



BIDDING
CONTRACT CAPACITY OF 850 MW (NET), COD 2026

BID BULLETIN NO. 5

To all Interested Bidders:

1. The Third-Party Bids and Awards Committee ("TPBAC") received Terra Solar Philippines, Inc. ("Terra Solar") request for Reconsideration of Bid Bulletin No. 4 issued by the TPBAC on 28 February 2022 extending the Bid Submission Deadline by forty-five (45) calendar days or until 28 April 2022 for MERALCO's competitive selection process ("CSP") via competitive challenge for renewable energy mid-merit power supply Contract Capacity of 850 MW (net), COD 2026.
2. After an evaluation of the points raised by Terra Solar in its Request for Reconsideration and considering the previous requests for extension already granted by the TPBAC, the TPBAC resolves to reduce the period of extension of the Bid Submission Deadline from 45 days to twenty-two (22) days or until **5 April 2022**. With this 22-day period of extension and including the extensions granted under Supplemental Notice No. 1 and Bid Bulletin No. 2, a total period of 30 days was already granted by the TPBAC as additional time for this bidding.
3. The relevant amendments to the: (i) Invitation to Bid (published on 22 and 28 January 2022); (ii) Bid Requirements (posted on 22 January 2022) and (ii) Instructions to Prospective Bidders (dated 22 January 2022) ("IPB"), are set out in **ANNEX A**.
4. A matrix containing the set of queries that have been received by, and the corresponding responses of, the TPBAC is set out in **ANNEX B**.

For your guidance and information.

Issued on 4 March 2022.

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

(sgd)
Atty. Ferdinand A. Domingo
Chairman

AMENDMENTS TO THE INVITATION TO BID (published on 22 and 28 January 2022)

Item	Reference / Subject Matter of Amendment	Amendments
1	Adjustment of periods or milestone dates after extending the Bid Submission Deadline (as amended by Bid Bulletin Nos. 2 and 4)	<p>[...]</p> <p>After the Expression of Interest Deadline, Interested Bidders may change their indicated Nominated Power Plant no later than 4:00 P.M. of 29 March 2022, subject to the Interested Bidder’s simultaneous submission of a new Expression of Interest form reflecting the said change/s.</p> <p>xxx</p> <p>In order to qualify to bid, an Interested Bidder shall submit to the TPBAC–Secretariat, on or before 9:00 A.M. of 5 April 2022 (the “Bid Submission Deadline”), xxx As part of the Bid Submission Deadline, between 8:00 A.M. to 9:00 A.M. of 5 April 2022, the Interested Bidder shall submit at the Lobby, Lopez Building, Meralco Center, Ortigas Ave., Pasig City the Original Copy of all the said documents, xxx.</p> <p>Thereafter, the opening, assessment and evaluation of the said bid submissions will proceed at 9:30 A.M. of 5 April 2022, through virtual video conferencing, and will continue such opening, assessment and evaluation on such other day/s as may be determined by the TPBAC. xxx.</p> <p>[...]</p>

AMENDMENTS TO THE BID REQUIREMENTS (posted on 22 January 2022)

Item	Reference / Subject Matter of Amendment	Amendments
1	<p>Adjustment of periods or milestone dates after extending the Bid Submission Deadline (as amended by Bid Bulletin Nos. 2 and 4)</p> <p>p.2-4</p>	<p>[...]</p> <p>Transfer or assignment by, or purchase/investment/acquisition of rights and interest in, an entity that submitted the Expression of Interest, Confidentiality Undertaking and Acknowledgement and Consent Form for Data Privacy may only be exercised once on or before 4:00 P.M. of 29 March 2022 and on the condition that: xxx.</p> <p>(d) Bidders will then have until 21 February 2022 within which to submit written queries, or requests for clarifications or revisions to the Bidding Documents. Thereafter, the TPBAC shall respond or issue the necessary notices and bid bulletins to address said queries or comments, which shall be no later than 22 March 2022.</p> <p>(e) Interested Bidders may change their indicated Nominated Power Plant on or before 4:00 P.M. of 29 March 2022, subject to the Interested Bidder's simultaneous submission of a new Expression of Interest form reflecting the said change.</p> <p>(f) On or before 9:00 A.M. of 5 April 2022 (the "Bid Submission Deadline"), the Interested Bidders shall submit to the TPBAC their Document Submissions by uploading to the cloud-based online repository/folder assigned to the Interested Bidder, xxx. As part of the Bid Submission Deadline, between 8:00 A.M. to 9:00 A.M. of 5 April 2022, the Interested Bidder shall submit, xxx.</p> <p>xxx</p> <p>Thereafter, the opening of the Interested Bidder/s' (a) Qualification Documents (Envelope 1) and (b) Technical Proposal (Envelope 2) (where Envelopes 1 and 2 are collectively referred to as the "Pre-Qualification Documents") will proceed at 9:30 A.M. of 5 April 2022 through virtual video conferencing, the process of which will be laid down in a separate bid bulletin or the house rules during the opening of the Pre-Qualification Documents (the "Opening of Pre-Qualification Documents"). xxx.</p> <p>[...]</p>

AMENDMENTS TO THE INSTRUCTIONS TO PROSPECTIVE BIDDERS (dated 22 January 2022)

Item	Reference / Subject Matter of Amendment	Amendments		
1	Section 1	[...]		
		Milestone	Responsibility	Date
		xxx		
		Deadline for submission of queries or comments of the Bidders on the Bidding Documents	Bidders	21 February 2022
		Deadline to respond to queries or comments on the Bidding Documents	TPBAC	22 March 2022
		Qualification Documents, Technical Proposals, and Bid Prices Submission Deadline ("Bid Submission Deadline")	Bidders	On or before 9:00 AM, 5 April 2022 (uploading of soft copy files) 8:00 AM to 9:00 AM, 5 April 2022 (Original Copy)
		Opening of Document Submissions Notification of Best Bid	TPBAC & Bidders	9:30 AM, 5 April 2022 and such other day/s determined by TPBAC
		[...]		
2	Section 2.2	2.2. SUMMARY OF BIDDING		

Item	Reference / Subject Matter of Amendment	Amendments
		<p>[...]</p> <p>Transfer or assignment by, or purchase/investment/acquisition of rights and interest in, an entity that submitted the Expression of Interest, Confidentiality Undertaking and Acknowledgement and Consent Form for Data Privacy may only be exercised once on or before 4:00 P.M. of 29 March 2022 and on the condition that: xxx</p> <p>(d) Bidders will then have until 21 February 2022 within which to submit written queries, or requests for clarifications or revisions to the Bidding Documents. Thereafter, the TPBAC shall respond or issue the necessary notices and bid bulletins to address said queries or comments, which shall be no later than 22 March 2021.</p> <p>(e) Interested Bidders may change their indicated Nominated Power Plant on or before 4:00 P.M. of 29 March 2022, subject to the Interested Bidder’s simultaneous submission of a new Expression of Interest form reflecting the said change.</p> <p>(f) On or before 9:00 A.M. of 5 April 2022 (the “Bid Submission Deadline”), the Interested Bidders shall submit to the TPBAC their Document Submissions by uploading to the cloud-based online repository/folder assigned to the Interested Bidder, xxx. As part of the Bid Submission Deadline, between 8:00 A.M. to 9:00 A.M. of 5 April 2022, the Interested Bidder shall submit, xxx.</p> <p>xxx</p> <p>Thereafter, the opening of the Interested Bidder/s’ (a) Qualification Documents (Envelope 1) and (b) Technical Proposal (Envelope 2) (where Envelopes 1 and 2 are collectively referred to as the “Pre-Qualification Documents”) will proceed at 9:30 A.M. of 5 April 2022 through virtual video conferencing, xxx.</p> <p>[...]</p>

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

FORMATTING/PROCEDURAL-RELATED QUERIES/COMMENTS					
		TOPIC / BID DOCUMENT REFERENCE	ARTICLE / SECTION / PAGE NO.	DISCUSSION OF COMMENTS / QUESTIONS FOR CLARIFICATION RECOMMENDATIONS / PROPOSED WORDING	TPBAC RESPONSE
1.		Format/IPB	Section 3.4.2 & 3.4.3, pages 36-37	In the case of a Bidder that forms an unincorporated joint venture or consortium, since each party/member is required to separately submit Envelopes 1 and 2, what is the prescribed format in labelling the Envelopes?	<p>Bidder should indicate the consortium member's identity, for example:</p> <p><i>"MANILA ELECTRIC COMPANY 850 MW CSP</i></p> <p><i>QUALIFICATION DOCUMENTS (ENVELOPE 1) - ORIGINAL (of CONSORTIUM MEMBER XYZ, INC.)</i></p> <p><i>[STATE NAME, ADDRESS, AND E-MAIL ADDRESS OF BIDDER]"</i></p>
2.				What is the prescribed labelling format if there are several envelopes comprising Envelopes 1 and 2?	<p>Bidder should indicate how many envelopes comprise as Envelope 1 or 2, for example:</p> <p><i>"MANILA ELECTRIC COMPANY 850 MW CSP</i></p> <p><i>QUALIFICATION DOCUMENTS (ENVELOPE 1) - ORIGINAL Set 1 of 3 / Set 2 of 3 / Set 3 of 3</i></p> <p><i>[STATE NAME, ADDRESS, AND E-MAIL ADDRESS OF BIDDER]"</i></p>
3.		Bid Security/ IPB	Section 3.3 (b), page 30	Can the Bidder issue multiple Bid Securities prorated among the consortium members, provided that the total amount is compliant with required value of Bid Security?	<p>The submission of multiple Bid Securities prorated among consortium members will be allowed, provided the following conditions are met:</p> <ol style="list-style-type: none"> 1. the total amount of the Bid Securities submitted meet the required value of the Bid Security; 2. Each of the Bid Securities are in the form and substance required in the IPB; and 3. The consortium's evidence submitted showing that their rights and obligations, including liabilities in this Bidding and the resulting PSA, are solidary should include a provision as to whom the TPBAC or Meralco's should singly/solely deal with when drawing of the Bid Securities (or Performance Security) in full, holding in trust, or return of the amount upon the replacement of the Bid Security (or Performance Security).

