BIDDING – SECOND ROUND

BASELOAD CONTRACT CAPACITY OF 180 MW (NET), EFFECTIVE 26 MARCH 2023

BID BULLETIN NO. 2

To all Interested Bidders:

1. The Bid Submission Deadline and Opening of Document Submissions on 16 March 2023 will be conducted fully online via Zoom. For the physical submission of the Original Copy box of the Document Submissions, the venue indicated in the in the TOR/Final Invitation to Bid (published on 16 and 21 February 2023) and Instructions to Prospective Bidders (dated 16 February 2023) (IPB) will still be at the Lobby, PowerTech Building, Meralco Center, Ortigas Ave., Pasig City. However, in consideration of the necessary health and safety precautions, the receipt, handling, and custody of the Original Copy boxes and Reserve Price envelope after the Bid Submission Deadline and return by the TPBAC's authorized bank custodian, respectively, may, upon the TPBAC's sole discretion, be delegated to any member of the TWG present at the venue.

2. A matrix containing the set of additional queries that have been received by, and the corresponding responses of, the Meralco's Third Party Bids and Awards Committee ("TPBAC") is set out in **ANNEX A**

3. A Checklist of Document Submissions, summarizing the Document Submissions of the Bidders as prescribed under Section 3 of the IPB and its Annexes, as amended or clarified by the Bid Bulletins, is set out in **ANNEX B**;

4. The House Rules containing the guidelines and rules to be observed during the Bid Submission Deadline and Opening of Document Submissions are set out in **ANNEX C**;

5. The instructions to upload to a cloud-based folder the Document Submissions of the Interested Bidders, as well as the Zoom registration details, designated meeting IDs, passcodes, links, and such other information necessary to join the virtual/online Bid Submission Deadline and Opening of Document Submissions shall be provided by the TPBAC Secretariat to the emails of the Interested Bidders' authorized representatives on or before **9:00 A.M. of 13 March 2023**; and

6. The Interested Bidder's authorized representative/s (indicated in the latest Expression of Interest) or designated persons authorized through, and

possessing, Special Powers of Attorney, who will submit the Original Copy box should submit on or before **4:00 P.M. of 15 March 2023** to the Safety and Security Office of MERALCO (c/o the TPBAC Secretariat's e-mail) the details of the vehicle make, plate number, driver, and passenger/s) and shall:

a. Bring his/her original vaccination card and must be fully vaccinated (i.e. at least 14 days from the last dose) on the day of the event. For clarity, to avoid delay or prevention of entry to the MOC, the driver of the vehicle, despite not being tasked to disembark and submit the original copy box, is required to bring also his/her original vaccination card and must be fully vaccinated (i.e. at least 14 days from the last dose) on the day of the event; and

b. Wear the appropriate personal protective equipment (i.e. face mask).

For your guidance and information.

Issued on 6 March 2023.

Third Party Bids and Awards Committee ("TPBAC")
Manila Electric Company

(sgd)
Atty. Ferdinand A. Domingo
Chairman

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 180 MW (NET), EFFECTIVE March 26, 2023

		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	TPBAC RESPONSE
1.				The set of bidding documents that had been issued to us by TPBAC for this 2nd round CSP did not include a PSA Template. Will the same PSA Template be used as in the 1st round CSP?	The PSA template was already released to the Interested Bidder/s just before the Pre-Bid Conference today, 28 February 2023.
2.		PSA	3.2.1 (B)	We humbly suggest deleting the 2-day period prior to the Operations Effective Date that the supplier shall issue a certification on representations and warranties for one cannot determine with certainty when the exact date the ERC Approval will be issued as condition precedent for the effectivity of the operation date.	The provision allows the Parties to deliver a certification *dated no earlier than two (2) Days prior to the Operations Effective Date*, which effectively allows the Parties to deliver the certification on OED.
3.		PSA	4.4.1	May we seek for reconsideration deleting the monetary penalty of Php 50,000.00 for erroneous BCQ declaration due to Power Supplier's fault for being onerous considering that such error is reconcilable and the offered price is already at the least cost. Additional monetary liability that may be imposed against the supplier is deemed burdensome and there is not even a monetary liability on the part of the DU in case it may also incur error relative to nomination or declaration.	This is a standard provision in ERC-approved PSAs of Meralco. This is reckoned per Trading Interval as the basis for settlement of prices at present. The imposition of the administrative fee serves to deter erroneous BCQ declarations by Power Supplier. We note that the lookout for the Power Supplier is to make use of the multiple opportunities to correct BCQ to make sure that no erroneous declaration will result. Considering the pass-through nature of generation costs, the amounts paid to Meralco pursuant to this provision are used to reduce generation charges imposed on customers.
4.		PSA	APPENDIX C	During the actual implementation of the PSA, do we still have to base the fuel on the last 3 months? Or the actual delivery during the billing period?	During implementation of the IPSA, the basis of the fuel pass-through cost for the relevant Billing Period is the actual landed fuel cost for that period.
5.		PSA	APPENDIX C	Is it possible to adopt the adjustment formula of the winning bidder's coal supply contract (between its coal suppliers) in the PSA?	As long as the official invoices of the fuel supplier show the adjustment formula, then the said adjustment formula can be used during implementation of the IPSA.
6.		PSA	APPENDIX C	Will there be a monthly reconciliation for Components F and G?	Components F and G are envisioned to be computed and reconciled on a monthly basis.
7.		PSA	7.3	We suggest deleting the entire penalty provision for being onerous and inconsistent with the concept of Zero Outage.	The PhP 908/MWh/day fine is in connection with the DOE's requirement to mitigate the impact to electricity customers of unavailability of supply. It envisions a scenario that the Power Supplier's Plant is unavailable (other than due to FM) and fails to provide Meralco Replacement Power due to inadequate supply (e.g. Red Alert status already and Power Supplier's Plant contributed to the inadequate supply for reasons other than due to FM), then Power Supplier would have to pay the fine of PhP 908 multiplied by each MWh during a Day.

