



QUIRINO ELECTRIC COOPERATIVE
Brgy. Aurora East, Diffun, Quirino

INVITATION FOR PRE-QUALIFICATION AND TO BID

1. QUIRELCO (hereinafter referred to as “Procuring Entity”) invites interested Bidders to participate in the Competitive Selection Process (CSP) for the procurement of 15MW FULL LOAD Power Supply for a period of five (5) years.
2. Bidding is restricted to Corporations and/or Joint Venture with at least sixty percent (60%) interest or outstanding capital stock belonging to Filipino citizens.
3. Bidding will be conducted in compliance with the ERC Resolution 13, Series of 2015; DOE Circular No. DC2018-02-0003; and NEA Memorandum 2019-007 (IRR DC2018-02-0003). Criteria for eligibility check, examination, and evaluation of bids and post qualification shall be in accordance with the NEA Procurement Guidelines and Simplified Bidding Procedures for Electric Cooperatives.
4. Interested Bidders may obtain further information from the Third Party Bids and Award Committee (TPBAC) of QUIRELCO.
5. The TPBAC shall determine if each prospective Bidder is qualified to participate in the CSP by examining the completeness of the Bidder's qualification requirements or statements against a checklist of requirements using non-discretionary “pass/fail” criteria.
6. A complete set of Bid Documents may be purchased by interested Bidders from August 2, 2021 to August 17, 2021 from the address below and upon payment of a non-refundable fee of One-hundred Fifty Thousand Pesos (PhP 150,000.00) through the depository account specified below. The complete set of Bid Documents purchased by the interested bidder/s will be sent via electronic mail and hard copy will be sent through courier.
7. QUIRELCO will hold a virtual/online Pre-Bid Conference on August 19, 2021 at Quirino Electric Cooperative, Brgy. Aurora East, Diffun, Quirino. Only Bidders who have purchased Bid Documents and registered for the Competitive Selection Process (CSP) of 15MW FULL LOAD Power Supply will be allowed to participate in the virtual/online Pre-Bid Conference.
8. Virtual/online Opening of Qualification Documents and Preliminary Evaluation shall be on September 18-24, 2021, every 9:00AM to 5PM, and Virtual/online Opening and Preliminary Evaluation of Technical and Financial Bids shall be on October 5-October 11, 2021, every 9:00AM to 5PM at Quirino Electric Cooperative, Brgy. Aurora East, Diffun, Quirino. Bids will be opened in the presence of the Bidders’ representatives via virtual video teleconference. Late Bids shall not be accepted and Bid proposal/s beyond the existing base generation rate of the proponent shall be rejected.
9. QUIRELCO reserves the right to accept or reject any Bid, to annul the CSP, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders.
10. Qualification Documents, Technical and Financial Bids must be received by the TPBAC on or before 5:00 PM on September 17, 2021. Late Bids will be rejected. All Bids must be accompanied with Bid Security in the amount and form prescribed in

the Bid Documents. A photocopy of bank deposit slip from the specified depository bank below shall be attached.

11. The addresses referred to above are:

For information purposes only:

TPBAC Secretariat:

Quirino Electric Cooperative (QUIRELCO)
Brgy. Aurora East, Diffun, Quirino
Mobile Phone: +63 999 763 9329
E-Mail Address : quirelcotpbac01@gmail.com

For depository of bid documents:

Account Name: Quirino Electric Cooperative
Account Number: 0732-1055-06
Bank: Landbank of the Philippines, Cabarroguis Branch

For Bid Submission:

TPBAC
Quirino Electric Cooperative (QUIRELCO)
Brgy. Aurora East, Diffun, Quirino
Mobile Phone: +63 966 332 2303
E-mail: quirelcotpbac01@gmail.com

Terms of Reference

No	Item	Description
1	Type of Contract	Firm
2	Type of Resource	Conventional Energy Renewable Energy
3	Type of Power Supply	Full Load (Load Following)
4	Technical Requirement	Existing and operational Power Plant Bidder shall indicate the Technical Characteristics of the Nominated Power Plant as follows; • Total Installed Capacity • Number of generating units and installed capacity of each unit. • Dependable capacity
5	Contracted Capacity	Full load requirements on annual basis for 5 years contract with \pm 10 percent (10%) tolerance range. See Annex A No Minimum Energy Offtake (MEOT)

