

ITB 7 Pre-Bid Conferences

- 7.1 Pre-bid conferences shall be held at the venue and on the dates indicated in the Bid Bulletins to clarify and address the Bidders' questions on the pertinent technical and financial components of this CSP. Only bidders who have paid the participation fee shall be allowed to participate in the pre-bid conferences.
- 7.2 Due to the uncertainties brought by the current public health crisis (COVID-19), the TPBAC may opt to conduct the pre-bid conference via virtual conference using ZOOM application.
- 7.3 The TPBAC will be hosting the conference, and the Bidders are allowed to enroll only one (1) authorized representative. Bidders shall be allowed additional participants as Observers (i.e., will not have speaking privileges).
- 7.4 Bidders shall confirm their attendance by submitting a Secretary's Certificate with a corresponding scanned copies of two (2) valid IDs to the TPBAC Secretariat through email at omecocsp2018@gmail.com two (2) days prior to the scheduled pre-bid conference. Valid IDs refer to the company-issued and government-issued IDs.
- 7.5 The TPBAC will be providing all Bidders a ZOOM Meeting ID Number and Password which will be sent through Bidders' official email address.
- 7.6 To ensure the transparency of the bidding process, Observers are invited to join the Zoom virtual conference. The public may also witness the pre-bid conference via Facebook Live by accessing the official Facebook page of OMECO IEC and OMECO CSPNEWS. CSP Observers shall not participate in the proceedings and have no right to vote.
- 7.7 The minutes or notes of the Pre-Bid Conference shall be made available to all Bidders three (3) days after the Pre-Bid Conference upon written request and payment of PHP 100.00/page to recover cost of materials. Bidders may send comments on the minutes or notes of the Pre-Bid Conference.

Given the difficulties and delays in the transmittal of hardcopies due to the COVID-19 pandemic. The TPBAC will provide Bidders a PDF copy of the minutes at no cost to the Bidders through Bid Bulletins that are emailed to authorize Bidder's email address.

- 7.8 The decisions of the TPBAC amending any provision of the Bidding Documents shall be issued in writing through a Bid Bulletin.

C BIDDER'S ELIGIBILITY, RESPONSIBILITIES AND DISQUALIFICATION

ITB 8 Eligible Bidders



- 8.1 The following entities shall be eligible to participate in this bidding:
- (a) Duly licensed individuals or sole proprietorships;
 - (b) Partnerships duly organized under the laws of the Philippines;
 - (c) Corporations duly organized under the laws of the Philippines; and
 - (d) Joint Ventures and Consortiums to be duly organized under the laws of the Philippines, provided they have submitted duly notarized Joint Venture or Consortium Agreement, backed by Board Resolutions of parties' mother companies guaranteeing full support to the JV/Consortium and clearly stating JV/Consortium or a Project Company and the level of participation of partners/parties. The JV or Consortium Agreement shall also indicate that their rights and obligations, including liabilities in this Bidding and the resulting PSA are solidary;
- 8.2 Bidders who will build, own, and operate renewable energy power plants shall comply with the ownership requirements of the RE Law and the Philippine Constitution.
- 8.3 Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by any government or other entity in accordance with **ITB 9** hereof.
- 8.4 The Bidders shall have an aggregate generation portfolio of at least 5 MW regardless of technology at the time of submission of Bid and has track record of two (2) years in power plant operation.
- 8.5 In case the required years of experience and aggregate capacity are not met, the bidders may opt to submit a detailed plan on how it intends to operate and maintain the generating facilities in accordance with the Philippine Grid and Distribution Codes, existing industry standards and applicable Philippine Laws. The detailed plan must state how the Bidder shall operate and maintain the Generating Facilities as well as the experience and technical capability of the person, whether natural or juridical, who will operate and maintain the generating facilities. The detailed plan must contain the following:
- (a) Executive Summary;
 - (b) Description of the Plan for the operation and maintenance of generating facilities;
 - (c) Proposed table of organization including job descriptions, technical qualifications and experience of the management of technical team; and
 - (d) Environmental and social obligation compliance programs.

Provided that the proposed personnel in table of organization shall be committed obligation of the NPP and non fulfillment of this obligation shall be ground for the termination of the PSA.

