



**ORIENTAL MINDORO ELECTRIC COOPERATIVE, INC.  
(ORMECO, Inc.)**

✉ Brgy. Sta. Isabel, Calapan City  
☎ 043.288.7801 | 043.288.7802 | 043.288.7803 Fax No. 043.288.7804  
✉ E-mail: ormeco\_coop@yahoo.com  
🌐 Website: [www.ormeco-inc.com](http://www.ormeco-inc.com)

**BID BULLETIN NO. 2**  
28 March 2021

In reference to the queries of the participating bidders during the Virtual Pre-Bid Conference via Zoom held on 27<sup>th</sup> of March 2021 9:00am at ORMECO, Inc. Board Room, the TPBAC issues the following clarifications of the Bidding Documents:

BIDDING DOCUMENTS	AMENDED BIDDING DOCUMENTS
<p><b>SECTION IV</b> <b>ITB 13.1.g</b> <b>DOCUMENTS COMPRISING THE BID:</b> <b>TECHNICAL PROPOSAL</b></p> <p><b>ANNEX D</b> <b>TECHNICAL PROPOSAL (ENVELOPE 2, FOLDER 1); g</b></p> <p>“Convincing evidence that Bidder will be able to acquire Certification / Contract to lease the land for plant site should the Bidder be awarded the PSA.”</p>	<p><b>SECTION IV</b> <b>ITB 13.1.g</b> <b>DOCUMENTS COMPRISING THE BID:</b> <b>TECHNICAL PROPOSAL</b></p> <p><b>ANNEX D</b> <b>TECHNICAL PROPOSAL (ENVELOPE 2, FOLDER 1); g</b></p> <p>ORMECO will issue a Certificate to Lease its available land in Calapan and Bansud that satisfies the requirements for the sites. The Certificate to Lease form will be sent via <a href="mailto:ormeco.inc.tpbac@gmail.com">ormeco.inc.tpbac@gmail.com</a>.</p> <p>For Roxas site, the <b>Winning Bidder</b> shall secure a Contract of Lease within the vicinity nearest to the 13.8kV line of ORMECO. The Contract of Lease should be submitted at least three (3) months prior to Commercial Operation of the 5MW power plant in Roxas. Please take note that <b>this document/requirement has officially been omitted or removed in the submission for Technical Proposal.</b></p>
<p><b>SECTION IV</b> <b>ITB 16.1</b> <b>BID SECURITY</b></p> <p>“The Bid Security is in the form of cash or cashier’s/manager’s check in favor of ORMECO, INC. issued by a Universal or Commercial Bank with <b>the amount equivalent to 2% of the total project cost</b> via Online Payment through ORMECO, Inc. TPBAC Account No.: 00-0-01502-605-9 “ORMECO, INC. – TPBAC” at Development Bank of the Philippines (DBP)– Calapan City Branch.”</p>	<p><b>SECTION IV</b> <b>ITB 16.1</b> <b>BID SECURITY</b></p> <p>“The Bid Security is in the form of cash or cashier’s/manager’s check in favor of ORMECO, INC. issued by a Universal or Commercial Bank with the amount equivalent to <b>Two Million Pesos Only (PhP 2,000,000.00)</b> which shall be deposited or transferred via Online Payment through ORMECO, Inc. TPBAC Account No.: 00-0-01502-605-9 “ORMECO, INC. – TPBAC” at Development Bank of the Philippines (DBP)– Calapan City Branch.</p>

