



LEYECO II
Lamrag han kinabuki ...

**LEYECO II POWER SUPPLY COMPETITIVE SELECTION PROCESS
FOR THE 10MW BASELOAD DEMAND FOR
THE PERIOD AUGUST 12, 2024 TO AUGUST 25, 2034**

REFERENCE: **BID BULLETIN NO. 04**

ISSUE DATE: **March 26, 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	Period: 10 Years and 13 Days Inclusive Dates: August 12, 2024 to August 25, 2034	Will the end date be adjusted depending on the issuance of regulatory approvals?	No. Per CSP guidelines no amendment shall be made with respect to the contract quantity and cooperation period as certified by the NEA.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

2	12. Bid Price in Philippine Peso per kilowatt-hour (PhP/kWh) (the “ceiling price” – inclusive of fuel cost but excluding any penalties and/or discounts to be implemented for the duration of the contract period)	The maximum bid price to be accepted shall be capped at the average generation rates of Region 8 ECs for the year 2023.	<p>We respectfully request that the TPBAC furnish GNPk with the average rates of Region 8 ECs for the year 2023.</p> <p>We propose to provide the bidders with the average generation rates of Region 8 EC's and their basis.</p> <p>Will the TOR-12 prevail over IM-1.4? Please confirm.</p> <p>Breakdown of the rate components of the ceiling price.</p> <p>The 65% CUF, is this on a per interval basis? Per day or per month?</p>	<p>The ceiling price is P6.50/kWh.</p> <p>The TOR will prevail.</p> <p>The rate components are the following: CRF, FOM, VOM and FC.</p> <p>Per month</p>												
3	15. Tariff Structure	<p>Parameters:</p> $Base\ Price_{Firm} = \left[\sum_{CUF=65\%}^{100\%} (CRF_{CUF} + FOM_{CUF}) \times Weight_{CUF} \right] \times DAF + VOM + FC$ $Base\ Price_{Indexed} = \sum_{CUF=65\%}^{100\%} \left\{ \left[CRF + (FOM_{CUF} \times \frac{CPI_{CURRENT}}{CPI_{BASE}}) \right] \times Weight_{CUF} \right\} \times DAF + \left[VOM \times \frac{CPI_{CURRENT}}{CPI_{BASE}} \right] + FC$ <p>Where,</p> <table border="1" data-bbox="593 1174 1161 1421"> <tr> <td>CRF_{CUF}</td> <td>Local price component to capture the Capital Recovery Fee (including profit) of the Bidder per CUF Weight</td> </tr> <tr> <td>FOM_{CUF}</td> <td>The Fixed Operation & Maintenance local price component and/or the foreign price component converted to Php/kWh using the FOREX Rate of 56.9030 per CUF weight</td> </tr> <tr> <td>VOM</td> <td>The non-fuel costs such as Variable Operation & Maintenance local price component 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 converted to Php/kWh using the FOREX Rate of 56.9030 of the fuel costs including transportation and administration associated to procurement and delivery of fuel to power plant</td> </tr> <tr> <td>DAF</td> <td>Dispatch Adjustment Factor to account for the unutilized capacity for periods when the demand is below 65% of the Contracted Capacity. DAF = 1.1476</td> </tr> <tr> <td>$Weight_{CUF}$</td> <td>Weight assigned to the price at a given CUF based on the frequency of dispatch in one year (8760 hours) at the level of utilization of contracted capacity at 85.45% load factor of the baseload</td> </tr> </table>	CRF_{CUF}	Local price component to capture the Capital Recovery Fee (including profit) of the Bidder per CUF Weight	FOM_{CUF}	The Fixed Operation & Maintenance local price component and/or the foreign price component converted to Php/kWh using the FOREX Rate of 56.9030 per CUF weight	VOM	The non-fuel costs such as Variable Operation & Maintenance local price component 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 converted to Php/kWh using the FOREX Rate of 56.9030 of the fuel costs including transportation and administration associated to procurement and delivery of fuel to power plant	DAF	Dispatch Adjustment Factor to account for the unutilized capacity for periods when the demand is below 65% of the Contracted Capacity. DAF = 1.1476	$Weight_{CUF}$	Weight assigned to the price at a given CUF based on the frequency of dispatch in one year (8760 hours) at the level of utilization of contracted capacity at 85.45% load factor of the baseload	<p>For clarity, please confirm the reference month of the “fuel for the last 6 months average”</p> <p>Please confirm if the formula shown would be the basis for the evaluation of LEYECO II.</p> <p>Please confirm if the reference FX is 56.9030 for the PhP/kWh conversion.</p>	<p>See attached revised Tariff Structure in ANNEX A</p> <p>Please refer to ITB 23.2 (d). Average from July to December 2023.</p> <p>Yes.</p> <p>Yes.</p>
CRF_{CUF}	Local price component to capture the Capital Recovery Fee (including profit) of the Bidder per CUF Weight															
FOM_{CUF}	The Fixed Operation & Maintenance local price component and/or the foreign price component converted to Php/kWh using the FOREX Rate of 56.9030 per CUF weight															
VOM	The non-fuel costs such as Variable Operation & Maintenance local price component 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 converted to Php/kWh using the FOREX Rate of 56.9030 of the fuel costs including transportation and administration associated to procurement and delivery of fuel to power plant															
DAF	Dispatch Adjustment Factor to account for the unutilized capacity for periods when the demand is below 65% of the Contracted Capacity. DAF = 1.1476															
$Weight_{CUF}$	Weight assigned to the price at a given CUF based on the frequency of dispatch in one year (8760 hours) at the level of utilization of contracted capacity at 85.45% load factor of the baseload															

