

**CONTRACT AGREEMENT**  
**Procurement of Services for ISO 50001 Energy Management System**  
**Implementation and Certification of the Department of Energy**

**KNOW ALL MEN BY THESE PRESENTS:**

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_ 2023 by and between:

The **DEPARTMENT OF ENERGY**, a government agency created by virtue of Republic Act No. 7638, as amended, with principal office address at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila represented herein by its **Director, Patrick T. Aquino, CESO III**, hereinafter referred to as "**DOE**"

and

**PHILIPPINE INSTITUTE OF ENERGY MANAGEMENT PROFESSIONALS, INC.**, a domestic corporation organized and existing under the laws of the Republic of the Philippines, with principal office at 1535 Gen. Alejo Santos Highway, Plaridel, Bulacan, represented by its President, Mr. Marionel Peralta, hereinafter referred to as "**PIEMPI**".

DOE and PIEMPI are collectively referred to as "**PARTIES**" and individually referred to as "**PARTY**".

**WITNESSETH:**

**WHEREAS**, Section 5 of Republic Act (RA) No. 11285 or the "*Energy Efficiency and Conservation (EEC) Act*", the DOE shall be the lead agency in the implementation of the said Act. It shall be responsible for the planning, formulation, development, implementation, enforcement, and monitoring of energy management policies and other related energy efficiency and conservation plans and programs.

**WHEREAS**, Sections 20 and 22 of the Act state as one of the obligations of Designated Establishments (DEs) and other establishments (OEs) shall integrate an energy management system policy into the business operation based on ISO 50001 or any similar framework.

**WHEREAS**, the DOE, through the Energy Utilization Management Bureau (EUMB) is mandated to develop policies, implement plans and programs related to energy efficiency and conservation, and ensure effective implementation thereof. In order for these DEs and OEs to follow such energy management system framework, the DOE must set as an example and should know what being compliant with ISO 50001 is all about to know what they are supposed to regulate and implement.

**WHEREAS**, for the effective implementation of the EEC Act, Department Order No. DO2023-01-0001, entitled: *Institutionalizing the Energy Management Team (EMT) to Develop and Energy Management System (EnmS)* was issued in order for the DOE to continually improve its energy performance.

**WHEREAS**, the DOE solicited Bids for certain goods and ancillary services particularly for the **Procurement of Services for ISO 50001 Energy Management System Implementation and Certification of the Department of Energy** and the contract was awarded to PIEMPI through *Small Value Procurement* by virtue of **Notice of Award No. 2023-07-243-NOA155** issued on July 26, 2023 for the supply of those services in the sum of **NINE HUNDRED FORTY-FIVE THOUSAND PESOS (P945,000.00)** hereinafter called "the Contract Price", payable subject to

existing government accounting and auditing rules and regulations. The amount covers the airtime costs and payment shall be based upon submission of required deliverables for each of the tranches of payment as stated in Section D of this Contract.

**NOW, THEREFORE,** for and in consideration of the foregoing premises, the parties hereby agree as follows:

**TERMS AND CONDITIONS:**

**A.** The project shall cover areas of the Department of Energy building with address DOE Main Building, Energy Center, Rizal Drive, Bonifacio Global City, Metro Manila.

**B. PIEMPI** shall ensure the delivery of the following particulars/specifications:

- a. Provide training to the DOE Energy Management Systems (EnMS) Team and key personnel on:
  - o Energy Management System implementation
  - o ISO 50001:2018 standard provisions
  - o Internal Audit
- b. Provide technical knowledge on the step-by-step process of EnMS implementation.
- c. Prepare templates required by the ISO 50001 standard for fast accomplishment of necessary documentation.
- d. Provide technical support on the certification process to prepare for the 3<sup>rd</sup> party certification audit.
- e. Provide best practices applicable to the *organization to attain energy savings and/or improved energy performance.*

**C. RESPONSIBILITIES OF THE DOE**

The DOE shall:

- i. Appoint qualified members and organize the Energy team and Support groups such as:

1. Top Management (TM)

TM will provide overall guidance and direction to the implementation of EnMS. TM will review and approve the project proposals by the EnMS Team, provide necessary resources needed for the implementation and will resolve any issues that need to be addressed during the implementation of the EnMS.

2. Energy Management Representative and/or Energy Manager (EMR/EM)

The EMR/EM will lead all activities, ensure quality of activity deliverables, and ensure timely completion of tasks by the EnMS Team, will be in charge of the overall execution of the project, managing expectations and monitoring progress of work. The EMR/EM shall also make recommendations to TM the resources and decisions needed in the implementation of the EnMS, and coordinate with Functional Departments as needed.

