



BIDDING
CONTRACT CAPACITY OF 600 MW (NET), EFFECTIVE SEPTEMBER 2025

BID BULLETIN NO. 2
(8 July 2024)

To all Interested Bidders:

1. A matrix containing the set of advance queries for the Pre-Bid Conference that have been received by, and the corresponding responses of, the Meralco's BAC-PSA are set out in **ANNEX A**.
2. A matrix showing the amendments to the Bid Requirements, Instructions to Prospective Bidders (dated 11 June 2024) and 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
Chairman

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 600 MW (NET), EFFECTIVE SEPTEMBER 2025

FORMATTING/PROCEDURAL-RELATED QUERIES/COMMENTS					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
1.		Annex TP-1 Technical Proposal (Nominated Plant)	IPB p. 90	<p>"Required Attachments:</p> <p>XX</p> <p>2. <i>Technical characteristics of the Plant showing evidence of compliance to the technical requirements stated in the Invitation to Bid's Terms of Reference Table ("TOR Table") using the following format and duly signed by the Bidder's authorized representative:"</i></p> <p>May we confirm that Required Attachment No. 2 of Annex TP-1 following the format provided in the template can be submitted <u>as a separate document or file</u> from Annex TP-1?</p>	Yes, this will be allowed.
2.		IPB	Format of Submission	To clarify, each envelope must contain 3 USBs. For envelope 3, there will not be a separate USB for the Financial Workbook; it should already be included in the 3 taped USBs?	Yes, this is correct.
3.	QPL	Pre-Bid Conference Open Forum query		When does the BAC-PSA expect to release the Bid Bulletin 2 containing the response to the initial questions and amendments to the IPB and PSA template?	The BAC-PSA will endeavor to release the Bid Bulletin for the BAC-PSA's response to advance queries at least two (2) days before the 11 July 2024 deadline for bidders to submit comments.

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INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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4.		STATEMENT ON PROJECT COST AND FINANCING PLAN		This form is not applicable to power plants that are already in operation. Is a write-up required, or can the bidder simply omit submitting this form?	The Bidder can submit a write-up that the requirement is not applicable to it because its Nominated Plant is already in commercial operation.
5.		ANNEX QD-9A	Commitment Letter	[This form is not applicable to power plants that are already in operation. Is a write-up required, or can the bidder simply omit submitting this form?]	<i>See immediately preceding response above.</i>
6.		ANNEX QD-9B	Testimonial	[This form is not applicable to power plants that are already in operation. Is a write-up required, or can the bidder simply omit submitting this form?]	<i>See immediately preceding response above.</i>
7.		IPB	3.1.6	The plant is already operational and Annex QD-9, QD-9A, and QD-9B are no longer applicable. Can the bidder submit a write-up of non-applicability?	<i>See immediately preceding response above.</i>
8.		IPB	3.1.6 (a-b), page 28	<p>3.1.6 Details of the Project Cost and the proposed financing plan, specifically indicating the portion of the Project Cost to be financed by equity and by debt, using the form in Annex QD-9, with the following attachments:</p> <p>(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-9A, and signed by the Chief Financial Officer, Treasurer or equivalent officer of the relevant shareholders of the Bidder; and</p> <p>(b) Testimonial from one or more debt providers or arrangers, for the amount of the Project Cost that will be funded through debt to be obtained either by the Bidder directly or through any of its direct shareholders representing Controlling interest, Affiliates or Ultimate</p>	<i>See immediately preceding response above.</i>

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				Parent, using the form in Annex QD-9B, if applicable. Would this be applicable to New Plants only?	
9.		Annex QD-9 Details of Project Cost and Proposed Financing Plan IPB	3.1.6	For Annex QD-9 and its required attachments (Annex QD-9A and Annex QD-9B), please confirm that Interested Bidders that will nominate existing plants that are already in commercial operations (i) no longer need to submit this requirement and (ii) shall only be required to submit an explanation or write-up of non-applicability of the requirement.	<i>See immediately preceding response above.</i>
10.		IPB	3.2 (i)	Performance Fuel meaning "Design Fuel" by the original EPC? What if the labeled "Performance Fuel" has now changed (i.e., deviated from the Design Fuel)? s	<p>We note that the Bidder asking this question submitted an Expression of Interest ("EOI") nominating a power plant that is already in commercial operations.</p> <p>This Sec. 3.2 (i) requirement need not be submitted if the Bidder's Nominated Plant is already in commercial operations following Sec. 3.2 (q) of the IPB.</p> <p>However, Annex TP-2 (Performance Guarantees) will still be required. Thus, the Bid Requirements and Sec. 3.2 (q) will be amended to read as follows:</p> <p>Bid Requirements:</p> <p>"(r) If the Nominated Plant is already in commercial operation, items (c) to (m) above will not be required, instead, Bidder must submit <u>a certified statement that the Nominated Plant is capable of operating consistent with the Performance Guarantees in Annex TP-2 and</u> the Nominated Plant's: xxx"</p> <p>IPB:</p> <p>"(q) If the Nominated Plant is already in commercial operation, items (b) to (o) above will not be required, instead, Bidder must submit <u>a certified statement that the Nominated Plant is</u></p>

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					<p><u>capable of operating consistent with the Performance Guarantees in Annex TP-2 and</u> the Nominated Plant's:</p> <p>1. 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;</p> <p>2. 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;</p> <p>3. 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</p> <p>3. Valid 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> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the Bid Requirements and IPB.</p>
11.		IPB	3.2 (q), page 31	(q) If the Nominated Plant is already in commercial operation, items (b) to (o) above will not be required, instead, Bidder must submit	<i>See immediately preceding response above.</i>

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				the Nominated Plant's Please confirm that should the Nominated Plant is already in commercial operation, Annex TP-2 (i), is not required?	
12.		Bid Requirements – Technical Proposal Technical Proposal / IPB	Technical Proposal Page 14 Section 3.2 [Technical Proposal] Pages 29-31 Annex TP-1 Pages 90-95	The list of document submissions for the Technical Proposal in case the Nominated Plant is already in commercial operation, provided in the Bid Requirements, Section 3.2 of the IPB, and Annex TP-1 are inconsistent. <u>Please confirm that Section 3.2 of the IPB reflects the controlling list of document submissions to be provided for Nominated Plants that are already in commercial operation</u> in view of Section 2.1(d)(ii) of the IPB notwithstanding the provisions of the Bid Requirements.	Yes, please refer to Sec. 3.2 (q), as amended (<i>see response immediately above</i>).
13.		Technical Proposal / IPB	Section 3.2(m) [Technical Proposal] Page 31	Please confirm <u>if the Connection Agreement executed with NGCP</u> can be submitted by a Bidder with a Nominated Plant that is already in commercial operations <u>in lieu of the GIS/SIS</u> .	We note that the Bidder asking this question re Sec. 3.2. (m) submitted an Expression of Interest ("EOI") nominating a power plant that is already in commercial operations. This Sec. 3.2 (i) requirement need not be submitted if the Bidder's Nominated Plant is already in commercial operations - see Sec. 3.2 (q), as amended (<i>see response immediately above</i>). Under Sec. 3.2 (q), item (3), yes, the submission of a "[v]alid Transmission Service Agreement (TSA) or, if embedded, a Distribution Wheeling Service Agreement (DWSA), xxx" is required.
14.		Bid Requirements	Clause 3(b) [Financial	Based on the Bid Requirements, the details of the costs of the project and the proposed financing plan are only required to be provided if the	This is an inadvertence that it was not mentioned in Sec. 3.1.6 of the IPB. This section will be amended to read as follows:

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		- Qualification Documents Qualification Documents / IPB	Qualification Requirements] Page 14 Section 3.1.6 Page 28 Annex QD-9 Pages 85-89	Nominated Plant is not yet in commercial operation. However, Section 3.1.6 of the IPB does not make such distinction. <u>Please confirm that the requirement to submit details of the Project Cost and the proposed financing plan using the form Annex QD-9 and its attachments are only applicable if the Nominated Plant is not yet in commercial operations.</u> <u>Accordingly, a Bidder whose Nominated Plant is already operational need not submit details of its Project Cost and the proposed financing plan, as well as Annex QD-9, Annex QD-9A, and Annex QD-9B.</u>	"3.1.6 <u>If the Nominated Plant is not yet in commercial operation,</u> details of the Project Cost and the proposed financing plan, specifically indicating the portion of the Project Cost to be financed by equity and by debt, using the form in Annex QD-9, with the following attachments: xxx" Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the IPB. Yes, "a Bidder whose Nominated Plant is already operational need not submit details of its Project Cost and the proposed financing plan, as well as Annex QD-9, Annex QD-9A, and Annex QD-9B."
15.		Attachments to Annex TP-1 not applicable to Plants in Commercial Operations IPB	Annex TP-1 IPB Section 3.2	1. May we confirm if Bidders with nominated plants in commercial operations need to submit the BOI Certificate of Registration (<i>Item 14 in Annex TP-1 and Item (p) in Section 3.2</i>), if available? Based on Annex TP-1, plants in commercial operation are not required to submit the Items 1 to 14. However, in Section 3.2 (q) this document is not included in the list of Not Applicable Documents. May we confirm that Annex TP-2, which is discussed and required under IPB Section 3.2 (g) and (i) are requirements not applicable to plants in commercial operations based on the list provided in IPB 3.2 (q)?	If the Nominated Plant is already in commercial operations, the BOI Certificate of Registration is not required to be submitted. The details of project execution (Sec. 3.2 [g]) is also not required. However, pursuant to the amendment (<i>see response immediately above</i>), Sec. 3.2. (i) (Performance Guarantees, Annex TP-2) will be required to be submitted.
16.		TOR	Bid Price/Tariff Structure	For evaluation purposes or during submission, due to the voluminous documents required to comply with this requirement, can the bidder submit a computation with a narrative stating the actual non-fuel costs? Then, during implementation or post-qualification, the winning bidder can submit these invoices. Our concern is that the limited time available for bidders to prepare and the volume of documents required for submission may create constraints, making it difficult to complete the requirements on time.	As stated in Section 3.3 (g) of the IPB, all non-fuel costs values that will be included in the Fuel Formula of the FEW should have supporting and source documents in order for the BAC-PSA to validate the provided values. Failure to provide these supporting documents shall make the submitted non-fuel costs values in the Fuel Formula of the FEW binding to the Bidder and shall serve as a cap during implementation (i.e. Bidder cannot pass-through the actual value of the non-fuel costs). Once the Bidder have included the actual values of these non-fuel costs for the period April 2021 to March 2024 in the Fuel Formula

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					of the FEW (with supporting source documents), then it can be recovered as an actual pass-through cost during implementation. If such actual values are not available, Bidder must provide a value that shall be binding during implementation, otherwise, the non-fuel commodity costs cannot be passed on to consumers.
17.		IPB	General Question	Can the bidder also change its Authorized Representatives by July 26, 2024, supported by new EOI?	This request will be allowed.
18.		IPB	3.1.5 (b)	Please clarify the period covered by the most recent quarterly financial statements. If the submission is in August, the bidder will only need to submit the QFS for the April to June period?	Yes, this is correct.
19.		IPB	Technical Proposal 3.2	From August 26, 2025 and for the duration of the PSA, no capacity and electrical output within the Contract Capacity shall be contracted under an agreement apart from the resulting PSA of the Bidding; provided that, if Bidder's plant is contracted, Bidder must be able to terminate such agreement on or before the OED to fulfill requirements under the resulting PSA. Question: Is the Annex QD-5 (CERTIFICATION THAT NOMINATED PLANT IS UNCONTRACTED) intended for this requirement?	Yes, this is correct.
20.		IPB	Technical Proposal 3.2 (r) 1.	If the plant's COC is currently in the renewal process, can the bidder submit proof of submission to the ERC? What other requirements can the bidder submit to be compliant?	If the COCs/PAOs, which were automatically extended until 2024 by virtue of ERC Res. 17, Series of 2023, must be accompanied by the pending application for renewal of the COC/PAO and the original COC/PAO.
21.		IPB	Bid Price and Security	Can the bidder assume a higher Bid Security without being subject to NC or DQ?	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]. "

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					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.
22.		Bid Security	IPB Section 3.3 (b)	Please confirm that the prescribed amount of the Bid Security in the IPB is only the minimum acceptable level; and Meralco and/or BAC will allow bidders to submit Bid Security higher than the prescribed amount.	<i>See immediately preceding response above.</i>
23.		IPB	Technical Proposal 3.2 (r) 3.	Is a redacted Fuel Supply Agreement acceptable?	<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 the period directed by the BAC-PSA. Failure of which, the Bidders' submission will be deemed incomplete and non-compliant.</p>
24.		IPB	3.2 (q) 3 Technical Proposal	Will the BAC permit the submission of a redacted fuel supply agreement?	<i>See immediately preceding response above.</i>
25.		IPB	3.1.4 (g)	<p>Does the FSA have to be valid within the term of the proposed power supply or any existing FSA will do?</p> <p>Assume Meralco will accept a redacted FSA as terms will be confidential between parties in the contract?</p> <p>Is the submission of a Fuel Procurement Plan an option, meaning bidder may submit even if the plant has an existing FSA?</p>	<p>Sec. 3.1.4 (g) refers to the FSA of the Bidder's Reference Plant, and not for the proposed power supply of its Nominated Plant. Thus, the FSA should refer to the FSA that is currently (or was) utilized by the Bidder's Reference Plant.</p> <p>(see response immediately above re redacted items in the FSA to be submitted)</p> <p>Sec. 3.1.4 (g) states: "(g) If applicable, the Reference Plant's valid Fuel Supply Agreement, if available, otherwise a Fuel Procurement Plan containing xxx". Thus, if a valid FSA for the Reference Plant is</p>

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					available, it should be submitted and the Bidder should not elect to submit a Fuel Procurement Plan.
26.		Bid Price / IPB	Section 3.3(d) [Financial Evaluation Workbook] Financial Evaluation Workbook Input_Base Values C17	The unit used for the "Capacity of Smallest Unit" is "MW (gross)." <u>Please clarify if this should read as "MW (net)" similar to cell C8</u> which indicates net.	No. Cell C8 refers to the capacity of the Plant's smallest Unit in MW (gross).
27.		Bid Price / IPB	Section 3.3(d) [Financial Evaluation Workbook] Financial Evaluation Workbook Input_HistoricalValues	Letter (e) (iv) of the Bid Price/Tariff Structure of Contract Price of Invitation to Bid requires the Bidder to indicate the actual costs of the other non-fuel items for the period of April 2021 to March 2024, when available, for evaluation purposes. However, the Financial Evaluation Workbook does not provide input cells for the other non-fuel items. <u>Please confirm the other non-fuel items should be included in the Fuel Formula in cells C8:Q8.</u>	Yes, other non-fuel items shall be included in the Fuel Formula in cells C8 to Q8.
28.		Bid Price / IPB	Section 3.3(d) [Financial Evaluation Workbook]	Could the Fuel Formula differ year-on-year? Example: Year 1 – Nominated Fuel Index 1 + Premium 1; Year 2 – Nominated Fuel Index 1 + Premium 2; Year 3 – Fixed \$/MMBtu (no index); Year 4 – Nominated Fuel Index 2 + Premium 3; Year 5 – Nominated Fuel Index 2 + Premium 4;	Yes, the Fuel Formula can be different on a year-on-year basis.

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			Financial Evaluation Workbook Input_FuelFormula C8:Q8	Year 6 – Fixed \$/MMBtu (no index); Etc.	
29.		Bidding / IPB	Section 2.5 [Ownership of Documents] Section 2.6 [Confidentiality] Pages 17-18	All documents submitted by the Bidders should be used only for purposes of the Bidding and should remain confidential. Prior written notice of any disclosure to courts and governmental agencies in relation to any inquiry, case or proceeding in which MERALCO may be subject should at least be given to the Bidders.	We are not amenable to the proposed change. By participating in the bidding, the bidders should understand that there is a reasonable expectation that their Bid Submissions may not be kept in strict confidence, to adhere to the mandate of conducting CSPs in an open and transparent manner. Most submissions required from Bidders are publicly-available information and/or information that can be culled from public records, or submissions to, or documents filed with, competent authorities. Should a Confidential Information however constitute a trade secret requiring longer period of protection, the Bidder may request the BAC-PSA to extend the confidentiality period; but said request shall be decided on a case-to-case basis, at the sole and exclusive discretion of the BAC-PSA, and the Bidder has to specifically point which among its Document Submissions constitute trade secret, and prove that the same is indeed a trade secret that requires to be kept in confidence for a longer period than what is provided in the IPB. At this point, it is worthy to point out that Meralco and the BAC-PSA maintains that it has always recognized, respected and secured the confidentiality treatment of a power supplier's financial proposal/model/structure (i.e. contents of Envelope 3-Bid Price & Bid Security and any Fuel Supply Agreement) such that even if it is directed or asked to participate in an inquiry, case, or proceeding conducted by a court or governmental agency of the Philippines, Meralco makes the appropriate motion or request for confidential treatment of the said documents upon submission to the said court or governmental agency.

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30.		Document Submissions / IPB	Section 3.1 [Document Submissions] Pages 23-32	<p>Certain Annexes are required to be executed by the authorized representative of the Bidder and others do not specifically indicate the person required to execute the form on behalf of the Bidder [e.g. Annex QD-5 provides for the designation of the person executing the form but the signature block provides for <i>Signature of Authorized Representative</i>.</p> <p>The term authorized representative is also not defined in the IPB.</p> <p><u>Please confirm if (a) the authorized representative refers to the person designated as authorized representative in Annex QD-1A, (b) more than one (1) authorized representative can be designated in Annex QD-1A to represent the Bidder, and (c) such authorized representative/s shall be the person/s required to execute the relevant forms (unless otherwise specified to be executed by the corporate secretary).</u></p>	Yes, this is correct/confirmed.
31.		Qualification Documents / IPB	Section 3.1.2 [Company Information] Page 24 Annex QD-2, Section 3 Page 65	<p>Annex QD-2, Section 3, provides that "<i>If applicable, information on Beneficial Owners who own more than 5% Beneficial Interest</i>".</p> <p>The terms Beneficial Owners and Beneficial Interest have not been defined in the IPB. <u>Please clarify applicability of the required disclosures to partnerships and definition of Beneficial Owners and Beneficial Interest in this context.</u></p>	"Beneficial owner" shall refer to the natural person or persons who ultimately owns or controls or exercises ultimate effective control over an entity, as defined and required to be disclosed in the General Information Sheet (GIS) of the Bidder pursuant to SEC Memorandum Circular No. 15, Series of 2019 (Amendment of SEC Memorandum Circular No. 17, Series of 2018 on the Revision of the GIS for Domestic Corporations to Include Beneficial Ownership Information), or SEC Memorandum Circular No. 30, Series of 2020 (Revision of the GIS for Foreign Corporations to Include Beneficial Ownership Information), or any amendment thereto.
32.		Corporate Secretary Certification / IPB	Section 3.1.2 [Company Information] Page 24	<p>Certain documents are required to be certified and executed by the Bidder's corporate secretary or assistant corporate secretary. However, there is no equivalent position for a partnership.</p> <p><u>Please confirm if the authorized representative of a Bidder that is a partnership can certify and execute the relevant documents, including Annex QD-1A in lieu of the corporate secretary or assistant corporate secretary.</u></p>	Yes, this will be allowed.

