



BIDDING
BASELOAD CONTRACT CAPACITY OF 260 MW (NET),
EFFECTIVE 26 FEBRUARY 2024

BID BULLETIN NO. 2

To all Interested Bidders:

1. A matrix containing the set of queries 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 and Instructions to Prospective Bidders (dated 3 January 2024) ("IPB") is provided herein as **Annex B**.

For your guidance and information.

Issued on 25 January 2024.

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 260 MW (NET), EFFECTIVE 26 FEBRUARY 2024

FORMATTING/PROCEDURAL-RELATED QUERIES/COMMENTS				
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1.	Instructions to Prospective Bidders ("IPB")	Sections 3.1 and 3.2 Annex TP-1 attachment (4)	Kindly confirm that if the Bidder is an Administrator under an IPPA Administration ("IPPA") Agreement with the Power Sector Assets and Liabilities Management Corporation (PSALM), the submission of the required or relevant permits, accreditations, certificates, agreements and/or documents of similar nature under the name of the Independent Power Producer ("IPP") or owner-operator of the Nominated Plant as part of the Qualification Documents shall be deemed compliant under the IPB.	Yes, this is confirmed.
2.	IPB	Section 3.1.2 (a)/ page 23	<p>The requirement of declaring the relevant capabilities in the construction, operation, and maintenance of the Bidder on the executive summary.</p> <p>Given that the Bidder is an IPPA Administrator, please clarify if the same are required given that the IPPA Administrator is not involved in the construction, operation, and maintenance of the power plant it administers.</p>	An executive summary describing the roles of the IPPA and the Bidder as Administrator will suffice.
3.	IPB	Annex QD-3/Page 61-62	Please confirm if numbering order 4, 5, 6 should be 1, 2, 3 instead.	Yes, this is confirmed. This is just an inadvertent error in the numbering.
4.	IPB Qualification Documents	Section 3.1.1(e)	<p>IPB provides: "a diagram of the corporate/partnership structure of the Interested Bidder with an indication of which entity has Controlling interest over, are the Affiliates engaged in the power industry, or is the Ultimate Parent of the Interested Bidder, which shall be certified by the corporate secretary/assistant corporate secretary as a true and correct depiction of the corporate structure of the Interested Bidder, which certification must be under oath and notarized;"</p> <p>Question: Please clarify that Affiliates engaged in the power industry only refer to those engaged in generation,</p>	Yes, this is confirmed.

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			supply or distribution of electricity as defined in the EPIRA Law.	
5.	IPB	Section 3.2/Page 26	<p>We propose that Bidders be allowed to offer as Nominated Plant such power plant the output of which is being administered by the Bidder as an Independent Power Producer Administrator. If allowed, we suggest that Section 3.2 be revised as follows:</p> <p>"The Interested Bidder must identify the proposed power plant/s that it or its direct shareholder representing Controlling interest is the developer of, owner of, <u>administrator of</u>, and Controls, and has sufficient authority to enter into the offtake agreement with Meralco, which must be capable of supplying the Offered Contract Capacity to Meralco for the Required Contract Period, provided that it must be a baseload power plant (firm and dispatchable) wherein each unit of the Plant must be capable of generating its rated capacity for twenty-four hours a day and seven days a week (24/7), provided further, that it must be technically capable of producing the entire Offered Contract Capacity, and provided finally that it is in commercial operation prior to January 2020 ("Nominated Plant")."</p>	<p>Yes, this will be allowed, with minor edit for clarity:</p> <p>"The Interested Bidder must identify the proposed power plant/s that it or its direct shareholder representing Controlling interest is the developer of, owner of, <u>or administrator of</u>, and Controls, and has sufficient authority to enter into the offtake agreement with Meralco, which must be capable of supplying the Offered Contract Capacity to Meralco for the Required Contract Period, provided that it must be a baseload power plant (firm and dispatchable) wherein each unit of the Plant must be capable of generating its rated capacity for twenty-four hours a day and seven days a week (24/7), provided further, that it must be technically capable of producing the entire Offered Contract Capacity, and provided finally that it is in commercial operation prior to January 2020 ("Nominated Plant")."</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting the amendment to the IPB.</p>
6.	IPB	Annex QD-1A/Page 55	<p>Can we revise QD - 1A to consider Bidders who are Independent Power Producer Administrators?</p> <p>We propose to revise as follows:</p> <p>"2. I am the duly elected (<i>corporate secretary</i>/assistant corporate secretary) of (<i>name of owner of <u>or administrator of the capacity of</u> the Nominated Plant</i>) (the "Company"), a (<i>partnership/corporation</i>) organized</p>	Yes, this will be allowed.

