

**SUPPLEMENTAL/BID BULLETIN NO. 2
COMPETITIVE SELECTION PROCESS
LIMA ENERZONE CORPORATION
2ND ROUND**

MATTERS ARISING FROM THE PRE-BID CONFERENCE

This Supplemental/Bid Bulletin is being issued to address the matters arising from the Pre-Bid Conference last February 26, 2021. The following will be made an integral part of the Bid Documents.

| Item | Bid Document & Section | Amendment/Clarification/Instruction |
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| CLARIFICATION | | |
| 1 | Bid Document Section 4 - Minimum Supply Requirement Tariff Structure | <p>Bids will be evaluated based on the following:</p> <ol style="list-style-type: none"> 1. Levelized Cost of Energy (LCOE) for the Generation Rate at 70% load factor 2. Line Rental 3. Replacement Cost 4. Other Taxes 5. Discount/s <p>Fuel Consumption Efficiency Cap of 0.75 kg/kWh plus an annual degradation factor of 1.5% cap shall be imposed as part of Schedule 7.1 of the PSA.</p> |
| 2 | Bid Document Section 4 - Minimum Supply Requirement Price Cap | Lima Enerzone’s President and COO will communicate the price cap through the Secretariat email address before the opening of bids. It will remain undisclosed until there are two bidders qualified for Bid Procedure item “n”. |
| 3 | Bid Documents Annex “8” - Bids | Corporate Secretary or an officer duly authorized by a resolution of the board of directors or partners, in the case of partnership, may certify the documents requiring certification in Annex “8” except for the Final Generator Nodal Ex-Ante Prices which will require IEMOP’s certification. |
| 4 | Bid Documents Annex “8” - Bids | For plants under testing and commissioning, submit your proposed connection to the transmission grid and the Certification from IEMOP of Bidder’s nominated Final |

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| | | Generator Ex-Ante Nodal Prices of the adjacent plant. |
| 5 | Bid Documents and PSA | <p>A Partnership duly registered in the Securities and Exchange Commission is allowed to participate in the CSP. Reference to Corporation or Company will be revised if the winning bidder is a Partnership.</p> <p>An Administrator of a plant output is also allowed to participate in the CSP. The recitals in the PSA will be revised accordingly in the event that a Partnership or Administrator secures the contract.</p> <p>Further, Articles of Partnership and By-Laws shall be submitted in lieu of Articles of Incorporation and By-Laws.</p> <p>Furthermore, the Provisional Authority to Operate (PAO) in lieu of a COC and the Generation Company Management Report (GCMR) for item “e” of the Second Bid E-Submission.</p> |
| AMENDMENT | | |
| 1 | Bid Document Section 3 - Annual Maximum Energy | Unforced outage is replaced with Scheduled Outage. |
| 2 | Bid Document Item 9 Bid Procedures | Performance Security in sub-items (q) and (r) is replaced with Bid Security |
| 3 | Bid Document Section 3 - Bid Security | Validity of Bid Security is revised to June 25, 2021. |
| 4 | Bid Document Annex 7 Item 5 | 5. [name of Bid Participant] unconditionally and irrevocably waives any right to seek and obtain a writ of injunction or prohibition or restraining order against Lima enerzone, the TPBAC or its members sought to prevent or restrain the Bid or any proceedings related and incidental thereto, the declaration of the winning bidder, and the execution of the PSA. |
| 5 | Bid Documents Annex “8” - Bids 2. First Bid Envelope, Item c | Correction of reference from Annex “6” to Annex “9”. |
| 6 | Bid Documents Annex “9” - | 3rd item of the Verification of Bid Submission - Form is revised and will read as: |

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| | Verification of Bid Submission | I hereby give consent and give authority to the Lima Enerzone Third Party Bids and Awards Committee ("TPBAC"), to verify the authenticity and correctness, of any or all of the documents and statements submitted herein; and that any misrepresentation or false statements made therein shall be ground for outright disqualification and/or ineligibility of the Company from the Bidding. |
| 7 | PSA Section 5.2.2 Commencement Date | Scheduled Commencement Date is revised: 5.2.2 In the event that any condition required under Article 5.2.1 is not satisfied by April 26, 2021 (the "Scheduled Commencement Date"), the Customer may, at its sole option, elect to take any of the following remedies: |
| 8 | PSA Section 5.2.2 Commencement Date | Correction on Section 5.2.2, last item should be labelled as "c" not "a" |
| 9 | PSA Section 7.1 Supply of Capacity and Associated Energy | The Supplier shall make Contract Capacity available and Deliver Associated Energy to the Customer from the Commencement Date until the end of the Contract Period, at the Delivery Point specified in item 3 of Schedule 3 (Conditions), and at the Contract Price specified in Schedule 7.1 (Rates Schedule); provided, that the Supplier may (subject to Customer's right to procure Replacement Power pursuant to Articles 7.9 and 7.10 of this Agreement) Deliver Replacement Power to the Customer from other sources (including the WESM) at the Contract Price, and any such Replacement Power shall be deemed Delivered from the Plant; provided further, that provision of Replacement Power shall be subject to Section 8.3. Under no circumstance shall this provision be construed as preventing or inhibiting the Customer from procuring power directly from the WESM. |
| 10 | PSA Section 7.5b Supply of Capacity and Associated Energy | 7.5 (b) Subject to Article 7.7 below, in case the Customer reduces the Contract Capacity for any reason whatsoever (including procurement of its electricity requirements from an alternative source), the Customer shall notify the Supplier of the reduction of the Contract Capacity within ten (10) Days prior to the date of the proposed reduction, subject to the right of the Supplier to consent to such reduction. |
| 11 | PSA | a. assign, transfer, designate, delegate or allocate |

