



PALAWAN ELECTRIC COOPERATIVE
Kilometer 3.35 North National Highway, Barangay Tiniguiban, Puerto Princesa City

Competitive Selection Process

**Provision of Qualified Third Party Services for the Construction,
Operation and Maintenance of Generation and Distribution System and
Billing and Collection for the QTP Service Areas of PALECO**

BIDDING PROCEDURES,
GUIDELINES AND REQUIREMENTS

November 04, 2021

I-01 SUBJECT OF BID PROPOSAL

Bid proposals shall cover the supply and distribution of real and reactive power in the Qualified Third Party Service Areas of PALECO in accordance with the terms of the QTP Service Contract (QSC). The winning bidder shall enter into a 10-year QSC with the National Power Corporation (NPC).

The scope of supply and distribution includes the specified capacity needs of areas throughout the term of the QSC covering conventional and renewable energy (RE) technologies beginning on COD.

The Plant Capacity (PC) could be delivered in 13.2 kV, which shall be made available not later six (6) months after ERC approval of the QSC for dispatch by the winning bidder.

As there is no "take or pay" provision in the QSC, means there is no Minimum Energy Off take (MEOT).

For the avoidance of doubt, the PC shall be determined by: (i) adding the Dependable Capacity for all the generating units including RE technology with firm capacity credit, and (ii) subtracting there from the Power Station requirements. The remainder should be equal to or more than the PC.

During the commercial operations period and subject to the prior written consent of government agencies, the winning bidder must incorporate as part of the PC generating units which use RE, provided that (1) such generating units utilize dispatchable and non-intermittent energy technology, (2) the viability and dependability of using such RE has been sufficiently established and certified by the Department of Energy (DOE), (3) the use of such technology shall be subject to the applicable provisions relating to (including penalties for) non-delivery of electricity and contract reopener in the QSC, and (4) must be in compliance with the requirements of Renewable Portfolio Standards (RPS). Moreover, the winning bidder may install as capacity in addition to PC supplementing unit(s) that utilize other RE sources.

In addition, the Winning Bidder shall comply with all the applicable provisions and requirements of the Renewable Energy Act (Republic Act No. 9513), its implementing rules and regulations, and other issuances of the relevant Governmental Body when installing and operating generation units that utilize Renewable Energy sources.

I-02 SELECTION PROCESS

The tender process to select the winning bidder shall include submission and evaluation of Pre-qualification Requirements

Interested parties shall submit not later than **9:00 AM** on **January 18, 2022** or forty (40) working days from the publication and posting the Pre-Qualification, Technical and Financial Requirements under I-03, and duly signed and notarized Acceptance of Bidding Procedures (Annex "A") and Confidentiality Agreement Form (Annex "B") of this Guidelines.

After the Qualified Third Party - Bids and Awards Committee (QTPBAC) has evaluated all the pre-qualification/eligibility requirements, it shall notify all interested bidders of whether their submitted pre-qualification/eligibility requirements was rated either "passed" or "failed". Only bidders whose pre-qualification requirements were rated "passed" shall proceed to the next round of bidding which are evaluation of Technical and Financial Proposals. All bidders whose pre-qualification envelopes were rated "failed" shall no longer be allowed to participate in the bidding and the QTPBAC shall return its Technical and Financial proposal unopened.

Should there be no pre-qualified/eligible bidder, the QTPBAC shall declare failure of bidding and conduct a Second Round of Bidding.

I-03 PRE-QUALIFICATION/ELIGIBILITY REQUIREMENTS (FIRST ENVELOPE)

The pre-qualification process aims to determine which interested bidders are qualified to proceed with the evaluation of their Technical and Financial bid proposals of the Competitive Selection Process (CSP), a bidder or each member in case of a consortium, must submit the following requirements:

A. LEGAL DOCUMENTS (Folder 1)

1. For Individual or Proprietorship
 - a. Birth Certificate issued by the Philippine Statistics Authority (if Filipino Citizen)
 - b. Current Business Permit
 - c. Department of Trade and Industry (DTI) Registration (if applicable)
 - d. Special Power of Attorney to Negotiate and Enter into QTP Service Contract with EC
2. For Corporation/ Joint Venture/ Consortium/ Cooperative
 - a. By-Laws (BL) and Articles of Incorporation (AOI), and BL and AOI of its corporate stockholders

- b. Board Resolution authorizing its representative to negotiate and enter into QSC with the DU/NPC
 - c. Latest General Information Sheet (GIS) and latest GIS of its corporate stockholders
 - d. Current Business Permit
 - e. Organizational Chart of the Company
3. Passport ID or any valid government-issued ID of the authorized representatives, i.e., signatory and witness under the QSC
4. A. Executive Summary-The bidder must provide the company's brief description of the history and the structure and capabilities. In the event that the bidder is a Consortium, an Executive Summary must be provided for each member. The Executive Summary shall also provide a brief description of any existing or prior relationships among the Consortium members, if applicable.
- B. Organizational Structure-The bidder or each member of the Consortium must provide basic information, its legal status and its organizational chart.
5. For the following documents, Bidder or each member of the consortium (Local or Foreign Company), may submit copies either a) CERTIFIED TRUE COPIES as certified by the concerned agency, such as BIR if tax clearance, SEC if SEC registration/GIS/Articles and By-Laws, etc., OR b) PHOTOCOPY provided the ORIGINAL DOCUMENTS are presented to the QTPBAC during the scheduled opening of prequalification requirements. If in consortium with a foreign company, foreign government issued documents shall be submitted as equivalent to Philippine based eligibility requirements. FAILURE TO COMPLY SHALL MEAN DISQUALIFICATION OF THE BIDDER.
- a. Certified true copies of the Certificate of Registration with the Philippine Securities and Exchange Commission (SEC) and Articles of Incorporation of the bidder, Partnership, or each of its members in case of a consortium, Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives.
 - b. Latest General Information Sheet stamped received by the Securities and Exchange Commission of the bidder, or each of its members if planning to form a Consortium.
 - c. Valid/Unexpired Mayor's/Business Permit issued by the City or Municipality where the principal place of business of the prospective bidder is located, or the equivalent documents for Exclusive Economic Zones or Areas.
 - d. BIR Certificate of Registration (Must be VAT registered)
 - e. Annual Income Tax Return (Stamped Received by BIR)
 - f. Compliance with EO No 398
 - i. Proof of VAT Payment for the past six months (EFPS, e-mail or BIR acknowledgement receipt of payment) Use Annex K to summarize proof of VAT Payment
 - ii. Valid/Unexpired BIR Tax Clearance.
6. If the bidder is a Consortium, submit the original copies of all agreement(s)/contract(s) evidencing the obligations/undertakings of its members in respect of the transaction. The agreement/contract must show who is the lead bidder, and states that the Consortium members is/are authorizing the Lead Bidder to enter into binding commitments on their behalf (Annex D).
7. Original or Certified true copies of all corporate/legal documents [e.g. Board Resolution or Notarized Secretary Certificate/Power of Attorney (Annex C or Annex E, whichever is applicable)] evidencing grant of authority vested in the individual/s submitting the proposal and signing the Final Transaction Documents and making representation on behalf of the bidder (and where the bidder is a Consortium each member thereof). In the event of a Consortium, each Consortium member must also submit a Power of Attorney and/or a copy of the board resolution or Secretary Certificate evidencing grant of authority vested in the Lead Bidder of that Consortium to submit the proposal on behalf of the Consortium and represent and irrevocably bind the Consortium in all matters connected to the Transaction (use Annex C and E).
8. 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.
9. If a sole bidder or a consortium is planning to form a Project Company, bidder or consortium members shall be required to submit an undertaking to incorporate a project company to be registered with the Securities and Exchange Commission (Annex D or Annex D-2)

10. If already registered, Project Company shall submit an undertaking to amend the SEC Registration. (Annex D-1)
11. All bidders shall execute the No Conflict Declaration (use Annex F).
12. In case of consortium, the bidders shall submit the accession undertaking (use Annex "G").

