



**IFUGAO ELECTRIC COOPERATIVE, INC.**  
Molave St., Poblacion East, Lagawe, Ifugao

For the supply of 7.5 MW base load requirement of Ifugao Electric Cooperative, Inc. through  
Competitive Selection Process (CSP) for Renewable Portfolio Standards (RPS) compliance

**SUPPLEMENTAL BID BULLETIN NO. 2021-04**

DATE: May 19, 2021  
TO: All Concerned Bidders and Observers  
SUBJECT: IFELCO TPBAC Supplemental Bid Bulletin No. 2021-04

The IFELCO TPBAC hereby issues this Supplemental Bid Bulletin No. 2021-04 as discussed and agreed upon during the pre-bid conference conducted on May 5, 2021. This Supplemental Bid Bulletin No. 2021-04 shall form part of the Bidding Documents. Any terms, conditions and provisions in the Bidding Documents inconsistent with this Bid Bulletin are hereby amended, modified and superseded accordingly.

<b>SN ABOITIZ POWER - BENGUET (SNAP)</b>			
<b>NO.</b>	<b>REFERENCE ITEM</b>	<b>CLARIFICATIONS / INQUIRIES</b>	<b>IFELCO TPBAC – ANSWER</b>
1	TOR: Contract Type, Contracted Energy & Contracted Demand	The indicated supply requirement is baseload. However, the annual MEOT is only 49% based on the Contracted Energy. Can we clarify if this will be load-following? May this be increased to at least 75%?	Yes, this will be load-following because there is a provision on the draft PSA that billing will be based on actual consumption of the demand and energy. Yes, may be increased to 75% since the 7.5 MW is indicative. The 7.5 MW is based on forecasted co-incident peak demand of IFELCO. That is to be realized on the 8 <sup>th</sup> to 9 <sup>th</sup> year.
2	TOR: Cooperation Period	May we know the target start of supply date? Can we assume 26 Oct 2021?	The IFELCO's target is the soonest but due to the pandemic period and filing of application to the ERC, the start of supply date is adjustable, however, it must be in accordance with the DOE Circular 2018-02-003.
3	TOR:	Based on the technology requirement, participation is limited to bidder with RE technology. However, the taxation portion indicates the	Yes, the participation is limited to bidders with RE technology that has RPS eligible capacity.

	Technology Required & Taxation	<p><i>Inclusion of 12% VAT for Non-RE plants, as well as having combined technologies (Non-RE + RE). May we confirm if participation would be limited to bidders with RE technology that has RPS eligible capacity?</i></p> <p><i>Suggest to remove the Non-RE provisions under Taxation if the technology required would be retained.</i></p>	No revision of TOR on taxation
		<p>As mentioned above, it was indicated on the taxation portion the possibility of having a supply from both RE + Non-RE. May we clarify if this means that REC to be supplied may be sourced from the RE market for compliance?</p> <p>Suggest to remove the technology combination option if intention is to have the nominated power plant supply all the equivalent REC's. Also, can it be considered to just require the bidder/supplier to provide your actual REC requirement which is computed annually in kWh? This way we can be sure that IFELCO gets the exact amount of REC compliance.</p>	No revision of TOR.
4	TOR: Technology Required & Taxation	<p>It was stated that the replacement power shall be RE technology since the intention of the procurement is for RPS compliance. May we confirm if the replacement power should also be a RPS Eligible Plant, not just RE technology?</p>	Yes, RPS Eligible Plant.
5	TOR: Replacement Energy	<p>Capacity Fees in Php / kW was indicated on the Tariff Structure Components, however Capital Recovery Fee (CRF) is mentioned on the FM clause. May we clarify which will be used?</p> <p>May we suggest to replace this with Capital Recovery Fee (CRF) instead so that all tariff structure components are in Php / kWh?</p> <p>May we clarify if the one year total cost is a onetime payment regardless of duration or is it per day of delay?</p> <p>May we suggest to derive the penalty amount based on a percentage of the differential of the WESM price and contract price, multiplied by the undelivered volume, as delays may be caused by external factors such as pending approval from ERC.</p>	CRF is not applicable on Force Majeure since CRF is not included in the Tariff Structure.
6	TOR: Tariff Structure & Force Majeure Event		
7	TOR: Penalties		The supplier will be penalized if they can't deliver due to the problem in the plant. But on the other hand, the supplier will not be penalized if beyond their control, such as PSA approval by the ERC.
8	ITB:	List of on-going be limited to DU PSA and no contract value.	Yes, projects related to Power/Energy.

