

CHECKLIST OF REQUIREMENTS

RENEWABLE ENERGY (RE) CONTRACT APPLICATION

A. Legal Requirements

1. Individual or Proprietorship

1. Birth Certificate issued by the Philippine Statistics Authority (*PSA Certified*)
2. Current Business Permit (*Certified True Copy*)
3. Department of Trade and Industry (DTI) Registration, if applicable (*Certified True Copy*)
4. Special Power of Attorney to Negotiate and Enter into RE Contract with DOE, if applicable

2. Corporation/ Joint Venture/ Consortium/ Cooperative

1. By-Laws (BL) and Articles of Incorporation (AOI) and BL and AOI of its corporate stockholders (*SEC-Certified or CDA-Certified or NEA-Certified*)
2. Board Resolution authorizing its representative to Negotiate and Enter into RE Contract with DOE, if applicable
3. Latest General Information Sheet (GIS) and latest GIS of its corporate stockholders (*Certified True Copy*)
4. Current Business Permit (*Certified True Copy*)
5. Organizational Chart of the Company (*Certified True Copy*)

3. Local Government Units

1. Council Resolution approving the proposed project and authorizing its representative to negotiate and enter into RE Contract with DOE

4. Valid Government ID

1. Passport ID or any valid government-issued ID of the Authorized representatives, i.e., signatory and witness under the RE Contract

B. Technical Requirements

1. Work Program in Gantt Chart following the applicable template
2. Proposed RE Project Site/Area Location Map and Technical Description as verified by ITMS
3. Duly Accomplished and Sworn Affidavit of Acquisition of Possessory Rights:
 - 3.1. Annex N.3 - Template Affidavit of Acquisition of Possessory Rights over the Private Lands for RE Service Contract Application
 - 3.2. Annex N.4 - Template Affidavit of Acquisition of Possessory Right over Public Lands for RE Service Contract Application
4. For RE Operating Contract (Solar, Biomass, and Waste-to-Energy, except for non-power applications):
 1. Power Supply Agreement (PSA) or any form of supply agreement;
 2. System Impact Study (SIS);
 3. Duly Accomplished and Sworn Affidavit of Acquired Possessory Rights:
 - c.1. Annex N.1 - Template Affidavit of Acquired Ownership/Possessory

Rights over the Private Lands for RE Operating Contract Application

- c.2. Annex N.2 - Template Affidavit of Acquired Ownership/Possessory Right over Public Lands for RE Operating Contract Application
- 4. Inclusion in Transmission Development Plan
 - d.1 If a project is not initially included in the TDP, an Affidavit of Undertaking (AOU) expressing their commitment to enter into an arrangement to connect to the grid/distribution system, as applicable

For Biomass Energy Only - Feasibility Study to include

- a. Mass Energy Balance Diagram
- b. Site Development Plan
- c. Fuel Supply and Logistic Study
- d. Waste Analysis and Characterization Study (additional if MSW)

For Solar Energy Only – Feasibility Study to include:

- a. **Market Aspect** – Identify its available target market and its projected electricity rate (e.g. as a merchant plant under the spot market or as generating plant covered by Bilateral Agreement with Distribution Utilities, Suppliers, or End-Users in accordance with the RPS, GEOP, or any applicable market covered by current rules and guidelines).
- b. **Technical Aspect** – Technical study affirming that the Available solar resource in the Contract area is in commercial quantity including discussions and attachments on the source of solar resource data, result of simulation using industry standard software (e.g., Pvsyst, Solnrg, etc.), engineering designs (e.g., PV layout, single line diagram for AC and DC, and general specifications of equipment), Annual Energy Production Estimates of the Project; and Performance Ratio.
- c. **Financial Aspect** – Preliminary runs on the financial Feasibility of the available solar resource within the Contract Area vis-a-vis the identified market/s. Attachment shall include financial models at different markets stipulating the financial measures such as IRR, NPV, LCOE, among others.
- d. **Management Aspect** – Detailing the strategies on the construction and commercial operation of the project (e.g. EPC Contractor, Owner's Engineer and O & M Contractor).
- e. Proofs or application to secure right of way, applicable social and environmental permits/clearances (e.g. EPC Contractor, Owner's Engineer and O & M Contractor) (Certified True Copy or Original and Notarized Undertaking)

C. Financial Requirements

1. Audited Financial Statement for the last two (2) years and, if the filing date is three (3) months beyond the date of the submitted audited Financial Statement, Unaudited FS is required, where the following financial analysis may be derived:

- a. Available Working Capital (AWC) = Liquid Assets Less Current Liabilities, where Liquid Assets is the Residual Current Assets less Non-Quick Assets (e.g. Inventories, Prepayments, etc.) and other financial commitment of the applicant for existing projects with the DOE.
- b. Debt Equity Ratio = Total Liabilities/Total Stockholders Equity where the ratio should not exceed:
 - i. For Small to Medium Size RE Project, the Debt-to-Equity ratio shall not exceed 1.5:1.0

RE Resource	Potential Capacity
Biomass	up to 20.000MW
Waste-to-Energy	up to 12.000MW
Solar	up to 10.000MW
Hydropower	up to 49.999MW
Wind (Offshore/Onshore)	up to 0.999MW

- ii. For Large Size RE Project, the Debt-to-Equity ratio shall not exceed 2.0:1.0

RE Resource	Potential Capacity
Biomass	More than 20.000MW
Waste-to-Energy	More than 12.000MW
Solar	More than 10.000MW
Hydropower	50.000MW and above
Wind (Offshore/Onshore)	1.000MW and above

- iii. For Geothermal and Ocean Projects, the Debt-to-Equity ratio shall not exceed 2.0:1.0

- c. Authorized Capital Stock – Amount should be enough to sustain its operation for the 1st year of the Work Program, if not sufficient and additional Capital is required, a Board Resolution should be submitted to support the increase in capitalization with a duly stamped received by the Securities & Exchange Commission (SEC).
- d. For an Unaudited FS - Original Bank Certification to support the Cash in Bank balance as reflected in the financial statements.

For Newly Organized Corporation, operating less than a year; or Subsidiary

Corporation, newly organized or not; with insufficient funds to finance the proposed work program with guarantee from parent company, the RE Applicant shall submit on top of its financial requirements the following:

1. Parent Company's financial documents per item 1 above
2. Duly notarized Letter of Undertaking/Support from the Parent Company to fund the work program.

Criteria for Financial Evaluation

1. 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.
2. Liquid Assets shall consist only of cash, trade accounts receivables and short-term investments/placements. Credit line is not a Liquid Asset.
3. The applicant's available working capital for each RE application should be net of the fund requirements from other RE applied areas/existing service contracts and conventional energy contract applications/existing service/operating contracts.

D. Other Requirements

1. Proof of Participation in Mandatory RE Application Orientation

Area Verified by	Remarks	Date
ISD-ITMS		
Confirmation of Area Verified (for Hydro only) by	Remarks	Date
HOEMD staff		
Verification of Completeness Conducted By	Remarks	Date
REMB Division Staff		