



CEBU I ELECTRIC COOPERATIVE, INC.

Bito-on, Dumanjug, Cebu

Hotline No: +63917-659-8066 | 063998-846-8798 | <https://www.cebeco-1.com>

SUPPLEMENTAL BID BULLETIN NO. 01

1. NOTICE TO BIDDERS

In compliance with the observations of the National Electrification Administration after the conduct of the Pre-bidding Conference held last September 6, 2023, all bidders are hereby notified of the updated Terms of Reference in the Invitation To Bid as published in Malaya Business Insight dated August 16 and 23, 2023 relative to the Competitive Selection Process (CSP) for the Procurement of 11MW Power Supply requirement of Cebu I Electric Cooperative, Inc.'s Captive Market for 10-year Contract (2023 - 2033) period.

2. Updated Terms of Reference

Terms of Reference	Requirements
1. Supply Description	
Supply Type	Firm, Base Load
Plant Generation Source	Open Technology
Power Plant Availability	Existing and commercially operating power plant
2. Terms of Supply	
Contract Capacity	11MW (96,360MWh) Baseload power supply, capacity based, 100% availability at a load factor as offered by the bidders.
Contract Term	Ten (10) years Bidders should consider the franchise term of CEBECO I will be until year 2030.
Start of Supply	December 26, 2023
End of Supply	December 25, 2033
3. Cost & Tariff Structure	
Bidder's Price Offer	Price Offer shall be the total generation cost to be billed inclusive of: i. Interconnection fees ii. Transmission and metering charges iii. Line rental fees iv. Market fees v. Communication Equipment vi. Government Taxes/Levies
Currency	Prospective bidder's price offer should be in PHP.
Tariff Structure	<ul style="list-style-type: none"> • Tariff Structure as offered all in PhP/kWh • Capacity based, with capacity and energy components <ul style="list-style-type: none"> i. Capacity component(s) is fixed ii. Energy component(s) is variable iii. Allowable minimum nomination preferably 50% BCQ and below • For offers with: <ul style="list-style-type: none"> i. CRF - not subject to indexation, increase or escalation ii. FOM - not subject to indexation, increase or escalation <ul style="list-style-type: none"> - indicate its percentage to the total O&M component iii. VOM - actual cost as per ERC approved rate <ul style="list-style-type: none"> - indicate its percentage to the total O&M component iv. Fuel - actual cost as per ERC approved rate v. Allowable minimum nomination preferably 50% BCQ and



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	below <i>Note:</i> - Fixed Cost is for the cost incurred by the generator that is independent of the amount of energy generated by the power plant - Variable Cost is for the cost incurred by the generator that is dependent on the amount of energy generated by the power plant
Capacity Payment	Capacity payment shall only be paid when the capacity is available on the particular billing period.
Base Fee Adjustment	Must provide a base fee adjustment formula affected by factors including CPI, FOREX (USD), fuel and other factors. All indices and peso-dollar exchange rate will be August 2023 based
Fuel Supply Contract	Must have an existing Fuel Supply Contract for the entire power supply contract period. Any changes of the fuel supply contract shall not affect the original supplier's contract price. Fuel offer price shall be final and not subject to any adjustment during the contract period.
Line Rental Fee	Shall be shouldered by the Supplier. It should show how much is allocated to the Line Rental.
Market Fees and Other Government Subsidies	Shall be shouldered by the Supplier
BCQ Nomination	CEBECO I can re-nominate at least two (2) hours prior to the intended interval
4. Payment Modalities	
Mode of Payment	i. Cash ii. Manager's Check
Billing Period	Monthly
Discounts and Other Incentives	Bidder shall specify its offer of prompt payment discount and other incentives to CEBECO I in its bid proposal.
5. Outage Allowance	
Zero Outage Allowance	Supplier shall provide replacement power during outages at contract price
6. Force Majeure	i. The events that shall be deemed as Forced Majeure and analogous circumstances shall be in accordance to DOE CSP Policies. ii. Arrangements in case of any force majeure shall be agreed upon by parties and shall form part of the PSA. iii. There will be no payment of any capacity fee in case of outage during any force majeure
7. Grounds for Contract Termination	i. Events of Default. ii. Expiration of cooperation period iii. Failure to achieve COD iv. Mutual agreement by both parties v. Extended Force Majeure as agreed under the PSA vi. Changes in the circumstances as agreed under the PSA. Rate deductions made by the ERC shall not be a valid ground for the termination of the contract. CEBECO I shall not pay for the said rate reduction or adjustments.
8. Liquidated Damages	Liquidated damages in case of default shall be equal to the present value of the Capacity Payment computed on a 365-day basis for the remaining term of the PSA. The discount rate to be used shall be 0.1% of the equivalent amount of energy in a month per day of delay. Ground for termination of the contract if delay of delivery will exceed 90 days.
9. Contract Capacity	• Any developments headed by ERC, DOE or any government

