



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. 2
(30 July 2026)

To all Interested Bidders:

1. A matrix containing the set of advance queries by Interested Bidders for the Pre-Bid Conference, the questions raised by Interested Bidders during the Pre-Bid Conference and the corresponding responses of Meralco's BAC-PSA are set out in **ANNEX A**.
2. A matrix showing the amendments 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.		IPB	General	<p>May we confirm that DST is NOT required for notarized documents?</p> <p>If required, is it enough that the DST is attached to the notary public's copy?</p>	<p>No. DST is required for notarized documents.</p> <p>Under Section 188 of the National Internal Revenue Code (NIRC), Documentary Stamp Tax (DST) is imposed on certificates issued by a notary public, thus, notarized documents are generally required to bear DST in connection with the notarial acknowledgment or jurat.</p> <p>Additionally, in several rulings, the Bureau of Internal Revenue (BIR) has consistently taken the position that the notarial acknowledgment attached to a document is itself subject to the ₱30.00 DST under Section 188 of the NIRC. This was confirmed, among others, in BIR Ruling No. OT-207-2022 involving a Declaration of Trust, BIR Ruling No. OT-002-2024 involving a Deed of Conveyance, and BIR Ruling No. DA-650-06 involving Service Agreements, where the BIR recognized the imposition of the ₱30.00 DST on the notarial acknowledgment attached to the instrument.</p> <p>For notarized documents executed in multiple originals or counterparts, it is sufficient that the DST be affixed to one notarized counterpart, provided that the other counterparts appropriately indicate the corresponding DST details (e.g., serial number and date of payment), if applicable. Accordingly, the BAC-PSA will accept notarized documents that comply with the foregoing practice.</p>
2.		IPB	2.1.BIDDING DOCUMENTS, Item h	<p>- For documents that requires true and correct copy, can it be the any one from the EOI's authorized signatory or the company's document custodian to sign per page?</p> <p>- In a similar concern, for documents that requires true and correct copy, can it be the any one from the EOI's authorized signatory or the company's document custodian to execute a certification page attached to the document?</p> <p>- For signature per page, with documents that must be certified as a true and correct copy, may we confirm that electronic signature (or e-signatures) are allowed, in accordance with the legal validity provided under Republic Act No. 8792? Under R.A. 8792 (E-Commerce Act of 2000), electronic signatures carry the same legal weight, validity, and enforceability as physical wet ink signatures.</p> <p>- Can the person certifying as true copy use the shorthand signature?</p>	<p>The authority to certify documents is not exclusive to the Authorized Representatives. Multiple officers of the Bidder are authorized to execute certification pages, provided they are duly authorized under the company's corporate governance structure and designated custodians of the documents required to be certified true copies.</p> <p>As a general rule, for MERALCO's CSPs, if it is indicated in the particular documentary requirement as to who is required to issue the certification, for example, to submit the required Transmission Service Agreement (TSA) or, if embedded, a Distribution Wheeling Service Agreement (DWSA), it shall be duly certified by the National Grid Corporation of the Philippines (NGCP) or applicable distribution utility, or the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized.</p> <p>If the documentary requirement does not indicate, the following officers may execute certification pages attesting that documents are certified true copies:</p> <ul style="list-style-type: none"> • Corporate Secretary • Assistant Corporate Secretary (if authorized by by-laws or Board resolution) • Authorized Representative (if the Bidder has granted such certification authority in its Board resolution or authorization) <p>Section 2.1 (h) of the Instructions to Prospective Bidders dated 23 June 2026 ("IPB") also provide an option for the Interested Bidder's authorized representative or corporate secretary/assistant secretary not "to sign per page," by "[i]n the alternative, a certification page may be attached to the document (1) clearly identifying the document to which it is attached (including the name of the document, the issuer and the date of issue) and (2) attesting under oath that such document, including the number of pages of such document, is a true and correct copy of the original, which certification must be under oath and notarized.</p> <p>Because Interested Bidders are required to submit one (1) set of original copy of its Bid Documents to be submitted in a sealed box at the Bid Submission Deadline, the signature that will be required is for wet/physical signatures for the original copy of its Bid Documents inside the sealed box. This is to avoid any gray area of interpretation or confusion if the BAC-PSA will decide to verify the electronic copy of a bid document downloaded/copied from the thumb drives during Pre-Qualification or Post-Qualification of the said Bid Documents.</p> <p>Yes, as long as this is the person's shorthand signature used in regular or day-to-day performance of his/her duties and responsibilities.</p>
3.		IPB	2.1.BIDDING DOCUMENTS, Item h	For the required certification page, may Bidders do any of the following (a) be one certification per document or (b) one certification consolidating all documents or (c) a mix of different certifications for single and/or a group of documents, as seen fit by the bidder as long as all needed documents will be covered?	(see response immediately preceding above, re Sec. 2.1 [h] of the IPB)

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4.		IPB	General Query	Can the authorized representative certify the submitted documents?	<i>(see response immediately preceding above)</i>
5.		General documentary requirements		Please confirm that, where the Bidding Documents require the submission of certified true copies of documents (that are not issued in certified true copy form by the relevant government agency or issuing authority), the required certification under oath by the Corporate Secretary may be made through a single omnibus certification covering multiple documents, provided that such certification clearly identifies each document being certified as a true and correct copy of the original. Confirmation is likewise requested that a separate notarized certification for each Qualification Document is not required.	<i>(see response immediately preceding above)</i>
6.		IPB	2.9. QUERIES AND COMMENTS	For succeeding queries after the pre-bid, may we confirm that we only need submit via email a signed matrix of question (following Meralco's matrix template) from any of the authorized representative in the EOI? Further, can the matrix, be signed via e-signature through any e-signature system (e.g. docusign)?	Yes, this is allowed as long as sent using the registered emails of the Interested Bidder's authorized representatives shown in its latest submitted Expression of Interest (EOI).
7.		IPB	3.1. QUALIFICATION DOCUMENTS; Item 3.1.2 (b);	"Please confirm that for the charter documents, the Bidder is required only to submit either SEC-certified copy or certified by the Corporate Secretary.	Yes, certified by the SEC or by the Corporate Secretary.
8.		IPB	3.1. QUALIFICATION DOCUMENTS; Item 3.1.2 (c);	Please confirm that in cases of amendments, only the latest AOI and BL are required to be submitted. For clarity, if the bidder submits the SEC CTC, do we still need CTC from our authorized rep?	Yes, this is correct. No, the SEC-certified copy will suffice.
9.		IPB	3.1.2 Annex QD-2 Attachments (c)	Please confirm if the bidder is only required to submit the latest Articles of Partnership, together with any documents evidencing subsequent amendments. Is it correct that previously filed versions are no longer required?	<i>(see response immediately preceding above)</i>
10.		IPB	3.1.2 Annex QD-2 Attachments (c)	Please confirm if the bidder is only required to submit the latest Articles of Incorporation and any documents reflecting subsequent amendments? No need to submit all previously filed versions?	<i>(see response immediately preceding above)</i>
11.		Qualification Documents	3.1.2 (c), page 24 of the IPB	"(c) if applicable (i.e., corporations), copy of articles of incorporation and by-laws or articles of partnership, which shall be certified as a true copy by (i) the SEC; or (ii) the corporate secretary/assistant corporate secretary, in which case, it must be under oath and notarized;" Do we provide only the latest articles of incorporation (AOI) or amended AOI and latest by-laws or amended by-laws of the Bidder since said documents already reflect all amendments since incorporation?	<i>(see response immediately preceding above)</i>
12.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.2 (c); articles of incorporation and by-laws; Annex QD-2	Please confirm if the Bidder is required to submit its articles of incorporation and by-laws from incorporation to date, or just the latest charter documents. Further, please confirm if MERALCO will require presentation of the original charter documents during post-qualification.	<i>(see response immediately preceding above)</i> MERALCO will require presentation of the original charter documents only if asked to submit by the ERC.
13.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.2 (b); SEC Certificate of Incorporation/Partnership; Annex QD-2	In case of a change in corporate name, is the Bidder required [sic] to submit the amended AOI reflecting such change in name? Will a separate Certification attesting to the same be required?	Yes, the amended AOI will need to be submitted including the separate Certification.
14.		IPB	3.1. QUALIFICATION DOCUMENTS; Item 3.1.2 (e);	May we confirm if there is a prescribed template of if Bidders are free to use their own templates for the diagram of the corporate structure?	There is no particular format, provided the following information can be clearly reviewed by the BAC-PSA (and later on, the ERC upon submission of the Resulting PSA's application for approval): <i>"with an indication of which entity has Controlling interest over, are the Affiliates engaged in the power industry, or is the Ultimate Parent of the Interested Bidder."</i>
15.		IPB - Qualification Document	9.20 "Control"	If the bidder has a contractual arrangement granting it the authority to sell the capacity (or portion thereof) of the Reference Plant (or Nominated Plant), please confirm if the bidder is still required to submit separate qualification documents for each 50/50	If the Interested Bidder can submit documentation clearly demonstrating that it has Control over, and the authority to sell, the capacity of the Reference Plant (or Nominated Plant), or a portion thereof equivalent to the capacity indicated in its Expression of Interest, the Interested

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				shareholder, or if a document demonstrating that the bidder has control and authority to sell the capacity of such plant would be sufficient?	Bidder need not submit separate qualification documents for each of the two 50% shareholders. In such case, only the qualification documents of the Interested Bidder, as the entity exercising Control over the plant, must be submitted.
16.		IPB	2.2 - Summary of Bidding "Increase of Offered Capacity"	Can the bidder also change its authorized representative?	Yes, changes in the authorized representatives are allowed anytime and even after 25 August 2026 provided changes in the authorized representatives before the Pre-Bid Conference or Bid Submission Deadline must be made at least five (5) working days before the Pre-Bid Conference or Bid Submission Deadline to allow time for the BAC-PSA Secretariat to properly implement necessary logistical changes caused by the Bidder's change in authorized representative/s.
17.		IPB	1. BIDDING SCHEDULE	Should there be changes in the authorized representative/s, can we also change and submit on or before 25 August 2026?	(see response immediately preceding above)
18.		IPB	3.1.2 Annex QD-2 Attachments (a)	(a) executive summary showing a brief description of its company history and structure, including relevant capabilities in the construction, operation, and maintenance of a power plant or in the supply of electricity; Question: what specific document should the bidder need to provide to satisfy the highlighted portion? Can the bidder provide its own format for the executive summary?	There is no definition to this or a specific document/template being referred to, but in preparation of this Executive Summary, please be guided by item a., Annex 1 of Appendix B (Eligibility Requirements) of the ERC CSP Guidelines, as amended, which the provision in question was lifted from in verbatim, to wit: "(a) Executive Summary - Brief description of the Bidder's company history and structure, including relevant capabilities in the construction, operation, and maintenance of a power plant or in the supply of electricity to the DUs, ECs, or contestable customers"
19.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.2 (a); Executive Summary; Annex QD-2	May we confirm that bidders are free to use their own templates for the executive summary?	(see response immediately preceding above)
20.		IPB	General Query	If there are documents that are not applicable to the bidder, would a written explanation be sufficient? If so, is there no need to accomplish or submit the corresponding Annex Form, if any?	If a requirement is deemed not applicable by the Interested Bidder, a write-up should be submitted to explain the non-applicability. However, for any write-up/explanation, the Interested Bidder must be aware that it is taking on the risk that the BAC-PSA, in its exercise of discretion, may not accept the explanation provided in the said write-up. A consolidated write-up may also be allowed, subject to the same condition explained above, provided proper references to a particular requirement in the Terms of Reference (TOR), Bid Requirements, IPB and other Bid Documents are cited accordingly and the presentation of the consolidated write-up is well organized sequentially for the ease of review of the BAC-PSA.
21.		IPB	General	If a document submission is not applicable to a Bidder, may we request for a template for the document that may be issued/ submitted by the Buyer for this purpose?	(see response immediately preceding above)
22.		IPB	Section 3. Documents Submission / Page 23	For BAC-PSA's clarification if the Bidders are required to submit a letter of explanation for requirements that are not applicable?	(see response immediately preceding above)
23.		IPB	General Query	For documents that are not applicable, will a bidder's certification or written statement of non-applicability, using the bidder's standard template, be sufficient to satisfy the requirement?	(see response immediately preceding above)
24.		Annexes	General Query	Will MERALCO be sending word versions of Annexes?	Yes, this was released/sent to all Interested Bidders last 21 July 2026.
25.		IPB	3.4.1 (b)	Should the bidder strictly follow the order of documents prescribed in the IPB, or will a different arrangement be acceptable, provided that all required documents are included and clearly identified in the Table of Contents? For example, under Annex QD-2, may the SEC Certificate be placed before the Executive Summary instead of following the sequence indicated in the IPB?	Follow the order of documents prescribed in the IPB, to prevent delays in the review of the bid documents by the BAC-PSA.
26.		3.3 Bid Price and Security (g)	Page 33	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?	Yes, these can be excluded from the main bid document pagination. For clarity, supporting documents should form part of the submission of Envelope 3.
27.		IPB	Format of Submission	To clarify, each envelope must contain 3 USBs. For envelope 3, will there be no separate USB for the Financial Workbook? Or should it already be included in the 3 taped USBs?	Only two (2) USBs, see Sec. 3.4.1. (e), IPB.

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					Yes, the Financial Evaluation Workbook MS Excel file should already be included in the two (2) USBs taped inside Envelope 3.
28.		IPB	Expression of Interest, Data Privacy Form, Confidentiality Undertaking	Where should the previously submitted Expression of Interest, Data Privacy Form, and Confidentiality Undertaking be included in the bid submission?	<p>The Checklist of Document Submissions that will be released by the BAC-PSA (see Sec. 3.4, IPB) will state that the Expression of Interest (EOI), Confidentiality Undertaking (CU), and Acknowledgment and Consent Form for Data Privacy that were submitted on or before the EOI Deadline last 14 July 2026 will be included in Envelope 1 – Qualification Documents.</p> <p>For the electronic copies (contained in the flash/thumb memory drives), it is a mere resubmission of the latest EOI, CU and Acknowledgement and Consent Form for Data Privacy already submitted to the BAC-PSA Secretariat, for ease of reference and proper compilation of the BAC-PSA.</p> <p>More importantly, for the hard copies, this is the only opportunity for the Bidders to submit the hard copy of said documents to the BAC-PSA (placed in Envelope 1 and inside the Original Copy box).</p>
29.		IPB	SECTION 2.2 SUMMARY OF BIDDING; Item (e)... including the latest original copy of the Expression of Interest, Confidentiality Undertaking, and Acknowledgement and Consent Form for Data Privacy,	The "Expression of Interest, Confidentiality Undertaking, and Acknowledgement and Consent Form for Data Privacy" were submitted to the BAC-PSA when the IPB was obtained. Please confirm that the same set of original documents will be re-submitted as part of the Bid will be compliant, and if yes, which envelope should it be included in?	(see response immediately preceding above)
30.		Pagination	3.4.1 (b) Page 37	<p>(b) Whenever possible, the Qualification Documents, Technical Proposal and Bid Price must be printed in standard letter size (8 1/2"x11") or A4 size and bound together in ring binders or folders of appropriate size. Documents must be paginated and text must be of 11- or 12-font size.</p> <p>Is handwritten page number acceptable for this requirement?</p>	Yes, this is allowed.
31.		Annex QD-10 Annex QD-10A	Page 90 of the IBP	<p>In view of a partnership not having "shareholders," "shares," and "outstanding capital stock," please see proposed rewording for BAC-PSA's approval:</p> <p>QD-10 <u>From:</u> (a) Commitment Letter from the relevant shareholders of the Bidder confirming their respective equity commitment for the amount of the Project Cost that will be funded through shareholders' equity using the form in Annex QD-10A, and signed by the Chief Financial Officer, Treasurer or equivalent officer of the relevant shareholders of the Bidder; and</p> <p><u>To:</u> (a) Commitment Letter from the relevant partners of the Bidder confirming their respective equity commitment for the amount of the Project Cost that will be funded through shareholders' equity using the form in Annex QD-9A, and signed by the Chief Financial Officer, Treasurer or equivalent officer of the relevant shareholders of the Bidder;</p> <p>QD-10A <u>From:</u> We own (insert number of shares), representing approximately (insert percentage) of the issued and outstanding capital stock of the Company. We undertake to provide to the Company the amount of at least (insert amount), in the form of equity or shareholder loans, for the implementation of the Project.</p>	Yes, this is allowed.