3. EnMS Team

The EnMS Team will execute the required activities including gathering and analyzing data, conducting energy surveys, participate in trainings and updating/documentation of activities.

A Document/Records Controller shall be assigned as part of the EnMS Team.

#### 4. Coordinator

DOE shall assign a Project Coordinator who will perform the following:

- Set meetings and interviews with selected officers and employees; and
- Provide the required logistics indicated below:
  - Suitable working area that can accommodate the Consultant and/or staff.
  - Printer for report preparation, and
  - Internet connection
  - Venue for the workshops and other activities such as interface meetings and project management meetings
  - Organizing on-line meetings including providing and sending meeting links.

#### 5. Departments/Process Performers

All DOE departments and employees under the scope of the EnMS implementation shall implement the needed activities and documented processes needed to attain the objectives.

#### 6. Documentation

DOE shall handle all documentation requirements of the ISO 50001 standard. This may be done in-house using existing DOE staff or outsourced.

#### 7. EnMS Consultant/PIEMPI Project Lead

The Consultant and/or staff will be responsible for conducting the various training needed by the EnMS Team, providing guidance and advice related to the activities detailed in the work plan in order to achieve the objectives of the engagement. He shall review all outputs to ensure that these meet the requirements of the standard. He will also assist the EnMS Team in preparing periodic status reports for TM on the implementation of the EnMS.

- ii. Organize training sessions and ensure attendance of identified personnel.
- iii. Secure approval for necessary resources needed.
- iv. Prepare documentation needed as required by ISO standard.
- v. Implement actions on communication, awareness, energy efficiency projects, energy savings initiatives and documentation according to timetable.
- vi. Ensure compliance and completion of activities as guided by the Project Lead.
- vii. Ensure full support provided by Top Management.
- viii. Conduct briefings and/or call for a coordination meeting with the Project Team from time to time; and
- ix. Determine acceptability of the deliverables.

### **D. PROJECT METHODOLOGY, TIMELINE, DELIVERABLES, AND PAYMENT TERMS**

To facilitate the implementation within the time objective, **PIEMPI** shall provide guidance, training, and assistance to the **DOE** Energy Team to facilitate the step-by-step implementation of the Energy Management System ISO 50001:2018. Activities have been designed to be completed with the **PIEMPI** Consultant and/or **PIEMPI** staff presence.

Engagements shall either be actual site visits for training ranging from 2-3 days, site visits for assistance during implementation and certification audit shall range from 1-2 days, and on-line meetings shall be 2-4 hours. Site visits include the Consultant travel time and travel expenses.

We propose that the project be undertaken in four (4) phases in 5 months as shown below:

Phases	Activity	Deliverables	Timeline	Percentage of Total Contract Amount
<ul style="list-style-type: none"> <li>Organization, Assessment, and training of EnMS Teams</li> </ul>	Training on: <ul style="list-style-type: none"> <li>Energy Management System</li> <li>ISO 50001:2018 standard provisions</li> </ul> Internal Audit (optional if needed)	Energy Management Systems (EnMS) Team and key personnel of DOE have been trained	1 <sup>st</sup> Month	30%
<ul style="list-style-type: none"> <li>Energy Review, Planning and Analysis</li> <li>Implementation of Initiatives and Projects</li> </ul>	Provision of guidance on the drafting of ISO 50001 templates	Step-by-step process of EnMS implementation (written document) and ISO 50001 templates required by ISO 50001 for fast accomplishment of necessary documentation has been provided along with the actual guidance on the certification process.	2 <sup>nd</sup> – 4 <sup>th</sup> Month	40%
<ul style="list-style-type: none"> <li>Checking, Reporting and Preparation for Certification, Readiness Assessment</li> </ul>	Readiness assessment report	Readiness assessment report	5 <sup>th</sup> Month	30%
<b>Total</b>				<b>100%</b>

The contract cost will be paid in tranches upon delivery of the deliverables indicated in the schedule of payment above and issuance of end-user's acceptance certificate of complete submission of items indicated per schedule. Payment is through List of Due and Demandable Accounts Payable – Advice to Debit Account (LDDAP-ADA) and subject to the usual government budgeting, auditing, and accounting procedures.

Activities and schedules shall be flexible depending on the start-up date, and the needs of the Energy Team and DOE Management during the project execution.

The PIEMPI Consultant shall turn over to the DOE Team a copy of the UNIDO EnMS tool pack (template Excel sheet) to facilitate the development of the EnMS. This may serve as the DOE Energy Manual.

#### **E. PROJECT COMPLETION**

One hundred-fifty (150) calendar days from the issuance of Notice of Award (NOA).