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<p>Reduction</p>	<p>agencies that will result to CEBECO I's demand reduction shall be considered as valid grounds to reduce the Contracted Capacity such as:</p> <ol style="list-style-type: none"> i. Loss of captive customers due to Retail competition and Open Access and Green Energy Option Program. ii. Reduction of demand due to special circumstances beyond the control of CEBECO I <ul style="list-style-type: none"> • Customer may assign, transfer, designate or allocate its rights and obligations to purchase a portion of Contract if no longer requires to any of its business segments without the prior consent of Power Supplier; or any affiliate or third party subject to the consent of Power Supplier. • The consent by the Power Supplier shall not be unreasonably delayed or conditioned at the disadvantage of CEBECO I. • Any reduction shall require approval of the ERC and must comply with applicable rules of competition set by the Government, if necessary.
<p>10. Sample Monthly Bill Computation</p>	<p>Each bidder shall present a simulated Monthly Power Bill to CEBECO I covering the next 10 years starting on the month and year the pre bid conference was conducted. The simulated Monthly Power Bill shall be based on the Contract Capacity declared by CEBECO I. The CRF, Fuel Cost, VAT, Line Rental and other charges shall be shown on the computation which will total to the Effective Cost per kW-hr already including the Tax and other government duties. Actual sample Bill shall also be presented for those Bidders with existing plants.</p>
<p>11. Signed Contract Return Date</p>	<p>The Power Supply Agreement/Contract hard copy to be signed and notarized by the winning IPP should be returned to CEBECO I by any means within 30 calendar days from date of receipt by the winning IPP. Failure to return the Power Supply Agreement/Contract which was already notarized and signed by the winning IPP representative/s constitutes a voluntary forfeiture of its awarded contract or on case to case basis, CEBECO I has the option to reconsider the reasons presented by the winning IPP. The other options are, CEBECO I shall award the contract to the IPP bidder with the second best offer or CEBECO I may conduct another CSP but this time, the IPP or its affiliates and subsidiaries who forfeited the contract awarded to them on the first bidding is now disqualified to participate in the succeeding CSP.</p>
<p>12. Regulatory Approval</p>	<p>Prospective bidder must be compliant with any and all existing regulatory requirements of the ERC, DOE, DENR and other government agency/ies concerned.</p>
<p>13. Protest From Losing Bidder</p>	<p>Protest from any prospective bidder shall not stop or hinder the signing of contract between the winning bidder and CEBECO I. Commercial operation date shall proceed.</p>
<p>14. Conditions Precedent to Start of Supply</p>	<ol style="list-style-type: none"> i. ERC Approval (provisional or final approval) of the PSA. ii. A winning bidder shall not require security deposit from CEBECO I.
<p>15. OBLIGATIONS OF THE DU</p>	<p>CEBECO I may provide assistance to the successful bidder in the processing of permits and similar requirements from all national agencies and local government units especially if the resulting PSA involves the construction of a new power plant if applicable.</p>
<p>16. BIDDER'S QUALIFICATIONS</p>	<ol style="list-style-type: none"> i. All forms of business organizations including Joint Ventures are encouraged to participate in the bidding process subject to applicable government licenses and permits. ii. For bidders using indigenous and RE power plants, the bidder must comply with the constitutional requirement for ownership. iii. The capacity offer of the bidder must be compliant with all the ownership limitations prescribed under EPIRA. iv. If Bidder is formed as a partnership, corporation, consortium, joint venture or any similar association for purposes of this CSP, it must present an agreement showing that the Bidder and all its partners, shareholders, joint venture, associates, as may be applicable, are jointly and severally liable to (EC) for any and all

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	costs and obligations arising from this CSP and the resulting PSA.
17. Historical Load Availability	Not less than 90% for at least 5 years prior to publication of the Invitation to Bid

3. Updated Schedule of Activities

Activities	Updated Date
Publication of TOR and Invitation to Bid	Aug 16 & 23, 2023
Acceptance of Letter of Intent and Bid Participation Fee	Aug. 23 - Nov. 5, 2023
Issuance of Bidding Documents	Aug. 24 - Nov. 5, 2023
1st Pre-Bid Conference	Sep. 6 2023
2nd Pre-Bid Conference	Oct. 12, 2023
Deadline of Submission of Comments on Bidding Documents	Oct. 17, 2023
Last day of Issuance of Supplementals/Bid Bulletin	Oct. 24, 2023
Pre-evaluation Screening of Eligibility Requirements	Oct. 31, 2023
Submission and Opening of Bids	Nov. 7, 2023
Post-Qualification	Nov. 14, 2023
Issuance of TPBAC Resolution to the BOD for the Declaration of Winning Bidder	Nov. 21, 2023
Notice of Award	To Be Announced
Submission of Draft PSA to NEA for Approval	Nov. 28, 2023
Signing of Power Supply Agreement	To Be Announced
Joint Filing Before the ERC	Seven (7) Calendar Days after the Signing of PSA

For all inquiries and communications, kindly address to:

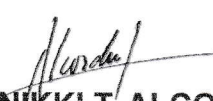
CEBECO 1 TPBAC Secretariat

Cebu I Electric Cooperative, Inc.
Bitoon, Dumanjug, Cebu

Contact Person : Engr. Rommic Llanasa and Ms. Tessa Frances T. Aguilar
Contact Number : 0998 846 8798 or 0917 708 9200
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THIRD PARTY BIDS AND AWARDS COMMITTEE (TPBAC)


JOSEFA SALVACION N. MANUGAS, CPA
TPBAC Chairperson


ATTY. NIKKI T. ALCORDO
TPBAC Vice-Chairperson


RONNEL T. ARANEZ, REE
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MARIONNE REX C. MAHINAY, REE
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JUANITO S. GABALES, JR. CPA
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