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				<p><u>To:</u> We own (insert number of partnership interests), representing approximately (insert percentage) of the partnership interest of the Company. We undertake to provide to the Company the amount of at least (insert amount), in the form of partner's contributions or loans, for the implementation of the Project.</p>	
32.		Annex QD-10B	Page 91 of the IBP	<p>Please confirm that the following wording is applicable in case there is no Debt Provider/Arranger:</p> <p>"On behalf of the [name] (the "Company"), we hereby state that the required Testimonial Letter from one or more debt providers or arrangers in the form attached as Annex QD-9B [sic] is not applicable to the Company, because the entire amount of the Project Cost will be funded through partner's contributions or loans should the Company be declared as the Winning Power Supplier."</p>	<p>In cases where funding is through 100% equity, bank testimonial (i.e., Annex QD10-B) will not be required, and a write-up of the non-applicability will suffice or the proposed language to be used for Annex QD-10B (not Annex QD-9B as stated in the query) will be accepted.</p> <p>However, the Bidder needs to support its claim of 100% equity funding by providing an equity commitment letter (using Annex QD-10A) together with supporting documents demonstrating its financial capability or financial net worth (see Annex QD-10 and supporting AFS and/or latest unaudited quarterly FS).</p>
33.		Annex TP-1	Page 92 of the IBP	To clarify, if the Nominated Plant (specific unit of a generation plant) has not started commercial operations, can other units of the same generation plant be used as the Reference Plant and the Comparable Plant for the Nominated Plant under construction?	Yes, provided the Bid Requirements and IPB requirements defining a Reference Plant and Comparable Plant can be complied with by the other units of the same generation plant.
34.		IPB	Letter (d) Section 2, page 11	<p>"An Interested Bidder may increase (<i>but not decrease</i>) <i>its indicated Offered Contract Capacity</i> and/or change its indicated Nominated Plant on or before 4:00 P.M. of 25 August 2026, subject to the Interested Bidder's simultaneous payment of the additional proportionate Participation Fee and submission of a new Expression of Interest form reflecting the said change/s."</p> <p>The Bidder is contemplating of reducing its Offered Contract Capacity without seeking a refund of the paid Participation Fee.</p> <p>Will the BAC allow this change and allow the Bidder to continue its participation in this CSP upon submission of a revised Expression of Interest form reflecting the reduced Offered Contract Capacity?</p>	<p>Yes. The BAC-PSA will allow the Interested Bidder to reduce its Offered Contract Capacity and continue its participation in this CSP, provided that (1) the remaining total Offered Contract Capacity would meet the prescribed minimum offered contract capacity in the TOR; and (2) a revised Expression of Interest form (reflecting the reduced Offered Contract Capacity) is submitted on or before 4:00 P.M. of 25 August 2026 to allow time for the BAC-PSA and/or TWG to properly conduct due diligence of the Bidder's Nominated Plants and/or Offered Contract Capacities.</p> <p>Such reduction shall be treated as a partial withdrawal from participation in this CSP and for the avoidance of doubt, the Interested Bidder shall not be entitled to any refund of the Participation Fee corresponding to the reduced Offered Contract Capacity.</p>
35.		ITB and IPB	Bid Price/Tariff Structure	If the Nominated Plant (referring to a specific unit of a generation plant) is not yet in commercial operation as of Bid Submission Date, please confirm that the Bidder may substantiate the non-fuel commodity costs of the Nominated Plant using cost data from the Bidder's affiliate plant or from other units of the same generation plant.	Yes, this is allowed.
36.		IPB	Technical Qualification	For clarity, please provide the formula and calculation in determining the monthly Plant Capacity Factor (PCF).	<p>The monthly PCF shall be calculated as follows:</p> $\text{Monthly PCF} = \frac{\text{Gross Generation}}{\text{Dependable Capacity} \times \text{Available Service Hours}} \times 100\%$ <p>Where: Gross Generation is the 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</p>

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INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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37.		Invitation to Bid	Nature of Power Supply Agreement ("PSA") and Plant Type	May we confirm that the Bidder's nominated plant can be any Plant, including Power Plants owned by Bidder's affiliates?	<p>Yes, provided that the plant satisfies the requirements for a Nominated Plant.</p> <p>As this CSP is for a physical-type PSA, the Interested Bidder's Nominated Plant must comply with Section 3.2 of the IPB, which provides that the Interested Bidder must identify the proposed power plant/s that it, or its direct shareholder holding a Controlling Interest, is the developer, owner, or administrator of, and controls, and over which it has sufficient authority to enter into the offtake agreement with MERALCO. The Nominated Plant must likewise be capable of supplying the Interested Bidder's Offered Contract Capacity to MERALCO for the Required Contract Period and must be a baseload power plant (firm and dispatchable), with each unit capable of generating its rated capacity on a 24/7 basis.</p> <p>Accordingly, a power plant owned by an affiliate may be nominated only if it meets the foregoing requirements, including the ownership, control, and authority requirements set out in Section 3.2 of the IPB.</p>
38.		Invitation to Bid	Nature of Power Supply Agreement ("PSA") and Plant Type	<p>For Bidders with power plant complexes, can we specify particular generating units and/or individual plants from such complex as the Nominated Plant?</p> <p>(A power plant complex is composed of several plants and multiple generating units.)</p>	Yes, this is allowed.
39.		Invitation to Bid	Bid Price/Tariff Structure of Contract Price	<p>May we confirm that for Fixed Cost components like Capital Recovery Fee and Fixed O&M Fee, the Buyer (or MERALCO) will pay monthly fixed costs per agreed formula in the Power Supply Agreement?</p> <p>Further, we propose the minimum nomination per interval to be 50% of the Contract Capacity for the Power Supplier's management of its power plant.</p>	<p>Yes, MERALCO will pay monthly fixed costs as calculated in Appendix E (Calculation of Payment) of the PSA template.</p> <p>MERALCO may nominate any value from zero up to the Contract Capacity in any interval as its day-ahead energy nomination, subject to the Plant's Performance Guarantees (i.e., Dispatch Ramp Rates and Plant Pmin) as stated in Appendix B of this Agreement. For clarity, if the Plant is only partially contracted to MERALCO, the Plant Pmin shall be allocated to MERALCO on a pro rata basis, with respect to the share of MERALCO's Contract Capacity to the Plant's Net Plant Output</p>
40.		Invitation to Bid	Outage Allowance ("OA")	Since the allowable planned and unplanned outages in ERC Resolution 10 is applied on a per unit (or Generating Unit) basis, may we confirm that FOR EXAMPLE if the Nominated Plant is composed of three generating units, then the allowable planned and unplanned outages, in hours or days, will also be multiplied three times?	No. The scheduled and forced outage allowances are reckoned on a full-load equivalent basis.
41.		IPB	SECTION 2.2 SUMMARY OF BIDDING	Clarification on the minimum allowed increment of Offered Contract Capacity. May we know if we can increase the Offered Contract Capacity by increments of 1 MW, 5MW or 10 MW?	The Bidder may increase at any increment it chooses but preferably at least in the increments of 1MW for ease of calculation of the additional proportional Participation Fee that needs to be paid.
42.		IPB	SECTION 2.2 SUMMARY OF BIDDING	Clarification if only the first 300 MW in the stacking will provide supply from Feb 26, 2028 to Feb 25, 2029 or if the offered capacity of the winners for the entire 600 MW will be prorated from Feb 26, 2028 to Feb 25, 2029 until the commencement of the additional 300 MW starting from Feb 26, 2029.	The Winning Power Supplier/s offering the first 300 MW in the stacking / ranking will provide supply starting 26 February 2028 to 25 February 2029, subject to ERC approval of the Resulting PSA/s.
43.		IPB	SECTION 2.2 SUMMARY OF BIDDING; Item (i) Performance Bond	Propose to reduce to 1 month equivalent given that the min lot offer is 100MW.	<p>As relayed by MERALCO to the BAC-PSA, it is not amenable to this proposed change.</p> <p>The Performance Bond is intended to represent the cost exposure and risks borne by MERALCO and its customers in the event that the Power Supplier fails to perform its obligations under the PSA, resulting in the occurrence of an Event of Default, termination of the PSA, and/or enforcement of the Performance Bond.</p> <p>Such circumstances may expose MERALCO and its customers to significant replacement power costs, including WESM exposure, as well as other procurement and administrative costs necessary to ensure the continuous and reliable supply of electricity. The prescribed Performance Bond amount also takes into account the time, cost, and uncertainty involved in conducting a subsequent CSP and securing a replacement PSA.</p> <p>Considering these risks, as well as the usual period required to procure replacement capacity through conduct of another CSP, the prescribed Performance Bond amount is deemed reasonable and appropriate relative to MERALCO's potential exposure and that of its customers. Accordingly, the proposed reduction to a one (1)-month equivalent cannot be accommodated.</p>

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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44.		IPB	3.3. BID PRICE AND BID SECURITY; Item 3.3 (b)	Given the 100MW bid lot, we propose to limit to 1 month equivalent.	<p>As relayed by MERALCO to the BAC-PSA, it is not amenable to this proposed change.</p> <p>The Bid Security is intended to represent the cost exposure and risks borne by MERALCO and its customers in the event that a Bidder engages in conduct giving rise to the forfeiture of the Bid Security, including illegal conduct, the existence of a Conflict of Interest, material or willful misrepresentation, or other grounds specified in the CSP documents.</p> <p>The prescribed amount likewise takes into account the exposure of MERALCO and its customers to significant replacement power costs, including WESM exposure and other costs, risks, and potential delays associated with securing replacement capacity, including the possible need to conduct another (or second round of) CSP to replace the withdrawn or foregone capacity.</p> <p>Considering these risks, as well as the time and resources that may be required to procure replacement supply, the prescribed Bid Security amount is deemed reasonable and appropriate relative to MERALCO's potential exposure and that of its customers. Accordingly, the proposed reduction to a one (1)-month equivalent cannot be accommodated.</p>
45.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.1; Annex QD-1	<p>May we confirm that we can have up to three (3) authorized representatives for the purpose of this bidding and included in Annex QD-1A?</p> <p>Further, we suggest to include language on the authority to certify documents as true and correct copies of the originals and/or copies in custody.</p>	<p>Yes, this is allowed.</p> <p>Yes, you can provide the suggested language for the BAC-PSA's review.</p>
46.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.1; Annex QD-1	<p>We propose that if the Bidder wins with the lowest rate, there should no longer be any additional condition to "not offer a Capital Recovery Fee higher than the latest Energy Regulatory Commission (ERC)-approved rate/s' Capital Recovery Fee (CRF) in the COMPANY's agreements with other off-takers for the same Nominated Plant." The past agreements may have different considerations that resulted to higher or lower CRF.</p> <p>As long as the CRF can be justified during the ERC application, this limit should not be required anymore. Suggest to remove this requirement from the list in Bid Submission.</p>	<p>This is a requirement to address a recommendation by the former Energy Regulatory Commission [ERC] Chairperson in MERALCO's two CSPs held in 2024. Subsequent MERALCO CSPs continued to adopt this requirement up to now.</p> <p>Thus, as relayed by MERALCO to the BAC-PSA, it prefers to retain this requirement in deference to the ERC's recommendation.</p> <p>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).</p> <p>However, given the concerns raised by several bidders already in the recent CSPs of MERALCO, including this Bidding, after said requirement was implemented by MERALCO following the recommendation of the ERC Chair, necessary improvements or amendments to this requirement were made – particularly, in order to aid the BAC-PSA and ERC in its evaluation of the Bidder's Sworn Attestation, the Bidders are required to give more information in its determination / undertaking that its offered Capital Recovery Fee (CRF) is not higher than the latest ERC-approved CRF in its agreements with other offtakers, as shown in the Annex QD-1B template.</p>
47.		IPB	3.1.1	<p>Application to Qualify and Participate in the Bidding, using the form in Annex QD-1, with attached (i) Authority to Participate in the Bidding and Designation of Authorized Representative using the form in Annex QD-1A, and (ii) Sworn Undertaking that the Bid Price's Capital Recovery Fee is not higher than the latest ERC-approved rate/s' Capital Recovery Fee in its agreements with other offtakers for the same Nominated Plant, using the form in Annex QD-1B;</p> <p>Question: Regarding Annex QD-1B, is it acceptable to provide details for our most recent customer? Additionally, is there a minimum number of offtakers required for the inputs?</p>	<p><i>(see response immediately preceding above)</i></p> <p>It will be the Bidder that is the one in a position to determine what (or what other minimum or maximum information will be provided) to show what is the latest ERC-approved rate for its PSAs.</p> <p>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</p>

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					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).																				
48.		IPB	3.1.1, page 24 Annex QD-1B, item 2, page 63	<p>“(ii) Sworn Undertaking that the Bid Price’s Capital Recovery Fee is not higher than the ERC-approved rate/s in its agreements with other off-takers for the same Nominated Plant, using the from in Annex QD-1B;”</p> <p>and</p> <p>2. Pursuant to Section 3.1.1 of the Instructions to Prospective Bidders for the CSP, the COMPANY shall not offer a Capital Recovery Fee higher than the latest Energy Regulatory Commission (ERC)-approved rate/s’ Capital Recovery Fee (CRF) in the COMPANY’s agreements with other off-takers for the same Nominated Plant. <u>The details of the CRF in the Company’s latest ERC-approved rate are as follows:</u></p> <table><tr><th>Offtaker</th><th>ERC Case No.</th><th>Date approved (Provisional, Interim or Final Approval)</th><th>CRF</th></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr></table> <p>If the Nominated Plant has incurred significant capital expenditures since the last ERC-approved rate, the corresponding Capital Recovery Fee (CRF) embedded in that rate may no longer adequately reflect the plant’s actual capital recovery requirements. This could result in the under-recovery of prudent and necessary capital investments. Accordingly, we recommend that this requirement be reconsidered.</p>	Offtaker	ERC Case No.	Date approved (Provisional, Interim or Final Approval)	CRF																	(see response immediately preceding above)
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49.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.2 (i); articles of incorporation and by-laws; Annex QD-5	<p>May we confirm that for ANNEX QD-5 CERTIFICATION THAT THE NOMINATED PLANT IS UNCONTRACTED,</p> <p>a) we DO NOT need to list out and provide details of all offtake agreement of the Nominated Plant; and</p> <p>b) ONLY offtake agreement/s that also covers the capacity and electrical output within the Contract Capacity are required to be listed? (Noting that such agreements also covering shall have been withdrawn or terminated as of the OED)</p>	<p>Yes. The Bidder is not required to provide details of all offtake agreements of the Nominated Plant. Only those offtake agreement/s covering capacity and electrical output that overlap with, or are otherwise relevant to, the Bidder's Offered Contract Capacity and could give rise to a potential conflict if the Bidder is declared the Best Bid need to be disclosed.</p> <p>For the BAC-PSA's proper evaluation of the Bidder's offer, the disclosure should include, at a minimum, the corresponding contracted capacity and the term (start and end dates) of such offtake agreement/s. Any such agreement/s must have been withdrawn, expired, or terminated by the OED, as applicable.</p>																				
50.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.2 (i); articles of incorporation and by-laws; Annex QD-5	If there is no offtake agreement contracted within the Contract Capacity, apart from the resulting PSA, may we delete the second paragraph of ANNEX QD-5 CERTIFICATION THAT THE NOMINATED PLANT IS UNCONTRACTED, "If covered by an offtake agreement, such agreement shall have been withdrawn or terminated as of the OED.",	Yes, this will be allowed as the first paragraph still includes: “provided that, if Bidder’s Nominated Plant is contracted, Bidder must be able to terminate such agreement on or before the Operations Effective Date (OED) to fulfill requirements under the resulting PSA.”																				
51.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.3; Annex QD-7A	<p>We request for guidance on our query below on the required document for bis submission, QD-7A, ""Certification of Absence of Unsatisfactory Performance Record, Outstanding /Unsettled Dispute or Due and Demandable Financial Obligations Interested Bidders and Participation Fee Payments""</p> <p>We would like to confirm the we do NOT NEED Certifications for our counterparties (i.e. Meralco and/or its Affiliates engaged in power generation, distribution, and supply) with only DWSA contracts.</p> <p>When we read the Certification it says in item 1 ""... COMPANY has past or existing power supply or off take agreements with [Bidder]""</p>	Certifications from counterparties with DWSAs are included in the coverage. "Dispute" and "due and demandable financial obligations" are unqualified and need not be related to PSA or offtake agreement. Please note that there is another form (Annex QD-7) on bidder’s certification of absence of unsatisfactory performance record, outstanding dispute or unsettled dispute, or due and demandable financial obligation/s.																				
52.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.3; Annex QD-7A	We would like to confirm that:																					

