



# PAMPANGA I ELECTRIC COOPERATIVE, INC.

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January 6, 2020

## Supplemental Bulletin No. 06

### Procurement of 15MW Renewable Energy Power Supply Agreement

The following items shall form part of the Bidding Document (Instruction to Bidders):

TERMS OF REFERENCE (TOR)																															
No.	Subject (refer to TOR for details)	Bidder's Suggestion/Question/Clarification	PELCO I Answers/Response																												
1	Type of Contract	<p>(a) We suggest that the secondary supplier (winning bidder) will automatically supply the volume (up to 15 MW) on top of the 25 MW baseload being supplied by the primary supplier</p> <p>(b) If the volume to be provided by the secondary supplier is uncertain, we suggest that the pricing be reverted to cost-based</p> <p>*Kindly clarify the specific volume which we will supply</p>	<p>The Minimum Annual Energy is 21,000,000 kWh to include all RE supplier with RE Eligible plant. However, Supplier may provide the following energy volume per month:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Available Energy, kWh</th> </tr> </thead> <tbody> <tr><td>Jan</td><td>4,000,000</td></tr> <tr><td>Feb</td><td>3,500,000</td></tr> <tr><td>Mar</td><td>6,000,000</td></tr> <tr><td>Apr</td><td>10,000,000</td></tr> <tr><td>May</td><td>10,000,000</td></tr> <tr><td>Jun</td><td>10,000,000</td></tr> <tr><td>Jul</td><td>6,500,000</td></tr> <tr><td>Aug</td><td>5,500,000</td></tr> <tr><td>Sep</td><td>5,000,000</td></tr> <tr><td>Oct</td><td>9,000,000</td></tr> <tr><td>Nov</td><td>6,500,000</td></tr> <tr><td>Dec</td><td>5,500,000</td></tr> <tr><td>TOTAL</td><td>81,500,000</td></tr> </tbody> </table>	Month	Available Energy, kWh	Jan	4,000,000	Feb	3,500,000	Mar	6,000,000	Apr	10,000,000	May	10,000,000	Jun	10,000,000	Jul	6,500,000	Aug	5,500,000	Sep	5,000,000	Oct	9,000,000	Nov	6,500,000	Dec	5,500,000	TOTAL	81,500,000
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TOTAL	81,500,000																														
2	Contracted Capacity	We suggest to revert to CRF + O&M based on Php/kW/mo. Kindly confirm final decision.	Pure Energy-Based Price																												
3	Contracted Energy	Please provide PELCO I's daily load profile for the past twelve (12) months in Excel format	Provided already																												
4	Contract Duration	If the target delivery date is moved, do we also extend the contract to complete the ten-year supply?	120 months from Month 1 (actual delivery month)																												
5	Target Delivery Date																														

6	Tariff Structure	To clarify, this would be translated to Php/kWh. But the tariff structure would still be CRF + FO&M + VO&M + fuel*?	Pure Energy Based Price, but show the breakdown of prices as per DOE, NEA and ERC requirements
7	Outage Allowance	(a) Since we will provide Replacement Power, what is the purpose of Outage Allowance? Does this pertain to the times wherein the contracted plant cannot physically deliver the supply?  (b) If the supplier's plant is operational but capability is low, can it be considered part of unscheduled OA?	(a) Supplier will provide replacement power,  (b) No
8	Force Majeure	---	---
9	Replacement Power	Please clarify if replacement power can come from a RE plant but not necessarily an RE-eligible plant	Replacement power can come from a RE plant but not necessarily an Eligible RE plant, however should the supply from Eligible RE plant is insufficient, Supplier will provide the required RECs.
10	Currency	---	---
11	Regulatory Approvals	(a) Can PELCO I change the term wherein if there is a downward rate adjustment as directed by the ERC, the Customer and Supplier will enter into negotiation for a specified period (PELCO I to specify) but a walk away provision should be included? (b) If ERC adjusts the rate upward, this will not be a ground for termination as well? (c) We understand that the contract will commence upon issuance of the Provisional Authority (PA) by the ERC. Will we extend the contract duration if PA issuance is delayed?	(a) Offer a competitive and reasonable price,  (b) ERC will approve whichever is lower,  (c) 120 months from actual delivery month
12	Source of Power	---	---
13	Eligibility Requirements	Suggest to revise as "partnership or consortium" for consistency with the requirements under "Legal Documents" #11	Already revised
14	Billing Metering Points	---	---
15	Security Deposit	Please clarify that this refers to the deposit to be set-up by PELCO to winning bidder	This refers to the deposit to be set-up by PELCO I to winning bidder