8.		PSA	9.2.4	Please elaborate on the "Plus 200 basis point."	This means plus 2% on the PHP BVAL reference rate. For example, if quoted 3-month PHP BVAL reference rate on relevant date is 4.3887, applicable interest is calculated as 4.3887% plus 2% = 6.5887%.
9.		PSA	10.1	Please clarify: "That the parties shall pay independently their respective obligations under this provision."	The cited/identified phrase for clarification cannot be found in Sec. 10.1 of the PSA template, or in the IPB or Bid Requirements.
10.		PSA		Will MERALCO reconsider the Line Rental Fee to be fully "pass-thru?"	As discussed in the published TOR/Invitation to Bid, the actual line rental fee is pass-through subject to a line rental cap. Any actual line rental fee above said cap shall be shouldered by the Power Supplier.
11.		PSA		Our head-office is in Makati and with the voluminous documents to be signed and submitted, will an electronic signature of the Authorized Representative/s or the Corporate Secretary be acceptable to be affixed to the documents?	If the question refers to the Bidding Documents / IPB-required Document Submissions, the IPB requires the original/hard copies to be submitted physically by the Bidder between 8:00 A.M. to 9:00 AM of the Bid Submission Deadline, hence, physical/wet signatures of the Document Submissions is required. If the voluminous nature of the documents is a concern, we would like to point out that Sec. 2.1 (h) of the IPB allows for an alternative option, to wit: "(h) For documents which must be certified as a true and correct copy, all the pages must be certified. In the alternative, a certification page may be attached to the document (1) clearly identifying the document to which it is attached (including the name of the document, the issuer and the date of issue) and (2) attesting under oath that such document, including the number of pages of such document, is a true and correct copy of the original, which certification must be under oath and notarized. If the question refers to the signing and execution of the IPSA, the IPSA itself is not voluminous and as relayed to the TPBAC by the MERALCO DU's PSA team, the IPSA should be signed with physical/wet signatures (not electronic signatures) as this is required to be notarized. If the voluminous documents being referred to are those listed in Appendix B of the PSA templates, these documents are necessary for the application/approval of the IPSA by the ERC.
12.		PSA	12.3.1 in relation to 12.2.4 last paragraph	In consideration of the huge amount of bid security, may we propose that it shall be returned immediately on the following day upon the occurrence of the Acceptance Date as defined in the PSA notwithstanding MERALCO's filing of motion for reconsideration or appeal?	The provision is clear that Meralco shall retain the Bid Security ***until*** *Acceptance Date*.

13.		PSA	15.2	May we propose to include as an instance of Force Majeure the "Change of Circumstance" as a result of any Applicable Law coming into effect after the signing of the PSA, or as a result of any such Applicable Law (including any official interpretation thereof which the Supplier has relied upon in entering into PSA) in force at the operations effective date being amended, modified or repealed and the Seller's economic return (net of tax or other imposition, including, without limitation, any withholding or remittance tax on the payments of dividends) on its investment is materially reduced, prejudiced or otherwise adversely affected.	If the proposal is to include the "*Change in Circumstance as a result of any Applicable Law coming into effect after the signing of the PSA*" as an Event of Force Majeure ("EFM"), such that the Power Supplier will be immediately excused from delivering its obligations to MERALCO because of inclusion as EFM, as compared to availing the provisions for filing a claim for Material Adverse Government Action (MAGA) where proof of MAGA and financial losses are required from the Power Supplier (and will be subject to the ERC's review and approval) before the PSA can terminated (i.e. Power Supplier is excused from delivering its obligations to MERALCO), then as relayed to the TPBAC, the MERALCO DU is not amenable to the said proposal.
14.		TOR	Bid Type	Kindly elaborate further the Pay-as-Bid scheme.	The Pay-as-Bid type of competitive bidding allows a Bidder to join the Bidding without being required to offer all the required Contract Capacity (in this case, 180 MW), for as long as the Minimum Offered Contract Capacity is met (in this case, set at 50 MW). For as long as the Bidder has "PASSED" the Qualification Documents (Envelope 1) and Technical Proposal (Envelope 2), and its Proposed Tariff's Total Delivered Headline Rate, as inputted by the Interested Bidder to and computed by the Financial Evaluation Workbook, is **less than or equal** to the Reserve Price, then the said Bidder's Total Delivered Headline Rate will be ranked with other Bidder's offer, from lowest to highest until the required 180 MW is filled up. This was inspired by the WESM's stacking and determination of a Marginal Plant. Page 5 to 6 of the Bid Requirements elucidates this further: "...[A]ll the Offered Contract Capacities of the Qualified Bidders that meet the Reserve Price shall be stacked from lowest to highest Total Delivered Headline Rate until the required Contract Capacity (i.e. 180 MW [net]) is filled up. The TPBAC shall determine, from among the Qualified Bidders whose Offered Contract Capacities have filled up the required Contract Capacity, the most advantageous bid ("Best Bid/s"). For this purpose, the TPBAC shall notify the Bidders of the results of its evaluation and/or ranking of the Bids ("Notification of Best Bid/s"). If the resulting stack of Offered Contract Capacities goes beyond

					the required Contract Capacity (i.e. more than 180 MW), the Qualified Bidder that fills up the stack to complete the required Contract Capacity (hereinafter referred to as the "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."
15.		TOR	Tariff Structure of Contract Price	As a bona fide bidder of MERALCO for the first time, please enlighten us further on the Ancillary Services (AS) Recovery Cost, its mechanism and implications.	While DOE DC2019-12-0018 does not provide any formula for AS Cost Recovery, Section 1.7 of the said Circular provides as one of its guiding principles "transparent and equitable allocation of cost for the utilization of AS taking into account each grid user's responsibility and contribution in maintaining the reliability of the grid". Clearly, the said Circular's policy direction is to establish Causer's Pay principle in the allocation of AS costs. The existing cost recovery mechanism is currently being reviewed by the ERC and the ERC as a member of the AS-TWG solicited inputs on the appropriate cost recovery mechanism consistent with the guiding principle in the DOE AS Circular. In fact, there is already a pending NGCP petition for ERC to revise the current AS Cost Recovery, so that AS costs will be charged not only to load customers but to GenCos as well. Inclusion of the AS Cost Recovery in the Financial Evaluation Workbook is necessary because all costs in the bid documents are binding to the bidder once declared the Winning Power Supplier. Most importantly, removing the AS Cost Recovery Cap in the Total Delivered Headline Rate evaluation would expose the DU's consumers to additional pass-through costs in the event that the ERC issues a Resolution that the AS cost recovery can be passed through to our consumers. In order to maintain the resulting

