequently, both parties should explore mutual mitigation strategies during the negotiation process.</p>	
ARTICLE 6: COMPENSATION, PAYMENT AND BILLING				
40	Section 1	<p>Delivery of Billing Statement. On or before the 5th day of the month following the close of every Billing Period, the Seller shall deliver to the Buyer a billing statement showing the Electricity Fee due for such Billing Period.</p>	<p>Please confirm if the billing timeline could be adjusted due to time constraints on the indicated deadline and can be subject to negotiation upon PSA signing.</p> <p>Suggested revision:</p>	<p>We maintain the provision.</p>



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			The Seller shall send the Buyer a billing statement on or before the fifth (5th) day of the Payment Month. A "Payment Month" means the calendar month immediately following the month on which a Billing Period ends.	
41	Section 2	Manner of Delivery. A billing statement shall be regarded as delivered to and received by the Buyer upon sending of an electronic copy thereof to the Buyer via its registered email address at the date and time indicated in which transmission was made. However, the Seller shall also provide the original copy of the bill to the Buyer on a monthly basis.		
42	Section 3	Payment. Without necessity of demand, the Buyer shall pay the Seller the Electricity Fee as stated in such a billing statement, not later than the twenty- fifth (25th) of the calendar month following the close of a Billing Period ("Due Date"). Should the seller deliver the bill beyond the allowable period, the due date shall also be extended equivalent to the number of days of the delay. Moreover, the Seller shall issue the corresponding Official Receipt upon the receipt of the payment.	<p>Suggested revision:</p> <p>Unless otherwise agreed by the Parties, all amounts payable under the Billing Statement ("Amount Due") shall be due following the Seller's instructions stated therein, which shall be not later than the twenty-fifth day (25th) day of the month when such Billing Statement was received as sent through electronic mail ("Payment Period"). If the last day of the Payment Period falls on a non-working day, payment shall be due on the next working day. Should the seller deliver the bill beyond the allowable period, the due date shall also be extended equivalent to the number of days of the delay. Moreover, the Seller shall issue the</p>	To be discussed during the PSA negotiation.

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			corresponding Official Receipt upon the receipt of the payment. The Buyer shall pay the Amount Due to an account designated by the Seller either by electronic fund transfer or by other mutually agreed alternative method.	
43	Section 10	Liquidated Damages. Liquidated damages in case of default shall be 5/100 of 1% of the total power cost for the period per day that the defaulting Party continues with the default and shall be paid within twenty (20) Calendar Days after written demand for payment. This shall also be applicable to the delay in the delivery of the Billing Statement under Section 1 hereof.	Suggest to be deleted: We suggest it to be deleted since the payment period will be adjusted in case of any delays in issuing the bill.	We maintain the provision.
ARTICLE 8: DEFAULTS AND TERMINATION				
44	Section 3	Suspension upon Event of Default. In case an Event of Default is awaiting to be cured during the Cure Period under Section 2, the Non-Defaulting Party may suspend this Agreement, subject to the approval of the ERC, until such time the Event of Default is cured, or the applicable Cure Period lapsed.	Please confirm whether the Agreement (i) can only be suspended upon the ERC's grant of approval on such suspension; or (ii) can be suspended outright, (a) while waiting for the curing of the Event of Default and (b) prior to the ERC's approval on such suspension	Suspension shall be effected upon ERC's approval.
ARTICLE 9: DISPUTE RESOLUTION				
45	Section 2	Should the parties fail to reach an amicable settlement after mutual consultation, any Dispute arising from this Agreement shall then be settled through arbitration. Any arbitration referred by the parties shall be conducted in Region VIII or Metro Manila, in accordance with the pertinent provisions of R.A 9285, otherwise known as the " Alternative Dispute Resolution Act of 2004".	We suggest that the arbitration be held at the Philippine Dispute Resolution Center Inc. and in accordance with its arbitration rules.	We maintain the provision.

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ARTICLE 12: MISCELLANEOUS PROVISIONS

