



INVITATION TO BID

Pursuant to ERC Resolution No. 16, DOE DC Circular No. DC2023-06-0021, and National Electrification Administration (NEA) Memorandum No. 2023-57. The ten (10) Electric Cooperatives (ECs) of Region 8 are inviting power suppliers to participate in this Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) process for Long-term Baseload (2024-2033).

The successful Bidder(s) will supply the aggregated requirements of Region 8 ECs enumerated in Table 1.

Table 1 Aggregated Baseload Demand of Region 8 ECs

LOT	PERIOD	DEMAND
Lot 1	2024 - 2033	162 MW
Lot 2	2027 - 2033	28 MW

The ten (10) Electric Cooperatives (ECs) of Region 8 is composed of:

- DON ORESTES ROMUALDEZ ELECTRIC COOPERATIVE, INC. (DORELCO)
- 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)
- SAMAR I ELECTRIC COOPERATIVE, INC.(SAMELCO I)
- SAMAR II ELECTRIC COOPERATIVE, INC.(SAMELCO II)
- EASTERN SAMAR ELECTRIC COOPERATIVE, INC. (ESAMELCO)
- NORTHERN SAMAR ELECTRIC COOPERATIVE (NORSAMELCO)
- BILIRAN ELECTRIC COOPERATIVE, INC. (BILECO)

ELIGIBLE BIDDERS:

1. The Bidder may be one or two or all of the following:
 - a) Generation Company (GENCO) that owns and/or operates a power plant;
 - b) IPP Administrator of privatized IPP PPA of NPC through an IPPA contract awarded by PSALM; and/or
 - c) IPP Administrator of a private company or a generation company duly recognized and authorized by ERC; and/or
 - d) 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 WESM at fixed prices.



SCHEDULE OF ACTIVITIES:

The timeline of activities for this R8 JCPSP is as follows:

Table 2: Transaction Schedule

ACTIVITIES	DATE
First Publication of Invitation to Bid	April 6, 2024
Payment of Bid Participation Fee and Issuance of Bidding Documents	April 8 - 23, 2024
Second Publication of Invitation to Bid	April 13, 2024
Pre-Bid Conference	April 23, 2024
Submission of Comments on Bidding Documents	April 20 - 26, 2024
Issuance of Final Instruction to Bidders	May 10, 2024
Submission and Opening of Bids	May 29, 2024
Post Qualification	June 3 - 7, 2024
Issuance of Notice of Award	July 5, 2024
PSA Negotiation	July 6 – 15, 2024
Signing of Power Supply Agreements	July 22, 2024
Issuance of Notice to Proceed	July 29, 2024
Joint Filing of Power Supply Agreements	August 21, 2024

BIDDING SUBMISSION DEADLINE:

Deadline for the submission of Bids will be on May 29, 2024 9AM.

OPENING OF BIDS:

Opening of Bids will be on May 29, 2024 9:30AM in Tacloban City.

BIDDING DOCUMENTS FEE:

Bidders shall pay a non-refundable Participation Fee (Bid Documents Fee) equivalent to Eight Hundred Ten Thousand Pesos (Php 810,000.00) for Lot 1 and One Hundred Forty Thousand Pesos (Php 140,000.00) for Lot 2. Only bidders who have properly secured the Bidding Documents will be allowed to participate in the Pre-Bid Conference and the entire bidding process.



Attendance to the Pre-Bid Conference by prospective Bidders is not mandatory, but is encouraged.

TERMS OF REFERENCE (TOR):

Pursuant to ERC Resolution No. 16, Series of 2023, DOE DC Circular No. DC2023-06-0021 and NEA Memorandum No. 2023-57, the ten (10) Electric Cooperatives (ECs) of Region 8, invites all interested and qualified suppliers to participate in the Competitive Selection Process with the minimum requirements as stated in the TOR.