B. FINANCIAL DOCUMENTS/FINANCIAL CAPABILITY INFORMATION (Folder 2)

1. To show the financial capability the following must be submitted by the bidder and its affiliate, or each member in case of a consortium:
 - a. Latest Annual Report and/or Audited Financial Statement (FS) from the filing date and latest Unaudited FS duly signed by the responsible official such as the President and/or Chief Finance Officer if the Audited FS is more than six (6) months old at the time of filing.
 - b. Bank certification to substantiate the cash balance in the Audited FS or unaudited FS
 - c. Projected Cash Flow Statement for next two (2) years, except for geothermal and large hydro resources which should be five (5) years, showing the fund sources and uses of funds for the particular offered area, other applied RE areas, existing service/operating contracts with DOE and other existing business, if applicable, with supports from either of the following:

Sworn Letter of Commitment from stockholders for additional equity/cash infusion.

Bank approved loan/credit line earmarked for the proposed operation

2. For applicants with insufficient funds to finance the proposed operations:
 - a. Newly organized corporation (existing for two (2) years or less from date of registration with SEC) should be supported by parent company's financial documents per items 1 and 2 above and Letter of Guaranty by the parent company to fund the work program.
 - b. Subsidiary corporation (existing for more than two (2) years from date of registration with SEC) should be supported by the following:
 - a.1 Notarized Letter of Guaranty from the majority shareholder/s and Original Bank proof of capacity to satisfy the said Guaranty Certification; or
 - a.2 Parent company's financial documents per items 1 and 2 above and Letter of Guaranty by the parent company to fund the work program/plan
 - a.2.a In case of domestic parent company, the Letter of Guaranty should be duly notarized
 - a.2.b In case of foreign parent company, the documents shall be duly authenticated by the Philippine Consulate Office that has jurisdiction over the said parent company.

3. Criteria for financial evaluation:
 - a. The minimum working capital (Liquid Assets less Current Liabilities) is 100% of the financial commitment for the initial year of the proposed Work Program/Plan.
 - b. Liquid Assets shall consist only of cash, trade accounts receivables and short-term investments/placements. Credit line is not a Liquid Asset.
 - c. The applicant's available working capital for each application should be net of the fund requirements from other QTP applied areas/existing service contracts and conventional energy contract applications/existing service/operating contracts

4. A Financial Term Sheet showing pertinent details of its bid as set forth in Schedule

4 C. TECHNICAL DOCUMENTS/TECHNICAL CAPABILITY INFORMATION (Folder 3)

1. Full details of the technical skills and experience of the key management team responsible for the operation of the system. These details should include relevant technical and business management qualifications as well as full descriptions of experience relevant to the technical and commercial operation of electric power generation and supply systems.
2. Details of the proposed arrangements for the acquisition, training and contracting of the necessary expertise that the applicant does not possess at the time of application.
3. Details of how the applicant proposes to design, construct, operate, and maintain the generation and associated distribution system to be used in its operations, including its proposed plans for dealing with major operating contingencies such as a failure of its generating plant or a major fault on its distribution system.
4. Details of the procedures that the applicant proposes to put in place for the billing to and collection of payment from customers and maintain accounting records of its commercial operations. An undertaking that the applicant will allow DOE and/or ERC to open its accounting records relating to its operations, when necessary.
5. A statement certifying that the applicant intends to design, construct, operate and maintain its generation and distribution systems in full compliance with the relevant requirements prescribed under the applicable laws including EPIRA and its attendant rules and regulations.
6. Statement under oath against offering or paying commission or consideration to any government and PALECO official or employees, members of QTPBAC and disclosure of commission paid to private person.

The QTPBAC reserves the right to verify any information provided by the bidder pursuant to this section.

Full compliance with the above requirements shall be the basis of the QTPBAC in evaluating the Second Bid Envelope (Technical & Financial Proposal).

Note: All documents submitted must be written in English.

I-03A THE TECHNICAL AND FINANCIAL PROPOSAL (SECOND ENVELOPE)

The Second Proposal Envelope shall be composed of two (2) separate folders containing the Technical Proposal (Folder 1) and Financial Proposal (Folder 2) as follows:

1. The First Folder shall be marked "**Technical Proposal**" and shall contain:

A	The proposed Technical Bid Form /Project Implementation Plan, as set forth in Schedule 3 and its Annexes A to C ;
B	A certification under oath, in the form provided for in Schedule 2, issued by the Bidder or his authorized representative that: <ol style="list-style-type: none"> i. each of the documents submitted in satisfaction of the Bidding Procedures is an original copy or a true and faithful reproduction or copy of the original; and ii. the Bidder undertakes all the responsibilities set forth in Section I-06 (ADDENDA AND CLARIFICATIONS TO THE BIDDING PROCEDURES)
C	Bid Security in a prescribed form, validity and amount payable to Palawan Electric Cooperative as guarantee that the successful bidder shall enter into contract from receipt of the Notice of Award. The Bidder shall submit a Bid Securing Declaration (Annex "L") and shall be valid one hundred twenty (120) calendar days from the date of the opening of the bids. Absence of bid security shall cause automatic rejection of the bid;
D	Duly executed QTP Service Contract (QSC) and Schedules to QSC , and attachments thereto:
E	Form of Undertaking to Re-post Bid Security and to Retain Original Bid Proposal (Schedule 6) ;
F	Form of Undertaking to Post Performance Securities (Schedule 7) .
G	Form of Undertaking for the lease or ownership of the plant site.

2. The Second Folder shall be marked “**Financial Proposal**”. The

Second Folder shall contain two (2) copies of the following:

(a) duly executed Financial Bid Form in the form attached as Schedule 5

The bidder shall strictly follow the requirements in accomplishing the **Financial Proposal**. The **Financial Proposal** requires the signature on each page of the bidder’s authorized representative which must be acknowledged (i.e. notarized) before a Philippine Notary Public or Philippine Consular Official authorized to administer oaths.

Compliance with the requirements of the Technical and Financial Proposal shall be the basis of the QTPBAC in evaluating the Winning Bidder as provided in Section I-06F (Evaluation).

The First and Second Proposal Envelopes shall be submitted in accordance with Section I-04& I-04D (SUBMISSION OF BIDDERS’ PRE-QUALIFICATION REQUIREMENTS, TECHNICAL AND FINANCIAL PROPOSALS). The two (2) envelopes shall be submitted as one package. Furthermore, the First and Second Proposal Envelopes must be signed by the bidder or his duly authorized representative on the envelope flap, or the tape binding the envelopes (should several envelopes be used), or the joint where the packing papers meet.

Kindly refer to the checklist of requirements provided in a separate sheet.

I-04 BID SECURITY, BID SECURING DECLARATION and BID VALIDITY

Bid Security in a prescribed form, validity and amount payable to Palawan Electric Cooperative as guarantee that the successful bidder shall enter into contract from receipt of the Notice of Award should be equal to 2% of the Project Cost and valid one hundred twenty (120) calendar days from the date of the opening of the bids. Absence of bid security shall cause automatic rejection of the bid.

The bidders shall also submit a Bid Securing Declaration as prescribed in Annex “L”. The bid securing declaration is a non-monetary form of bid security. It is a notarized sworn statement made by a bidder committing to sign the contract if they are selected before the end of the bid validity period stipulated in the bidding documents.

I-05 BID CURRENCIES

All prices should be in Philippine Peso

I-06 SUBMISSION OF BIDDERS’ PRE-QUALIFICATION REQUIREMENTS, TECHNICAL AND FINANCIAL PROPOSALS

Bidder’s pre-qualification, technical and financial envelopes must be received by the QTPBAC Secretariat not later than nine o’clock in the morning on January 18, 2022.

