



BIDDING
BASELOAD CONTRACT CAPACITY OF 300 MW (NET), EFFECTIVE MARCH 2028
TO INCREASE BY 300 MW (NET), EFFECTIVE MARCH 2029
("600 MW BASELOAD REQUIREMENT")

BID BULLETIN NO. 3
(17 August 2026)

To all Interested Bidders:

1. A matrix containing the set of queries by Interested Bidders and the corresponding responses of Meralco's BAC-PSA are set out in **ANNEX A**.
2. A matrix showing the amendments to Annex B of Bid Bulletin No. 2 issued on 30 July 2026 and to the Power Supply Agreement (PSA) Template is provided herein as **ANNEX B**.

For your guidance and information.

Bids and Awards Committee-Power Supply Agreements ("BAC-PSA")
Manila Electric Company

(sgd)
Lawrence S. Fernandez
Chairperson

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 300 MW (NET), EFFECTIVE MARCH 2028, TO INCREASE BY 300 MW (NET), EFFECTIVE MARCH 2029

	FORMATTING/PROCEDURAL-RELATED QUERIES/COMMENTS				
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION	BAC-PSA's RESPONSE
1.		Formatting	General Query	Please clarify to whom the bidders should address the write-ups?	Please address to the "Bids and Awards Committee for Power Supply Agreements (BAC-PSA), MERALCO, Lopez Building, Meralco Center, Brgy. Ugong, Pasig City 1600"
2.		General Query	Formatting	Can any of the Authorized Representatives sign the required documents? For example, can the explanatory write-ups be signed by one designated Authorized Representative, while the Annexes are signed by another Authorized Representative, provided that both are duly authorized?	Yes, provided both names of the Authorized Representatives are included/authorized as shown in Annex QD-1A.
3.		General Query		Can we confirm that we can redact sensitive personal information in the Beneficial Ownership page of GIS, in particular, TIN, specific residential address and birthday? This is relation to General Information Sheet (GIS) submissions by Bidder per IPB.	The Bidder may redact the TIN, complete residential address, and date of birth appearing in the Beneficial Ownership Declaration (BOD) page of the GIS.

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 300 MW (NET), EFFECTIVE MARCH 2028, TO INCREASE BY 300 MW (NET), EFFECTIVE MARCH 2029

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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4.		IPB	General	Can we add a cover page with explanation and/or additional description/details specific for any requirement for the Bid Submission?	Yes, this will be allowed to aid the BAC-PSA's evaluation.
5.		IPB	General	May we request for a checklist of requirements for Bidder's guidance for the Bid Submission?	Yes, the checklist will be released via a bid bulletin, together with the House Rules for the Bid Submission Deadline and Opening of Bids on 1 September 2026.
6.		IPB	3.1. QUALIFICATION DOCUMENTS , Section 3.1.4	For Annex QD-8, we would like to confirm that the submission of one reference plant compliant to the requirement is sufficient for this purpose.	Yes, this is correct.
7.		IPB	3.1. QUALIFICATION DOCUMENTS , Section 3.1.4	For Annex QD-8, can we confirm if the list of projects undertaken [sic] over the last ten years, list of electricity generation plants it has operated for the last 5 years, proof documentation of track record of the last 5 years of power plants operated by it, refers to that which is operated by the Bidder or by its Affiliates [sic], or both?	Yes, this is correct.
8.		IPB	3.1. QUALIFICATION DOCUMENTS 3.1.4. Annex QD-8 (c), Bid Bulletin no. 2, Item 55	<i>Based on Bid Bulletin 2, for the question: "Can we submit a redacted GCMR to show only the relevant info being asked for this section?"</i> <i>In item 55, MERALCO answers: "Yes, provided the details showing that the Reference Plant of the Bidder "has attained a simple monthly average of at least 50% PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations" is not redacted and can be reviewed by the BAC-PSA."</i> May we confirm that 50% PCF for the Reference Plant is already acceptable?	Apologies, this is a typographical error. The Reference Plant should submit proof that it can run at 87.75% PCF over a 3-month consecutive period of operations, as stated in Sec. 3.1.4. (b) and Annex QD-8 of the IPB. As such, item 55 of Annex A of Bid Bulletin No. 2 should read as such: "Yes, provided the details showing that the Reference Plant of the Bidder "has attained a simple monthly average of at least 50% 87.75% PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations" is not redacted and can be reviewed by the BAC-PSA."
9.		IPB	3.1. QUALIFICATION DOCUMENTS , Section 3.1.4	For Bidders with power plant complexes, can we specify particular generating units and/or individual plants from such complex as the Reference Plant ? (A power plant complex is composed of several plants and multiple generating units.)	Yes, this will be allowed.
10.		IPB	3.1. QUALIFICATION DOCUMENTS 3.1.4. Annex QD-8 (c)	May we also confirm that any three consecutive months within January 2024 to December 2025 (most recent 24-month period) may also be used for the PCF calculation? Therefor, it can either be January, February, and March 2025 or October, November, December 2025. In addition, can Bidder select different consecutive months per each generating unit?	Yes, this understanding is correct. Yes, this is allowed.
11.		IPB / BIDDING DOCUMENTS	Bid Bulletin no. 2, Item 36, page 6	In the Bid Bulletin no. 2, page 6, item 36, Meralco provided a formula for the PCF. For a Reference Plant composed of multiple generating units, the Gross Generation reported in the GCMR represents the total generation across all units, whereas the Dependable Capacity and Available Service Hours are specified per unit. In this regard, please confirm if the PCF computation will be as follows: Plant Capacity Factor = <u>Gross Generation (note: total of the generating units) x 100%</u> (Dependable Capacity of Unit1 X Available Service Hours of Unit1) + (Dependable Capacity of Unit2 X Available Service Hours of Unit2) ... and so on Where: - Gross Generation is the TOTAL energy for the relevant month as stated in its submitted GCMR, in kWh - Dependable Capacity is the capacity for the relevant month as stated in its submitted GCMR, in kW - Available Service Hours is the total hours that the plant was available for the relevant month as stated in its submitted GCMR, in hours May we confirm that in the case of multiple generating units, the denominator should be the sum product of the Dependable Capacity and Available Service Hours.	Yes, this is allowed.
12.		IPB/Qualification Documents	Reference Plant, 3.1.4	Please confirm our understanding regarding the calculation of the monthly PCF.	(see formula / response immediately preceding above)