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| | Section 7.7.1 (a) Supply of Capacity and Associated Energy | (collectively in this context, "Transfer") to any Affiliate of the Customer , its rights and obligations to purchase and receive such portion of the Contract Capacity that is no longer required by the Customer as a result of the issuance or implementation of the policies, rules and regulations contemplated under Article 7.7, provided, that, if the Transfer is to a third party that is not an Affiliate of the Customer, Supplier's consent shall be obtained, which the Supplier shall not unreasonably withhold ; or |
| 12 | PSA Article 8.3 - Outages | The Supplier shall provide the Customer with Replacement Power under the following conditions : |
| 13 | PSA Articles 8.4.1 and 8.4.2 - Outages | <p>8.4.1 Within fifteen (15) days after the submission to the System Operator of the Sellers Annual Maintenance Plan for the succeeding calendar year (the "Annual Maintenance Plan"), and not later than one (1) month prior to the end of every Contract Year, the Supplier shall inform the Customer of its Scheduled Outages. In case of any revisions to the Annual Maintenance Plan approved or initiated by the System Operator, the Supplier shall keep the Customer informed thereof immediately, but in no case less than sixty (60) Days prior to the start of such revised Scheduled Outage.</p> <p>8.4.2 In case of Scheduled Outages other than those in the Annual Maintenance Plan, the Supplier shall: (i) notify the Customer in writing at least fifteen (15) Days prior to notifying the System Operator; and (ii) comply with the requirements of the System Operator.</p> |
| 14 | PSA Article 9.2 item (c) - Discounts | the Customer pays the Billing Statement in full on or before tenth (10th) Day following the receipt of the Billing Statement . |
| 15 | PSA Article 13.3.2 - Effect of Force Majeure | <p>Additional provision to clarify the effect of FM on the customers of subic enerzone.</p> <p>13.3.2 If an event of Force Majeure prevents the Supplier from Delivering the Contract Capacity and Associated Energy (or a portion thereof) to the Customer, the applicable provisions of Article 8.3.2 shall apply.</p> <p>If any event of Force Majeure prevents the Customer from taking Delivery of the Contract Capacity and Associated Energy (or a portion thereof) from the Supplier, or any event of Force Majeure reduces the demand for energy of</p> |

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| | | <i>the Customer, the Customer may request for a temporary reduction in the Contract Capacity, and the Supplier may sell such capacity and energy to third parties, provided, the Supplier shall immediately recommence sales to the Customer following discontinuance of such event of Force Majeure affecting the Customer upon an hour prior written notice.</i> |
| 16 | PSA Article 15.2 items (e) and (f) - REPRESENTATIONS, WARRANTIES AND COVENANTS | Additional provisions to reflect mutual representation and warranties. (e) It is a direct WESM Member of good standing; |
| 17 | PSA Section 17.4.1 (c) Termination Upon Event of Default | (c) In circumstances where the Party in receipt of the Termination Notice has referred a Termination Notice Dispute for resolution in accordance with Article 17.4.1 (a) above, if: |
| 18 | PSA Article 24.1 - Assignment or Transfer | 24.1 Except as otherwise provided under this Agreement, neither Party shall assign or transfer all or any part of its rights, benefits or obligations hereunder without the prior written consent of the other Party, provided, that, such written consent shall not be unreasonably withheld. |
| INSTRUCTION | | |
| 1 | Bid Document Annex "3" - Bid Security | List of preferred banks for the Irrevocable Standby Letter of Credit : FOREIGN ISSUING BANKS AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, MANILA BRANCH (ANZ) CTBC BANK (PHILIPPINES) CORP. (FORMERLY CHINATRUST) DEUTSCHE BANK AG, MANILA BRANCH ING BANK N.V. MANILA BRANCH (ING) MIZUHO BANK, LTD. MANILA BRANCH MUFG BANK LTD (FORMERLY BANK OF TOKYO MITSUBISHI – MITSUBISHI UFJ, LTD. MANILA (BTMU)) STANDARD CHARTERED BANK (SCB) THE HONGKONG AND SHANGHAI BANKING CORPORATION (HSBC) LOCAL ISSUING BANKS BDO UNIBANK INC (BDO) BANK OF THE PHILIPPINE ISLANDS (BPI) CHINA BANKING CORPORATION (CBC) DEVELOPMENT BANK OF THE PHILIPPINES (DBP) LANDBANK OF THE PHILIPPINES (LBP) METROPOLITAN BANK AND TRUST COMPANY (MBTC) PHILIPPINE NATIONAL BANK (PNB) RIZAL COMMERCIAL BANKING CORPORATION (RCBC) SECURITY BANK CORPORATION (SBC) UNION BANK OF THE PHILIPPINES (UBP) |