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			Annex QD-1A Pages 61-62		
33.		Form of Authority to Participate / IPB	Annex QD-1A Pages 61-62	<p>A Bidder that is a partnership does not have a Board of Directors. The General Partner exercises management and control of the partnership affairs.</p> <p><u>Please confirm if Annex QD-1A can be executed by the authorized representative of the Bidder,</u> with following proposed revisions:</p> <p>I, (corporate secretary/assistant corporate secretary/<u>authorized representative</u>), after having been duly sworn according to law, hereby depose and state that:</p> <p>1. I am a Filipino <u>[nationality]</u>, of legal age and a resident of (place).</p> <p>2. I am the duly [elected (corporate secretary/assistant corporate secretary)] / [authorized representative] of (name of owner of the Nominated Plant) (the "<u>Company</u>" / <u>the "Partnership"</u>), a (partnership/corporation) organized and existing under and by virtue of the laws of the Republic of the Philippines.</p> <p>3. The <u>[Company/Partnership]</u> has been (established to develop, own, operate) a (specify details of the Nominated Plant) which started commercial operations on (specify date, as applicable).</p> <p>4. At a (regular/special) meeting of the board of directors 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:</p> <p>RESOLVED, AS IT IS HEREBY RESOLVED, that the (name of owner of the Nominated Plant) (the "<u>Company</u>") be, and is hereby, authorized to participate in the Bidding to make available the Contract Capacity and supply associated energy, under the terms and conditions set out in the PSA template, to the Manila</p>	Yes, this will be allowed.

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				<p>Electric Company pursuant to its <u>(indicate CSP requirement as appearing on title/cover page of IPB)</u> ("Project");</p> <p>RESOLVED FURTHER, that in the event the Company is declared as the Winning Power Supplier, the Company commits to fulfill all the Post-Qualification compliances, if deemed necessary by the BAC-PSA, including the execution of the Power Supply Agreement with the Manila Electric Company;</p> <p>RESOLVED FURTHER, that <i>(name of representative)</i> is hereby appointed as the authorized representative of the Company during the Bidding, authorized to execute, sign, submit and receive documents for, and otherwise act in the name of, the Company;</p> <p>RESOLVED FINALLY, that any and all acts done or performed by <i>(name of representative)</i> under and by virtue of this resolution be, as they are hereby, confirmed and ratified.</p> <p><u>[for partnerships]</u></p> <p><u>The board of directors of <i>(name of General Partner)</i>, in its capacity as General Partner of the Partnership, have approved the following resolutions:</u></p> <p><u>RESOLVED, AS IT IS HEREBY RESOLVED, that <i>(name of General Partner)</i>, in its capacity as General Partner of <i>(name of owner of the Nominated Plant)</i> (the "Partnership") hereby authorizes the Partnership to participate in the Bidding to make available the Contract Capacity and supply associated energy, under the terms and conditions set out in the PSA template, to the Manila Electric Company pursuant to its Contract Capacity of 600 MW (net), Effective September 2025 ("Project");</u></p> <p><u>RESOLVED FURTHER, that in the event the Partnership is declared as the Winning Power Supplier, the Partnership commits to fulfill all the Post-Qualification compliances, if</u></p>	

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				<p><u>deemed necessary by the BAC-PSA, including the execution of the Power Supply Agreement with the Manila Electric Company;</u></p> <p><u>RESOLVED FURTHER, that any of (name of representative) and (name of representative)], acting singly, are hereby appointed as the authorized representative of the Partnership during the Bidding, authorized to execute, sign, submit and receive documents for, and otherwise act in the name of, the Partnership;</u></p> <p><u>RESOLVED FINALLY, that any and all acts done or performed by (name of representative) and/or (name of representative) under and by virtue of this resolution be, as they are hereby, confirmed and ratified.</u></p> <p><u>A copy of the Directors' Resolutions of (name of General Partner) is attached hereto as Annex A.</u></p> <p>5. These resolutions have not been revoked, amended or modified and remain valid and binding on the <u>(Company/Partnership)</u>.</p> <p>6. The above resolutions are in accordance with the records of the <u>(Company/Partnership)</u>.</p> <p>7. Unless otherwise defined in this document, capitalized terms used in this document will have the meanings ascribed to them in the Bidding Documents issued in respect of the Project.</p>	
34.	GNP D	Pre-Bid Conference Open Forum query		<p><u>Can we submit our own Sec. Cert instead of the prescribed template? This refers to the authority to participate (Annex QD1-A).</u></p>	Please submit the proposed revision on Annex QD-1A for proper review and prior approval by the BAC-PSA.

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35.		Qualification Documents / IPB	Section 3.1.2(d) [Company Information] Page 24	<u>Please confirm that a Bidder that is a partnership shall not be required to submit an equivalent document to the General Information Sheet.</u> Otherwise, please confirm if the General Company Information Sheet submitted to the ERC shall be sufficient for this purpose.	The General Company Information Sheet submitted to the ERC shall be sufficient for this purpose.
36.		Qualification Documents / IPB	Section 3.1.2(e) [Company Information] Page 24	Please confirm that corporate/partnership structure shall <u>only cover entities and Affiliates engaged in the power industry in the Philippines</u> and not in any other jurisdiction.	Yes, this is confirmed.
37.		Qualification Documents / IPB	Section 3.1.2(h) [Company Information] Page 25 Annex QD-4 Page 69	<p>The required attestation is overbroad and the Bidder would not be in a position to attest to the presence or absence of (a) any <u>future</u> conflict of interest with the existing BAC or (b) any existing, potential, or future conflict of interest with any <u>potential or future member</u> of the governing Board, officers or management of the Bidder given that the foregoing circumstances are unknown at the time of the execution of the attestation.</p> <p>We suggest to revise the 4th paragraph of Annex QD-4 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 <u>no</u> existing, potential or future member of the governing Board, officers or management 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. <u>To the knowledge of the Bidder, there are no events or circumstances which exist that can result in a future conflict of interest with the BAC-PSA for the conduct of the CSP.</u></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 was recently included in the BAC-PSA's Bid Documents as it is required under item c.(vi), Annex 1 (Eligibility Requirements) of the ERC CSP Guidelines, 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>

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				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./	
38.		Qualification Documents / IPB	Section 3.1.3 [Notarized Certification from Counterparty] Page 26 Annex QD-6, Annex A, Pages 72-74	<p>The last sentence of paragraph 4 of Annex QD-6 provides, in relation to Annex A of QD-6 that "<i>such project(s) and contract(s) shall <u>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 off take agreements.</u></i>"</p> <p>However, the last sentence of the first paragraph of Annex A of Annex QD-6 provides that "<i>such project(s) and contract(s) <u>include but are not limited to Power Supply Agreements and financing documents with creditors in connection with the development and implementation of the said project or contract</u></i>".</p> <p><u>Please confirm that, for the disclosures required under Annex A of Annex QD-6 –</u></p> <p><u>(a) Counterparties only cover power supply agreements with MERALCO and/or its Affiliates engaged in power generation, distribution, and supply; and</u></p> <p><u>Financial lenders only cover senior lenders under project financing arrangements for power generation projects and do not include trade creditors.</u></p> <p>Please confirm that reference to Affiliates engaged in power generation in Annex QD-6 only refer to <u>entities engaged in the power generation in the Philippines</u> and not in any other jurisdiction.</p>	Yes, these are correct.
39.		ANNEX QD-7	Required Attachments (a)	<p>For clarification, is the Bidder the only entity required to submit the following:</p> <p>(i) List of projects undertaken over the last ten (10) years, (ii) List of electricity generation plants it has operated over the last five (5) years,</p>	Yes, the Bidder can submit the GCMR or MOR for the last five (5) years if it elects to submit item (iii) "proof of documentation of its track record...".

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				<p>or (iii) Proof of documentation of its track record for the last five (5) years of operating power plants?</p> <p>Additionally, can the Bidder fulfill this requirement by submitting the GCMR or MOR for the last 5 years?</p>	<p>If this will be voluminous to prepare, since the requirement is given an alternative option to the Bidder, it may just elect to submit items (i) or (ii), a one to two page list or enumeration of projects undertaken or operated over the last five years.</p>
40.		Bid Requirements /Technical Qualification	<p>Section 3.1.4(a) Page 26</p> <p>Annex QD-7 Page 78</p>	<p>Section 3.1.4(a) requires the bidder to submit the following as an attachment to QD-7:</p> <p>The Bidder, whether directly or through any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent must submit: (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; or (iii) proof /documentation of track record for the last five (5) years of power plants operated by it</p> <p><u>Please confirm if the required attachment is merely a list enumerating the items indicated in Section 3.1.4(a) and that there is no template to be followed for the list. Please also confirm that there is no requirement that the document will be certified under oath by the Authorized Representative of the Bidder.</u></p>	<p>Yes, a list of projects will be allowed, and should be signed off by the Bidder's authorized representative.</p> <p>It must be noted that Sec. 3.1.4 (a) of the IPB was lifted, in verbatim, to comply with item d., Annex 1 (Eligibility Requirements) of the ERC CSP Guidelines.</p>
41.		IPB	Section 3.1.4(a)	<p>For the following requirements: (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; or (iii) proof /documentation of track record for the last five (5) years of power plants operated by it,</p> <p>If the current year is not yet completed such that a GCMR is not yet available for 2024, please confirm that the Bidder can submit GCMRs for the years 2019, 2020, 2021, 2022, and 2023, as applicable, as sufficient compliance of items (ii) and (iii)?</p>	<p><i>See immediately preceding response above.</i></p>

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				Stated otherwise, no documentation for 2024 is required once the GCMRs for the last five (5) years, as applicable, is already included for submission.	
42.		IPB	3.1.4 (a), page 26	<p>Notarized Certification regarding Technical Qualification (Reference Plant), using the form in Annex QD-7, with the following attachments:</p> <p>(a) The Bidder, whether directly or through any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent must submit: (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; or (iii) proof /documentation of track record for the last five (5) years of power plants operated by it.</p> <p>What document will suffice this requirement? Do you have a preferred format?</p>	<i>See immediately preceding response above.</i>
43.		IPB	IPB Section 3.1.4 (a)	<p>Section 3.1.4 (a) requires the Bidder to submit proof/documentation of track record for the last 5 years of power plants operated by it.</p> <p>Can the Bidder submit Integrated Reports published on the bidder's website, which contain operational highlights of all the various power plants operated by the Bidder and its Affiliates?</p>	<i>See immediately preceding response above.</i>
44.		Power Plant Projects Undertaken IPB	IPB Section 3.1.4(a) (i)	<p>Please confirm that the Power Projects undertaken by the Bidder shall refer to the Power Projects included in the following lists published by the DOE:</p> <p>1. List of Existing Power Plants for Luzon, Visayas and Mindanao</p>	<i>See immediately preceding response above.</i>

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				<p>2. Private Sector Initiated Power Projects (Committed) for Luzon, Visayas and Mindanao</p> <p>3. Private Sector Initiated Power Projects (Indicative) for Luzon, Visayas and Mindanao</p>	
45.		Qualification Documents / IPB	<p>Section 3.1.4(b) [Proof of development, construction, and/or operation or maintenance of a Reference Plant]</p> <p>Page 26 Annex QD-7 Page 78</p>	<p>Bidders are required to submit proof that 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 a Reference Plant, whether in the Philippines or elsewhere.</p> <p><u>Please confirm that (a) the Reference Plant can be the same as the Nominated Plant and (b) for operating Reference Plants, the COC/PAO issued by the ERC and the GCMR are sufficient proof as required under paragraph (b) of Section 3.1.4 and Annex QD-7.</u></p>	Yes, this is correct.
46.		CFO/Treasurer Certification / IPB	<p>Section 3.1.5 [Notarized Statement of Financial Capability]</p> <p>Pages 27-28 Annex QD-8</p>	<p>Certain documents are required to be certified and executed by the Bidder's CFO or Treasurer. Please confirm that, in the absence of the foregoing positions, <u>the Finance Director of the Bidder that is a partnership can certify and execute the relevant documents</u> in lieu of the CFO or Treasurer.</p> <p>Please also confirm that, for Nominated Plants that are already in commercial operations, the Bidder need not submit the audited financial statements of its parent/partners and the audited financial statements of the Bidder will suffice.</p>	<p>This request for this particular Bidder will be allowed, in the absence of the position of CFO or Treasurer, the Finance Director can certify and execute relevant documents as long as the Finance Director is: (i) primarily responsible in the preparation of the financial statements of the bidder and overseeing the financial operation of the Bidder; and (ii) Bidder submits/includes the Finance Director's name in Annex QD-1A as duly authorized to certify and execute the relevant finance documents.</p> <p>The AFS of the Bidder is required to check the Financial Qualification of the Bidder, even if its Nominated Plant is already in commercial operations. However, the Bidder has the option to</p>

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					choose whether it will submit either its AFS or its Parent/Partners' AFS, as long as the 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.
47.	GNP D	Pre-Bid Conference Open Forum query		Additional question: In item 4, Subscribed and Paid-up Capital under Item 2 of the Statement of Financial Capability (IPB Annex QD-8), can we propose replacing it with "Total Capital Contribution" because this term accurately reflects the contributions described for partnerships.	Yes. If the Bidder is a partnership and it does not have subscribed and paid-up capital, they can use the total capital contribution from the partners.
48.		Technical Proposal / IPB	Section 3.2 (q)(2) [Technical Proposal] Pages 32	For the proof of registration as WESM Member, <u>please confirm if the certification issued by the IEMOP attesting to the registration of the Bidder in the WESM will suffice.</u>	Yes, this will be allowed.
49.		IPB	Sec. 2 Bidding	For changes/deviations in required wordings of Annexes, is there a notice period to bring prior request to BAC-PSA?	As the Bid Requirements and IPB state: "(c) Bidders will then have until 4:00 P.M. of 11 July 2024 within which to submit written queries, or requests for clarifications or revisions to the Bidding Documents."
50.		IPB	Sec. 2 Bidding	For certification pages, who must certify the truthfulness and correctness of a copy?	It is indicated in the particular documentary requirement. 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. If the documentary requirement does not indicate, the Bidder's authorized representative or corporate secretary/assistant corporate secretary will be the one to certify the truthfulness and correctness of a copy.
51.		IPB	2.4 Costs and Expenses	What is the definition of an "Independent Engineer"? Who will determine the Independent Engineer to be engaged?	The Independent Engineer ("IE") is a person or entity independent of, and is free from any conflict of interest with, any of the participating Bidders.

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					The IE shall assist the BAC-PSA and TWG during the Pre- and Post-Qualification Evaluation of the Bidder/s Document Submissions' compliance with the TOR, Bid Requirements and IPB. Since the Independent Engineer serves as an advisor to the BAC-PSA, it is the latter that shall decide on who shall be engaged as an Independent Engineer.
52.		IPB	General Query	If the nominated authorized representatives are not available or incapacitated, what options may the bidder take to have itself represented?	As provided in the EOI: "The Bidder may change any of its contact person(s)/authorized representative(s) at least five (5) days prior to the Pre-Bid Conference, Bid Submission Deadline, and/or Opening of Bids by the submitting a new verified Expression of Interest stating the name(s) and email address(es) of the newly designated contact person(s)/authorized representative(s)."
53.		IPB	2.10.4 Grounds for Disqualification	Please differentiate material misrepresentation from wilful misrepresentation.	There is a "material misrepresentation" when the omission, fabrication, or concealment is on, or relates to, any material fact, which if known to the BAC-PSA, could have altered or changed the basis of its evaluation of the Bid Submissions, or which would have mislead or deceive the BAC-PSA in its evaluation of the Bid Submissions. "Willful misrepresentation" on the other hand connotes a deliberate, intentional, fraudulent, or premeditated act or omission in hiding, concealing, or fabricating any fact, regardless of whether or not that fact is material.
54.		IPB	3.3 Bid Price and Bid Security	What form should the bid security take – cash, check, or surety etc.?	Sec. 3.3 (b) of the IPB reads: "(b) Bid Security, equivalent to three (3)-month contract cost of the proposed PSA computed using the bid price offered by the Interested Bidder, 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). This Bid Security requirement may be complied with by the Interested Bidder directly, or, provided the Bid Security format in the IPB is followed, through any of its direct

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					shareholders representing Controlling interest, Affiliates, or Ultimate Parent;"
55.		IPB	3.3.3 Return Cancellation of Bid Security	<p><i>The Bid Security of the Winning Power Supplier shall be retained by Meralco until replacement thereof with a Performance Bond. The Winning Power Supplier must extend the validity of the Bid Security without need of demand from Meralco, no later than fifteen (15) days prior to its expiration, to ensure that it remains valid until replaced by a Performance Bond. In the alternative, if the Bid Security is still valid for more than 15 days, the Winning Power Supplier may notify Meralco that its Bid Security be deemed the Performance Bond.</i></p> <p>How long must the validity of the Bid Security be extended?</p>	It is up to the discretion of the Bidder provided that it continues to ensure that the Bid Security remains valid / renewed no later than 15 days prior to its expiration.
56.		TOR	Bid Price/ Tariff Structure Contract Price	<p>Two-part Tariff consisting of Fixed and Variable Costs (inclusive of separate line item proposal for Line Rental cap) shall comply with the following requirements:</p> <p>a. Capital Recovery Fee component of the Tariff should be fixed for the Required Contract Period and in Php/kW-year; provided that, Bidder: (i) shall not offer Capital Recovery Fee higher than the latest ERC-approved rate/s in its agreements with other offtakers for the same Plant, and (ii) shall submit an undertaking to that effect.</p> <p>b. Interconnection Fees should be composed of the following:</p> <p>(i) Interconnection Facilities Capacity Fee component should be fixed for the Required Contract Period and in Php/kW-year.</p> <p>(ii) Interconnection Facilities Fixed O&M Fee component can be fixed, escalated, or a combination of both for the Required Contract Period, and shall be in Php/kW- year.</p> <p>Provided that, during implementation of the PSA, if the Interconnection Facilities have been acquired by, and/or the operations and maintenance have been turned over to, Transmission Network Provider (TNP), the Interconnection Facilities Capacity Fee and/or Interconnection Facilities</p>	

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				<p>Fixed O&M Fee shall be carved out by Power Supplier, as applicable, from the Contract Price; Provided further that, any donation of the Interconnection Facilities to TNP shall require prior consent of MERALCO and ERC approval.</p> <p><i>c. Fixed O&M Fee component can be fixed, escalated, or a combination of both for the Required Contract Period, and shall be in USD/kW-year and/or PhP/kW-year.</i></p> <p><i>d. Variable O&M Fee component can be fixed, escalated, or a combination of both for the Required Contract Period, and shall be in USD/kWh and/or PhP/kWh.</i></p> <p>In terms of USD to PHP Conversion, at what date of exchange rate should the reference be?</p>	<p>During evaluation and as indicated in the FEW, the forex rate for 24 June 2024 (as stated in https://www.bsp.gov.ph/statistics/external/day99_data.aspx) shall be used.</p>
57.		TOR	Supply and Replacement Power	Up to what period must the Power Supplier procure replacement power in case of outage?	During Scheduled Outages that exceed the Full Load Equivalent Scheduled Outage Allowance Days and Forced Outages that exceed the Full Load Equivalent Forced Outage Allowance Days, Power Supplier shall purchase Replacement Power until the last day of the relevant Contract Year. Power Supplier will only be eligible for a new Scheduled Outage Allowance and Forced Outage Allowance at the beginning of each Contract Year.
58.		TOR	Force Majeure	Must there be written notice of an FM event?	Yes, please see Section 15.6 of the PSA template.
59.		TOR	Force Majeure	Can the bidder suggest a list of FM events to be considered?	We are not amenable to the proposal. The instances of Force Majeure Events are standard across Meralco's PSAs. Please see enumeration in Section 15.2 of the PSA template.
60.		TOR	Termination	Please cite examples of "certain types of FM".	Please see Sections 15.4 and 15.5 of the PSA template.