6	Adjustment in Contract Capacity	a. Increase in contract capacity beyond the contracted tolerance range will be subjected to a CSP.
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No	Item	Description
		<p>b. Reduction in Contract Capacity</p> <p>The BUYER is allowed to reduce its Contract Capacity as a result of (a) RCOA; (b) Green Energy Option; (c) Renewable Portfolio Standards (RPS); or (d) similar policies or rules allowing for end-users' choice of supplier.</p>
7	Contract Duration	<p>The PSA shall be binding between the Parties on the date of signing ("Execution Date") and shall remain effective for a period of five (5) years from Supply Effective Date ("Contract Term")</p> <p>BUYER shall issue a written notice of the Supply Effective Date (SED) to the SELLER thirty (30) days before the intended SED.</p>
8	Supply Effective Date	<p>The Supply Effective Date (SED) shall be the next immediate 26th day of the month following the approval of the ERC.</p>

9	Tariff Structure	<p>Shall be broken down into:</p> <p>True Cost of Generation Rate (Php/KWH)</p> <p>a. Capital Recovery (PhP/KW/Month)</p> <p>b. Fixed O & M (Php/KW/Month)</p> <p>c. Variable O & M (Php/KWH)</p> <p>d. Fuel Fee (Php/KWH) (Pass through)</p> <ul style="list-style-type: none"> • Price offer shall be divided into Fixed Charges (Php/kw/month) and Variable Charges (Php/kwh). • Fixed charges consist of Capital Recovery Costs and Fixed Operation and Maintenance Costs. • Variable charges components shall capture variable operation and maintenance costs. • Bidder to specify formula for base fee adjustment affected by factors such as CPI, FOREX and escalation due to fuel degradation and others. • No indexation or escalation on Capital Recovery Fee (CRF) • Fixed O & M Fee shall be indexed on Philippine Peso • Variable O & M Fee shall be indexed on FOREX and Philippine CPI • Fossil fuel is passed on charge based on actual market price but limited to guaranteed fuel rate per Li/KWH • Lube oil is based on local market price Li/KWH • For RE, CRF can be indexed to average FOREX during the construction period • Bidder to present levelized cost of electricity for the five (5) year term
10	Price Indexation	<p>Allowed Price Indexation</p> <ul style="list-style-type: none"> • Fixed-Operation and Maintenance Fee • Variable-Operation and Maintenance Fee • Fuel Fee

No	Item	Description
		<p>Indexation is not allowed for Capacity Fee / Capital Recovery Fee</p> <p>Bidders shall specify the tariff structure: Rationale of Indexation including the source, reference date and weight of indexation, derivation of the formula for the charges.</p> <p>Reference month/year shall be specified in the computation of the price offer with consideration of the allowed price indexation.</p>

11	Outages	<p>Scheduled Outage = 480 hours per year</p> <p>Unscheduled Outage = 240 hours per year</p> <ul style="list-style-type: none"> • No carry-over of Outage Allowance to any subsequent contract year • No crediting of outage allowance from scheduled to unscheduled and vice versa • Penalty clause to be determined based on the EC approved timeline of scheduled outage • On scheduled outages, delay on return to service per pre-determined timeline by the EC and the power provider will have a penalty clause notwithstanding the provision on replacement power
12	Force Majeure	<ul style="list-style-type: none"> • No payment of fixed and variable charges during force majeure condition. • BUYER shall not be required to make payments for Capacity that is not available and Capacity that it cannot accept.
13	Replacement Power	<p>The SELLER shall be responsible to provide replacement power in the following cases, except for Force Majeure events:</p> <ul style="list-style-type: none"> • During any delay of the start of delivery of supply; and • When its power plant is on scheduled or unscheduled outage to ensure continuity of supply in compliance with the cooperation period. <p>Recovery of replacement power should be based on ERC approved rate. If said ERC approved rate is lower than the existing rate, the difference should be translated to lower the actual rate passed on to the consumers.</p> <p>Replacement power shall be the obligation of the SELLER. In the event of failure by the SELLER to provide the replacement power, BUYER shall be allowed to source the replacement power at the expense of the SELLER.</p>
14	Absence of Unsatisfactory Performance Record	Bidder shall submit Certificate of Compliance issued by the ERC
15	Liquidated Damages /	Non-compliance with the material provisions of the PSA

No	Item	Description
	Penalties	
16	Grounds for Terminations	Non-compliance with the material provisions of the PSA