					ranking from the Total Delivered Headline Rate evaluation that includes the AS Cost Recovery Cap regardless of ERC's resolution, a constant value of **PhP 0.2800 /kWh** is set as the floor value of the AS Cost Recovery Cap during each Contract Year for each Bidder that shall be used in the Total Delivered Headline Rate evaluation. This value can be modified by the Bidder in the Financial Evaluation Workbook, as long as the revised value shall be higher than the floor value. If the Bidder elects to submit a higher value than the floor value as its AS Cost Recovery Cap, said Bidder waives its right to protest the resulting ranking from the Total Delivered Headline Rate evaluation in the event that ERC issues a resolution that the AS cost recovery is not a pass-through cost. In any case, the recovery of the AS Cost can be charged as a pass through cost only upon final approval or resolution by the ERC that the AS cost recovery can be passed through to the DU's customers. To reiterate, including the AS Cost Recovery cap in the Total Delivered Headline Rate evaluation is for the sole benefit of the DU's customers as it shall protect the consumers from possible pass-through charges of AS Cost.
16.		TOR	Supply and Replacement Power	As stipulated, replacement power will be paid at WESM Price or Variable Cost (VOM+Fuel) whichever is lower. Will this not constitute an impairment and a deviation of the Rate explicitly stipulated in the Power Supply Agreement duly agreed between the parties and approved by ERC? May we humbly suggest that Replacement Power Cost shall be paid at contract price?	Current replacement power provision is aligned with PSAs approved by ERC previously. Proposal may not be considered 'least cost' by ERC, particularly when WESM price turns out to be lower. Since this IPSA is physical in nature and Power Supplier should primarily source its supply from its Plant, setting the Replacement Power price as the lower between the variable cost and WESM price will ensure that the Power Supplier will have an incentive to keep its Plant operational.
17.		Bid Security	Paragraph 4 of ANNEX Bid-2	This is in reference to Paragraph 4 of Bid Security Template, Annex Bid-2 of the MERALCO 180MW Instruction to Prospective Bidders Competitive Selection Process, which specifically mentions Metropolitan Manila under the term "Business Day." Our issuing bank for the Irrevocable Standby Letter of Credit (SBLC) is requesting for reconsideration by giving consent to change from Metropolitan Manila to Makati City before the SBLC will be duly issued in our favor.	On the proposed revision of KEPCO SPC's Bank to the Bid Security template, specifically to change "Metropolitan Manila" to "Makati City" under the term "Business Day" in paragraph 4. The TPBAC has ruled that the current wording in the Bid Security template should be retained.
18.		Bulletin #2	Page 2/15	The average landed fuel cost for October, November, and December 2022 should be used.	The actual landed fuel cost must be the average for the calendar months of October, November, and December 2022. For clarity, shown below is a sample calculation:

				Please confirm if these are billing months.	**Nov 2022 actual landed cost: Php 5.0000 /kWh** **Dec 2022 actual landed cost: Php 5.2500 /kWh** **Jan 2023 actual landed cost: Php 5.4000 /kWh** **Average 3-month to be submitted = Php 5.2167 /kWh**
19.		IP Bid Security	Annex Bid-2 Paragraph 1 –	Capitalized terms used in this Letter of Credit Shall have the meanings given to them in IPB except as otherwise expressly defined herein. We suggest deleting this provision for the Bank is not a party to the IPB, which is only bound by the SBLC terms and conditions.	The general statement that the "*Capitalized terms have the same definitions in the IPB*" be retained, and it is suggested that KEPCO SPC provide their Bank a copy of the IPB as the Bid Security is in connection with the IPB and its Bid Submission.
20.		IP Bid Security	Annex Bid-2 Section 2	Subject to other provisions of this Letter of Credit, MERALCO is hereby irrevocably authorized to make one drawing for the entire Stated Amount under this Letter of Credit by presenting to the Issuer, at its address set forth above, a demand for payment from MERALCO in substantially the form attached as Annex A, duly completed, and is in the form of letter on MERALCO's letterhead signed by any of its authorized signatories. We suggest to include additional language to wit: "The Original Letter of Credit and amendments, if any, must be presented also together with the demand."	The additional language, "*Original Letter of Credit and amendments, if any, must be presented together with the demand*" in Section 2 be allowed only for the Bid Security in this CSP.
21.		Pre-Bid Conference question		What will be the consequences in the event that this 2nd round CSP is unsuccessful? What will be the mode of procuring power to be adopted by MERALCO? What are the parameters, protocols to be followed or complied with by power suppliers?	In the event that the 2nd Round of CSP is unsuccessful and a failed bidding is declared, we will be guided by the DOE's CSP Rules, as amended. For example, if no protest is received, an option may include for the MERALCO DU to proceed to direct negotiation, subject to and guide by its least cost mandate under the EPIRA.
22.		Pre-Bid Conference question		Will MERALCO allow any bidder to purchase the bidding documents after the Pre-bid Conference has already been concluded?	Yes, as provided in the Invitation to Bid, "[a]fter the Expression of Interest Deadline, parties interested to become an Interested Bidder and join this Bidding, may still qualify to bid at the Bid Submission Deadline provided said interested party: (i) did not procure copies of the Bidding Documents for this Bidding from other Interested Bidders or through other means not authorized by the TPBAC; (ii) submits its Expression of Interest (together with the Participation Fee that was duly cleared by the applicable bank and/or the TPBAC's validation of MERALCO's receipt of the concerned party's proof of payment), Confidentiality Undertaking and Acknowledgement and Consent Form for Data Privacy; and (iii) submits the required Bid Document Submissions by the Bid Submission Deadline."