I-07 SEALING AND MARKING OF BIDS

Each component of the required documents shall be labeled in tabs for easy access. The First Envelope (Legal, Technical and Financial Documents) and Second Envelope (Technical and Financial Proposals) shall be sealed separately and shall be submitted enclosed and sealed in one legal-size expandable envelope. The flap or the tape binding the sealed envelope must be signed by the bidder or his duly authorized representative. Each Bidder shall submit two (2) copies of the first and second components of its Bid and shall be marked as follows:

Company Name: _____
Address: _____

ENGR. ROGELIO G. BAYLON, JR.
Chairperson, Qualified Third Party Bids and Awards Committee
Private Sector Participation for the Provision of Qualified Third Party Services for the Construction, Operation and Maintenance of Generation and Distribution System and Billing and Collection for the QTP Service Areas of PALECO in Lot No. , Palawan
KM.3.35, North National Highway,
Barangay Tiniguiban, Puerto Princesa City

Re: Eligibility Requirements, Technical and Financial Envelopes

I-08 PREPARATION OF BID PROPOSAL

A. Virtual Platforms:

1. In lieu of face-to-face meeting, the PALECO Qualified Third Party Bids and Awards Committee (QTPBAC) shall utilize Zoom Application as the official virtual platform for all the activities relative to the conduct of the Competitive Selection Process (CSP).
2. The QTPBAC Secretariat will provide the Meeting ID and password to all registered bidders at least one day before the scheduled activity. Only two accounts will be provided to each bidder or his authorized representative.
3. All announcements of the Committee shall be through PALECO's official website, www.paleco.net, and QTPBAC's designated e-mail address, qtp.paleco@gmail.com.
4. The e-mail address, qtp.paleco@gmail.com, shall serve as the medium for the electronic submission and receipt of bids.
5. Only queries from bidders sent through QTPBAC's e-mail address shall be considered as official. Bidders may already e-mail their inquiries/clarifications upon receipt of the bid documents.
6. Dissemination of Supplemental Bid Bulletins shall be through www.paleco.net – Bid Announcements and e-mail address, qtp.paleco@gmail.com. The Supplemental Bid Bulletin shall be issued at least seven (7) working days before the deadline for the submission and receipt of bids.

B. House Rules:

1. Upon joining the virtual platform, participants should ensure that the bidder's name and the name of its authorized representative are properly reflected on their respective videos.
2. All participants shall be required to be in front of their respective laptop monitors, screens or cameras, at all times during the conduct of the activity.
3. Permission to leave shall be required before any participant is allowed to be excused.
4. For proper facilitation, participants are advised to always keep their microphones muted. The participants shall wait to be acknowledged before proceeding to speak or they may also utilize the Chat Box and/or Raise Hand features provided in the platform for that purpose. When permitted to speak, the participant shall first state his/her name and the company/organization which he/she is representing.
5. The virtual meeting shall be recorded by the QTPBAC through the features provided in the designated platform or by any other means as it may deem appropriate. Any recording of the virtual meeting, without prior leave of the QTPBAC, shall be prohibited.
6. The participants shall maintain proper decorum at all times.

C. Pre-Bid Conference:

1. The Conference will be held through a virtual meeting where the members of the QTPBAC shall be at a designated venue as stated in the schedule of CSP activities.
2. The Conference is one day activity where bidders will be allotted 45 minutes to clarify and discuss all their concerns regarding the issued Bid Documents. The order of meeting shall be based on the time of registration.
3. The attendance of the bidder at the Zoom meeting is optional.
4. Any representations made during the Conference shall not modify the terms of the Bid Documents unless adopted by the QTPBAC and published as Supplemental Bid Bulletin.

5. Minutes of the pre-bid meeting, including the text of the questions raised without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Bidders who have acquired the Bidding Document. Any modification to the Bidding Document that may become necessary as a result of the pre-bid meeting shall be made by the Procuring Entity exclusively through the issue of an Addendum and not through the minutes of the pre-bid meeting

D. Preparation of Bids

1. The bidder shall prepare two hard copies and one soft copy in PDF file format of all required document. Each bid shall contain the prequalification requirements, technical proposals and financial proposals.
2. The hard copies shall be sent through a courier and must be received by the QTPBAC Secretariat at least a day before the schedule of the virtual Submission and Opening of Bids. As a proof, the waybill shall be electronically submitted to the QTPBAC Secretariat on the same day. Absence of the waybill or acknowledgement receipt shall be a ground for disqualification. Scanned soft copy in a pdf file format must be received by the QTPBAC Secretariat at least one day before the deadline of Submission and Opening of Bids.
3. For security purposes, the soft copy must be encrypted with password. It shall also follow the file name convention stated below:
Name of Bidder_Lot No., Palawan_BiddingDocuments_Date of Transmission
4. The documents must be arranged accordingly and properly labelled as stated in the bid documents.
5. If necessary, original copies of submitted documents should be presented during the virtual Submission and Opening of Bids for validation of its authenticity.

E. Opening of Proposals

1. Bidders or their duly authorized representative shall register online via Google Forms through a link to be provided by the QTPBAC Secretariat. They may be present during the Submission and Opening of Bids, however failure to be present shall be considered a waiver of the right to witness the opening and/or evaluation of their submitted proposals.
2. All bid proposals (scanned pdf) must be received by the QTPBAC Secretariat at least one day before the deadline of Submission and Opening of Bids. The order of opening of bids shall be based on the date and time of online submission. No online submission shall be entertained on the day of the opening of bids.
3. Upon declaration of the order of opening, the QTPBAC Chairperson shall instruct the bidder to provide the password to decode the submitted documents.
4. Connectivity failure shall not disrupt the Opening of the Bidding Documents except when QTPBAC finds no other means of connectivity.

F. Evaluation of Bids

1. Evaluation of bids shall be on a per lot basis
2. Opening, inventory and preliminary evaluation of the required documents will immediately follow after the declaration of the order of opening. Upon instruction of the QTPBAC Chairperson, the bidder shall provide the password.

The QTPBAC and the QTPTWG shall open and conduct a brief inventory and preliminary evaluation of the contents of the Pre-qualification Documents (Envelope 1) to determine whether all the documents and information required to be submitted are present and within the minimum requirements. If a bidder meets the minimum requirements, it shall be rated "passed". Hence, bids that fail to include any requirement or are incomplete or insufficient shall be considered "failed". Only bidders whose pre-qualification requirements were rated "passed" shall proceed to the next round which is the evaluation of Technical and Financial Proposals (Envelope 2). All bidders whose pre-qualification envelopes were rated "failed" shall no longer be allowed to participate in the bidding and the QTPBAC shall return its Prequalification Documents and unopened Technical and Financial proposals.

3. The QTPBAC and the QTPTWG shall open and conduct a brief inventory and preliminary evaluation of the contents of the Technical Proposal(Folder 1 – under Envelope 2) to determine whether all the documents and information required to be submitted are present and within the minimum requirements. If a bidder meets the

minimum requirements, it shall be rated "passed". Hence, bids that fail to include any requirement or are incomplete or insufficient shall be considered "failed". Only bidders whose Technical Proposal were rated "passed" shall proceed to the next round which is the evaluation of Financial Documents ((Folder 2 – under Envelope 2). All bidders whose Technical Proposal were rated "failed" shall no longer be allowed to participate in the bidding and the QTPBAC shall return its Technical Proposal and unopened Financial proposal.

4. The QTPBAC and the QTPTWG shall open and conduct a brief inventory and preliminary evaluation of the contents of the Financial Proposal to determine whether all the documents and information required to be submitted are present and within the minimum requirements. If a bidder meets the minimum requirements, it shall be rated "passed". Hence, bids that fail to include any requirement or are incomplete or insufficient shall be considered "failed".
5. Bids shall then be tabulated and ranked in the ascending order of bidders' total calculated bid prices, as evaluated and corrected for computational errors, and other bid modifications to identify the "Lowest Calculated Bid". **The "Lowest Calculated Bid (LCB)" shall not automatically mean the winning bid.**
6. After all bids have been received, opened, examined, evaluated, and ranked, the QTPBAC shall prepare the corresponding Abstract of Bids. All members of the QTPBAC shall sign the Abstract of Bids and attach thereto all the bids with their corresponding bid securities and the minutes or proceedings of the bidding.

G. Post Qualification/Evaluation of Bids

1. The Lowest Calculated Bid (LCB) shall undergo post-qualification within ten (10) working days in order to determine whether the bidder concerned complies with and is responsive to all the requirements and conditions as specified in the Bid Documents. The bidder shall provide necessary documents that may be required by the QTP-BAC to validate the statements made in the bid. Failure to submit the additional requirements on time or finding against the veracity of such shall be ground for the forfeiture of the bid security and disqualify the bidder for award.
2. If the Lowest Calculated Bid failed on the post-qualification, the QTPBAC shall proceed with its post qualification process to the next lowest Calculated Bid until a responsive bid shall have been determined.

The QTPBAC reserves the right to change the date, time and venue for the submission, opening and/or evaluation of Bidding Documents.

Bidders are required to fully comply with the above requirements. The QTPBAC reserves the right to accept or reject any document/submission for non-compliance with this Section.

All Proposals, documents, specifications, and all other information pertinent thereto shall be prepared and submitted in the English language.

Documents provided by non-Filipino affiliate for consortium members may be submitted in a language other than English accompanied by their official English translations.

