



## Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) Aggregated RPS Demand of Region 8 Electric Cooperatives

### INVITATION TO BID

Pursuant to the Department of Energy (DOE) Department Circular No. DC 2018-02-003, DC 2021-09-0003 and National Electrification Administration (NEA) Memorandum No. 2019-007, Federation of Rural Electric Cooperatives in Region 8 (FRECOR 8), thru its Region 8 Joint Third Party Bids and Awards Committee (R8 JTPBAC), are inviting power suppliers to participate in this Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) process for the aggregated Renewable Portfolio Standards (RPS) power supply requirement of the region’s eleven (10) ECs as follows:

**Table 1. Aggregated RPS Demand of Region 8 ECs**

Contract Year	Contract Period	Aggregated Load
2023	Sep. 26, 2023 – Dec. 25, 2023	8 MW
2024	Dec. 26, 2023 – Dec. 25, 2024	13 MW
2025	Dec. 26, 2024 – Dec. 25, 2025	19 MW
2026	Dec. 26, 2025 – Dec. 25, 2026	26 MW
2027	Dec. 26, 2026 – Dec. 25, 2027	33 MW
2028	Dec. 26, 2027 – Dec. 25, 2028	40 MW
2029	Dec. 26, 2028 – Dec. 25, 2029	46 MW
2030	Dec. 26, 2029 – Dec. 25, 2030	54 MW
2031	Dec. 26, 2030 – Dec. 25, 2031	58 MW

The ten (10) Electric Cooperatives (ECs) of Region 8 with RPS Demand is composed of Northern Samar Electric Cooperative, Inc. (NORSAMELCO); Samar I Electric Cooperative, Inc. (SAMELCO I); Samar II Electric Cooperative, Inc. (SAMELCO II); Don Orestes Romualdez Electric Cooperative, Inc. (DORELCO); Leyte II Electric Cooperative, Inc. (LEYECO II); Leyte III Electric Cooperative, Inc. (LEYECO III); Leyte IV Electric Cooperative, Inc. (LEYECO IV); Leyte V Electric Cooperative, Inc. (LEYECO V); Southern Leyte Electric Cooperative, Inc. (SOLECO); and Biliran Electric Cooperative, Inc. (BILECO).

#### **ELIGIBLE BIDDERS:**

#### **RPS**

Generation Company (GENCO) that owns and/or operates an RPS eligible existing or to be constructed power plant; Eligible RE Facility refers to a generating facility that utilizes an RE resource or RE Technology as further defined under Rule 3 of DOE DC No. 2017-12-0015; IPP Administrator of privatized IPP PPA of NPC through an IPPA contract awarded by PSALM that is RPS eligible power plant; and/or Licensed Wholesale Aggregator with (i) existing capacity contracts or has arranged for a capacity contract in response to this tender, or (ii) a firm commitment to supply from Philippine Renewable Energy Market at fixed prices.

#### **SCHEDULE OF ACTIVITIES:**

Subject to appropriate and timely notice, R8 JCPSP-JTPBAC reserves the right to amend the schedules as shown below:

ACTIVITIES	DATE
Publication and Invitation to Bid	September 4 & 11, 2023
Acceptance of Letter of Intent & Payment of Bid Participation Fee	September 4-14, 2023
Issuance of Bidding Documents	September 12-14, 2023
Pre-Bid Conference	September 14, 2023
Deadline of Submission of Comments on Bidding Documents	September 18, 2023
Issuance of Supplemental Bid Bulletin	September 20, 2023
Submission and Opening of Bids	October 11, 2023
Post-Qualification (Joint TPBAC-JTWG)	October 12-13, 2023
Issuance of JTPBAC Resolution to the Joint BOD for the Award of the Contract	October 16, 2023
Notice of Award	October 17, 2023
Signing of Power Supply Agreements	November 27, 2023
Joint Filing Before the ERC	December 15, 2023

### **BIDDING DOCUMENTS FEE:**

Bidders shall pay a non-refundable Participation Fee (Bidding Documents Fee) equivalent to **PHP 200,000.00**

Only the bidders who have properly secured the Bidding Documents will be allowed to participate in the Pre-Bid Conference and the Bidding.