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

Contact No.:

0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

The Tariff Structure shall be unbundled into components as follows:

Component	Unit	Description
CRF	Php/kWh	No indexation or escalation on Capital Recovery Fee (CRF).
FOM		Fixed and Variable O&M fee shall be indexed on Philippine CPI for local components, except for Firm Price offers where only the Fuel component will be indexed. Foreign components shall first be converted to Php/kWh using the FOREX conversion parameters that will be provided in the ITB and indexed to the Philippine CPI thereafter.
VOM		
Fuel		Fuel cost shall be the average for the last 6 months of the Power Supplier's fuel purchase.

The Tariff Structure shall be unbundled into components as follows:

Pricing for the capacity fee must be for each level of Capacity Utilization Factor (CUF) from 65% to 100%.

The Bidder shall include all necessary attachments (e.g. invoices), documentations, and any other relevant information in every billing statement that will enable the EC to determine that the billing computation is compliant with the PSA.

Bidder shall also specify government taxes or levies incorporated in its payment offers.

Specify formula for base fee adjustments affected by factors such as Philippine CPI, FOREX, and Escalation due to fuel degradation and others.

Please confirm that the guaranteed minimum energy offtake is 65 %.

We would like to request in advance an excel file of the Weight CUF

Is this for evaluation purpose only, or to be implemented in the PSA?

How can it be complied with bidders that have a new fuel supply contract? Or the adjusted price from July 2023~Dec 2023 is readily available but the invoices are not as proofs of purchase?

Can we suggest a fuel/coal based indexation adjustment formula for Fuel in the PSA?

Please confirm if discounts should be included or excluded in the Bid price.

No. Minimum energy offtake is 50% per hour interval. The 65% refers to minimum capacity utilization factor for the month.

We will provide the excel file of the Bid Form containing the CUF Weights after the Pre-Bid conference.

Yes. The formula provided under the Tariff Structure provision of the TOR will be used for bid evaluation purposes only.

The Supplier shall comply with the requirement regardless of its fuel supply contract period.

We cannot consider the suggestion because other prospective Bidders with different technology might participate.

Bid price should include discounts.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

Contact No.:

0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuhî ...