ANNEX B

CHECKLIST OF DOCUMENT SUBMISSIONS*

FOR CONTRACT CAPACITY OF 180 MW (NET), EFFECTIVE 26 MARCH 2023

Bidder	
Nominated Plant/s (name/description/location)	

Summarized below are the Document Submissions prescribed under Section 3 of the Instructions to Prospective Bidders and its Annexes, as amended or clarified by the Bid Bulletins (collectively, the "IPB") issued by the Third Party Bids and Awards Committee, relating to Meralco's **Second Round Competitive Selection Process for Contract Capacity of 180 MW (net), effective 26 March 2023**, and to be uploaded to a cloud-based folder no later than **9:00 A.M. of 16 March 2023**, and the original copy of which be submitted on between **8:00 A.M. to 9:00 A.M. of 16 March 2023**.

The following are the general guidelines on the form of the Document Submissions as provided by the IPB, and Bid Bulletins:

(a) For documents which must be certified as a true and correct copy, all the pages must be certified. In the alternative, a certification page may be attached to the document (1) clearly identifying the document to which it is attached (including the name of the document, the issuer and the date of issue), and (2) attesting under oath that such document, including the number of pages of such document, is a true and correct copy of the original, which certification must be under oath and notarized (Section 2.1(h));

(b) Qualification Documents shall be prepared and written in the English language. All documents issued or executed in a foreign country, kindly refer to Section 2.7 of the IPB;

(c) Each set of the Qualification Documents, Technical Proposal or Bid Price should contain a table of contents (Section 3.4.1(a));

(d) Whenever possible, the Document Submissions must be printed in standard letter size (8 1/2"x11") and bound together in ring binders or folders of appropriate size. Documents must be paginated and text must be of 11- or 12-font size. In one set of Document Submissions (e.g. Envelope 1), all pages are to be paginated from 1 to xxx, for the ease of monitoring by the TPBAC. As such, all pages are again to be paginated from 1 to yyy for the other set of Document Submissions (e.g. Envelope 2) (Section 3.4.1(b));

(e) 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 simple photocopy of the same document may be attached to the subsequent Annex(es) and will be considered as an original for this purpose (Section 3.4.1(c));

(f) All documents shall be properly organized and sequenced in the same order these appear in Sections 3.1, 3.2, and 3.3. The first page of the individual documents shall be properly labelled with a document tab or separator for easy distinction of individual documents. For electronic copies, the filename format to use, as much as possible, should be the document title and preceded by the bidder's shorthand or acronym identification (e.g. "MERALCO Articles of Incorporation," "MERALCO Environmental Compliance Certificate dated NNN," "MERALCO AFS 2021," etc.). (Section 3.4.1(d));

(g) Electronic copies of all documents submitted in each Document Submission (i.e. Envelope 1, Envelope 2 and Envelope 3) shall be in PDF format, with the exception of the Financial Evaluation Workbook which is to be submitted in both soft copy and hard copy format, and the Interested Bidder shall submit such electronic copies on three (3) USB/thumb flash memory drives, to be attached/taped to the original copy set of each Document Submission (Section 3.4.1(e));

(h) All prices shall be expressed in Philippine Pesos (PHP). The Bidder may write down the prices in words (handwritten will be allowed) to re-confirm the total amounts/figures reflected in the Financial Evaluation Workbook (Section 3.4.1(f));

(i) The Proposed Tariff shall be calculated up to the fourth (4th) decimal place (Section 3.4.1(g));

(j) Bidders shall submit offers that comply with the requirements of this IPB. Alternative Bids or conditional Bids with modified terms other than the IPB terms shall not be accepted (Section 3.4.1(h));

(k) If a requirement is deemed not applicable by the Bidder, a write-up should be submitted to explain the non-applicability. However, for any write-up/explanation, the Bidder must know that it is a calculated and known risk on its part that it is submitting to the TPBAC's exercise of discretion in allowing/disallowing the explanation provided in the said write-up as to why a particular bid requirement was deemed inapplicable by the said Bidder;

(l) The authorized representative/s of the Interested Bidder/s who submitted the Original Copy shall are required to sign over the sealed flap of its Envelope 3 before placing it inside the sealed container box of its Document Submissions (Section 4.4.3);

(m) Subject to some allowed revisions issued in various Bid Bulletins to address specific circumstances of a bidder, Bidders shall submit one (1) complete original set, clearly marked on each page as "ENVELOPE 1-QD-ORIGINAL," "ENVELOPE 2-TP-ORIGINAL," and "ENVELOPE 3-BID-ORIGINAL," as applicable, and numbered continuously, and taped/attached to the said set are three (3) USB/thumb flash memory drives containing the electronic copies/scanned files (PDF format) of the contents of the said original set; and for electronic copies to be submitted or uploaded to the cloud-based online repository/folder assigned to the Interested Bidder, all the scanned copies (PDF format) of the original set (described immediately above) shall be placed in a password-protected zip folder (.zip file), with a file name " ENVELOPE 1-QD-ORIGINAL," "ENVELOPE 2-TP-ORIGINAL," and "ENVELOPE 3-BID-ORIGINAL," as applicable. For the Original Copies, each set shall be placed in a sealed enveloped marked as follows:

MANILA ELECTRIC COMPANY

180 MW CSP

[*QUALIFICATION DOCUMENTS (ENVELOPE 1) – ORIGINAL*]

[*TECHNICAL PROPOSAL (ENVELOPE 2) – ORIGINAL*]

BID (ENVELOPE 3) – ORIGINAL]

[*STATE NAME, ADDRESS, AND E-MAIL ADDRESS OF BIDDER*]

Pursuant to the Disclaimer of the IPB, the TPBAC reserves the right to waive any minor defects in the Document Submissions of any party.