- 8.6 The Bidder must have a Unrestricted Net Worth of at least 30% of the investment requirement of each power plant including the cost of point-to-point connection. The value of the Bidder's Unrestricted Net Worth shall be based on the latest Audited Financial Statements (AFS) submitted to the Bureau of Internal Revenue (BIR) for the last two (2) years. "Unrestricted Net Worth" refers to the sum of subscribed and paid up equity, including additional paid-in capital, and unrestricted retained earnings, preferred shares, perpetual shares less treasury shares of common, preferred, and perpetual shares. Unrestricted retained earnings means the amount of accumulated profits and gains realized out of the normal and continuous operations of the company after deducting therefrom distributions to stockholders and transfers to capital stock or other accounts, and which is: (i) not appropriated by the Board of Directors for corporate expansion projects or programs; (ii) not covered by a restriction for dividend declaration under a loan agreement; (iii) not required to be retained under special circumstances obtaining in the corporation such as when there is a need for a special reserve for probable contingencies (as defined in SEC Memorandum Circular No. 11-08 dated December 5, 2008); and (iv) not otherwise covered by any other legal restriction on the ability of the company to distribute or otherwise apply its equity.
- 8.7 For the purpose of confirmation, the Bidder must provide copies of its Certificates of Compliance (COCs) or Provisional Authority to Operate (PAO) provided they shall submit copy of its application for COC issued by the ERC, copies of its Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR) submitted to ERC. In case of renewable energy providers, minimum of two years of the above certificates and reports shall be allowed. Where the power plant operation experience is not covered by COCs and GCMRs of ERC, the Bidder shall provide a certification from third parties such as contracted customer/s (e.g., NPC-SPUG) and the operational and/or performance reports received, prepared or recorded by the customer/s.
- 8.8 In case of JV or Consortium, the qualification of the Bidder may be obtained by pooling the qualification of each member of the JV or Consortium. Provided that the member of the JV or Consortium with the longest track record shall be taken as the track record of the Bidder (i.e., the number of operating years of each member shall not be added).

ITB 9 Fraudulent and Corrupt Practices

- 9.1 The HOPE, the TPBAC, the TWG, and the Bidders shall observe the highest standard of ethics for the duration of the Transaction and during the execution of all agreements. In pursuance of this policy, the following definitions shall apply:
- (a) "Corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves and/or others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any

such official involved in this Transaction or in contract execution; entering into any agreement or transaction manifestly and grossly disadvantageous to the OMECO, whether or not any person profited or will profit thereby;

- (b) "Fraudulent practice" means a misrepresentation of facts in order to influence the process or outcome of this Transaction or the execution of an agreement to the detriment of the OMECO, and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish Bid prices at artificial, non-competitive levels and to deprive the OMECO of the benefits of free and open competition.
- (c) "Collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the OMECO, designed to establish Bid prices at artificial, non-competitive levels;
- (d) "Coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in this Transaction, or affect the execution of an agreement.

- 9.2 The TPBAC will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt, fraudulent, coercive and collusive practices in competing for the Power Supply Agreement (PSA).
- 9.3 The TPBAC will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded the PSA if it, at any time, determines that the firm has engaged in corrupt or fraudulent practices in competing or, or in executing the PSA.
- 9.4 The OMECO, through the TPBAC or through independent auditors, reserves the right to inspect and audit records and accounts of any Bidder or contractor involved in the Bidding.

ITB 10 Bidder's Responsibilities

- 10.1 The Bidder is responsible for the following:

- (a) Having taken steps to carefully examine all the Bidding Documents;
- (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the PSA;
- (c) Having made an estimate of the facilities and equipment available and needed to implement the PSA;
- (d) Having complied with its responsibility to inquire about or secure Bid Bulletin/s;
- (e) Ensuring that each of the documents submitted is in satisfaction of the CSP requirements, is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (f) Authorizing OMECO TPBAC to verify all the documents submitted;
- (g) Ensuring that the signatory is the duly authorized representative of the Bidder and granted full power and authority to do, execute, and perform any and all acts necessary to participate, submit the Bid, and to sign and execute the ensuing PSA, accompanied by the duly notarized

- Special Power of Attorney, Board/Partnership Resolution, or Secretary's Certificate, whichever is applicable;
- (h) Complying with existing labor laws and standards;
 - (i) Ensuring that it did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of OMECO, OMECO TPBAC and CSP Advisors; and
 - (j) Bidder bears the risk for failure to observe any of the above responsibilities.
- 10.2 The Bidder, by the act of submitting its Bid, shall be deemed to have inspected relevant sites, determined the general characteristics and conditions of the PSA, and examined all instructions, forms, terms, and requirements in the Bidding Documents.
- 10.3 OMECO TPBAC will not assume any responsibility regarding erroneous interpretations or conclusions by Bidders out of the Bidding Documents.
- 10.4 Before submitting their Bids, the Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts, and regulations of the Republic of the Philippines which may affect the PSA in any way.
- 10.5 The Bidder shall bear all costs associated with the preparation and submission of its Bid. OMECO TPBAC shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the CSP.
- 10.6 The Bidder should note that OMECO TPBAC will accept Bids only from those that have paid the applicable fee for the Bidding Documents at the office indicated in the Invitation to Bid.
- 10.7 The Bidder, by the act of submitting its Bid, shall be deemed to have accepted and will abide to all procedures, requirements, rules and regulations issued by the TPAC through the Bidding Documents.