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				<p>Kindly note that the Dependable Capacity shown in the GCMR is not stated on a monthly basis. In addition, the Available Service Hours are provided on a per-unit basis while the Gross generation is reported in plant-wide basis.</p> <p>Based on this, we understand that the denominator of the monthly PCF formula should be calculated as the SUMPRODUCT of the Dependable Capacity for each unit (as shown in GCMR) and corresponding Available Service Hours per unit. Please confirm whether this understanding is correct.</p>	
13.		IPB / BIDDING DOCUMENTS	Bid Bulletin no. 2, Item 36, page 6	In connection with the previous question regarding power plant complexes that comprise multiple distinct power plants, please clarify the correct methodology for calculating the Plant Capacity Factor (PCF). Specifically, should the PCF be determined by dividing the total Gross Generation of all the combined power plants by the sum product of their respective Dependable Capacities and Available Service Hours, or should it be computed as the mathematical average of the individual PCF values of each separate power plant?	If the individual Gross Generation of each generating unit is available in the GCMR, then the PCF will be determined by the mathematical average of the individual PCF values of each generating unit. However, if the Gross Generation available in the GCMR is for the total generation across all units, then the PCF will be determined by dividing the total Gross Generation of all the combined units by the sum product of their respective Dependable Capacities and Available Service Hours.
14.		IPB	Annex TP-1, Item 1	<p>We would like to confirm that for the requirement in item 1 of TP-1, will the GIS or PAO suffice?</p> <p>TP-1, Item 1: Proof that the Bidder or its direct shareholder representing Controlling interest is the developer of, owner of, and Controls, the Nominated Plant and has sufficient authority to enter into the offtake agreement with Meralco</p>	Yes, the GIS and PAO will suffice but please refer to the response in item 194 of Annex A, Bid Bulletin No. 2: <i>"The BAC-PSA will check the diagram of corporate structure, GIS, and other documents attached in Annex QD-2 vis-à-vis the submitted ERC's COC / PAO for the Reference Plant."</i>
15.		IPB	Annex TP-1, Item 3	<p>Please confirm that the requirement under Section 3.2.b is not applicable if Bidder's plant/s is/are not an RPS eligible plant/s/.</p> <p>Section 6 of ERC Resolution 7, Series of 2026 states that the purpose of granting the Host DU a ROFR is for compliance with the Host DU's annual RPS requirements, as follows:</p> <p>"A host DU shall have a ROFR over the capacity from a Covered RE Facility that is needed for compliance with its annual Renewable Portfolio Standards (RPS) requirements, consistent with its DDP and PSPP, duly accepted by the DOE and posted by the DU, and with its RPS Compliance Plan, pursuant to DOE DC No. 2017-12-0015, as may be amended from time to time."</p> <p>Alternatively, if MERALCO will require compliance with the ROFR, and considering the period required for the exercise of the ROFR (i.e. 3 months validity period) will the submission of the an undertaking on the part of the Bidder to comply with this ROFR requirement, if needed, suffice for this purpose?</p>	The ROFR requirement under DOE DC No. 2025-10-0022, Series of 2025 and operationalized by ERC Resolution No. 17, Series of 2026 states that this ROFR as ground for CSP exemption shall only apply if the procurement is for the DU's compliance with its annual RPS requirements. Thus, if the Bidder's Nominated Plant/s is not an RPS-eligible plant/s, then bidder may submit a write-up with Section 3.2.b. is not applicable to it – especially if the said plant is located outside of MERALCO's franchise area or not connected/embedded in MERALCO's system.
16.		IPB	Annex TP-1, Item 16(a)	Please confirm that the submission of the Statement of Account and Official Receipt issued by the ERC is compliant with this requirement given that submission for the renewal of the COC/PAO is made through the EVOSS (online). Otherwise, may we know what document can be submitted by the Bidder.	Yes, but please include any printout of the EVOSS showing submission or receipt of the application for renewal of the COC/PAO.
17.		IPB	Annex QD-8, List of Projects Undertaken Over the Last 10 years	Does this refer to all projects started within the last 10 years?	Yes, as the requirement states: "(i) list of projects undertaken over the last ten (10) years;"
18.		IPB	Annex BID-2, Bid Security Validity	The template says "date that is 60 days after Bid Submission Date but not beyond 180 days after the Bid Submission Date." Does this mean that the validity of the Bid Security can be any date between 60 and 180 days after Bid Submission Date?	Yes, that is correct.
19.		IPB - Return/Cancellation of Bid Security	3.3.3. (c)	What is the required validity period for any extension of the Bid Security pending its replacement by the Performance Bond?	The IPB provision already shows that is will be up to the Bidder to determine, provided Bidders to ensure the extension or submission of replacement SBLC before the expiry date and at least (15) days before the SBLC's expiration if the Bid Security /Performance Bond is still required.
20.		IPB	Annex QD-1A	<p>"Can QD-1A be revised to read this way?</p> <p>=====</p> <p>RESOLVED, AS IT IS HEREBY RESOLVED, that the (name of owner of the Nominated Plant) (the "Company") be, and is hereby, authorized to participate in the Bidding to</p>	Yes, this will be allowed.

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				<p>make available the Contract Capacity and supply associated energy, under the terms and conditions set out in the PSA template, to the Manila Electric Company pursuant to its (indicate CSP requirement as appearing on title/cover page of IPB) ("Resulting PSA");</p> <p>RESOLVED FURTHER, that [name of representatives], and/or their authorized representative, acting singly, are hereby appointed as the authorized representatives of the Company during the Bidding, authorized to execute, sign, submit, and receive documents for, and otherwise act in the name of the Company;</p> <p>RESOLVED FURTHER, that any one of [name of representatives], acting singly, is hereby authorized to certify documents as true and correct copies of their originals;</p> <p>RESOLVED FURTHER, that in the event the Company is declared as the Winning Power Supplier, the Company commits to fulfill all the Post-Qualification compliances, if deemed necessary by the BAC-PSA, including the execution of the Power Supply Agreement with the Manila Electric Company;</p> <p>RESOLVED FURTHER, that with respect to the execution of the Resulting PSA, [name of representative], acting singly, are hereby authorized to negotiate, arrange, secure, execute, sign, deliver, and perform, for and on behalf of the Company, any and all documents, instruments, agreements, acts, and/or deeds necessary or convenient in connection with the execution and performance of the Resulting PSA;</p> <p>RESOLVED FINALLY, that any and all acts done or performed by (name of representative) under and by virtue of this resolution be, as they are hereby, confirmed and ratified."</p>	
21.		IPB	Annex QD-1A Paragraph 1	Can this refer to office address instead of the residential address?	Yes, this will be allowed.
22.		IPB	Annex QD-1A Paragraph 3	Are we compliant if we just fill in the details of the Nominated Plant?	Yes, this is correct.
23.		IPB	Annex QD-4 Item 2, paragraph 4	<p>Please confirm that this portion below will be deleted if there's no existing, potential, or future conflict of interest</p> <p>"It has an existing, potential, or future conflict of interest with MERALCO's Bids and Awards Committee for the conduct of the CSP (the "BAC-PSA"), the details of which are as follows: (indicate details)]"</p>	<p>Please refer to the response in item 84 of Annex A, Bid Bulletin No. 2:</p> <p>We are not amenable to this proposed change.</p> <p>Please note that Sec. 3.1.2 (h) and Annex QD-4 of the IPB were recently included in the BAC-PSA's Bid Documents as it is required under item c.(vi), Annex 1 of Appendix B (Eligibility Requirements) of the ERC CSP Guidelines, as amended, which reads:</p> <p>"(vi) Sworn Attestation of No Conflict of Interest – The Bidder must disclose detailed information regarding any existing, potential, or future conflict of interest that a Bidder may have with the BAC or Joint BAC."</p>
24.		IPB	3.1. QUALIFICATION DOCUMENTS; ANNEX QD-4 SWORN ATTESTATION OF NO CONFLICT OF INTEREST	<p>May we confirm that in Annex QD-4, if this portion below is not applicable to Bidder, we may delete this portion:</p> <p>"It has an existing, potential, or future conflict of interest with MERALCO's Bids and Awards Committee for the conduct of the CSP (the "BAC-PSA"), the details of which are as follows: (indicate details)] "</p>	(see response immediately preceding above)
25.		Annex QD-4		<p>Can this be deleted if there's no conflict of interest?</p> <p>It has an existing, potential, or future conflict of interest with MERALCO's Bids and Awards Committee for the conduct of the CSP (the "BAC-PSA"), the details of which are as follows: (indicate details)]"</p>	(see response immediately preceding above)

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26.		IPB	3.1. QUALIFICATION DOCUMENTS; ANNEX QD-1B	In filling out the table in item 2 of ANNEX QD-1B (SWORN ATTESTATION ON THE CAPITAL RECOVERY FEE OFFER), may we confirm that putting only details for the latest approved (Provisional, Interim or Final Approval) ERC-approved rate for PSAs involving each Nominated Plant/s will be sufficient?	Please refer to the response in item 46 of Annex A, Bid Bulletin No. 2: It will be the Bidder that is the one in a position to determine what is the latest ERC-approved rate for its PSAs. The Bidder is the one obligated or responsible to ensure the accuracy of its representation for the ERC's evaluation of the Sworn Attestation. If deemed the Winning Power Supplier and after ERC evaluation of the winning PSA's application for approval the ERC rules otherwise or finds the Bidder's/Winning Power Supplier's Sworn Attestation as false and, as direct result thereof, directs for disallowances on the price offer of the Bidder/Winning Power Supplier, the said disallowance will not be considered a ground for non-acceptance by the Winning Power Supplier of the ERC Approval (as defined and provided in the PSA template).
27.		IPB	3.1. QUALIFICATION DOCUMENTS; ANNEX QD-1B	If Bidder has more than one Nominated Plants, may we confirm that Bidder has the freedom to choose which CRF to use among its Nominated Plants (or a reasonable computed average CRF from any of its Nominated Plant/s to use), in the Bid Offer, to match the terms in MERALCO's CSP, as long as Bidder can justify the rate with the ERC during PSA Application?	The Bidder must use the lowest CRF among its Nominated Plant as the benchmark of its offered CRF in this CSP.
28.		IPB	3.1. QUALIFICATION DOCUMENTS; Sec. 3.1.2(j) ANNEX QD-6 CERTIFICATION OF THE BIDDER'S TOTAL UNCONTRACTED CAPACITY	We would like to confirm that Bidder may input in Annex QD-6 Bidder's total uncontracted capacity ONLY for its Nominated Plant/s	Yes, only for its Nominated Plant/s.
29.		IPB	Annex QD-6 Certification of the Bidder's Total Uncontracted Capacity	May we confirm that this is referring to the Total Uncontracted Capacity of the Nominated Plant/s only and NOT all power plants of the Bidder?	<i>(see response immediately preceding above)</i>
30.		IPB	3.2. TECHNICAL PROPOSAL; (r); item 4: Transmission Service Agreement (TSA)	May we confirm that for this requirement a valid Letter of Extension of the Transmission Service Agreement (TSA) with the Nominated Plant, issued by the National Grid Corporation of the Philippines (NGCP) will be compliant? The TSA/s for some of possible Nominated Plants are still being finalized with NGCP.	Please refer to the response in item 62 of Annex A, Bid Bulletin No. 2: Yes, this will be allowed.
31.		IPB	Annex QD-1B paragraph 1	Is "capacity" referring to the offered capacity of the bidder or the 600MW capacity requirement of MERALCO?	It refers to the 600MW capacity requirement of MERALCO for this CSP.
32.		IPB	Annex QD-3 Section 1	Does "capacity" where refer to the Bidder's offered capacity or MERLACO's 600MW power supply requirement?	<i>(see response immediately preceding above)</i>
33.		IPB	Annex QD-1B paragraph 2	Is this only referring to the latest one [PA/FA]?	Yes, if the latest one is the ERC's Final Approval (FA), please refer to the FA and not the ERC's provisional approval/authority (PA).
34.		IPB	Annex QD-2 Section 2	"Is this referring to the Report and List submitted by the Bidder's list shareholder? Will this requirement apply even if the Bidder itself is not listed?"	Yes, this will apply even if the Bidder itself is not publicly listed at the PSE. The information to be inputted in the table may refer to the names of shareholders of the Bidder as shown in the latest GIS submitted to the SEC.
35.		IPB	Annex QD-4 Section 2, last paragraph	If there is no conflict of interest, kindly confirm if this paragraph can be deleted from the template.	No, the Bidder should not delete. Instead, just insert "Not Applicable – No Conflict of Interest."
36.		IPB	Annex QD-5 2nd Paragraph	If the Nominated Plant is uncontracted, kindly confirm that the last paragraph may be deleted from the submission (copied below): "If covered by an offtake agreement, such agreement shall have been withdrawn or terminated as of the OED."	No, the Bidder should not delete. Instead, just insert "Not Applicable – Nominated Plant is uncontracted."
37.		IPB	Annex QD-6 Certification of the Bidder's Total Uncontracted Capacity	What is the reference date for the Total Uncontracted Capacity? The Uncontracted Capacity must be as of what date?	As relayed by MERALCO to the BAC-PSA, based on the PCC's directive to include this requirement in MERALCO's TORs for its CSP refer to "Bidder's total uncontracted capacity that is eligible for the Bidding" (Sec. 3.1.2. (j), IPB), hence, it should be as of the Bid Submission Deadline, or 1 September 2026.