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61.		TOR	Force Majeure	Force Majeure should not affect any obligation of Meralco to pay for electricity already delivered, considering its options for payment already include ETF	Please see Section 15.3.1, of the PSA template, which reads: "[t]he affected Party shall be excused from performance to the extent affected by, and shall not be considered to be in default in respect of, any obligation under this Agreement (including any obligation of Meralco to pay the Price at a specific date) for so long as failure to perform such obligation shall be due to an Event of Force Majeure."
62.		TOR	Grounds for Termination	Up to what period shall it be considered that the OED is non-occurring?	Please see Sec. 16.6.2 of the PSA template.
63.		TOR	General Query	<p>Furthermore, in order to become an Interested Bidder and obtain a copy of the Bidding Documents, payment by cash, manager's check deposit, or online fund transfer of a non-refundable fee of the higher between Two Million Five Hundred Thousand Pesos (PHP2,500,000.00) and Twelve Thousand Pesos (PHP12,000.00) multiplied by MegaWatt (MW) of Offered Contract Capacity, inclusive of VAT and net of creditable withholding tax ("Participation Fee"), which must also be made no later than the Expression of Interest Deadline. The Participation Fee is subject to twelve percent (12%) VAT, <i>unless valid proof of VAT zero-rating or exemption is provided, subject to Meralco's evaluation and additional requirements, if any.</i> For renewable energy developers, the Participation Fee shall likewise be subject to twelve (12%) VAT since it is not among the purchases qualified for VAT zero-rating under Section 15(g) of RA No. 9513.</p> <p>When must the proof of Vat zero-rating or exemption be presented?</p>	<p>Preferably, the proof of VAT zero-rating or exemption is provided before payment of the Participation Fee. If unable to, the Bidder may coordinate with the BAC-PSA Secretariat to process this matter.</p>
64.		TOR	Bid Price/Tariff Structure	May we know the basis for the period specified for the non-fuel items, which spans from April 2021 to March 2024? Can we limit the period to latest 12 months only?	Since the resulting PSA from this CSP will be fuel pass-through during implementation, the BAC-PSA chose a period wherein the actual movement of the nominated fuel indices of the fuel, and other non-fuel commodity costs can be captured and represented during evaluation. The historical period designated (i.e., April 2021 to March 2024) for the bid evaluation represents the most recent calendar year periods, and thus, reflects an accumulation of recent

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		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
					<p>market conditions, including both peak and troughs of both fuel and non-fuel commodity prices.</p> <p>Limiting the period will not capture the actual market conditions and might skew the evaluation of the fuel and non-fuel commodity prices.</p>
65.		TOR	Bid Price / Tariff Structure of Contract Price	<p>In point no.1, letter "e (iv): "For the non-fuel costs (i.e., freight, insurance, excise tax, etc.), once provided these shall be considered fixed/non-escalating for the PSA?</p> <p>Will there be a limitation on what non-fuel fuel fees can be passed through (i.e., brokerage, arrastre, third party labs, etc.)?</p>	<p>As stated in Section 3.3 (g) of the IPB, all non-fuel costs values that will be included in the Fuel Formula of the FEW should have supporting and source documents in order for the BAC-PSA to validate the provided values. Failure to provide these supporting documents shall make the submitted non-fuel costs values in the Fuel Formula of the FEW binding to the Bidder and shall serve as a cap during implementation (i.e. Bidder cannot pass-through the actual value of the non-fuel costs).</p> <p>Once the Bidder have included the actual values of these non-fuel costs for the period April 2021 to March 2024 in the Fuel Formula of the FEW (with supporting source documents), then it can be recovered as an actual pass-through cost during implementation. If such actual values are not available, Bidder must provide a value that shall be binding during implementation, otherwise, the non-fuel commodity costs cannot be passed on to consumers.</p> <p>There shall be no limit as long as the actual values for the period April 2021 to March 2024 of the non-commodity fuel costs included in the Fuel Formula of the FEW has supporting source documents.</p>
66.		TOR	Bid Price / Tariff Structure of Contract Price	In point no.1, letter "e" last paragraph: Re: Coal Heating Value, i/o of Performance coal (assumed to be per design), can the bidder assume typical GCV that pertains to the usual GCV it procures (i.e., typical 4200 GAR)?	Yes.

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67.		TOR	Bid Price / Tariff Structure of Contract Price	In point no.1, letter "g items 1 & 2:" Please confirm the supplier needs to submit actual coal invoices of shipments m-o-m to substantiate price determined by the formula. Any deviation, buyers takes the lower of the 2?	Yes, understanding is correct.
68.		ANNEXES	QD-2 (a)	Define "relevant capabilities in the construction, operation and maintenance of a power plant or in the supply of electricity".	There is no definition to this, but in preparation of this Executive Summary, please be guided by item a., Annex 1 (Eligibility Requirements) of the ERC CSP Guidelines, 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"
69.		ANNEXES	QD-2 (d)	For partnerships, will a certified copy of its latest Information Sheet suffice?	Yes, this will be allowed.
70.		ANNEXES	TP-1 (b)	<i>"From August 26, 2025 and for the duration of the 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 Plant is contracted, Bidder must be able to terminate such agreement on or before OED to fulfill requirements under the resulting PSA;"</i> Is this only applicable if a plant's capacity has been fully contracted?	The requirement will apply even if the plant is not fully contracted. For example, the plant only has 100 MW of uncontracted capacity remaining, and it is offering 150 MW for this Bidding. It should executed an undertaking that on or before OED, it must be able to terminate other contracted capacity by at least 50 MW such that if deemed the Best Bid for this Bidding, its 150 MW Offered Contract Capacity will not result in a conflict with the Bidder's other contracted obligation.
71.		IPB	Letter (d) Section 2, page 11	We suggest that a decrease of the Offered Contract Capacity be allowed as well to give allowance for unanticipated changes that could not have been foreseen even with earnest efforts during the Bid preparation period of the Bidders. "(d) An Interested Bidder may either increase or decrease xxx xxx"	No, this will not be allowed.

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72.		IPB	Section 2.2, page 14	<p>We submit that there should be no preference to the natural gas-fired power plant/ indigenous natural gas in case of a tie. The CSP should be fuel-neutral/technology-neutral as long as the Bidder is qualified under the Terms of Reference of this CSP.</p> <p>In case of a tie between or among Qualified Bidders having the lowest Bids or whose offers are considered the Marginal Bid Offer, the BAC-PSA shall give these bidders five (5) days to improve their Proposed Tariff by submitting a lower LCOE until the tie is broken, <i>provided</i> that in case two or more Qualified Bidders have equal LCOE Rates resulting in the lowest bid, the Bidder whose Nominated Power Plant is a natural gas-fired power plant, especially one using indigenous natural gas, shall be declared as having the Best Bid. Subsequent occurrences of a tie, if any, shall be resolved in the same manner until a winner is determined.</p>	<p>We are not amenable to the proposed change.</p> <p>This tie-breaker preference is MERALCO's way of complying with the DOE Advisory dated October 11, 2023, wherein power suppliers with natural-gas fired power plants are highly encouraged to participate in the Bidding and prioritize the use of indigenous natural gas.</p>
73.		Invitation to Bid	Fuel Formula, letter (iv) page 3	<p>Can the Bidder provide evidence of (1) the actual cost incurred by third parties on these other non-fuel items for the same fuel type, OR (2) actual data based on recognized indices? Will Bidder be required to submit invoices supporting the actual costs incurred?</p> <p>(iv) Other non-fuel commodity costs that the Bidder wants to recover as part of its fuel price (e.g., freight cost and other fuel handling costs, insurance cost, fuel excise tax, etc.). Except for taxes, the Bidder must indicate the actual costs of the other non-fuel items for the period of April 2021 to March 2024, when available, for evaluation purposes. If such actual costs are not available, Bidder must provide a value that shall be binding to the Bidder, otherwise, the non-fuel commodity costs cannot be passed on to consumers upon implementation of the PSA, and</p>	<p>Bidder must submit the actual cost incurred on these other non-fuel items during the period April 2021 to March 2024.</p> <p>Bidders must submit invoices supporting the actual costs incurred.</p>
74.		IPB	Section 2.10.2 (a) (ii), page 21	<p>Please confirm that Bidders who are Affiliates, or under similar control of the same Ultimate Parent are exempt from this criterion on Conflict of Interest, similar to the exception given in Section 2.10.2 (a) (ii). Please</p>	<p>Yes, this correct, provided that any similar (or overlapping) contract capacities that are being offered such that if declared as Winning Power Supplier in both this Bidding and the other pending competitive selection process, it will NOT result in a conflict with the Bidder's obligation in or resulting from this Bidding.</p>

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				confirm also that said Affiliate Bidders can submit the same list of portfolio of plants. (ii) A Bidder's Nominated Plant or listed portfolio of plants is also a Nominated Plant or listed portfolio of plants of another Bidder in (x) this Bidding; or (y) another pending competitive selection process being conducted by Meralco, and the same (or overlapping) contract capacities are being offered such that if declared as Winning Power Supplier in both this Bidding and the other pending competitive selection process, it will result in a conflict with the Bidder's obligation in or resulting from this Bidding, in which case, both will be considered in Conflict of Interest; or	In short, as long as the Bidder's Offered Contract Capacities in both CSPs will not conflict with its obligations if both will be declared as the Best Bid in both CSPs (i.e. the Bidder's Nominated Plant has enough capacity to meet the Offered Contract Capacities for both CSPs).
75.		IPB	Section 3.2 (n), page 31	Please confirm that the Bidder (lessee) can submit the CNO issued in favor of the owner (lessor) of the lot covering the Nominated Plant's project site. (n) If applicable, the Certificate/s of Non-Overlap (CNO) and/or Free and Prior Informed Consent (FPIC) Certificate/s issued by the National Commission on Indigenous Peoples (NCIP) for the Nominated Plant, or application/s for the CNO and/or FPIC Certificate pending before the NCIP, <i>provided</i> that if the Bidder's Bid Price is declared as the Best Bid, a certified true copy of the CNO and/or FPIC Certificate/s issued by the NCIP must be submitted during Post-Qualification;	Yes, this will be allowed provided the lease contract is submitted as part of the evidence of land acquisition or possession (see Sec. 3.2. (c.)).
76.		IPB	Section 3.2 (o), page 31	Please confirm that Bidder is not required to submit the NWRB Water Permit if the Nominated Plant does not utilize hydropower technology. (o) If applicable, the Water Rights Permit/s issued by the National Water Resources Board (NWRB) for the Nominated Plant, or application/s for the Water Rights Permit/s before the NWRB, <i>provided</i> that if the Bidder's Bid Price is declared as the Best Bid, a certified true copy of the Water Rights Permit issued by the NWRB must be submitted during Post-Qualification;	Yes, the requirement says, "If applicable".
77.		IPB	Section 3.2 (p), page 31	Please confirm that Bidder, in the alternative, can submit a Certificate of Registration issued by the Authority of the Freeport Area of Bataan.	Yes, this will be allowed.

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				(p) If available, the Certificate of Registration issued by the Board of Investments (BOI), which shall be certified as a true copy by (i) the BOI; or (ii) the corporate secretary/assistant corporate secretary, in which case it must be under oath and notarized; and	
78.		Annex QD-1A	Page 61 of the IPB	<p>Given that Bidder is a partnership and has no board of directors can it revise Annex QD 1A as follows?</p> <p>"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:"</p>	Yes, this will be allowed.
79.		Annex QD-1A	Page 61 of the IPB	<p>A few units of the Nominated Plant of the Bidder are already operating while the other units are not yet operational.</p> <p>The original wordings in the template read:</p> <p>"3. The Company has been (established to develop, own, operate) a (specify details of the Nominated Plant) with the target completion date of (specify target completion date, as applicable)."</p> <p>We propose that this be revised as follows:</p> <p>"3. The Company has been (established to develop, own, operate) a (specify details of the Nominated Plant) <u>with completion date of [-] for Unit xxx</u> and target completion date of [-] <u>for Unit xxx</u> (specify target completion date, as applicable)."</p>	Yes, the Bidder's requested edit will be allowed.

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80.		Annex QD-1A	Pages 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, the Bidder's requested edit will be allowed.

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81.		Annex QD-1B	Page 63 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, the Bidder's requested edit will be allowed.
82.		Annex QD-2	Page 24 of the IPB	<p>Please confirm that as worded below, partnerships need not provide an explanation regarding the absence of a GIS.</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, this is correct.
83.		Annex QD-2	Page 64 of the IPB	<p>"(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;"</p> <p>Do we provide only the latest amended articles of incorporation and by-laws or articles of partnership or copies of all Certificates of Filings issued by the SEC for each amendment since incorporation?</p>	<p>Interested Bidders shall submit copies of the original AOI and By-Laws, and preferably all amendatory documents. If an Interested Bidder could not provide copies of all amendatory documents, it shall at least provide copies of the latest amendatory documents on clauses relating to:</p> <p>(1) For AOI – Name of the Corporation, Purpose/s (Primary and Secondary), Address of the Corporation, No. of Directors, and Authorized Capital Stock. (2) For the By-Laws – Quorums for meetings</p> <p>These are necessary for the BAC-PSA to evaluate the Legal and Financial Qualifications of the Bidder, and the latter's compliance of all other applicable requirements under the IPB.</p>

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					In addition, the Bidders shall submit copy/ies of the SEC Certificate/s of Filing of the Amended AOI and/or By-Laws, as applicable.
84.		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.
85.		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.
86.		Annex A of Annex QD-6	Page 74 of the IPB	Please confirm that Bidder should only list financial lenders, which (1) granted loans in favor of the Bidder and its Affiliates engaged in power generation (2) 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 is correct.

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87.		Section 3.1.4 and Annex QD-7	Page 26 of the IPB Page 78 of the IPB	<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> <ol style="list-style-type: none"> 1. Proof that the Reference Plant is capable of generation of electricity of at least 150 MW (AC, net), which must be supported by an official document [GCMR] of the Bidder's Reference Power Plant as submitted by the Bidder to the ERC, showing that it attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations within the most recent forty-two (42) month period of operations, or similar official document like the GCMR which is submitted to or issued by that foreign country's regulatory body or agency; 2. Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC, or if the COC/PAO is not available as of Bid Submission Deadline, the 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 150 MW (AC, net) or if the Reference Plant is located outside of the Philippines, 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; 3. Market Participation Agreement for the Reference Power Plant, or equivalent document if in a foreign country; 4. Transmission Service Agreement (TSA) or a Distribution Wheeling Service Agreement (DWSA), or equivalent of these documents if in a foreign country; 5. Fuel Supply Agreement, or equivalent document if in a foreign country; and 	<p>Reference Plant is defined in Section 9.60 of the IPB as: "xxx a single power plant of at least 150 MW (AC, net) installed capacity (firm, dispatchable and has attained a simple monthly average of at least 87.75% plant capacity factor (PCF) over a 3-month consecutive period of operations) and which, in the reasonable opinion of the BAC-PSA, has been satisfactorily developed, constructed, and/or operated or maintained by the Bidder, its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent."</p> <p>Hence, provided the Reference Plant is owned, developed, managed, administer or operated by the Bidder's direct shareholder representing Controlling interest, Affiliate or Ultimate Parent, the Reference Plant's corporate secretary/assistant corporate secretary may certify the document.</p>

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				6. Certificate of Registration issued by BOI.			
88.		Section 3.2 (a) Technical Proposal of IPB	Page 29 of IPB	Pls. confirm that fuel type under Section 3.2. of the IPB refers simply to type of fuel (i.e. coal, diesel, natgas, etc.) [If the power plant has multiple units, these units should have the same fuel type and GNPHR;]	Yes. Since the different units will use the same fuel, it is assumed that they will also have the same GNPHR.		
89.		IPB	Section 3.4.1 (c) p. 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". Please clarify that if the original is in Envelope 1, a photocopy of the same document may be used in Envelope 2.	Yes, as long as the photocopy is accompanied by a write-up guiding the BAC-PSA and its TWG for ease of reference where to find the original copy among the Bidder's Document Submissions.		
90.		Certifications by the Corporate Secretary /IPB		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.		
91.		Instructions to Prospective Bidders	Annex QD-8/80-82 pages 82-84	There are certain line items in Annex QD-8 that are not applicable to a partnership. Thus, kindly confirm if the following proposed revisions in the Equity portion to reflect the proper terminologies are acceptable: From: <table><tr><td>Financial Information</td><td>2022</td></tr></table>	Financial Information	2022	Yes, the Bidder's requested edit will be allowed.
Financial Information	2022						

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				<table><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> <p>To:</p> <table><tr><td>Financial Information</td><td>2022</td></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> <p>alternative, will information of any of the direct shareholders representing Controlling interest, Affiliates or Ultimate Parent be acceptable? If yes, please confirm that details from the consolidated financial statements is preferred over information from just the parent company financial statements.</p>	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	2022	4. Partnership Shares		5. [delete]		7. Retained Earnings Appropriated by the Partnership		
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	2022																		
4. Partnership Shares																			
5. [delete]																			
7. Retained Earnings Appropriated by the Partnership																			
92.		Instructions to Prospective Bidders	Qualification Documents/ Section 3.1.6/27 in relation to	In view of a partnership not having “shareholders,” “shares,” and “outstanding capital stock,” please see proposed rewording for BAC-PSA’s approval:	Yes, the Bidder’s requested edit will be allowed.														