****Disclaimer:*** *The Checklist of Document Submissions is being provided for the sole purpose of reference and convenience of the Bidders only. No reliance can be made on the said checklist and its issuance (including its contents) does not relieve Bidders of their responsibility to examine all the Bidding Documents and comply with the provisions of the IPB. In the event of a conflict or discrepancy between the checklist of Document Submissions and the IPB, the latter shall prevail.*

ENVELOPE 1 – QUALIFICATION DOCUMENTS

	Bid Documents	Page No. in the set	Form	Notes	Yes	No	*Comments*
1	**One (1) Electronic copy uploaded to the cloud-based folder** **One (1) Original copy** **Three (3) Electronic copies contained in a USB/thumb flash memory drive, attached/taped to the set of the Original copy**			Each page shall be marked as "Envelope 1-QD-Original".			
2	**TABLE OF CONTENTS** *(Sec. 3.4.1(a))*			All pages must be numbered consecutively.			
3	**EXPRESSION OF INTEREST (EOI), CONFIDENTIALITY UNDERTAKING (CU), AND ACKNOWLEDGEMENT AND CONSENT FORM FOR DATA PRIVACY**			For the electronic copies, it is a mere resubmission of the latest EOI, CU and Acknowledgement and Consent Form for Data Privacy already submitted to the TPBAC Secretariat, for ease of reference and proper compilation of the TPBAC. More importantly, for the hard copies, this is the only opportunity for the Bidders to submit the hard copy of said documents to the TPBAC (placed in Envelope 1 and inside the Original Copy box).			
4	**APPLICATION TO QUALIFY AND PARTICIPATE IN THE BIDDING** *(Sec. 3.1.1)* ***Attachment:*** Authority to Participate in the Bidding and Designation of Authorized Representative		Annex QD-1 Annex QD-1A	Annexes QD-1 and QD-1A should be notarized.			
5	**COMPANY INFORMATION** *(Sec. 3.1.2)* ***Attachments:*** (a) SEC Certificate of Incorporation; (b) Articles of Incorporation and By-Laws or Articles of Partnership; (c) Latest General Information Sheet, stamped "received" by the SEC; (d) Diagram of the corporate structure of the Bidder, and a copy of the shareholders' agreement, pooling agreement, voting trust agreement or equivalent document, if applicable to explain the diagram or if the Bidder is a partnership or consortium.		Annex QD-2	(subject to some allowed revisions issued in various Bid Bulletins to address specific circumstances of a bidder (e.g. limited partnership entity, etc.)) For the Attachments, the required notarized certifications must be followed. For Attachment (a), only the one pager Certificate of Registration, usually attached with the Articles of Incorporation need be submitted. If it forms part together with Attachment (b), this will be acceptable.			

	Bid Documents	Page No. in the set	Form	Notes	Yes	No	*Comments*
	(e) if the Bidder is under a partnership or consortium, the Bidders should submit an agreement showing that their liability in this Bidding and the resulting Power Supply Agreement shall be solidary for the parties thereto.			For Attachment (b), if the Articles of Incorporation has been amended several times, only the most recent amended AOI need be submitted. GIS – e-mail acknowledgement of the SEC would suffice as a substitute of the SEC stamp "received." Diagram of the corporate structure – only up to Affiliates engaged in the power industry.			
6	**CERTIFICATION THAT NOMINATED PLANT IS UNCONTRACTED** *(Sec. 3.1.2(f))*		Annex QD-3	Annex QD-3 should be notarized.			
7	**BIDDER'S CERTIFICATION OF ABSENCE OF UNSATISFACTORY PERFORMANCE RECORD, OUTSTANDING DISPUTE, OR DUE AND DEMANDABLE FINANCIAL OBLIGATION/S** *(Sec. 3.1.3)* ***Attachments:*** (a) List of the Bidder's Counterpart(ies)/Financial Lenders (b) Counterparty's Certification of Absence of Unsatisfactory Performance Record, Outstanding Dispute or Due and Demandable Financial Obligation/s		Annex QD-4 Annex A of Annex QD-4 Annex QD-4-A	Annexes QD-4 should be notarized. Annexes QD-4-A should be notarized.			
9	**STATEMENT OF FINANCIAL CAPABILITY** *(Sec. 3.1.5)* ***Attachments:*** (a) Audited (parent and consolidated, if applicable) financial statements of the Bidder or any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent for the last three (3) years (the latest of which must not be earlier than for the year ending December 31, 2021) duly stamped "received" by the Bureau of Internal Revenue ("BIR") or SEC, or the equivalent thereof in a foreign country; ***and*** (b) copy of the most recent quarterly financial statements		Annex QD-5	The Statement of Financial Capability, to be used as the cover page of all attachments in Annex QD-6, should be notarized. (Subject to some allowed revisions issued in various Bid Bulletins to address specific circumstances of a bidder) Attachment (a) must be certified as a true copy by (i) the BIR or SEC, or the equivalent thereof in a foreign country; or (ii) the chief financial officer or treasurer, in which case, it must be under oath and notarized. Attachment (b) must be certified as a true copy by the chief financial			

Bid Documents		Page No. in the set	Form	Notes	Yes	No	*Comments*
				officer or treasurer, and must be under oath and notarized. For Attachment (b), All available quarterly FS after the most recent Audited FS should be submitted. For example, if the latest AFS is for the year ending December 2021, then quarterly FS for 1st to 3rd [or 4th, if available] quarters of 2022 should be submitted.			