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38.		IPB	Annex QD-7 Bidder's Certification of Absence of Unsatisfactory Performance Record, Outstanding Dispute or Unsettled Dispute or Due and Demandable Financial Obligations	May we confirm that this includes only the operating affiliates? And that we do not need to include affiliates that are non-operating?	For this CSP only, yes, this request will be allowed.
39.		IPB	Annex QD-7 Bidder's Certification of Absence of Unsatisfactory Performance Record, Outstanding Dispute or Unsettled Dispute or Due and Demandable Financial Obligations	What is the definition of Affiliates here? Does it include companies under common control or just subsidiaries? What does common control mean, 50%+1 of voting shares?	<p>As Annex QD-7, repeatedly provides, this only refers to the Bidder's Affiliates engaged in power generation.</p> <p>As for how an Affiliate is determined or defined, kindly refer to Secs. 9.2 and 9.20 of the IPB:</p> <p>9.2. "Affiliate" means with respect to a specified entity, an entity that directly or indirectly, through one or more intermediaries, Controls (e.g. parent or grandparent company), is Controlled by (e.g. subsidiary) or is under common control (e.g. sister company) with the specified entity.</p> <p>xxx</p> <p>9.20. "Control" means:</p> <p>(a) the ownership (whether directly or indirectly) of more than fifty percent (>50%) of the total issued voting share capital of the company or corporation; or</p> <p>(b) the ability to unilaterally appoint a majority of the board directors or equivalent body of that company or corporation through the ownership of shares with voting power, without the need of the vote or approval of another shareholder; or</p> <p>(c) the ability to unilaterally direct the business affairs and/or operations of that company or corporation, day-to-day or otherwise, through means that are irrevocable and shall not expire at any given time for the duration of the resulting power supply agreement or power plant project, without the need of the vote or approval of another shareholder.</p> <p>The terms Controls, Controlled and Controlling shall have correlative meanings. For the avoidance of doubt, if a corporation is owned by two (2) shareholders at exactly fifty percent (50%) each, that corporation shall not be considered under the control of any such shareholder.</p> <p>This definition of "Control" is only applicable for purposes of evaluating the Interested Bidder's company information, corporate structure and/or its chosen entities to submit the Qualification Documents during this Bidding. During the execution and implementation of the Resulting PSA, the definition of "Control" under the PSA will be used.</p>
40.		IPB	Annex QD-7 paragraph 6	Clarification, Annex QD-7-A refers to Annex A of Annex QD-7, right? Can it be amended to read, "in this Annex QD-7 and Annex A of Annex QD-7", as worded in paragraph 4	Yes, this will be allowed.
41.		IPB	Annex TP-2 Annex TP-2: PERFORMANCE GUARANTEES	Please provide the needed technical parameters for geothermal source plants.	This will be determined if the Winning Power Supplier will be using a geothermal power plant as its Nominated Plant.
42.		Financial Evaluation Workbook	Prompt Payment Discount	Please clarify how is PPD evaluated will included in the offer? Also may also we know if it is part of the LCOE calculation?	The PPD will not be considered in the calculation of the LCOE, evaluation of the bid, and in ranking the bid offers.
43.		Financial Evaluation Workbook	Line Rental charges	Can settlement of the Line Rental charges be for the account of the Supplier? And anything in excess of the LR Cap, will just be billed by the Supplier to MERALCO.	No, as relayed to the BAC-PSA by MERALCO, it is not amenable to the proposed change. The purpose of the LR Cap is for MERALCO's customers to be protected from the volatility of the line rental charges. It provides a visibility of the maximum line rental amount that MERALCO can pass-through to its customers. The proposed change shall have the opposite effect wherein it is the Power Supplier that will be protected and not MERALCO's customers.

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44.				<p>1) During the Bid Opening, how will MERALCO validate (in the Input_Fuel Formula tab) that the formula provided by the Bidder in Input Formula tab (below the ""Define the Fuel Formula in the space below"" portion, is consistent with inputs by the Bidder in the Rows C8 to Q8. See screenshot below:</p> <p>2) To ensure that the actual rates passed-on to consumers are the most competitive rates offered during evaluation and will not differ greatly from the values resulting in cells C8 to Q8 (to be used in the LCOE computation), we respectfully suggests that the declared annual Fuel Prices (in the workbook) be made binding, for the benefit of the consumers.</p> <p>3) Based on the provided Financial Workbook, Bidders offering supply from conventional technology have their fuel cost evaluated based on fixed historical average, while offered rate components of Bidders having RE sources will be evaluated at an annual escalation of 3.26% (based on PH CPI escalation). For a more fair and reasonable, we propose MERALCO BAC to also apply escalation to fuel costs of Non-RE to also capture the volatility of fuel costs.</p> <p>4) May we also clarify how will MERALCO capture the volatility and movement of the FOREX in foreign components of the fuel price in their evaluation?</p>	<p>1) The BAC-PSA TWG will check and verify that the inputs in the submitted FEW of each Bidders are correct, including the fact that the formula in Rows C8 to Q8 of the Input_FuelFormula worksheet should be the same as the pasted screenshot in the same worksheet.</p> <p>2) Not amenable to the proposal, since it was already been stated in the ITB/TOR that the actual fuel prices used during evaluation shall not be binding, unless if it cannot be supported by documentation.</p> <p>3) Not amenable to the proposal, since Bidders are free to choose the components of its tariff. If it feels that a component will make it less competitive, the Bidder can chose not to indicate any values for this component.</p>
45.		Financial Evaluation Workbook	Historical indices used	To capture the volatility that comes naturally from fuel sources or technology is dependent to world market, we suggest to capture January 2022 to June 2026 indices for fuel prices in the inputs to the Financial Evaluation Workbook	Not amenable to the proposal, since it was already stated in the IPB/TOR that the actual fuel prices for the period January 2023 to December 2025 shall be used during evaluation.
46.		Financial Evaluation Workbook	Cumulative degradation factor	We would like to clarify if the cumulative degradation factor will always be greater than 1.	Bidder has the option to put any value as long as this will be binding for the duration of the Term.
47.		IPB - Grounds for Disqualification; and Forfeiture of Bid Security	2.10.4 (e) and 3.3.2 (c)	What is the criteria for determining whether a misrepresentation is considered "material" or "willful" for purposes of disqualification and forfeiture of the Bid Security?	<p>There is a "material misrepresentation" when the omission, fabrication, or concealment is on, or relates to, any material fact, which if known to the BAC-PSA, could have altered or changed the basis of its evaluation of the Bid Submissions, or which would have mislead or deceive the BAC-PSA in its evaluation of the Bid Submissions.</p> <p>"Willful misrepresentation" on the other hand connotes a deliberate, intentional, fraudulent, or premeditated act or omission in hiding, concealing, or fabricating any fact, regardless of whether or not that fact is material.</p>
48.		IPB - Technical Proposal	3.2. (r) (3)	Will the BAC-PSA will accept a redacted Fuel Supply Agreement, provided that all information necessary to establish compliance with the Bidding Documents remains unredacted?	Yes, provided the necessary details of the Fuel Supply Agreement is not redacted and can be reviewed by the BAC-PSA.
49.				What is the basis and reference date or period for determining "50% of Meralco's total demand" for purposes of the applicable disqualification criteria?	<p>If the question refers to Sec. 2.10.4 (a) of the IPB, which reads:</p> <p>"A Bidder may be disqualified from participating in the Bidding for any of the following reasons:</p> <p>(a) the Bidder is an Affiliate of Meralco which has entered into bilateral power supply contracts with Meralco for at least 50% of Meralco's total demand; xxx"</p> <p>The basis is Section 45 (b) of EPIRA and Section 5, Rule 11 of EPIRA's I.R.R.</p>
50.		NFCC/ITB	Tariff Structure	Please clarify whether taxes, including excise tax, should form part of the bid price by incorporating its equivalent value into the Non-Fuel Commodity Cost (NFCC) component of the Fuel Formula under the Financial Evaluation Workbook (FEW).	Yes, this is correct.
51.		NFCC/ IPB	Bid Price and Bid Security	Please confirm whether hard copies of the supporting documents for the actual values of the non-fuel commodity cost may consist of printed copies of digital invoices obtained through the Supplier's email, online procurement platform, or other electronic invoicing systems.	Yes, this is correct.
52.		NFCC/ITB	Tariff Structure	Considering that some NFCCs are denominated in Philippine Pesos (PHP), while the Fuel Price in the Input_FuelFormula sheet is stated in USD, please clarify how the peso-denominated values should be entered into the Fuel Formula.	

