



INVITATION TO BID
CONTRACT CAPACITY OF 500 MW (NET)

Pursuant to the Department of Energy (“**DOE**”) Circular No. DC2018-02-0003, Series of 2018, Manila Electric Company (“**Meralco**”), through the Third Party Bids and Awards Committee (“**TPBAC**”), **hereby invites all interested and qualified parties (each, a “Bidder”)** to participate in the competitive bidding (“**Bidding**”) in respect of the following proposed supply of electricity:

Terms of Reference Table (“TOR Table”)

Contract Capacity	<ul style="list-style-type: none"> • 500 MW (net, firm)
Bid Type	<ul style="list-style-type: none"> • Pay-as-Bid • Minimum Capacity Offer per Bidder shall be at least 100 MW (net) • To constitute a valid Bidding process, the total minimum offered capacity received from Bidders should be at least 400 MW (net) (the “Pay-as-Bid Minimum”). If the Bidders’ total offered capacity fail to meet the Pay-as-Bid Minimum as at the Expression of Interest Deadline (as defined below) or at the opening of the Technical Proposals (as detailed in the Instructions to Prospective Bidders), it shall result in a Failed Bidding
Operations Effectivity Date	December 26, 2019
Required Contract Period	Five (5) Contract Years
Plant Type	<ul style="list-style-type: none"> • Mid-merit (firm and dispatchable) • Single or Portfolio of Plant/s
Technical Parameters per Bid	<ul style="list-style-type: none"> • One Delivery Point (for purposes of settlement and transfer of risk and loss),

	<p>which Delivery Point should be nearest to Meralco’s load center</p> <ul style="list-style-type: none"> • If Bidder is under a partnership or consortium, must be evidenced by an agreement showing that their liability in this Bidding and the resulting Power Supply Agreement (“PSA”) is solidary.
<p>Tariff Structure</p>	<ul style="list-style-type: none"> • Straight energy price (PhP/kWh), with the following bandwidths: <ul style="list-style-type: none"> - Proposed Minimum Energy Off-Take (MEOT), reckoned annually, should not exceed forty-five percent (45%) of Plant Capacity Factor (PCF). Bidder has an option to indicate discount on proposed Contract Price which shall be applied on excess energy above MEOT - Only up to sixty percent (60%) of the Contract Price can be escalated at a rate not greater than 3.5% annually, beginning on the second Contract Year • Separate line item proposal for Line Rental cap • Bidder’s Proposed Price (for the first Contract Year) and its Levelized Cost of Electricity (LCOE) are both subject to a pre-determined Reserve Price, which will only be revealed by the TPBAC to Qualified Bidders during the opening of the Bids
<p>Supply of Power</p>	<ul style="list-style-type: none"> • 100% guaranteed availability (no outage allowance) • In case Power Supplier cannot provide supply of power from its Nominated Power Plant or portfolio of Plants, WESM, or any other source, Power Supplier shall pay a fine equivalent to Nine Hundred Eight Philippine Peso (PHP908) multiplied by each MWh during a Day, which shall be used to reduce the generation charge to the consumers
<p>Assignment or Transfer of Contract Capacity</p>	<ul style="list-style-type: none"> • The Contract Capacity and Associated Energy that is no longer required by Meralco may be assigned or transferred to another entity.

Reduction in Contract Capacity	<ul style="list-style-type: none"> • The Contract Capacity and Associated Energy may be reduced equivalent to the reduction in the demand of captive customers of Meralco by reason of the implementation of Retail Competition and Open Access, the Renewable Energy Law, or other Laws and Legal Requirements.
Grounds for Termination	<ul style="list-style-type: none"> • Event of Default • Non-Fulfilment of Conditions to Effective Date • Certain Events of Force Majeure • Expiration of Term • Upon Mutual Agreement • Change in Circumstances
Other Relevant Information	<p>Subject to Pay-as-Bid Minimum, should TPBAC receive less than two Expressions of Interest (as defined below) <u>by four o'clock in the afternoon (4:00 PM) of 30 July 2019 ("Expression of Interest Deadline")</u>, it shall declare a failure of the Bidding process.</p>