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				<p>1. Annex QD-7-A , COUNTERPARTY'S CERTIFICATION OF ABSENCE OF UNSATISFACTORY PERFORMANCE RECORD, OUTSTANDING DISPUTE OR UNSETTLED DISPUTE OR DUE AND DEMANDABLE FINANCIAL OBLIGATION/S, applies only to the Bidder's and its affiliates' engaged in power generation counter parties to power supply or offtake agreements in the past five years.</p> <p>2. Bidder's financial lenders need not submit Annex QD-7-A as provided in clause 9.64 (a)(i): " <i>For this purpose only, (i.e. submission of notarized certifications), the financial lender/s of the Interested Bidder or any of its Affiliates engaged in power generation of any such power supply or off take agreements need not issue the said certification but their identities must be declared or disclosed;</i>"</p>	<p>1. Yes, this is correct.</p> <p>2. Yes, this is correct, only the identities of the financial lenders must be declared using Annex A of Annex QD-7.</p>
53.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (a); Annex QD-8	<p>Please confirm that bidder can submit own template for the attachment:</p> <p>(i) list of projects undertaken over the last ten (10) years; (ii) list of electricity generation plants that it has operated for the last five (5) years; and (iii) proof /documentation of track record for the last five (5) years of power plants operated by it;</p>	Yes, provided all information required by this requirement, which was lifted in verbatim from Annex 1, item d. of Appendix B of ERC Resolution No. 16, Series of 2023 (ERC's 2023 CSP Guidelines), are provided or can be clearly reviewed by the BAC-PSA.
54.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (b); Annex QD-8	May we confirm that the mentioned 3-month period here is the same requirement mentione [sic] in 3.1.4 (c), "Reference Plant has attained a simple monthly average of at least 87.75%0% [sic] PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations"?	Yes, this is correct.
55.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (c);	<p>Can we submit a redacted GCMR to show only the relevant info being asked for this section?</p> <p>For statement below, do we need to attach write-up for non-applicability if it is not applicable?</p> <p>"... If the Reference Plant is located outside of the Philippines, the Bidder must provide any equivalent or similar official document like the GCMR which is submitted to or issued by thaqt foreign entity country's regulatory body or agency, and such document must be certified as a true copy by the corporate secretary, in which case it must be under oath and notarized"</p>	<p>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.</p> <p>No need to submit a write-up if the Reference Plant submitted is in the Philippines (i.e., this requirement is not applicable).</p>
56.		IPB	Section 3.1.4(a) Page 26	If the Bidder attained commercial operations (COD) only in 2024, please confirm that the Bidder can submit GCMRs only for the months in 2024 after COD and year 2025, as applicable, to comply with (ii) the list of electricity generation plants that it has operated for the last five (5) years and (iii) proof/documentation of track record for the last five (5) years of power plants operated by it.	(see response immediately preceding above)
57.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (c);	May we confirm that the requirement for a plant "has attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations"" is for the Reference Plant only and proof for same PCF requirement NEED NOT be submitted for the Nominated Plant/s?	<p>Yes, this is correct, this is one of the proof required to show the Interested Bidder's technical qualification as a bidder though its Reference Plant.</p> <p>If the Interested Bidder's Nominated Plant is not yet in commercial operation, as proof of the Nominated Plant's technical qualification, Sec. 3.2 (e) of the IPB requires submission of a Comparable Plant that will be "considered to have been in "reliable" commercial operation for the purposes of this requirement once the BAC-PSA's independent engineer determines and certifies that the Bidder's submitted Comparable Plant has an average forced outage factor that has not been above five percent (5%) and its average Unit equivalent availability factor has not been below 87.75% for the duration of the commercial operation period except in a year of a major planned overhaul."</p>
58.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (c);	In calculating for the Plant's Capacity Factor, may we suggest to use the Pmax (or the Maximum Stable Load) as shown in the latest Generation Company Management Report as the denominator?	Bidders are to use the Dependable Capacity as stated in the submitted GCMR.
59.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (d);	<p>What if the PAO/COC has not yet been issued by the ERC, what is the equivalent document for submission?</p> <p>If the PAO/COC is expired by Bid Submission Date, may we instead submit our proof of application for the PAO/COC Renewal, specifically screenshots of PAO/COC application throgh EVOSS showing the reference PAO/ COC and the status of the application? Do we also need to submit the latest expired PAO/COC?</p>	<p>If the PAO or COC has not yet been issued by the ERC, the Bidder may submit its application for the PAO or COC, duly received by the ERC, as the equivalent document.</p> <p>It is our understanding that based on ERC Resolution No. 17, Series of 2023, the COC remains valid, unless otherwise suspended, revoked, or annulled by the ERC after due notice and hearing, or modified. Nevertheless, if the PAO or COC has expired as of the Bid Submission Date, the Bidder may submit proof of its renewal application, duly received by the ERC, together with a copy of the latest expired PAO or COC. Screenshots from EVOSS evidencing the filing and status of the application may be submitted as supporting documents but shall</p>

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					<p>not, by themselves, be considered sufficient without proof that the application has been duly received by the ERC.</p> <p>For the avoidance of doubt, as relayed by MERALCO to the BAC-PSA, the Bidder shall remain responsible for securing the issuance or renewal of the required PAO or COC and the Bidder cannot use the unsuccessful renewal of the PAO or COC as a reason for non-performance of its obligations under the PSA. If the bidder is deemed the Winning Power Supplier, and the ERC does not accept the application for approval of the PSA, or holds in abeyance, delays, or disapproves the PSA Application for the reason that the Power Supplier has yet to secure its PAO or COC, said Power Supplier's Bid Security or Performance Bond shall be forfeited pursuant to the provisions of the PSA.</p>
60.		IPB	Section 3.2.r.1 / Page 32	For BAC-PSA's consideration to omit " <i>at the start of the Operations Effective Date of the PSA</i> " considering that this requirement should be submitted on the Bid Submission Deadline and that the PAO is valid only for a year. Further, this is to align with the requirements under Article 3, Section 3.1.1.c and Part 3 of Appendix C of the PSA which already provides that the COC/PAO or any certification issued by the ERC that the COC or PAO is pending evaluation must submitted as one of the conditions precedent to execution date.	We are not amenable to this proposed change. If the PAO or COC has not yet been issued by the ERC, the Bidder may submit its application for the PAO or COC, duly received by the ERC, as the equivalent document. <i>(see response immediately preceding above)</i>
61.		IPB	3.1. QUALIFICATION DOCUMENTS ; Item 3.1.4 (e);	Can the bidder submit either of the documents (a) a Market Participation Agreement or (b) proof of WESM member registration, like an IEMOP Certificate of Registration, of the Reference plant to satisfy this requirement?	Yes, this will be allowed.
62.		IPB	3.1. QUALIFICATION DOCUMENTS ; Transmission Service Agreement (TSA); Item 3.1.4 (f);	May we confirm that for this requirement a valid Letter of Extension of the Transmission Service Agreement (TSA) with the Reference Plant, issued by the National Grid Corporation of the Philippines (NGCP) will be compliant? The TSA/s for some of possible Reference Plants are still being finalized with NGCP.	Yes, this will be allowed.
63.		IPB	3.1. QUALIFICATION DOCUMENTS ; Transmission Service Agreement (TSA); Annex QD-8 (table)	<p>May we confirm that in filling out the table in Annex QD-8 that requests for technical information on: Power Supplier Name, Name of Reference Power Plant and other general/ technical information, Bidder does NOT NEED to specify the source document or file for the requested information?</p> <p>May we also confirm that if the Bidder does volunteer to provide the source file or documents for the requested information, the Bidder (a) may add a note under the table specifying the said source and (b) does NOT NEED to attach the mentioned source file or document in QD-8 (unless specifically instructed to attach in the QD-8 template)?</p>	Yes, there is no need to specify the source document so long as the details provided are publicly available or can be found in the other bidding documents if the BAC-PSA will need to verify.
64.		IPB	3.2 TECHNICAL PROPOSAL; Annex TP-1, Annex TP-2	<p>May we confirm that in filling out the tables in Annexes TP-1 and TP-2 that requests for technical information on: Power Supplier Name, Name of Nominated Plant and other general/ technical information, Bidder does NOT NEED to specify the source document or file for the requested information?</p> <p>May we also confirm that if the Bidder does volunteer to provide the source file or documents for the requested information, the Bidder (a) may add a note under the table specifying the said source and (b) does NOT NEED to attach the mentioned source file or document in Annexes TP-1 and TP-2 (unless specifically instructed to attach in the Annexes TP-1 and TP-2)?</p>	<i>(see response immediately preceding above)</i>
65.		IPB	3.1. QUALIFICATION DOCUMENTS ; Transmission Service Agreement (TSA); Annex QD-8 (table)	<p>May we confirm that in filling out the table in Annex QD-8 that requests for technical information on: Power Supplier Name, Name of Reference Power Plant and other general/ technical information:</p> <p>a) That the requirement for (a) Description of Reference Power Plant - Gross capacity per Unit, MW; and (b) Gross Capacity of Reference Power Plant, MW refers to the Rated Capacity/ies found in either COC/PAO or GCMR?</p> <p>b) That the requirement for (a) Description of Reference Power Plant - Net capacity per Unit, MW; and (b) Net Capacity of Reference Power Plant, MW refers to the Dependable Capacity/ies found in either COC/PAO or GCMR?</p>	The Reference Power Plant capacity should be aligned with what is stated in its COC/PAO. The gross capacity refers to the Rated Capacity as stated in the COC/PAO while the net capacity refers to the Dependable Capacity as stated in the COC/PAO

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66.		IPB	3.2 TECHNICAL PROPOSAL; Annex TP-1,	<p>"May we confirm that in filling out the table in Annex TP-1 that requests for technical information on: Power Supplier Name, Offered Contract Capacity, Name of Nominated Plant and other general/ technical information:</p> <p>a) That the requirement for (a) Description of Nominated Plant - Gross capacity per Unit, MW; and (b) Gross Capacity of Nominated Plant, MW refers to the Rated Capacity/ies found in either COC/PAO or GCMR?</p> <p>b) That the requirement for (a) Description of Nominated Plant - Net capacity per Unit, MW; and (b) Net Capacity of Nominated Plant, MW refers to the Dependable Capacity/ies found in either COC/PAO or GCMR?"</p>	<i>(see response immediately preceding above)</i>
67.		IPB	3.1. QUALIFICATION DOCUMENTS ; Audited Financial Statements (AFS); Item 3.1.5	<p>May we confirm if the Parent Audited Financial Statements (AFS) refers to the stand-alone AFS of the Bidder and NOT the AFS of the parent company of the Bidder?</p> <p>If the Bidder submits its parent and consolidated AFS, is the submission of the AFS of the direct shareholders representing Controlling interest, Affiliates or Ultimate Parent no longer required?</p>	<p>The purpose of the Audited Financial Statements (AFS) requirement is to demonstrate the financial capability of the Bidder to perform its obligations under the resulting PSA with MERALCO.</p> <p>For this purpose, the financial capability requirement may be satisfied using the financial statements of:</p> <ul style="list-style-type: none"> the Bidder itself; any Direct Shareholder holding a Controlling Interest in the Bidder; an Affiliate; or the Ultimate Parent. <p>Accordingly, if the Bidder intends to rely solely on its own financial capacity, it may submit its stand-alone Audited Financial Statements.</p> <p>However, where the Bidder intends to rely on the financial capacity of a Direct Shareholder holding a Controlling Interest, an Affiliate, or the Ultimate Parent, the relevant entity must likewise submit its stand-alone (or parent company) Audited Financial Statements together with its consolidated Audited Financial Statements, as applicable.</p>
68.		IPB	3.1. QUALIFICATION DOCUMENTS ; Audited Financial Statements (AFS); Item 3.1.5 (a)	<p>"May we confirm that the audited financial statements with the acceptance cover letter of the SEC is sufficient for this purpose.</p> <p>Further, if we opt not to have a certification page for this document, should each and every page of the AFS be certified as a true and correct copy?"</p>	<p>The requirement in Section 3.1.5 (a) of the copy of the audited (parent and consolidated, if applicable) financial statements of the Interested Bidder or any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent for the last three (3) years (the latest of which must not be earlier than for the year ending December 31, 2025 duly stamped "received" or email acknowledging receipt by the Bureau of Internal Revenue (BIR) or Securities and Exchange Commission (SEC). If the acceptance cover letter of the SEC is equivalent to the email acknowledgement receipt from the SEC, the document is sufficient for this purpose.</p> <p>The requirement is that the AFS, as a document, be submitted as a certified true copy, either by:</p> <ul style="list-style-type: none"> the BIR or SEC (or the equivalent authority in a foreign jurisdiction); or the Chief Financial Officer (CFO) or Treasurer, in which case the certification must be under oath and notarized. <p>In order not to certify each and every page, the Bidder may avail of Section 2.1 (h) of the IPB which provides an option for the Interested Bidder's CFO or Treasurer not "to sign per page," by "[i]n the alternative, a certification page may be attached to the document (1) clearly identifying the document to which it is attached (including the name of the document, the issuer and the date of issue) and (2) attesting under oath that such document, including the number of pages of such document, is a true and correct copy of the original, which certification must be under oath and notarized.</p>
69.		IPB	3.1. QUALIFICATION DOCUMENTS ; Audited Financial Statements (AFS); Item 3.1.5 (6)	For confirmation that this is only applicable to new plants	Sec. 3.1.5 (submission of AFS and latest unaudited quarterly FS, including the Notarized Statement of Financial Capability [Annex QD-9]) is required even if the Interested Bidder's Nominated Plant is already in commercial operations. However, because its Nominated Plant is already in commercial operations, for the Required Unrestricted Net Worth, the submitted consolidated financial statements must show an Unrestricted Net Worth equivalent to Seven Million Pesos (PhP7,000,000.00) multiplied by MegaWatt (MW) of Offered Contract Capacity.

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					If the Nominated Plant is "new", not yet in commercial operations, then the latest audited financial statements must show, as a general rule, an Unrestricted Net Worth of at least 30% of the Project Cost.
70.		IPB	3.2. TECHNICAL PROPOSAL	<p>During the Implementation of the PSA</p> <p>1) May we confirm that the Winning Power Supplier (during regular days) can freely choose and declare to any of its Nominated Plants to supply Meralco, as long as the Contract Capacity and Associated Energy is supplied?</p> <p>2) May we confirm that if the Winning Power Supplier has more than one Nominated Plants, during regular days, the supply can be sourced from only one or only some of its Nominated Plants, as long as the Contract Capacity and Associated Energy to MERALCO is supplied?</p> <p>3) May we confirm that if MERALCO will allow Bidders choose as its Nominated Plant/s a unit/s or a plant/s within a power plant complex, the Winning Power Supplier can still declare from other plants within the plant complex (for better reliability for supply to MERALCO)?</p>	<p>1) Yes, the bidder can freely choose and declare from any of its Nominated Plants its supply to MERALCO.</p> <p>2) Yes, the supply can be sourced from one or some of its Nominated Plants.</p> <p>3) Any declaration from other plants outside of its Nominated Plant/s shall be treated as Replacement Power under the PSA.</p>
71.		IPB	3.2. TECHNICAL PROPOSAL; Item 3.2(b)	May we confirm that the Bidder may use its own template for the certified statement required in 3.2 (b) and description for the Nominated Plant in 3.2 (d)?	Yes, this is correct. Note that for Sec. 3.2 (d) is only required if the Nominated Plant is not yet in commercial operations.
72.		IPB	3.2. TECHNICAL PROPOSAL; Item 3.2(c)	<p>If Bidder's Nominated plant is already existing and operational, may we confirm that we do not need to submit this requirement?</p> <p>And may we confirm if the Bidder needs to attach write-up for non-applicability, if it is not applicable?</p>	<p>Yes, please refer to Sec. 3.2 (r) of the IPB:</p> <p>(r) If the Nominated Plant is already in commercial operation, items [Sec. 3.2.] (c) to (q) 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:</p> <ol style="list-style-type: none"> Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC at the start of the Operations Effective Date of the PSA, 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; Registration as a direct member of the WESM and a copy of its Market Participation Agreement for the Nominated Plant, which shall be certified as a true copy by (i) the PEMC and/or IEMOP; or (ii) the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized, must be submitted; Fuel Supply Agreement, if available, otherwise a Fuel Procurement Plan containing a narrative description of strategies and plans for ensuring long-term availability of fuel and regulatory compliance on fuel inventory and specification, which shall be certified as a true copy by the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized; and Transmission Service Agreement (TSA) or, if embedded, a Distribution Wheeling Service Agreement (DWSA), which shall be duly certified by the National Grid Corporation of the Philippines (NGCP) or applicable distribution utility, or the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized. <p>Based on this provision, there is no need to submit a write-up of non-applicability.</p>
73.		IPB	3.2 (r)	In the event that the Nominated Plant has achieved commercial operations, requirements under items (c) through (q) above will not be required, instead, Bidder must submit a certified statement that the Nominated Plant is capable of operating consistent	<i>(see response immediately preceding above)</i>