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				Specifically, please confirm whether bidders may convert the peso-denominated NFCC values to their USD equivalent using the prescribed foreign exchange rate of PHP 61.251/USD for purposes of completing the Fuel Formula.	Yes, Bidders must convert USD denominated costs in the Fuel Cost Formula to PHP by using the prescribed foreign exchange rate of PHP 61.251/USD.
53.		Bid Bulletin 2	Question 131, page 21	Please clarify what information Sheet of the Partnership is being referred to here? Or clarify if the submission of write up is sufficient and additional supporting documents is only optional.	This refers to any information sheet that is regularly or annually submitted by the Partnership with the SEC or other similar governmental authority. If none, a write-up and additional supporting documents will suffice.
54.		IPB	Section 3.2 (e) page 30	Can one bidder have the same Comparable Plant with another Bidder?	Yes, this is allowed.
55.		Annex QD-1A		<p>For BAC's confirmation if the proposed edits are acceptable?</p> <p style="text-align: center;">ANNEX QD-1A</p> <p style="text-align: center;">AUTHORITY TO PARTICIPATE IN THE BIDDING AND DESIGNATION OF AUTHORIZED REPRESENTATIVE</p> <p>Republic of the Philippines)) s.s. I [REDACTED] after having been duly sworn according to law, hereby depose and state that:</p> <p>1. I am a Filipino, of legal age and a resident of <i>Makati City</i>.</p> <p>2. I am the duly elected Assistant Corporate Sec [REDACTED] Inc.(the "Company"), a <i>corporation</i> organized and existing under and by virtue of the laws of the Republic of the Philippines.</p> <p>3. The Company has been established to operate, <i>maintain</i>, and manage power [REDACTED] at <i>(place)</i>, in which meeting a quorum was present and acting throughout, the following resolution was passed and approved:</p> <p>RESOLVED, AS IT IS HEREBY RESOLVED, that [REDACTED] Inc.,(the "Company") be, and is hereby, authorized to participate in the Bidding to make available the Contract Capacity and supply associ [REDACTED] pursuant to its rights as an [REDACTED] Energy Conversion Agreement ("ECA")entered into among the [REDACTED] in the PSA template, to the Manila Electric Company pursuant to its 300 MW (net), effective March 2028 to increase by 300 MW (net), effective March 2029 ("600 MW Baseload Requirement") ("Resulting PSA");</p> <p>RESOLVED FURTHER, that in the event the Company is declared as the Winning Power Supplier, the Company commits to fulfill all the Post-Qualification compliances, if deemed necessary by the BAC-PSA, including the execution of the Power Supply Agreement with the Manila Electric Company;</p> <p>[REDACTED]</p> <p>Bidding, authorized to execute, sign, submit and receive documents for, and other otherwise act in the name of, the Company;</p> <p>[REDACTED]</p> <p>confirmed and ratified.</p> <p>4. These resolutions have not been revoked, amended or modified and remain valid and binding on the Company.</p> <p>5. The above resolutions are in accordance with the records of the Company.</p> <p>6. Unless otherwise defined in this document, capitalized terms used in this document will have the meanings ascribed to them in the Bidding Documents issued in respect of the Resulting PSA.</p>	Yes, the proposed changes are acceptable provided, at least a redacted copy, of the Agreement mentioned is submitted/attached.
56.		Qualification Documents		Can the bidder submit a redacted version of its agreement with its partner as proof that the nominated bidder is duly authorized to participate in the CSP and to offer and sell the available capacity of the nominated plant?	Yes, provided the necessary details of the Agreement is not redacted and can be reviewed by the BAC-PSA.
57.		Annex TP-1	item #8	Details of the Project's execution, where the Bidder shall provide a description on how it will carry out the development, financing, construction, interconnection, operation, and maintenance of the Nominated Plant, including but not limited to general information on the Nominated Plant and its key components, such as the design data (e.g., type, including specific fuel, number of units, and capacity), proposed plant site/s, and proposed interconnection site/s; the key project milestone schedule, if available; and the	This is item 8., please refer to item 16. where it states that: "16. If the Nominated Plant is already in commercial operation, items (4) to (15) above will not be required, instead, Bidder must submit a certified statement that the Nominated Plant is capable of operating consistent with the Performance Guarantees following the form in Annex TP-2 and the Nominated Plant's: xxx"

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				<p>details on the development, engineering, procurement and construction plan of the Nominated Plant;</p> <p>Document/Information for Submission</p> <p>a. General Information</p> <p>i. Installed capacity of the power plant, MW</p> <p>ii. Net dependable capacity of the power plant at high-side of the power transformer, MW</p> <p>iii. Type:</p> <p>iv. Location / proposed plant site/s</p> <p>v. Number of units</p> <p>vi. Transmission connection / proposed interconnection site/s</p> <p>b. Committed key project milestone dates of proposed power plant, including but not limited to the following:</p> <p>i. Project financial closing with lenders</p> <p>ii. Commencement of EPC construction</p> <p>iii. Completion of site preparation, foundation and civil works</p> <p>iv. Installation of turbine-generating units and other key components of the plant</p> <p>v. Testing and commissioning</p> <p>vi. Scheduled Commercial Operation</p> <p>c. Development and Engineering, Procurement and Construction (EPC) Plan describing methodology, process and schedule that shows feasibility and credibility that Nominated Plant will be available on the Scheduled Commercial Operations Date</p> <p>d. Financing Plan, including, but not limited, to the following:</p> <p>i. Detailed description of where the funds will originate (debt financing, equity financing, etc.)</p> <p>ii. Draw downs and repayments</p> <p>f. Interconnection</p> <p>Description of the necessary work to be performed by NGCP (or applicable distribution utility, if embedded) to effect the interconnection including but not limited to: (i) status of the ERC’s approval of NGCP’s (or distribution utility’s) capital expenditure for such interconnection; (ii), status and extent of the acquisition of the right-of-way for such interconnection, (iii), progress of NGCP’s (or distribution utility’s) implementation of the construction of the interconnection and the tapping substation for such interconnection</p> <p>Description of the fuel supply interconnection and onsite processing</p> <p>Description of the water supply interconnection and onsite processing</p> <p>Question: If the Nominated Plant is already in commercial operation, is the Bidder still required to complete this table, or should it be marked as "Not Applicable (N/A)?"</p>					
58.		Annex TP-1	Item # 6 Table []. Comparable Power Plant Requirement	For a Nominated Plant that is already in commercial operation, is the Bidder still required to accomplish the Comparable Power Plant Requirement (Table [])?	No, see response immediately preceding above.				
59.		Annex TP-2	Performance Guarantee	<p>Does the bidder required to submit evidence on this? Or a GUCT Certificates will suffice?</p> <div><p>Performance Guarantees</p><p>This Bidder will cause the Plant to operate under the following Performance Guarantees:</p><table><tr><th>Technical Parameter</th><th>Performance Guarantees</th></tr><tr><td>Net Plant Output</td><td></td></tr></table></div>	Technical Parameter	Performance Guarantees	Net Plant Output		The GUCT Certificate will suffice.
Technical Parameter	Performance Guarantees								
Net Plant Output									
60.		Annex QD-6	CERTIFICATION OF THE BIDDER'S TOTAL UNCONTRACTED CAPACITY	If the bidder has authority to sell only a portion of the total capacity of a plant, what will be the uncontracted capacity that it has to indicate - should it be the remaining uncontracted capacity from the portion that it is authorized to sell? or the total uncontracted of the nominated plant regardless of the share?	<p>The certification should reflect the Bidder's total available uncontracted capacity that is within its authority to offer and commit under this CSP.</p> <p>Accordingly, if the Bidder has authority to sell only a portion of a plant's capacity, the uncontracted capacity to be indicated should pertain only to the remaining uncontracted</p>				