GENERAL INFORMATION:

Interested bidders may obtain a copy of the Bidding Documents starting April 8, 2024 from Mondays to Fridays 8:00 AM to 05:00 PM until April 23, 2024 12noon upon:

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

The R8 JCPSP JBAC 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: Brgy. San Juan, Sta. Rita, Samar
Email Address: r8jcpsp@gmail.com
Contact Person: Shella Mae Calapano / Maureen Nierra
Contact Number: 0967-769-2682 / 0917-653-2002

Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP)

By:


JANET NOTARTE, REE
R8 JBAC - Chairman
March 21, 2024



Region 8 Joint Competitive Power Supply Procurement (R8 JCPSP) for Long Term Aggregated Baseload Demand of Region 8 Electric Cooperatives

TERMS OF REFERENCE (TOR)

Name of Utilities:

- DON ORESTES ROMUALDEZ ELECTRIC COOPERATIVE, INC. (DORELCO)
- LEYTE III ELECTRIC COOPERATIVE, INC. (LEYECO III)
- LEYTE IV ELECTRIC COOPERATIVE, INC. (LEYECO IV)
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- NORTHERN SAMAR ELECTRIC COOPERATIVE, INC. (NORSAMELCO)
- BILIRAN ELECTRIC COOPERATIVE, INC. (BILECO)

Target Date of Publication : April 6, 2024

Purpose of CSP: As scheduled in the PSPP
 For RPS Compliance

TERMS OF REFERENCE	REQUIREMENT									
Area/s to be Service	<input checked="" type="checkbox"/> On-Grid <input type="checkbox"/> Off-Grid <input type="checkbox"/> Both On and Off Grid									
Demand Requirement <i>(Multiple choices allowed)</i>	<input checked="" type="checkbox"/> Baseload <input type="checkbox"/> Intermediate <input type="checkbox"/> Peaking									
Supply Type	<input checked="" type="checkbox"/> Firm <input type="checkbox"/> Non-Firm									
Type of Contract	<input checked="" type="checkbox"/> Physical PSA <input type="checkbox"/> Financial PSA									
Pricing Structure	<input type="checkbox"/> Capacity-based PSA <input checked="" type="checkbox"/> Energy-Based PSA									
Contract Term <small>(The term of the PSA shall be for a maximum period of (10) years in the case of Financial PSAs. For Physical PSAs, the maximum term shall be for a period of (15) years, except for Physical PSAs where the nominated plants are renewable energy power plants, in which case, it may have a maximum term of twenty (20) years. All of these terms shall be reckoned from commencement of supply.)</small>	The contract capacity is divided into two (2) lots with the following contract terms: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">LOT</th> <th style="text-align: center;">PERIOD</th> <th style="text-align: center;">DEMAND</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Lot 1</td> <td style="text-align: center;">2024 - 2033</td> <td style="text-align: center;">162 MW</td> </tr> <tr> <td style="text-align: center;">Lot 2</td> <td style="text-align: center;">2027 - 2033</td> <td style="text-align: center;">28 MW</td> </tr> </tbody> </table>	LOT	PERIOD	DEMAND	Lot 1	2024 - 2033	162 MW	Lot 2	2027 - 2033	28 MW
LOT	PERIOD	DEMAND								
Lot 1	2024 - 2033	162 MW								
Lot 2	2027 - 2033	28 MW								



**Target
Delivery
Date**

Delivery periods for Lot 1 and Lot 2 are as follows;

EC	LOT 1 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	October 8, 2024	December 25, 2033
LEYECO III	September 9, 2024	December 25, 2033
LEYECO IV	September 15, 2024	December 25, 2033
LEYECO V	September 22, 2024	December 25, 2033
SOLECO	September 26, 2024	December 25, 2033
SAMELCO I	October 7, 2024	December 25, 2033
SAMELCO II	August 26, 2024	December 25, 2033
ESAMELCO	September 26, 2024	December 25, 2033
NORSAMELCO	September 26, 2024	December 25, 2033
BILECO	August 26, 2024	December 25, 2033

EC	LOT 2 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	December 26, 2026	December 25, 2033
LEYECO V	December 26, 2026	December 25, 2033
SOLECO	December 26, 2026	December 25, 2033
SAMELCO I	December 26, 2026	December 25, 2033
SAMELCO II	December 26, 2026	December 25, 2033
NORSAMELCO	December 26, 2026	December 25, 2033

**Bid price in
Philippine Peso
per kilowatt-hour
(Php/kWh)**

(the "ceiling price" – inclusive of fuel cost but excluding any penalties and/or discounts to be implemented for the duration of the contract period)

In Peso per kilowatt-hour (Php/kWh) inclusive of fuel cost but excluding any penalties and/or discounts to be implemented for the duration of the contract.