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					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
				<p>with the Performance Guarantees following the form in Annex TP-2 and the Nominated Plant's</p> <p>Question 1: Is there a prescribed template for the required certified statement confirming that the Nominated Plant is capable of operating in accordance with the Performance Guarantees?</p> <p>Question 2: For documents (c) to (q), is it sufficient for the bidder to submit a written explanation stating their non-applicability in lieu of the required documents?</p>	<p>Use Annex TP-2</p> <p><i>(see response immediately preceding above)</i> Just submit Annex TP-2, and the Nominated Plant's COC/PAO, WESM membership proof, FSA/plan, and TSA/DWSA.</p>
74.		IPB	3.2 TECHNICAL PROPOSAL; Annex TP-2	<p>May we confirm that in filling out the table in Annex TP-2 that requests for technical information :</p> <p>a) That the requirement for Net Plant Output refers to the Dependable Capacity/ies found in either COC/PAO or GCMR?</p> <p>b) If Nominated plant is NOT a coal (or biomass) plant, we can input "N/A" to all fields in Item No. 3 Performance Fuel Specification</p>	<p>a) Net Plant Output refers to the Dependable Capacity as stated in COC/PAO</p> <p>b) Bidder can input "N/A" to all fields in Item No. 3 Performance Fuel Specification if it is not applicable to their Nominated Plant.</p>
75.		IPB	3.2 TECHNICAL PROPOSAL; Item 3.2(I); Renewable Energy Contract/s	<p>- May we confirm that submitting any one of the documents below would satisfy this requirement?</p> <p>1) Renewable Energy Service Contract/s issued by the DOE; OR</p> <p>2) DOE Certificate of Registration (COR), which are issued to renewable energy developers who hold valid RE Service Contracts,?</p>	<p>No, Sec. 3.2 (I) of the IPB provision specifically require the submission of RE Service Contract/s issued by the DOE, to wit: <i>"(I) If applicable [to the Bidder's Nominated Plant], the Renewable Energy Contract/s for the Nominated Plant executed with the DOE; or an application for Renewable Energy Contract/s pending before the DOE, provided that if the Bidder's Bid Price is declared as the Best Bid, a certified true copy of the Renewable Energy Contract/s must be submitted during Post-Qualification"</i></p>
76.		IPB	3.2 TECHNICAL PROPOSAL; Item 3.2(I); Renewable Energy Contract/s	<p>May we confirm that if the Bidder submits a Renewable Energy Service Contract/s, Bidder may submit a redacted copy (for confidential information) of the Renewable Energy Service Contract/s, but will retain information to prove that Bidder has a valid Renewable Energy Service Contract/s with the DOE?</p>	<p>Yes, this will be allowed.</p>
77.		IPB	3.2 TECHNICAL PROPOSAL; Item 3.2(I); Renewable Energy Contract/s ; Item 3.2(m); Environmental Compliance Certificate/s	<p>"If Meralco would allow Bidders to specify particular generating units or individual plants (which are part of a larger power plant complex) as the Nominated Plant/s for the purposes of this bid, would the submission of a valid Renewable Energy Contract/s and Environmental Compliance Certificate/s for the larger power plant complex already suffice?</p> <p>This considers that the Nominated Plant, which is part of the larger power plant complex, is already covered in the contract or certificate of the larger power plant complex."</p>	<p>Yes, the submission of a valid Renewable Energy Contract/s and Environmental Compliance Certificate/s for the larger power plant complex should already suffice.</p>
78.		IPB	3.3. BID PRICE AND BID SECURITY; Item 3.3 (d)	<p>For Financial Workbook comments, may we request that discussion of queries or inputs be held in different schedule other than Pre-Bid Conference, since no document has been provided yet</p>	<p>Interested Bidders have until 4 August 2026 to submit additional comments relating to the Financial Evaluation Workbook.</p>
79.		IPB	4.5 Stage Three: Opening of Envelope 3, Sec. 4.5.2	<p>For purposes of the tie-break, please state or reference the DOE's current technology priority ordering for baseload under the Energy Mix Policy.</p>	<p>This CSP is for MERALCO's baseload supply requirement of 300 MW, effective 26 February 2028, to increase by 300 MW, effective 26 February 2029. As baseload supply requirement, the types of technologies provided under the DOE's Energy Mix Policy are shown below:</p> <p>4.2 Types of Technologies Preferred for Each Load Category. Each load category shall be met through contracting of applicable technologies, as follows:</p> <p>4.2.1 Technologies for Baseload Requirement.</p> <p>4.2.1.1 Firm RE Sources: Geothermal, biomass and biogas, and qualified impounding and dam-based hydro recognized for their</p>

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					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
					<p>stable and predictable output, or any other RE sources integrated with Energy Storage System (ESS) capable of providing baseload.</p> <p>4.2.1.2 Conventional Technologies in the following order of priority:</p> <p>a. Nuclear</p> <p>b. New and emerging technologies capable of providing baseload requirements</p> <p>c. Coal Co-firing</p> <p>d. Conventional Coal</p>
80.		IPB	"ANNEX QD-1 APPLICATION TO QUALIFY AND PARTICIPATE IN THE BIDDING; No. 2 "	<p>"Suggest to revise as follows:</p> <p>(Name of Bidder) declares that, to the best of its knowledge and after due inquiry, all statements made and the information and documents submitted in the Document Submissions are true and correct as of the date of this statement, and any misrepresentation or false statement made therein shall be a ground for its disqualification."</p>	<p>We are not amenable to this proposed change.</p> <p>The qualification phrase "<i>to the best of our knowledge and after due inquiry</i>" cannot be added to Annex QD-1. The IPB requirement for unqualified, unconditional statements in Annex QD-1 is intentionally strict to ensure bid integrity and allow MERALCO to assess all bids on an equal footing and not subject to conditions.</p>
81.		IPB	"ANNEX QD-1 APPLICATION TO QUALIFY AND PARTICIPATE IN THE BIDDING; No. 6 "	<p>"Suggest to revise as follows:</p> <p>As of [Date], (Name of Bidder) has not at any time had a Conflict of Interest."</p>	<p>We are not amenable to this proposed change.</p>
82.		IPB	Annex QD-1A	In all the applicable Annexes to be executed (e.g. QD-1A, QD-6, QD-7A etc) may we know the correct title for the CSP, indicated by "(indicate CSP requirement as appearing on title/cover page of IPB)"?	It should be indicated as "Contract Capacity of 300 MW (net), effective March 2028 To increase by 300 MW (net), effective March 2029" .
83.		IPB	"ANNEX QD-2 COMPANY INFORMATION; Section 2 Shareholder or Partner Information "	<p>Please confirm if the submission of the latest GIS is compliant with this requirement. Note that E has more than 300 shareholders.</p>	<p>Yes, the submission of the latest GIS will suffice.</p>
84.		IPB	"ANNEX QD-4 SWORN ATTESTATION OF NO CONFLICT OF INTEREST; Item 2 "	<p>"Suggest that for purposes of determining Conflict of Interest, the same should be limited to exiting conflict - as potential and/or future may not be determinable at this point in time. Further, suggest that this be limited to the incumbent directors and/or senior officers of the Bidder.</p> <p>Suggested language as follows:</p> <p>It does not have any existing, potential, or future conflict of interest with MERALCO's Bids and Awards Committee for the conduct of the CSP (the "BAC-PSA"), such that no incumbent existing, potential or future member of the governing Board or Senior Officers of the Bidder is a relative of a person within the fourth (4th) civil degree of consanguinity or affinity of a member of Meralco's BAC-PSA, its TWG, and its Secretariat.</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>
85.		Annex QD-4	Page 69 of the IPB	<p>"xxx</p> <p>2. xxx</p> <p>If, during the course of the CSP, the COMPANY has, or learns of, any existing, potential, or future conflict of interest with the BAC-PSA, the COMPANY hereby undertakes to disclose, within five (5) days from knowledge thereof, all detailed information in relation thereto, including but not limited to: a.) the nature thereof and, b.) to whom the conflict of interest applies./</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>xxx"</p>	<p>(see response immediately preceding above)</p>

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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				Please confirm that we can delete the second paragraph above if Bidder has no existing, potential, or future conflict of interest with MERALCO's BAC-PSA for the conduct of the CSP.	
86.		IPB, QD-4	Par. 2	May we clarify that the conflict of interest between the BAC and the "potential or future member of the governing Board" applies only for the duration of the CSP, and will not be applicable after the execution of the PSA?	<i>(see response immediately preceding above)</i>
87.		IPB	"ANNEX QD-4 SWORN ATTESTATION OF NO CONFLICT OF INTEREST; Item 2 "	"Please provide the names of MERALCO's BAC-PSA, TWG and Secretariat, for the conduct of conflicts [sic] check by the Bidder."	This is noted. The list of the members of the BAC-PSA, TWG and Secretariat will be sent to the Interested Bidders in this bidding.
88.		IPB	"ANNEX TP-2 PERFORMANCE GUARANTEES (NOMINATED PLANT)"	May we confirm if this is applicable to a Bidder using a fuel source other than coal. If not, will a statement of non-applicability [sic] may be submitted?	For the Performance Guarantees table under Annex TP-2, bidders should provide information that are only applicable to them and can type/write "N/A" for those that are not.
		IPB - Annex TP-1	3.2 Technical Proposal	For clarification, is the submission of separate Annex TP-1 forms and their corresponding required attachments applicable only to bidders whose Nominated Plants consist of multiple generating units or multiple power plant sources?	Submission of separate Annex TP-1 forms will be expected if the Interested Bidder has a portfolio of Nominated Plants.
89.		IPB	Annex QD 10, Annex QD-10A and Annex QD- 10B	Are these forms not applicable to power plants that are already in operation? Is a write-up required, or can the bidder simply omit submitting this form?	Yes. Section 3.1.6 of the IPB applies only to Nominated Plants that are not yet in commercial operation. Therefore, if the Nominated Plant is already in commercial operation, the forms under Section 3.1.6 need not be submitted, and no separate write-up is required.
90.		Qualification Documents	3.1.2 (f) page 25 of the ITB 3.1.6 (a)(b) page 28 of the IPB	Please confirm that Bidder can submit a write up of non-applicability for documentary requirements or required bidding forms that are not applicable to the Bidder, such as: 1. Joint venture or consortium agreement 2. Annex QD-10 (Statement on Project Cost and Financing Plan) 3. Annex QD-10A (Commitment Letter from relevant stakeholders of the Bidder) 4. Annex QD-10B (Testimonial from debt providers)	<i>(see response immediately preceding above)</i>
91.		ITB	Required Contract Period	If the ERC approval is not obtained before February 26, 2028, will the OED of Phase 2 of the PSA also be deferred accordingly?	As relayed by MERALCO to the BAC-PSA, actual supply of power will commence only following ERC Approval. However, the indicated OEDs in the ITB shall be retained, as these are reflected in MERALCO's PSPP, as approved by the DOE.
92.		Annex QD-1B		CONFIDENTIAL. If the nominated plant does not have an existing regulated PSA, does this requirement still apply? If not, what document or alternative submission will the bidder need to provide to be considered fully compliant?	A write-up of non-applicability will suffice, explaining that there are no existing "Energy Regulatory Commission (ERC)-approved rate/s' Capital Recovery Fee (CRF) in the COMPANY's agreements with other off-takers for the same Nominated Plant."
93.		IPB	Annex Bid - 3	For clarification, bidders are required to submit the executed Annex Bid-3 together with their bid as part of the CSP requirements. In the event that a bidder is declared the winning bidder, will there still be an opportunity for PSA discussions or negotiations to address provisions that may not be applicable to the winning bidder, or will the PSA be executed strictly in the form submitted with the bid?	Yes, as part of Envelope 3 (Bid Price). As relayed by MERALCO to the BAC-PSA, there are items highlighted in green and yellow in the PSA template released to the bidders. Items highlighted in green are only applicable to bidders with plants that are pending commercial operations, while items highlighted in yellow may or may not be applicable to a particular bidder. Apart from these items, the PSA will be executed strictly in the form released to the bidders, subject to amendments introduced through bid bulletins, if any.
94.		IPB	3.1.5 (b)	Please advise which unaudited quarterly financial statements the bidder is required to submit? Should the submission include only the latest quarter (Q2 2026), or both Q1 and Q2 2026?	The Bidder is required to submit only its second quarter 2026 unaudited financial statements.
95.		Qualification Documents	3.1.5 (b), page 28 of the IPB	"(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." Please confirm that (1) the Bidder is required to submit only its second quarter 2026 unaudited financial statements and (2) the first quarter 2026 unaudited financial statements of Bidder is not required to be submitted.	The Bidder is required to submit only its second quarter 2026 unaudited financial statements.

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INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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96.		IPB	Marginal Bid Offer	If the total offered capacities of all bidders will not meet the total 600 MW requirements of MERALCO, or will this be considered a failed bidding?	No, it will not be considered a failed bidding.
97.		IPB	Marginal Bid Offer	If the marginal plant offered 200 MW in the first phase, but only 100 MW of its offered capacity was accepted during that phase, will the remaining 100 MW be automatically considered in the second phase?	<p>Yes. If only a portion of the marginal Bidder's Offered Contract Capacity is selected for the first delivery period, the remaining unawarded capacity will be considered during the evaluation for the second delivery period, subject to the applicable ranking methodology and CSP rules.</p> <p>For illustration, assume the following bids ranked from lowest to highest Levelized Cost of Electricity (LCOE):</p> <p>Bidder A: 200 MW at PhP 1.00/kWh Bidder B: 200 MW at PhP 3.00/kWh Bidder C: 100 MW at PhP 4.00/kWh Bidder D: 300 MW at PhP 5.00/kWh</p> <p>In this example, Bidder A (200 MW) and Bidder B (100 MW only) would be selected for supply commencing 26 February 2028. The remaining 100 MW offered by Bidder B, together with Bidder C (100 MW) and Bidder D (100 MW only, assuming Bidder D agrees to a reduction in its Offered Contract Capacity at its offered rate), would then be considered for supply commencing 26 February 2029.</p> <p>Accordingly, the unawarded portion of the marginal Bidder's Offered Contract Capacity is not discarded, but may still be considered for the subsequent delivery period.</p>
98.		IPB	Section 4.5.2 / Page 44	<p>May we clarify how the 600 MW capacity will be allocated if there are multiple winning Bidders, considering that there are two (2) Operations Effective Date (OED) tranches. Will the awarded capacity and corresponding OED tranches be allocated on a pari passu basis among the winning Bidders, or will the allocation follow the ranking of LCOEs, with the lowest-ranked Bidder assigned the earliest tranche?</p> <p>To illustrate, if there are two (2) winning Bidders with capacities of 300 MW each, will the allocation be as follows:</p> <p>(a) Winning Bidder A and Winning Bidder B shall each supply a proportionate capacity of 150 MW starting March 2028, and an additional proportionate capacity of 150 MW each starting March 2029; or</p> <p>(b) Winning Bidder A (with the lowest LCOE) shall supply 300 MW starting March 2028, while Winning Bidder B (with the second-lowest LCOE) shall supply 300 MW starting March 2029?</p>	<i>(see response immediately preceding above)</i>
99.		Operations Effective Date ("OED")	ITB Page 2	<ul style="list-style-type: none"> 300 MW (net) by February 26, 2028 Additional 300 MW (net) by February 26, 2029 <p>For clarity, the total Contract Capacity by February 26, 2029 is 600 MW (net).</p> <p>If the Bidders submitted a portion of the contract capacity, what will be its OED? February 26, 2028 or February 26, 2029?</p>	<i>(see response immediately preceding above)</i>
100.		IPB	Bid Security	Can the bidder submit a higher amount of Bid Security?	<p>As stated in the Financial Evaluation Workbook's Bid Security Worksheet, "the submitted Bid Security (and later on the Performance Bond) must be at least equal to the amount [shown therein]."</p> <p>Thus, this confirms that the Bidder has the discretion to submit a higher Bid Security amount (than the one shown/calculated by the Financial Evaluation Workbook's Bid Security Worksheet) if it is concerned in divulging the calculation of its actual bid price.</p>
101.		IPB	Technical Proposal (k)	<p>Question 1: Is the submission of a redacted Fuel Supply Agreement (FSA) acceptable? Additionally, may a bidder submit a Fuel Procurement Plan in lieu of an FSA?</p> <p>Question 2: Does the FSA have to be valid within the term of the proposed power supply or any existing FSA will do?</p>	<p>The Bidder may redact the provisions it deems confidential in nature, except for the provisions that would allow the BAC-PSA enough information for a reasonable mind to form a conclusion as to the contents, validity and existence of the said Agreement (e.g. signatures and acknowledgment portion).</p> <p>If a redacted information prevents the BAC-PSA / its TWG from properly performing an evaluation of a document or requirement, the Bidder should provide the information within</p>

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					the period directed by the BAC-PSA. Failure of which, the Bidders' submission will be deemed incomplete and non-compliant.
102.		General Comment		Kindly confirm that Bidders can redact personal information on the Eligibility Requirements to be submitted for data privacy and confidentiality reasons.	<i>(see response immediately preceding above)</i>
103.		IPB	Annex QD-1A	Is the bidder still required to submit a separate Secretary's Certificate, or does Annex QD-1A already satisfy this requirement?	Submission of Annex QD-1A will suffice.
104.		IPB	Section 3.1.4.a / Page 26	For BAC-PSA's confirmation if the GCMR would suffice as proof/documentation of track record of power plants operated for the last five years? If yes, does it need to be Certified True Copy by (i) the ERC or (ii) the Bidder's Corporate Secretary/Assistant Corporate Secretary?	a. This request for submitting GCMRs will be allowed. It must be noted that Sec. 3.1.4 (a) of the IPB was lifted, in verbatim, from item d., Annex 1 (Eligibility Requirements) of the ERC CSP Guidelines, which we note did not mention any type of document to show as proof of track record. b. The GCMR certified by the corporate secretary/assistant corporate secretary will be allowed.
105.		IPB	Section 3.1.4.b / Page 26	For BAC-PSA's confirmation if the Reference Plant may be the same as the Nominated Plant.	Yes, provided the Bid Requirements and IPB requirements for the Nominated Plant can be complied with by the Reference Plant.
106.		IPB	Section 3. Documents Submission / Page 37	For BAC-PSA's confirmation that for electronic copy, attachment/s to the Annexes should be a different PDF file/s?	There is no requirement that the attachments to the annexes be in a different PDF file, it can be combined in one scan/one PDF file.
107.		IPB	Section 3.3 Bid Security / Page 32	May we respectfully suggest to the BAC-PSA to include Surety Bond as an acceptable form of Bid Security.	As relayed by MERALCO to the BAC-PSA, it is not amenable to the proposed change. The Bid Security may only be in the form of a managers check or an irrevocable standby letter of credit, which must be issued by one or more universal or commercial banks and using the template in Annex BID-2 (without modification).
108.		IPB	Section 4.4.4 / Page 42	In case the BAC-PSA requested additional documents from the Bidders, how many days will the Bidders be given to comply on the submission of the additional document?	The period for compliance will be determined by the BAC-PSA on a case-by-case basis, taking into consideration the nature, complexity, and availability of the additional document(s) being requested. The BAC-PSA will specify the applicable submission deadline in its request for additional documents.
109.		IPB	Section 4.5.2 / Page 44	In case of a tie between two or more Bidders whose technologies have the same priority ranking for the Baseload requirement pursuant to the DOE Energy Mix Policy, the Bidders shall be given five (5) days to improve their Proposed Tariff by submitting a lower LCOE. If the tie is among marginal Bidders and the revised Proposed Tariff results in an LCOE lower than that of the originally identified lowest Bidders, will the marginal Bidders displace the originally identified lowest Bidders or will the tie-break process apply only among the marginal Bidders?	The tie-break will only apply among the marginal bidders and will not displace the originally identified bidders.
110.		IPB	3.1.5 (b)	Please clarify which reporting quarter's Quarterly Financial Statements (QFS) should be submitted to comply with this requirement.	The IPB requires the submission of the latest available unaudited quarterly financial statements. For example, as of July 2026, the latest unaudited quarterly financial statements would be those as of and for the six-month period ended June 30, 2026.
111.		IPB	3.1.5	3.1.5 Notarized Statement of Financial Capability, where the consolidated financial statements must show an Unrestricted Net Worth equivalent to Seven Million Pesos (PhP7,000,000.00) multiplied by MegaWatt (MW) of Offered Contract Capacity, or, if the Nominated Plant is not yet in commercial operation, the consolidated financial statements must show, as a general rule, an Unrestricted Net Worth of at least 30% of the Project Cost ("Required Unrestricted Net Worth") based on its submitted financial statements, using the form in Annex QD-9 , together with the following attachments: Question: Given that our Audited Financial Statements are reported in US Dollars (USD), is it acceptable to enter the inputs in USD, or is Philippine Peso (PHP) preferred?	The use of US Dollar (USD) in the notarized Statement of Financial Capability is acceptable to facilitate reconciliation of amounts with the submitted audited financial statements. For purposes of evaluating compliance with the required financial capability or net worth threshold, the USD-denominated amounts will be converted to Philippine Pesos (PHP) using the applicable exchange rate.
112.		IPB	3.2. (H)	(h) The Bidder shall submit a certified statement that the Nominated Plant is capable of operating consistent with the Performance Guarantees in Annex TP-2; Question: Is the range of parameters based on contract to per suppliers or actual average based on what we received?	The data required here should properly define the performance of the Nominated Plant.