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4.		Pre-qualification/IPB	Section 2.2 (f), page 12	Can TPBAC provide an approximate number of days or duration of the conduct of Pre-Qualification Evaluation?	Based from the TPBAC's previous most recent greenfield CSP, it is expected that the approximate duration of the conduct of Pre-Qualification Evaluation will be more or less fourteen (14) to twenty-one (21) calendar days.
5.		Bid Security/ IPB	Section 3.3.3 (a), page 33	When will TPBAC send written notice of disqualification/failure to qualify/post-qualify? This is material in reckoning the 10-day period to return or cancel Bid Security.	<p>It would depend.</p> <p>If it is during the TPBAC's Opening of the Envelopes to determine the compliance and completeness using a non-discretionary "Pass/Fail" assessment for completeness (e.g. Sec. 4.2.2. and Sec. 4.3.1, IPB), the notice of disqualification/failure to qualify will be issued on the same day.</p> <p>If it is during the Pre-Qualification Evaluation, the written notice of disqualification/failure to qualify will simultaneous with the release of the Bid Bulletin announcing the result of the Pre-Qualification Evaluation (see Sec. 4.4.5, IPB).</p>
6.		Bid Security/ IPB	Section 3.3.3 (b), page 33	Why should the Bid Security of the Bidder with the next lowest ranked LCOE be retained until after the filing with the ERC of the PSA? Is there still a possibility of being the Next Best Bid after the execution of the PSA? Does the Bidder with the next lowest ranked LCOE have to extend validity of its bid just to satisfy this?	Sec. 3.3.2. (i) of the IPB reads, should the "(W)inning Power Supplier fails to timely submit, without justifiable cause, any document that the ERC may require for the successful filing of the relevant ERC application for approval of the PSA," its Bid Security will be forfeited and the TPBAC will have the discretion to proceed with the Next Best Bid (if there is any). For this purpose, the Bidder with the next lowest ranked LCOE is advised to extend the validity of its bid security.
7.		Custody of Envelope 3/ IPB	Section 4.2.1, page 39	As for the signing by authorized representative of Envelope 3 upon transfer of custody of sealed Envelope 3, does "authorized representative" include "such authorized representative's duly authorized agent/attorney-in-fact with SPA", as in Sec. 3.4 (par.2)?	<p>The "authorized representative/s" for the purpose of signing over the sealed flap of a Bidder's Envelope 3 (or any other bid documents) is/are those representative/s named as duly authorized to sign the bid documents as indicated in the ANNEX QD-1A (the "Authority to Participate in the Bidding and Designation of Authorized Representative" form), which are usually the same individual/s indicated in the Bidder's most recent Expression of Interest.</p> <p>The individual/s being referred to as "authorized representative's duly authorized agent/attorney-in-fact</p>

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					<i>with SPA</i> ", as in Sec. 3.4 (par.2), is/are those tasked by the Bidder to physically deliver the Original Copies box during the Bid Submission Deadline. This is to allow the EOI-indicated authorized representative/s an option to just stay in their offices and attend the meeting virtually. Should the EOI-indicated authorized representative be the one to personally submit the Original Copies box, he/she need not be in possession of an SPA mentioned in Sec. 3.4 (par. 2).
8.		Failed Bidding/IPB	Section 4.4.6, page 41	The TPBAC shall declare a failed bidding if there are less than 2 bidders that passed the Pre-Qualification Evaluation. Therefore, if at the outset, there is only one bidder who submitted documents, is it already tantamount to failed bidding? If yes, this should be reflected in the previous provisions: [instead of "NO" bidder timely submitted Document Submissions or "NO" bidder passed pre-qualification evaluation in 2.2 (f)]	This is typographical error, Section 4.4.6 of the IPB will be revised as follows: "4.4.6 If any Interested Bidder is found to have "failed" the Pre-Qualification Evaluation, the TPBAC shall promptly arrange the return of its sealed Envelope 3. The said Interested Bidder/s is/are thereafter disqualified from further participation, consideration and evaluation. The TPBAC shall declare a failed bidding if there are less than two (2) Bidders that "passed" the Pre-Qualification Evaluation. The TPBAC shall declare a failed bidding if no Bidder 'passed' the Pre-Qualification Evaluation."
9.		Post-Qualification/ IPB	Section 5, page 43	Are there specific Post-Qualification criteria?	Post-Qualification criteria pertain to the detailed evaluation of the (Qualification Documents, Technical Proposal and Bid Price). In addition, the Bid Requirements and IPB provide for specific Post-Qualification criteria include, but not limited to, the required documentary or permitting submissions under Sections 2.7 (e), 3.2 (h) and 3.2 (j) of the IPB (i.e. failure to submit the authenticated or apostilled copy; certified true copy of the actual RE Contract; certified true copy of the actual GIS/SIS).
10.		Right to Improve/IPB	Section 5.3, page 43	If OP does not exercise Right to Improve against the Bidder with the Best Bid and the latter is post-qualified, but fails, the Next Best Bid will be subjected to Post Qualification, again, subject to OP's right to improve. What is the rationale why OP can still improve its bid considering that it has declined to improve its offer against the initial best bid, which offered the lowest LCOE?	This is because the Bidder with the Next Best Bid (due to the original Bidder with the Best Bid failing Post-Qualification), will thence be deemed the lowest calculated bid under Sec. 8.10.4.8 of the Revised CSP Rules. The bid of the Bidder with the Next Best Bid is reasonably higher than that of the Bidder with the Best

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					Bid; and the Original Proponent might be then able to improve its offer <i>vis-a-vis</i> the bid of the Bidder with the Next Best Bid (although it was not able to improve its offer <i>vis-a-vis</i> the Bidder with the Best Bid). Allowing the Original Proponent to improve its offer <i>vis-à-vis</i> the Bidder with the Next Best Bid in a scenario where the Bidder with the Best Bid fails the Post-Qualification would eventually benefit the MERALCO consumers.
11.		Protests/IPB	Section 8.6, page 47	Protests must first be resolved before any Notice of Award is made. Is there an instance in the past when a protest is decided by MERALCO in favor of the protesting Bidder?	The TPBAC has no prior experience of a bidder protesting a TPBAC's decision to the governing board of Meralco.
12.		Failed Bidding/IPB	Section 7, page 44	What happens to the OP after one failed bidding?	Following Sec. 9.3 of the Revised CSP Rules, subject to any intervening actions of the DOE, the governing board of Meralco, or any competent authority, it is expected to subject the OP's DOE-approved TOR to another Invitation to Bid for Competitive Challenge.
13.		Bidding Schedule/IPB	Section 1, page 6	The IPB provides a total of 21 days for the execution of PSA (7 days from receipt of Notice of Award) and filing of ERC application (14 days from execution of PSA). On the other hand, DOE DC 2021-09-0030 provides that 30 days after the award, the PSA will be signed and submitted to the ERC. Why is there expedited signing and ERC filing of PSA for this bidding considering supply is for 2026?	This was to align with Meralco's previous experience in its past CSPs, which under Sec. 8.8 of the Revised CSP Rules state that " <i>within thirty (30) calendar days upon signing of the PSA, the DU and the winning bidder shall jointly file for the approval of the PSA with the ERC.</i> "
14.		ERC approval/IPB	Section 2.2 (k), page 14	As to the filing of the application with ERC within 14 days from signing of PSA, does this refer to the submission of documents for ROS evaluation/pre-filing, or " <i>filing</i> " as accepted and docketed as a rate case? Note that the parties do not have control of ERC's timeline from pre-filing to formal docketing.	As relayed by Meralco to the TPBAC, this concern of the ERC's timeline of its electronic pre-filing process is well noted, thus, the 14 days requirement is premised on the electronic pre-filing request submitted to the ERC, so that the parties have an additional 2 weeks to meet the 30-day period set by the DOE in the Revised CSP Rules.
15.		Documents which must be certified as a true and correct copy / Certification page	Letter (h)Section 2.1 Bidding, page 8, IPB	Kindly confirm if the signatory for the " <i>certification page</i> " can be signed by either of the prospective bidder's- - Corporate Secretary, Assistant Corporate Secretary and any one of its authorized representatives.	As a general rule, the authorized representative named by the Bidder as duly authorized to sign the bid documents, as indicated in the ANNEX QD-1A, can sign the certification page mentioned in Section 2.1 (h) as well as other required certifications in the IPB (or Bid Requirements), except for specific documents where it is expressly stated in the IPB (or Bid Requirements) that it is the Corporate Secretary (or the Assistant Corporate Secretary) should issue the certification.
16.		Format of Submission of QD re: email	Letter (b), Section	Kindly confirm if the email address of the Bidder to be indicated in the label of the sealed envelope can be the email address of any of the	This understanding is correct, the email address can be from any of the Bidder's authorized representatives designated in the most recent Expression of Interest.

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		address of Bidder	3.4.2, pages 36-38	Bidder's Authorized Representatives designated / mentioned in the Expression of Interest. Same inquiry for Letter (b), Section 3.4.3 (Technical Proposal Envelope) and Letter (b), Section 3.4.4 (Bid Envelope) and 3.4.5 (label for the sealed box/container).	