		<p>Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period.</p> <p>The Bidder shall ensure that each of the unbundled tariff components shall be accompanied by a derivation, computation, or simulated value for every year of the PSA, as applicable.</p>	<p>Are bidders required to have an offer for each year?</p> <p>Please clarify "simulated value for every year of PSA"</p> <p>What is the billing cost determinant for the CRF?</p> <p>Recalculation of the fuel cost in the last 6 months based on the Php56.9030</p>	<p><i>"Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period."</i></p> <p>- Remove this part of the provision.</p> <p>Bidders are required to offer for the whole contract term.</p> <p>The provision is only considered if applicable. In this case, since the Bidders are required to offer for the whole term, the last paragraph of TOR 15 is not applicable.</p> <p>The billing cost will be based on the per CUF level.</p> <p>No need for recalculation; Use the actual fuel cost rate reflected in the power bill.</p>
4	16. 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</p>	<p>Please confirm that the Buyer will provide flexibility to the Seller, during the PSA implementation, to source power from other sources, including the WESM, provided that it can</p>	<p>No. Buyer can only provide flexibility to the Seller, provided that it is within the indicated portfolio of the Seller.</p>

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

Contact No.:

0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuhí ...

		<p>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.</p> <p>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>guarantee the ERC-approved Contract Price and that such instance will not be counted as an outage of the Seller.</p> <p>Kindly clarify whether the allowed outage allowance stipulates that the total maximum downtime permissible should not surpass 30 days or 720 hours, without any provision for forced outage?</p> <p>Supplier/Bidder has little to no control over the Scheduled Outages. The discretion solely rests with the System Operator (NGCP). The Generator may amend the schedule of outage with NGCP, but experience wise, NGCP may only adjust for a day or two or not at all considering that the schedule of outages have already been plotted in harmony with other plants.</p>	<p>Yes. Forced outage is considered as unscheduled outage.</p> <p>We maintain the TOR provision.</p>
5	17. Force Majeure	"Force Majeure" or "Fortuitous Event" refers to any extraordinary event not foreseeable or avoidable, or to an event that could not be foreseen, or which, though foreseen, is inevitable and	Please confirm that this provision may be further negotiated/improved during PSA negotiation.	Yes.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuhî ...

		<p>independent of human will or the DU's participation, whether by active intervention, neglect or failure to act.</p> <p>This further refers to an event or circumstance generally caused: (1) by nature, such as, but not limited to, fires, floods, typhoons, or acts of God; and/or (2) by the acts of man, such as, but not limited to, war, national emergencies, revolution, riot, insurrection, terrorism, civil unrest, or any other similar violent, or threatening actions.</p> <p>Work stoppage due to labor strikes, picketing, lockouts or any other labor dispute is not considered as force majeure or fortuitous event.</p> <p>Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s).</p> <p>No relief shall be granted to the Party claiming Force Majeure to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred.</p> <p>The Parties may terminate when the Force Majeure delays a Party's performance for a period of more than sixty (60) days.</p> <p>To the extent either party is prevented by force majeure or by fortuitous event from carrying out, in whole or in part, its</p>		
--	--	--	--	--

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

		<p>obligations under this Agreement and such Affected Party gives notice and details of the force majeure or fortuitous event to the other Party as soon as practicable, then the Affected Party shall be excused wholly or partially from the performance of its obligations herein. During the force majeure or fortuitous event, the Unaffected Party shall likewise be relieved of its obligations to the Affected Party, but only those obligations corresponding to the performance of the Affected Party excused by such force majeure or fortuitous event, unless provided otherwise.</p> <p>There will be no payment of any capacity fee or for any capacity that the EC cannot accept, or capacity that is unavailable, in case of outage during any force majeure.</p> <p>All other arrangements in case of force majeure or fortuitous may be agreed upon by parties and shall form part of the PSA, but should be consistent with the TOR.</p>		
6	18. Replacement Power	<p>Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the EC. During such outage, the EC shall source Replacement Power from other suppliers or from the WESM, at its own expense.</p> <p>In case the EC fails to secure its own Replacement Power, the Power Supplier, in coordination with and conformity of the EC, shall provide the Replacement Power. The cost of the Replacement Power shall be paid by the EC.</p> <p>Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Power Supplier. In the event of failure by the Power Supplier to provide the Contract Capacity and/or Contract Energy, or the Power Supplier was not able to provide supply from the specific plant provided in the PSA, including delay in the</p>	<p>Please confirm that the Replacement Power beyond the Allowed Outage can be sourced from the WESM.</p> <p>Clarification. Is the Seller still obligated to source out replacement power during allowed outage in case the Buyer fails to secure RP?</p> <p>Can we change "shall" to "may"...</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 approved charge for the PSA, whichever is lower.</p> <p>Yes. As per TOR provision.</p> <p>We maintain the wordings in the TOR provision.</p>