Only the Bidder that submitted a proposal during the first bidding is exempted from paying the Bid Documents Fee.

### **GENERAL INFORMATION:**

Interested bidders may obtain a copy of the Bidding Documents upon:

- a.) Submission of Letter of Intent
- b.) Payment of non-refundable Participation Fee of each Bidders, either Cash, Cashier's/ Manager's check payable to Federation of Rural Electric Cooperatives in Region 8 through fund transfer or deposit to the TPBAC designated bank account and submission of proof thereof to **r8jcpsp@gmail.com**.

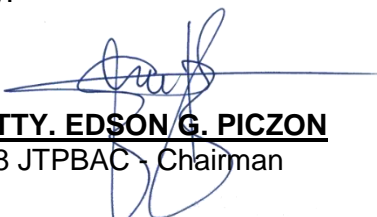
Bank Name: PNB Tacloban Rizal Branch  
Account Name: FRECOR8 Association, Inc.  
Account Number: 313370004768

The R8 JCPSP-JTPBAC reserves the right to amend the schedule of activities, reject any or all bids, declare a failure of bidding, or not to award the contract under circumstances allowed by the CSP guidelines without incurring any liability.

For further information, please refer to:

Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP)  
Business Address: **c/o RENAGMEC Brgy. San Juan Sta. Rita Samar**  
Email Address: **r8jcpsp@gmail.com**; CC: [frecor8.secretariat@gmail.com](mailto:frecor8.secretariat@gmail.com)  
Contact Person: **Donald Velasco / Indira Palomo**  
Contact Number: **0917 627-8546 / 0917-542-9319**

By:

  
**ATTY. EDSON G. PICZON**  
R8 JTPBAC - Chairman

## TERMS OF REFERENCE

DESCRIPTION	RPS																																																																																																																																												
<b>A. GENERAL INFORMATION</b>																																																																																																																																													
1. Name of Utilities	1. NORTHERN SAMAR ELECTRIC COOPERATIVE, INC. (NORSAMELCO) 2. SAMAR I ELECTRIC COOPERATIVE, INC. (SAMELCO I) 3. SAMAR II ELECTRIC COOPERATIVE, INC. (SAMELCO II) 4. DON ORESTES ROMUALDEZ ELECTRIC COOPERATIVE, INC (DORELCO) 5. LEYTE II ELECTRIC COOPERATIVE, INC. (LEYECO II) 6. LEYTE III ELECTRIC COOPERATIVE, INC. (LEYECO III) 7. LEYTE IV ELECTRIC COOPERATIVE, INC. (LEYECO IV) 8. LEYTE V ELECTRIC COOPERATIVE, INC. (LEYECO V) 9. SOUTHERN LEYTE ELECTRIC COOPERATIVE, INC. (SOLECO) 10. BILIRAN ELECTRIC COOPERATIVE, INC. (BILECO)																																																																																																																																												
2. Areas To Be Served	GRID																																																																																																																																												
3. Current Year of Filing	2023																																																																																																																																												
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	Source: Limited to renewable energy only.																																																																																																																																												
2. Terms of Supply Service	2.1 Contract Capacity (MW/Year) <table border="1" style="width: 100%; margin-top: 10px; border-collapse: collapse;"> <thead> <tr style="background-color: #1f4e79; color: white;"> <th>Contract Year</th> <th>Contract Period</th> <th>Aggregated Load</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">2023</td><td style="text-align: center;">Sep. 26, 2022 – Dec. 25, 2023</td><td style="text-align: center;">8 MW</td></tr> <tr><td style="text-align: center;">2024</td><td style="text-align: center;">Dec. 26, 2023 – Dec. 25, 2024</td><td style="text-align: center;">13 MW</td></tr> <tr><td style="text-align: center;">2025</td><td style="text-align: center;">Dec. 26, 2024 – Dec. 25, 2025</td><td style="text-align: center;">19 MW</td></tr> <tr><td style="text-align: center;">2026</td><td style="text-align: center;">Dec. 26, 2025 – Dec. 25, 2026</td><td style="text-align: center;">26 MW</td></tr> <tr><td style="text-align: center;">2027</td><td style="text-align: center;">Dec. 26, 2026 – Dec. 25, 2027</td><td style="text-align: center;">33 MW</td></tr> <tr><td style="text-align: center;">2028</td><td style="text-align: center;">Dec. 26, 2027 – Dec. 25, 2028</td><td style="text-align: center;">40 MW</td></tr> <tr><td style="text-align: center;">2029</td><td style="text-align: center;">Dec. 26, 2028 – Dec. 25, 2029</td><td style="text-align: center;">46 MW</td></tr> <tr><td style="text-align: center;">2030</td><td style="text-align: center;">Dec. 26, 2029 – Dec. 25, 2030</td><td style="text-align: center;">54 MW</td></tr> <tr><td style="text-align: center;">2031</td><td style="text-align: center;">Dec. 26, 2030 – Dec. 25, 2031</td><td style="text-align: center;">58 MW</td></tr> </tbody> </table> <p style="margin-top: 5px;">Minimum Energy Off-take: N/A                      % of Contract Capacity per interval based on minimum loading requirements.                      Type of technology: LIMITED TO ELIGIBLE RENEWABLE ENERGY ONLY</p>	Contract Year	Contract Period	Aggregated Load	2023	Sep. 26, 2022 – Dec. 25, 2023	8 MW	2024	Dec. 26, 2023 – Dec. 25, 2024	13 MW	2025	Dec. 26, 2024 – Dec. 25, 2025	19 MW	2026	Dec. 26, 2025 – Dec. 25, 2026	26 MW	2027	Dec. 26, 2026 – Dec. 25, 2027	33 MW	2028	Dec. 26, 2027 – Dec. 25, 2028	40 MW	2029	Dec. 26, 2028 – Dec. 25, 2029	46 MW	2030	Dec. 26, 2029 – Dec. 25, 2030	54 MW	2031	Dec. 26, 2030 – Dec. 25, 2031	58 MW																																																																																																														
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	2.3 Delivery Period: 8 Years & 3 Months Inclusive Dates: September 26, 2023 to December 25, 2031  Each year of delivery shall be considered as a separate lot. Each bidder may offer their bids for any year within the delivery period. The bidders shall be allowed to offer their bids to supply partial or portion of the aggregated demand for such year. The contract for a given year shall be awarded to the bidder with the Lowest Calculated Responsive Bid (LCRB). If such bidder is unable to supply the full aggregated demand, the remaining demand shall be awarded to the bidder with the second LCRB. Any remaining demand thereof shall be awarded to the bidder with the third LCRB and so on.																																																																																																																																												