ITB 11 Due Diligence

- 11.1 The Bidders shall be given the following pertinent technical and financial information of OMECO:
- (a) Directory of OMECO;
 - (b) Demand and Energy Forecast of OMECO (2022-2039);
 - (c) 8760 Load Curve of OMECO (2019);
 - (d) Utility Statistics and Operational (Technical and Financial) Performance;
 - (e) Audited Financial Statements (2015-2019);
 - (f) Payment Performance Certifications from Power Suppliers, PSALM, NEA, and other Financial Institutions;
 - (g) Pre-Grid Impact Study (GIS); and
 - (h) OMECO Single Line Diagram (SLD)

- 11.2 The Bidders may conduct due diligence until February 24, 2021.
- 11.3 If the Bidder desires to conduct on-site due diligence on OMECO, they may coordinate with the TPBAC, who shall coordinate the schedule. The Bidder must request the TPBAC in writing with the specific agenda and proposed schedule of visit. The TPBAC has the right to reject request for visits if the data needed have already been provided to Bidders and/or the agenda is deemed not relevant to this Transaction.
- 11.4 Any cost associated with the conduct of due diligence shall be for the sole account of the Bidders.
- 11.5 All OMECO Information for Due Diligence provided to the Bidders are confidential. Bidders are prohibited from distributing these information to persons or entities other than the Bidder or its official representatives.
- 11.6 The Bidder, by the act of submitting its Bid, shall be deemed to have done due diligence on the subject of this Transaction.

ITB 12 Disqualification of Bidder

- 12.1 The Bidder or any member of the Partnership, JV or Consortium must have no record of Unsatisfactory Performance as Generator or Power Plant Operator. For this purpose, "Unsatisfactory Performance" means any of the following within two (2) years prior to the Deadline of Bid Submission:
 - (a) the failure by the Bidder to satisfactorily perform any of its material obligations in a power plant project, power plant operation contract, or power supply contract as evidenced by the imposition of a judicial pronouncement or arbitration award;
 - (b) the expulsion of the bidder from any power plant project, power plant operation contract, or power supply contract, due to the bidder's fault;
 - (c) the termination or suspension of any such project, operation or contract, due to the fault of the bidder;
 - (d) material violation of laws and/or regulations by the Bidder to any power plant projects or contracts, including but not limited to environmental, health, safety, labor and social welfare laws and regulations, as evidenced by the findings of the relevant competent authority.
- 12.2 The Bidder or any member of the Partnership, JV or Consortium must not be included in a blacklist issued by any governmental agency of the Philippines or in the Debarred and Cross-Debarred Firms & Individuals list posted in the World Bank website (www.worldbank.org/debarr), whether as an individual contractor, partnership or corporation or as a member of a joint venture or consortium.



- 12.3 In addition to the grounds specified in ITB 16.7, the following are also grounds for the rejection of the Bids and/or the disqualification of the Bidders:
- (a) Failure to submit all the requirements in accordance with and as provided for in ITB 15, ITB 16, ITB 17 and ITB 18;
 - (b) Failure to submit a Bid Security as provided for in ITB 16;
 - (c) Bidders with conflict of interest as provided for in ITB 13.1 and ITB 14.2;
 - (d) In the event of collusion as provided for in ITB 9; and
 - (e) Commission of any of the corrupt practices listed in ITB 9.

ITB 13 Conflict of Interest

- 13.1 All Bidders found to have conflicting interests shall be disqualified to participate in this CSP, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c), and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

- (a) A Bidder has controlling shareholders in common with another Bidder;
- (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
- (c) A Bidder has the same legal representative as that of another Bidder for purposes of this CSP;
- (d) A Bidder has a relationship, directly or through third parties, that puts it in a position to have access to information about or influence on the Bid of another Bidder or influence the decisions of OMECO TPBAC regarding this CSP;
- (e) A Bidder submits more than one Bid in this CSP;
- (f) A Bidder participated as a consultant in the preparation of the design or technical specifications of this CSP; and
- (g) A Bidder lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for this CSP, if the personnel would be involved in any capacity on the same project.

D PREPARATION OF BIDS

ITB 14 Documents Comprising the Bid

- 14.1 The Bid shall consist of the following:

- (a) Eligibility Requirements as enumerated in **ITB 15**;
- (b) Bid Security as required in **ITB 16**;
- (c) Financial Proposal in accordance with **ITB 17**; and
- (d) Technical Proposal in accordance with **ITB 18**.