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			<p>and existing under and by virtue of the laws of the Republic of the Philippines."</p> <p>"3. The Company has been (established to develop, own, operate, <u>manage the capacity of</u>) a (specify details of the Nominated Plant) which started commercial operations on (specify date, as applicable)."</p> <p>xxx</p> <p>RESOLVED, AS IT IS HEREBY RESOLVED, that the (name of owner <u>or administrator of the capacity as IPP Administrator</u> of the Nominated Plant) (the "Company") 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 Electric Company pursuant to its (indicate CSP requirement as appearing on title/cover page of IPB) ("Project"); xxx"</p>	
7.	IPB	Annex TP-1 item 1/Page 75	<p>Can we revise TP-1 to consider Bidders who are Independent Power Producer Administrators?</p> <p>We propose to revise as follows: "1. Proof that the Bidder or its direct shareholder representing Controlling interest is the developer of, owner of, <u>or manages the capacity of</u>, and Controls, the Nominated Plant and has sufficient authority to enter into the offtake agreement with Meralco;"</p>	Yes, this will be allowed.
8.	IPB	Section 3.1.1 in relation to Annex QD-	<p>Please confirm underlined word below:</p> <p>"Application to Qualify and Participate in the Bidding, using the form in Annex QD-1, with attached (i) Authority to Participate in the Bidding and Designation of Authorized</p>	<p>Yes, this is confirmed. For this purpose, this portion of the Bid Requirements and IPB will be revised as follows:</p> <p>Bid Requirements:</p>