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

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	TPBAC RESPONSE
17.		OP's Offer/ Invitation to Bid	OP Plant Description	Is the OP's ESS chargeable from the WESM/Grid?	Yes, but only during inadequacy of the relevant RE source. Please refer to Section 6.1.1 of the PSA which provides, among other things: <i>"xxx Should there be inadequacy of the relevant renewable energy source, which prevents generation from the renewable energy components of the Plant, the energy storage system component may be charged from the WESM to the extent of the inadequacy; provided, however, that should the energy storage system component be charged from a source other than the renewable energy components of the Plant despite adequate renewable energy source for generation, the Associated Energy shall be paid for by Meralco at the lower between WESM price and the Price, in accordance with Appendix E.]"</i>
18.				Since the ESS component may be charged from WESM in the event that there is an inadequacy of the relevant renewable energy source, then there is a possibility and likelihood that the energy sourced by Meralco from WESM will have a certain portion produced from fossil fuels. Will it be acceptable to Meralco?	Yes, as long as the Power Supplier will provide the corresponding guaranteed RECs as provided in the PSA.
19.		OP's Offer/ Invitation to Bid	OP Plant Configuration	Will Meralco Accept an optimized plant configuration which will have different solar & battery sizes but complies with the 850 MW (AC, net) and 50% PCF?	Yes. For as long as the configuration shall be sufficient to produce the Contract Capacity and Guaranteed Output, then it is acceptable. Please note the additional requirement that the same should be fully contracted to Meralco.
20.				If MERALCO choose not to purchase the excess, will we shoulder the curtailment losses? Isn't it prudent to allow the plant to sell the excess elsewhere?	Meralco will not shoulder the losses. Yes, Power Supplier can sell any excess energy not purchased by Meralco to the WESM.
21.				Is there a minimum combined configuration for wind nominated plants?	None, as long as it can provide and comply with the technical requirements of the Bid Requirements, IPB and PSA.
22.		TOR Table/ Invitation to Bid	Guaranteed Output	The required Guaranteed Output is "100% available Contract Capacity". Kindly define available as used in this context. Is it the plant or the supply that should be 100% available?	Available means that the whole contract capacity should be dispatchable at Meralco's discretion during the 6-13 hours per day covering peak hours of Meralco, for at least 84 hours in a week. It is up to the Power Supplier on how to manage its plant operation to comply with this requirement.

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23.		TOR Table/ Invitation to Bid	Guaranteed Output	This section says 100% available Contract Capacity for 6 to 13 hours daily. Does this mean 850MW per hour or 850MWh aggregated over the course of the day?	The plant should be able to produce 850 MW per hour within that 6-13 hours period.
24.		TOR Table/ Invitation to Bid	Tariff Structure	What is the process for this? Can't be decided unilaterally by Meralco.	As relayed by Meralco to the TPBAC, Meralco has the discretion to decide on what type of tariff structure it will use for each of its PSAs. Meralco takes into consideration the type of contract it is entering into and its least cost mandate under the EPIRA in crafting/deciding the tariff structure to be used.
25.		Consortium/ IPB	Section 2.2 (b), (c), page 9	<p>In the case of a Bidder that forms an unincorporated joint venture or consortium, in addition to the submission on or before the Bid Submission Deadline of the evidence that the rights, obligations and liabilities of the consortium members are solidary, is there any other process and/or deadline that a Bidder needs to comply with similar to the process and deadline for assignment or transfer of rights and interest (last paragraph of page 2 of the Bid Requirements)?</p> <p>For instance, does each consortium member also have to submit its Expression of Interest, Confidentiality Undertaking and Acknowledgment and Consent Form for Data Privacy?</p>	<p>The only deadline set is "on or before the Bid Submission Deadline," as mentioned in Sec. 2.2. (c) and for as long as the other members of the unincorporated joint venture or consortium comply with Sec. 2.2 (c)'s requirement, i.e. submit evidence of solidary liability; separate Envelope 1 (Qualification Documents) and Envelope 2 (Technical Proposal, especially if each unincorporated joint venture or consortium member offers a different Nominated Power Plant).</p> <p>The understanding is correct, each consortium member also has to submit its Expression of Interest, Confidentiality Undertaking and Acknowledgment and Consent Form for Data Privacy.</p>
26.		Expression of Interest/IPB	Section 2.2 (b), page 9	Is the EOI submitted by the Bidder transferable to the Consortium formed by the Bidder?	<p><i>The provision of Sec. 2.2 (c) of the IPB will govern:</i></p> <p><i>"Transfer or assignment by, or purchase/investment/acquisition of rights and interest in, an entity that submitted the Expression of Interest, Confidentiality Undertaking and Acknowledgement and Consent Form for Data Privacy may only be exercised once on or before 4:00 P.M. of 28 February 2022 and on the condition that: (i) transfer or assignment is in favor of a juridical entity in which Bidder is a direct shareholder with Controlling interest, (ii) the transferee or assignee simultaneously submits an Expression of Interest, Confidentiality Undertaking, and Acknowledgement and Consent Form for Data Privacy in its name, and (iii) in cases of purchase/investment/acquisition of rights and</i></p>

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					<i>interest in the Bidder, the Certificate Authorizing Registration (CAR) must already be issued by the Bureau of Internal Revenue (BIR) and the purchase/investment/acquisition duly registered in the stock and transfer book of the corporation."</i>
27.		Conflict of Interest/IPB	Section 2.10.2 (b), page 19	What happens if conflict of interest is discovered after signing of PSA? Will there be failure of bidding?	The IPB's provisions on Conflict of Interest will no longer apply as the Bidding process is already concluded by that time.
28.		Qualification Documents/IPB	Section 3.1.3, page 22	<p>1. Does the requirement to submit notarized certification on <i>the "absence of unsatisfactory performance record and outstanding dispute or unsettled dispute or due and demandable financial obligation/s"</i> extend to the Bidder's direct shareholders with controlling interest, affiliate or ultimate parent?</p> <p>2. If yes, how did the OP comply with this requirement considering that one of its key incorporator/shareholder has several contracts with MERALCO that failed to satisfactorily perform in the delivery of projects? We note that TPBAC's answer in its Response to Queries during Pre-Bid Conference did not squarely address this and replied in general terms that the OP duly met all prescribed Bid Requirements, which are the same requirements presently required to be met by prospective bidders.</p> <p>It is important for TPBAC to provide Bidders a clear and convincing answer on this, given that the procurement process is through USP where the OP already has an advantage, while the Bidders are taking a great risk in their counter-offers. Thus, Bidders should be ensured that OP is, likewise, qualified.</p>	<p>1. Yes, similar to previous CSPs conducted by the TPBAC, this legal qualification requirement (i.e. absence of unsatisfactory performance record and outstanding dispute) must be submitted by the "Bidder and any of its Affiliates engaged in power generation." (p.7, Bid Requirements).</p> <p>An "Affiliate" under the IPB, refers to , with respect to a specified entity, an entity that directly or indirectly, through one or more intermediaries, Controls (e.g. parent or grandparent company), is Controlled by (e.g. subsidiary) or is under common control (e.g. sister company) with the specified entity. (p.10, Bid Requirements and Sec. 9.2, IPB). Sec. 9.21 of the IPB then provides for the definition of "Control."</p> <p>2. The OP alone submitted a Certification of No Unsatisfactory Performance and No Outstanding Dispute, since none of its other shareholders nor its affiliates falls under the definition of an "Affiliate" involved in power generation under the IPB.</p> <p>To reiterate, information relating to the examination, clarification, evaluation and comparison of Document Submissions, and recommendations concerning the award of the Project, including the internal deliberations of the TPBAC and/or its TWG, shall not be disclosed to any of the Bidders or other persons not involved with the Bidding. (Sec. 2.6, IPB)</p>

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29.		Reference Plant/IPB	Section 3.1.4 (a), page 22	Is an ongoing plant or plant under construction acceptable as Reference Plant?	A plant ongoing/under construction would not qualify as a Reference Plant under the IPB. The Technical Qualification requirements (pp.9-12, Bid Requirements) require that the Reference Plant should be, among others, covered by a Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC, and supported by an official document [GCMR] that it has, at the very least, attained a simple monthly average of at least 18% PCF over a 3-month consecutive period of operations.
30.				Can a Bidder submit a combination of two (2) Reference Plants that will meet other requirements (i.e., one - development stage; one - operation & maintenance stage)?	This will be allowed for as long as one of the two submitted Reference Plants (based on the stated example) is able to comply with the applicable technical qualification requirements provided in the IPB for the Reference Plant.
31.		Reference Plant/IPB	Section 3.1.4 (a), page 22	Can the Reference Plant be from anyone of the consortium members? Considering that each member consortium must separately submit its own Envelopes 1 & 2, can one Reference Plant be used by all?	This will be allowed for as long as one member is able to submit a Reference Plant that is able to comply with the applicable technical qualification requirements provided in the IPB for the Reference Plant.
32.		Reference & Comparable Plant/IPB	Section 3.1.4, page 22 & 3.2 (d), page 27	<p>If we nominate plants with different technologies (e.g., solar and wind), would it mean that we will need to present two Reference and Comparable plants as well (solar and wind)?</p> <p>Will this limit the bidder to use only the technology used as Reference Plant for the Nominated Plant?</p>	<p>For clarification, we would like to discuss the three (3) types of plants being referred to in the IPB.</p> <p>Reference Plant – to reiterate, is a technical qualification requirement (part of the set of Qualification Documents contained in Envelope 1) to evaluate the technical know-how and ability of a bidder to develop, construct, and/or operate or maintain a reasonably sized plant for similar type of operation. Details/documents supporting the Reference Plant is expected to be found in the Bidder's Envelope 1 (Qualification Documents). The submitted Reference Plant may or may not be the same technology being offered by the Bidder as its Nominated Power Plant.</p> <p>Nominated Power Plant (Sec. 3.2 first paragraph, IPB) – This is the power plant/s that the Bidder proposes to build/develop to supply the contract capacity. As defined in the IPB, it is the power plant/s</p>