- 14.2 The Bid shall be accompanied by a sworn affidavit of the Bidder's officers, directors, and controlling stockholders that they are not related to the members of OMECO's Board of Directors, General Manager and officers, members of OMECO TPBAC, members of OMECO TPBAC-TWG, members of OMECO TPBAC Secretariat, and OMECO consultants for this CSP, by consanguinity or affinity up to the third civil degree (**Annex D-5**). Such relationships will result in the automatic disqualification of a Bidder.
- 14.3 Bids not addressing or providing all of the required items shall be considered non-responsive and, thus, automatically disqualified.

ITB 15 Eligibility Requirements for Bidders

- 15.1 The Bidder shall submit Class "A" and Class "B" documents detailed in **ITB 15.2** and **ITB 15.3** for the TPBAC to ascertain its eligibility for the Bid:

The Bidder and each member of the Partnership, JV or Consortium as Generator or Power Plant Operator must submit eligibility requirements.

15.2 Class "A" Documents

(a) Legal Documents

- (a) Registration certificate from Securities and Exchange Commission (SEC). In case of foreign Bidders equivalent Certification allowed by Philippine Laws may be required;
- (b) Articles of Incorporation and By-Laws or a Memorandum of Association or Partnership duly certified by the concerned authorities, as may be applicable;
- (c) Valid and current Mayor's Permit or municipal license where the principal place of business of the prospective Bidder is located. In cases of recently expired Mayor's/Business permits, it shall be accepted together with the official receipt as proof that the Bidder has applied for renewal within the period prescribed by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement;
- (d) Taxpayer's Identification Number (TIN) [BIR registration/certification];
- (e) Documentary proof of Bidder's compliance with Tax obligations, such as:
 - i. BIR VAT Registration (Form 2303);
 - ii. Proof of VAT payments for the months of August 2020 to January 2021 must be submitted;
 - iii. Tax Clearance from the BIR to prove bidder's full and timely payment of taxes to the government. In consideration of the COVID pandemic, in cases of expired Tax clearance, it shall be submitted together with the official receipt as proof that the Bidder has applied for renewal or awaiting the release of certificate from the BIR; and



- iv. A certification under oath from Bidder's responsible officers that the Bidder is free and clear of all liabilities with the government.
- (f) General Information Sheet submitted to SEC.

(b) Technical Documents

- (a) Company profile highlighting experiences and expertise of the company and key officers in power plant operation;
- (b) Matrix of the Bidder's ongoing projects and generation portfolio with the following minimum information for each power plant:
 - i The name of the power plant;
 - ii Installed and dependable capacity of the power plant;
 - iii Type of power plant according to fuel or energy resource;
 - iv Location (address) of the power plant;
 - v Year the power plant was built and commissioned; and
 - vi Number and average duration of scheduled and unscheduled outages for the last two (2) years or the actual outage data for new power plants operating for less than two years supported by a certification issued by the System Operator or client distribution utility.
- (c) Matrix of Bidder's customers with whom the Bidder have power plant operation, rental or supply contracts. The statement shall include, for each customer, the following:
 - i Name and address of company;
 - ii Telephone, cellphone and fax numbers, website URL, and e-mail address of the company;
 - iii Name and position of authorized contact person(s);
 - iv Telephone and cellphone number and e-mail address of contact person(s); and
 - v Number and average duration of scheduled and unscheduled outages for the last two (2) years or the actual outage data for new power plants operating for less than two years supported by a certification issued by the System Operator or client distribution utility.
- (d) Copy of Certificate of Compliance issued by ERC or Service Contracts from the DOE as well as copies of its Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR) submissions to ERC for the last two (2) years. For Bidders where the power plant operation experience is not covered by COCs and GCMRs of ERC, a certification from third parties such as contracted customer/s (e.g., NPC-SPUG) and the operational reports received or recorded by the customer/s shall be submitted.
- (e) In case the required years of experience and aggregate capacity are not met, the bidders may opt to submit a detailed plan on how it intends to operate and maintain the generating facilities in accordance with the Philippine Grid and Distribution Codes, existing industry standards and applicable Philippine Laws. The detailed plan must state how the Bidder shall operate and maintain the Generating Facilities as well as the experience and technical

capability of the person, whether natural or juridical, who will operate and maintain the generating facilities. The detailed plan must contain the following:

- i. Executive Summary
- ii. Description of the Plan for the operation and maintenance of generating facilities.
- iii. Proposed table of organization including job descriptions, technical qualifications and experience of the management of technical team.
- iv. Environmental and social obligation compliance programs.