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			Annex QD-9(a) and QD-9A/83-86	<p>Annex QD-9:</p> <p>From:</p> <p>(a) Commitment Letter from the relevant <u>shareholders</u> 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>To:</p> <p>(a) Commitment Letter from the relevant <u>partners</u> 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>Annex QD-9A:</p> <p>From:</p> <p>We own <u>(insert number of shares)</u>, representing approximately (insert percentage) of the <u>issued and outstanding capital stock</u> of the Company. We undertake to provide to the Company the amount of at least (insert amount), in the form of <u>equity or shareholder loans</u>, for the implementation of the Project.</p> <p>To:</p> <p>We own <u>(insert number of partnership interests)</u>, representing approximately (insert percentage) of the <u>partnership interest</u> of the Company. We undertake to provide to the Company the amount of at</p>	

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				least (insert amount), in the form of <u>partner's contributions or loans</u> , for the implementation of the Project.	
93.		Instructions to Prospective Bidders	Annex QD-9B/89	<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 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>	Yes, the Bidder's requested edit will be allowed.
94.		Annex TP-1	<p>Section 3.2 Technical Proposal</p> <p>Annex TP-1</p> <p>Page 29 and 90 of the IPB</p>	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.
95.		Details of Project Execution	<p>Section 3.2 Technical Proposal</p> <p>Annex TP-1</p> <p>Page 29 and 93 of the IPB</p>	While requirement on information on Nominated Plant's key components and specific fuel is mentioned in Section 3.2 Technical Proposal paragraph (f), it is not included in the table provided under item 7 of Annex TP-1 template. Do we just add this information under General Information?	Yes, this is correct.

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		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA's RESPONSE
96.		Technical Proposal	Section 3.2 paragraphs l to p Page 31 of the IPB.	Can the following documents required to be submitted during post-qualification be certified by the corporate secretary and assistant corporate secretary of the Bidder? (i) Environmental Compliance Certificate issued by the Department of Environment and Natural Resources (ii) Grid Impact Study (GIS) / System Impact Study/ies (SIS) (iii) If applicable, Certificate/s of Non-Overlap (CNO) and/or Free and Prior Informed Consent (FPIC) Certificate/s issued by the National Commission on Indigenous Peoples (NCIP) (iv) If applicable, Water Rights Permit/s issued by the National Water Resources Board (NWRB) and (v) If applicable, Certificate of registration issued by the Board of Investments?	Yes, this will be allowed.
97.		Technical Proposal	Annex TP-1 Page 88 of the IPB	Please confirm that Bidder may use Annex QD 1-A 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.	Yes, this will be allowed.
98.		Instructions to Prospective Bidders Reference Plant and	Sections 3.1 Qualification Documents and 3.2	To clarify, if one unit of the Nominated Plant is already in commercial operations, can such unit be used as the Reference Plant and the Comparable Plant for the other unit under construction?	Yes, provided the other requirements for the Reference Plant and Comparable Plant are also met (e.g. GCMR, proof of reliable commercial operation for 1 year - 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

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		Comparable Plant	technical Proposal Page 25-26 and 29 of the IPB		duration of the commercial operation period except in a year of a major planned overhaul)
99.		Section 3.1.4 of the IPB	Page 26 of the IPB	Can two Bidders have the same Reference Plant?	Yes.
100.		Bid Requirements / Qualification Documents (Envelope 1) /	Section 2(g); page 13	"(g) If applicable, the Reference Plant must be covered by a valid Fuel Supply Agreement, which shall be duly certified by the corporate secretary xxx" Comment: It is suggested that an authorized representative of the Bidder or the relevant department head for procurement of fuel be the ones to issue the certification.	Yes, this will be allowed.
101.		Instructions to Prospective Bidders / Reference Plant	Technical Proposal (Envelope 2) Page 15	Can the Reference Plant be the same as the Comparable Plant?	Yes.
102.		TOR	Bid Price/Tariff Structure of Contract Price, page 2-5	Please elaborate on the Fuel Price requirements. What if our Fuel Supply Agreement is in PHP? Do we need to convert it to USD to meet the requirement in the evaluation? If so, what FOREX shall we use? How does the template account for the escalation in the fuel indices?	Yes, the Bidder must convert it since the input in the FEW should be in USD/MMBtu. During evaluation and as indicated in the FEW, the forex rate for 24 June 2024 (as stated in https://www.bsp.gov.ph/statistics/external/day99_data.aspx) shall be used. The Bidder can indicate in its Fuel Formula any escalation of its nominated indices.

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103.		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 offtakers 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 Energy Regulatory Commission-approved rate/s in the COMPANY's agreements with other off-takers for the same Nominated Plant."</p> <p>What is the rationale behind the requirement that the offered CRF shall not be higher than the latest ERC-approved rates with other off-takers?</p> <p>There may be cases when the latest approved CRF is from many years ago such that the then CRF does not accurately reflect the current financials of the Company. We suggest to remove this requirement.</p>	<p>This Sworn Undertaking was a new requirement recently adopted by MERALCO and its BAC-PSA to address a recommendation by Energy Regulatory Commission [ERC] Chairperson Monalisa C. Dimalanta's in two recent CSPs of MERALCO. Through a letter, the ERC Chairperson recommended to MERALCO that it compare with or otherwise propose to cap the Bidder's Capital Recovery Fees charged to other offtakers, thus, this "Sworn Undertaking" is MERALCO's compliance to the ERC Chairperson's comment.</p> <p>Moreover, during the ERC hearings for the applications for approval of the winning PSAs of the said CSPs, the ERC required MERALCO to submit the copies of the said "Sworn Undertaking that the Bid Price's Capital Recovery Fee" as submitted by the Winning Power Supplier during the CSP.</p>
104.	TLI	Pre-Bid Conference Open Forum query		For the CRF, may we be clarified if the offered CRF should be based on the LATEST ERC approved rate; as what is stated in the Annex QD-1B only says "not higher than the ERC-approved rate"	<p>This is noted. The Bid Requirements and the IPB will be amended to read as follows:</p> <p>"Bid Requirements [...] Bid Price and Bid Security (Envelope 3)</p> <p>xxx</p>

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					<p>The Bidder shall not offer Capital Recovery Fee higher than the latest ERC-approved rate/s Capital Recovery Fee in its agreements with other offtakers for the same Nominated Plant and is required to submit a sworn undertaking to this effect.</p> <p>[...]"</p> <p>"Instructions to Prospective Bidders</p> <p>[...]</p> <p>[...]</p> <p>3.1 QUALIFICATION DOCUMENTS</p> <p>xxx</p> <p>3.1.1 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 from in Annex QD-1B;</p> <p>[...]</p> <p>ANNEX QD-1B</p> <p>xxx</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-approved rate/s Capital Recovery Fee in the COMPANY's agreements with other off-takers for the same Nominated Plant.</p>

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					<p>[...]"</p> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the Bid Requirements and IPB.</p>
105.		IPB	3.1.4 (b), page 26	<p>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, a single power plant of at least 150 MW (AC, net) installed capacity (firm, dispatchable and has attained a simple monthly average of at least 87.75% plant capacity factor ("PCF") over a 3-month consecutive period of operations) ("Reference Plant"), whether in the Philippines or elsewhere;</p> <p>What document will suffice this requirement?</p>	<p>A copy of the Reference Plant's COC or PAO showing the name of the Bidder or any of its direct shareholders with Controlling interest, Affiliate or Ultimate Parent.</p> <p>As for the PCF requirement over a 3-month period, the Reference Plant's GCMR will show this technical qualification to the BAC-PSA.</p>
106.		IPB ANNEXES	ANNEX TP-1 (1), page 90	<p>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> <p>What document will suffice this requirement?</p>	<p><i>See immediately preceding response above.</i></p>
107.		Technical Qualification IPB	3.1.4 (e)	<p>May we suggest that the Certified True Copy of the WESM Registration Certificate and/or WESM Registration Information Sheet issued by IEMOP be accepted as an alternative document to support the Reference Plant's registration as a direct member of the WESM?</p>	<p>The request of this Bidder will be allowed.</p>
108.		Technical Proposal IPB	3.2 (q) - 2	<p>May we suggest that the Certified True Copy of the WESM Registration Certificate and/or WESM Registration Information Sheet issued by IEMOP be accepted as an alternative document to support the Interested Bidder's registration as a direct member of the WESM?</p>	<p>The request of this Bidder will be allowed.</p>

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109.		Guaranteed Net Plant Heat Rate ("GNPHR") TOR/ FEW	<u>TOR</u> Bid Price/Tariff Structure of the Contract Price Item (f) p. 4 <u>FEW:</u> Input_Base Values	May we request the BAC-PSA to define the Load Factor being referred to in the Financial Evaluation Workbook and TOR? Are the % Load Factors in the FEW and TOR based on the (i) Plant's Total Capacity OR (ii) the Contract Capacity to be offered by the Interested Bidders?	As stated in the PSA Template, the Load Factor is with respect to the Bidder's Offered Contract Capacity.
110.		Marginal Plant IPB	4.5.2	<i>"If the resulting stack of Offered Contract Capacities goes beyond the required Contract Capacity (i.e., more than 600 MW), the Qualified Bidder's Marginal Bid Offer shall have its Offered Contract Capacity reduced accordingly up to the extent of the required Contract Capacity at its Proposed Tariff. A Bidder with the Marginal Bid Offer and a candidate recipient of a Notification of Best Bid, which refuses to accept the reduction of its Offered Contract Capacity up to the extent of the required Contract Capacity at its Proposed Tariff, shall have its Bid Security forfeited equivalent to the proportionate percentage amount of the Bidder's Bid Security, based on the ratio of the required Contract Capacity that needs to be filled up (which the Bidder with the Marginal Bid Offer refused) to the Bidder's Offered Contract Capacity. For example, if the Marginal Bid Offer is for 100 MW but only 20 MW is needed to fill up the required Contract Capacity, Meralco shall draw on the entire amount of the Bid Security, retain twenty percent (20%) of its value, and return the balance to Bidder."</i>	We are not amenable to the proposed change. The forfeiture of its Bid Security is a competition risk from the Bidders, that is why the forfeiture is made known beforehand. By reason of the Bidder's refusal and withdrawing its offer because its bid was deemed a Marginal Bid Offer, the DU is suddenly exposed to the risk of lack of supply or delay (if another CSP is needed to be conducted to fill up that capacity withdrawn by the said bidder). This forfeiture of the Bid Security tries to mitigate this risk exposure, while at the same time serving as a deterrent for Bidders to game the bidding process for whatever reason. Notably, as per the IPB [Section 2.2(e)], the "xxx Bid Security forfeited equivalent to the proportionate percentage amount of the Bidder's Bid Security, based on the ratio of the required Contract Capacity that needs to be filled up (which the Bidder with the Marginal Bid Offer refused) to the Bidder's Offered Contract Capacity. For example, if the Marginal Bid Offer is for

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				<p>The above seems unfair to the Bidder with the Marginal Bid Offer, who would also have considered the volume of its Offered Contract Capacity in developing its Proposed Tariff. This is especially true if, for example, Meralco will only get 20MW from the Bidder with the Marginal Bid Offer even if the Bidder's Offered Capacity is 600MW since its Proposed Tariff was likely developed on the basis of this Offered Capacity (i.e. Capacity Charge, FOM, fuel cost, etc.).</p> <p>Note that it is possible that a Bidder may consider to offer the entire plant capacity and bid at the most competitive price based on economies of scale. The economics, however, will not apply and may leave the bidder with tremendous losses if only a small portion of the capacity will be accepted as Marginal Bid Offer.</p> <p>We suggest that the Bidder with the Marginal Bid Offer and a candidate recipient of a Notification of Best Bid be allowed, at its option, to decide whether or not to accept or refuse the reduction of its Offered Contract Capacity up to the extent of the required Contract Capacity without having its Bid Security forfeited.</p>	100 MW but only 20 MW is needed to fill up the required Contract Capacity, Meralco shall draw on the entire amount of the Bid Security, retain twenty percent (20%) of its value, and return the balance to Bidder.
111.		Fuel Formula, Non-fuel costs TOR	Bid Price/ Tariff Structure of Contract Price p. 3	<p>The TOR states that the Fuel Formula shall be composed of:</p> <p>"xxx (iv) Other non-fuel commodity costs that the Bidder wants to recover as part of its fuel price (e.g., freight cost and other fuel handling costs, insurance cost, fuel excise tax, etc.). Except for taxes, the Bidder must indicate the actual costs of the other non-fuel items for the period of April 2021 to March 2024, when available, for evaluation purposes. If such actual costs are not available, Bidder must provide a value that shall be binding to the Bidder, otherwise, the non-fuel commodity costs cannot be passed on to consumers upon implementation of the PSA, and xxx"</p> <p>Please confirm that in the Fuel Formula that will be proposed, Bidder is only required to provide a description of non-fuel commodity cost that the</p>	<p>As stated in Section 3.3 (g) of the IPB, all non-fuel costs values that will be included in the Fuel Formula of the FEW should have supporting and source documents in order for the BAC-PSA to validate the provided values. Failure to provide these supporting documents shall make the submitted non-fuel costs values in the Fuel Formula of the FEW binding to the Bidder and shall serve as a cap during implementation (i.e. Bidder cannot pass-through the actual value of the non-fuel costs).</p> <p>Once the Bidder have included the actual values of these non-fuel costs for the period April 2021 to March 2024 in the Fuel Formula of the FEW (with supporting source documents), then it can be recovered as an actual pass-through cost during implementation. If such actual values are not available, Bidder must provide a value</p>

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				Bidder wants to recover. During implementation, such non-fuel commodity cost shall be passed-through based on the <u>actual cost incurred</u> by the Bidder.	that shall be binding during implementation, otherwise, the non-fuel commodity costs cannot be passed on to consumers.
112.		ITB	Item (e) (iv) of the Bid Price/Tariff Structure of Contract Price, TOR	<p>Please confirm that Bidders will be allowed to include the following items as part of the non-fuel cost in the Fuel Price Formula under Item (e) (iv) of the Bid Price/Tariff Structure of Contract Price Section of the TOR.</p> <ol style="list-style-type: none"> 1. Financing Cost 2. Hedging/Option Cost 3. Customs Duties 4. Fuel Testing 	Yes, as long as the actual values of these non-fuel costs for the period April 2021 to March 2024 is included in the Fuel Formula of the FEW.
113.		Annex QD-4 SWORN ATTESTATION OF NO CONFLICT OF INTEREST	Par. 2 of Item No. 2	<p><i>"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 existing, potential or future member of the governing Board, officers or management 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."</i></p> <p>In relation to the above statement in Annex QD-4, may we request for the list of the members of the BAC-PSA, TWG and Secretariat?</p>	<p>This is noted.</p> <p>The list of members of the BAC-PSA, TWG and Secretariat will be sent to the Interested Bidders in this Bidding.</p>
114.		Annex A to Annex QD-6 IPB	Instructions to Prospective Bidders ("IPB"), page 74.	The template of Annex A of Annex QD-6 provides a table where the Bidder must identify its and its Affiliates' financial lenders, specifically: (i) the name of the bidder/Affiliate concerned, (ii) the name of the financial lender, (iii) the name of the project/contract , and (iv) execution date .	Yes, this understanding is correct.

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				<p>Please confirm whether:</p> <ol style="list-style-type: none"> item (iii) above refers to <u>loan contract itself</u> or the <u>project to which the loan refers</u>; and item (iv) refers to <u>the execution date of the loan contract</u> or of the <u>project to which the loan refers</u>. 	
115.		Annex QD-8 currency and explanation	<p>IPB, pages 82 to 84</p> <p>IPB, Section 2(g), page 9</p>	<p>The Interested Bidder's functional currency in its audited financial statements is the USD.</p> <ol style="list-style-type: none"> Please confirm that the Bidder can indicate amounts in Annex QD-8 (a) in USD as provided in its audited financial statements, (b) in PHP using the historical Philippine Peso-US Dollar rates at the relevant transaction dates, and (c) with an explanation on the conversion. Please also confirm whether the Bidder can add a footnote to explain that the amount indicated as paid-in capital for preferred shares is net of treasury shares. 	<p>The functional currency different from PHP is not an issue, as long as this is clearly disclosed.</p> <p>On item 1 (a) – Yes, the Bidder can indicate that the amounts are in USD.</p> <p>On item 1 (b) – The BAC-PSA will use the relevant historical USD-PHP rate in assessing based on the reporting period of the data provided.</p> <p>On item 1 (c) – The explanation provided will be helpful to validate data provided if there will be difference in evaluation.</p> <p>On Item 2 – Yes, the Bidder can add footnotes for further explanation/description.</p>
116.		Audited Financial Statements	IPB, Section 3.1.5(a)	<p>The IPB requires the Bidder to submit a "<i>copy of audited (parent and consolidated, if applicable) of the Interested Bidder or any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent for the last three (3) years xxx.</i>"</p> <p>The Interested Bidder has its own separate annual audited financial statements ("<i>AFS</i>"). Its financial figures are also included in its parent's consolidated AFS.</p>	<p>The requirement pertains to the copy of the audited and closed parent and consolidated, if applicable, financial statements, of the interested bidder. The consolidated financial statements are applicable only for companies who prepare and file consolidated financial statements to the SEC.</p> <p>If a company has subsidiaries or, for example, is a publicly listed company, they are required to file consolidated financial statements. If that is the case, then the interested bidder should submit both parent and consolidated financial statements. But if the company is not required to prepare any consolidated financial</p>

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				Please advise whether the Interested Bidder should submit: (i) its own AFS for the last 3 years; (ii) its parent's consolidated AFS for the last 3 years; or (iii) both (i) and (ii).	statement, then the parent or standalone financial statement will suffice the requirement.
117.		Quarterly FS	IPB, Section 3.1.5(b)	The Interested Bidder is not a public company and therefore is not required to prepare quarterly FS. While its parent is a public company and regularly prepares consolidated quarterly FS and has them for the first quarter of 2024. In lieu of the requirement under IPB Section 3.1.5(b), can the Bidder submit its parent's quarterly consolidated FS for the first quarter of 2024 instead?	<i>See immediately preceding response above.</i> <i>If the Bidder will opt to send its standalone audited FS above, then the Bidder should be able to provide unaudited FS as of 1st Quarter of 2024 (at very least will consist of Balance Sheet, Income Statement, Cashflow Statement).</i>
118.	TLI	Pre-Bid Conference Open Forum query		If the bidder submits its parent and consolidated AFS which information should be reflected in Annex QD-8?	Since the primary financial statements of the bidder is the consolidated AFS, then the information from the consolidated AFS should be reflected in Annex QD-8.
119.		IPB	IPB Annex TP-1 Technical Proposal	Annex TP-1 Technical Proposal provides that Interested Bidders must submit the following: "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." Please confirm that the following documents shall be sufficient to comply with the above requirement: 1. Annex QD-1A: AUTHORITY TO PARTICIPATE IN THE BIDDING AND DESIGNATION OF AUTHORIZED REPRESENTATIVE; and, ERC Certificate of Compliance/ Provisional Authority to Operate	Yes, this is correct.