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					capacity within the portion over which the Bidder has the authority to sell or contract, and not the total uncontracted capacity of the entire plant. This approach is consistent with the purpose of the requirement when it was directed by the PCC for MERALCO to adopt, which is to enable monitoring of available uncontracted capacity that the Bidder may realistically offer to the market and to assess any potential withholding of capacity.
61.		Annex QD-8	3.1.4 (a)	For purposes of complying with Item (i) (i.e., the list of projects undertaken over the last ten (10) years), how should a bidder present its project experience where the nominated generating facility itself has no regulated customers Specifically, may the bidder: i. identify projects involving non-regulated; or ii. include projects associated with other generating units or facilities operated by the same entity?	Yes, this will be allowed.
62.		IPB	Section 3.2.r.1 / Page 32	<i>Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC at the start of the Operations Effective Date of the PSA valid at the bid opening date, as submitted by the Bidder as a certified true copy by (i) the ERC; or (ii) the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized;</i> May we suggest to revise the requirement for PAO to be valid at the bid opening date, instead of the start of the Operations Effective Date of the PSA which is February 26, 2028, since PAO is only valid for 1 year.	Yes, this will be allowed provided the Bidder submits a write-up on its plans to extend or renew the PAO (or secure a COC) by the Operations Effective Date (OED).
63.		IPB	Section 3.2 par. 1 / Page 29 Annex TP-1 TOR Table / Page 92	Section 3.2 par. 1 <i>"For clarity, the Nominated Plant must have separate delivery points for each power plant generating unit as registered with the Wholesale Electricity Spo[r]t Market (WESM), which Delivery Points should be interconnected with the Luzon, Visayas or Mindanao grid upon Operations Effective Date ("OED") of the power plant/s and which power plant/s must be able to export power to the Luzon grid upon OED."</i> Annex TP-1 TOR Table <i>"Separate Delivery Points for each power plant generating unit as registered with the WESM. For clarity, the Delivery Points should be interconnected with the Luzon, Visayas or Mindanao grid upon OED."</i> May we seek clarification from the BAC-PSA whether the equipment that should be connected to the Luzon, Visayas or Mindanao grid upon OED is the Delivery Point only, and not the power plant/s itself or should it be both the power plant/s and its corresponding Delivery Point?	The Nominated Plant should be connected, via its corresponding Delivery Point, to the Luzon, Visaya, or Mindanao grid upon OED.
64.		Numbering	Annex QD-3	<p align="center">ANNEX QD-3</p> <p align="center"><u>SWORN ATTESTATION AGAINST CORRUPTION</u></p> <p>I, (name), (citizenship), of legal age, with office address at (address), as the (position/designation) and duly authorized representative of (insert name of the Bidder) (the "COMPANY"), a (corporation/partnership) organized existing under and by virtue of the laws of the Republic of the Philippines, after having been duly sworn to in accordance with law, depose and state that:</p> <p>4. The COMPANY is a prospective Bidder for MERALCO's Competitive Selection Process for its (capacity) MW power supply requirement (the "CSP");</p> <p>5. Pursuant to Annex 1 of Appendix B, Section (c)(v) of Resolution No. 16, Series of 2023, as amended by ERC Resolution No. 7, Series of 2026, entitled "Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements entered into by Distribution Utilities for the Supply of Electricity to their Captive Market" issued by the Energy Regulatory Commission:</p> <p>Clarification on Annex QD-3 (Sworn Attestation Against Corruption): We noticed that the numbering starts at paragraphs 4 and 5 instead of paragraph 1. May we</p>	This is a numbering/formatting error, Bidders may freely edit this to correct the sequence.

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				confirm if this is a typographical error or if there are missing paragraphs prior to item number 4?	
65.		IPB	3.1.3, page 26 Annex QD-7	<p>3.1.3 Notarized Certification of Absence of Unsatisfactory Performance Record and Outstanding Dispute or Unsettled Dispute or Due and Demandable Financial Obligation/s, using the form in Annex QD-7, and a Notarized Certification from the Bidder's counterparty (i.e., Meralco and/or its Affiliates engaged in power generation, distribution, and supply) using the form in Annex QD-7-A (without modification).</p> <p>Clarify if the basis of the "within 5 yr requirement for financial lenders" will be the loan commencement/ drawdown date. Please note that some of the outstanding loans as of 2026 commenced prior to 2020.</p>	Annex A of Annex QD-7 reads: "financial lenders who have past or existing power supply or off take agreements with the Bidder or any of its Affiliates engaged in power generation, that was commenced or in the process of implementation within the last five (5) years prior to the Bid Submission Deadline by the Bidder." Note that the financial lender/loans is only related to power supply or off take agreements of the Bidder or its Affiliated engaged in power generation.
66.		IPB	3.1.3, page 26 Annex A of Annex QD-7	<p>Same question from Annex QD-7</p> <p>Clarify if the basis of the "within 5 yr requirement for financial lenders" will be the loan commencement/ drawdown date. Please note that some of the outstanding loans as of 2026 commenced prior to 2020.</p>	<i>(see response immediately preceding above)</i>
67.		IPB	3.1.5.b, page 28	<p>(b) copy of the latest unaudited quarterly financial statements, which shall be certified as a true copy by the chief financial officer or treasurer, and must be under oath and notarized.</p> <p>SLPGC is not a listed entity and we do not prepare nor submit full interim financial statements every quarter. The Quarterly FS submitted to PSE are for SMPC consolidated.</p> <p>We can provide SLPGC unaudited financials which consist of Statements of Financial Position, Income, Changes in Equity and Cash Flow. Please advise if this is sufficient or if we should also complement it with the Quarterly FS of SMPC consolidated. However, please also note that SMPC consolidated FS will be approved for release by the Board on Aug 4.</p>	<p>The entity that submits the audited financial statements used to demonstrate the bidder's financial capability must be the same entity that submits the unaudited quarterly financial statements.</p> <p>Accordingly, if Entity X submits its audited financial statements (AFS) to establish the bidder's financial capability to perform its obligations under the resulting Power Supply Agreement (PSA) with MERALCO, Entity X (and not Entity V, Y or Z) may likewise submit its unaudited quarterly financial statements. Such unaudited financial statements should include, at a minimum, the Statement of Financial Position, Statement of Income, Statement of Changes in Equity, and Statement of Cash Flows.</p>
68.		IPB	3.3.g, page 33	<p>(g) Hard copy of the supporting or source documents to validate that the provided actual values of the non-fuel commodity costs in the Fuel Formula is for the period of January 2023 to December 2025, if applicable.</p> <p>How many sample invoices or supporting docs do we need to provide? Please note that the invoice of SMPC contains both the cost of coal and excise. Do you have any concerns about providing these?</p>	The submitted invoices should cover the period January 2023 to December 2025. We have no concerns about SMPC providing the cost of coal and excise tax in its submitted invoices.
69.		SBB No. 2	Item No. 26, page 3	<p>3.3 Bid Price and Security (g) With respect to Item (g), which requires the submission of hard copies of the supporting/source documents validating the actual non-fuel commodity cost values for the period January 2023 to December 2025, may these supporting documents be excluded from the main bid document pagination due to their volume?</p> <p>Yes, these can be excluded from the main bid document pagination. For clarity, supporting documents should form part of the submission of Envelope 3.</p> <p>Please elaborate. What do you mean by "excluded from the Main Bid Document"? Isn't Envelope 3 part of the Main Bid?</p>	<p>For clarity, all the contents of Envelope 3 forms part of the Bid Documents and should generally be paginated. However, given the potentially voluminous nature of the supporting/source documents validating the actual non-fuel commodity cost values for the period January 2023 to December 2025, the BAC-PSA will allow such supporting documents to be excluded from the detailed pagination requirement.</p> <p>By way of illustration, if the principal documents in Envelope 3 (e.g., Annex BID-1, Annex BID-2, and printouts of the Financial Evaluation Workbook worksheets) are paginated from pages 1 to 20, the compilation of the supporting/source documents may be identified as page 21 in the Table of Contents and through a cover page or separator sheet. The individual pages comprising such supporting/source documents need not be separately paginated.</p>

