

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	delivered to the DU? If that is the case, then total capacity to be put up should be more than 42MW to account for the internal house loads and losses	Seller.
TOR No. 23	Is 5 years a fixed requirement or will OMECO consider reducing it to 3 years to allow more participants and so not unnecessarily exclude other interested bidders since the 2018 CSP Rules did not indicate the number of years.	We will maintain the 5 years requirement as power supplier.
ITB 5 Eligible Bidders, Item 5.1	<ul style="list-style-type: none"> • Does the term “engaged” in power generation includes the power supplier or its partner or affiliate being an existing a O/M provider of an existing power plant? • Does the term “operates/owned” at least 5MW installed capacity, does it include in the capacity as O/M provider? • Is the 5-year power generation requirement treated separately with respect to the at-least 5 MW installed capacity, meaning to say that the interested bidder should: have 5-year power generation experience; have at least 5 MW installed capacity or does this mean that the interested bidder should have at least a 5-year experience in owning and/or operating a power plant with at least 5 MW installed capacity? • Should the bidder (power supplier or its affiliate or consortium/partnership) have a separate experience of five (5) years in power generation? 	Power supplier or its affiliate, or consortium/partnership of power suppliers who owns and operates a power plant for at least five (5) years, with previous or existing Power Supply Contract with Distribution Utility of at least 5 MW duly approved by the ERC

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	<ul style="list-style-type: none"> • Should the bidder (power supplier or its affiliate or consortium/partnership) own and operate power plant(s) that have been existing and operational for the last five (5) years? • Should the power plant(s) be existing and operational for the last five (5) years? Or should the bidder (power supplier or its affiliate or consortium/partnership) possess BOTH experience in different fields of power generation (refer to question 2) for the last five (5) years AND own and operate power plant(s) that have been existing and operational for the last five (5) years? 	
	How is the term "affiliate" characterized, what is the level of ownership of the principal-affiliate and vice-versa?	Affiliate means a corporation that directly or indirectly, to one or more intermediaries, is controlled by, or is under the common control of another corporation which thereby becomes its parent corporation. Two companies are affiliated when one company owns less than a majority of the voting stock of the other, usually less than 50%, or when both are subsidiaries of the third company.
	On the term consortium/partnership, it is required that it should be an existing consortium/partnership? Or it will be okay to submit a unincorporated joint venture and shall thereafter form a special purpose corporation to implement the PSA if declared as the winning bidder?	<p>No, for the purposes of the bidding they can form a consortium/ partnership.</p> <p>Unincorporated joint venture is sufficient for purposes of bidding.</p>

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	<p>Follow-up question don sa question on the affiliate issue, usually kasi at least sa mga PPP projects kasi we're going to use the experience of our affiliate, the bidder will remain as the bidder and the experience nong affiliate that will be used for qualification, they can use and they will present proof na affiliate s'ya, but the main bidder will be the power generator, to clarify lang sir, hindi ito 'yong ini-envision na condition dito but if we're going to use an affiliate, si affiliate na mismo 'yong magiging bidder?</p>	<p>Yes, the affiliate should be the bidder.</p>
	<p>On the same issue, i-clarify ko lang uli 'yong purpose of stating or affiliate don sa TOR kasi if you have an affiliate that's qualify bakit pa natin banggitin sa TOR edi s'ya na ang mag-bid, I think the purpose there is so that pwede kang magbid pero meron kang affiliate na qualify pero ikaw 'yong bidder otherwise there's no sense in, you know specifying this on the TOR kasi you can always go to a JV naman with anybody not necessarily an affiliate kaya ang understanding namin doon is I can bid magrefer lang ako sa experience ng affiliate ko and I will have to prove na affiliate ko s'ya.</p>	<p>The affiliate should be the bidder.</p>
	<p>Clarification lang sa eligibility requirements it says the Bidder or its affiliate regarding the experience, so kung wala akong experience but my affiliate has experience pwede kong i-cite 'yong affiliate ko? so the affiliate should be a member of your JV or partnership? Kailangan kasama?</p>	<p>The affiliate should be the Bidder.</p>
<p>ITB Clause 12.1.1 (j)</p>	<p>If Bidder is under a consortium, must submit a declaration under oath of its principal owner. In case of un-incorporated consortium,</p>	<p>If Bidder is under a consortium, must submit a declaration under oath of its lead bidder. The Lead Bidder should have a five (5)</p>