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120.		Bid Security Template Annex Bid-2 of the IPB	Bid Security Template p. 106	<p>In the Bid Security Template (Annex Bid-2), may we confirm that the "Place" below shall contain the Name and/or Address of the Issuer of the bid security?</p> <p>=====</p> <p>Manila Electric Company</p> <p>Philippines</p> <p>Place:</p> <p>=====</p>	Yes, this is correct.
121.		Financial Lenders IPB	Annex A of Annex QD-6	<p>In the event that (i) the Interested Bidder and/or its Affiliates engaged in power generation, which have off-take agreement with Meralco and/or affiliates, have multiple lenders, and, that (ii) NONE of its loan agreements and/or financing documents with such lenders are directly connected to or have purposes for the implementation of the offtake agreement or project with Meralco and/or its Affiliates (listed in Schedule 2 of the IPB), please confirm that the names of such financial lenders NEED NOT to be disclosed in Annex A of Annex QD-6.</p>	Yes, this is correct.
122.		IPB	Annex Bid-1 Template Bid Letter Item No. 5	<p>May we revise the statement as follows?</p> <p>[5. (Name of Bidder)'s Document Submissions are unconditional and unqualified. (Name of Bidder) understands and accepts all of the terms, conditions and other provisions of the Bidding Documents, including the the Power Supply Agreement (PSA) template.]</p>	Yes, this will be allowed.

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123.		Nominated Fuel Supporting Documents IPB	IPB Section 3.3 (f) p. 33	<p><i>"(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 April 2021 to March 2024 monthly figures are the actual values of the Nominated Fuel Index/Indices as released by their respective publishers, and,XXX"</i></p> <p>Please confirm that any of the following can be submitted as supporting or source documents:</p> <ol style="list-style-type: none"> 1. Printouts of the downloaded excel files from the publishers' platform containing daily historical data of Nominated Fuel/Fuel Indices, or 2. Printouts of the downloaded excel files from the publishers' platform containing monthly historical data of Nominated Fuel/Fuel Indices 	<p>Yes, it is allowed as long as it is certified either by the publisher or by the bidder and converted into monthly data.</p> <p>Yes, it is allowed as long as it is certified either by the publisher or by the bidder.</p>
124.		Non-Fuel Commodity Cost Supporting Documents IPB	IPB Section 3.3 (g) p. 33	<p><i>" (g) Hard copy of the supporting or source documents to validate that the provided actual values of the non-fuel commodity costs in the Fuel Formula is for the period of April 2021 to March 2024, if applicable"</i></p> <p>Please confirm that any of the following may also be submitted as supporting or source documents:</p> <ol style="list-style-type: none"> 1. Printouts of the downloaded excel files from the publishers' platform containing daily historical data of actual values of non-fuel commodity costs in the Fuel Formula 	<p>Yes, it is allowed as long as it is certified either by the publisher or by the bidder and converted into monthly data.</p> <p>Yes, it is allowed as long as it is certified either by the publisher or by the bidder.</p>

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 600 MW (NET), EFFECTIVE SEPTEMBER 2025

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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				2. Printouts of the downloaded excel files from the publishers' platform containing monthly historical data of actual values of non-fuel commodity costs in the Fuel Formula	
125.	QPL	Pre-Bid Conference Open Forum query		It was mentioned [during the Pre Bid Conference] that the index shall be certified. please confirm whether confirmation by the authorized representative is acceptable. Or do you require the publisher to certify?	The indices that will be submitted should be certified by the publisher or by the bidder as part of the submission in Envelope 3.
126.	SLPG C	Pre-Bid Conference Open Forum query		For the fuel indices, can we use instead the source publication itself as evidence in lieu of the certification from the same publisher?	<p>If certification from the publisher cannot be obtained, due to factors that are out of control of the bidders, the bidder can submit the source publication itself of the nominated index as long as the BAC-PSA can access it, and it should be certified by the authorized representative of the bidder.</p> <p>To capture this possible scenario, Section 2.4 of the IPB will be amended to read as follows:</p> <p>"2.4. COSTS AND EXPENSES</p> <p>Interested Bidders shall bear all costs, losses and damages associated with or resulting from their participation in the Bidding, whether its bid is accepted or rejected. The BAC-PSA and Meralco shall not be held responsible or liable in any way for any such costs, losses or damages incurred by any Interested Bidder (whether incurred by it directly or indirectly, or by its officers, employees, advisers, contractors, Affiliates, including the BAC-PSA or other persons), regardless of the results of the Bidding.</p> <p>The Winning Power Supplier shall bear all the costs related to engaging the services of an Independent Engineer during this Bidding which shall be pro-rated among the Winning Power Supplier/s' contracted capacity; pre-filing publication cost and filing fee of the relevant joint application for approval of the PSA with the ERC, while Meralco shall bear</p>

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					<p>the publication cost and posting expenses of the notice of public hearing to be issued by the ERC for the said joint application.</p> <p><u>During the Bidding, should the Interested Bidder submit a Nominated Fuel Index that is not publicly available, the Interested Bidder shall provide to the BAC-PSA the necessary data for the said index for the BAC-PSA's use/evaluation. During implementation of the PSA, the Winning Power Supplier shall provide to Meralco the necessary data for the said index or opt to shoulder all the costs related to the applicable subscription for Meralco to obtain the necessary data for the said index."</u></p> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the Bid Requirements and IPB.</p>
127.	SLPG C	Pre-Bid Conference Open Forum query		What if the BAC does not have subscription to the said publication?	<p>If the publication needs a subscription, then the bidder should provide the BAC and TWG the necessary data or access to the actual values of the nominated indices. This is in addition to the certification required for the submission that the submitted values of the nominated indices are the ones published by the publisher of the nominated indices.</p> <p><i>See also the immediately preceding response above.</i></p>
128.	QPL	Pre-Bid Conference Open Forum query		Can the Power Supplier give the TWG temporary view/screen shot of the index via the Power Supplier's subscription to the index?	<p><i>See the immediately preceding response above.</i></p>
129.	SLPG C	Pre-Bid Conference Open Forum query		Can we use CPI as nominated fuel index?	<p>The Bidders can include US CPI and/or PH CPI in the Fuel Formula and it shall not be counted as a Nominated Fuel Index (for the purpose of the maximum 2 Nominated Fuel Indices requirement of the ITB) subject to the following conditions: (i) the Bidder shall indicate and state in the Fuel Formula for each Contract Year (as inputted in the InputFuelFormula worksheet, cells C8 to Q8) the Base US CPI and/or PH CPI that will be used, and (ii) use the</p>

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 600 MW (NET), EFFECTIVE SEPTEMBER 2025

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						
					corresponding US CPI and/or PH CPI values for each Contract Year as seen in Assumptions worksheet as the value of the current CPI during evaluation (i.e. current US/PH CPI divided by Base US/PH CPI). This is to ensure that the effect of including and using US CPI and/or PH CPI in the Fuel Formula will be captured during evaluation.						
130.	SLPG C	Pre-Bid Conference Open Forum query		CPI as index, this is for the non fuel component?	See the immediately preceding response above.						
131.		Net Plant Output IPB	Annex TP-2 Performance Guarantees	<p>In both PSA Appendix B and Annex TP-2 Performance Guarantees, Bidders shall be required to provide the Net Plant Output in MW.</p> <p>In the event that an Interested Bidder's offered capacity is less than the Net Plant Capacity of the plant, please confirm that the Bidder shall <u>only indicate the Offered Capacity</u> in Annex TP-2 and Appendix B of the PSA, which shall be the basis of the Performance Guarantees.</p> <p>1. Compliance with the Philippine Grid Code:</p> <p>The generating units from where the Contract Capacity and Associated Energy will be supplied shall comply with the Philippine Grid Code</p> <p>2. Performance Guarantees</p> <p>This Bidder will cause the Plant to operate under the following Performance Guarantees:</p> <table><tr><th>Technical Parameter</th><th>Performance Guarantees</th></tr><tr><td>Net Plant Output</td><td>[] MW</td></tr><tr><td>Frequency Limits (Hertz)</td><td>• Any generating unit shall be capable of continuously supplying its Active Power output within the Power System Frequency range of 59.4 to 60.5 Hz</td></tr></table>	Technical Parameter	Performance Guarantees	Net Plant Output	[] MW	Frequency Limits (Hertz)	• Any generating unit shall be capable of continuously supplying its Active Power output within the Power System Frequency range of 59.4 to 60.5 Hz	No, Power Supplier should still indicate the Net Plant Output of the Nominated Plant.
Technical Parameter	Performance Guarantees										
Net Plant Output	[] MW										
Frequency Limits (Hertz)	• Any generating unit shall be capable of continuously supplying its Active Power output within the Power System Frequency range of 59.4 to 60.5 Hz										
132.		Required Attachment	IPB 3.2 (b) p. 29	IPB 3.2 (b) states:	For queries 1., 2., and 3. – Yes, the “resubmission or re-attachment of Annex QD-5 (CERTIFICATION THAT THE						

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 600 MW (NET), EFFECTIVE SEPTEMBER 2025

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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		No. 5 of Annex TP-1 Technical Proposal Instructions to Prospective Bidders		<p>"(b) From August 26, 2025 and for the duration of the 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 Plant is contracted, Bidder must be able to terminate such agreement on or before OED to fulfill requirements under the resulting PSA;"</p> <p>May we clarify the following items:</p> <ol style="list-style-type: none"> 1. Please confirm that the resubmission or re-attachment of Annex QD-5 (CERTIFICATION THAT THE NOMINATED PLANT IS UNCONTRACTED) shall be sufficient to comply with the requirement under 3.2 (b); 2. We noticed that the above requirement (IPB 3.2(b) is not included in the required attachments of Annex TP-1. May we ask if it will be included in the list of attachments in Annex TP - 1? <p>May we confirm that the requirement is not applicable to Interested Bidders with Nominated Plants in commercial operations based on the list of Not Applicable Documents in Section 3.2 (q)?</p>	NOMINATED PLANT IS UNCONTRACTED) shall be sufficient to comply with the requirement under 3.2 (b);"
133.		IPB	IPB Sec. 3.1.4 (b) & (c)	<p><i>"(b) 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, a single power plant of at least 150 MW (AC, net) installed capacity (firm, dispatchable and has attained a simple monthly average of at least 87.75% plant capacity factor ("PCF") over a 3-month consecutive period of operations) ("Reference Plant"), whether in the Philippines or elsewhere</i></p> <p><i>(c) In respect of any Reference Plant, proof that the Reference Plant is capable of generation of electricity of at least 150 MW (AC, net), which must be supported by an official document [GCMR] of the Bidder's</i></p>	<p>For item (b), the COC/PAO with the Reference Plant's owner, developer, manager, administrator, or operator will suffice.</p> <p>For item (c), yes, the GCMR of the Reference Plant will suffice.</p>

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INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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				<p><i>Reference Power Plant as submitted by the Bidder to the ERC, showing that it attained a simple monthly average of at least 87.75% PCF over a 3-month consecutive period of operations within the most recent forty-two (42) month period of operations, certified as a true copy by the 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, in which case it must be under oath and notarized;"</i></p> <p>May we confirm that the Generation Company Management Reports of the Reference Plant are sufficient to comply with both IPB Sec. 3.1.4 (b) and (c)?</p>	
134.		<p>Attachments to Annex QD-7</p> <p>IPB</p>	IPB Section 3.1.4 (c) to (f) and (h)	May we confirm that the assistant corporate secretary, as an alternative to the corporate secretary, can also certify the documents required under IPB 3.1.4 (c) to (f) and (h) as true copies?	Yes, this will be allowed, provided that the certifying Assistant Corporate Secretary is named in the GIS.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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135.		PSA	General Query	Bidders are required to sign Annex Bid-3, "Acknowledgement and Acceptance of the Power Supplier Agreement Template." However, some terms may not be applicable to certain nominated plants. Will MERALCO still consider negotiating the PSA with the winning bidder?	MERALCO's PSA included in the Bidding Documents is a template agreement which contains standard provisions and incorporates the minimum requirements under the Energy Regulatory Commission Resolution No. 16, Series of 2023 (ERC CSP Guidelines). By submitting a Bid, the Bidder has agreed to observe the terms of the PSA, should it be declared as the Winning Power Supplier. This also ensures that the Bidders are placed in equal footing, and no Bidder is given preferential treatment through more favorable PSA terms. Thus, the terms of the PSA, as included in the Bidding Documents, are non-negotiable, and as stated in Section 5.4 of the IPB, may be modified only as necessary to reflect the terms and conditions of the Technical Proposal and Bid Price of the Winning Power Supplier.
136.		PSA	Article 5.3.3	Option to decrease or increase its day ahead nomination Will this be on a day ahead or real time basis?	Yes. The option to decrease or increase will be on both day ahead and intraday basis. Aside from this, MERALCO also has the option to increase up to the Metered Quantity on a day-after basis.
137.		PSA	Article 7.4.2	Just to confirm GNPHR will be set in varying Load Factors as defined in the MFCP per Appendix E (2)?	Yes. Load Factor shall depend on actual Associated Energy for each Billing Period.
138.		Net Dependable Capacity Test	7.4.1	What if an NDA was conducted in a year, prior to Meralco's scheduled NDC Test? Will this satisfy the requirement under 7.4.1?	Yes.
139.		Impaired Capacity	7.6	Please clarify the qualification under the second sentence of this provision? Shouldn't this just refer to the allocation of impaired capacity? Does this mean the obligation to provide pro-rata capacity in case of any impairment will only happen if Meralco decides to assign the capacity?	No, Meralco is always entitled to pro-rata share in the Net Dependable Capacity and even if it exercises assignment or reduction of CC. For clarity, the provision shall be revised as follows: "7.6 4 Allocation of Available Capacity If the availability of the Plant is impaired for any reason such that Power Supplier is unable to make available all or a portion of the

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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					<p>Contract Capacity, Power Supplier shall promptly notify Meralco in writing of such impairment. In the event <u>of such impairment</u>, that Meralco exercises its right under Article 9 and/or Section 19.1.2, notwithstanding the impairment, Power Supplier undertakes to give Meralco available capacity (and associated energy) equivalent to at least Meralco's pro-rata share in the Net Dependable Capacity. <u>For clarity, this provision shall apply notwithstanding exercise by Meralco of its right under Article 9 and/or Section 19.1.2."</u></p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>
140.		Reduction of Contract Capacity	9.2	Propose to revise the following sentence: "Any such reduction shall not be more than the ratio the Contract Capacity bears against Meralco's total capacity among all of its suppliers."	Upon consultation with the DU, MERALCO is not amenable to this proposal, The ERC CSP Guidelines does not require any such qualification. Rest assured, however, that reduction in contract capacity will be done in a manner consistent with MERALCO's least cost obligation to its captive customers.
141.		TOR	Reduction in Contract Capacity	<p><i>The Contract Capacity and Associated Energy may be reduced equivalent to the reduction in the demand of captive customers of Meralco by reason of the implementation of Retail Competition and Open Access, the Renewable Energy Law, or other Laws and Legal Requirements.</i></p> <p>What is the implication of a reduction in contract capacity to the PSA between Meralco and the Power Supplier? Shall notice be given in case of such reduction, or should this needs ERC approval?</p>	<p>Please refer to Sections 9.1 and 9.2 of the PSA Template on the parameters and process for adjustments in Contract Capacity and Associated Energy.</p> <p>As stated in Section 9.2: (a) Meralco shall cease to have any rights and obligations under this Agreement in respect of such Reduction in Contract Capacity and Associated Energy, (b) a written notice is to be provided by Meralco at least five (5) Days prior to the first Day of the next Billing Period to Power Supplier, specifying the Reduction in Contract Capacity and Associated Energy pursuant to Section 9.1, indicating when such reductions shall take place. The reduction shall not be subjected to ERC approval again since only the Contract Capacity and Associated Energy as well as the resulting reduction in Capacity Payment changed. All other terms and conditions of the PSA, as approved by the ERC, shall remain in full force and effect.</p>

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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142.		Adjustments in Contract Capacity and Associated Energy / PSA	Section 9.2 Page 24	<p>Power Supplier should be given sufficient lead time for any implementation of reduction in Contract Capacity in order to allow for economical operation of its Plant. It is also requested that (i) Meralco would advise the Power Supply of any factors likely to lead to such a decision so that the Power Supplier could find out how to market the capacity to be unused by Meralco so that the Power Supplier could continue to provide the loads under the Contract Capacity to Meralco afterwards in an economically sensible manner and (ii) the Power Supplier should be relieved of default risk and associated penalties to the extent its performance under the PSA is impaired as a result of abrupt changes in the Power Supplier's contracted offtake. For the lead-time provision, suggest to revise the first sentence of Section 9.2 as follows:</p> <p>Meralco shall give a written notice at least five thirty (5 30) Days prior to the first Day <u>of implementation of the Reduction in Contract Capacity the next Billing Period</u> to Power Supplier, specifying the Reduction in Contract Capacity and Associated Energy pursuant to Section 9.1, indicating when such reductions shall take place.</p>	As consulted with the DU, MERALCO is not amenable to with this proposal. Please note that this is standard provision across Meralco's PSAs.
143.		Disputing Final Invoice	10.2.2	It seems Meralco is given two periods to dispute a Final Invoice. Suggest to limit it to the 15-day period under 10.2.3 and remove the one year period given to it under 10.2.2	Upon consultation with the DU, MERALCO prefers to retain this provision as this is standard provision across its PSAs.
144.		Amounts payable for termination due to MAGA	11.2.2(a)	11.2.2.(a) makes reference to 16.3.3.(a) on amount Supplier has to pay in case of termination in case of inaction by the ERC on price increase request for one year. We note that the PSA doesn't have a Section 16.3.3(a) so which price will be applicable? We also note that 16.6.5(a) makes reference to the same section.	<p>These are typographical errors. The correct reference is Section 16.3.3.</p> <p>Section 11.2.2(a) shall be revised as follows:</p> <p>"...If such inaction on the Application for Price Adjustment persists after one (1) year from filing thereof, Power Supplier has the option to either (i) resume performance of its obligation to make available the Contract Capacity and supply the Associated Energy to Meralco, or (ii) terminate this Agreement, subject to payment of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a); provided that, serious damage or material and adverse effect on Power Supplier has resulted in its having actually</p>