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		1B/Page 23,	<p>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 in its agreements with other offtakers for the same Nominated Plant, using the from in Annex QD-1B; xxx"</p> <p>Please confirm that this insertion is acceptable and that in view of this, the applicable TOR provisions and Annex QD 1-B should also reflect this insertion:</p> <p>"1. 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 in the COMPANY's agreements with other off-takers for the same Nominated Plant."</p>	<p>"The Bidder shall not offer Capital Recovery Fee higher than the latest ERC-approved rate/s in its agreements with other offtakers for the same Nominated Plant and is required to submit a sworn undertaking to this effect."</p> <p>IPB:</p> <p>"Application to Qualify and Participate in the Bidding, using the form in Annex QD-1, with attached (i) Authority to Participate in the Bidding and Designation of Authorized Representative using the form in Annex QD-1A, and (ii) Sworn Undertaking that the Bid Price's Capital Recovery Fee is not higher than the latest ERC-approved rate/s in its agreements with other offtakers for the same Nominated Plant, using the from in Annex QD-1B;"</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting the amendments to the Bid Requirements and IPB.</p>								
9.	IPB	Annex TP-1	<p>Please clarify that since this bidding will involve power plants that are already in operation, the items highlighted below in Annex TP-1 are not applicable and may be deleted.</p> <table><tr><td>Power Supplier Name</td><td></td></tr><tr><td>Offered Contract Capacity, MW</td><td></td></tr><tr><td>Name of Nominated Plant</td><td></td></tr><tr><td>Location of Nominated Plant</td><td></td></tr></table>	Power Supplier Name		Offered Contract Capacity, MW		Name of Nominated Plant		Location of Nominated Plant		<p>We are not amenable with the proposed revision and we prefer to retain the required information.</p> <p>The data being asked (i.e., where the proposed delivery point will be and what is the current status of the Nominated Plant) is applicable even if the Nominated Plant is already in commercial operations (i.e., it has nothing to do with the power plant being a greenfield or brownfield plant).</p>
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			<table><tr><td>Description of Nominated Plant<ul style="list-style-type: none">- Fuel source/Plant technology- Number of Units- Gross capacity per Unit, MW- Net capacity per Unit, MW- Proposed Delivery Point</td><td></td></tr><tr><td>Gross Capacity of Nominated Plant, MW</td><td></td></tr><tr><td>Net Capacity of Nominated Plant, MW</td><td></td></tr><tr><td>Current Status of Nominated Plant and Proposed Delivery Point</td><td></td></tr></table>		Description of Nominated Plant <ul style="list-style-type: none">- Fuel source/Plant technology- Number of Units- Gross capacity per Unit, MW- Net capacity per Unit, MW- Proposed Delivery Point		Gross Capacity of Nominated Plant, MW		Net Capacity of Nominated Plant, MW		Current Status of Nominated Plant and Proposed Delivery Point		
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Gross Capacity of Nominated Plant, MW													
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Current Status of Nominated Plant and Proposed Delivery Point													
10.	IPB Fuel Supply Agreement	Annex TP-1/Page 76	If Nominated Plant is a hydropower plant, it does not have a Fuel Supply Agreement. Can Bidder just submit an explanation in lieu thereof?		Yes, if Nominated Plant of the Bidder is a hydropower plant, it can submit an explanation in lieu of the Fuel Supply Agreement.								
11.	IPB	Section 4.5.2	Please clarify if the underlines statement is applicable to this bidding. "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 Headline Rate until the tie is broken, <i>provided that in case</i>		As relayed by the DU to the BAC-PSA: "This is an inadvertent error, as there is no intention of including a particular preference for natural gas source. It should be noted that the Invitation to Bid (ITB)/Terms of Reference (TOR) for this Bidding, which was approved by the Department of Energy (DOE) through a Certificate of Conformity, is technology neutral and does not (a)								

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			<p><u>two or more Qualified Bidders have equal Headline Rates resulting in the lowest bid, the Bidder whose Nominated Plant is a natural gas-fired power plant, especially one using indigenous natural gas, shall be declared as having the Best Bid.</u> Subsequent occurrences of a tie, if any, shall be resolved in the same manner until a winner is determined."</p>	<p>include any statement/provision as to any preference for natural gas source, and (b) contain any specific requirements as to the submissions to be made by the Bidder in case its Nominated Plant is an indigenous natural gas plant. Notably, there was also no recommendation from DOE to encourage natural gas power plants, through these biddings, when the COCs were released to Meralco. Moreover, Section 2.2 (e), page 14 of the IPB which discusses the same tie break mechanism, does not include preference for natural gas power plant in case the Nominated Plant of one of the Qualified Bidders that are tied is a natural gas power plant. For this purpose, we propose revision of Section 4.5.2 of the IPB as follows:</p> <p>"4.5.2. xxx 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 Headline Rate until the tie is broken, provided that in case two or more Qualified Bidders have equal Headline Rates resulting in the lowest bid, the Bidder whose Nominated 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>The BAC-PSA adopts this recommendation.</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting the amendment to the IPB.</p>