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					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
113.		PSA, Independent Engineer	Page 59	Would it be amenable for MERALCO to expand the list of Independent Engineers (IE). Alternatively, is it possible to include a language that will allow to procure an IE outside the list should no contractors accept the scope.	The Bidder may (as additional comment for this CSP) submit the identities and qualifications of its proposed IE/s for MERALCO's consideration and possible inclusion in the PSA template. In addition, should none of the identified IEs be willing or able to undertake the engagement at the time of the implementation of the PSA, MERALCO and the Power Supplier may consider the appointment of an alternative IE, subject to mutual agreement.
114.		IPB	3.1 QUALIFICATION DOCUMENTS	(i) a notarized certification, using the form in Annex QD-5, that from February 26, 2028 and for the duration of the Resulting PSA, no capacity and electrical output within the Contract Capacity shall be contracted under an agreement apart from the resulting PSA of this Bidding; provided that, if Bidder's Nominated Plant is contracted, Bidder must be able to terminate such agreement on or before the Operations Effective Date (OED) to fulfill requirements under the resulting PSA; and Question: With respect to the offtake agreement section in Annex QD-5, our response is 'N/A' as the project is not subject to any such agreement. Kindly confirm if entering 'N/A' satisfies the requirement, or if an accompanying explanatory statement is necessary.	N/A or "None" will suffice.
115.		IPB	Pagination	For the formatting/sealing of envelope 3, can the non fuel invoices be the first document to be paginated?	Yes, this will be allowed provided this is clearly shown in the Table of Contents and the other less voluminous documents inside Envelope 3 are clearly and visibly tagged with tabs/separate folders for easy reference of the BAC-PSA during evaluation.
116.		Outage Allowance (OA)	ITB Page 7	Scheduled OA and Forced OA shall not exceed the allowable planned and unplanned outages for similar plant technology under ERC Resolution No. 10, Series of 2020 entitled "A Resolution Adopting the Interim Reliability Performance Indices and Equivalent Outage Days Per Year of Generating Units" . For clarity, if the Bidder's plant technology is not in the above-mentioned ERC Resolution, then its maximum allowed Scheduled OA and Forced OA are each assumed to be zero. <ul style="list-style-type: none"> No carry-over of OA No Major Maintenance OA Will this still apply given there was a recent ERC Resolution 23 Series of 2026, discussing the new allowed Outage Allowance.	As relayed by MERALCO to the BAC-PSA, the outage allowance requirements under the TOR and the PSA template shall continue to apply notwithstanding ERC Resolution No. 23, Series of 2026. MERALCO finds it appropriate to retain the existing Planned/Scheduled OA and Unplanned/Forced OA requirements, which are based on ERC Resolution No. 10, Series of 2020, as stricter contractual performance standards that MERALCO is entitled to prescribe for purposes of ensuring reliable supply and protecting the interests of its customers. Nothing in ERC Resolution No. 23, Series of 2026 prevents a DU from adopting more stringent outage allowance requirements in its PSAs. On the contrary, such standards promote higher reliability and reduce customers' exposure to replacement power costs arising from reduced plant availability.
117.		Qualification Documents	3.1.4 (c), page 26 of the IPB	Please confirm that the GCMR can be certified as true and correct copy either by the corporate secretary or assistant corporate secretary of the Bidder.	Yes, this will be allowed.
118.		Annex QD-7	Page 73 of the IPB	"xxx 4. Annex A of Annex QD-7 is a complete list of all project(s) and contract(s) with Meralco and/or its Affiliates engaged in power generation, distribution, and supply/financial lenders of the <i>(Insert name of Bidder)</i> and any of its Affiliates engaged in power generation, which was commenced or in the process of implementation within the last five (5) years prior to the Bid Submission Deadline. Such project(s) and contract(s) shall only refer to power supply or offtake agreements and financing documents with creditors in connection with the development and implementation of the said power supply or offtake agreements." Do we include in the list the contracts with Meralco and/or its Affiliates engaged in power generation, distribution, and supply that were executed within the last five (5) years prior to the Bid Submission Deadline but have not been implemented or have already expired as of Bid Submission Deadline?	Yes, this requested change will be allowed.
119.		Annex A of Annex QD-7	Page 76 of the IPB	Please confirm that Bidder should only list financial lenders, which granted loans in favor of the Bidder and its Affiliates engaged in power generation and with power supply or off take agreements with Meralco and/or its Affiliates engaged in power generation, distribution, and supply. In other words, we need not include lenders of Bidder's Affiliates engaged in power generation that have no offtake agreements with MERALCO and its Affiliates.	Yes, this understanding is correct.

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					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
120.		Technical Proposal	Annex TP-1 (1), Page 92 of the IPB	Please confirm that Bidder may use Annex QD-1A as 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, Annex QD-1A may be used as proof that the Bidder, or its direct shareholder holding a Controlling Interest, is the developer, owner, and controller of the Nominated Plant and has sufficient authority to enter into the offtake agreement with MERALCO.</p> <p>However, the BAC-PSA will not limit its evaluation to Annex QD-1A alone. The BAC-PSA may consider and verify information contained in other bid documents, including the corporate structure diagram, SEC reportorial submissions, and other relevant supporting documents.</p> <p>Accordingly, where the submitted documents indicate, for example, a 50-50 ownership structure, partnership arrangement, or any circumstance that does not clearly establish control over the Nominated Plant, the Bidder may be required to submit additional documentation demonstrating that the Bidder, or its direct shareholder holding a Controlling Interest, exercises Control over the Nominated Plant. Such documents may be submitted in redacted form, as appropriate, to preserve confidentiality.</p>
121.		IPB/Bidding Documents	Section 2.1 (b), Page 7	Please confirm that any issue raised by the Bidder that is not addressed by the BAC-PSA is deemed to have been resolved in favor of the Bidder.	Any issue raised by the bidder that is not addressed by the BAC-PSA is deemed denied. It is incumbent upon the bidder to call the attention of the BAC-PSA for any issue that has not been addressed by the BAC-PSA, if there is any.
122.		IBP/Bidding Documents	Section 2.1 (c), last paragraph, Page 8	Please explain why the TOR shall prevail over the PSA in case of conflict "upon execution and implementation of the Resulting PSA".	Please see Section 3, Appendix B of ERC Resolution No. 7, Series of 2026, which provides, among other things, that "[t]he TOR shall form part of the PSA entered into by the parties as a result of a CSP. In case of conflict between the TOR and the PSA, the former shall prevail.
123.		General documentary requirements	IPB	The IPB provides that, after execution, the TOR, Bid Documents, Bid Bulletins, Technical Proposal, Financial Workbook and Bid Price continue to govern and prevail over the PSA in case of conflict. Please confirm the intended hierarchy of documents and identify which document controls in the event of inconsistency between (i) the executed PSA, (ii) the Technical Proposal, (iii) the Financial Evaluation Workbook, and (iv) any Bid Bulletin issued before execution.	<p>Sec. 2.1 (c.) of the IPB provides that, during the bidding process, in the event of a conflict between the Bidding Documents and the PSA template, the provisions of the PSA template shall prevail.</p> <p>Upon execution and implementation of the Resulting PSA, however, the Resulting PSA shall be read together with, and in light of, the Bidding Documents, including the TOR, applicable bid bulletins, and the Winning Power Supplier's Document Submissions, all of which shall remain binding on the Winning Power Supplier.</p> <p>Accordingly, in the event of any inconsistency, the applicable hierarchy shall be determined in accordance with the IPB. In particular, where there is a conflict between the TOR and the Resulting PSA, the TOR shall prevail, subject to any bid bulletin duly issued within the bounds prescribed in the IPB and ERC CSP Guidelines that amends or clarifies the bidding documents, including the TOR.</p> <p>Thus, the Resulting PSA is not intended to be read as a standalone document but in conjunction with the TOR, the bid documents, applicable bid bulletins, and the Winning Power Supplier's submissions from which it derives. As relayed by MERALCO to the BAC-PSA, the MERALCO DU, as the implementing party, will interpret and implement the Resulting PSA consistently with such documents and any amendments thereto duly issued through bid bulletins.</p>
124.		Annex TP-1	Section 3.2 Technical Proposal Annex TP-1 Page 29 and 92 of the IPB	The requirement, "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" under Annex TP-1 template is not found under Section 3.2 Technical Proposal. Should this be the first attachment of Annex TP-1?	Yes, this is correct.
125.		Annex QD-8	3.1.4 (a)- (f) Pages 26 to 27 and 80 to 81 of the IPB	Please confirm that the Certificate of Compliance, IEMOP Market Participation Agreement, and other documents issued electronically through EVOSS or any other official government electronic platform (bearing QR codes, digital signatures, verification links or other electronic authentication features), shall be accepted as compliant with the documentary requirements of this CSP without the need to have the agencies separately manually authenticate hard copies.	Yes, this will be allowed provided (1) a general certification, under oath and notarized, must still be issued by the Bidder's authorized representative, corporate secretary, or assistant corporate secretary, as applicable, and (2) the verification links or other electronic authentication features are accessible for the BAC-PSA to check the electronic certificates.

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

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126.		ITB and IPB	Bid Price/Tariff Structure	<p>Please confirm that a Bidder with an existing PSA with Meralco for the same Nominated Plant is allowed to submit a proposal with terms more competitive and different from those terms under its existing Meralco PSA, particularly in respect of overall non-fuel commodity cost, guaranteed heat rate and commodity price. We would also like to confirm from Meralco's standpoint that these more competitive terms offered in this CSP will not affect or effectively amend the terms of the existing Meralco PSA.</p> <p>We wish to point out that under the ITB, a Bidder is allowed to offer a lower CRF for this CSP considering that bidders are allowed to offer a CRF equal to or lower than the latest ERC-approved CRF for the same Nominated Plant.</p>	Yes, this will be allowed as the mandated CSP policy functions as a mandatory price discovery and transparency mechanism by requiring DUs to secure PSAs through open, competitive public bidding.
127.		ITB and IPB	Bid Price/Tariff Structure	Please confirm that the Bidder may propose different premiums/discounts for each level or range of its Nominated Fuel Index/Indices.	Yes, as long as these different premiums/discounts for each level are explicitly inputted in the submitted Fuel Formula as stated in the Financial Evaluation Workbook (FEW).
128.		ITB and IPB	Bid Price/Tariff Structure	<p>If the Bidder's Nominated Plant was not yet in commercial operation as of January 2023, please confirm that the Bidder may substantiate the non-fuel commodity costs using actual cost data from the year in which the Nominated Plant has commenced commercial operations.</p> <p>For example, if the Nominated Plant commenced commercial operations in June 2024, the Bidder may submit actual cost data of its non-fuel commodity costs from June 2024 to December 2025.</p>	<p>Yes, this will be allowed.</p> <p>Yes, the understanding is correct.</p>
129.		ITB and IPB	Bid Price/Tariff Structure	Please clarify how the proposed outage allowance is incorporated into the Bid Price calculation. Specifically, how does the proposed outage allowance affect the evaluation of the Bid Price?	Since the equivalent energy will consider the proposed outage allowance, for the same fixed payment value, the higher the outage allowance submitted, the higher the calculated Bid Price will be.
130.		IPB and IPB	Bid Price/Tariff Structure	<p>Please confirm that the Bidder may submit printouts of the Nominated Fuel Index reports or downloaded excel file from the Nominated Fuel Index publisher's platform, as supporting documents for the submitted Nominated Fuel Index/Indices.</p> <p>(f) Hard copy of the supporting or source documents to validate that the provided actual monthly values of the Bidder's chosen Nominated Fuel Index/Indices for the period January 2023 to December 2025 monthly figures are the actual values of the Nominated Fuel Index/Indices as released by their respective publishers, and</p>	Yes, it is allowed as long as it is certified either by the publisher or by the bidder and make sure that it is converted into monthly data.
131.		Annex QD-2	Page 64 of IBP	<p>Since bidder is a partnership and doesn't file a GIS, please advise if we still need to submit a writeup of non-applicability for this requirement?</p> <p>(d) if applicable (i.e., a corporation), copy of its latest General Information Sheet (GIS), stamped "received" or email acknowledging receipt by the SEC, which shall be certified as a true copy by (i) the SEC; or (ii) the corporate secretary/assistant corporate secretary, in which case, it must be under oath and notarized;</p>	Yes, a write-up and an alternative similar document like the latest available Information Sheet of the partnership must be submitted.
132.		Annex QD-2	Page 80 of IBP	<p>Can the following documents on Reference Plant be certified by either the <u>corporate secretary or assistant corporate secretary of the owner of Reference Plant</u> instead of the <u>corporate secretary or assistant corporate secretary of the Bidder</u>?</p> <p>(c) In respect of any Reference Plant, proof that the Reference Plant has attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations, through an official document [GCMR] of the Bidder's Reference Power Plant as submitted by the Bidder to the ERC, certified as a true copy by the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized. If the Reference Plant is located outside of the Philippines, the Bidder must provide any equivalent or similar official document like the GCMR which is submitted to or issued by that foreign country's regulatory body or agency, and such document must be certified as a true copy by the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized;</p>	Yes, this will be allowed.