Should a Bidder's affiliate or member of consortium does not have a Philippine address, it shall designate, under oath, a resident agent in the Philippines authorized to receive communications, correspondences, notices and legal processes. Post office box as an address shall not be allowed.

The designated resident agent shall present an authorization specifying his term of authority (i.e. during Bid Opening, Proposal Validity Period, or up to the end of the Commercial Operations Period, or other period) and the extent of his authority to act on behalf of his principal (i.e. to attend meetings, to receive and/or submit documents under these Bidding Procedures or otherwise).

I-09 PERFORMANCE SECURITY

Upon receipt of Notice of Award, the winning bidder is required to post a performance bond prior to signing of contract. The performance security shall be in Cash or Manager's check with a minimum amount of ten percent (10%) of the total Project Cost.

Note: The performance security shall be forfeited in the event that the bidder is in default in any of its obligations under the contract. However, due consideration will be given to the bidder if an acceptable/reasonable justification is received by the cooperative one week prior to delivery due date. Performance Security shall remain valid until issuance by the cooperative of the final Certificate of Acceptance. The performance bond shall be released in accordance with the provisions of Procurement Manual and subject to the provisions of the contract "Annex D".

Failure to post the required Performance Security within the stipulated period, the bid security shall be forfeited and the appropriate sanctions provided in the Manual and the existing laws shall be imposed, except where such failure, refusal or inability is through no fault of the bidder.

I-10 DELIVERY SCHEDULE

The commercial operation shall commence not later than six (6) months from the ERC's approval of the QSC.

I-11 CONTRACT DURATION

The Qualified Third Party Service Contract (QSC) shall have a cooperation period of 10 years starting from the COD of the power plant.

I-12 TRANSFER OF OWNERSHIP

All assets, facilities and technology systems acquired shall be transferred at no cost to PALECO after the expiration of the contract.

I-13 ADDENDA AND CLARIFICATIONS TO THE BIDDING PROCEDURES

The QTPBAC reserves the right to amend, revise, modify, or clarify the Pre-Qualification/Eligibility Guidelines and Bidding Procedures. Such amendments, revisions, modifications, or clarifications, if any, will be made through Supplemental/Bid Bulletins, copies of which will be made available to all bidders at least seven (7) days prior to the Submission Deadline. Upon the issuance of a Supplemental/Bid Bulletin, the same shall automatically be incorporated into and made an integral part of the Guidelines/Bidding Procedures. In case material changes are made to the Bidding Procedures through Supplemental Bulletins, the QTPBAC, may, in its discretion, extend the Proposal Submission Deadline.

Bidders are required to acknowledge receipt and acceptance of the terms and conditions of the Guidelines/Bidding Procedures and each Supplemental Bid Bulletin on the space provided in the letter of transmittal.

Failure to acknowledge receipt and acceptance of the terms and conditions of the Bidding Procedures and each Supplemental Bulletin may cause the Proposal to be considered as not responsive to the Procedures, which could result in the disqualification and/or rejection of the Proposal.

Should a Bidder find discrepancies or omissions in the Bidding Procedures, or should it be in doubt as to the meaning of any provision thereof, it should at once call the attention of the Chairman of the QTPBAC to obtain clarification or interpretations thereon. The QTPBAC will issue Supplemental Bulletin/s regarding the clarification/s the QTPBAC desires to make at any time. It shall be the responsibility of the Bidder to inquire and secure the Supplemental Bulletins that may be issued by the QTPBAC.

Failure of a bidder to secure the Supplemental Bulletins shall constitute a waiver of its right to be informed thereof.

In any case, it is conclusively presumed that the information and procedures set forth in the Guidelines/Bidding and other Related Documents and each Supplemental Bulletin have been taken into account by the Bidder in preparing its Proposal.

I-14 PROTEST MECHANISM AND DISPUTE RESOLUTION

Decision of the QTPBAC at any stage of the CSP may be questioned by filing a written request for reconsideration within three (3) calendar days upon receipt of written notification. The QTPBAC shall decide on the request for reconsideration within seven (7) days from receipt of thereof.

In the event, that the request for reconsideration is denied, decision of the QTPBAC may be protested in writing to the governing board of the DU or its duly authorized officer/s.

The protest must be filed within seven (7) calendar days from receipt of the resolution denying its request for reconsideration. A protest shall be made by filing a verified position with the governing board of the DU or its duly authorized officer/s, accompanied by the payment of a non-refundable protest fee in a form of cash or manager's check in accordance with the stated schedule below:

ABC Range	Protest Fee
P50 million and below	0.75% of the ABC
More than P50 million to P100 million	P500,000.00
More than P100 million to P500 million	0.5% of the ABC
More than P500 million to P1 billion	P2,500,000.00

The verified position paper shall contain the following information: name, bidder, address, name of project, brief statement of facts, issue to be resolved and such other matter and information pertinent and relevant to the proper resolution of the protest.

The position paper is verified by an affidavit that the affiant has read and understood the contents thereof and that allegations therein are true and correct of his personal knowledge or base on authentic records. An unverified position paper shall be considered unsigned and produces no legal affect and non-payment of protest fee will result to the outright dismissal of the protest.

Protests shall be resolved with seven (7) calendar days from receipt thereof. Decision of the governing board of the DU or its duly authorized officer/s shall be final. Court action may be resorted after protests have been resolved with finality.

Any conflict or dispute of any kind between the parties in connection with the implementation of the contract, the parties shall make every effort to first resolve amicably by mutual consultation or shall be submitted to arbitration in the Philippines according to the provisions of RA No. 876 (Arbitration Law) and RA No. 9285 (Alternative Dispute Resolution Act of 2004) or by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

All Motion for Reconsideration, protest or questions regarding the decision of the QTPBAC shall not be disclosed or brought to any other agencies whether government or private except as provided herein. Bidders who will violate this provision can be disqualified in this transaction and be blacklisted in future transactions.

FORM OF ACCEPTANCE OF BIDDING PROCEDURES
(To be submitted on the stationery/letterhead of the Bidder)

(Location, Date)

ENGR. ROGELIO G. BAYLON JR.
Chairperson, Qualified Third Party Bids and Awards Committee
Private Sector Participation for the Supply and Distribution of Power in Lot No. __, Palawan
Km. 3.35, North National Highway, Barangay
Tiniguiban, PuertoPrincesaCity

Sir:

Acceptance of Bidding Procedures

We refer to the Bidding Procedures, dated _____ as amended or otherwise supplemented, (the "Bidding Documents/Eligibility Guidelines and requirements") for the Competitive Selection Process

(Bidder's name) hereby declares, represents and warrants that:

1. It has read and understood each every section and page of the Bidding Procedures, its provisions, terms and condition, and any amendment, supplement or modification thereto; and accepts and agrees to be bound and fully abide by and comply with the terms and conditions of the Bidding Procedures and any amendment or modification thereto as well as the decisions of the amendment, supplement or modification thereto as well as the decisions of the Committee;
2. It shall not disclose or bring all Motion for Reconsideration, protest or questions regarding the decision of the QTPBAC to any other agencies whether government or private;
3. It waives any right it may have to seek and/or obtain a writ of injunction or prohibition or restraining order against the Committee, the EC to prevent or restrain the Bidding Process or any proceeding related thereto, the holding of the bidding related thereto, the selection of the Winning Bidder, the performance of the Final Transactions Documents, and/or the commencement of direct negotiations in the event that at least two (2) failed biddings have occurred;
4. It shall at all times comply with Philippine Law; and
5. It unconditionally and irrevocably waives any defect, deviation, fault or infirmity in the Bidding Process conducted by the Committee up to and including the Bid Submission Deadline.

Yours sincerely,

Authorized Signatory
Name and Title
Name of Bidder/Firm
Address

ACKNOWLEDGEMENT

Republic of the Philippines }
_____} S.S.

BEFORE ME, a Notary Public, for and in _____, Philippines, this _____ day of _____, 20____, personally appeared _____, known to me to be the same person who executed and signed the foregoing Acceptance of Bidding Procedures, he acknowledged to me that the same is the corporate act and deed of _____ and that he is duly authorized to sign the same. The said _____ exhibited to me his Government ID/Passport No. _____, issued at _____ on _____, 20_.

WITNESS MY HAND AND SEAL on the date and the place first above-written.

Doc. No. _____
Page No. _____
Book No. _____
Series of 2021.