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12.	Invitation to Bid Payment Modalities	Page 3	<p>Will the Prompt Payment Discount be considered in the evaluation of the bids?</p> <p>"Prompt Payment Discount: Power Supplier shall propose/extend discount to Meralco based on the non-fuel fee (sum of Capital Recovery Fee, Interconnection Fees, Fixed O&M Fee and Variable O&M Fee, if applicable) in case of MERALCO's prompt payment. Percentage (%) of discount and days to be considered as prompt payment shall be proposed by Power Supplier."</p>	This was taken from Annex C-2 of the ERC CSP Guidelines (Section 5.3). During evaluation, the Bidder has the option to provide a prompt payment discount to Meralco. However, given the conditional nature of a prompt payment discount, any such discount indicated by the Bidder cannot be considered in the evaluation of its bid. Just the same, during implementation, if Meralco avails the of the prompt payment discount provided by the Winning Power Supplier/s, then it shall be reflected in the charges that Meralco shall bill to its customers.
13.	IPB	Schedule 1	<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.¹ In 2023, Bank of China ranked 4th in terms of aggregate assets according to Global Finance's World's Safest Banks 2023.² In the Philippines, Bank of China (Hongkong) Limited-Manila Branch has a full commercial banking license and has been in operations since 2002.³</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.⁴</p>	<p>As consulted with the DU, this is acceptable to MERALCO, provided item 2 of ANNEX BID-2 of the IPB shall be amended to read as follows:</p> <p>"ANNEX BID-2</p> <p><i>[Letterhead of Issuing Bank]</i></p> <p>BID SECURITY</p> <p>xxx</p> <p>"2. Subject to the 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 (insert Branch Name and Address, which should be within Metro Manila), a demand for</p>

¹ <https://www.bankofchina.com.ph/en-ph/top/about-us.html> last accessed on 4 January 2024.

² <https://gfmag.com/banking/worlds-biggest-banks-2023/> last accessed on 4 January 2024.

³ <https://www.bankofchina.com.ph/en-ph/top/about-us.html> last accessed on 4 January 2024.

⁴ <https://www.bochk.com/en/aboutus/ir/rating/credit.html> last accessed on 4 January 2024.

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				<p>payment from Meralco in substantially the form attached as Annex A, duly completed, and is in the form of a letter on Meralco's letterhead signed by any of its authorized signatories."</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting the amendment to the IPB.</p>
14.	IPB and Invitation to Bid Plant Capacity Factor	Section 4.5.2 Other Relevant Information	<p>Please clarify if Section 4.5.2 should be revised as shown below in view of the statement in the Invitation to Bid:</p> <p>"4.5.2 The BAC-PSA shall evaluate the resulting Headline Rate of the Qualified Bidders, as inputted by the Interested Bidder to and computed by the Financial Evaluation Workbook. The Financial Evaluation Workbook shall take into account the Qualified Bidder's proposed tariff components, and proposed line rental cap. The Financial Evaluation Workbook shall compute, as inputted by the Qualified Bidder, the Headline Rate over the Required Contract Period of the PSA at 100% 50% PCF."</p> <p><u>Invitation to Bid:</u> "All Bids shall be evaluated based on its Headline Rate at 50% plant capacity factor."</p>	<p>This is a typographical error. Section 4.5.2 of the IPB will be revised as follows, consistent with the TOR:</p> <p>"4.5.2 The BAC-PSA shall evaluate the resulting Headline Rate of the Qualified Bidders, as inputted by the Interested Bidder to and computed by the Financial Evaluation Workbook. The Financial Evaluation Workbook shall take into account the Qualified Bidder's proposed tariff components, and proposed line rental cap. The Financial Evaluation Workbook shall compute, as inputted by the Qualified Bidder, the Headline Rate over the Required Contract Period of the PSA at 100% 50% PCF."</p> <p>Please see Annex "B" of this Bid Bulletin No. 2 reflecting the amendment to the IPB.</p>

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15.	TOR	Bid Price/Tariff Structure of Contract Price (a)	(i) shall not offer Capital Recovery Fee higher than the latest ERC-approved rate/s for its Peaking supply agreements with other offtakers for the same Plant - Does this include ASPA with NGCP? Specifically the Approved Applicable Rates for Non-Firm Dispatchable Reserve	The latest ERC-approved rate/s in the Bidder's agreements with other off takers for the same Nominated Plant that has the same mode of operations may be considered as comparable. Note however, that this representation by the Bidder of its most recent approved rates with other off takers will most likely be scrutinized by the ERC, given that it is the latter's requirement, and as such, bidder should be able to defend the same before the ERC.
16.	TOR	Operations Effective Date ("OED"); page 1	Suggest to just indicate that OED is upon ERC Approval.	As consulted with the DU, this will be retained.
17.	TOR	Bid Price/Tariff Structure of Contract Price; last paragraph; page 3	What is the definition of "Material Adverse Government Action"?	Please refer to Section 1.1, Article 1 of the PSA which provides: "Material Adverse Government Action means: (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

