

TERMS OF REFERENCE FOR BASELOAD REQUIREMENTS
Power Supply Agreement "PSA"

TERMS OF REFERENCE	DESCRIPTION / REQUIREMENT
Type of Contract	<ul style="list-style-type: none"> - Baseload - 100 % load factor √ Baseload √ Emergency √ Replacement Power √ Full Load Requirement
Contracted Capacity (MW)	<ul style="list-style-type: none"> - 5MW
Contracted Energy (kWh per month or year)	<p>Energy (kWh) = 5,000 kW x no. of days x 24 hours</p> <ul style="list-style-type: none"> for 28 days: 3,360,000 kWh for 29 days: 3,480,000 kWh for 30 days: 3,600,000 kWh for 31 days: 3,720,000 kWh
Dependable Capacity (MW)	<ul style="list-style-type: none"> - 5 MW
Contract Duration	<ul style="list-style-type: none"> - The PSA shall take effect for a period of 8 years commencing on the Commercial Operations Date of 26 June 2022 to 25 June 2030, unless earlier terminated in accordance with the provisions of the PSA.
Commercial Operation Date (MM/DD/YYYY)	<ul style="list-style-type: none"> - June 26, 2022 to June 25, 2030
Minimum Energy Off-Take (MEOT) <i>(kWh per month or year)</i> <i>*Note: Only if necessary</i>	<ul style="list-style-type: none"> - N/A since the requirement is baseload, but the bidder may offer flexibility in Bilateral Contract Nominations.

**TERMS OF REFERENCE FOR BASELOAD REQUIREMENTS
Power Supply Agreement "PSA"**

<p>Tariff Structure</p> <p><i>Landed cost refers to the final total generation cost to be billed to the EC inclusive of interconnection facilities, transmission charges, metering charges and any applicable indexations except on Capacity Fee.</i></p>	<ul style="list-style-type: none"> - The bidder shall specify the tariff structure unbundled to: <ol style="list-style-type: none"> 1. Capacity fees 2. Variable Charges 3. Fixed Charges 4. Fuel fee and 5. Other applicable charges - The bidder must also specify the base fee adjustment formula, if any, and applicable adjustment in percent that each component is being affected by factor such as CPI, FOREX, and escalation due to fuel degradation and other. - There should be no indexation or escalation in Capital related fees. - The bidder must fill-up the attached Total Project cost template, as deemed applicable, and may present basis and calculation of fees proposed - The bidder must submit sample bills in excel format for the process of evaluation.
<p>Outage Allowance per plant</p>	<ul style="list-style-type: none"> - Not to exceed 720 hours total for scheduled and unscheduled outage. - Any unutilized Allowed Scheduled and Unscheduled Outage allowances within a calendar year will not be accumulated for use during the succeeding years of the cooperation period.

**TERMS OF REFERENCE FOR BASELOAD REQUIREMENTS
Power Supply Agreement "PSA"**

<p>Force Majeure</p>	<ul style="list-style-type: none"> - BATELEC II and the bidder shall jointly establish plans during Force Majeure. Bidder shall provide plans and information in operating the power plant which shall include recovery from a local or widespread electrical blackout. The bidder shall comply with the Emergency procedures <u>and provide contingency plan if a force majeure occurs.</u> - BATELEC II shall not be required to make payments for any of the following: <ul style="list-style-type: none"> • Capacity that is unavailable • Capacity that it cannot accept
<p>Replacement Power</p>	<ul style="list-style-type: none"> - Replacement power rate should be equal or lower than the ERC approved tariff. - Replacement power shall be the main obligation of the bidder. But in the event of failure by the bidder to provide the contracted capacity, BATELEC II shall be allowed to source the replacement power at the expense of the bidder
<p>Currency</p>	<ul style="list-style-type: none"> - Price offer should be in Philippine Peso
<p>Regulatory Approvals</p>	<ul style="list-style-type: none"> - The bidder 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 BATELEC II should not be made to shoulder the incremental difference.
<p>Dispatch by Utility (Off Grid)</p>	<ul style="list-style-type: none"> - BATELEC II shall have the right to Dispatch the Power Plant up to its Dependable Capacity following the dispatch protocol in accordance with the <u>economic merit order.</u>

**TERMS OF REFERENCE FOR BASELOAD REQUIREMENTS
Power Supply Agreement "PSA"**

Penalties	<ul style="list-style-type: none"> - The bidder shall have Deficiency Payment which will be the penalty in excess to the allowable outage allowance except Force Majeure Event. Deficiency Payment amount is equivalent to the Contract Price or WESM Exposure whichever is higher. - The bidder shall have Default Penalty in the event of non-delivery in the start of COD which is equivalent to one (1) month estimated monthly bill.
Cause of Termination	<ul style="list-style-type: none"> - Failure to cure an event of default - Extended Force Majeure; or - Failure to Achieve COD.
Source of Power	<ul style="list-style-type: none"> - Open Technology
Technical Specifications	<ul style="list-style-type: none"> - The bidder shall submit technical specifications of generator set specifically the brand name. - The bidder shall submit technical specifications of the power plant, for the safe and reliable operation of its distribution network. Technical specification must consider the capacity. - The bidder shall submit the list of accredited contractors in case of their power failures or outages.
Take-off Structure	<ul style="list-style-type: none"> - Design of take-off structure from power plant to distribution line with specified protection equipment especially for embedded generation
Years of Experience	<p>This provision should be treated as advantageous if following document can be provided or is available:</p> <ul style="list-style-type: none"> - Bidder shall provide Certification attesting the fact that it has a Good Performance from existing and previous customer/s.

**TERMS OF REFERENCE FOR BASELOAD REQUIREMENTS
Power Supply Agreement "PSA"**

Technical Capability/Qualification	<ul style="list-style-type: none">- Technical capability/qualification of technical staff and organizational structure.- The bidder shall have experience and technical capability / qualification of Management team / consultants comprising of the firm;- The bidder shall submit organization and structure as additional document.- The bidder shall have available capacity on or before the COD.
Other Terms and Conditions	<ul style="list-style-type: none">- The bidder shall submit proof of ownership of the property or proof of rights / possession of the property where the power plant is constructed but in known case the lease period should not be less than the contract period.- The bidder shall submit service contract issued by DOE. <p><i>*for off grid- demand based not energy based</i></p>

Prepared by:


MR. IAN JIM S. LAQUI

TPBAC TWG Head


ENGR. MAYORICO C. LARA

TPBAC Member


MR. JAYDEL A. LIQUE

TPBAC Member


ENGR. ARVIN G. BARBOSA

TPBAC Member


MR. JOEL M. RAZ, CPA

TPBAC Finance Officer


ATTY. GLENN P. MENDOZA

TPBAC Lawyer