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					<p>that "[t]he Interested Bidder must identify [as] its single or portfolio of proposed power plant/s, which must be located in Luzon or Visayas, provided that it is in commercial operation not earlier than February 2021 but no later than Scheduled Commercial Operations Date and, provided further, that it must be a mid-merit renewable energy power plant (firm and dispatchable) capable of supplying the offered Contract Capacity to Meralco for the Required Contract Period beginning on the Scheduled Commercial Operations Date." These are the power plants, identified in the Bidder's most recent EOI.</p> <p>A Comparable Plant is a supporting requirement for a bidder's Technical Proposal (Envelope 2) in order for the TPBAC to assess the Nominated Power Plant's technical feasibility and performance based on a proven design and technology.</p> <p>The Comparable Plant must have a generating unit of the same technology as the Bidder's Nominated Power Plant/s' identified individual component / novel use or arrangement, with at least 50 MW (AC, net) installed capacity, and must have been engaged in reliable commercial operation for at least one (1) year in a 60 Hertz system.</p> <p>Having clarified these, if the Bidder will offer a Nominated Power Plant/s with different technologies (e.g. solar and wind), it will not matter if the Bidder's Reference Plant (in Envelope 1) is coal or LNG. What would matter is the attached Comparable Plant of the Bidder, which should have such one Comparable Plant for the solar technology and one Comparable Plant for wind technology, and when combined together, in the opinion of the TPBAC's Independent Engineer, can attain a simple monthly average of at least [equivalent offered PCF percentage of the Bidder's Nominated Power Plant] PCF over a 3-month consecutive period of operations.</p>

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					Thus, to reiterate, the Reference Plant does not limit the technology that the Bidder can offer as its Nominated Power Plant/s.
33.		Reference & Comparable Plant/IPB	Section 3.1.4, page 22 & 3.2 (d), page 27	Can the Reference and Comparable Plants be the same?	It is possible that the Reference Plant and Comparable Plant to be the same, for as long as the Plant meets the applicable requirements for both Reference Plant and Comparable Plant .
34.		Nominated Power Plant/IPB	Section 3.2, page 25	If bidder identified a portfolio of power plants with corresponding capacity per plant, is it allowed to increase/decrease the capacity of the nominated plant as long as the total offered capacity is 850 MW (net)?	Yes, this understanding is correct, provided an updated Expression of Interest is submitted reflecting the change.
35.		Qualification Documents/ IPB	Section 3.1.5, page 24	Kindly confirm if the requirement on Unrestricted Net Worth of at least 30% of the Project Cost refers to the total project cost of each consortium member, or to each project per consortium.	It should refer to the aggregate Unrestricted Net Worth and the aggregate Total Project Cost of all consortium members.
36.		Definitions/ IPB	Section 9.57, page 52	Kindly confirm that if there is more than 1 Nominated Power Plant, "Project Cost" refers to the cost of each Nominated Power Plant and not the total of all the costs of all of the Nominated Power Plants.	-See answer above. This financial qualification requirement refers to the aggregate Unrestricted Net Worth and the aggregate Total Project Cost of all consortium members.
37.		Bid Security/ IPB	Section 3.1.4 (a), (b), 3.1.5 (b), 3.2 (a), (i), (j),	<p>In the instances when the Bidder is required to post an additional 25% of the Base Amount and the Bidder is a consortium and/or submits more than 1 Nominated Power Plant, does such additional amount to be posted apply in every case for every affected consortium member or every affected Nominated Power Plant?</p> <p>For instance, in a consortium of 4 members, if 2 out of the 4 members do not meet the 30% threshold for Unrestricted Net Worth, does the Bidder/consortium need to post an additional 25% of the Base Amount x 2 (since there are 2 affected members)?</p>	<p>As this financial qualification requirement refers to the aggregate Unrestricted Net Worth and the aggregate Total Project Cost of all consortium members, the additional 25% of the Base Amount will be posted by the Bidder/unincorporated consortium only once (if the aggregate Unrestricted Net Worth does not meet the 30% threshold, in order to avail of the exception clause enunciated in Sec. 3.1.5 of the IPB).</p> <p>This example is not applicable, as this financial qualification requirement refers to the aggregate Unrestricted Net Worth and the aggregate Total Project Cost of all consortium members</p>

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				Or if the Bidder/consortium fails to submit the ECC within 6 months from filing of PSA approval with the ERC for 2 out of 3 Nominated Power Plants, does the Bidder/consortium need to post an additional 25% of the Base Amount x 2 (since there are 2 affected Nominated Power Plants)?	In this example, the Bidder only needs to post one time an additional 25% of the Base Amount, and will keep topping up every 6 months an additional 25% of the Base Amount, until the both the two (2) Nominated Power Plants are able to submit the ECC with the ERC. The rationale is such obligations should be part of the agreed solidary liability requirement for a Bidder that formed an unincorporated JV or consortium for purposes of this bidding.
38.		Total Bid Security/IPB	Section 3.2 (a), (i), (i)	Statement in 3.2 (a) that "in no case shall the total Bid Security exceed the total project cost of the Plant corresponding to the Contract Capacity", does this apply only for failure to secure evidence of land acquisition or to all other instances when additional bid security is required? Note that the same statement is mentioned in (i) for the submission of ECC, (j) for the submission of GIS/SIS. If for example, the limit on the additional Bid Security is reached for 3.2 (a), will it still be required to submit additional bid security whenever required under other sections?	It applies to all sections mentioned. In the cited example, if the limit (i.e. should not exceed the total project cost) is reached for Sec. 3.2 (a), it will no longer be required to submitted additional bid security.
39.		Bid Security/IPB	Section 3.3.3 (e), page 33	What are these "amounts properly due and owing" which are deductible from the Bid Security?	These refers to any amount that may be due and owing from the power supplier at the time of Meralco's drawing of the Bid Security (e.g. PSA application publication and filing fees, services of the Independent Engineer, etc. [Sec. 2.4, IPB])
40.		Land Possession/IPB	Section 3.2 (a), page 26	For onshore or offshore wind projects in public lands, what will serve as proof of possessory rights? Suggest to remove proof of possessory right requirement for wind.	Permits and other documents/agreements (granting the Bidder the right to use/possess such public lands) issued/signed by the appropriate government agencies under applicable laws and regulations constitute "proof of possessory rights", subject to the terms and conditions thereof.
41.		Land Possession/IPB	Section 3.2 (a), page 26	Is Land Reservation Agreement with Option to Lease be acceptable to comply with the requirement?	It would depend on the terms of the Land Reservation Agreement with Option to Lease, the context on which it was entered into, and the subject of the same.
42.		Technical Proposal/IPB	Section 3.2 (c), page 27	What exact document is required to prove compliance of the technology with environmental standards, and international codes and standards? Should it be a DENR compliance certificate or a technical paper citing compliance to emission standards and power plant international codes and standards?	A certification attaching the technical paper citing compliance to emission standards and power plant international codes and standards would suffice for evaluation of the TPBAC, TWG and the TPBAC's Independent Engineer. However, as to the contents of such technical paper, it would subject to the TPBAC,

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					TWG and Independent Engineer's detailed Pre-Qualification Evaluation.
43.		Comparable Plant, Technical Proposal/IPB	Section 3.2 (d), page 27	Proof that the technology is of proven design (Comparable Plant of at least one-year operations in 60 Hz system) - The unsolicited proposal (USP) mechanism is being utilized as an alternative method for DUs to procure power supply from generation companies using New Technology as defined in the DOE Department Circular No. DC 2021-09-0030. Having said this, it would be difficult/impossible to provide a Comparable Plant as defined in the IPB. It would conflict as New Technology plants (Solar with Battery System) are not reaching the 50 MW (AC, net) requirement. How will the bidders provide a Comparable Plant? May we know some situational suggestions on this?	It is expected that the Bidder's authorized representative would submit a notarized certification attaching as proof a certification, issued by the Comparable Plant's owner, operator, or manufacturer, or a certification from a reputable and capable international firm of engineers, that its chosen Comparable Plant is of the same proven design and technology as the Bidder's offered Nominated Power Plant and the said Comparable Plant has been engaged in reliable commercial operation for at least one (1) year in a 60 Hertz system. As to how "reliable commercial operation" is shown, the certification should include that the Comparable Plant as has (i) attained a simple monthly average of at least [equivalent offered PCF percentage of the Bidder's Nominated Power Plant] PCF over a 3-month consecutive period of operations within the most recent forty-two (42) month period of operations, or (ii) can attain a simple monthly average of at least [equivalent offered PCF percentage of the Bidder's Nominated Power Plant] PCF over a 3-month consecutive period of operations.
44.		Comparable Plant, Technical Proposal/IPB	Section 3.2 (d), page 27	If the Bidder's Nominated Plant is of the same technology/novel use or arrangement as the OP's plant (Solar + BESS running at 50% PCF), can the requirement of Comparable Plant be waived since the purpose of requiring a Comparable Plant is already served when the OP was able to prove the technical feasibility and performance of the same technology, more so, as per TPBAC's Response to Queries during Pre-Bid Conference, this is already vetted by the DOE stating that the "requirement set forth under the 2021 CSP Policy for USP to be accepted is present in this case as New Technology"?	Not amenable. The combination, site location, specifications of the Bidder's Nominated Power Plant may have significant differences which the TPBAC would not be able to evaluate until the Pre-Qualification Evaluation. More importantly, it is well to note that bidders in a competitive bidding are required to stand on their own merits and completeness of their bid document submissions.
45.		RESC, Technical Proposal/IPB	Section 3.2 (h), page 28	Since the RESC application is through EVOSS, what document is acceptable to satisfy requirement of submitting an application for RESC pending with the DOE?	The DOE-ITMS (Information Technology Management Services) verification letter should be submitted instead. The DOE issues an ITMS verification to check that there is no overlap with existing RE Contacts of the area to be covered by the proposed RE Contract. It is after the issuance of the verification letter that the