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					<p>incurred costs amounting to more than thirty percent (30%) of the annual capacity payment.</p> <p>If the Application for Price Adjustment has been denied, in whole or in part, Power Supplier shall be entitled to terminate this Agreement in accordance with the provisions of Section 16.6.5(a); <i>provided</i> that, serious damage or material and adverse effect on Power Supplier has resulted in its having actually incurred costs amounting to more than thirty percent (30%) of the annual capacity payment. In case of termination by reason of a denial by the ERC or applicable Government Instrumentality of the existence of a Material Adverse Government Action, Power Supplier shall pay the liquidated damages calculated in accordance with Section 16.3.3(a); <i>provided</i> that, if Power Supplier suspended the performance of its obligation to make available the Contract Capacity and supply the Associated Energy to Meralco, Power Supplier shall also refund to Meralco the equivalent of the Material Adverse Government Action Rate corresponding to the total replacement energy purchased from WESM during the suspension period, calculated in accordance with Appendix E; <i>provided</i> further, that if the denial is for a reason other than non-existence of a Material Adverse Government Action, Power Supplier shall only pay fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a)."</p> <p>Section 11.2.2(b) shall likewise be revised as follows:</p> <p>"...subject to payment by Power Supplier of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a); <i>provided</i> further, that upon resolution of the dispute, including a determination that the Material Adverse Government Action does not exist, Power Supplier shall pay additional fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a)."</p> <p>Section 11.2.3 shall be revised as follows:</p>

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					<p>"...the liquidated damages calculated in accordance with Section 16.3.3(a) and (ii) the amounts Meralco paid, which Meralco was not able to collect from its customers or is required to be refunded, if any."</p> <p>Section 16.6.5 shall be revised as follows:</p> <p>"(a) If Power Supplier sends a Notice of Material Adverse Government Action that gives rise to an option to terminate this Agreement under Section 11.2.2, then Power Supplier may terminate this Agreement upon sixty (60) Days' prior written notice to the other Party, subject to Power Supplier's payment of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a). However, if ERC or applicable Government Instrumentality denies the existence of a Material Adverse Government Action and Power Supplier proceeds to terminate this Agreement, Meralco shall be entitled to one hundred percent (100%) liquidated damages calculated in accordance with Section 16.3.3(a). Until termination occurs, the Parties shall continue to perform their respective obligations under this Agreement.</p> <p>(b) If Power Supplier fails to refund to Meralco any amount under Section 11.2.3, then either Party may terminate this Agreement upon sixty (60) Days' prior written notice to the other Party, subject to Power Supplier's payment of (i) fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a) and (ii) the amounts Meralco paid, which Meralco was not able to collect from its customers or is required to be refunded, if any. Until termination occurs, the Parties shall continue to perform their respective obligations under this Agreement."</p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>
145.		Insurance	13.1	For confirmation if a bidder should submit all of the policies listed or only those applicable to it	If the Winning Power Supplier has a greenfield power plant, then the applicable provisions are those highlighted in green. Thus, the Winning Power Supplier has to submit such items. Otherwise, if

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					the Winning Power Supplier has a brownfield power plant, then it should submit those items that are not highlighted in green.
146.		Section 13.1 of the PSA template	Pages 34-35 of the PSA template	Is 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?	<i>See immediately preceding response above.</i>
147.		Force Majeure remedies	15.3.3	Can you clarify the last sentence? 15.3.2 gives the Supplier the right to sell the capacity if Meralco is unable to receive it due to an FM event at a particular interval within the Term. How is this mutually exclusive from the automatic extension of the Term? Even if Supplier can sell the capacity during an FM event, it doesn't mean it will be earning the same amounts as to when it is selling the capacity to Meralco.	The phrase "mutually exclusive" used in the last sentence of Section 15.3.3 means that it is only one or the other [option] that may be availed of by Power Supplier. Meralco cannot speculate as to what Supplier may "earn" when this provision is triggered. Nevertheless, the rationale of the "mutually exclusive" nature of the options is that Power Supplier should not benefit or be compensated twice for the same [FM] event.
148.		Material Adverse Government Action / PSA	Section 11.2.2 Page 29-30	<p>Bidder notes that the provisions on Material Adverse Government Action ("MAGA") do not effectively grant any relief to the Power Supplier and even provides for a penalty notwithstanding it has been adversely impacted by the MAGA. As drafted, this provision may present a major bankability, equity, and project risk issue for which managers and directors would be hard-pressed to approve or recommend approval of the taking of such uncontrollable risk plus inexplicable penalties for events not within the control of Power Supplier and for which Power Supplier itself would be victimized. This risk is acute for baseload plants using historically useful technologies that may be positioned to offer very competitive, reliable, dependable, and fully-dispatchable baseload bulk power rates.</p> <p>We submit that the MAGA should be treated similar to an Event of Force Majeure since this is outside the control of the Power Supplier. Power Supplier should be given the option to suspend the supply of electricity to Meralco during the period of pendency of the Application for Price Adjustment, subject to compensation for any incremental cost of the Replacement Power and the Price. Further, Power Supplier should not be required to wait for one (1) year from filing the Application for Price Adjustment to terminate the PSA. Any such</p>	As consulted with the DU, MERALCO is not amenable with this proposal. The Liquidated Damages is to cover exposure of MERALCO's customers on account of termination of the PSA. Please also note that this is standard provision across Meralco's PSAs.

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				termination should not be subject to liquidated damages – noting that the right of Power Supplier to terminate is already conditioned on serious damage and costs having incurred equivalent to more than 30% of the annual capacity payment.	
149.		Liquidated Damages	Section 16.3.3 Pages 45-46	<p>The liquidated damages in the amount of PHP100,000.00 per MW per day of the Contract Capacity for the remaining Term of the PSA could be substantially higher than the Price. The Bidder recommends making the liquidated damages commensurate to the Power Supplier's Capacity Payments for a period of time to cover Meralco's obtaining substitute power provision, and also subject to any mitigating measures available to Meralco, given that there should be ample interest of others to supply capacity and energy to Meralco as a distribution utility in case of the failure of one independent Power Supplier or Plant to be able to do so strictly in accordance with the terms of the PSA.</p> <p>We suggest that the liquidated damages should be determined based on an agreed formula based on the estimated marginal cost incurred by Meralco.</p>	As consulted with the DU, MERALCO is not amenable with this proposal. Note that this provision is in accordance with the TOR. Please also note that this is standard provision across Meralco's PSAs.
150.		Instances of Force Majeure / PSA	Section 15.2 Pages 38-39	<p>Events of Force Majeure should also include actions of other governments outside of the Philippines which adversely impact the ability of Power Supplier to procure goods, services, and finance for the operation and maintenance of the Plant and governmental and quasi-governmental authorities established for the purpose of imposing trade, economic or financial sanctions, including trade embargoes and other restrictive measures, in any case that may directly impact the operation and maintenance of the Plant.</p> <p>Suggest to revise the enumeration of Events of Force Majeure under Section 15.2 (connected to the MAGA related definitions above) as follows:</p> <p>Subject to the provisions of Section 15.1 and Section 15.6, Events of Force Majeure shall include, but not limited to:</p>	As consulted with the DU, MERALCO is not amenable with this proposal. Please note that provision already mentions "directly affecting the Philippines" and what is material is a party to the PSA is able prove that the requisites of FM are present.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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				<p>(a) acts of war or the public enemy, whether war is declared or not, occurring in or directly affecting the Philippines <u>or otherwise the provision of goods and services to the Plant;</u></p> <p>xxx xxx xxx</p> <p>(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 <u>or otherwise the provision of goods and services to the Plant;</u></p> <p>(d) explosions, fires, earthquakes, lightning, typhoon, tsunami, flood, cyclone, volcanic eruptions, <u>estuarine flooding,</u> landslide or other natural disasters, acts of God, epidemic, quarantine or plague <u>(and any actions by Government Instrumentalities in connection with or anticipation of such conditions);</u></p> <p>(e) any action or aggregation of actions or failure to act by any Governmental Instrumentality <u>or Foreign Actor,</u> including <u>Material Adverse Government Action,</u> expropriation, requisition, confiscation, nationalization or other compulsory acquisition; export or import restriction or other restrictions, rationing or allocations imposed by any Governmental Instrumentality (in each instance, occurring in the Philippines) <u>or any Foreign Actor;</u> the denial of or delay in the granting of any approval, consent, authorization or other requirement mandated by any Legal Requirement <u>or Foreign Act, the failure of any such approval, consent, authorization or other requirement once granted to remain in force and effect or to be renewed on substantially similar terms, in each case, notwithstanding a Party's due application therefore and diligent efforts to obtain the same;</u></p> <p>xxx xxx xxx</p> <p>(j) Curtailment of the Plant output by the System Operator <u>or Market Operator; and</u></p>	

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				<u>(k) closing or congestion of harbors, ports, docks, wharves, loading apparatus, canals or other assistance to or adjuncts of the shipping or navigation of or within any place, or rationing or allocation, whether imposed by law, decree or regulation by, or by compliance of industry at the informal or non-public insistence of, any state, governmental instrumentality, parastatal union or coalition, or agency or corporate establishment directed and controlled by any of them.</u>	
151.		Definition of Terms / PSA	Section 1.1 [Prudent Operating Practices] Page 11	The applicable standards should be those applicable to the specific technology. Suggest to revise the definition of Prudent Operating Practices as follows: Prudent Operating Practices means, at a particular time, those practices, methods and acts that are in accordance with standards of prudence applicable to the international electric utility power industry in respect of the same technology as the Plant which would have been expected to accomplish the desired result consistent with reliability, safety, environmental protection and expedition.	As consulted with the DU, Meralco is not amenable to the proposed change. The current definition of Prudent Operating Practices already implies that the applicable standards should be specific to the Plant technology.
152.			Section 1.1 [Material Adverse Government Action] Page 8	Material Adverse Government Action should also include actions of other governmental and quasi-governmental authorities established for the purpose of imposing trade, economic or financial sanctions, including trade embargoes and other restrictive measures, that may directly impact the supply of equipment and fuel and, ultimately, the operations of the Plant. Suggest to revise the definition of Material Adverse Government Action and include the following additional defined terms in relation thereto: Foreign Act means any law, act, decree, judgment, order, or similar act of any Foreign Actor which has or may have a material adverse effect on the operation and maintenance of the Plant or provision of commodities, equipment, or other goods for its operation and maintenance or on the ability of the Power Supplier to perform under this Agreement, including Sanctions Laws. Foreign Actor means any foreign state, federation, federal government, supranational or parastatal organization, or other	As consulted with the DU, MERALCO is not amenable with this proposal. Material Adverse Government Action (MAGA) only contemplates Law and Directive issued by the Government [of the Philippines] or Government Instrumentality. Notably, foreign laws etc. cannot be judicially noticed. Expansion of the definition of MAGA to include foreign acts unnecessarily places too much burden/uncertainty in the PSA, and ultimately, the consumers.

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				<p><u>governmental or quasi-governmental body acting or purporting to act within a jurisdiction from which commodities, equipment, or other goods are supplied for the operation and maintenance of the Plant or extraterritorially, including Sanctions Authorities.</u></p> <p>Material Adverse Government Action means:</p> <p>(a) Any Law, <u>Foreign Act</u>, or Directive coming into effect after the signing of this Agreement, including the adoption or enactment, or any change or repeal with respect to the imposition of taxes, duties, levies, fees, charges and similar impositions, and the right to remit or convert currencies. This does not include any Legal Requirement or the application or interpretation thereof <u>publicly</u> in existence at the date of the signing of this Agreement, but which by its explicit terms or due to any other circumstance, became effective or could be implemented only after the date of this Agreement; or</p> <p>(b) The amendment modification, repeal or withdrawal of any Law, <u>Foreign Act</u>, or Directive (including any official interpretation thereof which the Parties have relied upon in entering into this Agreement) in force at the date of this Agreement; or</p> <p>(c) The modification in the application, enforcement, interpretation or implementation of any Law, <u>Foreign Act</u>, or Directive by, <u>as applicable</u>, a Governmental Instrumentality <u>or Foreign Actor</u>, which the Parties have relied upon in entering into this Agreement, which modification occurred at any time after the date of this Agreement,</p> <p>which causes or may cause serious damage to, or materially and adversely affects the financial condition of, any of the Parties. It is understood that there is serious damage to, or material and adverse effect on the financial condition of, a Party if the cost impact is more than ten percent (10%) of the annual capacity payment.</p> <p>Sanctions Authority means: (a) the United States; (b) the United Nations Security Council; (c) the European Union; (d) any European member state; (e) the United Kingdom (irrespective of its status</p>	

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				<p>vis-à-vis the European Union); (f) the Anti-Money Laundering Council of the Philippines or such other Governmental Instrumentality as may be authorized or established for the purpose of imposing sanctions; (g) the Republic of Indonesia, or (h) the respective governmental institutions and agencies of any of the foregoing including, without limitation, Her Majesty's Treasury, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of Commerce, the U.S. Department of State and any other agency of the U.S. government.</p> <p>Sanctions Laws means any trade, economic or financial sanctions or trade embargoes or related restrictive measures or directives imposed, administered or enforced from time to time by any Sanctions Authority.</p>	
153.			<p>Section 1.1</p> <p>Section 15.2(h)</p> <p>Page 39</p>	<p>The term Transmission Failure was used in relation to Events of Force Majeure but not defined.</p> <p><u>Please provide definition of Transmission Failure.</u></p>	<p>As relayed by the DU, this is a typographical error, and the correct term is Network Failure. For clarity, Section 15.2(h) shall be revised as follows:</p> <p>"any System Emergency or Transmission Network Failure that prevents delivery by Power Supplier, or acceptance by Meralco, of Contract Capacity and Associated Energy (except if due to the act or omission of the Party seeking to claim an Event of Force Majeure, unless otherwise due to an Event of Force Majeure). In case of disagreement as to the existence of a Network Failure, the Parties shall secure the necessary certification from ERC, which certification shall bind both Parties."</p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>
154.		Nominations / PSA	<p>Section 5.3.3</p> <p>Page 19</p>	<p>Reference to Technical Limits (not a defined term) in Section 5.3.3 should be replaced with Performance Guarantees, which includes the technical parameters and operating limits of the Plant.</p>	<p>This is noted. Section 5.3.3 will be revised as follows:</p> <p>"5.3.3 Notwithstanding Section 5.3.2, Meralco shall have the option to increase or decrease its day-ahead nominations, subject to the</p>

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					<p>Technical—Limits, Performance Guarantees, Operating Procedures, WESM Rules and Grid Code.”</p> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA Template.</p>
155.		WESM Declarations / PSA	Section 5.4.1 Page 19	<p>The administrative fee should be imposed per instance of erroneous declaration and not based on a per Trading Interval.</p> <p>Suggest to revise the last sentence of the first paragraph of Section 5.4.1 as follows:</p> <p>Further, Power Supplier shall pay Meralco an administrative fee of Fifty Thousand Philippine Pesos (Php50,000.00) for each Trading Interval instance of erroneous BCQ declaration, which is due to Power Supplier's fault.</p>	<p>Upon consultation with the DU, MERALCO is not amenable to this proposal.</p>
156.		Outage Allowances / PSA	Section 8.1.1 Pages 22-23	<p>In computing Outage Allowance Days, instances wherein the dispatch of the Plant remains within the dispatch conformance standards and criteria prescribed under the WESM Rules and relevant Market Manuals should not be counted as an Outage. Suggest to add an additional sentence at the end of Section 8.1.1 to clarify this point as follows:</p> <p><u>For avoidance of doubt, the Plant shall not be deemed to be on Outage to the extent that the dispatch of the Plant complies with the dispatch conformance standards and criteria under the Relevant Operating Regulations in any given Trading Interval.</u></p>	<p>This is noted. As consulted with the DU, the “dispatch conformance standards” shall be incorporated in the definition of Forced Outage:</p> <p>“Forced Outage means (a) any interruption of the Plant’s generating capability resulting in an unplanned reduction or suspension of the electrical output from the Plant and/or unavailability of capacity in whole or in part from the Plant; (b) any automatic shutdown of any part of the Plant; and/or (c) any other unavailability of the Plant for operation, in whole or in part, for maintenance and/or repair, and in each of (a), (b) or (c), that is not a Scheduled Outage and/or not the result of an Event of Force Majeure, and that affects the Plant’s ability to generate and export all or any portion of the Contract Capacity or Associated Energy. Any interruption, reduction or suspension of the Plant’s output <u>within dispatch conformance standards under existing regulations or</u> as instructed by the System Operator shall not be considered as a Forced Outage.”</p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>

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157.		Material Adverse Government Action / PSA	Section 11.2.3 Page 30	Reference to Section 18.6.5(b) should be replaced with Section 16.6.5(b) [<i>Termination in the Event of Material Adverse Government Action</i>].	<p>As relayed by the DU, this is a typographical error. For clarity, Section 11.2.3 shall be revised as follows:</p> <p>"...If Power Supplier fails to refund such amounts to Meralco, then either Party shall be entitled to terminate this Agreement in accordance with Section 16.6.5(b)."</p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>
158.		ERC Approval / PSA	Section 12.3.2(ii) Page 33	Reference to Bid Security should be replaced with Performance Bond, which is required to be submitted within ten (10) days from Execution Date as replacement to the Bid Security.	<p>This is noted. Section 12.3.2 (i) and (ii) will be revised as follows:</p> <p>"12.3.2 In case of Power Supplier's non-acceptance, it has the following options:</p> <p>xxx</p> <p>(i) ... If the Parties are unable to agree on the required amendment within thirty (30) Days from receipt of the ERC Approval, or if the motion for reconsideration is not resolved by the ERC within one hundred twenty (120) days after its filing, or the amendment is disapproved by the ERC, or approved by the ERC but still contains any material term or condition that is not acceptable to either Party, acting reasonably, then either Party may terminate this Agreement, and the Bid Security or Performance Bond shall be returned to Power Supplier.</p> <p>(ii) If Power Supplier does not file a motion for reconsideration with the ERC and/or notifies Meralco that it intends to terminate this Agreement, Meralco shall have the right to forfeit the Bid Security <u>Performance Bond</u> to the extent of twenty-five percent (25%) thereof.</p> <p><u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u></p>

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159.		Insurance Policies / PSA	Section 13.1(a) Page 34	The minimum coverage for Industrial All Risks Insurance should not be based on the value of machinery/equipment but <u>should be based on estimated maximum loss cost of the Plant which is calculated by underwriters and brokers in connection with periodic insurance review.</u>	As consulted with the DU, Meralco prefers to retain its standard insurance terms. Determining the maximum loss amount is not solely done by reinsurers, it is a collaborative effort among the parties. The Industrial All Risk Policy is a protecting solution that protects a business from financial implications in the case of (a) material damage or (b) breakdown of machinery causing a halt in operations. This is a wider cover than the Standard Fire and Perils policy. It is not correct to say that underwriters are the one who calculate the estimated maximum loss, in reality, it is actually determined via a risk assessment activity wherein inherent risks are identified, subjected to likelihood/significance or financial impact and after considering the risk mitigation strategies, parties involved agree to pass or share the risk with insurance.
160.		Remedies in case of Event of Default / PSA	Section 16.3.1 2 nd paragraph Page 45	Reference to Section 18.1(b) should be replaced with Section 16.1(b). Considering that the Capacity Payments are reduced to a lower amount due to 16.1(b) following an NDC Test, Meralco should pay the Replacement Power at the lower between the actual cost of Replacement Power and the Price (including Capacity Payments, not only variable costs per Appendix E) . This is to reasonably compensate the Power Supplier for the delivered Replacement Power to the extent above the reduced Contract Capacity up to the original Contract Capacity.	As relayed by the DU, this is a typographical error. For clarity, Section 16.13.1 shall be revised as follows: "...Immediately upon lapse of the Curing Period with respect to a Power Supplier Event of Default under Section 16 8.1(b), xxx" <u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u>
161.		Assignment / PSA	Section 19.1.2 Pages 52-53	The assignment of the Contract Capacity should be to a party with a credit rating acceptable to the Power Supplier, and the Power Supplier should have the right to withhold its consent in case the assignee does not have an acceptable credit rating. Suggest to revise Section 19.1.2 as follows	Upon consultation with the DU, MERALCO is not amenable to this proposal. The ERC CSP Guidelines does not require any such qualification.