ENVELOPE 2 – TECHNICAL PROPOSAL

	Bid Documents	Page no. in the set	Form	Notes	Yes	No	Comments
1	**One (1) Electronic copy uploaded to the cloud-based folder** **One (1) Original copy** **Three (3) Electronic copies contained in a USB/thumb flash memory drive, attached/taped to the set of the Original copy**			Each page shall be marked as "Envelope 2-TP-Original".			
2	**TABLE OF CONTENTS** *(Sec. 3.4.1(a))*			All pages must be numbered consecutively.			
3	**TECHNICAL PROPOSAL (NOMINATED PLANT)** *(Sec. 3.2)* ***Attachments:*** (a) 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"); (b) The Nominated Plant must be covered by a Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC at the start of the Operations Effective Date of the PSA, to be submitted by the Interested Bidder which shall be certified as a true copy by (i) the ERC; or (ii) the corporate secretary, in which case it must be under oath and notarized; (c) The Nominated Plant must be registered 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, in which case it must be under oath and notarized, must be submitted; (d) The Nominated Plant must be covered by a valid Transmission Service Agreement (TSA) or a Distribution Wheeling Service Agreement (DWSA), if embedded, which shall be duly certified by the National Grid Corporation of the Philippines (NGCP) or applicable distribution utility, or the corporate secretary, in which case it must be under oath and notarized; (e) The Nominated Plant must be covered by a Fuel Supply Agreement (FSA), which shall be duly certified by corporate secretary, in which case it must be under oath and notarized; and		Annex TP-1	The Certification regarding Technical Proposal (Nominated Plant), to be used as the cover page of all attachments in Annex TP-1, should be notarized. (Subject to some allowed revisions issued in various Bid Bulletins to address specific circumstances of a bidder (e.g. partnership entity, etc.))			

	Bid Documents	Page no. in the set	Form	Notes	Yes	No	Comments
	(f) If applicable, 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, in which case it must be under oath and notarized.						

ENVELOPE 3 – BID PRICE AND BID SECURITY

	Bid Documents	Page no. in the set	Forms	Notes	Yes	No	Comments
1	**One (1) Electronic copy uploaded to the cloud-based folder** **One (1) Original copy** **Three (3) Electronic copies contained in a USB/thumb flash memory drive, attached/taped to the set of the Original copy**			Each page shall be marked as "Envelope 3-BID-Original".			
2	**TABLE OF CONTENTS** *(Sec. 3.4.1(a))*			All pages must be numbered consecutively.			
3	**BID LETTER** *(Sec. 3.3(a))*		Annex BID-1	Annex BID-1 should be notarized.			
4	**BID SECURITY** *(Sec. 3.3(b))*		Annex BID-2 ANNEX A to Annex BID-2: DEMAND FOR SIGHT PAYMENT	(Subject to some allowed revisions issued in various Bid Bulletins to address specific circumstances of a bidder) Annex BID-2 should be notarized. The Bid Security shall be equivalent to Three Million Pesos (PhP3,000,000.00) multiplied by MegaWatt (MW) of Offered Contract Capacity, in the form of an irrevocable standby letter of credit issued by issued by one or more Allowed Bank. No combination of forms of the Bid Security (i.e., combination of irrevocable standby letters of credit and manager's check) will be allowed. 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 shareholders representing Controlling interest, Affiliates, or Ultimate Parent The Bid Security shall initially be valid for sixty (60) days from the Bid Submission Deadline (i.e. **until May 15, 2023**). The Bid Security's validity may be for more than sixty (60) days but should not be less than the said period.			
5	**FINANCIAL EVALUATION WORKBOOK ("FEW")** *(Sec. 3.3(d) and (e))* *See* pages 25 to 26 of the IPB. (a) A soft copy of the Bidder's duly accomplished Financial Evaluation Workbook submitted as an electronic						

	Bid Documents	Page no. in the set	Forms	Notes	Yes	No	Comments
	copy file uploaded to the cloud-based folder and contained in USB/thumb flash memory drive (attached to the Original Copy). (b) Print outs of the relevant worksheets, as reflected in the Financial Evaluation Workbook of the Bidder and signed by the Bidder's authorized representative: i. Headline Rate Result Worksheet; ii. Base Rates Table Worksheet; and iii. Bid Security Worksheet.						
6	**ACKNOWLEDGEMENT AND ACCEPTANCE OF THE POWER SUPPLY AGREEMENT TEMPLATE** *(Sec. 3.3(c))*		Annex BID-3				

HOUSE RULES
BID SUBMISSION AND OPENING OF DOCUMENT SUBMISSIONS
CONTRACT CAPACITY OF 180MW (net)
EFFECTIVE 26 March 2023

16 March 2023
Zoom Virtual Meeting

To supplement the procedure provided under the Instructions to Prospective Bidders, as amended by the Bid Bulletins, (collectively, the "IPB") for the **Second Round Competitive Selection Process for Contract Capacity of 180MW (net), effective 26 March 2023**, the Third-Party Bids and Awards Committee ("TPBAC") adopts the following House Rules for the Submission, Opening and Evaluation of Document Submissions (the "Proceedings"):

A. GENERAL GUIDELINES

1. The Proceedings shall be under the direction and control of the TPBAC. The TPBAC Chairperson, or in his absence, the Vice-Chairperson, shall preside over the Proceedings.

2. The Head of the Secretariat shall act as the Secretary of the Proceedings. The Secretariat shall be in charge of documenting and recording the Proceedings.

3. Only the Interested Bidders that timely submitted its submissions (represented by their authorized representative/s named in their latest Expression of Interests ("EOI") submitted at least five (5) days before the Bid Submission Deadline (as defined below) are allowed to attend and participate in the opening of the submissions and Bid, together with the Department of Energy ("DOE") and Energy Regulatory Commission ("ERC") observers invited by the TPBAC.

4. No individual, except for the Secretariat, shall be allowed to video, audio record, or take photographs of the Proceedings. A copy of the official recording may be given to the requesting Interested Bidder only upon request and approval of the TPBAC pursuant to Section 2.6 (Confidentiality) of the IPB.

5 In accordance with Section 4 of the IPB, the Proceedings will be conducted through a full virtual video/audio conferencing using the Zoom application, in order to comply with the government-mandated and Meralco's policy of health precaution or safety requirements.