(To be submitted on the stationery/letterhead of the Bidder, or each member of the Consortium)

[Location, Date]

ENGR. ROGELIO G. BAYLON, JR.
Chairperson, Qualified Third Party Bids and Awards Committee
Private Sector Participation for the Provision of Qualified Third Party Services for the Construction,
Operation and Maintenance of Generation and Distribution System and Billing and Collection for
the QTP Service Areas of PALECO in Lot No. , Palawan Km. 3.35, North National Highway,

Barangay Tiniguiban, PuertoPrincesa City

SUBJECT: Confidentiality Agreement

Sir:

This document is written with regard to the Competitive Selection Process for Private Sector Participation for the Supply and Distribution of Power in Lot No. , Palawan (the "transaction").

We, the (Bidder's Name), acknowledge that Palawan Electric Cooperative (PALECO) (the "Transaction Party") is prepared to furnish us with proprietary documents, confidential and other private information concerning the business and properties of the Transaction Party, and information pertaining to the Transaction. All such information is herein referred to as the "Evaluation Material".

We hereby acknowledge, recognize and agree that it is imperative that all Evaluation Material should remain confidential. Accordingly, to maintain the confidentiality of the Evaluation Material, we hereby agree and undertake as follows:

- a) Not to use or allow the use for any purpose of any Evaluation Material or any notes, summaries or other material derived from, or containing any of, the Evaluation Material (collectively, the "Evaluation Notes") except to evaluate the terms of the Transaction in order to determine whether we wish to propose to participate;
- b) Not to disclose or allow disclosure of any Evaluation Material or any Evaluation Notes to any other person except to our officers and employees, to officers and employees of our affiliated companies and to our attorneys and advisors (together, the "Authorized Persons"), in each case, only to the extent necessary to permit any such Authorized Persons to assist us in making the evaluation and determination referred to in clause (a) above and provided such Authorized Person has agreed in writing to be bound by the terms of this Letter Agreement;
- c) Not to disclose or allow disclosure to any person, other than an Authorized Person, of any of the following: (i) that the Evaluation Material has been made available to us, (ii) that we have inspected ant Evaluation Material or (iii) that we may be considering participating in the Transaction or have had, are having or propose to have, any discussions with respect thereto; and,
- d) To destroy all copies of the confidential Evaluation Material should there be no further need for the information gained in the said documents or endeavor to keep the said materials in a manner that would prevent other parties from gaining information on the provided Evaluation Materials.

Without prejudice to any rights the Transaction Party may have against us or any Authorized Person, we agree to be responsible for any breach of this Letter Agreement by us or any Authorized Person. We also undertake to maintain a list of all Authorized Persons, together with a copy of their written agreement to comply with the terms hereof, and make them available to PALECO upon request.

We hereby acknowledge that the Transaction Party may elect at any time to terminate further access by us or the Authorized Persons to the Evaluation Material and agree that at any time after such termination, within fourteen (14) days from the request by the PALECO, return all original copies of the Evaluation Material and the Evaluation Notes that remain in our possession or the Authorized Persons' possession. No such termination will affect our obligations or those of the Authorized Persons hereunder, all of which obligations shall continue in effect.

This Letter Agreement shall not apply to any Evaluation Material which (i) becomes generally available to the public other than as a result of breach of the terms of this Letter Agreement, (ii) is already known or becomes available to us or Authorized Person from sources which, to our knowledge or the knowledge of any Authorized Person after due inquiry, are under no obligation to the Transaction Party to keep such information confidential.

If we or any Authorized Person is requested or required by law or governmental regulation, action of any court or tribunal to disclose any Evaluation Material or Evaluation Notes, we will provide the Transaction Party with prompt written notice thereof and will exercise our best efforts to seek to extend the time allowed for compliance with any such request or requirement in order to give the Transaction Party sufficient time to take appropriate actions. If requested by the Transaction Party, we will use our best efforts to obtain reliable assurance that confidential treatment will be accorded to the Evaluation Material and the Evaluation Notes.

We understand and acknowledge that neither the Transaction Party, nor any of its advisors, attorneys or affiliated entities, by providing any Evaluation Material, is making any representations or warranties, express or implied, with respect to the accuracy or completeness of the Evaluation Material or any part thereof and that neither the Transaction Party, nor any of its advisors, attorneys or affiliated entities shall have any liability to us or to the Authorized Persons resulting from the selection or use of the Evaluation Material by us or by Authorized Person.

This Letter Agreement and all obligations hereunder will terminate after three (3) years from the date hereof. This Letter Agreement may be enforced in the courts of the Republic of the Philippines.

Very truly yours,

(Bidder's Name)

By: _____

President

Accepted and Agreed:

Palawan Electric Cooperative

By: _____

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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.
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POWER OF ATTORNEY
SECRETARY'S CERTIFICATE

(For Corporation or each member of the Consortium)

[For Corporations]

Republic of the Philippines)
) S.S.

I, [name], [nationality], of legal age, with office address at [address], after having been sworn in accordance with law hereby state that:

1. That I am the duly elected and qualified corporate secretary of [name of corporation] ("Corporation").
2. At the meeting of the board of directors of the Corporation held on [date of meeting], at which a majority of the directors was present, the following resolution quoted hereunder was approved and adopted by a majority vote of the directors present:

"RESOLVED, that the Corporation be, as it hereby is authorized, names, constitutes and appoints:

[name of representative]

as he is hereby named, constituted and appointed, a true and lawful Attorney in Fact of the Corporation, with full power of substitution, with the power to negotiate, sign and execute, on behalf of the Corporation, contracts and agreements relating to the bid proposal submitted for the Private Sector Participation for the Supply and Distribution of Power in Lot No._, Palawan, under such terms and conditions as he may deem proper.

GIVING AND GRANTING to said Attorney in Fact full power and authority to do all and every act and thing whatsoever requisite and necessary to be done relative to the foregoing resolutions, as fully and to all intents and purposes as the principal might or could do, hereby ratifying and confirming all that the Attorney in Fact, his delegates or substitutes shall lawfully do or cause to be done."

IN WITNESS WHEREOF, I hereby set my hand this _____ day of [month] [year], in [City], Philippines.

[Name]
Corporate Secretary

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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 2021.

REPUBLIC OF THE PHILIPPINES)
) S.S.

UNDERTAKING TO INCORPORATE THE CONSORTIUM

We, [REPRESENTATIVE OF COMPANY A], [REPRESENTATIVE OF COMPANY B], and [REPRESENTATIVE OF COMPANY C], being the duly authorized representatives of the Consortium between [COMPANY A], [COMPANY B], and [COMPANY C],(collectively the "Consortium Members"), do hereby declares undertake:

1. That, [COMPANY____, and its representative], shall be the lead bidder and authorizes him to enter into binding commitments on our behalf.
2. To formally incorporate the project company, [PROJECT COMPANY NAME], within forty-five (45) days from Notice of Award, should we be proclaimed the winning bidder;
3. To maintain the agreed percentage participation of the Consortium members in the project company we will incorporate;
4. To collectively keep at least seventy percent (70%) equity ownership in the project company for the entire duration of the QSC; Provided that each of the member/s of the Consortium that complied with the technical requirements in the bidding procedures shall maintain at least forty percent (40%) equity ownership in the project company; and
5. That COMPANY_____which is the lead bidder must be the majority shareholder of the [PROJECT COMPANY NAME].

This Certification is being issued in connection with the Consortium Members' participation to bid in the Private Sector Participation for the Supply and Distribution of Power in Lot No._, Palawan, and for whatever legal purpose this may serve.

IN WITNESS WHEREOF, we have hereunto affixed our hands this_of_, 20_at [PLACE], Philippines.

[COMPANY A]
By:

[COMPANY B]
By:

[COMPANY C]
By:

NAME
POSITION

NAME
POSITION

NAME
POSITION

Signed in the presence of:

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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 2021.

Note: To be used if a bidder is a consortium or Special Purpose Vehicle (SPV) and is already SEC registered.

REPUBLIC OF THE PHILIPPINES)
) S.S.

UNDERTAKING TO AMEND THE SEC REGISTRATION OF PROJECT COMPANY

I, _____, being the duly authorized representative of the Project Company or SPV _____ (Name of Company), do hereby declare to undertake the following should we be proclaimed the winning bidder:

1. To formally amend the articles of incorporation/by laws of the project company, [PROJECT COMPANY NAME], within forty-five (45) days from Notice of Award; and
2. To collectively keep at least seventy percent (70%) equity ownership in the project company for the entire duration of the PSA; Provided that each of the member/s of the Consortium that complied with the technical requirements in the bidding procedures shall maintain at least forty percent (40%) equity ownership in the project company.