	E-mail scanned copy of proof of payment/deposit or screenshot of successful electronic fund transfer”
<p><b>SECTION IV. ITB 14.1 DOCUMENTS COMPRISING THE BID: FINANCIAL PROPOSAL</b></p> <p><b>Annex C “FINANCIAL PROPOSAL (ENVELOPE 2, FOLDER 2)”</b></p> <p>“4. For bidding purposes, the standard reference for Fuel Fee to be used for computation is equal to 32.2779 Philippine Peso per Liter and delivery cost at proposed power plant, exclusive of VAT; and</p> <p>5. For bidding purposes, the standard reference for Lube Oil Fee to be used for computation is equal to 230.00 Philippine Peso per Liter and delivery cost at proposed power plant, exclusive of VAT. ”</p> <p><b>SECTION III TERMS OF REFERENCE Item No. 7 Tariff Structure</b></p> <p>“The Winning Bidder shall specify the formula for the computation of Contract Price, <b>excluding</b> delivery charges at plant site, unbundled to the components as shown in Table 2 below:”</p> <p><b>Section IV ITB 1.3</b></p> <p>“The Winning Bidder shall specify the formula for the computation of Contract Price, <b>excluding</b> delivery charges at plant site, unbundled to the components as shown in Table 2:”</p>	<p><b>SECTION IV. ITB 14.1 DOCUMENTS COMPRISING THE BID: FINANCIAL PROPOSAL</b></p> <p><b>Annex C “FINANCIAL PROPOSAL (ENVELOPE 2, FOLDER 2)”</b></p> <p>“4. For bidding purposes, the standard reference for Fuel Fee to be used for computation is equal to 32.2779 Philippine Peso per Liter <b>inclusive of delivery cost</b> at proposed power plant, exclusive of VAT; and</p> <p>5. For bidding purposes, the standard reference for Lube Oil Fee to be used for computation is equal to 230.00 Philippine Peso per Liter <b>inclusive of delivery cost</b> at proposed power plant, exclusive of VAT.”</p> <p><b>SECTION III TERMS OF REFERENCE Item No. 7 Tariff Structure</b></p> <p>“The Winning Bidder shall specify the formula for the computation of Contract Price, <b>inclusive of</b> delivery charges at plant site, unbundled to the components as shown in Table 2 below:”</p> <p><b>Section IV ITB 1.3</b></p> <p>“The Winning Bidder shall specify the formula for the computation of Contract Price, <b>inclusive of</b> delivery charges at plant site, unbundled to the components as shown in Table 2:”</p>
<p><b>(Clarification)</b></p> <p><b>Section III. Item No. 19 Terms of Reference, Eligibility Documents</b></p> <p>“Any lease agreement that will affect the delivery of supply should not be beyond the cooperation period under the PSA”</p>	<p>“Any lease agreement, <b>e.g. equipment, fuel supply, land, and others</b> that will affect the delivery of supply <b>shall be within</b> the cooperation period under the PSA.</p> <p><b>In case of extension of cooperation period under the PSA is subject to a new agreement”</b></p>
<p><b>Section IV. ITB 2 Definition of Terms</b></p> <p>Clarification: ITB 2, Energy Fee as component of the tariff structure. Is this term used anywhere in the ITB?</p>	<p><b>The term “Energy Fee” shall be removed or omitted</b> in Section IV. ITB 2 Definition of Terms.</p>

<p>“<b>Energy Fee</b> – refers to the price component covering the fuel cost incurred in generating electricity which would be passed-through to the consumers. This cost component is also dependent on the plant heat rate.”</p>	
<p>No need to amend this provision as it is clearly stated in;</p> <p><b>SECTION IV</b> <b>ITB 3 Transaction Schedule</b> <b>Item no. 7 Bid Evaluation</b></p> <p>“All bidders who passed the initial evaluation must submit all the original documents to the TPBAC within one (1) calendar day after conducting the online opening of the bids.</p> <p>The official receipt of the courier must be submitted through the email of the TPBAC Secretariat as proof of good faith.</p> <p>Failure to submit the same within the prescribed period shall merit disqualification.”</p> <p>Regarding to documentations</p> <p>“Are we considering that the print out copies of the Original Documents be accepted by the TPBAC then say a week after the original copies of those documents will be submitted specially documents from consortium members”</p>	<p>No need to amend this provision as it is clearly stated in;</p> <p><b>SECTION IV</b> <b>ITB 3 Transaction Schedule</b> <b>Item no. 7 Bid Evaluation</b></p> <p>“All bidders who passed the initial evaluation must submit all the original documents to the TPBAC within one (1) calendar day (<b>on April 6, 2021, Tuesday</b>) after conducting the online opening of the bids.</p> <p>Due to the health protocols currently in place, submission should be done through special courier. As proof of timely submission of the original documents via courier, the prospective bidders should scan and submit on the same day the official receipt of the courier through the email of the TPBAC Secretariat <b>ormeco.inc.tpbac@gmail..</b></p> <p>Failure to submit the same within the prescribed period shall merit disqualification.”</p>
<p><b>SECTION IV</b> <b>ITB 12.1.g.</b> <b>DOCUMENTS COMPRISING THE BID:</b> <b>ELIGIBILITY REQUIREMENTS</b></p> <p><b>“ANNEX A”</b> <b>A. LEGAL DOCUMENTS: Folder 1 (Envelope 1); g.</b></p> <p>The Bidder must submit a notarized certification from its client distribution utility that the Bidder or its Affiliates or consortium/partnership engaged in power generation have <b>no record of Unsatisfactory Performance</b>. For this purpose, “Unsatisfactory Performance” means any of the following, if applicable: In relation to any project or contract that commenced or in the process of implementation prior to the Bid Submission Deadline (as defined below) by the Bidder:</p> <p>i. The failure by the Bidder to satisfactorily perform any of its material obligations for such</p>	<p><b>SECTION IV</b> <b>ITB 12.1.g.</b> <b>DOCUMENTS COMPRISING THE BID:</b> <b>ELIGIBILITY REQUIREMENTS</b></p> <p><b>“ANNEX A”</b> <b>A. LEGAL DOCUMENTS: Folder 1 (Envelope 1); g.</b></p> <p>The Bidder must submit a <b>Certificate of Good Performance</b> from its client distribution utility that the Bidder or its Affiliates or consortium/partnership engaged in power generation <b>as proof</b> of no record of Unsatisfactory Performance, if applicable.</p> <p>For this purpose, “Unsatisfactory Performance” means any of the following: In relation to any project or contract that commenced or in the process of implementation prior to the Bid Submission Deadline (as defined below) by the Bidder:</p>