(c) **Financial Documents**

- (a) The Bidder's Audited Financial Statements, stamped "received" by the Bureau of Internal Revenue (BIR) for the last two (2) years (i.e., for years 2018 and 2019), showing, among others, the Bidder's total and current assets and liabilities. Complete set of financial statement includes the following:
 - i. Balance Sheet;
 - ii. Income Statement;
 - iii. Statement of Changes in Equity;
 - iv. Cash Flow Statement;
 - v. Notes to Financial Statement;
 - vi. Statement of Management Responsibility for Financial Statement; and
 - vii. Financial Ratios indicating liquidity measurement ratio, debt ratio, profitability ratio and operating performance ratio.
- (b) Calculation sheet of the Unrestricted Net Worth of the Bidder certified by the Finance Manager or Officer of the Bidder.

15.3 Class "B" Documents

- (a) Secretary's Certificate designating the Bidder's authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA), bearing certified sheets containing at least three (3) specimens of full signature and three (3) initials of the designated representative/s;
- (b) A document containing the name, address and contact details, including telephone number/s, fax number/s and email address/es, of Bidder duly signed by the authorized representative/s;
- (c) Omnibus Sworn Statement in accordance with **Annex D-1** of this ITB;
- (d) Acceptance of Bidding Documents (**Annex D-2**);
- (e) Confidentiality Agreement (**Annex D-3**);
- (f) A certification issued by Bidder or its authorized representative that each of the documents submitted in satisfaction of the Instructions to Bidders is an original or a true and faithful reproduction or copy of the original (**Annex D-4**);
- (g) Affidavit of Disclosure of Relations in accordance with **ITB 13** and **Annex D-5**;

- (h) Certificate of **No Unsatisfactory Performance** from its contracted customer in accordance with ITB 12.;
- (i) Statement that the Bidder is not banned or blacklisted from bidding by the government or any of its agencies and other private corporations or electric cooperatives and LGUs including its non-inclusion in the Consolidated Blacklisting Report issued by the Government of the Philippines (GOP) (**Annex D-6**);
- (j) A letter authorizing the TPBAC or its duly authorized representative/s to verify all of the documents submitted; and
- (k) Any other document, in support of documents already submitted, that may be required by the TPBAC for clarification purposes during post-qualification.

- 15.4 The Bidder shall indicate "N/A" for requirements that are not applicable to them.
- 15.5 To be considered eligible and qualified for contract award, a Bidder must comply with the requirements indicated in **ITB 14**. Only the Proposal from Bidders that are complete based on the Eligibility Requirements listed in **ITB 15**, shall be opened. Otherwise, said Proposals shall be returned unopened.
- 15.6 Failure to submit all the requirements in **ITB 14.1** is ground for rejection of the Bid and/or the disqualification of the Bidder.

ITB 16 Bid Security

- 16.1 The Bidder shall submit a Bid Security equivalent to the amount shown in **Table 44** in the form of cash or cashier's/manager's check or an irrevocable standby letter of credit in favor of OMECO issued by a Universal or Commercial Bank with a branch in Occidental Mindoro (i.e., PNB, LBP, MBTC etc.).

Table 4: Required Bid Security

Lot	Areas	Required Bid Security (PhP)
I	SAMARICA	7,500,000.00
II	Sablayan	1,600,000.00
III	MAPSA	2,600,000.00

- 16.2 Submission of a Bid Security is understood to mean that the Bidder shall enter into a PSA with OMECO and furnish the required Performance Security within ten (10) calendar days from receipt of the Notice of Award, and commits to pay the corresponding amount as fine in the event it violates any of the conditions stated therein.

- 16.3 Any Bid not accompanied by an acceptable Bid Security shall be rejected by OMECO TPBAC.
- 16.4 Bid Securities shall not be returned to Bidders after the opening of Bids and before the PSA signing, except to those that failed to comply with the Eligibility Requirements in accordance with the preliminary examination in **ITB 26** and subsequently the Bid was not opened.
- 16.5 For Bidders whose Bid were not disqualified, their Bid Security shall be returned only after the Winning Bidder has signed the PSA and complied with the Performance Security requirements in **ITB 34** and **ITB 35**.
- 16.6 Upon signing and execution of the PSA and the posting of the Performance Security, the successful Bidder's Bid Security will be returned.
- 16.7 The Bid Security may be forfeited under any of the following conditions:
- (a) A Bidder withdraws its Bid after bid opening during the period of Bid validity which shall be for at least 120 days;
 - (b) A Bidder has a finding against the veracity of the post-qualification requirements;
 - (c) A Bidder submits eligibility requirements containing false information or falsified documents;
 - (d) A Bidder submits Bids that contain false information or falsified documents, or conceals such information in the Bids in order to influence the outcome of eligibility screening or any other stage of the CSP;
 - (e) A Bidder allows the use of one's name, or used the name of another for the purposes of this CSP;
 - (f) A Bidder withdraws a Bid, or refuses to accept an award, or enter into the PSA with OMECO, after the Bidder had been adjudged as having submitted the LCRB;
 - (g) A Bidder refuses or fails to post the required Performance Security within the prescribed time;
 - (h) A Bidder refuses to clarify or validate in writing its Bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
 - (i) A Bidder attempts to unduly influence the outcome of the CSP in its favor;
 - (j) The Winning Bidder fails to sign the PSA;
 - (k) In the event that the TPBAC finds the Bidder to have committed Fraudulent and Corrupt Practices as specified in **ITB 9**; or
 - (l) In case the Bidder is disqualified at any stage of the Bidding process as provided for in **ITB 13.1**, **ITB 16.3** and **ITB 37**.