The guidelines before and during the Proceedings are as follows:

A. Before the Proceedings through virtual video/audio conferencing -

1) Registration is required for all participants, including the Bidders' authorized representatives, to receive the videoconferencing details for the Proceedings that will be conducted through Zoom.

2) Only the registered email addresses of the Bidder's authorized representatives, as stated in their latest EOI, will be allowed to join the Zoom meeting for the Proceedings. Thus, such email address must be the one used to register, and it should have a Zoom account to be able to join the conference. Only one device per email address will be allowed to connect.

3) On **9:00 A.M. of 13 March 2023**, the registration link will be sent to the email addresses of the authorized representatives of Bidders and DOE/ERC observers ("Participants") who have registered for the Proceedings.

4) The **deadline for registration is at 4:00 P.M. of 15 March 2023.** A confirmation link will be sent to registered Participants after the deadline and successful registration.

B. During the Proceedings through virtual video/audio conferencing -

1) The Participants must be in the waiting room of the Zoom Meeting by **7:50 A.M. of 16 March 2023** in order for their attendance to be registered and considered.

2) At 8:00 A.M., the TPBAC Secretariat will start admitting into the Zoom Meeting the DOE/ERC observers; the TPBAC, TPBAC representative/s and Technical Working Group ("TWG") members; authorized bank representative/s; and the Bidder's authorized representatives that successfully registered, subject to the applicable removal of access after the 9:00 A.M. deadline (as described below).

3) Only Bidders that meet the Bid Submission Deadline will be allowed to attend the Zoom meeting for the Opening of Bids.

4) At 9:00 A.M., a roll call of the registered and authorized representatives of the Bidders and Observers will be conducted by the TPBAC Secretariat of the Bidders who were able to meet the Bid Submission Deadline.

Bidders who were not able to meet the Bid Submission Deadline or did not submit a bid will be removed from the Zoom Meeting.

a) Since only Bidders' authorized representatives can join the Proceedings, only a maximum of three (3) individuals per Interested Bidder may join the conference. Convergence of Participants in one venue or using one Zoom account is allowed provided that they are all EOI-indicated authorized representatives of one Bidder.

b) During the roll call, the Bidders' authorized representatives must designate one (1) of its authorized representatives as speaker for the Interested Bidder. As a rule, only the designated speaker may speak on behalf of the Bidder.

c) Those who are admitted in the Zoom Meeting but not included in the list of authorized representative/s of the Bidders will be removed by the Secretariat from the Zoom Meeting.

4) The Participants must use the following display credentials throughout the Proceedings: "Company Name Initials - Surname, First Name";

5) Participants shall ensure that their names and the name of the company they are representing are properly reflected on their respective accounts;

6) Participants shall be required to mute themselves during the entire duration of the Zoom Meeting unless prompted by the Secretariat to unmute. Only those recognized by the TPBAC or TPBAC Secretariat may be allowed to speak;

7) Participants shall be required to turn on their respective video cameras during the entire duration of the Proceedings;

8) If necessary, the TPBAC and TWG may declare a recess of the proceedings and move to a breakout room for a caucus; and

9) All Participants must observe the House Rules provided herein. The Secretariat may give warnings to Participants who do not observe the House Rules by indicating the same in the chat box. The Secretariat shall flag to the TPBAC Chairperson and recommend the removal of Participants who continue to disregard the House Rules and/or disrupt the Proceedings from the Zoom Meeting despite warnings.

6. The TPBAC may request assistance from the TWG and/or the Secretariat to perform such functions as may be necessary, at the discretion of the TPBAC.

B. SUBMISSION OF BIDS

1. The TPBAC shall only receive the Original Copy box of the Document Submissions of the Bidders between **8:00 A.M. until 9:00 A.M. of 16 March 2023** ("Bid Submission Deadline"). In accordance with Section 2.2 of the IPB, Interested Bidders shall submit to the TPBAC their Document Submissions by submitting original hard copies, which includes three (3) USB/thumb flash memory drives containing the electronic copies/scanned files (PDF format) of the contents of the said original set, inside a properly labeled sealed box. The soft copies of the Document Submissions stored in the USBs shall be in the form of a .zip folder protected by a password (similar to the uploaded copy in the cloud-based folder).

2. The Bidder shall ensure that it will deliver the Document Submissions at the designated venue for submission at the Lobby, PowerTech Building, Meralco Center, Meralco Ave, Pasig City. For the submission, the Bidder shall ensure that the authorized representative (or a designated person authorized through, and possessing, a Special Power of Attorney executed by any of the Bidder's authorized representatives) on board the Bidder's authorized vehicle with the Document Submissions, enters the designated queue on or before the Bid Submission Deadline. The designated queue shall begin at the PowerTech Lobby vehicle drop-off area.

   For this purpose, the Bidder shall submit to the TPBAC by **4:00 P.M. of 15 March 2023** the vehicle details (*e.g.,* vehicle make, plate number) of the authorized vehicle which will be used to deliver the Document Submissions at the designated venue, and the name of the authorized representative or the designated person (authorized through, and possessing, a Special Power of Attorney from any of the Bidder's authorized representative) who will personally submit the Bidder's Document Submissions.

3. Before or at 9:00 A.M., Bidders whose authorized representatives (or designated persons authorized through, and possessing, Special Powers of Attorney) are present inside their authorized vehicle which contains the Document Submissions and is inside the designated queue area, will be given queuing numbers. Fixed and roving cameras shall be set at designated areas to ensure full view of the queuing and during submission.

4. Only Bidders who were issued queuing numbers on or before 9:00 A.M. shall be allowed to register; submit their Document Submissions at the registration table; **and** be allowed inside the Zoom virtual meeting for the Opening of the Bids. Late submissions shall be rejected and returned unopened to the concerned Bidder. As long as the Bidder is in queue by 9:00 A.M. and whose representative possesses a queue number, the submission will be considered as having been made within the deadline. Only Bidder's authorized representatives (or designated persons authorized through, and possessing, Special Powers of Attorney) shall disembark from the vehicle to deliver the sealed box at the receiving table. After submission, the Bidders' authorized representatives (or designated persons authorized through, and possessing, Special Powers of Attorney) will be directed to leave the venue.