	Technical Documents (Folder 2)	May we request that only similar contracts (DU, EC) be required and can we invoke confidentiality on the contract value in view of Data Privacy Act?	The requirements must be submitted and all submitted documents will be treated with the highest form of confidentiality.
9	ITB – 40: Acceptance of Criteria and Waiver of Right to Enjoin?	Where in the bid should we insert this? Is there any template for it?	ITB-40 will form part of the Eligibility Requirements under legal documents (folder 1) #9 under e. as shown:  Legal Documents (Folder 1) 9. In connection with these requirements ..... e. Power of Attorney and other documents 1. Acceptance of Criteria and Waiver of Right to Enjoin  No template please make your own.
10	Legal Documents 9. Statement of Qualification	C. Financial Information - This information is already contained in the Audited FS that we will submit? The AFS is already a detailed explanation of the bidder's financial viability.	Yes, the bidder will submit the said requirement in a paragraph form describing the 2 years financial viability of the company.
11	ITB – 20 One Bid Per Bidder	In your SBB # 2, you deleted this clause. What does it mean, can we submit two bids for example?	No, it is one bid per company. The Supplemental Bid Bulletin 2 was issued in compliance to DOE comment for the reason to allow wide participation in the CSP.
12	Evaluation and Comparison of Bid	Are you going to provide a standard template for bid evaluation?	No giving of template of bid prior to the bid opening. Evaluation template will be shown during the bid opening.
<b>ENERGY DEVELOPMENT CORPORATION (EDC)</b>			
13	TOR: Outage Allowance	On outage allowance, which will prevail? TOR or draft PSA? Draft PSA indicates maximum of 15 days Allowed Downtime	The Terms of Reference (TOR) will prevail.
14	ITB-12 A. Legal Documents (Folder 1)	3. List of Shareholders (Latest General Information Sheet, SEC Form). Can we submit either the GIS or SEC form only?	IFELCO required the submission of both the GIS and SEC form.
15	ITB-12 A. Legal Documents (Folder 1)	4. Document showing information related to the Ultimate Parent Company, its subsidiaries and affiliates. Will the GIS suffice for this requirement?	Yes, GIS will suffice item #4 of the legal documents.

16	ITB-12 A. Legal Documents (Folder 1)	8.c. Certification under oath [...] that the bidder is free and clear of all liabilities with the government. Can we limit to tax liabilities since this requirement is in compliance with EQ#398 which is on tax requirements?	IFELCO is requiring for the EQ#398, thus, this document must be submitted.
17	ITB-12 A. Legal Documents (Folder 1)	9.a Executive Summary, may we request IFELCO to provide a template for this.	There is no template, IFELCO is requiring the bidder to create their own.
18	ITB-12 A. Legal Documents (Folder 1)	9.c.i. Details of Financial and Operating Background, may we request IFELCO to provide a template for this.	There is no template, IFELCO is requiring the bidder to create their own.
19	ITB-12 A. Legal Documents (Folder 1)	9.c.ii. Details of equity and financing plan, may we request IFELCO to provide a template for this.	There is no template, IFELCO is requiring the bidder to create their own.
20	ITB-12 A. Legal Documents (Folder 1)	9.c.iii. Must have proof of funding availability or support from funders: Certificate of Good Performance, is this applicable if the plant is already fully paid? May we request IFELCO to provide a template for this.	The Bidder will submit a Certification stating that the Plant is fully paid and that the requirement needed is not applicable. And there is no template, IFELCO is requiring the bidder to create their own.
21	ITB-12 A. Legal Documents (Folder 1)	May we request IFELCO to provide a template for this.	There is no template, IFELCO is requiring the bidder to create their own.
22	ITB-12A. Legal Documents (Folder 1)	9.d.ii. List of electricity generation plants that the Bidder has operated for the last 5 years. May we request IFELCO to provide a template for this.	There is no template, IFELCO is requiring the bidder to create their own.
23	ITB-12 A. Legal Documents (Folder 1)	9.e Power of Attorney and other documents, can the person certifying the document be either the Corporate Secretary for legal/corporate documents and the CFO for finance related documents? Do you need a board resolution of a power of attorney for that person?	Yes.
24	ITB-12 D. Class "B" Documents (Folder 4)	1. In case of a joint venture, for documents that are not applicable, is there a need to submit a document explaining the non-applicability of the requirement?	Yes, the Bidder must submit a document explaining the non-applicability of the requirement.