16	Reduction in Contracted Capacity	(a) Will this be pro-rated per supplier?  (b) Kindly provide the formula or methodology for the computation of reduction in Contracted Capacity	(a) Pro-rated per supplier, (b) Based on energy volume
17	Nomination Protocol	(a) If day-ahead nominations are non-binding, what will be the basis? We suggest that day-ahead nominations be the basis, please confirm.  (b) If PELCO submits a revised nomination due to unscheduled outages, what report will PELCO submit as proof (i.e. report from NGCP)?  (c) What is the expected timeline from nomination to declaration?	Already answered by Supplemental No. 5, No nomination. Supplier shall provide the generated and allocated energy to PELCO I.
18	Application Process with the ERC	---	---
19	Rate Review / Repricing	What will be the basis for the repricing?	Negotiation on the 5th year of the Contract. Price will be based from Average LWAP for past 3 years at PELCO I trading node
20	Line Rental	Please confirm if the bidder will be disqualified if it did not put an LR cap.	Put LR fixed charge
21	Penalties	---	---
22	Grounds for Termination	Does the event of default apply to both the supplier and PELCO I?	Yes
23	Others	How will PELCO I evaluate the offer? Please specify if there are additional terms which will "add points" to the bidder such as Prompt Payment Discount. Kindly specify all possible considerations which may be added so that bid comparison will be apples to apples and clarify that other additions apart from the ones provided by PELCO will not be considered as part of the evaluation.	Based on 10 years LCOE, rate impact simulation and analysis, and other legal, technical and financial matters

**I. ELIGIBILITY / QUALIFICATION REQUIREMENTS (ENVELOPE 1)**

**A. LEGAL DOCUMENTS: FOLDER 1**

1	A document containing the name, address and contact details, including telephone number(s) and email address(es) of the Bidder and its authorized representative(s) who will sign the PSA	Clarify that this refers to the representatives who will be physically present to submit the bid and that this can be a document which is signed and approved by the bidder's authorized signatories, no need to notarize.	Refers to bidder and the authorized representative(s) who will sign the PSA, No need to notarize
2	SEC Registration Certificate and recent General Information Sheet submitted to SEC	---	---

3	Article of Incorporation and By-laws or a Memorandum of Partnership duly certified by the relevant authorities	---	---
4	Valid Business License and Mayor's Permit issued by the city or municipality where principal place of business is located	---	---
5	BIR Value-Added Tax Registration	---	---
6	Proof of VAT Payments for the past six (6) months	Clarify that for RE suppliers, we can provide VAT declaration instead (2550-M / 2550-Q)	Already clarified in the Supplemental Bulletin No. 2
7	Valid Tax Clearance from BIR	---	---
8	Bidder's authority to participate in the bidding and execute the PSA	Can be the same as #9?	Yes
9	Board Resolution or Notarized Secretary's Certificate for Bidder's Authorized Representative	Can be the same as #8?	Yes
10	Notarized Omnibus Sworn Statement (Annex E)	Form was already provided	Form was provided
11	If Bidder is under partnership or consortium, present an evidence of agreement that they are jointly and severally liable in this bidding	Not applicable	
12	Bidder's Certificate of Good Performance from existing and previous customers in the past three (3) years	(a) Clarify that there is no minimum required number of certificates  (b) Clarify that there is no required template/format for the certificate	(a) None as long as included in the past 3 years, (b) No template provided
<b>B. TECHNICAL DOCUMENTS: FOLDER 2</b>			
1	General Information of the Bidder's power plant(s), specifically the design data (type, number of unit(s), capacity, site(s), grid connection(s))	---	---
2	Risk Management Plan including insurance	(a) If bidder can't provide PELCO a copy of the Risk Management Plan, can the bidder just provide a certification that it has one?  (b) If bidder can't provide a copy of the insurance policies, can bidder just provide a list of the types of insurance and their corresponding providers? As discussed during the Due Diligence, if a list will suffice, it must be signed by an authorized representative of the bidder's company, please clarify if this needs to be notarized.	Already clarified in Supplemental Bulletin No. 2