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				<p>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 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. It is understood that there is serious damage to, or material and adverse effect on the financial condition of,</p>

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				a Party if the cost impact is more than ten percent (10%) of the annual capacity payment. [For clarity, costs resulting from the difference between the actual fuel commodity cost and the forecasted fuel commodity cost shall not be considered as arising from Material Adverse Government Action.]”
18.	TOR	Technical Parameters; 2nd paragraph; page 4	For clarification if "unit" refers to a generating unit as registered per COC or generating unit as registered with the WESM i.e. a sector composed of multiple generating engines	Unit refers to a generating unit as registered in the COC.
19.	Bid Requirements	Technical Proposal (Envelope 2); page 12	In relation to paragraph (a), does the term “unit” refer to a generating unit as registered per COC or generating unit as registered with the WESM i.e. a sector composed of multiple generating engines?	
20.	TOR	Reduction in Contract Capacity; page 6	For clarification if the reduction will be in proportion to the Contract Capacity of the bidder.	The DU shall abide by the existing rules at the time this reduction is implemented, guided by the ERC, and most importantly, the DU’s mandate to supply electricity in the least-cost manner.
21.	Bid Requirements	Page 6; rd paragraph	In relation to reduction of the Offered Contract Capacity of the bidder with Marginal Bid Offer and a candidate recipient of Notification of Best Bid, is there a valid ground for refusing to accept the reduction without MERALCO drawing from the Bid Security? For example, if only 5MW is needed to fill up the required capacity and this is below the minimum of the	The forfeiture of its Bid Security is a risk that all Bidders are expected to consider upon joining this CSP, 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

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			generating unit, it will not be feasible for the bidder to accept the reduced contracted capacity.	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.
22.	Bid Requirements	Technical Qualifications; page 11	In relation to power plant projects undertaken, does this refer to projects directly undertaken by the shareholders representing Controlling Interest, Affiliates or Ultimate Parent, or should it include projects through SPVs?	<p>This Technical Qualification (p.11) portion of the Bid Requirement, as reiterated in Section 3.1.4 of the IPB was copied in verbatim (without mention that the technical capability should be "directly undertaken and/or operated by the Bidder") from Item (d), Annex 1, Appendix B (p. 12 of Appendix B) of the ERC CSP Guidelines, which reads:</p> <p>“(d) Technical Capability Information - To demonstrate compliance with the technical criteria established in the TOR, the Bidder shall submit the following:</p> <p>(i) List of projects undertaken over the last ten (10) years;</p> <p>(ii) List of electricity generation plants that the Bidder has operated for the last five (5) years; and</p> <p>(iii) Proof of/Documentation on track record for the last five (5) years of power plants operated by it.”</p>

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				Thus, the pertinent Technical Qualification (p.11) portion of the Bid Requirement, as reiterated in Section 3.1.4 of the IPB, is not limited to projects only directly undertaken by the Bidder, its shareholders representing Controlling Interest, Affiliates or Ultimate Parent.
23.	General Comment	Capitalized Terms	To clarify, are the definition of the capitalized terms in the TOR and Bid Requirements same as the definition in the PSA?	Not necessarily. Capitalized terms in the TOR, Bid Requirements and PSA have to be understood in the context of the documents they are used in.
24.	PSA	Section 16.6.2	What are the implications if the OED is not achieved due to non issuance of ERC Approval before the Longstop Date? (i.e. Performance Bond)	<p>If the OED is not achieved due to non-issuance of ERC Approval before the Longstop Date, Section 16.6.2 provides as follows:</p> <p>"16.6.2. Non-Occurrence of Operations Effective Date</p> <p>If the ERC Approval has not occurred on or before the Longstop Date, then Power Supplier has the right to terminate this Agreement by giving written notice of such termination to the other Party. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than fifteen (15) Days from the date of such notice and neither Party shall be liable to the other by reason of such termination. Notwithstanding the foregoing, if any such conditions precedent under Section 3.2.1 have not been fulfilled on or before the Longstop</p>