ITB 17 Financial Proposal

- 17.1 The Financial component of the Bid shall be accomplished and submitted using the Financial Bid Forms prescribed in **Annex B**.

17.2 The Financial Proposal of the Bidder shall detail the following bid variables for each power plant technology that may affect the calculated Levelized Price detailed in ITB 27:

- (a) Price components
 - i. Fixed Cost 1 (FC1) for Capital Recovery Rate
 - ii. Fixed Cost 2 (FC2) for Fixed O&M Rate
 - iii. Variable Cost 1 (VC1) for Variable O&M Rate
 - iv. Variable Cost 2 (VC2) for Fuel Rate

- (b) Allowed Outage
 - i. Scheduled Outage Hours
 - ii. Unscheduled Outage Hours

17.3 OMECO shall enter into a PSA with the NPP with the following price structure:

$$Fees_{month}^{TOTAL} = \sum_{Plant, Tech} Fees_{month}^{Plant, Tech}$$

$$Fees_{month}^{Plant, Tech} = [FC1_{month} + FC2_{month} + VC1_{month} + VC2_{month}] * Q_{month}^{Plant, Tech}$$

Where:

$Fees_{month}^{TOTAL}$ – Total charges for a billing month in PHP

$Fees_{month}^{Plant, Tech}$ – Total charges for a billing month for applicable power plant technology in PHP

$Q_{month}^{Plant, Tech}$ – Quantity in kWh delivered by the NPP/s power plant

$FC1$, $FC2$, $VC1$, and $VC2$ are the local components of the price. The subscripts denote the value of that price for the billing month. The value of the price components per billing month shall follow the following format:

FOR FC1:

$$Price_{month}^{Plant} = Price_{Bid}^{Plant}$$

FOR FC2:

$$Price_{month}^{Plant} = k * Price_{Bid}^{Plant} * \frac{Index_{month}}{Index_{Jan2020}} + k_1 * Price_{Bid}^{Plant} * \frac{Index_{month}}{Index_{Jan2020}} + (1 - k - k_1) * Price_{Bid}^{Plant}$$

FOR VC1 and VC2:

$$Price_{month}^{Plant} = k * Price_{Bid}^{Plant} * \frac{Index_{month}}{Index_{Jan2020}} + (1 - k) * Price_{Bid}^{Plant}$$

Where:

$Price_{month}^{Plant}$ – is the value of the price component ($FC1$, $FC2$, $VC1$, or $VC2$) for the billing month for the specified Plant

$Price_{Bid}^{Plant}$ – is the value of the price component ($FC1$, $FC2$, $VC1$, or $VC2$) for specified Plant as Bid in the Financial Proposal

K – is the indexation parameter in percent (effective value between 0 to 1) for each price component ($FC2$, $VC1$, or $VC2$) for specified Plant as Bid in the Financial Proposal

$Index_{month}$ – is the value of the applicable indexation reference (PHCPI, FUEL INDEX, FOREX INDEX) for each price component ($FC2$, $VC1$, or $VC2$) corresponding to the billing month

$Index_{Jan2020}$ – is the base value of the applicable indexation reference (PHCPI, FUEL INDEX) for each price component ($FC2$, $VC1$, or $VC2$) for the reference month of January 2020

$FC1$ and $FC2$ are the fixed cost components for capital recovery and fixed O&M, respectively which shall be a function of Capacity Utilization Factor (ranging from 1% to 100%) that will be calculated monthly according to:

$$CUF = \frac{Q}{TDC * (H_T - H_{TO} - H_{TFM})}$$

Where:

TDC – Total Dependable Capacity

H_T – Total number of hours of the billing month

H_{TO} – Equivalent Outage Hours for the billing month

H_{TFM} – Equivalent Hours of Outages due to Forced-Majeure for the billing month

The bid price for $FC1$ shall be offered for 1% to 100% CUF. The bid price for $FC2$ shall be offered for 100% CUF only. The corresponding price of $FC2$ at different CUF shall be calculated according to:

$$Price_{CUF}^{FC2} = \frac{Price_{CUF100\%}^{FC2}}{CUF}$$

Where:

$Price_{CUF}^{FC2}$ – the price of $FC2$ at a given CUF

$Price_{CUF100\%}^{FC2}$ - the price of FC2 at 100% CUF

- 17.4 The Bid Price for each power plant technology offered by the Bidder shall be based on January 2020 reference market prices and indexes that will be reflected in the PSA as indicated in **Table 5**. This shall be referred to as the "Base Price" or TCGR for the month of January 2020.