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				<p>Contract Capacity and Associated Energy that is no longer required by Meralco shall not be assigned, transferred, designated, delegated or allocated (collectively in this context, "Transfer") by Meralco to another, except if (i) required for project financing in the case of Power Supplier, as provided in Article 19; (ii) when allowed by the ERC; or (iii) when necessary to mitigate or avoid any losses or costs due to stranded contract capacity; provided that any assignment or transfer to a distribution utility shall comply with applicable competitive selection process rules. In the case of item (iii), Meralco shall be entitled to Transfer its rights and obligations to purchase a portion of the Contract Capacity and Associated Energy that is no longer required by Meralco (a) to any of its business segments or wholly-owned Affiliates without the consent of Power Supplier, or (b) to any other Person, subject to the consent of Power Supplier, which consent shall not be unreasonably withheld, delayed or conditioned, <u>provided that in either case, the Power Supplier shall be entitled to withhold consent, which shall not be deemed to be unreasonable, in case of a Transfer of the Contract Capacity and Associated Energy to a third party with a credit rating not acceptable to Power Supplier.</u></p>	
162.		PSA - Notice of Force Majeure	15.6.2	<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>Reasonable proof comes from a third party or the source of FM. In the case of late receipt from these third party, would it be possible to remove the "within five days." Alternatively, will an initial submission (ie. system messages) suffice pending formal report?</p>	As relayed by the DU, MERALCO is not amenable with this proposal. This period of 5 days within which Power Supplier will submit reasonable proof of the FM and its effect to the Party's performance of its obligations is standard across Meralco's PSAs.

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163.		PSA - Supply of Power	5.1.2	<p>(b) provide Meralco with capacity and/or electrical energy from any source other than the Plant; provided, however, that Power Supplier shall be allowed to deliver and sell to Meralco the Associated Energy from WESM or any other source only when the Plant is on Outage beyond Full Load Equivalent Scheduled Outage Allowance Days and/or Full Load Equivalent Forced Outage Allowance Days, to be paid for by Meralco at the lower between the actual Replacement Power cost and Price, in accordance with Appendix E. Should Power Supplier fail to source from the Plant when it is available, Meralco shall pay the lower between WESM price and Price, in accordance with Appendix E.</p> <p>Please clarify if the "Should Power Supplier fail to source from the Plant when it is available" means BCQ error.</p>	Last sentence of Section 5.1.2(b) refers to a scenario when Power Supplier fails to source from the Plant when it is actually available, and not BCQ error. Since this is a physical contract and Power Supplier is required to supply from the Plant, when it fails to do so even if the Plant is available, last sentence of Section 5.1.2(b) applies. Consequence of BCQ error by Power Supplier is covered by Section 5.4. of the PSA Template.
164.		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>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 consulted with the DU, Meralco shall endeavor to submit its reimbursement within the relevant Billing Period.
165.		PSA - Definition of Material Adverse Government Action	1.1	<p>"Material Adverse Government Action means:</p> <p>(a) any Law or Directive coming into effect after the signing of this Agreement, including the adoption or enactment, or any change or repeal with respect to the imposition of taxes, duties, levies, fees, charges and similar impositions, and the right to remit or convert currencies. This does not include any Legal Requirement or the application or interpretation thereof in existence at the date of the signing of this Agreement, but which by its explicit terms or due to</p>	<p>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>

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				<p>any other circumstance, became effective or could be implemented only after the date of this Agreement; or</p> <p>(b) the amendment, modification, repeal or withdrawal of any Law or Directive (including any official interpretation thereof which the Parties have relied upon in entering into this Agreement) in force at the date of this Agreement; or</p> <p>(c) the modification in the application, enforcement, interpretation or implementation of any Law or Directive by a Governmental Instrumentality which the Parties have relied upon in entering into this Agreement, which modification occurred at any time after the date of this Agreement.</p> <p>which causes or may cause serious damage to, or materially and adversely affects the financial condition of, any of the Parties. <u><i>It is understood that there is serious damage to, or material and adverse effect on the financial condition of, a Party if the cost impact is more than ten percent (10%) of the annual capacity payment.</i></u></p> <p>Question: What is the basis of more than 10% threshold in determining serious damage or material or adverse effect on the financial condition of a Party?</p>	
166.		PSA – Material Adverse Government Action	Section 11.2.2 (a), par. 3; and Section 11.2.2.(b)	Please confirm that to be considered Material Adverse Government Action ("MAGA"), cost of impact is more than 10% of annual capacity payment. However, to trigger possible termination of the PSA, the MAGA cost of impact must be more than 30%. In this regard, what is the required proof to show the accumulation of cost of impact to more than 30%	<i>See immediately preceding response above.</i>

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				<p>"(a) ...If the Application for Price Adjustment has been denied, in whole or in part, Power Supplier shall be entitled to terminate this Agreement in accordance with the provisions of Section 16.6.5(a); provided that, serious damage or material and adverse effect on Power Supplier has resulted in its having actually incurred costs amounting to <u>more than thirty percent (30%) of the annual capacity payment</u>.</p> <p>(b) Meralco may dispute the existence of a Material Adverse Government Action following the procedure set in Article 18. During the pendency of the dispute, Power Supplier shall continue to make available the Contract Capacity and supply the Associated Energy to Meralco; provided that, when the Material Government Action results in Power Supplier having actually incurred costs amounting to <u>more than thirty percent (30%) of the annual capacity payment</u>, Power Supplier shall be entitled to terminate this Agreement..."</p>	
167.		PSA	Material Adverse Government Action/ Article 11.2.2(a) 3rd paragraph and 11.2.2(b)	<p>To be considered Material Adverse Government Action ("MAGA"), cost of impact is more than 10% of annual capacity payment. However, to trigger possible termination of the PSA, the MAGA cost of impact must be more than 30%. In this regard, what is the required proof to show the accumulation of cost of impact to more than 30%?</p> <p>"(a) xxx If the Application for Price Adjustment has been denied, in whole or in part, Power Supplier shall be entitled to terminate this Agreement in accordance with the provisions of Section 16.6.5(a); provided that, serious damage or material and adverse effect on Power Supplier has resulted in its having actually incurred costs amounting to <u>more than thirty percent (30%) of the annual capacity payment</u>. xxx</p> <p>(b) Meralco may dispute the existence of a Material Adverse Government Action following the procedure set in Article 18. During</p>	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.

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				the pendency of the dispute, Power Supplier shall continue to make available the Contract Capacity and supply the Associated Energy to Meralco; provided that, when the Material Government Action results in Power Supplier having actually incurred costs amounting to more than thirty percent (30%) of the annual capacity payment, Power Supplier shall be entitled to terminate this Agreement xxx."	
168.		PSA	Material Adverse Government Action/ Article 11.2.3(ii)	<p>Please confirm that the procedure for refund, if any, and any installments/tranches shall be agreed by the Parties separately.</p> <p><i>"Power Supplier shall be required to refund to Meralco the amounts paid, which Meralco was not able to collect from its customers or which is required to be refunded, to restore Meralco's commercial position prior to such Material Adverse Government Action, including an adjustment of the Price. xxx"</i></p>	Section 11.2.3 contemplates refund resulting from a corresponding order of the ERC or any other Governmental Instrumentality. In which case, ERC or such other Governmental Instrumentality may direct the manner of how the refund is implemented by the Parties.
169.		PSA – Material Adverse Government Action	Section 11.2.3, par. 2	<p>Please confirm that the procedure for refund, if any, and any installments/tranches shall be agreed by the Parties separately.</p> <p><i>"Power Supplier shall be required to refund to Meralco the amounts paid, which Meralco was not able to collect from its customers or which is required to be refunded, to restore Meralco's commercial position prior to such Material Adverse Government Action, including an adjustment of the Price."</i></p>	<i>See immediately preceding response above.</i>
170.		PSA	Tests 7.4	if an existing certification is valid for an active meralco contract, will it suffice to be used for the 600MW PSA?	Yes.
171.		Assignment of the Agreement to an affiliate /	Second paragraph letter (a), 19.1.1, Article 19 Assignment	The first line of the subject paragraph must be revised to read as <i>"Power Supplier may, without prior written consent of Meralco xxx xxx xxx assign or transfer this Agreement to xxx xxx xxx an Affiliate [or its consortium's special purpose vehicle] with creditworthiness equal to or higher xxx xxx xxx".</i>	As consulted with the DU, Meralco prefers to retain this provision. Note that to operationalize this provision, and for protection of customers for whose benefit the PSA was executed, Power Supplier still has to submit proof as to the creditworthiness of the assignee. As such, consent of Meralco is necessary. Nevertheless, the

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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
		PSA Body Template	and Change of Control	The consent of Meralco should no longer be required for being unnecessary as long as the assignee of the power supplier has a credit standing equivalent or higher to that of the creditworthiness of the power supplier.	provision states that such consent shall not be unreasonably withheld, or delayed.
172.		PSA – Material Adverse Government Action	Section 11.2.2 (a), par. 3	<p>Please confirm that the provision below on termination of the PSA will not apply if the party/ies have applied for appellate remedies and/or a temporary injunction (TRO) has been issued.</p> <p>“(a) ...<u>In case of termination by reason of a denial by the ERC or applicable Government Instrumentality of the existence of a Material Adverse Government Action</u>, Power Supplier shall pay the liquidated damages calculated in accordance with Section 16.3.3(a); provided that, if Power Supplier suspended the performance of its obligation to make available the Contract Capacity and supply the Associated Energy to Meralco, Power Supplier shall also refund to Meralco the equivalent of the Material Adverse Government Action Rate corresponding to the total replacement energy purchased from WESM during the suspension period, calculated in accordance with Appendix E; provided further, that if the denial is for a reason other than non-existence of a Material Adverse Government Action, Power Supplier shall only pay fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3 (a)”</p>	Denial by ERC or applicable Governmental Instrumentality of the existence of a Material Adverse Government Action is executory unless TRO is issued.
173.		Section 8.3.1 of PSA template	Page 24 of PSA template	<p>Typo :</p> <p>Section 8.3.1</p> <p>....In the same manner, Meralco shall submit to Power Supplier the revised month-ahead, and day-ahead energy nomination schedule, as</p>	<p>This is noted. Section 8.3.1 shall be revised as follows:</p> <p>“...In the same manner, Meralco shall submit to Power Supplier the revised month-ahead, and day-ahead energy nomination schedule, as may be applicable, to avail of the Contract Capacity made available as a result of the early completion of the Scheduled Outage. xxx”</p>

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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
				may be applicable, to avail of the Contract Capacity made available as a result of the early completion of the Scheduled Outage.....	<u>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</u>
174.		Section 5.5.1 of PSA template	Page 20 of PSA template	<p>Please confirm that this is only applicable if Winning Bidder has RE supply.</p> <p>[5.5 Compliance with RPS Rules</p> <p>5.5.1 Beginning on Operations Effective Date, any RECs in relation to the Associated Energy shall redound to the benefit of, and be credited to, Meralco. The RECs shall be monitored and accounted for on a monthly basis.]</p>	Yes, this provision is only applicable if Winning Power Supplier's Nominated Power Plant is RE.
175.		PSA template	Page 76 of the PSA template Appendices	Suggest to delete reference to Commissioning Energy in the draft PSA template Appendices covering the components of Monthly Power Bill as there is no formula provided in the draft PSA template Appendices and not covered under the main PSA template.	<p>As relayed by the DU, Meralco is amenable to this proposed deletion. The following portion of Appendix E shall be revised to read as follows:</p> <p>"Monthly Power Bill or MPB means the payment to be made by Meralco for the Contract Capacity and Associated Energy (and Replacement Power), upon COD, and/or Commissioning Energy and Replacement Power, prior to COD, in each Billing Period. xxx"</p> <p>In light of the above revision, the following portions of Appendix E and Appendix G shall also be revised:</p> <p>"B. MONTHLY POWER BILL UPON OPERATIONS EFFECTIVE DATE</p> <p>The MPB upon COD Operations Effective Date (OED) shall consist of Capacity Payment, Energy Payment, and Other Payment. The Capacity Payment consists of Component A (MCP), Component B (MIFP) and Component C (MFOMP_{USD} and MFOMP_{PHP}) and the</p>

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					<p>Energy Payment consists of Component D (MFCP), Component E (MVOMP_{USD} and MVOMP_{PhP}), and Component F (MRPP). Other Payments are Component G (RCP), and Component H (LRAP). It has two components: (i) USD denominated component, MPB_{USD}, and (ii) PhP denominated component, MPB_{PhP}. Thus, the MPB_{USD} and MPB_{PhP} upon GOB OED for Contract Capacity and Associated Energy (and Replacement Power) for each Billing Period shall be equal to: xxx"</p> <p>"3 COORDINATING COMMITTEE</p> <p>3.1 Establishment of the Coordinating Committee</p> <p>3.1.1 No later than ninety (90) Days prior to onset of provision of Commissioning Energy, The Parties shall establish the Coordinating Committee as contemplated by this Agreement prior to onset of Operations Effective Date (OED). During the time prior to onset of provision of Commissioning Energy OED, the Coordinating Committee shall work towards putting into place the scheduling arrangements so that the nominations and other matters handled by the Coordinating Committee can proceed seamlessly on and after the occurrence of the onset of provision of Commissioning Energy OED."</p> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</p>

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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176.		Section 15. 2 of the PSA Template	Page 38 of the PSA Template	<p>Suggest to delete qualification "occurring in or directly affecting the Philippines" as there may be wars in other countries that, although impact may be indirect, may still result to grave economic consequences to the parties and the performance of their respective obligations in the PSA.</p> <p>15.2 Instances of Force Majeure</p> <p>Subject to the provisions of Section 15.1 and Section 15.6, Events of Force Majeure shall include, but not be limited to:</p> <p>(a) acts of war or the public enemy, whether war is declared or not, occurring in or directly affecting the Philippines;</p> <p>xxx</p> <p>(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;</p>	As relayed by the DU, it prefers to retain Section 15.2(a) and (c) as currently worded since the phrase "occurring in or directly affecting the Philippines" was taken from Annex C-2 of the ERC CSP Guidelines (Section 6.1.3).
177.		PSA	Appendix F, p. 99	<p>We propose to include Bank of China (Hongkong) Limited-Manila Branch in the list of Allowed Banks and be one of the acceptable issuing banks for the Bid Security and the Performance Security.</p> <p>Bank of China (Hongkong) Limited is China's most international and diversified bank with operations in 61 countries and regions around the world. In 2023, Bank of China ranked 4th in terms of aggregate assets according to Global Finance's World's Safest Banks 2023. In the Philippines, Bank of China (Hongkong) Limited-Manila Branch has a full commercial banking license and has been in operations since 2002.</p> <p>Bank of China (Hongkong) Limited was affirmed with long-term credit ratings of 'A+' by Standard & Poor's, 'Aa3' by Moody's Investors Service, and 'A' by Fitch Ratings.</p>	<p>As relayed by the DU, Meralco is amenable to include the Bank of China (Hongkong) Limited in the list of Allowed Banks. The Branch Address should be within Metro Manila.</p> <p>Please see Annex B of this Bid Bulletin No. 2 reflecting the amendment to the PSA template.</p>

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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178.	QPL	Pre Bid Conference Open Forum query		Can we request to add Bangkok Bank to be added to the list of Acceptable Banks?	As relayed by the DU, Meralco is amenable to include the Bangkok Bank in the list of Allowed Banks, provided the Branch Address should be within Metro Manila.
179.		PSA	PSA, Article 16.1 (Power Supplier Event of Default), p. 42-43	<p>Section 16.1 of the PSA provides the events that will constitute a "Power Supplier Event of Default", provided that such event (<i>with the exception of Section 16.1 (b) and (f)</i>) results in or is accompanied by an actual failure by Power Supplier to make available the Contract Capacity and/or deliver the Associated Energy to Meralco.</p> <p>We wish to confirm our understanding that for Sections 16.1 (b) and Section 16.1 (f), a Power Supplier will be declared in default even though the aforementioned events are not accompanied by an actual failure by Power Supplier to make available the Contract Capacity and/or deliver the Associated Energy to Meralco.</p> <p>This creates a situation where the Power Supplier may be in default even though it has been supplying Replacement Power to Meralco, which is inconsistent with Section 8.1.5. Under Section 8.1.5, the supply of Replacement Power is a fulfillment of the Power Supplier's obligation make available the Contract Capacity and/or deliver the Associated Energy to Meralco.</p> <p>Thus, we propose to delete the following: Each of the events described below shall constitute a "Power Supplier Event of Default", provided that such event (with the exception of Section 16.1 (b) xxx)"</p>	As consulted with the DU, MERALCO is not amenable with this proposal. Even if Winning Power Supplier provides Replacement Power to MERALCO, Section 16.1(b) will still kick in as the Event of Default pertains to "Plant's annual Full Load Equivalent Days of Availability" which is tied to the physical plant.
180.		PSA	PSA, Article 16.1 (c) (Power Supplier Event of Default), p. 42	<p>Under Art. 16.1 (c), the Power Supplier shall be declared in default if</p> <p>(i) a receiver or liquidator or trustee is appointed unless such appointment is discharged within 60 days; or</p> <p>(ii) the bankruptcy, insolvency, or corporate rehabilitation of Power Supplier, or sequestration of any substantial part of the property of Power Supplier and such decree continues undischarged and unstayed for 60 days after entry thereof; or</p> <p>(iii) the filing of a petition to declare Power Supplier bankrupt or to reorganize Power Supplier pursuant to bankruptcy or rehabilitation Law is not dismissed within 60 days.</p>	As consulted with the DU, MERALCO is not amenable with the proposed revision. Please note that the lapse of the 60-day period without the appointment being discharged in case of I, without the decree undischarged and unstayed in case of ii, without the petition dismissed in case of iii, will give rise to/trigger the Event of Default. Power Supplier may, within that period, have the illegality removed, withdrawn or corrected. Note that the Power Supplier has a total of 180 Days to cure the Event of Default.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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				Given the current proceedings in courts, the 60-day cure period to secure a dismissal or a permanent injunction of a case is not sufficient. We propose to revise Art. 16.1 (c) to allow for a [*180-day] cure period for the instances covered therein.	
181.		PSA	PSA, Article 16.1 (e) (Power Supplier Event of Default), p. 42-43	<p>Art. 16.1 (e) provides that in the event the Power Supplier files a petition or answer in a proceeding under any of the provisions of any applicable bankruptcy, insolvency, or corporate rehabilitation Law admitting the material allegations of a petition filed against it, then, the Power Supplier shall be in default, unless such petition or admission is rescinded, withdrawn, or revoked within 60-days xxx</p> <p>The Power Supplier should be able to defend itself and answer malicious suits filed against it.</p> <p>As such, we propose to revise this clause as follows: "Power supplier files a petition or answer in a proceeding xxx" , and such petition or admission is not rescinded, withdrawn or revoked within sixty (60) [*180] Days after such filing xxx"</p>	As consulted with the DU, MERALCO is not amenable with the proposed revision. While MERALCO recognizes that Power Supplier may pursue actions to defend itself and answer malicious suits filed against it, the provision contemplates that Power Supplier has already admitted the material allegations of a petition filed against it.
182.		PSA	PSA, Article 16.1 (f) (Power Supplier Event of Default), p. 43	<p>Art. 16.1 (f) provides that the Power Supplier shall be in default if it becomes illegal for it to generate or supply all or a portion of Contract Capacity and Associated Energy due to Power Supplier's fault, and such illegality is not removed, withdrawn, or corrected within 60 days from notice or effectivity.</p> <p>We wish to understand if it is the intention to give the Power Supplier 60 days within which to remove, withdraw, or correct the illegality of its power generation?</p>	The lapse of the 60-day period without the illegality removed, withdrawn or corrected, will give rise to/trigger the Event of Default. Power Supplier may, within that period, have the illegality removed, withdrawn or corrected. At the same time, Power Supplier has a total of 180 Days to cure the Event of Default.
183.		PSA	PSA, Article 16.6.5 (Termination in the Event of Material Adverse Government	<p>Under Art. 16.6.5 (a), in the event of a Material Adverse Government Action, the Power Supplier may terminate the Agreement provided that it pays 50% LD. However, if ERC or any applicable Government Agencies declares that there is no Material Adverse Government Action, and Power Supplier terminates the Agreement, Meralco shall be entitled to impose 100% LD.</p> <p>We believe that the imposition of LDs is too onerous given that the cause of termination is a Material Adverse Government Action and not</p>	As consulted with the DU, MERALCO is not amenable with this proposal. The 50% Liquidated Damages is to cover exposure of MERALCO's customers on account of termination of the PSA.