5. For the purpose of monitoring the Bid Submission Deadline, the Philippine standard time as provided in <*https://oras.pagasa.dost.gov.ph/widget.shtml*> shall be followed.

6. The envelopes or boxes, containing the original documents, of Bidders will be marked received by the TPBAC by indicating therein "Received" and the time of receipt. After the submission has been recorded, the sealed boxes will be placed in front of the TPBAC/TWG's table within clear view of the Zoom meeting video camera or video recording.

7. The TPBAC Secretariat shall prepare a list of Bidders which have submitted their respective Document Submissions on or before the Bids Submission Deadline and late submissions, if any, and submit such list to the TPBAC for evaluation and/or approval.

8. For clarity, the Bidder's duly registered authorized representatives will be allowed to enter the Zoom meeting venue for the Opening of Bids only after their Document Submissions are timely received by the TPBAC (and have duly registered themselves).

C. RETURN BY THE BANK CUSTODIAN OF THE RESERVE PRICE ENVELOPE

1. The return by the bank custodian, Asia United Bank (AUB), of the custody of the sealed Reserve Price envelope to the TPBAC is scheduled between **9:00 to 9:30 A.M. of 16 March 2023**.

2. The sealed Reserve Price envelope will be placed by the bank custodian on the non-contact receiving table outside the venue but followed by and within clear view of the Zoom meeting video camera or video recording. The bank custodian shall issue a certification on the safekeeping of the sealed Reserve Price envelope, which shall be read or shown to the Bidders.

3. After the turnover, the bank custodian will leave the venue. The sealed Reserve Price envelope shall be placed on a book stand or table in front of the TPBAC/TWG's table in full view of all of the Bidders or the Zoom meeting camera for the whole duration of the Proceedings.

D. OPENING AND EVALUATION OF BIDS

1. At **9:30 A.M. of 16 March 2023,** to start the Opening of Bids, a roll call of Bidders' authorized representatives shall be conducted by the TPBAC Secretariat.

2. The TPBAC shall direct the opening and evaluation of the Document Submissions. During the Opening of the Pre-Qualification Documents, the Interested Bidder/s shall email to the TPBAC Secretariat the password for the pertinent zip folder/file to be opened by the TPBAC. The opening and evaluation of the Document Submission shall be in three (3) stages, Envelope 1: Qualification Documents, Envelope 2: Technical Proposals and Envelope 3: Bid Prices in this order with the assistance of TWG. Such documents shall be opened and evaluated based on the order of registration of the Bidders. The uploaded/soft copies to the cloud-based folder of the Document Submissions shall be opened for simultaneous review of the TPBAC and TWG. The opening of the Document Submissions of all bidders shall be shown to the Participants through the Screen Share feature to be facilitated by one of the TPBAC or TWG members. Upon the TPBAC's sole discretion, it may direct the opening of the Original Copy sealed box in order to get the USB thumb/flash memory drives containing the scanned soft copies of the Document Submissions and/or compare it with the original copies of the Document Submissions.

3. The Bidder's authorized representatives, particularly the designated speaker, whose Document Submissions are being opened and evaluated are expected to be ready to respond in case the TPBAC or TWG will have clarificatory questions (see next item immediately below).

4. During the opening and evaluation of the Document Submissions, the TPBAC may confer with the Bidder's authorized representatives to verify any deficiency, ambiguity or possible error in the Document Submissions. If the TPBAC determines that any required document or information in the Document Submissions is found to be incomplete or patently insufficient or otherwise "non-conforming," the TPBAC reserves the right to immediately reject the Document Submissions of the concerned Bidder and consider its Document Submissions as "FAILED".

5. No Bidder shall be allowed to raise questions or make manifestations during the opening and evaluation of the Qualification Documents, Technical Proposals, and Bids. The Bidders are requested, instead, to note down all questions and/or manifestations and submit it formally in writing to the TPBAC Secretariat following the proper remedy under the IPB.

6. At the end of each stage of evaluation, the TWG shall prepare a report for the TPBAC's evaluation and/or approval. The TPBAC shall announce the Bidders who have qualified after each stage and who are allowed to participate in the next stage, and any other information which it deems necessary. Bidders whose Document Submissions were found to have "FAILED" at a relevant stage, shall be required to leave the Zoom meeting.

7. The TPBAC shall take custody of the original and soft copies of the Document Submissions that have been considered as "PASSED" at the relevant stage. The unopened original and soft copies of the Documents

Submissions that have been considered as “FAILED” shall be returned to the concerned Bidder at a later time to be designated by the TPBAC.

8. No amendments by Bidders to Annexes and forms shall be allowed. Any amendment by the Bidder on the Annexes and forms, which have not been approved by the TPBAC through the Bid Bulletins, shall be a ground for disqualification.

E. <u>REMINDERS FOR ENTERING THE MERALCO OPERATIONS CENTER (MOC) ON 16 MARCH 2023.</u>

The Interested Bidder’s authorized representative/s (indicated in the latest Expression of Interest) or designated persons authorized through, and possessing, Special Powers of Attorney, who will submit the Original Copy box shall:

1. Bear the risk of the traffic peak/rush hours going to the Meralco Center Gate 2 (located between The Medical City hospital complex and intersection of Meralco Ave. and Ortigas Ave.), as well the as possible closure of the left turn access going to Meralco Center Gate 2 if coming from EDSA or Meralco Ave;

2. Bring his/her original vaccination card and must be fully vaccinated (i.e. at least 14 days from the last dose) on the day of the event. For clarity, to avoid delay or prevention of entry to the MOC, the driver of the vehicle, despite not being tasked to disembark and submit the original copy box, is required to bring also his/her original vaccination card and must be fully vaccinated (i.e. at least 14 days from the last dose) on the day of the event; and

3. Wear the appropriate personal protective equipment (i.e. face mask).

Approved on 6 March 2023.