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					Accordingly, the supporting/source documents shall still form part of Envelope 3 and must be submitted therewith, but the BAC-PSA will not require continuous pagination of each page of such voluminous supporting documents.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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70.		PSA	Article 16.1 (b) , Page 47	For the MERALCO BAC's consideration, we propose that the Plant Availability Factor requirement be modified to 50%, provided that the Supplier maintains the ability to deliver the Contracted Capacity and given that replacement power remains the Supplier's responsibility within the Outage Allowance.	As relayed by MERALCO to the BAC-PSA, it is not amenable to the proposed revision. The Plant Availability Factor of 75% was chosen since it represents the typical operating PCF of a baseload power plant as this CSP is for MERALCO's 600 MW baseload supply requirement, as approved by the DOE in MERALCO's latest DOE-approved PSPP.
71.		PSA	"Appendix K: TESTS PART A – ANNUAL NET DEPENDABLE CAPACITY"	For the net power factor capability test of the nominated plant(s), may we perform the test at the optimal MW output (as determined by the Bidder) to demonstrate compliance across the operating range of 0.85 lagging to 0.90 leading?	As relayed by MERALCO to the BAC-PSA, yes, this can be done.
72.		PSA	Compliance with RPS Rules Sec 5.5.1	May we confirm that Section 5.5.1 is applicable to only RPS-eligible RE Plants? During the Pre-Bid Conference, the qualification of "RPS-eligible" was not emphasized in the answer.	As relayed by MERALCO to the BAC-PSA, Section 5.5.1 is only applicable to RE plants whose generation is entitled to RECs under existing RPS Rules.
73.		PSA – Bid Security and Performance Bond	4	What procedure will be followed by Meralco prior to drawing on the Bid Security or Performance Bond? Will the Power Supplier be given written notice and an opportunity to contest or remedy the alleged basis for the drawdown?	As relayed by MERALCO to the BAC-PSA, no written notice is required. It is the responsibility of the bidder to ensure that its Performance Security or Bid Security remains valid and effective at all times. While Meralco, as a matter of good practice, provides periodic reminders, the primary responsibility for monitoring expiration dates and submitting timely renewals or replacements within the prescribed period under the PSA rests with the Power Supplier.
74.		PSA – Bid Security and Performance Bond	4.1. and 4.2.	Would Meralco consider reasonable extensions of the 15-Day and 10-Day periods, respectively, where the Power Supplier can demonstrate that additional time is required due to the issuing bank's internal processing requirements?	As relayed by MERALCO to the BAC-PSA, the responsibility for monitoring the expiration of the Performance Security and Bid Security rests with the Power Supplier. Provided that adequate monitoring mechanisms are maintained, the Power Supplier should ensure sufficient time to coordinate with its issuer for the timely renewal or replacement of the required security instruments.
75.		PSA - Outage Allowance and Replacement Power	8.1	Kindly clarify whether any procurement standard or criteria will apply to the Power Supplier's procurement of Replacement Power.	As relayed by MERALCO to the BAC-PSA, the Power Supplier is given leeway on how to procure its Replacement Power, subject to the PSA provision on Replacement Power Cost.
76.		PSA - Outage Allowance and Replacement Power	8.1.3	What is the applicable timeline for: (1) Meralco to submit its reimbursement claim for the difference between the (i) WESM price and (ii) the Price, plus all relevant transaction cost and taxes? (2) Power Supplier to reimburse Meralco for the difference between the (i) WESM price and (ii) the Price, plus all relevant transaction cost and taxes?	As relayed by MERALCO to the BAC-PSA, it should be included in the relevant Billing Period's invoice.
77.		PSA - Notice of Force Majeure; Procedure	15.6.2	Pending availability of the required third-party or official documentation, would preliminary supporting documents (e.g., system notices or messages) suffice as initial reasonable proof of the Force Majeure event, subject to subsequent submission of the formal documentation?	As relayed by MERALCO to the BAC-PSA, the reasonable proof required to be provided to MERALCO shall be verified or certified by an independent third party mutually acceptable to both Parties and/or shall be evidenced by official certifications, government-issued declarations, technical assessments or an equivalent documentation appropriate to the nature and circumstances of the Event of Force Majeure invoked.
78.		PSA - Charges Due to Material Adverse Government Action	11.2.3	What is the applicable procedure and timeline for refunding any Refundable Amounts? Can the payment of Refundable [sic] Amounts be made in installments or tranches?	As relayed by MERALCO to the BAC-PSA, the provision contemplates scenario where the refund is directed by ERC or any Governmental Instrumentality. In such a case, ERC or relevant Governmental Instrumentality will direct timing and manner of refund.
79.		PSA - Definitions	Material Adverse Government Action	What is the basis for using 10% of the Annual Capacity Payment as the threshold for determining serious damage or a material and adverse effect on a Party's financial condition?	Please refer to item 185 of Bid Bulletin No. 2 which provides: As relayed by MERALCO to the BAC-PSA, the 10% threshold is taken from the acceptable range of common materiality threshold based on finance principles. The rationale is to provide a measure on when to deem a government action to be materially adverse, for which purpose, we compare the Power Supplier's overall cost prior to the government action and the overall cost after government action has taken effect. If the increase in cost will be more than 10% of the annual capacity fee, then the government action is considered to have material adverse impact.
80.		PSA - Supply of Power	5.1.2. (b)	Kindly clarify what is meant by the Power Supplier's "fail[ure] to source from the Plant when it is available"? Does this refer to an error in the declaration of the BCQ?	As relayed by MERALCO to the BAC-PSA, Power Supplier's "fail[ure] to source from the Plant when it is available" does not refer to mere error in the declaration of the BCQ. It contemplates situations where Power Supplier, for one reason or another, delivers energy to MERALCO

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					under the PSA from other sources notwithstanding that the Plant is available and capable of meeting the requirements of MERALCO.
81.		PSA - Definitions	Capacity Test Certificate	Does Meralco have a prescribed/standard template? If none, who will draft the required certificate? Will the form and contents need to be agreed upon by the Parties?	As relayed by MERALCO to the BAC-PSA, parties may agree on the template of the Capacity Test Certificate.
82.		PSA - Charges Due to Material Adverse Government Action; and Remedies in case of Event of Default	11.2.2. (a) in relation to 16.3.3.	Where the ERC confirms the existence of a Material Adverse Government Action, would Meralco consider removing or further reducing the liquidated damages applicable upon termination by the Power Supplier?	As relayed by MERALCO to the BAC-PSA, it is not amenable to remove or further reduce the liquidated damages when Power Supplier terminates the PSA especially in case the ERC confirms the existence of a Material Adverse Government Action ("MAGA") for, in such a case, the ERC would have likely approved the price adjustment given finding of existence of MAGA. Consequently, the Power Supplier would have recovered its costs and there will be no reason for it to terminate the PSA. In addition, regardless of recognition by ERC of the MAGA, MERALCO's customers would have already been prejudiced by the termination.
83.		PSA - Remedies in case of Event of Default	16.3.3. and 16.3.4.	Considering that the liquidated damages of PhP100,000 per MW per day apply for the remaining Required Contract Period without an express aggregate cap, which may result in significant exposure particularly where an Event of Default occurs early in the Term, would Meralco consider imposing an overall cap on the liquidated damages payable by either Party?	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposal to set an "over all cap" on the liquidated damages. Notably, MERALCO, and ultimately its customers, will also incur significant exposure should the PSA be terminated. In addition, in such a case, MERALCO will need to procure supply from WESM, secure an emergency PSA, and/or conduct CSP to secure the equivalent deficiency in supply which all entails costs [and likely, incremental generation costs].
84.		PSA - Definitions	ERC Approval	Kindly confirm whether a separate ERC Final Approval is contemplated under the PSA, in addition to the existing definition of "ERC Approval," and, if so, which provisions are intended to require ERC Final Approval rather than provisional or interim approval.	As relayed by MERALCO to the BAC-PSA, "ERC Approval" is defined under Section 1.1 of the PSA as " <i>provisional approval/authority, interim relief, decision or final order on any motion for reconsideration thereof issued by the ERC on the ERC Application filed by the Parties seeking approval of this Agreement.</i> " Thus, there is no separate provision to apply to ERC Final Approval only.
85.		PSA - Definitions	Longstop Date	We propose aligning the Longstop Date with the 270-calendar-day processing period applicable to quasi-judicial applications under the EVOSS Act, reckoned from the submission of the Joint ERC Application. Proposed Wording: <i>Longstop Date means the date falling two hundred seventy (270) calendar days after the date of submission to the ERC by Meralco and the Power Supplier of their Joint ERC Application.</i>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The Longstop Date which is the " <i>date falling six (6) months after the date of submission to the ERC by Meralco and Power Supplier of their Joint ERC Application</i> " is a standard period in all of MERALCO's PSAs. Note, however, that, as situation may warrant, Parties may agree in writing to extend the Longstop Date under Section 16.6.2 of the PSA.
86.		PSA - ERC Application	12.2.1.	Where the failure to timely file the ERC Application is attributable to Meralco's failure or delay in providing or complying with ERC requirements, we propose expressly providing that Meralco shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC. Proposed Wording: <i>12.2.1 Within five (5) Days after receipt from Power Supplier of the documents set forth in Appendix C (or such other period agreed upon by the Parties), the Parties shall jointly file with the ERC the necessary application for the approval of this Agreement (the "ERC Application") and shall exert best efforts to obtain such approval as promptly as practicable following the submission of the ERC Application and to allow for the issuance of the ERC Approval on or before the Longstop Date and occurrence of the Acceptance Date.</i> <i>For clarity, in case of Power Supplier's failure, inability, refusal or delay to provide or comply with ERC requirements, which results in failure to timely file the ERC Application, Meralco shall have the right to forfeit the Performance Bond. Should the failure to timely file the ERC Application is caused by Meralco's failure, inability, refusal or delay to provide or comply with the ERC requirements, Meralco shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC. Conversely, should the failure to timely file the ERC Application be attributable to Meralco's failure, inability, refusal or delay to provide or comply with ERC requirements, Meralco shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC.</i>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. It is to the interest of MERALCO, having the obligation to timely procure supply power for its customers in the least cost manner, to ensure timely filing of any PSA application with the ERC. It has never been MERALCO's experience that delay in filing of PSA application was caused by MERALCO.
87.		PSA - Assignment	19.1.1. (a)	What are the criteria and reference date for determining whether a proposed assignee has "creditworthiness equal to or higher than that of Power Supplier."	As relayed by MERALCO to the BAC-PSA, in evaluating creditworthiness, Meralco will generally consider the credit ratings of the assignor and the assignee, as determined by a recognized independent credit rating agency.