DESCRIPTION	RPS
	<p>2.4 Other Conditions Before the Start of Supply</p> <ol style="list-style-type: none"> <li>a. ERC approval of the PSA or issuance of Provisional Authority.</li> <li>b. Security Deposit: N/A</li> </ol>
<p>3. Cost and Tariff Structure</p>	<p>3.1 For Capacity-based contract, the bidder shall specify both its levelized Capacity Payment Offer in PhP/kW/month and/or Energy Payment Offer in PhP/kWh in its bid proposal.</p> <p>3.2 The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items such as capital cost, fuel, and other operation and maintenance costs shall be itemized and classified into Fixed and Variable Cost as may be applicable.</p> <ul style="list-style-type: none"> <li>• Fixed Cost <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Capital Cost</li> <li><input checked="" type="checkbox"/> Fixed Operation and Maintenance Costs</li> <li><input type="checkbox"/> Others (please specify)</li> </ul> </li> <li>• Variable Cost <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Operation and Maintenance (O&amp;M)</li> <li><input checked="" type="checkbox"/> Fuel Cost</li> <li><input type="checkbox"/> Others (please specify)</li> </ul> </li> </ul> <ol style="list-style-type: none"> <li>a. No indexation or escalation on Capital Recovery Fee (CRF)</li> <li>b. Fixed O&amp;M fee shall be in Philippine Peso</li> <li>c. Fossil fuel is passed on charge based on actual market price but limited to guaranteed fuel rate per Li/kWhr</li> <li>d. Lube Oil is based on local market price Li/kWhr</li> <li>e. Variable O&amp;M fee shall be indexed on FOREX and Philippine CPI</li> <li>f. CRF can be indexed to average FOREX during the construction period.</li> </ol> <p>3.3 The Bidder shall include all necessary attachments (e.g. invoices), documentations, and any other relevant information in every billing statement that will enable the DU to determine that the billing computation is compliant with the PSA.</p> <p>3.4 Bidder shall also specify all other applicable charges incorporated in its payment offers such as, but not limited to, connection facilities, wheeling charges, metering, communication equipment, and government taxes or levies.</p> <ul style="list-style-type: none"> <li>• Applicable Charges <ul style="list-style-type: none"> <li><input type="checkbox"/> Connection Facilities</li> <li><input type="checkbox"/> Wheeling Charges</li> <li><input type="checkbox"/> Metering</li> <li><input type="checkbox"/> Communication Equipment</li> <li><input checked="" type="checkbox"/> Government Taxes/Levies</li> </ul> </li> </ul> <p>3.5 Bidder shall specify its Total Landed Generation Cost in PhP/kWh covering items 3.2 to 3.4 and shall serve as Financial Bid Price.</p> <p>3.6 Capacity payment shall only be paid when the capacity is available on the particular billing period.</p> <p>3.7 Specify formula for base fee adjustments affected by factors such as CPI, FOREX, and Escalation due to fuel degradation and others.</p>
<p>4. Payment Modalities</p>	<p>4.1 Mode of payment: Manager's check and Bank Transfer.</p> <p>4.2 Price offer should be in Philippine Peso.</p> <p>4.3 Billing period: Monthly.</p> <p>4.4 Bidder shall specify its offer of prompt payment discount and other incentives to the Distribution Utility (DU) in its bid proposal.</p>
<p>5. Outages and Replacement Power</p>	<p>In all instances of outage regardless of cause, including delay in the initial delivery, the Supplier shall provide for the replacement power, notwithstanding Force Majeure provision below.</p> <p>The cost of Replacement Power shall be the (1) ERC- approved rate under the PSA, (2) WESM Price, or the (3) actual Replacement rate, whichever is the lowest.</p>
<p>6. Force Majeure</p>	<p>The events that shall be deemed as Force Majeure and analogous circumstances shall be in accordance with Section 3.30 of DOE Circular No. 2021-09-0030.</p> <p>To the extent either Party is prevented by Force Majeure from carrying out, in whole or in part, its obligations under this Agreement and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused wholly or partially from the performance of its obligations herein (other than the obligation to make payments when due or becoming due with respect to performance prior to the Force Majeure). During the Force Majeure event, the non-Claiming Party shall likewise be relieved of its obligations to the Claiming Party, but only those obligations corresponding to the performance of the Claiming Party excused by such Force Majeure event, unless provided otherwise.</p> <p>There will be no payment of any capacity fee or any capacity that the DU cannot accept, in case of outage during any force majeure.</p> <p>All other arrangements in case of force majeure may be agreed upon by parties and shall form part of the PSA, but should be consistent with the TOR.</p>