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	<p>can we declare a Lead Bidder instead of principal owner? In addition, only the lead bidder shall comply with the bid requirements as well as with the eligibility/capability requirements through itself, subsidiaries or affiliates.</p>	<p>year experience and owns and operates 5MW power plant.</p>
	<ul style="list-style-type: none"> • Sir balikan ko lang 'yong question, two questions ago 'yong about using affiliate to qualify, ah sabi mo na pupwede gamitin 'yong qualifications ng affiliate by a bidder right? as long as kasama sa consortium 'yong affiliate, so ibig sabihin makipag JV ang isang company with its own affiliate? Ganon ho ba 'yon? • Affiliate po.. 'yong question po kasi kanina is for example 'yong isang Bidder pwedeng, kasi may reference to Bidder or its affiliate right? So, ang question kanina was kung pwede bang gamitin 'yong qualifications ng affiliate to.. or experience for example eligibility to qualify, for example in terms of financial or technical capability, tapos 'yong tanong, 'yong sagot po kanina was that pwede as long as 'yong affiliate is ka-JV nong ano, nong Bidder, so are you saying that 'yong Bidder ay makipag-JV with its own affiliate? • Okay, so two things po no, 'yong power supplier and its affiliates isasali n'ya 'yong affiliate na for example 'yong, 'yong, 'yong ahh let's say FS, AFS nong affiliate na isasali 'nong bidder, 'yon po ba 'yong intention? 	<p>Yes, you can use the qualification of the affiliate if there's a joint venture or consortium.</p>

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	Legal requirements: Can the bidder use its (100% owned) subsidiary's credentials for the bidder's eligibility requirements? Do we just attach it to the bid docs?	No, you cannot use your subsidiary's credentials.
Section 12.1.1 Page 13 of Instruction to Bidders	<p>Item G. The bidder must submit a notarized certification from its client DU that the bidder/affiliates have no record of Unsatisfactory Performance.</p> <p>We have readily available Certificates of Satisfactory Performance. Can this be allowed instead?</p>	No, you have to secure a new certification for this bidding.
ITB 5 Eligible Bidders Item 5.2	Would the OMECO TPBAC accept the bidder's consolidated net worth (i.e. bidding company and its affiliates/subsidiaries) for this requirement?	Yes.
ITB 5 Eligible Bidders, in relation to the Invitation to Bid and Terms of Reference	The ITB (similar to the Invitation to Bid and Terms of Reference) states that for the eligibility requirements, the Power supplier or its affiliate or consortium/partnership must comply with the parameters set for technical and financial capabilities. During the Pre-Bid Conference on October 3, 2019, it was explained by OMECO that if the affiliate's technical and/or financial capability will be used, the affiliate must become the bidder; the bid documents purchased by the initial bidder must be assigned to the affiliate; and the affiliate must be able to comply with all the eligibility requirements for the CSP, and must also submit proof of that it is indeed an affiliate of the initial bidder. We request reconsideration of OMECO's requirement. Kindly note that in other projects (such as public biddings for PPP projects and	No.

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	<p>national infrastructure projects), the bidders are allowed to use the experience or capability of its affiliates to be eligible or to pre-qualify to bid, but the bidder will remain to be the main bidder and will only need to submit proof of its relation with the affiliate whose qualifications are being used. Given this, we request that this condition, as discussed during the Pre-Bid Conference, be reconsidered and revised.</p>	
	<p>The interim power supply will have to be on line on March 2020 or the Winning Bidder will only have 4 months window to get approval from ERC. Based on our experienced ERC approval will take more than 4 months, will this cause for termination or default of the Winning Bidder? What will be the legal basis and the rates to be used to operate the interim power supply?</p>	<p>No, refer to Section 9 of PSA.</p>
<p>Page 23 of 53 – Item 25.5</p>	<ul style="list-style-type: none"> In the instruction to bidders you mentioned that “if multiple Bidders have the same Calculated Levelized Cost, the TPBAC shall decide on how to break the tie based on other bid proposals favorable to OMECO.” <p>Please expound on “based on other bid proposals favorable to OMECO”. In awarding the contract, will there be other criteria to be considered other than the price? May we request for an illustration/example how this will be applied?</p> <p>May OMECO clarify the mechanism on how to break a tie? We suggest that the</p>	<p>In case of tie Bids, that is, if multiple Bidders have the same calculated Levelized Cost, the bidder with the highest offered Prompt Payment Discount (PPD) shall be used in breaking the tie.</p>