<p>project or contract, as evidenced by the imposition of a judicial pronouncement or arbitration award;</p> <p>ii. The expulsion of the Bidder from any such project or contract;</p> <p>iii. The termination or suspension of any such project or contract due to the Bidder's willful breach of its obligations;</p> <p>iv. Material violation of laws and/or regulations by the Bidder applicable to any such projects or contracts, including but not limited to environmental, health, safety, labor and social welfare laws and regulations, as evidenced by findings of the relevant competent authority.</p>	<p>i. The failure by the Bidder to satisfactorily perform any of its material obligations for such project or contract, as evidenced by the imposition of a judicial pronouncement or arbitration award;</p> <p>ii. The expulsion of the Bidder from any such project or contract;</p> <p>iii. The termination or suspension of any such project or contract due to the Bidder's willful breach of its obligations;</p> <p>iv. Material violation of laws and/or regulations by the Bidder applicable to any such projects or contracts, including but not limited to environmental, health, safety, labor and social welfare laws and regulations, as evidenced by findings of the relevant competent authority.</p> <p>And/or</p> <p><b>SECTION IV</b> <b>ITB 5 ELIGIBLE BIDDERS</b></p> <p>5.3 Power supplier or its affiliate or consortium/partnership must provide certificate of Good Performance from existing and previous customer(s), if applicable.</p> <p><b>ANNEX A</b> <b>ELIGIBILITY REQUIREMENTS</b> <b>ITEM NO.3</b></p> <p>Power supplier or its affiliate or consortium/partnership must provide certificate of Good Performance from existing and previous customer(s), if applicable.</p>
<p>"The supplier would operate even without ERC approval or ECC, ORMECO's answer is to exert best efforts is actually not clear whether we should proceed and then exert best efforts to get it later or yet we should wait?"</p> <p>If we start operating, I presume we bill at the rates we submitted to ERC at stipulated rate. Now assuming that you cannot collect yet because there is no ERC approval, would you be paying the supplier already or would you wait until the approval also note that the subsidy will never be paid on this condition because NPC will not sign the subsidy agreement without an ERC approval?"</p>	<p>Pending the approval of rate application to ERC, the following mode of payment shall be done:</p> <ol style="list-style-type: none"> <li>1. Full payment of fuel and lube oil consumption (whichever is lower between actual or guaranteed fuel consumption) and 50% down payment of non-fuel cost during the Billing Period</li> <li>2. The remaining 50% of non-fuel cost shall be paid upon the issuance of Provisional Authority to Operate (PAO) from ERC.</li> <li>3. Upon issuance of PAO from ERC, then the application for the tri-partite Subsidy Agreement between NPC-SPUG, ORMECO, Inc. and the Winning Bidder shall be processed for the UCME claim.</li> </ol>
<p><b>SECTION IV</b> <b>ITB 17.2 FORMAT AND SIGNING OF BID</b></p>	<p><b>SECTION IV</b> <b>ITB 17.2 FORMAT AND SIGNING OF BID</b></p>