For Capacity-based PSA

(CSPs with multiple demand requirements, please indicate whether for Baseload, Intermediate, or peaking)

The contract capacity is divided into two (2) lots as follows:

LOT	PERIOD	DEMAND
Lot 1	2024 - 2033	162 MW
Lot 2	2027 - 2033	28 MW

Breakdown for Lot 1 is as follows;

LOT 1 ECs	CONTRACT YEAR
	2024 – 2033
DORELCO	12
LEYECO III	8
LEYECO IV	18
LEYECO V	40
SOLECO	14
SAMELCO I	14
SAMELCO II	17
ESAMELCO	15
NORSAMELCO	16
BILECO	8
TOTAL - LOT 1	162 MW

For Lot 1, a Bidder may offer to supply capacity that is less than or equal to the aggregated baseload requirement per lot for the entire period as specified in Table 1, in increments of one (1) Megawatt (MW).

In the event multiple Bidders are declared winners, all winning Bidders shall enter into individual Power Supply Agreements (PSAs) with each of the participating ECs.

The contract shall be awarded to the bidder with the Lowest Calculated Responsive Bid (LCRB) for the lot. 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 until the entire aggregated demand is satisfied.



	<p>Breakdown for Lot 2 is as follows;</p> <table border="1" data-bbox="571 241 1297 808"> <thead> <tr> <th rowspan="2">LOT 2 ECs</th> <th>CONTRACT YEAR</th> </tr> <tr> <th>2027 – 2033</th> </tr> </thead> <tbody> <tr> <td>DORELCO</td> <td>6</td> </tr> <tr> <td>LEYECO V</td> <td>5</td> </tr> <tr> <td>SOLECO</td> <td>4</td> </tr> <tr> <td>SAMELCO I</td> <td>4</td> </tr> <tr> <td>SAMELCO II</td> <td>3</td> </tr> <tr> <td>NORSAMELCO</td> <td>6</td> </tr> <tr> <td>TOTAL - LOT 2</td> <td>28 MW</td> </tr> </tbody> </table> <p>For Lot 2, Bidder must offer to supply the entire aggregated baseload requirement for the entire contract period. The contract shall be awarded to the bidder with the Lowest Calculated Responsive Bid (LCRB) for the lot.</p>	LOT 2 ECs	CONTRACT YEAR	2027 – 2033	DORELCO	6	LEYECO V	5	SOLECO	4	SAMELCO I	4	SAMELCO II	3	NORSAMELCO	6	TOTAL - LOT 2	28 MW
LOT 2 ECs	CONTRACT YEAR																	
	2027 – 2033																	
DORELCO	6																	
LEYECO V	5																	
SOLECO	4																	
SAMELCO I	4																	
SAMELCO II	3																	
NORSAMELCO	6																	
TOTAL - LOT 2	28 MW																	
<p>For Energy-based PSA (CSPs with multiple demand requirements, please indicate whether for Baseload, Intermediate, or peaking)</p>	<table border="1" data-bbox="587 1093 1300 1355"> <thead> <tr> <th>Year</th> <th>Energy Requirement</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>_____ kWh, annualy and kWh, monthly</td> </tr> <tr> <td>Year 2</td> <td>_____ kWh, annualy and kWh, monthly</td> </tr> <tr> <td>Etc.</td> <td>Etc.</td> </tr> </tbody> </table> <p><input checked="" type="checkbox"/> Not Applicable</p>	Year	Energy Requirement	Year 1	_____ kWh, annualy and kWh, monthly	Year 2	_____ kWh, annualy and kWh, monthly	Etc.	Etc.									
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<p>Minimum Energy Off-Take</p>	<p>The Buyer shall be allowed to nominate at least 50% of the Contract Capacity per interval divided by twelve (12) on all 5-minute Trading Intervals, but at the end of the relevant billing period, the Buyer shall be obligated to pay for the Product at 65% monthly minimum CUF or actual energy purchased, whichever is higher. The BUYER will be billed based on Monthly CUF if, at the end of the billing period and after reconciliation, the nomination falls below the Monthly CUF for reasons other than FM.</p>																	
<p>Type of Technology</p>	<p>Open</p>																	
<p>Preferred Plant Location, if applicable</p>	<p>No preferred plant location.</p>																	
<p>Conditions</p>	<p>Issuance of Provisional Authority or Interim Relief, as</p>																	