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	mechanism for breaking a tie be fixed prior to the actual bidding.	
ITB 12, 13 and 14	Is the OMECO TPBAC requiring the Bidder to submit "certified true copies" of relevant documentary requirements?	<p>Yes, there are documents that are required to be certified true copies except for the following where the bidders are required to submit original copies:</p> <ul style="list-style-type: none"> • Original sheet containing at least three (3) specimen signature and three (3) initials of the authorized representative; • Notarized certification from its client DU that the Bidder or its Affiliates or consortium/partnership of power suppliers has no record of Unsatisfactory Performance. For this purpose, "Unsatisfactory Performance" means any of the following: <p>In relation to any power supply contract that has been implemented for at least five (5) years prior to the Bid Submission Deadline (as defined below) by the Bidder:</p> <ol style="list-style-type: none"> i. the failure of the Bidder to satisfactorily perform any of its material obligations for such contract, as evidenced by the imposition of a judicial pronouncement or arbitration award; ii. the expulsion of the Bidder from any such contract;

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
		<p>iii. the termination or suspension of any such contract due to the Bidder's willful breach of its obligations; or</p> <p>iv. material violation of laws and/or regulations by the Bidder applicable to any such 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> <ul style="list-style-type: none"> • If Bidder is under a partnership or consortium, must be evidenced by an agreement showing that their rights and obligations, including liabilities in this Bidding and the resulting Power Supply Agreement are solidary; • If Bidder is under a partnership or consortium, must submit a declaration under oath of its lead bidder; • A certification under oath from Bidder's responsible officers that the Bidder is free and clear of all liabilities with the government; • A document containing the name, address and contact details, including telephone number/s, fax number/s and

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
		<p>email address/es, of Bidder duly signed by the authorized representative/s;</p> <ul style="list-style-type: none"> • Acceptance of the Bidding Documents • Confidentiality Agreement and Undertaking • Omnibus Sworn Statement • Company profile highlighting experiences, expertise of the company and key officers in power plant operation • Statement in matrix form of all similar projects owned, developed, constructed, and/or operated by the Bidder in the last five (5) years. • Statement, in matrix form, of customers with power supply contract. The statement shall include, for each customer • Company profile and history of the bidder and its affiliate, or consortium/partnership of Power Suppliers including: <ul style="list-style-type: none"> i. Previous experience with financing (equity and debt) of projects of the type and size being proposed; ii. Financing Plan including, but not limited to detailed description of where the funds will originate (debt

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
		<p>financing and equity financing);</p> <p>iii. Convincing evidence that the Bidder can finance the equity component of the investment such as commitment letters from investors and partners; and</p> <p>iv. Convincing evidence that Bidder has strong credit backing and can successfully arrange financing for the project such as letter from prospective project financiers.</p> <ul style="list-style-type: none"> • Bid Security; • General information on the power plant(s), specifically the design data (type, including specific fuel, number of units, and capacity), proposed plant site(s), power plant design, and single line diagram of all plant sites showing the connection on the existing 69kV line and 13.2kV distribution system; • Committed key project milestone schedule, in months/weeks after Notification Date, of proposed power plant(s) including, but not limited to, the following: <ul style="list-style-type: none"> i. Project financial closing with lenders;

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
		<p>ii. Commencement of construction;</p> <p>iii. Completion of site preparation, foundation, and civil works;</p> <p>iv. Installation of electrical and mechanical components of the plant(s);</p> <p>v. Testing and commissioning; and</p> <p>vi. Commercial operation;</p> <ul style="list-style-type: none"> • Development and Engineering, Procurement, and Construction (EPC) Plan describing the methodology, process, and schedule that shows the feasibility and credibility that proposed power plant(s) will be available on the scheduled Commercial Operation Date; • Fuel Supply Plan indicating: <ul style="list-style-type: none"> i. Long-term availability; ii. Contingency supply for at least thirty (30) days; and iii. Key terms of the Fuel Supply Agreement; • Risk Management Plan from development to operations including, but not limited to, pertinent information on project insurance and bonding program to be put in place;

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
		<ul style="list-style-type: none"> • Convincing evidence that Bidder will be able to acquire ownership of right, title, or interest in the proposed site(s) and the right to use the energy resource where applicable, or alternatively, a letter from the land owner or appropriate government agency indicating that Bidder will be able to acquire such right if the Bidder is awarded the PSA under this Transaction. In case of land lease, letter from the landowner of their commitment to lease the land for plant site should the Bidder be awarded the PSA will suffice; • Convincing evidence that Bidder can successfully develop and construct the power plant(s) such as letter from prospective EPC contractor with reputable track record with whom the Bidder has been arranging for the project in response to this Bid. Include a list of power plant EPC projects of the contractor(s) in the last five (5) years and the contact details (persons, address, telephone numbers, fax numbers, and email addresses) of the clients of the EPC Contractor; • Convincing evidence that Bidder has been arranging with prospective fuel supplier for long-term fuel supply for the project, if applicable. Bidder shall have received sufficient