PSA TEMPLATE-RELATED QUERIES/COMMENTS																			
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA’s RESPONSE														
88.		PSA - Penalties (Appendix H)		We note that Appendix H is currently blank. Kindly provide the applicable contents.	<p>As relayed by MERALCO to the BAC-PSA, the inclusion of Appendix H is a typographical error and relevant provisions in the PSA and PSA Appendices will be revised as follows:</p> <p>PSA:</p> <table><tr><th colspan="2">“Appendices</th></tr><tr><td>Appendix A</td><td>Plant Description and Site Location</td></tr><tr><td colspan="2">xxx</td></tr><tr><td>Appendix H</td><td>Penalties-<u>Invoicing and Payment Procedures</u></td></tr><tr><td>Appendix I</td><td>Invoicing and Payment Procedures-<u>Form of Direct Agreement</u></td></tr><tr><td>Appendix J</td><td>Form of Direct Agreement-<u>Tests</u>”</td></tr><tr><td>Appendix K</td><td>Tests</td></tr></table> <p>PSA Appendices:</p> <p>“Appendix H PENALTIES-INVOICING AND PAYMENT PROCEDURES</p> <p>Appendix I Invoicing and Payment Procedures <u>Form of Direct Agreement</u></p> <p>Appendix J Form of Direct Agreement-<u>Tests</u>”</p> <p>Appendix K—Tests”</p> <p>Given correction in the naming of the Appendices, the clarification in Bid Bulletin No. 2 on Section 7.4.4 is corrected as follows:</p> <p>“7.4.4 The NDC Test and the Net Plant Heat Rate Test shall be conducted in accordance with the procedures set out in Appendix J-K.”</p> <p>Please see Annex “B” of this Bid Bulletin No. 3 reflecting this amendment to the PSA and PSA Appendices template.</p>	“Appendices		Appendix A	Plant Description and Site Location	xxx		Appendix H	Penalties- <u>Invoicing and Payment Procedures</u>	Appendix I	Invoicing and Payment Procedures- <u>Form of Direct Agreement</u>	Appendix J	Form of Direct Agreement- <u>Tests</u> ”	Appendix K	Tests
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Appendix J	Form of Direct Agreement- <u>Tests</u> ”																		
Appendix K	Tests																		
89.		PSA	11.1.3	<p>The following amounts that Meralco is responsible for paying to third parties shall form part of the price that Meralco will charge to its customers:</p> <p>Question: Could we clarify the intent behind including this provision in the PSA? The provision pertains to the charges that MERALCO may pass on to its customers, which appears to relate to matters between MERALCO, its customers, and the ERC.</p> <p>The Power Supplier is not a party to MERALCO's customer arrangements or its ERC applications regarding the components of the rates charged to its customers. As such, we would like to understand whether this provision is standard across MERALCO PSAs and, if not, the rationale for its inclusion in this agreement. Can this be deleted?</p>	<p>As relayed by MERALCO to the BAC-PSA:</p> <p>(a) This is a standard provision in all of MERALCO’s PSAs and cannot be deleted. Contrary to interpretation of bidder, while the provision states that the same pertains to payment to third parties, portions of the provisions may be applicable to the Winning Power Supplier, e.g., (a) subject to Material Adverse Government Action, in case of change in Power Supplier’s VAT status, the Price as computed and shown in Schedule 1 of Appendix E shall be deemed to already include VAT, (b) Meralco shall settle the full line rental amount with the Market Operator and any excess in the amount of the line rental cap, as calculated in accordance with Appendix E, shall be reimbursed by Power Supplier to Meralco, and (c) any NGCP charges in relation to Power Supplier’s import energy shall be for the account of Power Supplier. In addition, in the interest of transparency, amounts forming part of generation charge are enumerated in the PSA.</p> <p>(b) There appears to be a typographical error in Section 11.1.3(b) which will be corrected as follows:</p> <p>“11.1.3 The following amounts that Meralco is responsible for paying to third parties shall form part of the price that Meralco will charge to its customers:</p> <p>xxx</p> <p>(b) actual WESM line rental charges or line rental cap provided in Table 2, Schedule 1 of Appendix E, whichever is lower. For clarity, Meralco shall settle the full line rental amount</p>														

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 300 MW (NET), EFFECTIVE MARCH 2028, TO INCREASE BY 300 MW (NET), EFFECTIVE MARCH 2029

PSA TEMPLATE-RELATED QUERIES/COMMENTS					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
					<p>with the Market Operator and any excessg in the amount of the line rental cap, as calculated in accordance with Appendix E, shall be reimbursed by Power Supplier to Meralco; xxx"</p> <p>Please see Annex "B" of this Bid Bulletin No. 3 reflecting this amendment to the PSA template.</p>
90.		PSA	5.1.2	<p>5.1.2. Unless otherwise expressly permitted by this Agreement, Power Supplier shall not, without Meralco's prior written consent:</p> <p>a. sell, divert, grant, transfer, dedicate, reserve or assign all or any portion of the Contract Capacity and Associated Energy to any Person other than Meralco;</p> <p>Question: Please clarify the intent of this provision. Does this mean that the Supplier is required to obtain MERALCO's prior approval before selling or allocating the contracted capacity to another party, even during periods when MERALCO is not nominating or taking such contracted capacity under the PSA?</p>	As relayed by MERALCO to the BAC-PSA, the rationale of the provision is to ensure that the contracted capacity is exclusively reserved for MERALCO, subject to prevailing regulations, and can be utilized once MERALCO nominates it, for the duration of the Term. The phrase "[u]nless otherwise expressly permitted by this Agreement" refers to instances under the PSA (Section 19.1) when Power Supplier, with consent of MERALCO, is allowed to sell, divert, grant etc. all or any portion of the Contract Capacity and Associated Energy following satisfaction of certain requirements.
91.		PSA	7.3 Operations Log	<p>We suggest to add as last sentence in bold, to limit the phrase of "Significant events":</p> <p>Power Supplier shall keep a daily operations log for the Plant and the Electrical Interconnection Facilities, which shall include information on the Plant Availability, Outages (including Scheduled Outage), circuit breaker trip operations requiring a manual reset and any significant events related to the operation of the Plant and the Electrical Interconnection Facilities. Meralco may request a report from Power Supplier, which request shall not be unreasonably denied, regarding any significant event or information relating to the operation of the Plant and the Electrical Interconnection Facilities</p> <p>" [xxx] For the avoidance of doubt, 'significant events' shall pertain exclusively to Forced Outages resulting in a Full Load Equivalent Outage Day, Events of Force Majeure, material physical damage to the Plant or Electrical Interconnection Facilities, or incidents requiring mandatory regulatory notification."</p>	As relayed by MERALCO to the BAC-PSA, MERALCO prefers to retain the original provision as this is standard in its prior [template] PSAs already approved by the ERC.
92.		PSA	8.5 Fine for Failure to Provide Replacement Power	<p>Suggest inclusion of paragraphs in bold. We suggest including the paragraphs in bold to clarify the application of the penalty.</p> <p>While the Supplier may agree to assume the financial liability for failing to provide Replacement Power, the amount of such liability should remain predictable and subject to a reasonable cap.</p> <p>In case Power Supplier fails to provide Replacement Power from any other source or WESM due to inadequate supply, Power Supplier shall pay a fine equivalent to Nine Hundred Eight Philippine Peso (Php908) multiplied by each affected MWh nomination by Meralco, which shall be used to reduce the generation charge to the consumers. For the avoidance of doubt, in case Power Supplier fails or refuses to supply Replacement Power despite availability thereof, then Section 16.1 shall apply.</p> <p>[xxx] The aggregate fine for any Contract Year shall not exceed twenty percent (20%) of the annual Fixed O&M Payments.</p>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. There is no cap on the penalty. It is a straight computation of Php908 multiplied by each affected MWh nomination by Meralco.
93.		PSA Template	<p>PSA Template / Page 87</p> <p>IPB Section 3.2 Technical Proposal item (a) / Page 29</p>	<p>PSA Template</p> <p><i>HR = the net plant heat rate corresponding to the Load Factor in accordance with the Guaranteed Net Plant Heat Rate Schedule 2 of this Appendix E, or the actual plant heat rate for the relevant Billing Period, whichever is lower (in Btu/kWh).</i></p> <p>IPB Section 3.2(a)</p> <p><i>xxx If the power plant has multiple units, these units should have the same fuel type and GNPHR;</i></p> <p>For BAC-PSA's clarification on how the actual plant heat rate will be computed if the plant has multiple units and the units have different actual heat rates? Will it be the weighted average based on each unit's generation?</p>	As relayed by MERALCO to the BAC-PSA, the actual plant heat rate shall be computed with respect to the total associated energy with respect to the contracted capacity of the Plant. It will not be computed on a per generating unit but on a whole Plant basis.