46	Section 12	<p>Affirmation. The Seller and Buyer declare and affirm that neither Party has paid nor has it undertaken to pay and that it shall in the future not pay any bribe, pay-offs, kickbacks or unlawful commission and that it has not in any other way or manner paid any sums, whether in Local Currency or Foreign Currency and whether in the Philippines or abroad, or in any other manner given or offered to give any gifts and presents in the Philippines or abroad to any person or Seller to procure this Agreement, and the Seller and Buyer undertake not to engage in any of the said or similar acts during the term of and relative to this Agreement.</p>	<p>In consideration on bidders being partially owned by entities subject of US laws, we suggest to revise this provision as follows:</p> <p>“The Seller and Buyer declare and affirm that neither Party has paid nor has it undertaken to pay and that it shall in the future not pay any bribe, pay-offs, kickbacks or unlawful commission and that it has not in any other way or manner paid any sums, whether in Local Currency or Foreign Currency and whether in the Philippines or abroad, or in any other manner given or offered to give any gifts and presents in the Philippines or abroad to any person or Seller to procure this Agreement.</p> <p>“The Seller and Buyer likewise undertake (i) not to engage in any of the said or similar acts during the term of and relative to this Agreement and (ii) to comply with the provisions of relevant local and foreign municipal laws, including, without limitation, the Anti-Graft and Corruption Practices (Philippine</p>	<p>We maintain the provision.</p>
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			Republic Act No. 3019), as amended, and the Foreign Corrupt Practices Act (United States Public Law 95-213)”													
47	Monthly Payment, Indexation and Adjustments	<p>The Buyer shall pay the Seller for the Energy/Capacity at the following Fees and as adjusted on a monthly basis pursuant to the following formula:</p> $Base Price_{Indexed} = \sum_{CUF=65\%}^{100\%} \left\{ \left[CRF + \left(FOM_{CUF} \times \frac{CPI_{CURRENT}}{CPI_{BASE}} \right) \right] \times \left[VOM \times \frac{CPI_{CURRENT}}{CPI_{BASE}} \right] + FC \right\}$ $Base Price_{Firm} = \left[\sum_{CUF=65\%}^{100\%} (CRF_{CUF} + FOM_{CUF}) \times Weig + VOM + FC \right]$ <p>Where,</p> <table border="1"> <tr> <td>CRF_{CUF}</td> <td>Local price component to capture the Capital Recovery Fee Bidder per CUF Weight</td> </tr> <tr> <td>FOM_{CUF}</td> <td>The Fixed Operation & Maintenance local price component converted to Php/kWh using the FOREX Rate of 56.9030</td> </tr> <tr> <td>VOM</td> <td>The non-fuel costs such as Variable Operation & Maintenance and/or the foreign price component converted to Php/kWh using the FOREX Rate of 56.9030</td> </tr> <tr> <td>FC</td> <td>The local price component and/or the foreign price component using the FOREX Rate of 56.9030 of the fuel costs including administration associated to procurement and delivery of fuel</td> </tr> <tr> <td>DAF</td> <td>Dispatch Adjustment Factor to account for the unutilized capacity demand is below 65% of the Contracted Capacity. DAF = 1.14</td> </tr> <tr> <td>$Weight_{CUF}$</td> <td>Weight assigned to the price at a given CUF based on the firm year (8760 hours) at the level of utilization of contracted capacity the baseload</td> </tr> </table>	CRF_{CUF}	Local price component to capture the Capital Recovery Fee Bidder per CUF Weight	FOM_{CUF}	The Fixed Operation & Maintenance local price component converted to Php/kWh using the FOREX Rate of 56.9030	VOM	The non-fuel costs such as Variable Operation & Maintenance and/or the foreign price component converted to Php/kWh using the FOREX Rate of 56.9030	FC	The local price component and/or the foreign price component using the FOREX Rate of 56.9030 of the fuel costs including administration associated to procurement and delivery of fuel	DAF	Dispatch Adjustment Factor to account for the unutilized capacity demand is below 65% of the Contracted Capacity. DAF = 1.14	$Weight_{CUF}$	Weight assigned to the price at a given CUF based on the firm year (8760 hours) at the level of utilization of contracted capacity the baseload	Please confirm if this formula is binding for the payment adjustments.	Please refer to Bid Bulletin 4 for the amended formula.
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FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

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OTHER CLARIFICATIONS				
48		Monthly CUF	For clarification, how will the allowed outages be considered in the computation of the CUF?	Actual kWh leveled to the CUF shall be used during the allowed outages, while nominated kWh leveled to the CUF shall be used that exceeds the allowed outages.
49		Actual fuel pass thru	For clarification of the TPBAC, the actual fuel pass thru computation/formula will be based on computation of the submitted power bills to other DU customers?	Yes.
50		Cost on Tariff Structure	This is in reference to the "Fuel Cost on the Tariff Structure", which shall be the average for the last six (6) months of the power supplier's purchases.	We maintain our TOR provision, which specifies the average fuel cost for the last 6 months of the supplier's purchases. While suppliers have flexibility in their bid strategies, adherence to this provision ensures consistency. The aspect will be subject to post-qualification evaluation.

FOR MORE DETAILS:

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

Kindly acknowledge upon receipt of this Bid Bulletin. For inquiries, please contact the BAC Secretariat at the details provided below.

For your information and guidance.

Approved By: **BAC**

ATTY. TYRONE JAN G. ALBAO
L2 PSCSP BAC Chairman
April 15, 2024

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
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