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					proponent will formally apply for the RE Contact via EVOSS.
46.		Technical Proposal/IPB	Section 3.2 (i) to (m), pages 28-30	RESC is a requirement in securing ECC, GIS/SIS, CNO/FPIC, NWRB, BOI, etc. If RESC is not yet issued, can these other certificates not be part of the qualification requirements, since the RESC (not an application) is required to acquire these certificates? In other words, since an application for RESC is acceptable, then the other permitting requirements (ECC, etc.) should not be requirements as they can only be applied for after the RESC has been issued.	Not amenable. As relayed by Meralco to the TPBAC, if the Nominated Power Plant does not have a mere application for ECC, GIS/SIS, FPIC, NWRB, BOI, etc. the likelihood that the ERC will not accept the PSA's application for approval is high. Thus, the said requirements are key requirements for a bidder's technical proposal as these are mainly required by the ERC during the pre-filing process for a PSA's application for approval.
47.		Bid Price/IPB	Section 3.3 (d), page 30	How should the Financial Evaluation Workbook (FEW) be accomplished in case of a consortium? Do values have to be entered per Nominated Power Plant?	Sec. 2.2 (c), IPB states that in case the Bidder formed an unincorporated joint venture or consortium for the purpose of this Bidding, it shall submit (as one) only one Bid Price, including the Bid Security (Envelope 3). Thus, regardless of how many Nominated Power Plants are being offered, it will only be covered by one Financial Evaluation Workbook (i.e. one Bid Price only for all Nominated Power Plants).
48.		Headline Rate and LCOE/IPB	Section 3.3 (d), page 30	Since the headline rate is already VAT inclusive, then if the RE and ESS plants are deemed VAT exempt, then, the actual rate paid by MERALCO will be lower. Is this correct?	If the RE plants are VAT exempt or zero-rated, then the billings to MERALCO will be without VAT, hence, lowering the rate to be paid by Meralco.
49.		Financial Evaluation Workbook		The FEW mentions exemptions in the Qualification Documents and Technical Proposal, what is the basis in the IPB of these exemption clauses?	See Bid Requirements: Qualification Documents (Envelope 1) xxx 2. Technical Qualification Requirements (a) As a general rule, the Bidder, whether directly or through any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent, must have a Reference Plant, whether in the Philippines or elsewhere. For this purpose, a "Reference Plant," as a general rule, means a single power plant of at least 50 MW (AC, net) installed capacity (firm, dispatchable and has attained a simple monthly average of at least 50%

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					<p>plant capacity factor ("PCF") over a 3-month consecutive period of operations) and which, in the reasonable opinion of the TPBAC, 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>Should the Bidder elect to have any of its direct shareholders not representing Controlling interest, an Affiliate that is not in common Control, or Ultimate Parent that does not represent Control, submit the Reference Plant, the Bidder will be required to post an additional twenty-five percent (25%) of the base amount of the Bid Security. For clarity, the base amount of the Bid Security is equivalent to Two Billion Five Hundred Million Pesos (PhP2,500,000,000.00) ("Base Amount").</p> <p>Should the Bidder elect to submit a Reference Plant that does not fall in the definition above, a Bidder may submit an alternative single power plant of at least 50 MW (AC, net) installed capacity that has attained a simple monthly average of at least 18% PCF over a 3-month consecutive period of operations, provided the Bidder will be required to post an additional twenty-five percent (25%) of the Base Amount.</p> <p>xxx</p> <p>3. Financial Qualification Requirements</p> <p>(a) The Bidder must show satisfactory evidence that it has the financial capacity to fulfill its obligations with Meralco. This requirement may be complied with by the Bidder directly or through any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent. As evidence thereof, the Bidder or any of its direct shareholders representing Controlling</p>

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					<p>interest, Affiliates or Ultimate Parent, or in case of an unincorporated joint venture or consortium, each entity or party thereto, must:</p> <p>(i) ...</p> <p>(ii) the consolidated financial statements must show, as a general rule, an Unrestricted Net Worth of at least 30% of the Project Cost (defined below) ("Required Unrestricted Net Worth") based on its submitted financial statements.</p> <p>If the Bidder's Unrestricted Net Worth is less than 30% of the Project Cost, the remaining percentage of the Project Cost that is not covered by the Unrestricted Net Worth should be covered by a debt Testimonial (discussed below) to be submitted by the Bidder (e.g. if 80% of the Project Cost is not covered by the Bidder's Unrestricted Net Worth, that 80% should be covered by a Testimonial [discussed below] to be submitted by the Bidder), provided that in order to exercise this option, the Bidder will be required to post an additional twenty-five percent (25%) of the Base Amount.</p> <p>xxx</p> <p>Technical Proposal (Envelope 2)</p> <p>xxx</p> <p>In relation to the Nominated Power Plant, the Bidder must provide or submit for each power plant or proposed site of the power plant:</p> <p>(a) Evidence of land acquisition, or legal possession of the proposed site/s of the Nominated Power Plant (i.e. including the Energy Storage System ["ESS"] component, if any) over the Required Contract Period,</p>

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					<p>which, as a general rule, shows that the Bidder has acquired, or will be able to acquire ownership or legal possession of the right, title or interest therein.</p> <p>If the Bidder merely submits evidence of a future right or ability to acquire ownership or legal possession of the right, title or interest of the proposed site/s of the Nominated Power Plant, and the Bidder becomes the Winning Power Supplier but fails to secure, including but not limited to, the final or definite land ownership acquisition or legal possession documents (i.e. Absolute Deed of Sale/Lease) in its name and/or a certificate of finality of the relevant land conversion order issued by the Department of Agrarian Reform (DAR), within six (6) months from filing of the application for approval of the PSA with the ERC, the Winning Power Supplier is required to post an additional twenty-five percent (25%) of the Base Amount, and shall continue to post an additional twenty-five percent (25%) of the Base Amount every 6 months thereafter, until the aforesaid land ownership acquisition or legal possession documents and/or certificate of finality of the relevant land conversion order issued by DAR are actually submitted to Meralco and the ERC; provided, however, that in no case shall the total Bid Security exceed the total project cost of the Plant corresponding to the Contract Capacity; ...;</p> <p>xxx</p> <p>(i) The Environmental Compliance Certificate/s (ECC) issued by the Department of Environment and Natural Resources (DENR) for the Nominated Power Plant (i.e. including the ESS component), or application/s for ECC pending before the DENR (or an ECC that did not include the ESS component), provided that if the Bidder becomes the Winning Power Supplier, a certified true copy of the ECC (or the ECC that</p>

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					<p>includes the ESS component) issued by the DENR must be submitted as required by the ERC;</p> <p>If the Bidder merely submits an application for ECC pending before the DENR (or an ECC that did not include the ESS component), and the Bidder becomes the Winning Power Supplier but fails to secure the ECC from the DENR (or submit an ECC that includes the ESS component), within six (6) months from filing of the application for approval of PSA with the ERC, the Winning Power Supplier is required to post an additional twenty-five percent (25%) of the Base Amount, and shall continue to post an additional twenty-five percent (25%) of the Base Amount every 6 months thereafter until the ECC (or an ECC that includes the ESS component) is actually submitted to Meralco and the ERC; provided, however, that in no case shall the total Bid Security exceed the total project cost of the Plant corresponding to the Contract Capacity, ...;</p> <p>(j) The Grid Impact Study/ies (GIS) / System Impact Study/ies (SIS) for the Nominated Power Plant, whichever is applicable, issued by NGCP; or application/s for GIS/SIS pending before the NGCP, provided a certified true copy of the GIS/SIS must be submitted during Post-Qualification if the Bidder's Proposed Price is declared as the Best Bid.</p> <p>Should the Nominated Power Plant have an ESS component, and the Bidder submits a GIS/SIS that does not include the ESS component of the Nominated Power Plant, and the Bidder becomes the Winning Power Supplier but fails to secure the GIS/SIS that includes the ESS component of the Nominated Power Plant within six (6) months from filing of the application for approval of the PSA with the ERC, the Winning Power Supplier is required to post an additional twenty-five percent (25%) of the Base Amount, and shall continue to</p>