#### **F. GENDER SENSITIVITY**

The participatory role of women in every aspect of this service provision is encouraged. The purpose of gender and development is to ensure that both men and women can participate in, and benefit from, the development in a way that is equitable. Likewise, the gender and development approach focus on the socially constructed differences between men and women, the need to challenge existing gender roles and relations, and the creation and effects of class differences on development.

#### **G. INTELLECTUAL PROPERTY CLAUSE**

This proposal has been developed by **PIEMPI** and will remain their property until such a time that a formal contract for the engagement is finalized with **DOE**. As such, the contents of this proposal should not be disclosed by the **DOE** to any third-party, nor may any original concept devised by **PIEMPI** be used commercially. If the **DOE** decides not to proceed with the engagement, selects another firm, or decides to conduct the engagement itself, **PIEMPI** requests return of this proposal together with assurances that no photocopy of this proposal has been made.

#### **H. CONFIDENTIALITY CLAUSE**

The **PIEMPI** hereby undertakes to keep confidential, and not to disclose to any third-party, and not to make any commercial use of any information received from the **DOE**.

However, these obligations shall not apply to information:

1. Which was already available to the public before the disclosure of information to **PIEMPI**.
2. Which subsequently becomes available to the public through no fault or default of **PIEMPI**.
3. Which was already known to **PIEMPI** prior to its receipt from the **DOE**.
4. Which is received subsequently by **PIEMPI** not in confidence from a third party that is not in breach of any obligation of confidence.

This provision shall survive the termination of this proposal.

#### **I. TERMINATION CLAUSE**

The **DOE** may terminate the Services anytime; provided, however, that written notice thereof shall be served to **PIEMPI** at least fifteen (15) days prior to its termination. The termination of the Services by the **DOE** shall be without prejudice to the payment by the **DOE** of the pro rata fee due to **PIEMPI** in accordance with this proposal as well as actual cost and expenses incurred prior to the termination.

#### **J. DISPUTE RESOLUTION**

In case of dispute or claims relating to the interpretation or implementation of this Agreement, the **PARTIES** agree that all reasonable efforts will be exerted to amicably settle such dispute or claim, failing which, such disputable controversy or claim shall be settled by arbitration, in accordance with the Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules as are presently in force.

**K. GENERAL CONDITIONS**

In consideration of the payments to be made by **DOE** to the **PIEMPI** as hereinafter mentioned, **PIEMPI** hereby covenants with **DOE** to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

**DOE** further hereby covenants to pay **PIEMPI** in consideration of the provision of the aforementioned services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

**IN WITNESS** whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

**PHILIPPINE ENERGY MANAGEMENT PROFESSIONALS, INC. (PIEMPI)**

**DEPARTMENT OF ENERGY (DOE)**

By:

By:

**MARIONEL PERALTA**  
President

**PATRICK T. AQUINO, CESO III**  
Director, EUMB - DOE

Signed in the presence of:

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**DANIEL COLLIN G. JORNALES**  
OIC - Chief, EPMPD - DOE

**HELEN C. ROLDAN**  
OIC - Chief, AD - DOE

CAF No. 01-27-06-218

CAF DATE: Aug. 31, 2023

reg. thru Agency Fund

P 945,000.00

REPUBLIC OF THE PHILIPPINES

) S.S.

City of Manila

)

**ACKNOWLEDGEMENT**


Before me, a Notary Public for and in the City of Manila, Metro Manila, on this 13 SEP 2023 day of 2023, personally appeared:

	Number	Place of Issue	Date of Issue
Department of Energy			
<b>PATRICK T. AQUINO</b>	SO 026 737A	DFA, Manila	20 Oct. 2022
Philippine Institute of Energy Management Professionals, Inc.			
<b>MARIONEL PERALTA</b>	220500102	TAGUIG CITY	24 MAY 2022

Both known to me and to me known to be the same persons who executed the foregoing CY 2023 Contract for *Procurement of Services for ISO 50001 Energy Management System Implementation and Certification of the Department of Energy*, and they acknowledged to me that the same is their free act and deed and that of the agency and the corporation which they respectively represent. This agreement consisting of seven (7) pages, including the page upon which this Acknowledgement is written, has been signed by the Parties and their instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

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Series of 2023

  
**ATTY. ISIDRO V. ALMENTEROS**  
NOTARY PUBLIC  
Until December 31, 2024  
1626 Estrada Street, San Andres, Manila  
IBP OR No. 248072(2023) 9-23-2022/MLA  
PTR No. 0862227/1-03-2023/MLA  
MCLE Compliance No. VII-0007108/4-14-2025  
Attorney's Roll No. 34272