Table 5: Reference Market Price and FOREX (January 2020)

Index	Base Value	Source
PHCPI	122.6	Summary Inflation Report Consumer Price Index (2012=100), All Income Households, All Items for January 2020 www.psa.gov.ph
OIL	PHP47.87/LITER	DOE Price Watch, South Luzon Prevailing Retail Pump Prices, Occidental Mindoro Ave. of Low/Hi of all weeks of all stations in January 2020 https://www.doe.gov.ph/oil-monitor?q=retail-pump-prices-south-luzon
LNG	USD10.00/MMBTU	World Bank Commodities Price Data (The Pink Sheet), Natural Gas, LNG Japan, for January 2020, published on June 2020 www.worldbank.org
FOREX	PHP50.8386/USD	Daily Pesos per U.S. Dollar Rate, Monthly Ave. for January 2020 www.bsp.gov.ph

- 17.5 With no exception, Bidder's proposal for all unbundled rates shall be quoted in Philippine Pesos per kilowatt-hour (PhP/kWh) and shall be express in exactly four (4) decimal places as specified in Annex B.
- 17.6 The Base Prices shall have local (PhP) components only that may or may not be indexed to applicable inflation and fuel indexations, except for the Capital Recovery Rate (FC1). If indexed, whether partially or fully, it shall be indexed to the Philippine Consumer Price Index (PHCPI).
- 17.7 The Bidder shall provide the price of FC1 and FC2 in PhP/kWh corresponding to the Capacity Utilization Factor (CUF) ranging from 1% to 100% in increments of 1% in accordance with the Bid Forms in **Annex B**.
- 17.8 Costs for lubricating oil and biomass fuel shall be included in VC1.

ITB 18 Technical Proposal

- 18.1 The Technical Proposal shall detail the plan on how the Bidder will carry out the development, financing, construction, connection to grid, operation, and maintenance of the power plant(s) to supply the Dependable Capacity Under Single Outage Contingency from 26 June 2021 to 25 December 2026 and the committed Project Milestones. The plan shall include as applicable, but not necessarily be limited to, the following:
- (a) Timeline of Activities presented in PERT/CPM Chart, including but not limited to, the following:
 - i. Project financial closing with lenders;
 - ii. Processing of Government permits;
 - iii. Commencement of construction;
 - iv. Completion of site preparation, foundation, and civil works;
 - v. Installation of generating units and other key components of the plant(s);
 - vi. Testing and commissioning; and
 - vii. Commercial operation.
 - (b) 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;
 - (c) Typical Annual Operating and Maintenance Program for an Operating Year including, but not limited dispatch schedule and outage schedule of generating units and power plants;
 - (d) Fuel Supply Plan indicating:
 - i. Fuel supply contract equivalent to the cooperation period of the power supply agreement;
 - ii. Contingency supply for at least fifteen (15) days of sufficient fuel stock at any point in time; and
 - iii. Key terms of the Fuel Supply Agreement.
 - (e) Financing Plan including, but not limited to, detailed description of where the funds will originate (debt financing and equity financing) and expenditures according to project milestones;
 - (f) 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; and
 - (g) Organizational structure and Technical Capability of Key Personnel and Manpower requirements.

ITB 19 Alternative Bids

- 19.1 Bidders shall submit offers that comply with the requirements of the Bidding Documents. Alternative Bids shall not be accepted. For this purpose, an Alternative Bid is an offer made by a Bidder in addition or as a substitute to its original Bid which may be included as part of its original Bid or submitted separately therewith for purposes of bidding. Alternative Bids such as Build, Operate, and Transfer (BOT) Schemes shall not be accepted. The GENCO shall assume responsibility in construction, operations and maintenance of the power plants. A Bid with options is considered an Alternative Bid regardless of whether said Bid proposal is contained in a single envelope or submitted in two (2) or more separate Bid envelopes.

ITB 20 Bid Validity

- 20.1 Bids shall remain valid for a period of at least one hundred twenty (120) calendar days from the Deadline of Submission and Opening of Bids.
- 20.2 The TPBAC may request the Bidder to extend the validity of Bid to a longer period if the PSA has not been awarded after 120 days from Deadline of Submission and Opening of Bids.