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					post an additional twenty-five percent (25%) of the Base Amount every 6 months thereafter until the GIS/SIS that includes the ESS component of the Nominated Power Plant is actually submitted to Meralco and the ERC; provided, however, that in no case shall the total Bid Security exceed the total project cost of the Plant corresponding to the Contract Capacity; ..."
50.				What is the consequence if we avail of the exemption clause? Is it only on the Bid Security?	Only the increase on the Bid Security amount.
51.				The way the LCOE is calculated, the 850MW is just multiplied by 50%. In reality, we will have 2,500MW to reach that 50%. Will the submission to the ERC be problematic because of this?	No, we do not expect it to be problematic because the use of PCF in this PSA is with respect to the Contract Capacity.
52.		Annex A - ITB	Original Proponents Offered Price	<ol style="list-style-type: none"> 1. Can a Challenger offer a fixed energy-based CRF in PhP/kWh rather than in PhP/kW-year simply applied to actual energy supplied to MERALCO and no consideration of the Contract Capacity of 850MW? This could simply mean a stable CRF regardless of MERALCO's actual utilization of the Contract Capacity. 2. Are there no Fixed Operation and Maintenance expenses to be incurred in the operation of the OP Plant (e.g. salaries, depreciation, Gen & Admin costs, among others)? Where will the Original Proponent recover said costs? 3. Can a Challenger include an FOM component of the Offer Price but still maintaining a very low Headline Rate and LCOE? 4. Can a Challenger offer varying levels of CRF, FOM and/or VOM for any Contract Year within the duration of the supply term as long as it can assure MERALCO of a competitive Headline Rate and LCOE? <p>Can a Challenger offer an escalating FOM and/or VOM but still assure MERALCO of a competitive Headline Rate and LCOE?</p>	<ol style="list-style-type: none"> 1. No, the Challenger shall offer a fixed energy-based CRF in PhP/kW-year. 2. The Fixed Operation and Maintenance expenses are already considered in the CRF (PhP/kW-year) proposed by the OP. 3. No, as indicated in the ToR, tariff structure shall include only the CRF, VOM, LR Cap, AS Cost Recovery Cap and VAT. 4. The Financial Evaluation Workbook allows for the Challenger to offer varying levels / escalating values of VOM, Line rental cap, and AS cost recovery cap. CRF should be fixed for the Required Contract Period.
53.			Guaranteed Output	<ol style="list-style-type: none"> 1. Why is there a significant difference in the guaranteed output as measured by "Availability Hours" between Mondays-Saturdays viz-a-viz Sundays? 2. Kindly confirm that in the event that MERALCO refuse to exercise its option to purchase the excess volume generated by the Plant, the same shall be for the account and or disposal of the Power Supplier. 3. Given that the Guaranteed Output does not translate in a Minimum Energy Off-Take for MERALCO, should MERALCO decides to procure from WESM (if WESM price is cheaper than PhP6.08/kWh) during the Availability Hours, what happens to the available capacity from the Solar plant(s) and batteries? 	<ol style="list-style-type: none"> 1. It takes into consideration the current demand profile of Meralco. 2. Yes. 3. Power Supplier has option to sell to WESM.

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS					
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54.			OP Plant Configuration	Kindly confirm that the OP's 2,500 MW Solar component translates to 2,500 MWp installed capacity.	2,500 MW is the DC nameplate capacity.
55.		Terms of Reference	Scheduled Commercial Operations Date ("COD")	<p>1. If a Challenger offers to make available the full 850MW Contract Capacity by 26 February 2026 (and not only 600MW), how will this affect the final evaluation of the comparative proposals?</p> <p>2. Should MERALCO exercises its right to take available energy corresponding to the Contract Capacity, will this be paid based on VOM component only at PhP0.3100/kWh under the OP Offered Price as Commissioning Energy Charge?</p> <p>3. In availing for Commissioning Energy, should the date be starting August 2025 (26 July to 25 August 2025) or September 2025 (26 August to 25 September 2025)?</p> <p>Kindly clarify further the provision, "MERALCO shall require a minimum of forty-eight (48) hours for Commissioning"</p>	<p>1. For consistent evaluation for all Bidders, the Financial Evaluation Workbook considers that the full capacity of 850 MW is already online by 2026.</p> <p>2. Yes, it shall be paid based on the VOM component of the Winning Power Supplier.</p> <p>3. Yes, it should be starting August 26, 2025 (September billing period). During commissioning period, Power Supplier should demonstrate that it can provide power for a minimum of 48 hourly trading intervals.</p>
56.			Required Contract Period	Is the 20 years required Contract Period anchored on "Scheduled COD which is 26 February 2026 OR actual COD which may start on 26 February 2026 or at a later date depending on the completion of all "Conditions Precent" for start of supply?	The 20 years is anchored on actual COD.
57.			Guaranteed Renewable Energy Certificate ("RECs")	If the minimum guaranteed output from the OP Plant is no lower than 50% with respect to the Contract Capacity, why should the RECs be set at only 45% with respect to the Contract Capacity?	Based on Meralco's PSPP and RPS Requirements, this PSA was assumed to generate RECs equivalent to 45% pcf with respect to the contract capacity annually. With that being said, Meralco will still have first right on any RECs equivalent to the energy delivered to Meralco above 45% pcf with respect to the contract capacity.
58.			Technical Parameters	Kindly clarify further this provision: "No capacity or electrical output of the Plant, within the Contract Capacity and within the Availability of Supply be contracted under an agreement apart from the resulting Power Supply Agreement ("PSA").	It means that the contract capacity shall be solely contracted to Meralco and must be made available within the Availability of Supply.
59.			Tariff Structure	<p>"If the VAT status of the Bidder changes in the future, then costs resulting from such changes cannot be passed-on to the consumers"</p> <p>We believe this provision is only appropriate for an "open technology" Competitive Selection Processes (CSP) where eligible Bidders can Nominate Power Plant(s) from either Renewable Energy source or fossil-fired to eliminate "price bid evaluation advantage" of Bidders who Nominates an RE source plant. Thus, this should be deleted from the TOR.</p>	This provision shall be retained.
60.			Replacement Power	1. Please clarify that the obligation of Power Supplier to provide Replacement Power is not anchored on the "Scheduled COD" but on "actual COD" in full consideration of all "conditions precedent" for the	1. Replacement Power due to delay in COD shall be anchored on the Scheduled COD.

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

INSTRUCTIONS TO PROSPECTIVE BIDDERS / BIDDING DOCUMENTS-RELATED QUERIES/COMMENTS																															
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				<p>start of supply which may happen on 26 February 2025 or at a later date</p> <p>2. In the determination of the applicable price for Replacement Power, is it "whichever is lower" of:</p> <p>a. WESM Price inclusive of VAT or Contract Price inclusive of VAT</p> <p>b. WESM Price or Contract Price inclusive of VAT</p> <p>4. Are the following consequences correct (inclusive of all relevant transaction costs and taxes):</p> <table><tr><th colspan="4">Power Supplier fails to provide Replacement Power:</th></tr><tr><th></th><th>Contract Price</th><th>WESM Price</th><th>CONSEQUENCES OF MERALCO PROCURING FROM WESM</th></tr><tr><td rowspan="4">Scenario 1</td><td rowspan="4">6.0800</td><td rowspan="4">9.0800</td><td>Power supplier to pay fine of PhP908/MWH</td></tr><tr><td>Power Supplier to reimburse MERALCO for the PhP3.0000/kWh</td></tr><tr><td>MERALCO pays Power Supplier at PhP6.0800/kWh</td></tr><tr><td>MERALCO passes-on Contract Price of PhP6.0800/kWh</td></tr><tr><td></td><td></td><td></td><td>MERALCO passes-on penalty paid by Power Supplier</td></tr><tr><td rowspan="4">Scenario 2</td><td rowspan="4">6.0800</td><td rowspan="4">4.0800</td><td>Power supplier to pay fine of PhP908/MWH</td></tr><tr><td>MERALCO pays Power Supplier at PhP4.0800/kWh</td></tr><tr><td>MERALCO passes-on WESM Price of PhP4.0800/kWh</td></tr><tr><td>MERALCO passes-on penalty paid by Power Supplier</td></tr></table>	Power Supplier fails to provide Replacement Power:					Contract Price	WESM Price	CONSEQUENCES OF MERALCO PROCURING FROM WESM	Scenario 1	6.0800	9.0800	Power supplier to pay fine of PhP908/MWH	Power Supplier to reimburse MERALCO for the PhP3.0000/kWh	MERALCO pays Power Supplier at PhP6.0800/kWh	MERALCO passes-on Contract Price of PhP6.0800/kWh				MERALCO passes-on penalty paid by Power Supplier	Scenario 2	6.0800	4.0800	Power supplier to pay fine of PhP908/MWH	MERALCO pays Power Supplier at PhP4.0800/kWh	MERALCO passes-on WESM Price of PhP4.0800/kWh	MERALCO passes-on penalty paid by Power Supplier	<p>2. Replacement power is lower between WESM price and Contract Price, both VAT exclusive</p> <p>3. Since the P908/MWh is a penalty on a proponent's inability to provide replacement power, therefore the proponent is not entitled to any contract price payments in this case.</p>
Power Supplier fails to provide Replacement Power:																															
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61.			Excess Capacity	<p>1. In the event that the Plant is capable of producing output beyond the Contract Capacity and MERALCO does not exercise its option to purchase the generated output with respect to such excess capacity, will the Power Supplier then be allowed to sell such excess capacity to other customers and/or the WESM?</p> <p>2. In its right to an option to purchase the excess capacity, is the six (6) month maximum period over the duration of the Contract or for each Contract Year?</p> <p>3. In case MERALCO opts to exercise its option to purchase the excess capacity, does the Power Supplier have the right to refuse or negotiation for the limitation of volume/capacity as well as duration?</p>	<p>1. Yes.</p> <p>2. For each Contract Year</p> <p>3. Option is subject to agreement of both parties.</p>																										
62.			Reduction in Contract Capacity	<p>1. How would MERALCO implement a "reduction in Contract Capacity" amongst all its Power Suppliers sourcing from fossil-fired (with 12% VAT) and RE (zero-rated VAT) that would ensure the optimized remaining portfolio of power supply to benefit its captive customers?</p> <p>Are reduction in Contract Capacities amongst various Power Suppliers being reviewed/monitored by the ERC to ensure least cost to captive customers?</p>	<p>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.</p>																										
63.		General Comments		<p>Will there be a Financial Evaluation Workbook to be provided by MERALCO for all Challengers to use and input its Financial Proposal and for the uniform/consistent determination of the Headline Rate and LCOE?</p>	<p>The Financial Evaluation Workbook was already provided/released via Bid Bulletin No. 3.</p>																										
64.				<p>If a Challenger would be willing to Guaranteed of supply of the Contract Capacity even during Events of Force Majeure, how would this be</p>	<p>It will not affect the evaluation and determination of the winner. The main basis of the winners will be the</p>																										