DESCRIPTION	RPS
7. Grounds for Termination of Contract	<p>Valid grounds for termination are:</p> <ol style="list-style-type: none"> <li>Event of Default.</li> <li>Expiration of cooperation period.</li> <li>Mutual agreement by both parties.</li> <li>Changes in the circumstances as agreed under the PSA.</li> <li>If an event of force majeure as defined herein will exceed sixty (60) consecutive days and the affected party cannot fully perform its obligations under the PSA, either party may terminate the PSA by providing written notice within the 60-day period of the force majeure.</li> </ol> <p>An ERC approved final rate lower than that of the PSA rate shall not be a valid ground for the termination of the contract. DU shall not be liable for the difference between the PSA rate and the ERC approved final rate.</p>
8. Liquidated Damages	<p>Liquidated damages in case of default shall be equal to the present value of the Capacity Payment computed on a 365-day basis for the remaining term of the PSA.</p> <p>The discount rate to be used shall be the prevailing rate at the time of default (World Bank Rate).</p>
9. Reduction of Contract Capacity	<p>The reduction of contract capacity shall be allowed in case of (please check if applicable):</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Loss of captive customers due to Retail competition and Open Access (for on-grid areas only)</li> <li><input checked="" type="checkbox"/> Reduction of demand of the DU due to special circumstances beyond the control of the DU.</li> </ul> <p>DU may assign, transfer, designate, or allocate its rights and obligations to purchase a portion of contract it no longer requires to:</p> <ol style="list-style-type: none"> <li>Any of its business segments without the prior consent of Power Supplier; or</li> <li>Any affiliate, third party, or other ECs of FRECOR 8 subject to the consent of Power Supplier.</li> </ol> <p>The consent of the Power Supplier shall not be unreasonably delayed or conditioned at the disadvantage of the DU.</p> <p>Any reduction of contract capacity shall require approval of the ERC and must comply with applicable rules of competition set by the Government.</p>
10. Obligations of the DU	<p>The DU shall provide assistance to the successful bidder in the processing of permits and similar requirements from all national agencies and local government units especially if the resulting PSA involves the construction of a new power plant.</p>
11. Bidders Qualifications	<p>All forms of business organizations including Joint Ventures are encouraged to participate in the bidding process subject to applicable government licenses and permits.</p> <p>The bidder must comply with the constitutional requirement on ownership.</p> <p>The capacity offer of the bidder must be compliant with all the ownership limitations prescribed under EPIRA.</p> <p>Bidders may offer supply from eligible existing or to be constructed RE plants.</p> <p>In case of a tie in the submitted LCRB, preference shall be given to RE facilities located or to be constructed in Region 8.</p> <p>For new power suppliers, the qualification shall include: (i) the experience and competence of its personnel to manage and operate the plant; and (ii) acceptability of its operational management plan during technical bid evaluation.</p> <p>If bidder is formed as partnership, corporation, consortium, joint venture or any similar association for purpose of this CSP, it must present an agreement showing that the Bidder and all its partners, shareholders, joint venture, associates, as may be applicable, are jointly and severally liable to (EC) for any and all costs and obligations arising from this CSP and the resulting PSA.</p>
12. Transmission Failures	<p>If the DU is not able to take the Power Contracted from the Delivery Point, for causes attributable to a system rotational brownout or load dropping imposed by the System Operator, and/or any failure by the Transmission Utility to transmit the Power Contracted, including those due to any localized transmission line outages (other than as a result of a system-wide or grid-wide blackout or service interruption), the DU may, after the occurrence of any of such events, revise its Nomination for the succeeding Trading Interval/s on the same trading day ("Real-Time Nomination") and the Seller shall accept the Buyer's Real-Time Nomination.</p>
13. Assignment	<p>Neither Party shall assign this Agreement or its right hereunder without the prior written consent of the other party. Replacement of Power by a third party shall not be construed as an assignment within the purview of this agreement.</p>
14. Risk Mitigation and Value-Added Services	<p>A risk mitigation agreement shall be agreed upon by the Seller and the Buyer to mitigate the risks on account of:</p> <ol style="list-style-type: none"> <li>Price Volatility in the WESM</li> <li>Plant Outages of the Seller</li> <li>Higher price for low capacity utilization</li> <li>Defaults of either party</li> <li>Other agreements to be finalized under the PSA</li> <li>Operational discount and Prompt Payment Discount.</li> </ol>