<p>“All bidders who passed the initial evaluation must submit all the original documents to the TPBAC within one (1) calendar day after conducting the online opening of the bids. The official receipt of the courier must be submitted through the email of the TPBAC Secretariat as proof of good faith. Failure to submit the same within the prescribed period shall merit disqualification. In the event of any discrepancy between the original and the emailed/electronic copy, the original shall prevail”</p>	<p>“All bidders who passed the initial evaluation must submit all the original documents to the TPBAC within one (1) calendar day (<b>April 6, 2021, Tuesday</b>) after conducting the online opening of the bids. Due to the health protocols currently in place, submission should be done through special courier. As proof of timely submission of the original documents via courier, the bidders who passed the initial evaluation should scan and submit on the same day the official receipt of the courier through the email of the TPBAC Secretariat <a href="mailto:ormeco.inc.tpbac@gmail.com">ormeco.inc.tpbac@gmail.com</a>.</p> <p>Failure to submit the same within the prescribed period shall merit disqualification. In the event of any discrepancy between the original and the emailed/electronic copy, the original shall prevail <b>except for Financial Proposal Envelope 2 Folder 2”</b></p>
<p><b>SECTION IV</b> <b>ITB 25.3</b> <b>EVALUATIONS OF TECHNICAL AND FINANCIAL PROPOSAL AND COMPARISON OF BIDS</b></p> <p>“In case of discrepancies between the submitted financial proposal (hard copy and electronic copy) and price resulted from evaluation of the submitted detailed computation made by the TPBAC, the latter shall prevail.”</p>	<p><b>SECTION IV</b> <b>ITB 25.3</b> <b>EVALUATIONS OF TECHNICAL AND FINANCIAL PROPOSAL AND COMPARISON OF BIDS</b></p> <p>“In case of discrepancies between the submitted financial proposal (hard copy and electronic copy) and price resulted from evaluation of the submitted detailed computation made by the TPBAC, the <b>electronic copy</b> shall prevail.”</p>
<p><b>Clarification regarding the Financial Bid Form</b></p> <p>Tariff Structure at a Levelized Cost of Energy for Interim Demand Requirement, does this mean LCOE will be used as the rate or Basic Bid Rate subject for indexation for 16 months?</p>	<p>The basic bid rate shall be used in the Financial Bid Form.</p>
<p>The excel file to be submitted is the same as financial bid form as stated in the Annex – Financial Proposal</p> <p>CPI Current? ForEx Rate Current?</p>	<p><b>Annex C</b> <b>“FINANCIAL PROPOSAL (ENVELOPE 2, FOLDER 2)”</b></p> <p>b. FIXED OPERATION AND MAINTENANCE FEE (FOMF) Php/kWh <b>CPI Current must be equal to CPI Base, 128.10 (February 2021)</b></p> <p>c. VARIABLE OPERATION AND MAINTENANCE FEE (VOMF) Php/kWh <b>CPI Current must be equal to CPI Base, 128.10 (February 2021)</b> <b>ForEx Rate Current must be equal to ForEx Base, 48.573 (March 05 2021)</b></p>

<p>Other information to be included in the Excel file</p>	<p><b>SECTION IV ITB 14.3</b></p> <p>The bidders shall use the financial parameters set by ORMECO, INC. as shown in Annex C of this ITB, and show <b>other parameters and its sources, and formulas used in detailed computation of the proposed tariff.</b> Failure to use the set of financial parameters shall be ground for rejection of its bid.</p> <p><b>SECTION IV ITB 14.4</b></p> <p>Failure to submit any of the requirements listed in ITB 14 may be a ground for rejection of the Bid and/or disqualification of the Bidder.</p>
<p><b>“How will we deliver the USB?”</b></p>	<p><b>SECTION IV ITB 14.2</b></p> <p>The Bidders shall submit electronic copies in Excel format of the Financial Proposal in two (2) flash drives, <b>inserted in Envelope 2 (Folder 2) of the Original Documents to be sent via courier.</b></p>

For your information and proper guidance.

**(SGD) ENGR. MICHAEL O. GUICO**

*Chairman*

**Third Party Bids and Awards Committee (TPBAC)**