<p>before the start of supply</p>	<p>applicable or Final Authority, if neither Provisional Authority or Interim Relief was issued.</p> <p>Security Deposit: <u>Not Applicable</u></p>
<p>Tariff Structure</p>	<p>The bidder shall specify its levelized Energy Payment offer in Php/kWh.</p> <p>The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items shall be itemized and classified into:</p> <ul style="list-style-type: none"> ● Capital Recovery Fee (CRF) ● Fixed Operation and Maintenance Cost (FOM) ● Variable Operation and Maintenance Cost (VOM) ● Fuel Cost <ol style="list-style-type: none"> a. No indexation or escalation on Capital Recovery Fee (CRF) and Fixed O & M Fee. b. Fuel cost shall be the average for the last 6 months of the Power Supplier's fuel purchase. c. Foreign components of the energy fee shall first be converted to PhP/kWh using the FOREX conversion parameters that will be provided in the ITB and indexed to the Philippine Inflation Rate thereafter. d. Pricing for the capacity fee must be for each level of Capacity Utilization Factor (CUF) from 65% to 100%. <p>The Bidder shall include all necessary attachments (e.g. invoices), documentations, and any other relevant information in every billing statement that will enable the EC to determine that the billing computation is compliant with the PSA.</p> <p>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> <p>Bidder shall specify its Total Landed Generation Cost in PhP/kWh and shall serve as Financial Bid Price.</p> <p>Specify formula for base fee adjustments affected by factors such as Philippine Inflation Rate, FOREX, and Escalation due to fuel degradation and others.</p>

	<p>Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period.</p> <p>Each of the unbundled tariff components shall be accompanied by a derivation, computation, or simulated value for every year of the PSA, as applicable.</p>																														
<p>Outage Allowances per plant</p>	<p>Maximum number of hours of Allowed Scheduled and Unscheduled Outages per year shall be based on ERC Resolution No. 010, Series of 2020 as follows:</p> <p style="text-align: center;">Allowed Scheduled and Unscheduled Outages per Plant Type</p> <table border="1" data-bbox="483 651 1342 1140"> <thead> <tr> <th>Plant Type</th> <th>Scheduled (Hours)</th> <th>Unscheduled (Hours)</th> </tr> </thead> <tbody> <tr> <td>Coal (Pulverized)</td> <td>669</td> <td>403</td> </tr> <tr> <td>Coal (Circulating Fluidized Bed)</td> <td>369</td> <td>405</td> </tr> <tr> <td>Gas (Combined Cycle)</td> <td>300</td> <td>184</td> </tr> <tr> <td>Gas (Turbine)</td> <td>156</td> <td>544</td> </tr> <tr> <td>Diesel</td> <td>120</td> <td>336</td> </tr> <tr> <td>Oil Fired Thermal</td> <td>739</td> <td>667</td> </tr> <tr> <td>Geothermal</td> <td>144</td> <td>328</td> </tr> <tr> <td>Hydroelectric</td> <td>554</td> <td>163</td> </tr> <tr> <td>Biomass</td> <td>784</td> <td>168</td> </tr> </tbody> </table> <p>All Scheduled Outages must be scheduled and declared twelve (12) months in advance.</p> <p>There shall be no borrowing of Scheduled and Unscheduled outage allowances.</p> <p>There shall be no carry-over of any unutilized outage allowances from a calendar year on the succeeding years of the cooperation period.</p>	Plant Type	Scheduled (Hours)	Unscheduled (Hours)	Coal (Pulverized)	669	403	Coal (Circulating Fluidized Bed)	369	405	Gas (Combined Cycle)	300	184	Gas (Turbine)	156	544	Diesel	120	336	Oil Fired Thermal	739	667	Geothermal	144	328	Hydroelectric	554	163	Biomass	784	168
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<p>Force Majeure <i>(Should be in accordance with prevailing DOE and ERC issuances)</i></p>	<p>"Force Majeure" refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations;</p>																														