FOR MORE DETAILS:
L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

		<p>Commencement of Delivery (COD), the EC shall be allowed to source the Replacement Power at the expense of the Power Supplier. Provided further, 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 approved charge for the PSA, whichever is lower.</p> <p>In case of delay in the COD and the Power Supplier fails to timely nominate its replacement power, the EC 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 Power Supplier.</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>In case the EC fails to secure its own replacement power, the power Supplier, in coordination with and conformity of the EC, may provide the Replacement power. The cost of the replacement power shall be paid by the EC"</p> <p>If the Seller is bound to provide Replacement Power after the Buyer fails to secure its own replacement power, we would like to propose for LEYECO 2 to set "Parameters, Guidelines or Protocols during such occurrence for clarity purposes."</p>	<p>The parameters, guidelines or protocols will be discussed during the PSA negotiation.</p>
7	19. Billing Statement		Is unsigned advance copy of power bill acceptable?	Yes.
8	22. Reduction of Contract Capacity and/or Contract Energy	<p>The reduction of contract capacity shall be allowed in case of:</p> <ul style="list-style-type: none"> • Loss of captive customers due to implementation of Retail Competition and Open Access, the Renewable Energy Law, or other laws and policies • Reduction of demand of the EC due to circumstances beyond the control of the EC. <p>The Parties shall agree on a protocol subject to ERC approval.</p>	<p>We respectfully suggest that LEYECO II will consider a Pro-Rated Reduction Across Suppliers, In the event of a capacity reduction due to loss of captive customers, will the reduction be applied proportionally across all suppliers with similar contracts?</p> <p>Will this protocol be agreed during the PSA negotiation?</p>	<p>Yes. Reduction contract capacity will be applied proportionally.</p> <p>Yes.</p>

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamraf han kinabuki ...

9	23. 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>" specified in its bid proposal and shall form part of the bid price as specified in the formula for bid computation"</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>PPD may not be required, but if it is to be included in the bidder's offer or price, does it have a value or a consideration during the bid evaluation?</p>	<p>Yes.</p> <p>We would like to clarify that the discounts offered shall be included in the bid price.</p> <p>Yes. Discounts will be included in the bid evaluation.</p>
10	26. Assignment		How will this provision apply in case of sale of the power plant or in case of transfer of ownership of the power plant?	We maintain the TOR provision.
11	26. 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 (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	To ensure a clear understanding of cost recovery during Buyer curtailment events, we respectfully request the TPBAC to clarify how compensation will be handled if the Buyer is unable to take the Contracted Capacity due to a Transmission Utility failure? Specifically, will the Buyer be	Please refer to paragraph 4 of the provision about Transmission Failures.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

		<p>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>obligated to pay for the undelivered Contracted Capacity, and if so, will the payment be at the full contracted rate or a pro-rated amount reflecting the Buyer's inability to take delivery?</p> <p>Please confirm that it shall be at the Seller’s discretion to disapprove the RTN should the Buyer fail to provide the relevant documents pertaining to the Transmission Failure</p>	<p>No. The documents may be subject to the availability of the System Operator.</p>
12	28. Risk Mitigation and Value-Added Service		<p>Will this be a different agreement apart from the PSA or incorporated in the PSA itself?</p>	<p>To be discussed with the Winning Bidder during PSA negotiation whether or not it will be incorporated in the PSA.</p>
13	29. 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 kindly request the TPBAC to provide clarification regarding the formal procedure defining the charging and reconciliation process of Pass-through Line Rental charges between the EC and the Supplier, particularly in instances where the LR</p>	<p>The PhP1.00/kWh cap is determined on a per billing basis. Buyer shall issue a notice; in case the line rental surpasses the PhP1.00/kWh threshold.</p>