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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
			Action), p. 48	a breach by the Power Supplier. As such, we suggest that the LDs be deleted.	
184.		PSA	PSA, Article 16.6.5 (Termination in the Event of Material Adverse Government Action), p. 49	<p>Art. 16.6.5 (b) provides that if the Power Supplier fails to refund Meralco pursuant to Section 11.2.3, then either Party may terminate the Agreement subject to Power Supplier's payment of (i) 50% LDs and (ii) the amount Meralco paid, which Meralco was not able to collect from its customers.</p> <p>Section 11.2.3 provides that if as a result of a Material Adverse Government Action, Meralco is prevented from making a pass through of any charges as approved by the ERC, the Power Supplier is obligated to refund Meralco the portion of the Price that Meralco is not able to collect from its customers.</p> <p>We suggest deleting this Art. 16.6.5 because at the onset, Power Supplier should not be made to refund the portion of the Price that Meralco is unable to collect from its customers pursuant to a Material Adverse Government Action.</p>	Section 11.2.3 contemplates refund resulting from a corresponding order of the ERC or any other Governmental Instrumentality. In any case, this provision is consistent with the pass-through nature of generation charges.
185.		PSA	PSA, Article 8.1.3 (Outage Allowance And Replacement Power), p. 23	<p>Art. 8.1.3 provides that Power Supplier shall purchase Replacement Power during Scheduled Outages that exceeds the Full Load Equivalent Schedule Outage Allowance Days and Force Outages that exceed the Full Load Equivalent Forced Outage Allowance Days, which shall be paid for by Meralco at the lower between (a) the actual price of Replacement Owner and (b) Price as specified in Appendix E.</p> <p>Further, Item 6 of Appendix E (p. 89) clarifies that the energy components of the Prices shall only pertain to the variable costs components.</p> <p>Given this, can the BAC-PSA confirm that in the event of Replacement Power, the following fixed cost components shall still be paid by Meralco:</p> <ul style="list-style-type: none"> a) Capital Recovery Fee; b) Interconnection Facilities Capacity Fee; c) Interconnection Facilities Fixed O&M Fee; and <p>Fixed O&M Fee</p>	Yes, understanding is correct.

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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
186.		PSA	PSA, Article 5.1.2 (Supply of Power), p.12	<p>Art. 5.1.2 provides that should Power Supplier Fail to source from the Plant when it is available, Meralco shall pay the lower between WESM price and Price, in accordance with Appendix E.</p> <p>Please confirm that the Price being above refers to the variable cost components of the Price, which are the Fuel Cost Payment and Variable O&M Cost Payment.</p> <p>Can BAC-PSA confirm that the above shall be computed the same as the Replacement Power as described in Item 6 of Appendix? Further, please confirm that the Price being above refers to the variable cost components of the Price, which are the Fuel Cost Payment and Variable O&M Cost Payment.</p>	<p>Yes, understanding is correct.</p> <p>Yes, understanding is correct.</p>

AMENDMENTS TO THE BID REQUIREMENTS (posted on 11 June 2024)

Item	Reference / Subject Matter of Amendment	Amendments
1	p. 17	<p>[...]</p> <p>“(r) If the Nominated Plant is already in commercial operation, items (c) to (m) above will not be required, instead, Bidder must submit <u>a certified statement that the Nominated Plant is capable of operating consistent with the Performance Guarantees in Annex TP-2 and</u> the Nominated Plant’s: xxx”</p> <p>[...]</p>
2	p. 18	<p>[...]</p> <p>“Bid Requirements xxx</p> <p>Bid Price and Bid Security (Envelope 3)</p> <p>xxx</p> <p>The Bidder shall not offer Capital Recovery Fee higher than the latest ERC-approved rate/s <u>Capital Recovery Fee</u> in its agreements with other offtakers for the same Nominated Plant and is required to submit a sworn undertaking to this effect.</p> <p>[...]</p>

AMENDMENTS TO THE INSTRUCTIONS TO PROSPECTIVE BIDDERS (dated 11 June 2024)

Item	Reference / Subject Matter of Amendment	Amendments
1	Section 2.4	<p>[...]</p> <p>2.4. COSTS AND EXPENSES</p> <p>Interested Bidders shall bear all costs, losses and damages associated with or resulting from their participation in the Bidding, whether its bid is accepted or rejected. The BAC-PSA and Meralco shall not be held responsible or liable in any way for any such costs, losses or damages incurred by any Interested Bidder (whether incurred by it directly or indirectly, or by its officers, employees, advisers, contractors, Affiliates, including the BAC-PSA or other persons), regardless of the results of the Bidding.</p> <p>The Winning Power Supplier shall bear all the costs related to engaging the services of an Independent Engineer during this Bidding which shall be pro-rated among the Winning Power Supplier/s’ contracted capacity; pre-filing publication cost and filing fee of the relevant joint application for approval of the PSA with the ERC, while Meralco shall bear the publication cost and posting expenses of the notice of public hearing to be issued by the ERC for the said joint application.</p> <p><u>During the Bidding, should the Interested Bidder submit a Nominated Fuel Index that is not publicly available, the Interested Bidder shall provide to the BAC-PSA the necessary data for the said index for the BAC-PSA’s use/evaluation. During implementation of the PSA, the Winning Power Supplier shall provide to Meralco the necessary data for the said index or opt to shoulder all the costs related to the applicable subscription for Meralco to obtain the necessary data for the said index.</u></p> <p>[...]</p>
2	Section 3.11 / Annex QD-1B	<p>[...]</p> <p>Instructions to Prospective Bidders</p> <p>xxx</p> <p>3.1 QUALIFICATION DOCUMENTS</p>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>xxx</p> <p>3.1.1 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 from in Annex QD-1B; xxx</p> <p>xxx</p> <p>ANNEX QD-1B</p> <p>xxx</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-approved rate/s Capital Recovery Fee in the COMPANY’s agreements with other off-takers for the same Nominated Plant.</p> <p>[...]</p>
3	Section 3.1.6	<p>[...]</p> <p>3.1.6 <u>If the Nominated Plant is not yet in commercial operation,</u> details of the Project Cost and the proposed financing plan, specifically indicating the portion of the Project Cost to be financed by equity and by debt, using the form in Annex QD-9, with the following attachments:</p> <p>xxx</p> <p>[...]</p>
4	Section 3.2(q)	<p>[...]</p>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>(q) If the Nominated Plant is already in commercial operation, items (b) to (o) above will not be required, instead, Bidder must <u>submit a certified statement that the Nominated Plant is capable of operating consistent with the Performance Guarantees in Annex TP-2</u> and the Nominated Plant's:</p> <p>1. 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;</p> <p>2. 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;</p> <p>3. 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</p> <p>3. Valid 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> <p>[...]</p>

AMENDMENTS TO THE POWER SUPPLY AGREEMENT (PSA) TEMPLATE

Item	Reference / Subject Matter of Amendment	Amendments
1	Section 1.1	<p>[...]</p> <p>“Forced Outage means (a) any interruption of the Plant’s generating capability resulting in an unplanned reduction or suspension of the electrical output from the Plant and/or unavailability of capacity in whole or in part from the Plant; (b) any automatic shutdown of any part of the Plant; and/or (c) any other unavailability of the Plant for operation, in whole or in part, for maintenance and/or repair, and in each of (a), (b) or (c), that is not a Scheduled Outage and/or not the result of an Event of Force Majeure, and that affects the Plant’s ability to generate and export all or any portion of the Contract Capacity or Associated Energy. Any interruption, reduction or suspension of the Plant’s output <u>within dispatch conformance standards under existing regulations or</u> as instructed by the System Operator shall not be considered as a Forced Outage.”</p> <p>[...]</p>
2	Section 1.1	<p>[...]</p> <p>any System Emergency or Transmission Network Failure that prevents delivery by Power Supplier, or acceptance by Meralco, of Contract Capacity and Associated Energy (except if due to the act or omission of the Party seeking to claim an Event of Force Majeure, unless otherwise due to an Event of Force Majeure). In case of disagreement as to the existence of a Network Failure, the Parties shall secure the necessary certification from ERC, which certification shall bind both Parties.</p> <p>[...]</p>
3	Section 5.3.3	<p>[...]</p> <p>5.3.3 Notwithstanding Section 5.3.2, Meralco shall have the option to increase or decrease its day-ahead nominations, subject to the Technical Limits <u>Performance Guarantees</u>, Operating Procedures, WESM Rules and Grid Code.</p> <p>[...]</p>

Item	Reference / Subject Matter of Amendment	Amendments
4	Section 7.6.4	<p>[...]</p> <p>7.6 4 Allocation of Available Capacity If the availability of the Plant is impaired for any reason such that Power Supplier is unable to make available all or a portion of the Contract Capacity, Power Supplier shall promptly notify Meralco in writing of such impairment. In the event <u>of such impairment</u>, that Meralco exercises its right under Article 9 and/or Section 19.1.2, notwithstanding the impairment, Power Supplier undertakes to give Meralco available capacity (and associated energy) equivalent to at least Meralco’s pro-rata share in the Net Dependable Capacity. <u>For clarity, this provision shall apply notwithstanding exercise by Meralco of its right under Article 9 and/or Section 19.1.2.”</u></p> <p>[...]</p>
5	Section 8.3.1	<p>[...]</p> <p>In the same manner, Meralco shall submit to Power Supplier the revised month-ahead, and day-ahead energy nomination schedule, as may be applicable, to avail of the Contract Capacity made available as a result of the early completion of the Scheduled Outage.</p> <p>[...]</p>
6	Sections 11.2.2(a), 11.2.2(b), 11.2.3, 16.6.5	<p>[...]</p> <p>Section 11.2.2 xxx (a) ...If such inaction on the Application for Price Adjustment persists after one (1) year from filing thereof, Power Supplier has the option to either (i) resume performance of its obligation to make available the Contract Capacity and supply the Associated Energy to Meralco, or (ii) terminate this Agreement, subject to payment of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a); <i>provided</i> that, serious damage or material and adverse effect on Power Supplier has resulted in its having actually incurred costs amounting to more than thirty percent (30%) of the annual capacity payment.</p> <p>If the Application for Price Adjustment has been denied, in whole or in part, Power Supplier shall be entitled to terminate this Agreement in accordance with the provisions of Section 16.6.5(a); <i>provided</i> that, serious damage or material and adverse effect on Power Supplier has resulted in its having</p>

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		<p>actually incurred costs amounting to more than thirty percent (30%) of the annual capacity payment. In case of termination by reason of a denial by the ERC or applicable Government Instrumentality of the existence of a Material Adverse Government Action, Power Supplier shall pay the liquidated damages calculated in accordance with Section 16.3.3(a); <i>provided</i> that, if Power Supplier suspended the performance of its obligation to make available the Contract Capacity and supply the Associated Energy to Meralco, Power Supplier shall also refund to Meralco the equivalent of the Material Adverse Government Action Rate corresponding to the total replacement energy purchased from WESM during the suspension period, calculated in accordance with Appendix E; <i>provided</i> further, that if the denial is for a reason other than non-existence of a Material Adverse Government Action, Power Supplier shall only pay fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a).</p> <p>xxx</p> <p>Section 11.2.2 xxx</p> <p>(b)...subject to payment by Power Supplier of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a); <i>provided</i> further, that upon resolution of the dispute, including a determination that the Material Adverse Government Action does not exist, Power Supplier shall pay additional fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a).</p> <p>xxx</p> <p>Section 11.2.3 xxx If Power Supplier fails to refund such amounts to Meralco, then either Party shall be entitled to terminate this Agreement in accordance with Section 168.6.5(b). In case of termination, Power Supplier shall pay (i) fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a) and (ii) the amounts Meralco paid, which Meralco was not able to collect from its customers or is required to be refunded, if any.</p> <p>xxx</p> <p>Section 16.6.5 Termination in the Event of Material Adverse Government Action</p> <p>(a) If Power Supplier sends a Notice of Material Adverse Government Action that gives rise to an option to terminate this Agreement under Section 11.2.2, then Power Supplier may terminate this</p>

Item	Reference / Subject Matter of Amendment	Amendments
		<p>Agreement upon sixty (60) Days’ prior written notice to the other Party, subject to Power Supplier’s payment of fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a). However, if ERC or applicable Government Instrumentality denies the existence of a Material Adverse Government Action and Power Supplier proceeds to terminate this Agreement, Meralco shall be entitled to one hundred percent (100%) liquidated damages calculated in accordance with Section 16.3.3(a). Until termination occurs, the Parties shall continue to perform their respective obligations under this Agreement.</p> <p>(a) If Power Supplier fails to refund to Meralco any amount under Section 11.2.3, then either Party may terminate this Agreement upon sixty (60) Days’ prior written notice to the other Party, subject to Power Supplier’s payment of (i) fifty percent (50%) of the liquidated damages calculated in accordance with Section 16.3.3(a) and (ii) the amounts Meralco paid, which Meralco was not able to collect from its customers or is required to be refunded, if any. Until termination occurs, the Parties shall continue to perform their respective obligations under this Agreement.</p> <p>[...]</p>
7	Section 12.3.2	<p>[...]</p> <p>12.3.2In case of Power Supplier’s non-acceptance, it has the following options:</p> <p>xxx</p> <p>(i) ... If the Parties are unable to agree on the required amendment within thirty (30) Days from receipt of the ERC Approval, or if the motion for reconsideration is not resolved by the ERC within one hundred twenty (120) days after its filing, or the amendment is disapproved by the ERC, or approved by the ERC but still contains any material term or condition that is not acceptable to either Party, acting reasonably, then either Party may terminate this Agreement, and the Bid Security or Performance Bond shall be returned to Power Supplier.</p> <p>(ii) If Power Supplier does not file a motion for reconsideration with the ERC and/or notifies Meralco that it intends to terminate this Agreement, Meralco shall have the right to forfeit the Bid Security <u>Performance Bond</u> to the extent of twenty-five percent (25%) thereof.</p>

Item	Reference / Subject Matter of Amendment	Amendments
		[...]
8	Section 16.3.1	<p>[...]</p> <p>Immediately upon lapse of the Curing Period with respect to a Power Supplier Event of Default under Section 16.1(b) xxx</p> <p>[...]</p>
9	Appendix E	<p>[...]</p> <p>Monthly Power Bill or MPB means the payment to be made by Meralco for the Contract Capacity and Associated Energy (and Replacement Power), upon COD, and/or Commissioning Energy and Replacement Power, prior to COD, in each Billing Period. xxx</p> <p>B. MONTHLY POWER BILL UPON OPERATIONS EFFECTIVE DATE</p> <p>The MPB upon COD Operations Effective Date (OED) shall consist of Capacity Payment, Energy Payment, and Other Payment. The Capacity Payment consists of Component A (MCP), Component B (MIFP) and Component C (MFOMP_{USD} and MFOMP_{PhP}) and the Energy Payment consists of Component D (MFCP), Component E (MVOMP_{USD} and MVOMP_{PhP}), and Component F (MRPP). Other Payments are Component G (RCP), and Component H (LRAP). It has two components: (i) USD denominated component, MPB_{USD}, and (ii) PhP denominated component, MPB_{PhP}. Thus, the MPB_{USD} and MPB_{PhP} upon COD OED for Contract Capacity and Associated Energy (and Replacement Power) for each Billing Period shall be equal to: xxx</p> <p>[...]</p>
10	Appendix F	[...]

Item	Reference / Subject Matter of Amendment	Amendments	
		No.	Institution
		1.	ANZ Banking Group Ltd.
		2.	Asia United Bank Corporation
		3.	Asian Development Bank
		4.	<u>Bangkok Bank</u>
		5.	Bank of America, N.A.
		6.	Bank of China
		<u>6.</u>	<u>Bank of China (Hongkong) Limited</u>
		[...]	
		<i>In light of the revision, the list will be renumbered accordingly.</i>	
11	Appendix G	[...]	
		3 COORDINATING COMMITTEE	
		3.1 Establishment of the Coordinating Committee	
		3.1.1 No later than ninety (90) Days prior to onset of provision of Commissioning Energy, The Parties shall establish the Coordinating Committee as contemplated by this Agreement prior to onset of Operations Effective Date (OED) . During the time prior to onset of provision of Commissioning Energy OED , the Coordinating Committee shall work towards putting into place the scheduling arrangements so that the nominations and other matters handled by the Coordinating Committee can proceed seamlessly on and after the occurrence of the onset of provision of Commissioning Energy OED .	
		[...]	