This Certification is being issued in connection with our participation to bid in the Private Sector Participation in Competitive Selection Process for Private Sector Participation for the Supply and Distribution of Power in Lot No., Palawan and for whatever legal purpose this may serve.

IN WITNESS WHEREOF, I have hereunto affixed my signature this_of_, 20_at [PLACE], Philippines.

By:

NAME
 POSITION

Signed in the presence of:

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
 (Principal Address of Bidder)SS

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

Name	ID No./Passport No.	Expiration Date
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known to me and to me known to be the same person who executed the foregoing Acceptance of Bidding Procedures 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.
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Note: To be used if a bidder is a single company and plans to form a project company.
REPUBLIC OF THE PHILIPPINES)
) S.S.

UNDERTAKING TO REGISTER A PROJECT COMPANY

I, [REPRESENTATIVE OF COMPANY A] being the duly authorized representative of the [COMPANY A] do hereby declare to undertake:

1. To formally register to form the project company, [PROJECT COMPANY NAME], within forty-five (45) days from Notice of Award, should we be proclaimed the winning bidder;
2. To maintain the declared participation of [COMPANY A] in the project company I will incorporate;
3. To keep at least seventy percent (70%) equity ownership in the project company for the entire duration of the QSC; and

This Certification is being issued in connection with the [COMPANY A]'s participation to bid in the Private Sector Participation for the Supply and Distribution of Power in Lot No. __, Palawan and for whatever legal purpose this may serve.

IN WITNESS WHEREOF, we have hereunto affixed our hands this ____ of ____, 20__ at [PLACE], Philippines.

[COMPANY A]

By:

NAME

POSITION

Signed in the presence of:

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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 2021.

POWER OF ATTORNEY
(For bidder who is a Sole Entity)

[For individuals]

KNOW ALL MEN BY THESE PRESENTS:

I, [name], [nationality], of legal age, with address at [address], hereby NAME, CONSTITUTE and APPOINT:

[name of representative]

AS HE IS HEREBY named, constituted and appointed, as my true and lawful Attorney in Fact, with full power of substitution, with the powers to negotiate, sign and execute, on behalf of the corporation, contracts and agreements relating to the bid submitted for the Private Sector Participation for the Supply and Distribution of Power in Lot No. , Palawan under such terms and conditions as he may deem proper.

GIVING AND GRANTING to said Attorney in Fact full power and authority to do all and every act and thing whatsoever requisite and necessary to be done relative to the foregoing resolutions, as fully and to all intents and purposes as the principal might or could do, hereby ratify and confirm all that the Attorney in Fact, his delegates or substitutes shall lawfully do or cause to be done.

This Special Power of Attorney shall be governed by and construed in accordance with Philippine law and shall be effective from the date hereof unless I revoke it sooner.

In WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ at _____.

[signature]
[name]

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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.

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NO CONFLICT DECLARATION

[Location, Date]

ENGR. ROGELIO G. BAYLON, JR.
Chairperson, Qualified Third Party Bids and Awards Committee
Private Sector Participation for the Provision of Qualified Third Party Services for the Construction,
Operation and Maintenance of Generation and Distribution System and Billing and Collection for
the QTP Service Areas of PALECO in Lot No., Palawan Km. 3.35, North National Highway,

Barangay Tiniguiban, PuertoPrincesa City

Sir:

We declare that we or any of our affiliates have no prior or existing contracts, negotiations, protest, dispute or similar transactions with Department of Energy (DOE), National Power Corporation (NPC), Palawan Electric Cooperative (PALECO), Power Sector Assets and Liabilities Management Corporation (PSALM), or any Distribution Utility which may be in conflict with this Transaction relating to the Government's rural electrification program.

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)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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 2021.

Form of Accession Undertaking

ACCESSION UNDERTAKING

THIS ACCESSION UNDERTAKING (the "Undertaking") is entered into this _____ day of _____ between:

[member of consortium], a company organized and existing under the laws of the Republic of the Philippines, with its principal offices at [•], represented herein by its President, authorized under its charter to engage in power generation business [•], who is authorized to represent it in this Undertaking, hereinafter referred to as [•],

[member of consortium], a company organized and existing under the laws of the Republic of the Philippines, with its principal offices at [•], represented herein by its President, authorized under its charter to engage in power generation business [•], who is authorized to represent it in this Undertaking, hereinafter referred to as [•],

[member of consortium], a company organized and existing under the laws of the Republic of the Philippines, with its principal offices at [•], represented herein by its President, authorized under its charter to engage in power generation business [•], who is authorized to represent it in this Undertaking, hereinafter referred to as [•],

(each a "Party" and together the "Parties").

RECITALS:

On [date], the Palawan Electric Cooperative (PALECO) conducted a competitive selection process pursuant to the Department of Energy ("DOE") Circular No. 2019-11-0015 for the procurement of a private power provider to supply and distribute the electricity requirements of its QTP Service Areas.

1

Under the terms of [•], the Parties formed a Consortium. The Consortium participated in the competitive selection process and was selected the winning bidder.

As the selected new power provider, the Consortium executed a Power Supply Agreement with PALECO on [•] ("QSC").

Under the QSC, the execution of this Undertaking and the incorporation of a project company are conditions precedent to the effectivity of COD.

NOW, THEREFORE in view of the foregoing premises and in consideration of the mutual covenants and agreements hereinafter set forth, the Parties hereby agree as follows:

1 Definition and Interpretation

Definition. The terms used in this Agreement shall have the respective meanings given to them in the QSC, unless the context otherwise provides.

Rules of Interpretation. In this Agreement, the rules of Interpretation provided under the QSC shall govern.

2 The Project Company

Incorporation of Project Company. The Parties shall incorporate the Consortium as a company ("Project Company") and register the same with the Securities and Exchange Commission within forty-five (45) days from Effective Date of the QSC.

Equity Ownership in the Project Company. The equity ownership of each Party in the Project Company shall be in the same percentage as its participation in the Consortium as submitted in the Consortium's bid in the competitive selection process.

3 Maintenance of Equity Ownership. In accordance with the QSC, for a period of five (5) years from the Effective Date of the QSC, the Parties shall:

¹ _____
Agreement/Contract between members of the consortium submitted in compliance with the Bidding Procedures.

- 3.1 Keep at least seventy percent (70%) equity ownership in the Project Company for entire QSC period.
- 3.2 Ensure that at least one member of the consortium (in case two different entities were used to comply with the technical requirements) which complied with the technical requirements in the competitive selection process shall keep at least forty percent (40%) equity ownership in the Project Company for the same period.
- 3.3 Secure prior written consent from OFFTAKER in case of divestment of the Parties' equity ownership in the Project Company within the period from Effective Date until Commercial Operations Date of the QSC.
- 3.4 Secure prior written consent from OFFTAKER in case of divestment of the Parties' equity ownership in the Project Company within the period from Commercial Operations Date until the expiration of the term of the QSC.
- 3.5 For any divestment made within the same period, the Project Company or its direct shareholders must continue to meet the financial requirements of the competitive selection process after the divestment.

The Parties hereby recognize and acknowledge that the failure to comply with this Section constitutes an Event of Default under the QSC and is subject to the effects and penalties provided therein.

4 Terms of Accession

4.1 Accession of the Project Company. The Project Company shall perform all the obligations, comply with all the warranties and covenants, and assume all the liabilities of the SUPPLIER under the QSC and all agreements ancillary thereto. The Project Company shall also be entitled to all the rights, benefits and interests of the SUPPLIER under the QSC and all agreements ancillary thereto.

4.2 References to SUPPLIER. All reference to the SUPPLIER in the QSC and all agreements ancillary thereto shall be construed to be reference to the Project Company to the fullest extent necessary to give effect to Clause 2.

5 Effective Date

This Undertaking shall be effective commencing on the date this Undertaking is executed and delivered by the Parties hereto.

6 Representation and Warranties

The Parties hereby represent and warrant, which representations and warranties shall subsist during the effectivity of this Undertaking, the following.