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	<p>If yes, would the OMECO TPBAC accept certification of true copy in the form of a Secretary's Certificate, with the Corporate Secretary or Authorized Representative's signature on each and every page of the document being certified?</p>	<p>assurances that a reliable supply of fuel will be available under competitive price and supply terms as evidenced by letters from prospective fuel suppliers.</p> <ul style="list-style-type: none"> • Financial Proposal. <p>Secretary's Certificate is not acceptable. Each and every page of the documents must be stamped as certified true copies.</p>
	<p>My question pertains to the Instructions to Bidder particular in ITB 12, I would like to know that it was discussed in the first slide the one about ahm.. allowing consortium, I would like to seeks further clarification if what we.. what will be allowed is an incorporated consortium or unincorporated consortium? The reason I'm asking for that clarification is that in the documents required in for example in letter "H" page 13, it says if a bidder is under a partnership or consortium it must be evidenced by an agreement showing that their rights and obligations, including liabilities in this Bidding and the resulting Power Supply Agreement are solidary which can be taken to me na unincorporated s'ya yet in letter "J" further it says if Bidder is under a partnership or consortium it must submit a declaration under oath of its principal owner which can be taken to me na that's, it's an incorporated consortium right? So ahmm.. do we mean incorporated</p>	<p>Both incorporated and unincorporated are allowed. However, If Bidder is under a consortium or partnership, a lead bidder must be declared.</p>

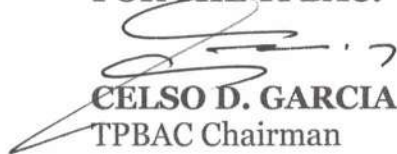
REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	or unincorporated because what.. if it's an incorporated what they can do is for two companies to submit an undertaking to form a SPV if it will be a successful in the securing the award.	
ITB 5 Eligible Bidders, Item 5.2	Would the OMECO TPBAC accept the bidder's consolidated net worth (i.e. bidding company and its affiliates/subsidiaries) for this requirement, and will they accept as submission the said bidder's consolidated audited financial statement?	Based on the eligibility requirements, either the power supplier or its affiliate may only be eligible to bid. However, in case they form a JV or consortium, their audited financial statements may be combined for the computation of the net worth.
	The question is if OMECO has a plan to impose pre-conditions on any bid proposal involving renewable energy and coal plant. As we have proposed, such bid proposals must be supported by feasibility study, grid impact study including perhaps at least a certificate of no objection from the Local Government in case of a Coal Plant as additional pre-qualification requirements. All of these as measures to serve as deterrent in repeating past irregularities on CSP from other NPC SPUG Areas since without, the OMECO CSP is deemed an exercise of futility or is only wasting the time and money of the rest of other serious Bidders.	<p>As additional to the Technical Documents Requirements, the Bidder who will offer renewable energy must submit Technical Study to support that the proposed renewable energy is feasible in the province.</p> <p>As of this day, the province of Occidental Mindoro has no policy prohibiting the construction of coal power plant.</p>
	Have suggested a scenario where the winning NPP have proposed a 50-50 energy mix between diesel fired and solar power but during subsequent implementation of PSA have encountered problems which incidentally resulted to actual generation mix of 70 pct from diesel plant and only 30 pct from cheaper solar power. The question is if the 50-50 pct energy mix according to bid proposal will still	Yes, it should be followed the offered energy mix for every billing month.

REFERENCE	QUESTIONS AND CLARIFICATIONS	TPBAC RESPONSE
	prevail in the issuance of power bill?	

This Bid Bulletin No. 07, Series of 2019 shall form part of the Bidding Documents. Any provisions in the Bidding Documents inconsistent herewith is hereby amended, modified and superseded accordingly.