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS																					
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				(d) Proof that the Reference Plant is covered by a Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC, as submitted by the Bidder as a certified true copy by (i) the ERC; or (ii) the corporate secretary , in which case it must be under oath and notarized. If the COC/PAO is not available as of Bid Submission Deadline, the Bidder must submit an application for a COC/PAO pending before the ERC or any other official document coming from the ERC confirming the Reference Plant’s authority to operate at least 100 MW (AC, net). If the Reference Plant is located outside of the Philippines, it must have the license or permit equivalent to the ERC’s COC/PAO (e.g. a certification issued by that foreign country’s regulatory body or agency for the power industry that the Reference Plant is licensed or authorized to operate a power plant - a self-certification issued by the Reference Plant’s developer, owner or operator will not be accepted);																	
133.		Annex QD-1A	Page 61 of the IPB	Given that Bidder is a partnership and has no board of directors can it revise Annex QD 1A as follows? “4. At a (regular/special) meeting of the board of directors partners of the Company, held on (date) at (place), in which meeting a quorum was present and acting throughout, the following resolutions were passed and approved:”	Yes, this will be allowed.																
134.		Annex QD-9	Page 85 of the IBP	Given that Bidder is a partnership, there are line items not applicable to the partnership. Thus, kindly confirm if the following proposed revisions in the Equity portion to reflect the proper terminologies are acceptable: From <table><tr><th>Financial Information</th><th>2025</th></tr><tr><td>4. Subscribed and Paid-Up Capital (at par, net of treasury shares) (a) Common Shares (b) Preferred Shares (c) Perpetual Shares Total -</td><td></td></tr><tr><td>5. Additional Paid-In Capital (a) Common Shares (b) Preferred Shares (c) Perpetual Shares Total</td><td></td></tr><tr><td>7. Retained Earnings Appropriated by the Board</td><td></td></tr></table> To <table><tr><th>Financial Information</th><th>2025</th></tr><tr><td>4. Partnership Shares</td><td></td></tr><tr><td>5. [Delete]</td><td></td></tr><tr><td>7. Retained Earnings Appropriated by the Partnership</td><td></td></tr></table> In the alternative, can any of the direct shareholders/partners representing Controlling Interest, Affiliates or Ultimate Parent of the Bidder execute Annex QD-9 on behalf of the Bidder? If yes, please confirm that details from the consolidated financial statements of any of the direct shareholders/partners representing Controlling Interest, Affiliates or Ultimate Parent are acceptable data to be indicated in Annex QD-9 over financial information disclosed in the parent company stand-alone financial statements.	Financial Information	2025	4. Subscribed and Paid-Up Capital (at par, net of treasury shares) (a) Common Shares (b) Preferred Shares (c) Perpetual Shares Total -		5. Additional Paid-In Capital (a) Common Shares (b) Preferred Shares (c) Perpetual Shares Total		7. Retained Earnings Appropriated by the Board		Financial Information	2025	4. Partnership Shares		5. [Delete]		7. Retained Earnings Appropriated by the Partnership		The following proposed revisions to reflect the “Partnership” structure of the Bidder are acceptable. For rows that are not applicable to the Bidder, it is suggested to input “N/A” instead of deleting the row. In the IPB, the financial capability requirement may be satisfied using the financial statements of: <ul style="list-style-type: none">the Bidder itself;any Direct Shareholder holding a Controlling Interest in the Bidder;an Affiliate; orthe Ultimate Parent. Accordingly, if the Bidder intends to rely solely on its own financial capacity, it may submit its stand-alone Audited Financial Statements. However, where the Bidder intends to rely on the financial capacity of a Direct Shareholder holding a Controlling Interest, an Affiliate, or the Ultimate Parent, the relevant entity must likewise submit its stand-alone (or parent company) Audited Financial Statements together with its consolidated Audited Financial Statements, as applicable.
Financial Information	2025																				
4. Subscribed and Paid-Up Capital (at par, net of treasury shares) (a) Common Shares (b) Preferred Shares (c) Perpetual Shares Total -																					
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7. Retained Earnings Appropriated by the Board																					
Financial Information	2025																				
4. Partnership Shares																					
5. [Delete]																					
7. Retained Earnings Appropriated by the Partnership																					
135.		IPB	Section 3.1.4 (c) page 37	Said provision states: “If the same document is a required attachment in more than one Annex, the original set must contain at least one original of the document. A photocopy of the same document may be attached to the subsequent Annex(es) and will be considered as an original for this purpose”.	Yes, this is correct.																

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

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				Please clarify that if the original is in Envelope 1, a photocopy of the same document may be used in Envelope 2.	
136.		Annex QD-IA	Page 61-62 of the IPB	<p>Bidder has more than one authorized representative during the Bidding.</p> <p>The original wordings in the template read:</p> <p>"4. RESOLVED FURTHER, that (name of representative) is hereby appointed as the authorized representative of the Company during the Bidding, authorized to sign, submit and receive documents for, and otherwise act in the name of, the Company;</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> <p>We propose that this be revised as follows:</p> <p>"4. RESOLVED FURTHER, that <u>(name/s of representative/s) is/are</u> hereby appointed as the <u>authorized representative/s</u> of the Company during the Bidding, authorized to sign, submit and receive documents for, and otherwise act in the name of, the Company;</p> <p>RESOLVED FINALLY, that any and all acts done or performed by <u>(name/s of representative/s)</u> under and by virtue of this resolution be, as they are hereby, confirmed and ratified."</p>	Yes, this will be allowed.
137.		Annex QD-1B	Page 63 of IPB	<p>Please advise if "<i>(position/delegation)</i>" as shown below may be removed if the position of the representative as stated in the EOI is also "Authorized Representative" to avoid duplicity in the statement.</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>	Yes, this will be allowed.
138.		Annex QD-3	Page 67 of the IPB	<p>Please advise if "<i>(position/delegation)</i>" as shown below may be removed if the position of the representative as stated in the EOI is also "Authorized Representative" to avoid duplicity in the statement.</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>	Yes, this will be allowed.
139.		Annex QD-4	Page 69 of the IPB	<p>Please advise if "<i>(position/delegation)</i>" as shown below may be removed if the position of the representative as stated in the EOI is also "Authorized Representative" to avoid duplicity in the statement.</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>	Yes, this will be allowed.
140.		IPB/ Certifications by the Corporate Secretary		Please confirm that any reference to Corporate Secretary is understood to include Assistant Corporate Secretary as an alternative.	Yes, provided that the Assistant Corporate Secretary certifying is the person named in the GIS or duly authorized by the Board of Directors or by-laws of the company or similar charter document of a partnership.

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
141.		PSA	3.2 Operations Effective Date	"Propose to add to secure the performance by the Buyer of all of its obligations under this Agreement for the entire Contract Term: g. Meralco shall deliver to the Power Supplier a Security Deposit within five (5) Business Days before the Delivery Start Date."	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. MERALCO notes that, historically, it has been able to implement its PSAs without the need to put up a Security Deposit.
142.		PSA	10.2. Payments	Propose to add Customer's Security Deposit provisions: 10.3 Security Deposit 10.3.1 As a Condition Precedent for the supply, and to secure the performance by the Meralco of all of its obligations under this Agreement for the entire Contract Term, the Meralco shall deliver to the Power Supplier a Security Deposit within five (5) Business Days before the OED, which shall be valid up to seventy-five (75) days after the end of the Term. The Security Deposit may be drawn or forfeited upon Meralco's failure to perform or comply with any of its obligations or warranties under this Agreement (including failure to pay any amount due or outstanding in a billing statement or under this Agreement). 10.3.2 The Security Deposit, which shall be in the form of either: a. an irrevocable standby letter of credit b. such other forms of security deemed acceptable by Seller Issued by or deposited in bank acceptable to the Power Supplier and posted on or before five (5) Business Days before OED. 10.3.3 The amount of the Security Deposit shall be equal to one hundred percent (100%) of the value of the MEOT multiplied by Contract Price for Energy and other taxes, fees, and charges calculated by Power Supplier. ("SD Amount") For the second Contract Year and for every Contract Year thereafter, the amount of Security Deposit shall be adjusted annually, equivalent to the one hundred percent (100%) of the value of the MEOT multiplied by the escalated Contract Price for Energy applicable and other taxes, fees, and charges calculated by Power Supplier. Within forty-five (45) Days prior to the end of the first Contract Year and at the end of every Contract Year thereafter, the Power Supplier shall notify the Meralco in writing of any adjustment on the amount of Security Deposit. Accordingly, no later than thirty (30) Days prior to the end of a Contract Year, the Meralco shall post and/or deliver to the Power Supplier the adjusted Security Deposit.	(see response immediately preceding above)
143.		PSA	10.2. Payments	Propose to add Customer's Security Deposit provisions 10.3.4 Where the Security Deposit posted is in the form of an irrevocable standby letter of credit: a. should be valid, outstanding, unconditional, and callable or drawable by Power Supplier "on-demand" throughout the Term and up to the SD Claims Period. b. should there be any adjustment in the amount of the Security Deposit, the Power Supplier shall notify Meralco in writing of any such adjustment no later than forty-five (45) Days prior to the expiration of the current standby letter of credit; and 10.3.5 Where the Security Deposit is in the form of an actual cash deposit, any interest earned shall accrue in favor of the Meralco, net of any applicable taxes, fees, and Costs. Meralco hereby authorizes the Power Supplier to apply any interest earned on such Security Deposit against any amount due to the Power Supplier under this Agreement. 10.3.6 All taxes, fees, and Costs for the opening of and maintaining the Security Deposit shall be borne by Meralco.	(see response immediately preceding above)
144.		PSA	10.2. Payments	Propose to add Customer's Security Deposit provisions 10.3.7 If the Buyer fails to perform or comply with any of its obligations under this	(see response immediately preceding above)

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>Agreement (including failure to pay any amount due or outstanding in a billing statement or under this Agreement, or breach of any representation, warranty, or covenant), the Power Supplier shall be entitled (but shall not be obligated) to immediately and without prior notice to Meralco, draw against the Security Deposit, in full or in part, the amount due or outstanding under the relevant invoice or under this Agreement</p> <p>The right of the Power Supplier to draw against the Security Deposit shall:</p> <p>a. at all times be in addition to all other rights and remedies of the Power Supplier under the Agreement, which Power Supplier, in its sole discretion, deems appropriate to exercise:</p> <p>b. remain in effect up to seventy-five (75) Days after the end of the Term ("SD Claims Period"),</p> <p>Meralco must replenish or replace within fifteen (15) Business Days from notification of any drawing thereof.</p> <p>10.3.8 The Power Supplier shall return the balance of the Security Deposit, if any, to the Meralco as soon as practicable after the lapse of the SD Claims Period.</p>	
145.		PSA	3.2 Operations Effective Date	<p>"Propose to revise:</p> <p>(d) On or before the Longstop Date, the ERC shall have issued an ERC Approval, including the pricing structure as set out herein (or as otherwise acceptable to Power Supplier) or resolution of all pending incidents including appeals and the Parties shall have confirmed that all the Conditions Precedent for Supply have been complied with; and"</p>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The ERC Approval contemplated by Section 3.2.2 is the provisional approval/interim relief, or decision by the ERC authorizing the parties to implement the PSA. In case the ERC Approval contains any adjustment or modification of terms of the PSA that is not acceptable to Power Supplier, remedies are available to Power Supplier under the PSA, particularly Section 12.2 on ERC Approval. Note that in case of MR, ERC rules provide that pendency or resolution thereof does not stop/suspend its implementation. Accordingly, the PSA shall be implemented in accordance with the prevailing ERC Approval.
146.		PSA	3.2.2 Conditions Precedent to Operations Effective Date	<p>"All information in Appendix A and Appendix B, along with compliance with DENR emission and other environmental standards for the power plants, is already contained within the certifications issued by either the ERC or DENR.</p> <p>Given this, could you please clarify the basis for requiring an additional certification from the Independent Engineer? Should the existing certifications from the ERC and DENR already be considered sufficient?"</p>	As relayed by MERALCO to the BAC-PSA, MERALCO wants to ensure that the Nominated Plant of the Winning Power Supplier is capable of delivering its Contracted Capacity and its Associated Energy in accordance to the Performance Guarantees of the Plant as certified by an Independent Engineer.
147.		PSA	5.4 WESM Declarations	<p>"Please confirm which Trading Nodes of MERALCO will be used to declare supply during the implementation of the PSA</p> <p>Can the Power Supplier can [sic] declare to any of the nodes identified during implementation of the PSA?"</p>	As relayed by MERALCO to the BAC-PSA, Winning Power Supplier should declare its Associated Energy in the corresponding trading node of its Nominated Plant/s.
148.		PSA	5.4 WESM Declarations	<p>Please confirm whether "Trading Interval" in 5.4.1 refers to the 5-minute WESM dispatch interval or the hourly interval; whether the PhP 50,000 fee is subject to a per-event or annual cap; and whether it is in lieu of, or in addition to, the indemnity for Market Operator assessments arising from the same declaration.</p>	<p>As relayed by MERALCO to the BAC-PSA:</p> <p>"Trading Interval" is a defined term under the PSA [Section 1.1]. It pertains to the hourly interval, unless otherwise agreed upon by the Parties as consistent with WESM Rules. Section 5.4.1 provides², among other things: "Power Supplier shall pay MERALCO an administrative fee of Fifty Thousand Philippine Pesos (PhP50,000.00) for each Trading Interval of erroneous BCQ declaration, which is due to Power Supplier's fault." The administrative fee is imposed on every Trading Interval of erroneous BCQ declaration. It is not imposed on a per-event basis and there is no cap. This is separate from any indemnity imposed by the MO arising from the same [erroneous] declaration.</p>
149.		PSA	7.3 Operations Log	<p>Could you please clarify Meralco's basis for requiring the information indicated in the daily operations log?</p>	As relayed by MERALCO to the BAC-PSA, MERALCO, upon request, may utilize the information in the daily operations log to determine the detailed status of the Plant.
150.		PSA	7.4 Tests	<p>7.4.4 states the NDC Test and Net Plant Heat Rate Test shall be conducted per Appendix J (Form of Direct Agreement). Should this read Appendix K (Tests)?</p>	<p>As relayed by MERALCO to the BAC-PSA, this is a typographical error and the reference will be corrected to Appendix K.</p> <p align="center">"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. 2 reflecting this amendment to the PSA template.</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
151.		PSA	Article 9 Reduction in Contract Capacity and Associated Energy; Section 9.2	<p>"Proposal to revise for the planning of Power Supplier:</p> <p>9.2 Meralco shall give a written notice to Power Supplier of such reduction at least within sixty (60) Days prior to such request, specifying the Reduction in Contract Capacity and Associated Energy pursuant to Section 8.1. Further, the Meralco shall not be in default or be made to pay electricity fees for the capacity that it can no longer accept due to any of the circumstances mentioned above or any change in applicable requirements;"</p>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. Section 9.2 expressly allows MERALCO to reduce the Contract Capacity and Associated Energy equivalent to the reduction in the demand of its captive customers in order to, among other things, avoid stranded contract capacities or costs, subject to the 5-day notice period provided in Section 8.2. The notice period is brief as MERALCO needs to take immediate action to prevent contract capacities or costs being stranded to the detriment of customers. In addition, in the implementation of this provision, MERALCO shall be guided by the (a) regulations prevailing at the time of any reduction of Contract Capacity and Associated Energy; and (b) its least cost mandate to consumers under the EPIRA.
152.		PSA	Article 9 Reduction in Contract Capacity and Associated Energy; Section 9.2	<p>"Propose to add for clarity of implementation:</p> <p>9.3 The Power Supplier agrees that the Contract Capacity may be adjusted in proportion to the total contracted capacity of all suppliers of the Meralco provided that a written request is given by the Meralco within sixty (60) Days prior to such request. Further, the Meralco shall not be in default or be made to pay electricity fees for the capacity that it can no longer accept due to any of the circumstances mentioned above or any change in applicable requirements;</p> <p>Meralco shall deliver to the Seller a written notice specifying the reduction in Contract Capacity under this Agreement resulting from the lowering down of the threshold, provided that:</p> <p>a. The reduction of the Contract Capacity shall be made only upon actual switch of any customer of the Meralco that qualifies as a Contestable Customer to a Retail Electricity Supplier (RES) as a result of the implementation of the RCOA (the "Meralco's Switched Customer"). The reduction may be exercised by the Meralco by giving prior written notice to the Power Supplier not later than sixty (60) Days before the actual switch.</p> <p>b. If the Meralco's Switched Customer procures electricity from the Power Supplier, the Meralco shall be entitled to a reduction in the Contract Capacity corresponding to the average monthly load demand (in kW) of such Meralcos Switched Customer with the Power Supplier for the last twelve (12) months prior to such disconnection; and</p> <p>c. If the Meralco's Switched Customer procures electricity from a supplier which by itself or thru any of its affiliates is not currently supplying electricity to the Meralco, in which case the Meralco shall be entitled to a reduction in the Contract Capacity equivalent to the average monthly load demand (in kW) of such Meralco's Switched Customer for the last twelve (12) months prior to such switch multiplied by the proportion of the Contract Capacity to the aggregate capacity contracted by the Meralco with all of its suppliers of electric power (including the Power Supplier).</p> <p>9.4 In the case referred to in Paragraph 8.3, the reduction in the Contract Capacity shall take effect at the receipt of the Power Supplier of the following:</p> <p>a. List of the Meralco's Switched Customer's new supplier;</p> <p>b. The Meralco's Switched Customer's average electricity consumption for the last twelve (12) months;</p> <p>c. Computation on the carve-out of Meralco's concurrent suppliers as a consequence of migration of the Meralco's Switched Customer; and</p> <p>d. Written notice from the Meralco of the switching of its Contestable Customer and the Buyer's availment of a reduction in the Contract Capacity, or upon the effectivity of such disconnection or switching, as evidenced by a confirmation of switch issued by the Market Operator but in no case earlier than one hundred eighty (180) Days from the Power Supplier's receipt of said written notice whichever is later."</p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision.</p> <p><i>(see also response immediately preceding above)</i></p>
153.		PSA	Article 9 Reduction in Contract Capacity and Associated Energy; Section 9.2	<p>Propose to add for clarity of implementation:</p> <p>9.5 For the avoidance of doubt, the Buyer shall not be entitled to any reduction in the Contract Capacity if a Buyer's Switched Customer procures electricity from any of BUYER's suppliers of electricity other than SELLER, including BUYER's affiliate suppliers other than SELLER</p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision.</p> <p><i>(see also response immediately preceding above)</i></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
154.		PSA	9. Reduction in Contract Capacity and Associated Energy	<p>- Does Article 9 contemplate: (a) any floor on the Reduction in Contract Capacity, minimum notice beyond five (5) days, or (b) adjustment to the Capital Recovery Payment structure to reflect capital already committed against the reduced capacity?</p> <p>- Please confirm the intended scope of "other similar government programs."</p>	<p>As relayed by MERALCO to the BAC-PSA, in the implementation of this provision, MERALCO will not be limited by any minimum/floor or maximum/ceiling. It shall be guided by the (a) regulations prevailing at the time of any reduction of Contract Capacity and Associated Energy; and (b) its least cost mandate to consumers under the EPIRA.</p> <p>"Other similar government programs" refer to programs which would result in reduction in the demand of captive customers.</p>
155.		PSA	10.2. Payments	<p>"Propose to revise:</p> <p>10.2.1. Meralco shall pay the entire amount indicated in the Final Invoice (subject to Appendix G) when due and payable., provided that, Meralco shall not be required to make payment on any invoice that is manifestly in error, apparently invalid, or not in the form or substance contemplated by this Agreement, until the same has been corrected following prompt notice by Meralco to Power Supplier of such error, invalidity, or absence of proper form or substance. Disputed amounts, if any, shall nevertheless be paid by Buyer without deductions or set-offs"</p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The provision speaks of invoice that is manifestly in error, apparently invalid, and/or not in the form or substance contemplated in the PSA. Hence, ERC approval does not cover such amount, and it is not appropriate for MERALCO to pay the same.</p>
156.		PSA	10.2. Payments	<p>Propose to revise:</p> <p>9.2.4. If any withheld amount under Section 9.2.1. is subject to objection or Dispute, or sum set forth in a Final Invoice or any other sum payable under this Agreement has been paid under protest or is subject to objection, or is the subject of a Dispute, then after agreement between the Parties or after settlement of the Dispute, any sum so agreed by the Parties or determined pursuant to Article 18 to be owing (including the refund of any amount so paid under protest or subject of a Dispute) shall be paid within the later of (a) the original due date of such payment and (b) seven (7) Days from such agreement or settlement, with interest accruing thereon from the original due date (or, if payment has been made under protest or Dispute, from the date the disputed amount was paid) until the award or settlement amount is paid. Interest shall be calculated on <u>a daily interest, at a rate of twelve percent (12%) per annum, computed on a 360-Day basis</u>, pursuant to Section 4 of Appendix G, in each month in which the sum was due and payable; provided, however, that if the protest or Dispute is resolved by the Parties within thirty (30) Days from the date of filing thereof and payment is made <u>on the due date</u>, the Parties agree to waive payment of any interest due on the amount owing (or, if payment has been made under protest or Dispute, due on the amount to be refunded).</p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. <i>(see also response immediately preceding above)</i></p>
157.		PSA	10.2. Payments	<p>Propose to change interest charges from "basis equivalent to the PHP BVAL Reference Rate plus two hundred (200) basis points for Php-denominated charges" to <u>a daily interest, at a rate of twelve percent (12%) per annum, computed on a 360-Day basis</u></p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The penalty is applicable to both parties and 200 bps is already a reasonable penalty for late payment. The proposal is also prohibitive.</p>
158.		PSA	<p>10.2. Payments</p> <p>11.1 Responsibility for Taxes, Fees and Costs</p> <p>11.1.5 Creditable Withholding Tax</p>	<p>Proposed addition:</p> <p>9.2.9 All payments made by Buyer hereunder shall be made free and clear of and without any deductions for or on account of any set-off, counterclaim, tax or otherwise. In the event Buyer is prohibited by law from making payments hereunder free from deduction or withholding, then Buyer shall pay such additional amounts to Seller as may be necessary in order that the actual amount received by Seller after deduction or withholding (and after the payment of any additional taxes or other charges due as a consequence of the payment of such additional amounts) shall equal the amount that would have been received by Seller if such deduction or withholding had not been required. Payments by Buyer to Seller supported by Certificate of Taxes Withheld in the name of the Seller with the correct amount of tax withheld shall be considered payment free and clear, and the Buyer must promptly remit any amounts withheld for such tax to the relevant taxing authorities.</p> <p>For this purpose, Buyer shall promptly forward to the Seller a Certificate of Tax Withheld at source (BIR Form 2307) on or before (the "Certificate of the Withholding Submission Date") which is the last Business Day of the calendar month following the close of the</p>	<p>As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposal as the provisions in the first paragraph are already covered by the existing provisions in the PSA. On the other hand, for the Certificate of Tax Withheld at Source (BIR Form 2307), please see Section 11.1.5 of the PSA.</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
				Billing Period, showing that the full amount of any such deduction or withholding has been paid over, or will otherwise be remitted to the relevant taxing authority. In case of failure by the Buyer to forward to Seller the BIR Form 2307, the amount withheld by the Buyer shall be construed as deficiency in payment of the Monthly Fees, which deficiency amount shall be immediately payable and subject to interest as an overdue account (reckoned as of the Day after the original payment Due Date), without prejudice to other remedies available under this Agreement..	
159.		PSA	10.2. Payments 11.1 Responsibility for Taxes, Fees and Costs 11.1.5 Creditable Withholding Tax	Proposed revision: 11.1.5 Meralco shall deduct and withhold from the amounts payable under a Final Invoice the applicable creditable withholding tax, and Meralco shall remit any amounts withheld for such tax to the relevant taxing authorities. The related Certificate of Tax Withheld at Source (BIR Form 2307) will be issued to Power Supplier <u>on the Certificate of the Withholding Submission Date upon Power Supplier's provision of the official receipt to Meralco.</u>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision and prefer to retain the existing provision in 11.1.5, where issuance of BIR 2307 is <u>upon Power Supplier's provision of the official receipt to MERALCO.</u>
160.		PSA	Article 11 Taxes, Fees and Costs; Section 11.1.3	Proposed revision and addition: ... (c) any applicable NGCP Power Delivery Service (PDS) Charges, <u>transmission fees, load imbalance charges and site-specific loss adjustments</u> , ancillary services charges, <u>and other similar charges and expenses</u> by NGCP for the supply of Contract Capacity and Associated Energy to Meralco. For clarity, any NGCP charges in relation to Power Supplier's import energy shall be for the account of Power Supplier <u>d. Other similar charges, fees and expenses, owing to or as billed by the Market Operator.</u>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. Section 11.1.3 only includes amounts that are directly billed by NGCP and/or Market Operator (MO) to MERALCO. Other NGCP and/or MO charges, fees, and expenses shall be for the account of Power Supplier.
161.		PSA	Article 11.2 Charges Due to Material Adverse Government Action	Propose to consider Material Adverse Government Action as an Event of Force Majeure, consistent with the definition in the PSA. Suggest deletion of this portion Article 11.	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The concepts of MAGA and Force Majeure are distinct and treated differently pursuant to the PSA. Force Majeure renders the obligation impossible to perform, while MAGA is limited to modification/change in Law or Directive by a Governmental Instrumentality that affects financial condition of the Parties. The disapproval of an adjustment by reason of MAGA is not considered as an Event of Force Majeure as Power Supplier is entitled to specific reliefs under Section 11.2(a) last paragraph in case of ERC's denial, in whole or in part, of an Application for Price Adjustment by reason of MAGA. The imposition of liquidated damages is to cover MERALCO's exposure due to termination of the PSA as result of denial by ERC/Government Instrumentality of the existence of a MAGA.
162.		PSA	Article 12 Covenants 12.2 ERC Application; Section 12.1.1	Suggest to revise and adopt the acceptable timeline of MERALCO in page 7 in the INSTRUCTIONS TO PROSPECTIVE BIDDERS ("IPB"), as follows: 12.1.1 Within <i>five (5) Days after receipt from Power Supplier of the documents set forth in Appendix B (or such other period agreed upon by the Parties)</i> thirty (30) days from the signing and execution of the PSA, the Parties shall jointly file with the ERC the necessary application for the approval of this Agreement (the "ERC Application")	As relayed by MERALCO to the BAC-PSA, the bidder appears to be referring to Section 12.2.1 of the PSA and not Section 12.1.1. In any case, the timelines are aligned. The 5-day period is subsumed in the prescribed period to file the PSA.
163.		PSA	12.2.2 ERC Application	- Is the 10% per month forfeiture under 12.2.2 subject to an aggregate cap? - Does "failure to comply with any order or directive of the ERC" require materiality or fault?	As relayed by MERALCO to the BAC-PSA, there is no cap, aggregated or otherwise, on the 10% forfeiture of Bid Security. For as long as Power Supplier's failure to comply with any order or directive of the ERC or provide any document required by the ERC results in delay in ERC Approval,
164.		PSA	12.3 ERC Approval 12.3.2 In case of Power Supplier's non-acceptance, it	Propose to revise as follows" 12.3.2 In case of Power Supplier's non-acceptance, it has the following options: (i) Power Supplier shall be free to file a motion for reconsideration with the ERC. In case Power Supplier decides to file a motion for reconsideration, and pending resolution thereof	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The PSA is not suspended while the motion is pending. Under Rule 23, Section 3 of the ERC's Rules of Practice and Procedure, the filing of the motion shall not prevent the order or decision from becoming executory.