- 6.1 Corporate Existence. Each Party is duly organized, validly existing, in good standing and qualified to do business under Philippine Law or, in case of foreign corporations, under the law of its registration or organization, and each holds the corporate power and authority to enter into, perform and carry out all the respective obligations and covenants under and pursuant to this Undertaking.
- 6.2 Consents. The execution, delivery and performance by each Party of this Undertaking has been duly approved and authorized by all necessary corporate action, and does not require any approval or consent of any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party or of any other person or entity, except approvals or consents which have been obtained or as set forth or expressly excepted herein.
- 6.3 Full Force and Binding Agreement. This Undertaking is in full force and effect, has been duly executed and delivered on behalf of each Party by the appropriate officers, and constitutes a legal, valid and binding obligation of such Party enforceable against it in accordance with its terms upon the approval and/or ratification of this Undertaking by the respective Board of Directors.
- 6.4 No Litigation. There is no litigation, action, suit, proceeding or investigation pending or threatened, to the best of each Party's knowledge, against it before any court, administrative agency, arbitration tribunal, government authority, body or agency which, if adversely determined, individually or in the aggregate, substantially and materially: (i) could adversely affect the performance by such Party of its obligations hereunder; (ii) could have a material adverse effect on its condition (financial, technical or otherwise), business or operations; or (iii) question the validity, binding effect or enforceability of this Undertaking any action taken or to be taken pursuant hereto or any of the transactions contemplated herein.
- 6.5 No Violation or Breach. The execution, delivery and performance by each Party of its obligations under this Undertaking and the consummation of the transactions contemplated herein will not result in any violation of any term of such articles of incorporation or by-laws, or of any contract or undertaking to which it is party or by which it or its property is bound, or, of any Applicable Law applicable to it, except any such violations which, individually or in the aggregate, would not adversely affect the performance by such Party of its obligations under this Undertaking.

6.6 Warranty Against Corruption. Each Party represents and warrants to the other that it and its representatives, affiliates or subsidiaries have complied with all laws dealing with corrupt or illegal payments, gifts, or gratuities. Each Party agrees not to (and to cause its representatives, affiliates or subsidiaries not to) in connection with the activities contemplated by this Undertaking pay, promise to pay, seek, accept, or authorize the payment of any money or anything of value, directly or indirectly, to any person or entity (whether a governmental official or private individual) for the purpose of illegally or corruptly influencing any governmental employee or official, any political party or official thereof or any candidate for political office. Furthermore, each Party agrees that in connection with this Undertaking and the activities contemplated hereby it and its representatives, affiliates or subsidiaries will not take any action, or fail to take any action, which act or failure to act would subject the other Party or any of its representatives, affiliates or subsidiaries to liability under the laws of its country of domicile dealing with corrupt payments. Each Party agrees to indemnify the other Party from and against any loss, liability or damage (including reasonable attorney's fees) arising from or relating to such Party's breach of its representations, warranties, and obligations under this Section. Each Party represents and warrants to the other Party that prior to the date of this Undertaking, it and its representatives, affiliates or subsidiaries have not taken any action in continuation of the foregoing in connection with the subject matter hereof.

Governing Law. This Undertaking shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

- 8 Separability. If any provision of this Undertaking shall be determined to be invalid, such provision shall be deemed separate and distinct, and the remainder of this Undertaking shall remain in full force and effect.
- 9 Substitute Provision. In the event any provision or part of this Undertaking is declared invalid, the Parties shall meet in good faith to agree, to the fullest extent allowed by Applicable Law, on a substitute provision that most closely approximates the intention and commercial bargain contained in the invalid provision and amend this Undertaking accordingly.
- 10 Execution of Counterparts. This Undertaking may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by signing any such counterparts.
- 11 Amendments. This Undertaking may only be amended or modified by a written instrument signed by each of the Parties.

IN WITNESS WHEREOF, each of the Parties has caused this Undertaking to be executed in more than one copy each of which shall be deemed to be an original as of the date and year first above written.

[member of consortium]
Name:
Position:

[member of consortium]
Name:
Position:

[member of consortium]
Name:
Position:

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES) (Principal Address of Bidder)SS

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

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

known to me and to me known to be the same person who executed the foregoing Acceptance of Bidding Procedures 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 2021.

CHECKLIST OF PREQUALIFICATION GUIDELINES

Note: All documents with check (√) are required to be submitted.

LEGAL/ELIGIBILITY REQUIREMENTS			
LEGAL DOCUMENTS		Individual or Proprietorship	Corporation/Joint Venture/Consortium/Cooperative
1	Notarized Acceptance of Bidding Procedures (Annex A)	√	√
2	Confidentiality Agreement (Annex B)	√	√
3	Original or Certified Copy of Birth Certificate issued by the Philippine Statistics Authority	√	
4	Current Business Permit (Certified True Copy)	√	
5	Department of Trade and Industry (DTI) Registration (Certified True Copy), if applicable	√	
6	Special Power of Attorney to Negotiate and Enter into QTP Service Contract with EC (Original Copy)	√	
7	By-Laws (BL) and Articles of Incorporation (AOI), and BL and AOI of its corporate stockholders (Original SEC-Certified or CDA- Certified or NEA-Certified)		√
8	Board Resolution authorizing its representative to negotiate and enter into QSC with the DU/NPC (Original Copy)		√
9	Latest General Information Sheet (GIS) and latest GIS of its corporate stockholders (Certified True Copy of SEC-Received)		√
10	Organizational Chart of the Company (Certified True Copy)		√
11	Passport ID or any valid government-issued ID of the authorized representatives, i.e., signatory and witness under the QSC (Certified True Copy)	√	√
FINANCIAL DOCUMENTS			
1	Latest Annual Report and/or Audited Financial Statement (FS) for the last two (2) years from the filing date and latest Unaudited FS duly signed by the responsible official such as the President and/or Chief Finance Officer if the Audited FS is more than six (6) months old at the time of filing. (Original or Certified True Copy)	√	√
	Bank certification to substantiate the cash balance in the Audited FS or unaudited FS (Original Copy)		
	Projected Cash Flow Statement for next two (2) years, except for geothermal and large hydro resources which should be five (5) years, showing the fund sources and uses of funds for the particular offered area, other applied RE areas, existing service/operating contracts with DOE and other existing business, if applicable, with supports from either of the following: (Original Copy)		
	Sworn Letter of Commitment from stockholders for additional equity/cash infusion (Original Copy)		
	Bank approved loan/credit line earmarked for the proposed operation (Certified True Copy)		
	For applicants with insufficient funds to finance the proposed operations:		

	Newly organized corporation (existing for two (2) years or less from date of registration with SEC) should be supported by parent company's financial documents per items 1 and 2 above and Letter of Guaranty by the parent company to fund the work program. (Original Copy)		
	Subsidiary corporation (existing for more than two (2) years from date of registration with SEC) should be supported by the following: Notarized Letter of Guaranty from the majority shareholder/s and Original Bank proof of capacity to satisfy the said Guaranty Certification (Original Copy); or		
	Parent company's financial documents per items 1 and 2 above and Letter of Guaranty by the parent company to fund the work program/plan (Original Copy)		
	In case of domestic parent company, the Letter of Guaranty should be duly notarized. (Notarized Copy)		
	In case of foreign parent company, the documents shall be duly authenticated by the Philippine Consulate Office that has jurisdiction over the said parent company. (Consularized Copy)		
TECHNICAL DOCUMENTS			
1-A	Full details of the technical skills and experience of the key management team responsible for the operation of the system. These details should include relevant technical and business management qualifications as well as full descriptions of experience relevant to the technical and commercial operation of electric power generation and supply systems. (Print Copy)	√	√
1-B	Details of the proposed arrangements for the acquisition, training and contracting of the necessary expertise that the applicant does not possess at the time of application. (Print Copy)	√	√
1-C	1. Details of how the applicant proposes to design, construct, operate, and maintain the generation and associated distribution system to be used in its operations, including its proposed plans for dealing with major operating contingencies such as a failure of its generating plant or a major fault on its distribution system. (Print Copy)	√	√
1-D	i. Details of the procedures that the applicant proposes to put in place for the billing to and collection of payment from customers and maintain accounting records of its commercial operations. An undertaking that the applicant will allow DOE and/or ERC to open its accounting records relating to its operations, when necessary. (Print Copy)	√	√
2	A statement certifying that the applicant intends to design, construct, operate and maintain its generation and distribution systems in full compliance with the relevant requirements prescribed under the applicable laws including EPIRA and its attendant rules and regulations. (Notarized Copy)	√	√