| | | <p>For Manager’s Check, Bidders may deposit the amount in the amount in the account below:</p> <p>Company Name: Lima Enerzone Corporation Bank: Union Bank of the Philippines Branch of account: Plaridel Cebu City Account # : 00-275-000205-4 SWIFT CODE: UBPHPHMM</p> <p>Lima Enerzone Corporation shall only accept cash, SBLC and Managers check for the Bid Security and Performance Security.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------|---|---|------|--------|-------|------------|---|--------|------------|---|--------|------------|---|--------|-------|-------|-------|------------|----|--------|------------|---|--------|------------|---|--------|-------|-------|-------|-----------|---|--------|--------------------|--|--|
| 2 | <p>Bid Documents Annex “8” - Bids 2. Second Bid Envelope, Item e.iii</p> | <p>Certification from IEMOP shall be presented using a simple average of the Final Generator Nodal Ex-Ante Prices on a billing period basis. The billing Period covered is from February 26, 2019 – February 25, 2020.</p> <p>For the purpose of evaluating the Line Rental Charges, the Final Generator Nodal Ex-Ante Prices shall be in the prescribed format, in an excel file.</p> <table border="1" data-bbox="611 1137 1337 1839"> <thead> <tr> <th>Date</th> <th>Period</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>26/10/2019</td> <td>1</td> <td>2510.1</td> </tr> <tr> <td>26/10/2019</td> <td>2</td> <td>1970.5</td> </tr> <tr> <td>26/10/2019</td> <td>3</td> <td>1899.8</td> </tr> <tr> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td>26/10/2019</td> <td>24</td> <td>2607.7</td> </tr> <tr> <td>27/11/2019</td> <td>1</td> <td>1500.0</td> </tr> <tr> <td>27/11/2019</td> <td>2</td> <td>2500.0</td> </tr> <tr> <td>.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td>28/11/201</td> <td>1</td> <td>1578.2</td> </tr> <tr> <td colspan="3" style="text-align: center;">So on and so forth</td> </tr> </tbody> </table> <p>Bidders are required to follow the prescribed format. Failure to do so will automatically set your Average Line Rental Rate to 50 centavos per kWh.</p> | Date | Period | Value | 26/10/2019 | 1 | 2510.1 | 26/10/2019 | 2 | 1970.5 | 26/10/2019 | 3 | 1899.8 | | | | 26/10/2019 | 24 | 2607.7 | 27/11/2019 | 1 | 1500.0 | 27/11/2019 | 2 | 2500.0 | | | | 28/11/201 | 1 | 1578.2 | So on and so forth | | |
| Date | Period | Value | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26/10/2019 | 1 | 2510.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26/10/2019 | 2 | 1970.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26/10/2019 | 3 | 1899.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26/10/2019 | 24 | 2607.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 27/11/2019 | 2 | 2500.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 28/11/201 | 1 | 1578.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| So on and so forth | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Please be guided accordingly.

**THIRD PARTY BIDS AND AWARDS COMMITTEE
LIMA ENERZONE CORPORATION**

By:


JUSTIN JAY G. NAVARRO
Chairman, TPBAC

March 4, 2021

ANNEX “a”

Economic Indices for LCOE Computation

| | March 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------|------------|--------|--------|--------|--------|--------|
| Philippine CPI | 122.30 | 128.23 | 132.20 | 136.17 | 140.25 | 144.46 |
| US CPI | 258.12 | 263.89 | 269.98 | 276.18 | 282.32 | 288.69 |
| Peso to Dollar Forex | 50.90 | 49.2 | 49.3 | 49.1 | 49.4 | 49.4 |
| Coal \$/MT | 66.6 | 57.8 | 58 | 58.3 | 58.5 | 58.8 |
| Interest Rate | | 3% | 3% | 3% | 3% | 3% |