PSA TEMPLATE-RELATED QUERIES/COMMENTS					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
94.		PSA Template	Section 1.1 Section 5.1.1	<p>1.1 Definitions</p> <p>xxx</p> <p>Replacement Power means the energy procured by Power Supplier from the WESM or any other source during Outage of the Plant. For clarity, the cost of Replacement Power shall form part of the price that Meralco will charge to its customers.</p> <p>xxx</p> <p>5.1.1 From the Operations Effective Date of the Plant until the expiration of the Term or earlier termination of this Agreement, Power Supplier shall:</p> <p>(a) make available to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Contract Capacity of the Plant; and</p> <p>(b) deliver and sell to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Associated Energy (and Replacement Power), to the extent of Meralco's relevant day-ahead nominations.</p> <p>The Dispatch of Contract Capacity and Associated Energy shall meet the requirements set out in the Performance Guarantees.</p>	<p>As relayed by MERALCO to the BAC-PSA:</p> <p>(1) These provisions will be revised as follows:</p> <p>"1.1 Definitions</p> <p>Replacement Power means the energy procured by Power Supplier from the WESM or any other source during Outage of the Plant <u>or unavailability of Plant for failure to achieve commercial operations by Operations Effective Date</u>. For clarity, the cost of Replacement Power shall form part of the price that Meralco will charge to its customers.</p> <p>xxx</p> <p>5.1.1 From the Operations Effective Date, <u>and regardless of actual commercial operations</u>, of the Plant until the expiration of the Term or earlier termination of this Agreement, Power Supplier shall:</p> <p>(a) make available to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Contract Capacity of the Plant; and</p> <p>(b) deliver and sell to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Associated Energy (and Replacement Power), to the extent of Meralco's relevant day-ahead nominations.</p> <p>The Dispatch of Contract Capacity and Associated Energy shall meet the requirements set out in the Performance Guarantees."</p> <p>(2) The revisions are intended to clarify and remove any ambiguity with respect to the parties' obligations upon the occurrence of the Operations Effective Date (OED) and to align the relevant PSA provisions with the bid requirements allowing the participation of Nominated Plants not yet in commercial operation. This places plants already in commercial operations and plants that have yet to achieve commercial operations on equal footing. The revisions confirm that the supply obligations of the Power Supplier commence upon the OED and that any inability of the Plant to deliver Contract Capacity and Associated Energy upon such date, including due to delay in achieving commercial operations, shall be addressed through the Replacement Power framework already contemplated in the PSA. This will ensure consistency in the implementation of the PSA, particularly on the parties' obligations following the OED.</p> <p>Please see Annex "B" of this Bid Bulletin No. 3 reflecting this amendment to the PSA template.</p>

AMENDMENTS TO ANNEX B of BID BULLETIN NO. 2

Item	Reference / Subject Matter of Amendment	Amendments
1	Item 1 (Amendments to the PSA template) of Annex B, Bid Bulletin No. 2 issued on 30 July 2026 <i>vis-à-vis</i> Sec. 7.4.4. of the Power Supply Agreement template	<div>[...]</div> <div>7.4.4 The NDC Test and the Net Plant Heat Rate Test shall be conducted in accordance with the procedures set out in Appendix <u>J</u> K.</div> <div>[...]</div>

AMENDMENTS TO THE POWER SUPPLY AGREEMENT (PSA) TEMPLATE

Item	Reference / Subject Matter of Amendment	Amendments
2	page iv (Table of Contents; Appendices)	<div>[...]</div> <div><div><div>Appendix A</div><div>Plant Description and Site Location</div></div><div>xxx</div><div><div>Appendix H</div><div>Penalties<u>Invoicing and Payment Procedures</u></div></div><div><div>Appendix I</div><div>Invoicing and Payment Procedures<u>Form of Direct Agreement</u></div></div><div><div>Appendix J</div><div>Form of Direct Agreement<u>Tests</u></div></div><div><div>Appendix K</div><div>Tests</div></div></div> <div>[...]</div>
3	Appendices H to K	<div>[...]</div> <div><div><div><u>Appendix H</u></div><div>PENALTIES<u>INVOICING AND PAYMENT PROCEDURES</u></div></div><div><div><u>Appendix I</u></div><div>Invoicing and Payment Procedures<u>Form of Direct Agreement</u></div></div></div> <div>[...]</div>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>[...]</p> <p>Appendix J Form of Direct Agreement-Tests"</p> <p>[...]</p> <p>Appendix K-Tests"</p> <p>[...]</p>
4	Section 11.1.3.	<p>[...]</p> <p>"11.1.3 The following amounts that Meralco is responsible for paying to third parties shall form part of the price that Meralco will charge to its customers:</p> <p style="text-align: right;">xxx</p> <p>(b) actual WESM line rental charges or line rental cap provided in Table 2, Schedule 1 of Appendix E, whichever is lower. For clarity, Meralco shall settle the full line rental amount with the Market Operator and any excess<u>s</u> in the amount of the line rental cap, as calculated in accordance with Appendix E, shall be reimbursed by Power Supplier to Meralco; xxx"</p> <p>[...]</p>
5	Section 1.1 Section 5.1.1	<p>[...]</p> <p>As relayed by MERALCO to the BAC-PSA:</p> <p>(1) These provisions will be revised as follows:</p> <p> "1.1 Definitions</p> <p> Replacement Power means the energy procured by Power Supplier from the WESM or any other source during Outage of the Plant <u>or unavailability of Plant for failure to achieve commercial operations by Operations Effective Date</u>. For clarity, the cost of Replacement Power shall form part of the price that Meralco will charge to its customers.</p> <p style="text-align: right;">xxx</p> <p>5.1.1 From the Operations Effective Date, <u>and regardless of actual commercial operations</u>, of the Plant until the expiration of the Term or earlier termination of this Agreement, Power Supplier shall:</p> <p>(a) make available to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Contract Capacity of the Plant; and</p>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>(b) deliver and sell to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Associated Energy (and Replacement Power), to the extent of Meralco’s relevant day-ahead nominations.</p> <p>The Dispatch of Contract Capacity and Associated Energy shall meet the requirements set out in the Performance Guarantees.”</p> <p>(2) The revisions are intended to clarify and remove any ambiguity with respect to the parties’ obligations upon the occurrence of the Operations Effective Date (OED) and to align the relevant PSA provisions with the bid requirements allowing the participation of Nominated Plants not yet in commercial operation. This places plants already in commercial operations and plants that have yet to achieve commercial operations on equal footing. The revisions confirm that the supply obligations of the Power Supplier commence upon the OED and that any inability of the Plant to deliver Contract Capacity and Associated Energy upon such date, including due to delay in achieving commercial operations, shall be addressed through the Replacement Power framework already contemplated in the PSA. This will ensure consistency in the implementation of the PSA, particularly on the parties' obligations following the OED.</p> <p>[...]</p>