25	ITB-12 D. Class "B" Documents (Folder 4)	2. Omnibus Sworn Statement, Is IFELCO amenable to revisions to the template, if any?	Yes, the Bidder can revise.
26	Financial Bid Proposal	Financial Bid Proposal... shall contain the following: 2. Financial Model containing the derivation of rates. 2. Can you please provide an example on how this will be filled out? Can you please provide the formula?	It's the company or the Bidder who will provide the financial model.
27	Financial Bid Proposal	Financial Bid Proposal... shall contain the following: 7. Basis/Rationale/Derivation of Other Charges such as RP, Start-Up, Pre-Commercial and Ancillary Costs and Line Rental Cap. 7. How will these costs affect the LCB Evaluation?	It will <b>add up to the overall rate proposal and compared to the other bidder.</b>
28	Financial Bid Proposal	Financial Bid Proposal... shall contain the following: 8. Formula and sample computation of yearly rate adjustment based on RPCPI. 8. Does this mean that RPCPI is the only acceptable escalation in the bid? What is the base year that will be used? If we provided a sample showing the annual resulting rate, will that be committed or actual pass through?	That will be based on actual pass through. The first year rate offer is your first year rate to IFELCO, then the succeeding year the bidder will compute and give assumption on the increase in the CPI.
29	ITB-14 Bid Security	1.b. Bank draft/guarantee or irrevocable standby letter of credit. Do you accept BDO and China bank for the SBLC and Bank Guarantee?	Yes, IFELCO accepts BDO and China bank.
30	ITB-14 Bid Security	3. The Bid Security shall be issued in favor of IFELCO. What is the complete name to be indicated as beneficiary of the bid security?	The complete name of the Electric Cooperative is FUGAO ELECTRIC COOPERATIVE, INC.
31	ITB-17 Format and Signing of Bid	A bid by a person who affixes to his signature the word "President", "Secretary", "Agent" and other designation without disclosing his principal shall be held personally liable for the Bid. Can IFELCO provide a sample on how this should be written/shown in the bid documents?	As stated, just indicate the designation of the authorized representative of the bidder.
32	ITB-25 Detailed Evaluation of Bids	The Second Bid Envelope (Bid Offer) shall be evaluated based on arithmetical computation reflected in the Financial Bid Form to determine the Lowest Calculated Bid (LCB). It was stated that the second envelope shall be evaluated to determine among bidders the Lowest Calculated Bid. Can we be furnished with the calculation? formula of the LCB? Is this an arithmetic average or a present value comparison?	Please see ITB-25 Detailed Evaluation and comparison of Bids.