1. Acts of God. Acts of God, should only be considered as force majeure sufficient to terminate the contract if—
 - a. The event or calamity is of the degree or intensity that continued operation of the parties would lead to death or injury of the parties' employees or agents;
 - b. The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public.
2. Epidemic. An epidemic officially declared by the national or local government, should only be considered as force majeure and a ground for termination of contract, if the epidemic causes:
 - a. Impossibility to deliver the contracted goods or services; or
 - b. When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations.
3. Other Events or Force Majeure (Force Majeure-Acts of Man). Force Majeure events occurring in or directly affecting the Philippines include:
 - a. any act of war (whether declared or undeclared, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;
 - b. nationwide strikes, works to rule or go-slows that extend beyond the Facility or are widespread or nationwide, or that are of a political nature;
 - c. radioactive contamination or ionizing radiation originating from a source outside or inside the Philippines.

In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder, such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure; (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (d) perform acts to avoid further loss or wastage; (e) keep such other Party apprised of such efforts on a continuous basis; and (f) provide written notice of the resumption of performance hereunder. Notwithstanding the occurrence of a Force Majeure, the Parties shall perform their obligations to the extent the performance of such obligations is not impeded by the Force Majeure.



	<p>Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to the Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Party's may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) (____) consecutive months prior to the Effective Date or (b) (____) consecutive months after the Effective Date.</p> <p>There will be no payment of any capacity fee or any capacity that the EC 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>
<p>Replacement Power</p>	<p>Within the Allowed Outage. The Power Supplier and the EC shall cooperate to arrange for replacement power from, including, but not limited to, any other facilities of the power supplier, third parties and the WESM. The Power Supplier, at its own cost and in consultation with the EC, shall negotiate on behalf of the EC for the supply and delivery of capacity and energy from third parties for a price as close as possible to the contract price. The EC, however, has the right to accept or reject the replacement power offered by the Power Supplier.</p> <p>Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage, including delay in the Commencement of Delivery (COD) shall be the responsibility of the Power Supplier. The rates to be billed for the procurement of Replacement Power shall be the generation rate equivalent to the provisional or final approved generation</p>



	rate, WESM Price or the actual rate of the replacement power, whichever is lowest.
Form of Payment <i>(Form of Payment to be determined by the EC)</i>	<p>Mode of payment shall through manager's check and bank transfer.</p> <p>Currency of Payment: Philippine Peso</p> <p>Billing Period: Monthly</p>
Penalty provisions in cases of delay in construction of the power plant or commencement of commercial operations or in case of default in delivery <i>(Ideally, the penalties should be at levels that is reasonably low so as not to discourage interested parties, at the same time reasonably high so as to discourage parties who may otherwise be willing to risk not meeting the delivery timetable or supply obligations in order to obtain the contract. At the same time, the penalty provisions should reasonably accommodate delays due to force majeure or circumstances outside of the control of the parties.)</i>	<p>Liquidated damages in case of default shall be the cost of actual replacement power and any other costs incurred to secure power and shall be paid within twenty (20) calendar days after written demand for payment.</p>
Grounds for Termination of Contract	<p>Valid grounds for termination are:</p> <ol style="list-style-type: none"> a. Events of Default b. Expiration of cooperation period. c. Mutual agreement by both parties d. Changes in the circumstances as agreed under the PSA. e. 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. <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. EC shall not be liable for the difference between the PSA rate and the ERC approved final rate.</p>
Reduction of Contract Capacity and/or Contract Energy <i>(EC to prepare protocol for the reduction in the contract or capacity or energy with observance with existing rules and</i>	<p>The reduction of contract capacity shall be allowed in case of:</p> <ol style="list-style-type: none"> a. Loss of captive customers due to Retail competition and