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

			<p>surpasses the predetermined threshold of PhP1.00/kWh (ie. Is the PhP1/kWh cap determined on a per billing basis? Or hourly?)</p> <p>Could we also confirm the process by which LEYECO II envisions how the Parties would settle recoveries when resulting LR is beyond P1.00/kWh? Will these be in a form of bill adjustments/discounts via credit memo?</p> <p>We would like to respectfully request LEYECO II to reconsider this requirement as LR does not form part of the generator's cost, but rather purely a market-/grid-driven charge.</p> <p>Will there be a monthly reconciliation for the LR?</p>	<p>Yes.</p> <p>We cannot consider this request. The reason will be further discussed during Pre-bid.</p> <p>Yes.</p>
14	30. 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>In case the approved rate is lower than the applied rate, we propose that the Buyer and the Seller will jointly seek for reconsideration in ERC.</p>	<p>This will not preclude the Bidder in filing an MR independently, even without the Buyer's participation and cooperation. ECs are mandated to deliver least-cost supply of power. If ECs will be part of the MR, then it may appear that it is not advocating for a cheaper electricity price.</p>

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



			<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>The factors that would be considered are the rate impact and the period of recovery.</p>
--	--	--	--	--

INSTRUCTION TO BIDDERS (TOR) AMENDMENTS / CLARIFICATIONS

ITEM	ITB PROVISION	REQUIREMENT	COMMENTS	AMENDMENTS/CLARIFICATION	
15	ITB-3	Transaction Schedule			<p>Deadline for submission of comments on Bidding Documents will be on April 5, 2024</p>
		<table border="1"> <tr> <td>Activities</td> <td>Date</td> </tr> <tr> <td>Deadline for submission of comments on Bidding Documents</td> <td>March 25, 2024</td> </tr> </table>	Activities		
Activities	Date				
Deadline for submission of comments on Bidding Documents	March 25, 2024				
16	ITB-6	<p>Pre-Bid Conference</p> <p>6.1-"The Pre-bid conference shall discuss, among other things, the technical and the financial components of the Transactions, and clarify any provisions, requirements, and/or terms and conditions of the bidding documents. The minutes of the Pre-bid conference shall be recorded and prepared not later than five (5) days after the pre-bid conference and shall be made available to all participants.</p>	<p>Will the answers to the clarifications/queries/proposals be possibly available also after five days?</p> <p>The above question is related with our next question on Bid Security and its preparations.</p>	<p>Clarifications or amendments will be issued not later than 15 calendar days before the deadline for submission of bids.</p>	

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
 Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuhí ...

			Hopefully bid bulletins will be released as soon as practicable particularly on the concern of Bid Security, which will take time to prepare since a third-party (bank) is involved.	
17	ITB-9	Eligibility Requirements For Bidders: Legal Documents (i)(2) "Tax Clearance (for the year 2022) from the BIR to prove Bidder's full and timely payment of taxes to the government."		Tax Clearance should be valid during the bidding process.
18	ITB-9.	Eligibility Requirements For Bidders: Technical Documents ITB-9.1.A.Technical Documents.b.7~8 "Number and average duration of scheduled and unscheduled outages for the last five (5) years. If applicable, the statement shall be supported by a valid certificate of compliance and/or license as a wholesale aggregator issued by the ERC and certification issued by NGCP System Operation (regarding plant outages).	NGCP takes time to reply or issue a certification for outages. In January 2024, we wrote a letter to NGCP requesting confirmation on our recorded outages, but there was no reply to date despite repeated follow-ups. We humbly propose that this particular eligibility requirement be dispensed with. As an alternative for the certification, can we submit our letter to NGCP (with recorded outages) with NGCP email acknowledgment? Or perhaps, we can submit GCMR or MOR?	Yes.
19	ITB-9	Eligibility Requirements For Bidders: Technical Documents ITB-9.1.A.Technical Documents.b.8.Paragraph 2. "The Bidder shall submit, as part of its technical proposal, the names of the power plant (from the matrix that will be provided)	Please explain/clarify this provision. Is this applicable to a single power plant (not a portfolio of plants)?	Yes. Indicate the name of the power plant only.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

Contact No.:

0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuhí ...