33	ITB-32 Right of the TPBAC to Reject any or all Bids	i. Any other analogous case, may we clarify what IFELCO means? Can you please provide examples/cases?	Basically, it was stated on ITB-32 the rights of the TPBAC to reject bids. It was enumerated on ITB-32 from a-h..
34	ITB-43	Annex B2 Bid Form, Can we propose revisions to the template, if any? 6.3.3 Daily BCC Declaration. 1. What is the basis of declaration? Is it Nomination-based or Actual BCC? 2. What is the applicable rate for shortfall and what is the applicable rate for excess? 9.1 The Fees [...] are subject to annual adjustment based on the latest year-on-year percentage change in the Philippines CPI. Both ITB and PSA mentioned CPI only. Same with the question raised in ITB-13.7, does this mean that CPI is the only acceptable escalation in the bid?	Yes, the bidder can revise and put an ear tag to be easily recognized. As per draft PSA, it is clearly stated in the 6.3.3 Daily BCC Declaration under 6.3.3.3.a. which states <b>The supplier allows the actual Consumption billed and charge with approved fees and charges for the billing period.</b>
35	6. Terms of Supply		
36	9. Payment of Fees and Other Charges		Yes.
37	General Question. Eligibility and Technical Documents.	Should we submit eligibility and technical requirements for all nominated plants? Or only the bidding entity?	The Bidder will submit the requirements of the nominated plant/s and the bidding entity.
38	General Question	Will certified true copies of the documents be allowed?	Yes.
39	Financial Proposal Form. Workbook # 3, Capacity Fee (P/kW)	We would like to clarify if the unit if Php/kW/Hour; Php/kW/day; Php/kW/Month?	Our billing is monthly; thus, it would be per month and based on actual consumption.
40	General Question	Can IFELCO show a sample on how they want bidders to fill the form? May we request for the following documents in advance in preparation for the scheduled due diligence on May 10, 2021: <ul style="list-style-type: none"> <li>• Last 3 years Audited Financial Statement containing the following: <ul style="list-style-type: none"> <li>o Balance Sheet</li> <li>o Income Statement</li> <li>o Statement in Changes in Equity</li> <li>o Statement of Cash Flows</li> </ul> </li> </ul>	There is no sample of filling up, IFELCO is requiring the bidder to fill up on their own. Yes, TPBAC will coordinate to the Finance Department and send the requested documents to the bidder via email.
41	General Question. Due Diligence Documents		

		o Notes to Financial Statements	
42	Due Diligence	Do we have an allocated time on May 10 for the due diligence?	Yes. The due diligence time is for the bidder. Yes
43	General Question	Are we allowed to send our questions in advance prior to the due diligence date?	
<b>SNAP &amp; EDC</b>			
44	Pass-Through Charges & Line Rental and Other Charges	<p>May we know the Other Charges breakdown to be accounted by the Supplier for common reference? IFELCO shall pay line rental cap or actual line rental fee, whichever is lower. Other charges, such as Market Fees, Imbalance Charges and Billing adjustments, shall be on the account of the Supplier. There are WESM Billing adjustments and Charges attributable to the transactions of the EC. For example, MRU adjustments or Net Settlement Adjustments corresponding to EC's energy consumption/ transaction to WESM. These valid charges shall be to the account of the EC/Buyer?</p> <p>The WESM Billing Adjustments and Charges attributable to the transactions of the generator/Supplier shall be for the account of the Supplier. Clarify if MRU or Net Settlement Adjustment shall be for IFELCO's account.</p> <p>4.5 Payment of Line Rental Charges in the WESM. Why is this part of Supplier's obligation given that LR is borne by IFELCO subject to a cap?</p>	<p>IFELCO shall pay the line rental cap or actual line rental fee, whichever is lower. Other charges, such as Market Fees, Imbalance Charges and Billing Adjustments, shall be on the account of the Supplier.</p> <p><b>PASS-THROUGH CHARGES:</b></p> <ol style="list-style-type: none"> <li>1. VAT and other Taxes (except Supplier's Corporate Income Tax)</li> <li>2. All other fees, taxes, not forming part of the generation charge.</li> </ol>
45	Technical Information	<p>9.d.i. List of projects, is this for new or existing projects?"</p> <p>What kind of projects undertaken within 5 years should we indicate? How is this different to the required statement of all on-going and completed government and private contracts? Can we get clarity on the nature of the requested contracts? (i.e., all contracts where EDC is the electricity supplier?) ALL ongoing and completed contracts may be too broad— can it be for the last 5 years (as some entries in the ITB A.9.d.1. provide?).</p> <p>Will it be limited to power supply contract?</p>	<p>The supplier must submit projects related to Power/Energy Contracts. IFELCO is requiring the Bidder to provide the list of projects undertaken over the last five (5) years, if any. So if there is none, the bidder will provide a written explanation for no list of projects for the last five years.</p>
46	ITB-12	3.a-c. Land titles, status of EPC arrangements, financing commitment of investors	For ITB item #12 on Eligibility Requirements under B. Technical Documents (Folder 2) 3.a,3.b,3.c, 4, 5 and 6; the bidder may opt to