17	Performance Security Deposit	No Performance Security Deposit
18	Payment /Currency	All payments by the BUYER to the SELLER under the PSA shall be in Philippine currency and may be in the form of cash, checks or other cash equivalents.
19	Regulatory Approval	<p>Bidders must comply with the relevant pre-filing requirements for application for approval of PSA (ERC Form No. LS-CL 001)</p> <p>The Power Supplier shall make the necessary adjustments in accordance with the directive of the ERC. Downward adjustment in the rates shall not be a ground for the termination of the contract and the EC should not be made to shoulder the incremental difference.</p> <p>Joint filing for the approval of PSA.</p> <p>The EC and the winning bidder shall file with the ERC the joint publication for the approval of the PSA in accordance with the ERC Rules in five (5) calendar days after Notice of Award.</p> <p>Bidder to shoulder filing and publication cost.</p>
20	Technical and Environmental Compliance	<p>Bidders must comply with the technology and environmental standards of the World Bank (WB) for power plants to reduce greenhouse gas emission; limit the increased levels of atmospheric carbon dioxide and other pollutants mitigate climate change to protect the right of people to a balanced and healthful ecology in accordance with the rhythm and harmony of nature; to attain and maintain a balance between development and environmental protection; and to maintain quality of air that protects human health and welfare.</p> <p>Power plants must have ECC from the DENR (ERC requirements for PSA approval)</p>
21	Eligibility Requirements	<ul style="list-style-type: none"> • Absence of Unsatisfactory Performance Record • No Conflict of Interest • Technical capability/qualification of technical staff and Organization Structure • The supplier shall have available capacity on or before the Commercial Operation Date <ul style="list-style-type: none"> • Experience and technical capability /qualification of Management Teams/ Consultants comprising the firm • If bidder is under partnership of consortium, it must present an agreement showing that that they are jointly and severally liable in this bidding and the resulting PSA • Bidder shall submit Certificate of Compliance issued by the ERC
22	Grounds for	The BUYER may terminate the agreement by written

No	Item	Description
	Termination	<p>notice to the SELLER in cases of:</p> <ul style="list-style-type: none"> • Events of default; • Expiration of Term and/or upon mutual agreement; • Non fulfilment of conditions for effective date; • Non-occurrence of Commencement Date or Commercial Operation Date; • Events of Force Majeure; and • When the SELLER fails to supply for a period of sixty (60) days for reason/s wholly attributable to its fault and/or negligence, provided that, the SELLER fails to take reasonable action or remedy to solve its inability to deliver the capacity and energy. <p>The SELLER may terminate the agreement by written notice to the BUYER when the BUYER;</p> <ul style="list-style-type: none"> • Discontinues operation • Declares bankruptcy; or • Any financial obligation of the BUYER is not paid when due within any applicable grace period.
23	Penalties	<p>The SELLER shall be penalized (monetary, etc.) in case of the following events or circumstances:</p> <ul style="list-style-type: none"> • Delay in Commercial Operation Date; • Failure of delivery of power; • Failure of provision of replacement power; or • Other violations under the resulting PSA.

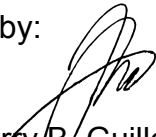
Procurement Activity		Date / Time
1	Publication of Invitation for Pre-qualification and to Bid in newspaper of general circulation and posting to DOE Web Portal and NEA Website	July 21 and July 28, 2021
2	Issuance of Bid Documents	August 2-17, 2021
3	Virtual/online Pre-Bid Conference	August 19, 2021 9:00AM
4	Issuance of Bid Bulletin and Final Instruction to Bidders	August 24, 2021
5	Deadline of Submission of Qualification Documents and Deadline of Submission of Technical and Financial Bids	September 17, 2021 5:00PM
6	Opening of Qualification Documents and Preliminary Evaluation	September 18-24, 2021
7	Due Diligence of Proponent and Final Evaluation of Qualification Documents	September 27-30, 2021
8	Issuance of Result of Due Diligence and Final Evaluation of Qualification Documents	October 4, 2021

9	Opening and Preliminary Evaluation of Technical and Financial Bids	October 5-11, 2021
10	Detailed Evaluation of Technical and Financial Bids	October 12-15, 2021
11	Issuance of Result of the Detailed Evaluation of Technical and Financial Bids	October 18, 2021
12	Post Qualification of Lowest Calculated Bidder	October 19-21, 2021
13	Issuance of Notice of Award to Winning Bidder	October 25, 2021
14	Submission of Joint Sworn Statement (GM and BODs)	October 26-November 9, 2021
15	Issuance of Notice to Proceed on the Signing of	


	PSA	
16	Signing of Power Supply Agreement	

CSP Schedule of Activities

Approved by:


Jerry B. Guillermo
 TPBAC Chairman

Noted by:


Cesar P. Gulla
 OIC General Manager