<p>regulation)</p>	<p>Open Access</p> <p>b. Reduction of demand of the EC due to special circumstances beyond the control of the EC.</p> <p>EC may assign, transfer, designate, or allocate its rights and obligations to purchase a portion of contract it no longer requires to:</p> <p>a) Any of its business segments without the prior consent of Power Supplier; or</p> <p>b) Any affiliate, third party, or other ECs of FRECOR 8 subject to the consent of Power Supplier</p> <p>The consent of the Power Supplier shall not be unreasonably delayed or conditioned at the disadvantage of the EC.</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>
<p>Prompt Payment Discount and other Discounts</p>	<p>The Seller shall extend (___) percent (___%) discount based on the non-fuel fee (sum of Capital Recovery Fee, Fixed O&M and variable O&M Fee, if applicable) to the Buyer as prompt payment discount if payment is made within ten (10) Days from receipt of Seller's billing provided that the Buyer has no outstanding payables to the Seller.</p>
<p>Bidders Qualifications</p>	<p>Bidders qualifications are as follows;</p> <p>a. 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>b. The bidder must comply with the constitutional requirement on ownership.</p> <p>c. The capacity offer of the bidder must be compliant with all the ownership limitations prescribed under EPIRA.</p> <p>d. If bidder is formed as partnership, corporation, consortium, joint venture or any similar association for purpose of this CSP, it must</p>



	<p>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> <p>e. For new power suppliers, the qualification shall be based on: (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>Transmission Failures</p>	<p>If the EC 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 EC 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>
<p>Assignment</p>	<p>Neither Party shall assign this Agreement or its rights 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>
<p>Risk Mitigation and Value Added Services</p>	<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"> a. Price Volatility in the WESM b. Plant Outages of the Seller c. Higher price for low capacity utilization d. Defaults of either party e. Other agreements to be finalized under the PSA f. Prompt Payment discount and any other applicable discounts

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ANNEX A

LOT 1 : Aggregated Baseload Demand of Region 8 ECs (2024-2033)

EC	CONTRACT YEAR
	2024 - 2033
DORELCO	12
LEYECO III	8
LEYECO IV	18
LEYECO V	40
SOLECO	14
SAMELCO I	14
SAMELCO II	17
ESAMELCO	15
NORSAMELCO	16
BILECO	8
TOTAL - LOT 1	162 MW

LOT 2 : Aggregated Baseload Demand of Region 8 ECs (2027 – 2033)

EC	CONTRACT YEAR
	2027 - 2033
DORELCO	6
LEYECO V	5
SOLECO	4
SAMELCO I	4
SAMELCO II	3
NORSAMELCO	6
TOTAL - LOT 2	28 MW



ANNEX B

EC	LOT 1 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	October 8, 2024	December 25, 2033
LEYECO III	September 9, 2024	December 25, 2033
LEYECO IV	September 15, 2024	December 25, 2033
LEYECO V	September 22, 2024	December 25, 2033
SOLECO	September 26, 2024	December 25, 2033
SAMELCO I	October 7, 2024	December 25, 2033
SAMELCO II	August 26, 2024	December 25, 2033
ESAMELCO	September 26, 2024	December 25, 2033
NORSAMELCO	September 26, 2024	December 25, 2033
BILECO	August 26, 2024	December 25, 2033

EC	LOT 2 DELIVERY PERIOD	
	COMMENCEMENT	END
DORELCO	December 26, 2026	December 25, 2033
LEYECO V	December 26, 2026	December 25, 2033
SOLECO	December 26, 2026	December 25, 2033
SAMELCO I	December 26, 2026	December 25, 2033
SAMELCO II	December 26, 2026	December 25, 2033
NORSAMELCO	December 26, 2026	December 25, 2033