	<p>4.5. Conceptual Engineering Designs and Drawings, Project cost estimates. Will this requirement apply only for new plants? The mentioned requirement is not applicable to existing operational plants.</p> <p>Will this requirement still apply even existing na ung plants and Requesting that this be omitted since this is relevant for new projects/ power plants that are on-going construction.</p> <p>The Bidder shall submit a signed copy of the proposed Power Supply Agreement (PSA) based on the issued draft PSA to form part of their Technical Proposal. If there will still be negotiations post-qualification pursuant to ITB-30, how will the signed document affect negotiation? Can we submit a signed copy with its proposed deviations? Is the draft PSA final?</p> <p>Please allow the bidder to submit their own version of the PSA.</p> <p>6.3.5 For purposes of bilateral contract quantity declaration in the WESM, Customer shall not be allowed to sell, assign or otherwise dispose of the Contracted Energy, in whole or in part, in favor of the WESM, or any other third party. Violation of this Clause 6.3.5 shall be ground for the termination by the Supplier of this Agreement. How can we reconcile the two Sections in the PSA (Section 4.3 and 6.3.5)?</p> <p>If IFELCO will submit a day ahead nomination, there will always be variance against its actual MQ consumption.</p> <p>In order to address this concern, may we suggest that the BCQ declaration be based on the actual MQ capped at the Contracted Demand</p> <p>How can we reconcile the two Sections in the PSA (Section 4.3 and 6.3.5)?</p> <p>If IFELCO will submit a day ahead nomination, there will always be variance against its actual MQ consumption.</p> <p>In order to address this concern, may we suggest that the BCQ declaration be based on the actual MQ capped at the Contracted Demand</p>	<p>submit such needed documents, if not, the bidder shall submit a written explanation for non-submission due to non-applicability. Non-submission is not a ground for disqualification.</p>
<p>47</p> <p>ITB-13 Technical and Financial Proposal Draft PSA</p>	<p>2. The bid security is an amount derived basing from the percentage stated above multiplied to the equivalent one year contract close. We</p>	<p>The PSA is a draft. Wherein, it is still subject for bilateral review, evaluation and negotiation whoever the winner is. Any insertion and deletion must be highlighted. The edited version will not be a ground for disqualification.</p>
<p>48</p> <p>Bid Security</p>		

	<p>propose to lower the bid security to 1 month since this is the industry standard.          Can IFELCO provide an exact amount of the Bid Security?          In the event that the price is not fixed, can the bid security be based on an amount higher than the equivalent agreed period?          Since the bid security is dependent (function) of our bid offer, may we request that the TPBAC determines an exact amount of the Security Deposit?</p>	<p>For finality, IFELCO can't give an exact amount because that is dependent on the bid price offer of the bidder. The IFELCO TPBAC accepts higher bid security (more than what was required) and rejects those with lower bid security (not in accordance with what is required).</p>
<p>49          ITB-24          Opening and Preliminary Examination of Bids</p>	<p>The Bidders or their duly [...] The bidder may submit their bid via online to the email add: <a href="mailto:tpbac2021.ifelco@gmail.com">tpbac2021.ifelco@gmail.com</a>. Does this mean that bidders need to submit soft copies only?          For soft copy submission, we proposed that bid submissions shall be protected by password.          May we propose to submit the hard copy before the bid opening date?          In order to ensure that bid documents are sent, bidders shall submit the proof of mailing before the bid opening date.          Is this both electronic and physical submission?</p>	<p>Yes. It was clearly stated on Bid Bulletin No. 2021-01 Virtual CSP Guidelines for the Pre-bid Conference and Opening of Bids. Electronic copy of bids will be the one to be evaluated.          The hard copy will be required later from the winning bidder.</p>

Issued this 19<sup>th</sup> day of May, 2021 at IFELCO Main Office, Molave St., Poblacion East, Lagawe, Ifugao.

  
**ENGR. YBAGGO T. TUGUNAY**  
 TPBAC Chairman