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
			has the following options:	by the ERC, <u>Seller shall not be obligated to supply and/or cause the supply of the Contract Capacity to Buyer and Buyer shall not be obligated to accept delivery of the Contract Capacity</u> . Any order on a motion for reconsideration shall be treated as an ERC Approval for purposes of the processes under this Section 12.2. If the ERC Approval requires any amendment to or modification of any provision of this Agreement that is not acceptable to either Party, acting reasonably, then the Parties shall cooperate in good faith to resolve the required amendment, including seeking a reconsideration by the ERC...	
165.		PSA	12.3 ERC Approval 12.3.2 In case of Power Supplier's non-acceptance, it has the following options:	Consistent with the intention to file an MR in our comment in Section 12.3.2, suggest deletion of item (ii)	<i>(see response immediately preceding above)</i>
166.		PSA	12.3.2 ERC Approval	Please confirm the 25% forfeiture under 12.3.2(ii) does not apply where the ERC Approval materially modifies the pricing structure.	As relayed by MERALCO to the BAC-PSA, there is no qualification as to the 25% forfeiture.
167.		PSA	12.3 ERC Approval 12.3.3 The Acceptance Date shall be considered as having occurred:	Suggest to revise to include Power Supplier's receipt of the ERC Approval since both Meralco and Power Supplier are joint applicants to the ERC. The Acceptance Date should take into account Power Supplier's receipt of the ERC Approval. "(c) on the Business Day immediately after both Meralco and Power Supplier's shall have received the ERC Approval xxx"	As relayed by MERALCO to the BAC-PSA, it is not amenable with the proposed revision. If the ERC Approval does not contain any adjustment or modification, the ERC approval shall be (i) deemed accepted by Power Supplier and (ii) implemented by the Parties immediately.
168.		PSA	12.3 ERC Approval 12.3.3 The Acceptance Date shall be considered as having occurred:	Suggest to revise to include Power Supplier's receipt of the ERC Approval since both Meralco and Power Supplier are joint applicants to the ERC. The Acceptance Date should take into account Power Supplier's receipt of the ERC Approval. "(c) on the Business Day immediately after both Meralco and Power Supplier's shall have received the ERC Approval xxx"	<i>(see response immediately preceding above)</i>
169.		PSA	12.4 Replacement of Plant O&M Contractor	We propose deleting this provision. The disclosure of specific details regarding the Plant O&M Contractor is not necessary for the Buyer's power [sic] supply requirements..	As relayed by MERALCO to the BAC-PSA, Section 12.4 only specifies that the Power Supplier notify MERALCO of any change in its O&M Contractor. Power Supplier does not need to submit its detailed O&M contract to MERALCO.
170.		PSA	Article 13 Insurance; Sections 13.1 to 13.4	Power supplier should be free to manage its risk, including the securing of insurances, without having to be accountable to Meralco, as long as Power Supplier will fulfill its main obligation to supply Meralco per the PSA. Propose for the deletion of this portion, Article 13	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. The rationale for the insurance requirements is to ensure that in case of unforeseen, unexpected and fortuitous event that causes damage to the Power Supplier's Plant and/or machinery/equipment, the Power Supplier's ability to honor its obligations to Meralco under the PSA will not be hampered.
171.		PSA	15.2 Instances of Force Majeure	"Proposed addition: 15.3 Force Majeure shall not include, among other things: (i) Lack of funds for the performance of any obligation hereunder (ii) Fluctuations in the Peso-Dollar exchange rate (iii) Ordinary or extraordinary inflation"	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revisions. MERALCO does not see the need to specify these considering that lack of funds is not FM and ability of Party to make or not make payment is inherent in its respective businesses and, therefore, foreseeable. Related to this, bankruptcy, insolvency etc. may be a ground for Event of Default under Section 16. Fluctuations in the Peso-Dollar exchange rate and ordinary/extraordinary inflation are also not FM considering that the same are also inherent in business transactions, and, therefore, foreseeable.
172.		PSA	15.4 Notice of Force Majeure; Procedure	Propose revision: 15.6 Notice of Force Majeure; Procedure 15.6.1 As soon as possible following the occurrence of any Event of Force Majeure (or, if known in advance of the Event of Force Majeure, promptly upon such knowledge), if either Party desires to invoke such Event of Force Majeure as a cause to excuse or delay performance of any obligation (other than the payment of money) hereunder, it shall advise the other Party in writing of the date, nature and expected duration of such Event of Force Majeure; provided that, such notice must be sent: (a) by Power Supplier to Meralco immediately and in any event within twenty four (24) forty-eight (48) hours after	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. 24 hours is deemed a reasonable period to provide the notice.

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
				Power Supplier becomes aware of such Event of Force Majeure; or (b) by Meralco to Supplier as soon as reasonably possible and in any event within twenty-four (24) forty-eight (48) hours after Meralco becomes aware of such Event of Force Majeure.	
173.		PSA	16.2 Meralco Events of Default Article 16 Events of Default and Termination	We propose revising the curing period to sixty (60) days. The existing term exposes the power supplier to an undue financial risk, as the total exposure period in the event of non-payment under Section 16.2.f is thirty (30) days plus the 180-day curing period.	As relayed by MERALCO to the BAC-PSA, the Curing Period in Section 16.2 of 180 Days mirrors the Curing Period in 16.1 of the Power Supplier. For clarity, the 30 days (or 60 Days in the case of other events) is not in addition to the 180-day Curing Period but is subsumed there.
174.		PSA	Article 19 Assignment and Change of Control 19.1 Assignment	Proposed revision to mutualize: 19.1.1 Neither Party may assign this Agreement, in whole or part, without the prior written consent of the other Party (which consent shall not be unreasonably withheld); provided, however, that: (b) In the case of Meralco, <u>with prior written consent of Power Supplier (which consent shall not be unreasonably withheld or delayed)</u> , Meralco may assign, transfer, designate, delegate or allocate (as determined by Meralco) such portion of Contract Capacity and Associated Energy in accordance with Section 8.1 of this Agreement; <i>--- We note that with the reduction of MERALCO's Contract Capacity and Associated Energy due to reasons mentioned in Section 8.1, (a) MERALCO's generation cost from the PSA will not increase; and (b) transferring the same Contract Capacity and Associated Energy to another entity will not have any effect on MERALCO's generation cost.</i> <i>-- With the Power Supplier having no control on the assignment, there is a risk by the Power Supplier to be contractually obligated to another entity that would not have been acceptable to the Power Supplier for various reasons, including financial risks. Since MERALCO no longer has any need of the capacity and associated energy, we request that the Power Supplier would have the choice to assign or sell as it sees fit.</i>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision to mutualize and require Power Supplier's written consent prior to MERALCO's transfer of the Contract Capacity and Associated Energy pursuant to implementation of Article 8.1, which results from a reduction in the demand of MERALCO's captive customers. Any such act of MERALCO to assign, transfer, designate, delegate or allocate portion of the Contract Capacity and Associated Energy does not need counterparty consent as done as a result of reduction in the demand of MERALCO's captive customers and pursuant to MERALCO's least cost mandate. The ERC's CSP Guidelines only requires prior written consent in case of assignment when it is the Power Supplier that assigns pursuant to Section 19.1.1(a) of the PSA template. Further, the ERC PSA template under the ERC's CSP Guidelines (as reflected in the PSA template) does not require prior consent to effect the reduction of contract capacity pursuant to implementation of Article 8.1 of the PSA. It necessarily follows that assignment by reason of such reduction does not require Power Supplier's written consent. In addition, Power Supplier is kept whole as the capacity is merely assigned.
175.		PSA	20.16 Independent Engineer	Before power plant suppliers are permitted to operate, they are obligated to successfully complete testing administered by the ERC and secure a COC/PAO. Given these existing requirements, could you please clarify the basis for mandating an Independent Engineer?	As relayed by MERALCO to the BAC-PSA, MERALCO wants to ensure that the Nominated Plant of the Winning Power Supplier is capable of delivering its Contracted Capacity and its Associated Energy in accordance to the Performance Guarantees of the Plant as certified by an Independent Engineer.
176.		PSA	Appendix B	Please confirm that Appendix K,Part B is only applicable to coal power plants.	As relayed by MERALCO to the BAC-PSA, if Bidder is referring to Appendix B, it is applicable to all power plants and bidders can provide information that are applicable to them. For Appendix K, Part B specifically the Net Plant Heat Rate Test is only applicable to those Bidders that have a Nominated Power Plant/s that burn any fuel to produce electrical energy.
177.		PSA	Appendix E CALCULATION OF PAYMENT	May we confirm that the LRAP adjustment be one billing period delayed considering timeline to provide invoice and IEMOP's provision of the WESM data? The WESM data for LR charges may not be available during the invoice preparation for the same month.	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with this proposal considering that MERALCO wants any deduction due to the LRAP be immediately reflected to its customers' generation charge. Due to this, Appendix I, Section 2.1 shall now be revised to "Any Invoice rendered by Power Supplier to Meralco pursuant to Article 11 of this Agreement shall be rendered in the first instance in the form of a provisional invoice (the " Provisional Invoice "). Power Supplier shall deliver the Provisional Invoice to Meralco no later than the last Day of the calendar month ten (10) Days after the end of the Billing Period provided that both Parties discuss and validate the billing amounts prior to the issuance of the Provisional Invoice." Appendix I, Section 3 shall also be revised to: "On the fifteenth (15th) Business Day of the immediately succeeding month Not later than twenty-one (21) Days after the end of the Billing Period, Power Supplier shall provide Meralco with a Final Invoice for such Billing