3	Proof of Technical Capacity	Clarify that this means Table of Organization with resume of Technical Heads	Qualification of key and technical officers
4	Statement in matrix form of similar projects owned, developed, constructed and/or operated by the Bidder in the last three (3) years, indicating and describing the project type, location and clients. Include contact details of the clients i.e. person, address, telephone/mobile number(s) and email address(es)	(a) Clarify that this is Annex F  (b) TPBAC to resolve if a Certificate of Credit Line issued by a commercial bank will suffice	(a) Template was provided in Annex F,  (b) Already clarified in Supplemental Bulletin No. 2
5	Evidence of ownership of right, title or interest in the site(s)	What proof does PELCO I require?	Any proof of ownership of right or title, contract of lease, etc.

### C. FINANCIAL DOCUMENTS: FOLDER 3

1	Complete set of Audited Financial Statements, stamped "received" by the BIR, for the past three (3) years, showing, among others, the Bidder's total and current assets and liabilities. Complete set of financial statement includes the following: 1) Balance Sheet 2) Income Statement 3) Statement of changes in equity 4) Cash Flows Statement 5) Notes to Financial Statement 6) Statement of Management Responsibility for Financial Statement		
2	Capitalization	Clarify that a portion of the recent GIS where the capitalization is shown will suffice	Yes
3	A duly notarized Certificate of Bank Deposit from Universal or Commercial Bank accredited by Central Bank that the deposited amount will be exclusively used to finance the project if the ESA (Electric Supply Agreement) will be awarded in its favor	Is this applicable or irrelevant?	Deleted
4	The Bidder's computation for its Net Financial Contracting Capacity (NFCC) must be at least equal to the ABC to be bid,	Clarify if NFCC will still be required or if any proof of financial standing (i.e. AFS, line of credit) will suffice	Compute the NFCC

	calculated as follows: $NFCC = [(Current\ assets\ minus\ current\ liabilities)\ (K)] - Value\ of\ Outstanding\ Projects$ Where $K = 10$ for contract duration of one (1) year or less = 15 for contract duration of more than one (1) year up to two (2) years = 20 for contract duration of more than two (2) years		
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**D. CLASS "B" DOCUMENTS: FOLDER 4**

1	Valid Joint Venture Agreement (JVA), in case of a joint venture is already in existence. In the absence of JVA, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the Bid is successful. Each partner of the joint venture shall submit the required eligibility documents.	Not Applicable	
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**II. BID DOCUMENTS (ENVELOPE 2)**

**A. TECHNICAL BID (FOLDER 1)**

1	Bid Security as to form, amount and validity period (Annex D)	(a) Please provide a specific date and time for the expiration of the LC for clarity.  (b) Can we reduce the basis of the Bid Security to one (1) year?  (c) Can we also reduce the basis of Performance Security to one (1) year?	Already clarified in Supplemental Bulletin No. 2
2	Scheduled and Unscheduled Outage Allowance	What information does PELCO I need to see here?	Commitment on SO and UO Allowance

**B. FINANCIAL BID (FOLDER 2)**

1	Bid Prices in the prescribed Bid Form	Please provide the prescribed Bid Form and Acceptance Form	Acceptance Form was provided. Final Bid Form to be provided
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Prepared by: **PELCO I TPBAC**

Approved by:

  
**ENGR. OLIVER S. VERGARA**  
TPBAC Chairperson

  
**ENGR. REMILUZ C. MAGLAQUI**  
OIC - General Manager

JSP / AMS / EYG / DTG / JAE