SCHEDULE OF ACTIVITIES

ACTIVITIES	TARGET DATES
Preparation of TOR and Bid Docs	
Submission of TOR & Bid Docs to NEA	
Evaluation and review of TOR & Bid Docs by NEA	
Evaluation and review of TOR & Bid Docs by DOE	
Recommend changes on TOR & Bid Docs to PALECO by DOE	Thursday, May 20, 2021
Posting, Notification and Publication of Invitation for Expression of Interest (NEA website and newspaper of general circulation once a week for two weeks, EC bulletin boards, notify LGUs, NGOs, business groups within coverage area of PALECO)	Friday, November 19 , 2021 to Friday, December 03 , 2021
Submission of Expression of Interest	Monday, December 06 , 2021 to Friday, December 10 , 2021
Issuance of Bidding Procedures & Guidelines	Monday, December 13 , 2021
Due Diligence Period and Site Visit	Tuesday, December 14, 2021 to Tuesday, January 04, 2022
Pre-Bid Conference in PALECO	Wednesday, January 05, 2022
Deadline for Submission of Written Comments to the Bid Documents	Thursday, January 06, 2022 to Monday, January 10, 2022
Release of Final Transaction Documents	Tuesday, January 11, 2022 to Monday, January 17, 2022
Submission and Opening of Bids at any public venue with proper video coverage	Tuesday, January 18, 2022
Detailed Evaluation and Post Qualification of Bids	Wednesday, January 19, 2022 to Tuesday, February 01, 2022
Recommendation of Declaration of Winning Bidder	Wednesday, February 02, 2022
Submission and approval to the Board for Confirmation	Thursday, February 03, 2022 to Wednesday, February 09, 2022
Issuance of Notice of Award	Thursday, February 10, 2022 to Tuesday, March 15, 2022
Submission to NEA of Joint Sworn Statement signed by all Members of the BOD and the General Manager, copy of Draft QSC and QTPBAC Report	Wednesday, March 16, 2022 to Tuesday, March 29, 2022
Final Evaluation/ Assessment of QSC by NEA	
Issuance of Notice to Proceed to sign QSC	
Signing of Qualified Third Party Service Contract	
Preparation of documents for Joint Filing of application for QSC approval	Wednesday, March 30, 2022 to Wednesday, April 16, 2022
Joint Filing of application to the ERC	Thursday, April 14, 2022 to Saturday, April 16, 2022
Approval of QSC by ERC	
Power Station Construction	180 days from QSC approval of ERC
Completion and acceptance of the project (testing and commissioning)	
Commercial Operation Date	

LIST/STATEMENT OF ALL ITS ONGOING/AWARDED BUT NOT YET STARTED GOVERNMENT AND PRIVATE CONTRACTS

Name of Project	Name, address, contact person, contact number and email address previous clients	Contract Duration		Amount of Contract and Value of Outstanding Contracts	Status (On-going or Awarded but Not Yet Started)
		Start Date	End Date		

Authorized Signatory
Designation

ACKNOWLEDGEMENT

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

REPUBLIC OF THE PHILIPPINES)
(Principal Address of Bidder)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 Acceptance of Bidding Procedures 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 2021.

PROOF OF VAT PAYMENT FOR THE PAST SIX MONTHS

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

**With proper index/tab per payment*

Bid Securing Declaration Form

[shall be submitted with the Bid if bidder opts to provide this form of bid security]

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.

BID SECURING DECLARATION
Provision of Qualified Third Party Services for the Construction,
Operation and Maintenance of Generation and Distribution System and
Billing and Collection for the QTP Service Areas of PALECO
QTP Service Areas Lot No. ___

ENGR. ROGELIO G. BAYLON, JR.

Chairperson, Qualified Third Party Bids and Awards Committee
Private Sector Participation for the Provision of Qualified Third Party Services for the Construction,
Operation and Maintenance of Generation and Distribution System and Billing and Collection for
the QTP Service Areas of PALECO in Lot No. , Palawan Km. 3.35, North National Highway,

Barangay Tiniguiban, PuertoPrincesa City

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any procurement contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f),of the IRR of RA No. 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid Securing Declaration shall cease to be valid on the following circumstances:
 - a. Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - b. I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right; and
 - c. I am/we are declared the bidder with the Lowest Calculated Responsive Bid, and I/we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ day of [month] [year] at [place of execution].

[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE] [Insert signatory's legal capacity]
Affiant

OMNIBUS SWORN STATEMENT

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, _____, of legal age, _____, _____
(Name of Affiant) (Civil Status) (Nationality) and residing at
_____ with law, do hereby depose and state that:
(Address of Affiant)

1. SELECT ONLY THE APPLICABLE, and disregard the other:

a. If a sole proprietorship:
I am the sole proprietor of _____ with office address at
(Name of Bidder)

(Address of Bidder)

b. If a partnership, corporation, cooperative, or joint venture:
I am the duly authorized and designated representative of

(Name of Bidder)
with office address at _____.
(Address of Bidder)

2. SELECT ONLY THE APPLICABLE, and disregard the other:

a. If a sole proprietorship:
As the owner and sole proprietor of _____ I have
(Name of Bidder)
full, power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for:

Competitive Selection Process for Private Sector Participation for the Provision of Qualified Third Party Services for the Construction, Operation and Maintenance of Generation and Distribution System and Billing and Collection for the QTP Service Areas of PALECO QTP Service Areas Lot No.
(Name of Project)

b. If a partnership, corporation, cooperative, or joint venture:
I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the _____ in the bidding as
(Name of Bidder)
Shown in the attached _____
(State the title of attached document showing proof of authorization e.g. duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture);

3. _____ is not "blacklisted" or barred from bidding
(Name of Bidder)
by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, or Electric Cooperatives, foreign government/ foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, or Electric Cooperatives. Further, the bidder is free and clear of all liabilities with the government.

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. _____ is authorizing the
(Name of Bidder)
PALECO or its duly representative(s) to verify all the documents submitted;

6. SELECT ONLY THE APPLICABLE, and disregard the other:

a. If a sole proprietorship:
I am not related to the Head of the Procuring Entity of PALECO, members of the Qualified Third Party Bids and Awards Committee (QTPBAC), the Qualified Third Party Technical Working Group (QTPTWG), and the QTPBAC/TWG Secretariat, or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

b. If a partnership or cooperative:
None of the officers and members of _____ is
(Name of Bidder)

related to the Head of the Procuring Entity of PALECO, members of the Qualified Third Party Bids and Awards Committee (QTPBAC), the Qualified Third Party Technical Working Group (QTPTWG), and the QTPBAC/TWG Secretariat, or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

c. If a corporation or joint venture:
None of the officers, directors and controlling stockholders of

(Name of Bidder)

is related to the Head of the Procuring Entity of PALECO, members of the Qualified Third Party Bids and Awards Committee (QTPBAC), the Qualified Third Party Technical Working Group (QTPTWG), and the QTPBAC/TWG Secretariat, or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. _____ complies with existing labor laws
and (Name of Bidder)
standards;

8. _____ is aware of and has undertaken the
(Name of Bidder)
following responsibilities as a Bidder;

- a. Carefully examine all the Bidding Documents;
- b. Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
- c. Made an estimate of the facilities available and needed for the contract to be bid, if any; and
- d. Inquire or secure supplemental/Bid Bulletin(s) issued for the
- e.

Competitive Selection Process for Private Sector Participation for the Provision of Qualified Third Party Services for the Construction, Operation and Maintenance of Generation and Distribution System and Billing and Collection for the QTP Service Areas of PALECO
QTP Service Areas Lot No. ___ (Name of the Project)

9. _____ did not give or
pay (Name of Bidder)
directly or indirectly, any commission, amount, fee, or amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel representative of the Electric Cooperative in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto affixed my signature this _____ day of _____, 20____ at the City of _____, Philippines.

Affiant

SUBSCRIBED AND SWORN TO before me this _____ at the City of _____, the affiant exhibited to me (any of the following: Passport, Driver's License, TIN & SSS ID with picture) No/s. _____ and valid until _____.

NOTARY PUBLIC
UNTIL
PTR. NO.

TIN

Doc. No. ___;
Page No. ___
Book No. ___;
Series of 2021