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

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				considered in the evaluation of the Financial Bid and determination of the Winning Bid?	computed LCOE of the bidder's Financial Evaluation Workbook.
65.		Nominated Plant	Section 3.2 Technical Proposal, pg. 25 IPB	Kindly confirm if retrofitting of a nominated plant with an expected resumption of operations that will fall on a date not earlier than February 2021 is compliant with IPB and can be used in this bidding as one of the Nominated Power Plant(s) of a prospective bidder.	Yes.
66.		Proof that Reference Plant is covered by COC or Prov. Authority	Letter (c) page 23 IPB	Kindly confirm if mere application for COC and / or PAO with a stamp "received" by the ERC and pending any actions by the latter thereof is sufficient / compliant to this requirement. Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.	Yes, the Bid Requirements provide that for the Reference Plant: "If the COC/PAO is not available as of Bid Submission Deadline, the Bidder must submit an application for a COC/PAO pending before the ERC or any other official document coming from the ERC confirming the Reference Plant's authority to operate at least 50 MW (AC, net)." Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.
67.		Evidence of land acquisition or legal possession.	Letter (a) page 26 IPB	Kindly confirm if the any of the following is/are sufficient and or compliant to this requirement - - - 1. Letter of acceptance signed by the owner of the property intended to be used by the prospective bidder of the latter's offer to purchase or lease/rent the property; 2. Unnotarized Lease Agreement which was duly signed by the parties and their respective witnesses; and 3. Unnotarized Contract to Sell which was duly signed by the parties and their respective witnesses.	Sufficient for purposes of completeness check, however, these evidences of land ownership or legal possession appear to be only an evidence of "a future right or ability to acquire ownership or legal possession of the right, title or interest of the proposed site/s of the Nominated Power Plant. Should the Bidder become the Winning Power Supplier but fails to secure, including but not limited to, the final or definite land ownership acquisition or legal possession documents (i.e. Absolute Deed of Sale/Lease) in its name and/or a certificate of finality of the relevant land conversion order issued by the Department of Agrarian Reform (DAR), within six (6) months from filing of the application for approval of the PSA with the ERC, the Winning Power Supplier is required to post an additional twenty-five percent (25%) of the Bid Security's Base Amount (Php2.5B.), and shall continue to post an additional twenty-five percent (25%) of the Base Amount every 6 months thereafter, until the aforesaid land ownership acquisition or legal possession documents and/or certificate of finality of the relevant

COMPETITIVE SELECTION PROCESS (CSP) FOR CONTRACT CAPACITY OF 850 MW (NET), COD 2026

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				Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.	land conversion order issued by DAR are actually submitted to Meralco and the ERC; provided, however, that in no case shall the total Bid Security exceed the total project cost of the Plant corresponding to the Contract Capacity; ..." Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.
68.		Submission of an application for Renewable Energy Service Contract ("RESC") and the RESC.	Letter (h), Section 3.2 page 28 IPB	Kindly confirm if the submission of Pre-Application documents electronically filed before the Department of Energy ("DOE") is sufficient and or compliant to this requirement. Further, in the event that the Bidder's Bid Price is declared as the Best Bid, kindly confirm that the submission of the certified true copy of the RESC will still be allowed within six (6) months from the filing of the application for approval of the PSA with the ERC or within the same period of submission of the ECC as mentioned in the succeeding provisions of the IPB. Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.	The DOE-ITMS (Information Technology Management Services) verification letter should be submitted instead. The DOE issues an ITMS verification to check that there is no overlap with existing RE Contacts of the area to be covered by the proposed RE Contract. It is after the issuance of the verification letter that the proponent will formally apply for the RE Contact via EVOSS. The submission of the certified true copy of the RE Contract itself will be required during Post-Qualification: "(h) The Renewable Energy Service Contract/s (RESC) for the Nominated Power Plant executed with the DOE; or an application for RESC pending before the DOE, provided a certified true copy of the RESC must be submitted during Post-Qualification if the Bidder's Bid Price is declared as the Best Bid; " Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.
69.		Submission of the application for ECC	Letter (i), Section 3.2 page 28 IPB	Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.	Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.

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				As to the 2 nd paragraph, it is suggested that the additional 25% be imposed only if the non-submission is due to the fault of the bidder	Not amenable to the proposed revision.
70.		Submission of the application for GIS/SIS	Letter (j), Section 3.2 page 29 IPB	<p>In the event that the Bidder's Bid Price is declared as the Best Bid, kindly confirm that the submission of the certified true copy of the GIS/SIS will still be allowed within six (6) months from the filing of the application for approval of the PSA with the ERC or within the same period of submission as mentioned in the relevant provisions of the IPB as regards the submission of the ECC.</p> <p>Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.</p>	<p>The submission of the certified true copy of the GIS/SIS itself will be required during Post-Qualification: "(j) The Grid Impact Study/ies (GIS) / System Impact Study/ies (SIS) for the Nominated Power Plant, whichever is applicable, issued by NGCP; or application/s for GIS/SIS pending before the NGCP, provided a certified true copy of the GIS/SIS must be submitted during Post-Qualification if the Bidder's Proposed Price is declared as the Best Bid."</p> <p>Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.</p>
71.		Submission of the application for CNO and /or FPIC issued by the NCIP	Letter (k), Section 3.2 page 29 of the IPB	<p>In the event that the Bidder becomes the Winning Power Supplier, kindly confirm that the submission of the certified true copy of the CNO and/or FPIC will still be allowed within six (6) months from the filing of the application for approval of the PSA with the ERC.</p> <p>Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.</p>	<p>A certified true copy of the CNO and/or FPIC Certificate/s issued by the NCIP must be submitted as required by the ERC (e.g. during the PSA' pre-filing process with the ERC or during the pendency of the PSA's application for approval with the ERC when requested/directed by the ERC).</p> <p>Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.</p>
72.		Submission of the application for Water Rights Permit/s before the NWRB	Letter (L), Section 3.2 page 29 of the IPB	<p>In the event that the Bidder becomes the Winning Power Supplier, kindly confirm that the submission of the application for Water Rights Permit/s before the NWRB will still be allowed within six (6) months from the filing of the application for approval of the PSA with the ERC.</p>	<p>A certified true copy of the Water Rights Permit issued by the NWRB must be submitted as required by the ERC (e.g. during the PSA' pre-filing process with the ERC or during the pendency of the PSA's application for approval with the ERC when requested/directed by the ERC).</p>

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				Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder.	Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.
73.		Board of Investment ("BOI") Certificate of Registration	Letter (m), Section 3.2 page 30 of the IPB	Kindly confirm if mere application for BOI registration with a stamp "received" by the BOI and pending any actions by the latter thereof is sufficient / compliant to this requirement. Kindly also confirm if a copy of said document can also be certified as true copy by the Assistant Corporate Secretary of the Prospective Bidder	This will suffice. Yes, for this purpose, reference to the Corporate Secretary can be issued by the Assistant Corporate Secretary, especially if authorized under the company's by-laws to issue such certifications.
74.		Protest filed before the governing board of Meralco	Section 8.2, pg. 45 of the IPB	Kindly provide the complete details (address and designation of the natural person in-charge) as regards the "governing board of Meralco" before whom the verified position paper/verified protest will be filed if necessary and as may be required by attendant circumstances.	The Bidder may address it to the " CHAIRPERSON, MERALCO's Board of Directors " and the submission/filing process will follow the procedure provided under Sec. 8.2 of the IPB.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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75.		Replacement Power/PSA	Section 3.3.3., page 20	What is the rationale of sourcing Replacement Power from RE-Eligible Power Plants only? Considering that the provision of Replacement Power is only on "as-needed" basis and is not long term, it is not practical for Power Supplier to enter into a contract with merchant plant or RES just to source Replacement Power from RE. How will the Power Supplier comply with this? May we know some situational suggestions?	As mentioned in TOR, the PSA is being contracted for purposes of RPS compliance. In addition, the requirement of sourcing RP from RE under this PSA is an instruction from DOE. It depends on the PS on the process how the PS will comply with this requirement (Meralco does not even need to be privy to such arrangement), since it is the PS' obligation under the PSA to source RP, which is now expressly required to come from RE-Eligible Power Plants.
76.		Replacement Power/PSA	Section 3.3.3., page 20	If Replacement Power is from RE-Eligible Power Plants – does it mean that Power Supplier cannot source replacement power from WESM/Grid?	Yes, this is clear from the definition of "Eligible Renewable Energy Power Plants" under the PSA.
77.		Excused Delay/PSA	Section 3.3.4, page 22	Unfair to forfeit Performance Security especially in instances of Excused Delay Events, which are beyond control of Power Supplier	Section 3.3.4 (2 nd paragraph) contemplates instance that either the (i) Scheduled Commercial Operations Date (in case of unexcused delay), or (ii) the Excused Delay Limit or any extension thereof had already lapsed. Forfeiture of the Performance Security is reasonable given exposure of Meralco's customers because of termination of PSA.
78.		Bid Security/ PSA	Section 4.1, page 22	What conditions would result in MERALCO drawing on the bid security?	As evident in Section 4.1: <ul style="list-style-type: none"> • (drawing) Failure of Power Supplier to timely replace the Bid Security at any time after signing of the PSA • (forfeiture) Failure of Power Supplier to secure the ECC, or land ownership/acquisition or legal possession documents and/or certificate of finality of the relevant land conversion order by the DAR, or grid impact study/ies or system impact study/ies that includes the energy storage system component (if any) of the Plant, and to submit these to ERC by the date falling one (1) year before the SCOD
79.		Performance Security/PSA	Section 4.2, page 23	Please clarify the definition of the First Performance Security and Second Performance Security.	The distinction between the first and second Performance Security is based on the timing when these should be delivered to Meralco and corresponding Security Amount. The First Performance Security is delivered to Meralco as a replacement of the Bid Security submitted by the Winning Power Supplier during the bidding within 15 days from Acceptance Date (or the date of Winning Power Supplier's written acceptance of the ERC's Final Approval). The delivery thereof is for Power Supplier to