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>Period, in the same format as the Provisional Invoice (the "Final Invoice"); provided that the Final Invoice shall reflect any corrections or adjustments agreed to by the Parties."</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting this amendment to the PSA template.</p>
178.		PSA	Appendix G INVOICING AND PAYMENT PROCEDURES	<p>4 Payment Date</p> <p>Notwithstanding any provision in the Agreement to the contrary, if a Party fails to pay any amount due under this Agreement in accordance with the terms of this Agreement, <u>a daily interest, at a rate of twelve percent (12%) per annum, computed on a 360-Day basis</u> shall apply on the outstanding amount, computed from the due date until full payment is received by the Party entitled thereto.</p>	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposal. This penalty is applicable to both parties and the 200 bps is a reasonable penalty for late payment in our view as backed by MERALCO's investment grade credit rating.
179.		PSA	Appendix G - INVOICING AND PAYMENT PROCEDURES	Considering that the Parties are required to discuss and validate the amounts prior to the issuance of the Provisional Invoice, we recommend removing the requirement [sic] of a separate Provisional Invoice . Since reconciliation is completed upfront, issuing a single Final Invoice after validation may be more efficient while still meeting the intent of mutual agreement on billable amounts.	As relayed by MERALCO to the BAC-PSA, MERALCO requires the Generator to submit a Provisional Invoice not later than the last day of the calendar month of the billing period, which shall serve as the basis for the computation of the generation charges to be billed to End Users. Notwithstanding the foregoing, in the event that the Generator is able to issue the Final Invoice within the same period, the submission of a Provisional Invoice shall no longer be required, and MERALCO shall utilize the Final Invoice for purposes of billing and related computations.
180.		PSA	Appendix G - INVOICING AND PAYMENT PROCEDURES	We propose to remove the check as a mode of payment in cases where the Power Supplier [sic] is responsible for its pick-up and deposit process to our account.	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposal. The check as mode of payment is only one of the payment options.
181.		PSA	Appendix G - INVOICING AND PAYMENT PROCEDURES	For now, issuance of receipts corresponding to the customer's payment date may take more time. We propose for the provision of the official receipt to be seven (7) business days from date of payment considering process of the receipt generation and automatic issuance process.	<p>As relayed by MERALCO to the BAC-PSA, this question seems to refer to Appendix I – INVOICING AND PAYMENT PROCEDURES, item 6 and the proposal is well taken provided other safeguards will be implemented for MERALCO's protection. As such, the provision will be amended to read as follows:</p> <p>6 Receipt</p> <p>Power Supplier shall issue to Meralco an acknowledgement receipt, official receipt or collection receipt to Meralco acknowledging receipt of any payment hereunder within three (3) seven (7) business days of such payment; <u>provided, however, that where any applicable law, regulation, or governmental action requires issuance within a shorter period, Power Supplier shall comply with such shorter period.</u></p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting this amendment to the PSA template.</p>
182.		PSA	Appendix K Part A	We suggest using the ERC-issued COC/PAO as the basis for the Net Dependable Capacity, as it outlines [sic] the net dependable capacity of the power plant.	As relayed by MERALCO to the BAC-PSA, values in Appendix K should reflect the results of tests and do not necessarily mean that these are equivalent to the ERC-issued COC/PAO.
183.		PSA - Force Majeure	15.3.1	<p>As soon as practicable from time to time during the Event of Force Majeure, and also within five (5) Days following the termination of the then-known effects of such Event of Force Majeure, the Party having invoked such Event of Force Majeure shall submit to the other Party reasonable proof of such Event of Force Majeure and its effect upon such Party's performance of its obligations under this Agreement.</p> <p>Question: The provision requires reasonable proof from a third party or the source of the Force Majeure event. In cases where such documentation cannot be obtained within five (5) days due to delays by the third party, would it be possible to waive or extend the five-day submission requirement? Alternatively, would an initial submission (e.g., system-</p>	As relayed by MERALCO to the BAC-PSA, the 5-day period will not be waived.

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					
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				generated notifications or preliminary reports) be acceptable, subject to the subsequent submission of the formal third-party documentation once it becomes available?	
184.		PSA - Outages	8.1.3	<p>"Power Supplier shall reimburse MERALCO the difference between (i) WESM price and (ii) the Price as specified in Appendix E, plus all relevant transaction cost and taxes"</p> <p>Question: What is the timeline for MERALCO to submit its reimbursement and Power supplier to reimburse for the difference between the (i) WESM price and (ii) the Price, plus all relevant transaction cost and taxes?</p>	As relayed by MERALCO to the BAC-PSA, MERALCO will seek reimbursement from Power Supplier at the end of the relevant Billing Period and shall form part of the Power Supplier's Monthly Power Bill to MERALCO.
185.		PSA-Definition	Material Adverse Government Action	<p>The provision states that a Party is deemed to have suffered serious damage or a material and adverse effect on its financial condition if the cost impact exceeds ten percent (10%) of the Annual Capacity Payment.</p> <p>Question: What is the basis or rationale for establishing the ten percent (10%) threshold as the criterion for determining serious damage or a material and adverse effect on a Party's financial condition? Additionally, how will this threshold be assessed or substantiated in practice?</p>	<p>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.</p> <p>The rationale is to provide a measure on when to deem a government action to be materially adverse, 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.</p>
186.		PSA	Material Adverse Government Action/ Article 11.2.2(a) 3rd paragraph and 11.2.2(b)	<p>The PSA provides that a Material Adverse Government Action (MAGA) may justify termination only when the Power Supplier has actually incurred costs exceeding thirty percent (30%) of the Annual Capacity Payment.</p> <p>Question: What documentary evidence or methodology will be required to demonstrate that the cumulative cost impact of a MAGA has exceeded the thirty percent (30%) threshold? In particular, how will such costs be measured, verified, and determined for purposes of establishing the Power Supplier's right to terminate the PSA?</p>	As relayed by MERALCO to the BAC-PSA, for the proof, the Power Supplier can show substantiation/ calculation of actual or future losses (certified and notarized) explaining how the government action affects costs or resulted in losses or if there is actual losses equivalent to the amount, Power Supplier may also provide their financial statement showing such losses.
187.		Section 5.5.1 of PSA template	Page 20 of PSA template	<p>"5.5 Compliance with RPS Rules 5.5.1 Subject to the rules on renewable portfolio standards pursuant to the Renewable Energy law (the "RPS Rules"), the Parties acknowledge and agree that all RECs attributed to the Associated Energy and/or Replacement Power shall be allocated to Meralco. For clarity, this provision shall apply only to the portion of the Associated Energy and/or Replacement Power sourced by Power Supplier from an eligible renewable energy facility, as defined in the RPS Rules."</p> <p>Please confirm that this is only applicable if Winning Bidder sources power from an RE source.</p>	As relayed by MERALCO to the BAC-PSA, yes, this is applicable only when Power Supplier sources power for an RE source.
188.		PSA - Article 8 Outages	Page 23	<p>Please confirm if Full Load Equivalent Force Outage Allowance Days should not exceed allowable planned outages for similar plant technology under relevant ERC Resolution OR should not exceed allowable <u>unplanned</u> outages for similar plant technology under relevant ERC Resolution?</p> <p>Article 8 Outages</p> <p>8.1 Outage Allowances and Replacement Power</p> <p>8.1.1 After Operations Effective Date, Power Supplier shall be allowed Scheduled Outages not exceeding [as indicated in Bid, which shall not exceed allowable planned outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days ("Full Load Equivalent Schedule Outage Allowance Days") and Forced Outages not exceeding [as indicated in Bid, which shall not exceed allowable planned outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days ("Full Load Equivalent Forced Outage Allowance Days") each Contract Year; provided that, a Forced Outage may only be counted towards the Full Load Equivalent Forced Outage Allowance Days upon provision by Power Supplier to Meralco of a copy of the acknowledgment letter from the System Operator or report from the Market Operator that a Forced Outage has occurred.</p>	<p>As relayed by MERALCO to the BAC-PSA, Article 8, Section 8.1.1 shall be revised to:</p> <p>"After Operations Effective Date, Power Supplier shall be allowed Scheduled Outages not exceeding [as indicated in Bid, which shall not exceed allowable planned outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days ("Full Load Equivalent Schedule Outage Allowance Days") and Forced Outages not exceeding [as indicated in Bid, which shall not exceed allowable <u>unplanned</u> outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days;"</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting this amendment to the PSA template.</p>
189.		Sec. 13.1 of the PSA template	Page 35-36 of the PSA template	Is the Winning Bidder bound to secure marine insurance, builder's risk insurance, general liability insurance, automobile insurance and workers compensation insurance as provided in Section 13.1 of the PSA template?	As relayed by MERALCO to the BAC-PSA, yes, the Winning Power Supplier shall procure and maintain the insurance required in Section 13.1 of the PSA template, where scope, coverage limits and other requirements are also provided.
190.		Section 15. 2 of the PSA Template	Page 38 of the PSA Template	We suggest deletion of the qualification "occurring in or directly affecting the Philippines" as there may be wars in other countries that, although impact may be indirect, may have	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision considering that the portion of the provision sought to be deleted is prescribed in the ERC PSA Template under the ERC CSP Guidelines (Section 6.1.3).

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					
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				adverse impact on the parties and the performance of their respective obligations in the PSA. 15.2 Instances of Force Majeure Subject to the provisions of Section 15.1 and Section 15.6, Events of Force Majeure shall include, but not be limited to: (a) acts of war or the public enemy, whether war is declared or not, occurring in or directly affecting the Philippines; xxx (c) public disorders, civil disturbance, insurrection, rebellion, acts or campaigns of terrorism, piracy, embargo, sabotage, blockade, revolution, riots or violent demonstrations, occurring in or directly affecting the Philippines;	
191.		PSA template	Section 20.7 Amendment	Please include this as 2 nd Paragraph: "However, amendments relating to a change in a Party's address, contact details, or contact persons shall not require prior approval of the ERC."	As relayed by MERALCO to the BAC-PSA, change in Party's address, contact details, or contact persons shall not require prior approval of the ERC as these are not substantial amendments. However, as relayed by MERALCO, it does not see any need for revision of the provision considering that the provision already states that only "any substantial amendments or modifications shall require prior approval of the ERC."
192.		PSA Template	Section 20.3.1 (Confidentiality), page 56	Please consider adding the underlined clause below: "xxx, except for a bona fide disclosure to independent legal advisors and to the ERC in view of an ERC Application <u>or any other application involving the Plant or the PSA</u> , such Party intending to make a disclosure of Confidential Information shall first have obtained an agreement in writing pursuant to which the person or entity to which Confidential Information is proposed to be disclosed agrees not to disclose the relevant Confidential Information to any other person xxx"	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable with the proposed revision. We suggest that bidder check if the situation contemplated by bidder may already be covered by disclosure to Government Instrumentality pursuant to Legal Requirements or a stock exchange when required by it, and financial institutions, bona fide purchasers, insurers, and consultants and contractors whose duties reasonably require such disclosure.
193.		Pre-Bid Conference Open Forum		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	As relayed by MERALCO to the BAC-PSA, MERALCO is not amenable to the proposed revision. Consistent with its previous CSPs involving a two-part tariff structure, MERALCO has adopted the latest available thirty-six (36) months of actual price data. Further, the TOR has already undergone review by the DOE and PCC, and any change to the prescribed fuel price indices and reference period would require further regulatory review. Accordingly, the current TOR provision on this matter shall be retained.
194.		Pre-Bid Conference Open Forum		Question 1: Proof that, as a general rule, the Bidder or any of its direct shareholders with Controlling interest, Affiliate or Ultimate Parent, has, in the reasonable opinion of the BAC-PSA, satisfactorily undertaken the development, construction, and/or operation or maintenance of, as a general rule - Can GIS and Sec Cert acceptable to submit to satisfy these requirements?	The BAC-PSA will check the diagram of corporate structure, GIS, and other documents attached in Annex QD-2 <i>vis-à-vis</i> the submitted ERC's COC / PAO for the Reference Plant.
195.		Pre-Bid Conference Open Forum		Question 2: single power plant of at least 100 MW (net) installed Capacity (firm, dispatchable and has attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations) - WILL GCMR suffice?	Yes, as provided in Section 3.1.4 (c) of the IPB, which reads: "(c) In respect of any Reference Plant, proof that the Reference Plant has attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations within the most recent twenty-four (24) month period of operations, through an official document [GCMR] of the Bidder's Reference Power Plant as submitted by the Bidder to the ERC , certified as a true copy by the corporate secretary, in which case it must be under oath and notarized. xxx"
196.		Pre-Bid Conference Open Forum		In the Invitation to Bid, Bid Price/Tariff Structure of Contract Price item "f. it says the Bidder shall use non-Renewable Energy (non-RE) source, the Bidder shall also submit a binding Guarantee" Please confirm that GNPHR is only applicable to non-RE. Consequently, Please clarify whether the GNPHR and degradation factor inputs in the Financial Workbook are exclusively applicable to non-RE technologies. Additionally, confirm if bidder using RE power plants like geothermal should input zero "0" for these cells.	If a Bidder will use an RE plant as its Nominated Plant, it shall input zero (0) as values in the required input cells of the Financial Evaluation Workbook (FEW) relating to the Fuel Cost component of the Tariff. This includes the number of Nominated Fuel Indices, the GNPHR Table, the Degradation Factor Table, and the Fuel Formula for each Contract Year. This is to ensure that the FEW will still calculate an LCOE while maintaining a zero Fuel Cost assumption.
197.		Pre-Bid Conference Open Forum		related to the GNPHR, PSA Appendix K, Part B, Net Plant Heat Rate, is only applicable to NON-RE?	Yes, the Guaranteed Net Plant Heat Rate is only applicable to those Bidders that have a Nominated Power Plant/s that burn any fuel to produce electrical energy . If a Bidder will not use any fuel on its Nominated Power Plant/s , it shall input zero (0) as values in the required input cells of the FEW relating to the Fuel Cost component of the Tariff. This includes the number of Nominated Fuel Indices, the GNPHR Table, the Degradation Factor

	PSA TEMPLATE-RELATED QUERIES/COMMENTS				
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					Table, and the Fuel Formula for each Contract Year. This is to ensure that the FEW will still calculate an LCOE while maintaining a zero Fuel Cost assumption.

AMENDMENTS TO THE POWER SUPPLY AGREEMENT (PSA) TEMPLATE

Item	Reference / Subject Matter of Amendment	Amendments
1	Section 7.4.4.	<p>[...]</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>[...]</p>
2	Section 8.1.1.	<p>[...]</p> <p>After Operations Effective Date, Power Supplier shall be allowed Scheduled Outages not exceeding [as indicated in Bid, which shall not exceed allowable planned outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days ("Full Load Equivalent Schedule Outage Allowance Days") and Forced Outages not exceeding [as indicated in Bid, which shall not exceed allowable <u>unplanned</u> outages for similar plant technology under relevant ERC Resolution] Full Load Equivalent Outage Days;</p> <p>[...]</p>
3	Appendix I, Section 2.1 Section 3 and Section 6	<p>[...]</p> <p>2 Provisional Invoice</p> <p>2.1 Any Invoice rendered by Power Supplier to Meralco pursuant to Article 11 of this Agreement shall be rendered in the first instance in the form of a provisional invoice (the "Provisional Invoice"). Power Supplier shall deliver the Provisional Invoice to Meralco no later than the last Day of the calendar month ten (10) Days after the end of the Billing Period provided that both Parties discuss and validate the billing amounts prior to the issuance of the Provisional Invoice.</p> <p>2.2 Within ten (10) Days after receipt of the Provisional Invoice, Meralco shall notify Power Supplier in writing of any questions or exceptions it may have with respect to the Provisional Invoice. Meralco and Power Supplier shall confer within three (3) Days thereafter to discuss and seek to resolve any discrepancies or disputes in the Provisional Invoice prior to the issuance of the Final Invoice.</p> <p>3 Final Invoice</p> <p>On the fifteenth (15th) Business Day of the immediately succeeding month Not later than twenty-one (21) Days after the end of the Billing Period, Power Supplier shall provide Meralco with a Final Invoice for such Billing Period, in the same format as the Provisional Invoice (the "Final Invoice"); provided that the Final Invoice shall reflect any corrections or adjustments agreed to by the Parties.</p>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>[...]</p> <p>6 Receipt</p> <p>Power Supplier shall issue to Meralco an acknowledgement receipt, official receipt or collection receipt to Meralco acknowledging receipt of any payment hereunder within three (3) <u>seven (7)</u> business days of such payment; <u>provided, however, that where any applicable law, regulation, or governmental action requires issuance within a shorter period, Power Supplier shall comply with such shorter period.</u></p> <p>[...]</p>