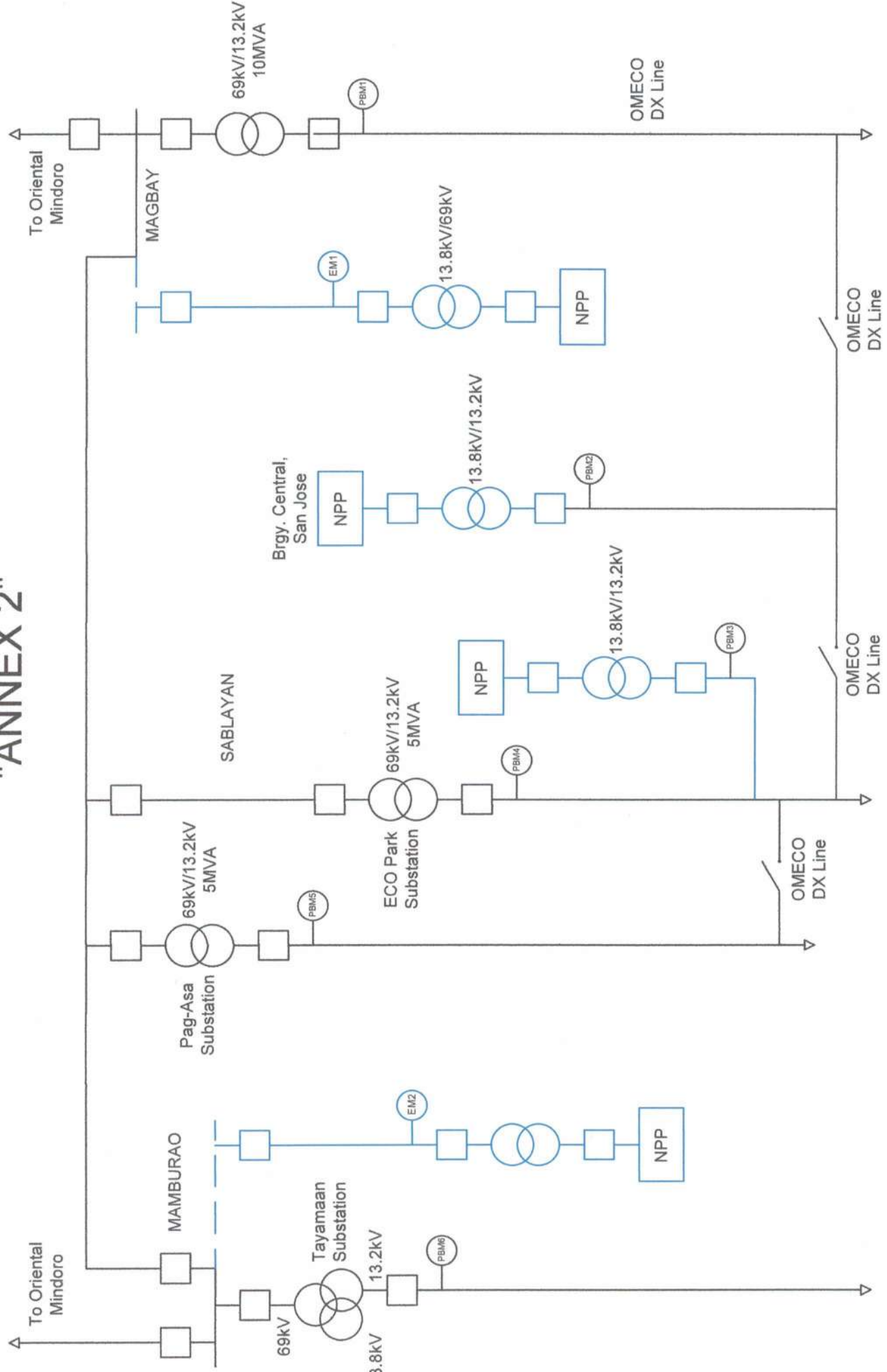
For information of all concerned.

FOR THE TPBAC:


CELSON D. GARCIA
TPBAC Chairman

INTERIM DEMAND REQUIREMENT						
Location	2020 Plant Contracted Capacity, MW	2021 Plant Contracted Capacity, MW	2022 Plant Contracted Capacity, MW	Connection Point	Injection Voltage (kV)	Location
SAN JOSE	7	8	8	Pulang Lupa	13.2	Near the Connection Point
	10	10	11	Magbay Substation	69	At the discretion of the Winning Bidder
SABLAYAN	4	4	4	Eco Park Substation	13.2	Near the Connection Point
MAMBURAO	6	7	8	Tayamaan Substation	69	At the discretion of the Winning Bidder
TOTAL	27	29	31			

"ANNEX 2"



"ANNEX 3"

NEW GENERATING CAPACITY 2022-2035				
Location	Contracted Capacity	Connection Point	Injection Voltage (kV)	Location
San Jose	24	Magbay Substation	69	At the discretion of the Winning Bidder
Sablayan	6	Sablayan Switching Station	69	
Mamburao	9	Tayamaan Substation	69	

"ANNEX 4"