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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					<p>make good on its obligation of constructing the Plant/s as required under the PSA. The amount of the First Performance Security shall be based on the full 850 MW that the Power Supplier is obligated to deliver.</p> <p>On the other hand, the Second Performance Security shall be delivered by the Winning Power Supplier to Meralco within 30 days after the later of the SCOD (Phase 1) or COD (Phase 1). Delivery of the Second Performance Security replaces the First Performance Security initially delivered to Meralco which Security shall be returned to Power Supplier less any amount properly due and owing from Power Supplier to Meralco under the PSA. The amount of the Second Performance Security shall be based on the remaining 250 MW.</p>
80.		Performance Security/PSA	Section 4.7, page 24	There are two types of performance security (First Performance Security and Second Performance Security), will performance security increase when the project transitions to operation and what will be the trigger to draw on these?	<p>Please see answer above.</p> <p>In addition, as the main purpose of the Performance Securities is for Power Supplier to make good on its obligation of constructing the Plants as required under the PSA, the PSA provides for the instances when the Performance Securities will be returned to the Power Supplier, provided all obligations are met as of said date and less any amount due to Meralco (see timing in above answer). The consequences of Power Supplier reneging on its obligations under the PSA shall be addressed by provisions on default, among other things.</p>
81.		Nominations/ PSA	Section 6.3.2 & 6.3.4, page 27	In 6.3.2, Power Supplier will furnish MERALCO with its day-ahead capacity availability, whereas in 6.3.4, MERALCO has the option to increase and decrease its day-ahead nominations. What are the instances when MERALCO will decrease its day-ahead nominations?	<p>The following are some instances when Meralco may decrease its day-ahead nominations:</p> <ul style="list-style-type: none"> (i) Meralco's demand may decrease, (ii) Cheaper WESM prices, <p>These instances may necessitate Meralco to decrease its nominations to comply with its least cost obligation to its customers.</p>
82.				The RE Law, which takes legal precedence over a contract, gives RE priority/must dispatch status. Will MERALCO's option to decrease nomination, despite Power Supplier's capacity availability, not violate this?	Sec. 20 of Republic Act No. 9513, or the "Renewable Energy Act of 2008", provides that " intermittent RE resources shall be considered 'must dispatch' based on available energy and shall enjoy the benefit of priority dispatch" (emphasis added). Hence, the "priority/must

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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					<p>dispatch” status applies only to intermittent RE resources.</p> <p>The Act also defines intermittent RE resources as “a RE generating unit or group of units connected to a common connection point whose RE energy resource is location-specific naturally difficult to precisely predict the availability of RE energy resource thereby making the energy generated variable, unpredictable and irregular and the availability of the resource inherently uncontrollable, which include plants utilizing wind, solar, run-of-river hydro or ocean energy.” (emphasis added)</p> <p>As stated in the Terms of Reference Table of the Invitation to Bid, the required plant type for the bid is “Mid-merit renewable energy source (firm and dispatchable)” (emphasis added). Thus, the cited provision of the Act will not apply.</p>
83.				Section 6.3.4 provides MERALCO an additional option to decrease supply which is not included in the TOR of the Invitation to Bid, where reduction in capacity is allowed only if there is reduction in the demand of captive customers to avoid stranded contract capacity or costs, or by reason of implementation of RCOA, RE Law or other laws or legal requirements.	Section 6.3.4 pertains to the day to day implementation of the PSA. The Power Supplier is still being paid for the contract capacity, but during instances wherein Meralco deems it necessary that portion or entire contract capacity should not be dispatched, in keeping with its lease cost obligation, then Section 6.3.4 shall apply. This is in line with the TOR requirement that the contract capacity should be firm and dispatchable, hence Meralco has the option on how to dispatch said contract capacity on a daily basis.
84.				Erroneous numbering, no Section 6.3.3	This is a typographical error. Correct reference is 17.3.3.
85.		Replacement Power/ PSA	Section 9.1.4, page 31	Why is MERALCO allowed to procure Replacement Power from the WESM, but if Power Supplier is obliged to cause delivery of Replacement Power, it must be from Eligible Renewable Energy Power Plants, otherwise, it will be required to pay a fine? Power Supplier should also be allowed to procure power from the WESM	As mentioned above, it is the PS’ obligation under the PSA to source RP (only that now it is express that the same must come from RE). The same requirement cannot be mirrored for Meralco because the only available alternative source of supply to Meralco is the WESM. Meralco will be unable to procure RP that is specifically RE because CSP prior to contracting is required.
86.		Adjustment in Capacity/PSA	Section 10.1, page 31	Shouldn’t the reduction of Contract Capacity be proportionate to all MERALCO Suppliers?	Please refer to answer in item #64.

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PSA TEMPLATE-RELATED QUERIES/COMMENTS					
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87.		Force Majeure/ PSA	Section 17.3.3, page 45	Erroneous reference to non-existent Sections 16.3.2 and 16.3.3	These are typographical errors. Correct references are 17.3.2 and 17.3.3.
88.		Payments/PSA	Section 11.2.1, page 32	Kindly cite examples of an invoice that is “manifestly in error, apparently invalid or not in the form or substance contemplated in this Agreement”, which would warrant non-payment by MERALCO	For instance, clear or obvious error in calculation, error in use of formula, etc.
89.		Remedies/PSA	Section 18.3.1, page 50	Erroneous reference to non-existent Section 9.5	This is a typographical error. Correct reference is 9.1.3.
90.		PSA (Bid Security and Performance Security)	Section 4.1/ pages 24	<p>We agree that the obligation to prepare all necessary documents is clearly on the Power Supplier. But what we wish to address is the scenario where the inability to provide the necessary documents is beyond the Power Supplier’s control – such as in case of an FM.</p> <p>We reiterate our position that the obligations of the Power Supplier, including those referred to in this section, should be excused in case of an Event of Force Majeure. To further emphasize that the excuse shall only be in case of an FM, perhaps we can just add a clause to state that FM should be the sole cause of the inability to perform the obligation, and no other reason should be present.</p>	Submission of these documents is obligation of Power Supplier and documents should have been made readily available by Power Supplier at point of submission of Bid Requirements. After all, customers should not be made to suffer delay in implementation of PSA by reason of non-submission of these documents by Power Supplier. That further accommodation is afforded to possible Winning Power Supplier cannot be further excused by FM.
91.		PSA (Charges due to Change in Circumstances)	Section 12.2.2 (first paragraph)/ page 37	We reiterate our position that Power Supplier should be able to terminate in case the approval granted by the ERC is not acceptable. Power Supplier should not be made to bear the costs related to such termination, because that was not the commercial agreement the Power Supplier agreed to be bound to.	<p>Please refer to the last portion of the provision which provides:</p> <p>“If the Parties fail to reach a mutually satisfactory resolution within ninety (90) Days from the commencement of negotiations (including upon denial or disapproval by ERC of the Application for Price Adjustment), Power Supplier shall be entitled to terminate this Agreement in accordance with the provisions of Section 18.6.6(a). In case of termination, Power Supplier shall pay fifty percent (50%) of the liquidated damages calculated in accordance with Section 18.3.3.”</p> <p>Hence, Power Supplier may terminate the PSA provided, however, that it shall pay 50% of the liquidated damages calculated in accordance with Section 18.3.3. Payment of liquidated damages ensures that both Parties share in the</p>

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					consequential costs in case ERC denies or disapproves the Application, as any termination is also detrimental to MERALCO customers.
92.		PSA (ERC Approval)	Section 14.3.2(ii)/ page 40	<p>We reiterate our position that the termination by Power Supplier which would result in forfeiture of Bid Security should be distinguished from exercise of termination right which results in return of Bid Security as contemplated in Section 14.3.1. As such, suggest to revise the clause, as follows:</p> <p>If Power Supplier, does whether or not <u>it has</u> filed a motion for reconsideration with the ERC, and/or notifies Meralco that it intends to terminate this Agreement <u>for reasons other than as contemplated in Section 14.3.1</u>, Meralco shall have the right to forfeit the Bid Security to the extent of twenty-five percent (25%) thereof.”</p>	<p>We prefer to retain original wording.</p> <p>Please note the 2 scenarios contemplated in 14.3.2: (a) PS does not accept and files an MR; and (b) PS does not accept and does not file MR. The distinction on remedies is that PS initially availed of remedy of MR in (i) and conditions (disapproval of ERC of MR etc.) transpired, thus parties have remedy of termination and Power Supplier is entitled to return of Performance Security.</p>