Upon payment of a non-refundable fee equivalent to One Thousand Five Hundred Pesos (PhP1,500.00) per MegaWatt (MW) of Offered Contract Capacity, VAT-inclusive ("**Participation Fee**"), and submission of accomplished Expression of Interest and Confidentiality Undertaking in the form and substance made available on Meralco's website, parties interested to participate in the Bidding may become Interested Bidders and obtain a copy of the Bidding Documents from Meralco's **Third Party Bids and Awards Committee ("TPBAC")-Secretariat receiving office** located at **2/F Technical Services Building-Procurement Office, MERALCO Compound, Ortigas Ave., Brgy. Ugong, Pasig City, from Mondays to Fridays (excluding holidays), until 4:00 in the afternoon (4:00 PM) of 30 July 2019 ("Expression of Interest Deadline")**. The Participation Fee must be paid at **Cashiering, Ground Floor, Lopez Building**, Meralco Compound, Ortigas Ave., Brgy. Ugong, Pasig City, by manager's check issued by a bank in the Philippines payable to "Manila Electric Company." After the Expression of Interest Deadline, Interested Bidders shall no longer be allowed to reduce their indicated Offered Contract Capacity for the rest of the Bidding process, but may increase their indicated Offered Contract Capacity on or before seven (7) days before the Bid Submission Deadline (defined below), subject to the Interested Bidder simultaneously paying the additional proportionate Participation Fee.

The TPBAC shall conduct a Pre-Bid Conference at **1:30 to 4:30 in the afternoon on 8 August 2019** at the **Procurement Conference Room, 2/F Technical Services Building, MERALCO Compound, Ortigas Ave., Brgy. Ugong, Pasig City**. Only the Interested Bidders' authorized representative/s indicated in the Expression of Interests are allowed to attend and participate in the Pre-Bid Conference (and the Bidding process), together with the DOE and ERC observers invited by the TPBAC.

In order to qualify to bid, an Interested Bidder must submit to the **TPBAC-Secretariat receiving office, from Mondays to Fridays (excluding holidays), on or before 9:00 in the morning (9:00 AM) of 11 September 2019** (the "**Bid Submission Deadline**"), three (3) separate envelopes containing its (a) Qualification Documents (Envelope 1) to demonstrate its compliance with all the Legal Qualification Requirements and Financial Qualification Requirements ("**Qualification Requirements**"); (b) Technical Proposal (Envelope 2); and (c) Bid, including the Bid Security equivalent to Two Million Three Hundred Thousand Pesos (PhP2,300,000.00) per MegaWatt (MW) of Offered Contract Capacity and in the form and substance required by Meralco (Envelope 3). An overview of these Bid Requirements may be viewed on Meralco's website at (<https://company.meralco.com.ph/news-and-advisories/>) and at the Department of Energy (DOE) E-based Power Procurement Information Portal (**DOE E-based Portal**). After which, the opening of the said submissions and Bid will proceed at **9:30 in the morning (9:30 AM) of the same day** at the **Procurement Conference Room, 2/F Technical Services Building, MERALCO Compound, Ortigas Ave., Brgy. Ugong, Pasig City**. Only the Interested Bidders that timely submitted its submissions (represented by their authorized representative/s named in their Expression of Interests) are allowed to attend and participate in the opening of the submissions and Bid, together with the DOE and ERC observers invited by the TPBAC.

Late submissions and requests for additional time shall not be accepted/allowed in all stages of the Bidding.

CERTIFICATION

As Chairman of Meralco's Third Party Bids and Awards Committee (TPBAC), I hereby certify that this Invitation to Bid, including the Terms of Reference and its accompanying Bid Requirements, were circulated and approved by the TPBAC at Pasig City, Philippines.

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Atty. Ferdinand A. Domingo
Chairman