ITB 21 Format and Signing of Bids

- 21.1 The Bidder shall provide two (2) copies of the Bid, one (1) original and one (1) photocopy. The Bid shall be printed or written in black indelible ink. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 21.2 Except for pages where the signature of the authorized representative is specifically required, all pages of each document submitted and all pages and all portions of the pages where corrections and/or amendments have been made, shall be initialed by the Bidder's authorized representative. Failure to do so shall be a ground for the rejection of the Bid..
- 21.3 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative of the Bidder.
- 21.4 The Financial Proposal shall be presented in the official Bid Form both in hard and soft/electronic copy. The soft/electronic copy shall be submitted in a USB Flash drive placed in a sealed envelope marked "Financial Proposal (Electronic Copy)". The excel file shall be password-protected to avoid inadvertent modification of the Bid. In case of discrepancy between the hard and soft copy, the original hard copy shall prevail.
- 21.5 The Bidder shall be responsible for keeping the password until requested during the Bid Opening. The TPBAC shall not be accountable for the electronic file that may be corrupted during bid opening.

- 21.6 The electronic copy of documents, comprising the Eligibility Requirements, Technical Proposal and Financial Proposal shall be in PDF format with filenames descriptive of the content. The files shall be organized and sequenced in the same order prescribed in **ITB 14.1** and the Checklist of Eligibility and Bid Requirements (**Annex C**) saved in three USB flash drives. These PDF files are separate from the Excel file format for the Financial Proposal (Bid Form).

ITB 22 Sealing and Marking of Bids

- 22.1 The Bids shall be submitted in one (1) sealed main Bid envelope (or box) bearing the signature of the authorized representative/s to secure the seal and labelled as follows:

<p>Name of Bidder Address of Bidder</p> <p>The THIRD-PARTY BIDS AND AWARDS COMMITTEE (TPBAC) Occidental Mindoro Electric Cooperative, Inc. (OMECO)</p> <p>"BID FOR A NEW POWER PROVIDER (NPP) OF OMECO TO SUPPLY POWER THROUGH SHORT-TERM (2021-2026) POWER SUPPLY AGREEMENT (PSA)"</p> <p>OMECO Main Office, San Jose, Occidental Mindoro</p> <p>WARNING: DO NOT OPEN BEFORE 1:00 PM OF APRIL 15, 2021</p>
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- 22.2 The main Bid envelope (or box) shall contain two (2) non-transparent sealed envelopes bearing the name and address of the Bidder, signed by the authorized representative to secure the seal and marked as follows:

ENVELOPE A: ORIGINAL, AND
ENVELOPE B: COPY

which, in turn, shall each contain three (3) separate non-transparent sealed envelopes bearing the name and address of the Bidder, signed by the authorized representative to secure the seal and labelled as follows:

ENVELOPE 1: Bid Security and Eligibility Requirements,
ENVELOPE 2: Technical and Financial Proposal
ENVELOPE 3: USB flash drive containing the electronic copy of
 the Bid (Eligibility Requirements, Technical
 Proposal, Financial Proposal and Excel Bid Form)

The specific contents of ENVELOPE 1 are listed in **ITB 15** and **ITB 16** and summarized in the Checklist of Eligibility and Bid Requirements (**Annex C**). The Bidder shall strictly adhere to the requirements listed to avoid disqualification.



ENVELOPE 1 shall enclose two (2) envelopes:

- a) one (1) envelope enclosing one (1) folder containing the Bid Security to be labelled as follows:

Envelope 1-1:

Folder 1-1: Bid Security;

- b) one (1) envelope enclosing four (4) folders containing the Eligibility Requirements as listed in **ITB 15** and in Checklist of Eligibility and Bid Requirements to be labelled as follows:

Envelope 1-2:

Folder 1-1: Class "A" Documents - Legal Documents

Folder 1-2: Class "A" Documents - Technical Documents

Folder 1-3: Class "A" Documents - Financial Documents

Folder 1-4: Class "B" Documents

ENVELOPE 2 shall enclose two (2) folders containing hard copies of the Technical Proposal and the Financial Proposal (Bid Form);

Folder 2-1: Technical Proposal

Folder 2-2: Financial Proposal (Bid Forms)

ENVELOPE 3 shall enclose one (1) envelope containing the electronic copy of the Bid in USB flash drive to be labelled as follows:

Envelope 3-1: Electronic Copy of the Bid

- 22.3 The Bidder shall properly accomplish and completely fill up all forms and documents submitted with the Bid. All documents shall be properly organized and sequenced in the same order they appear in **ITB 14.1** and **ITB 15** and the Checklist of Eligibility and Bid Requirements (**Annex C**). The first page of individual documents shall be properly labelled with a document tab or separator for easy distinction of individual documents.
- 22.4 The Bidder shall strictly adhere to the foregoing requirements to avoid disqualification. If all envelopes are not sealed, securely signed and marked as required, the TPBAC will not assume responsibility for the misplacement or premature opening of the Bid and shall be rejected outright.