		from which it shall source the electricity, as well as the mechanism or protocol on how the manner of supply will be implemented"		
20	ITB-9	Eligibility Requirements For Bidders: Technical Documents ITB-9.1.A.Technical Documents.c. "Proof of/Documentation on track record for the last five (5) years of power plants operated by it.	Would GCMR or MOR suffice?	As long as the BAC can determine based on the submitted document the track record for the last 5 years of power plants operated by it.
21	ITB-9	Eligibility Requirements For Bidders: B. Class "B" Documents ITB-9.1.B.Class "B" Documents.a. "A document containing the names, address and contact details (including) telephone numbers, fax numbers and email addresses) of Bidder and his authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA)"	Would a Secretary Certificate (with the required information) suffice?	Yes
22	ITB-17	Bid Security. 17.1-"Bidders shall furnish, as part of the Bid, a bid security equivalent to three (3)-month contract cost..."	Please clarify how many days are we going to use for a month? Would it be standard 30 days, or 31 days?	30 days
23	ITB-17	Bid Security. 17.1-"...For the purposes of computing the Bid Security, the bid price to be used in the base price. The Bid Security folder must also contain the computation of the total amount of the Bid Security"	The Bid or Offer always takes time to be approved by the Top Management, which if approved will be out and sealed a night prior to the bid submission and opening for being highly confidential in nature. -For most Gencos, SBLC is the most preferred form of security deposit for not only convenient and efficient, but	No. Use offered Base Price at 100% Capacity Utilization Factor (CUF). (Not Escalated)

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:
Contact No.:

JINUARD S. ASIS
0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamrag han kinabuki ...

			<p>the same is explicitly allowed under ITB 17.2. However, it will again take time to prepare and transact the issuance of SBLC as a form of Bid Security with banks.</p> <p>- In order to prepare the bid security ahead of time and to ensure that no bidders will be disqualified simply because of incorrect computation of the bid security, we would like to propose that the maximum bid price mentioned in TOR-12 must be disclosed and be used as basis for the computation of Bid Security.</p> <p>'-Please also clarify that if the actual Bid Security is higher than the Required bid security amount, the bid offer is still valid/acceptable. However, we would still insist on giving due consideration to our preceeding suggestion by using the maximum bid price in TOR-12 as the basis in computation of bid security.</p> <p>'-We would also like to request that the BAC decision on this matter will be released as soon as possible or within the 5-day period from deadline on the submission of comments, queries or clarifications in relation to our comment on ITB-6 as fore-mentioned.</p>	
--	--	--	--	--

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT:

JINUARD S. ASIS

Contact No.:

0906 574 7708 / leyeco2csp@gmail.com



LEYECO II

Lamraf han kinabuki ...

24	ITB-17	Bid Security	Expiry Date	Expiry date should be <u>October 25, 2024</u>
25	ITB-18	Alternative Proposal By Bidders	What does this mean?	Alternative proposal means an offer other than what was duly submitted first to the BAC during the submission and opening of bids.
26	ITB-23.4	Bid Price: For Indexed Offer "...the Fixed and Variable operations and maintenance fees and the Fuel Cost shall be escalated using the PH CPI"	-On Fuel Cost indexation using PH CPI, is this for evaluation purposes only? Please clarify.	Yes. For evaluation purposes only.
27	ITB vs Checklist	We understand that ITB supersedes the checklist should there be any inconsistencies	Please confirm.	Yes
28	PSA Draft	Schedule 5: FOREX: 56.9030	Please clarify if the said FOREX is only for the computation of the base price and evaluation purposes only. Or it would be the FOREX to be used all throughout the PSA?	The FOREX is only for the computation of the base price and for evaluation purposes only.
29	PSA Draft	Schedule 5: FC (Fuel Cost)	Please clarify the adjustment factor for the fuel cost.	Based on Schedule 5, there is no adjustment factor for the fuel cost.
30	PSA Draft	Security Deposit		Buyer is not required to provide.

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
Contact No.: 0906 574 7708 / leyeco2csp@gmail.com



LEYECO II
Lamrag han kinabuhí ...

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 TYRON JAN G. ALBAO
L2 PSCSP BAC Chairman
March 26, 2024

FOR MORE DETAILS:

L2 PSCSP BAC SECRETARIAT: JINUARD S. ASIS
Contact No.: 0906 574 7708 / leyeco2csp@gmail.com