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 260 MW (NET), EFFECTIVE 26 FEBRUARY 2024

FORMATTING/PROCEDURAL-RELATED QUERIES/COMMENTS				
BIDDER NAME (ACRONY M)	TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	BAC-PSA’s RESPONSE
				<p>Date, the Parties may agree in writing to extend such Longstop Date.”</p> <p>However, it should be noted that in case ERC Approval was not issued on or before Longstop Date because: (a) the ERC Application was not timely filed by reason of Power Supplier’s failure, inability, refusal or delay to provide or comply with ERC requirements, then under Section 12.1.1, Meralco shall have the right to forfeit the Performance Bond, and/or (b) delay in such ERC Approval is due to Power Supplier’s failure to comply with any order or directive of the ERC or to provide any document required by the ERC while the ERC Application is pending resolution, then under Section 12.1.2, Meralco reserves the right to forfeit ten percent (10%) of the Performance Bond, as applicable, for each month of such failure to comply or provide.</p>

AMENDMENTS TO THE BID REQUIREMENTS / INSTRUCTIONS TO PROSPECTIVE BIDDERS (dated 3 January 2024)

Item	Reference / Subject Matter of Amendment	Amendments
1	Bid Requirements	<p>[...]</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 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>
2	Section 3.1 IPB	<p>[...]</p> <p>“3.1. QUALIFICATION DOCUMENTS</p> <p>xxx</p> <p>Application to Qualify and Participate in the Bidding, using the form in Annex QD-1, with attached (i) Authority to Participate in the Bidding and Designation of Authorized Representative using the form in Annex QD-1A, and (ii) Sworn Undertaking that the Bid Price’s Capital Recovery Fee is not higher than the latest ERC-approved rate/s in its agreements with other offtakers for the same Nominated Plant, using the from in Annex QD-1B; xxx”</p> <p>[...]</p>
3	Section 3.2 IPB	<p>[...]</p> <p>The Interested Bidder must identify the proposed power plant/s that it or its direct shareholder representing Controlling interest is the developer of, owner of, or administrator of, and Controls, and has sufficient authority to enter into the offtake agreement with Meralco, which must be capable of supplying the Offered Contract Capacity to Meralco for the Required Contract Period, provided that it must be a baseload power plant (firm and dispatchable) wherein each unit of the Plant must be capable of generating its rated capacity for twenty-four hours a day and seven days a week (24/7), provided further, that it must be technically capable of producing the entire Offered Contract Capacity, and provided finally that it is in commercial operation prior to January 2020 (“Nominated Plant”).”</p> <p>[...]</p>
4	Section 4.5.2	<p>[...]</p> <p>4.5.2 The BAC-PSA shall evaluate the resulting Headline Rate of the Qualified Bidders, as inputted by the Interested Bidder to and computed by the Financial Evaluation Workbook. The Financial Evaluation Workbook shall take into account the Qualified Bidder’s proposed tariff components, and proposed line rental cap. The</p>

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	IPB	<p>Financial Evaluation Workbook shall compute, as inputted by the Qualified Bidder, the Headline Rate over the Required Contract Period of the PSA at 100% 50% PCF.</p> <p>xxx</p> <p>xxx 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 Headline Rate until the tie is broken, provided that in case two or more Qualified Bidders have equal Headline Rates resulting in the lowest bid, the Bidder whose Nominated 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>[...]</p>
5	Schedule 1 IPB	<p>[...]</p> <p>"ANNEX BID-2</p> <p><i>[Letterhead of Issuing Bank]</i></p> <p>BID SECURITY</p> <p>xxx</p> <p>"2. Subject to the 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 (insert Branch Name and Address, which should be within Metro Manila), a demand for payment from Meralco in substantially the form attached as Annex A, duly completed, and is in the form of a letter on Meralco's letterhead signed by any of its authorized signatories."</p> <p>[...]</p>