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(NONECO)**

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**INSTRUCTION TO BIDDERS
(ITB)**

FOR

**COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 20MW
BASELOAD, 5 MW PEAKING, AND 7 MW RPS OF NONECO TO SUPPLY POWER
FOR 2026-2035**

06 August 2025



COMPETITIVE SELECTION PROCESS (CSP) FOR 20MW BASELOAD, 5MW PEAKING AND 7 MW REQUIREMENT OF NONECO TO SUPPLY POWER FOR 2026-2035

INSTRUCTION TO BIDDERS (ITB)

This Instruction to Bidders is issued in compliance under Department of Energy Circular 2021-09-0030, and to the new ERC 2023 Competitive Selection Process (CSP) based on the ERC Resolution No. 16, Series of 2023.

A. GENERAL

1. Scope of Bid

- 1.1. Northern Negros Electric Cooperative, Inc. (NONECO), through its Bids and Awards Committee (BAC), is conducting a Competitive Selection Process (CSP) for its 20MW Baseload, 5MW Peaking, and 7MW RPS requirement for 2026-2035 through a 10-year Power Supply Agreement.
- 1.2. The details of the requirements and technical specifications are contained in the Draft Power Supply Agreement (PSA) in Annex A.
- 1.3. For Lot 1, a Bidder may offer to supply capacity in increments of 5 Megawatts (MW), up to a maximum of the baseload requirement for the entire period as specified in Table 1. However, the minimum bid capacity is 5 Megawatts (MW).

Contracts will be awarded to the bidders with the Lowest Calculated Responsive Bid (LCRB) until the total demand is fully met.

First, to determine the bidder with the Lowest Calculated Responsive Bid (LCRB); if the capacity offered by the first bidder does not meet the required capacity, the Bids and Awards Committee (BAC) will proceed to evaluate the second LCRB, and so on, until the total demand is satisfied.

For Lot 2 and 3, Bidder must offer to supply the entire peaking and RPS requirement for the entire contract period as specified in the following table:

Table 1: NONECO Demand for CSP

NONECO	CONTRACT YEAR 2026-2035
Lot 1 – Baseload	20 MW
Lot 2 – Peaking	5 MW
Lot 3 – RPS	7 MW or higher to meet the required energy



2. Source of Funds

- 2.1. Payments to Winning Bidder shall be made by NONECO from the collection of the generation charges to its member-consumers, as approved by the Energy Regulatory Commission (ERC), in accordance with the RSEC-WR.

3. Definition of Terms

Base Price or Electricity Fee– refers to the bid price as submitted by the Bidder in the Financial Proposal for Year 1, comprising of the components of the Capital Recovery Fee (CRF), **Fixed** Operations and Maintenance, Variable Operations and Maintenance and the Fuel Fee.

Bid - refers to the complete set of documents submitted by the Bidder in response to, and in accordance with the Bidding Documents, including the Eligibility Requirements (Legal Documents, Technical Documents, Financial Documents, and Class “B” Documents), the Technical and Financial Proposal, including the USB flash drives containing said Proposals, the Bid Security and the agreements/certifications required to be accomplished and submitted by the Bidder’s authorized representative.

Bid Bulletin - refers to an official communication bearing additional information that clarify, modify and/or amend provisions of and/or related to the **Bidding Documents and** Instruction to Bidders (ITB) and the procurement process.

Bidder - refers to an entity competing for the award of the Power Supply Agreement who paid the Bid participation fees (“purchased Bidding Documents”) and submitted a Bid on or before the scheduled Bid Submission.

Bidding Documents - refer to documents issued by the BAC as bases for Bids and furnishing all information necessary for prospective Bidders to prepare a Bid.

Bid Proposal - refers to the Technical Proposal and Financial Proposal, collectively, of the Bidder.

Bid Security - refers to the amount described in Section 15 put up by the Bidder to ensure that Bidder will complete the Bidding Process.

Bids and Awards Committee (BAC) - refers to the special committee organized by NONECO in accordance with the Department Circular issued by the DOE to conduct the competitive selection or bidding process or the CSP for POWER SUPPLIER and acts as a recommendatory body to the NONECO Board of Directors.

Board of Directors (BOD) - refer to the NONECO Board of Directors empowered and responsible to ratify and confirm all previous actions of the BAC. It is also mandated to declare the final winner of the bidding conducted and approve the Notice of Award endorsed by the BAC.

Capacity Fee – or the Capital Recovery Fee. This refers to the variable cost component of the price to recover the capital or investment of the POWER SUPPLIER.

Competitive Selection Process (CSP) - refers to the process where NONECO implement a competitive bidding and contracting of its long-term



power supply in accordance with the policies and regulations issued by government agencies including DOE, ERC and NEA.

Conditions Precedent– refers to the requirements and conditions that must have been satisfied to achieve the Effective Date including, but not limited to, interim relief, provisional or final approval of PSA by the ERC.

Confidentiality Agreement -refers to an agreement through which the parties agree not to disclose information relating to the submissions of Bidders and the EC Information for Due Diligence provided to the Bidders. This applies to the members of the NONECO BOD, BAC, BAC-TWG, management, and consultants/advisors as well as the Bidders and their owners, management, employees and consultants/advisors, and also to the Observers in all aspects of the proceedings.

Connection Point – refers to the location prescribed by NONECO where the power shall be supplied and measured. It also refers to the location of the circuit breaker (switchgear) to be controlled by the System Operator to operationally connect and disconnect the power facilities of the Generator in accordance with the Philippine Distribution Code.

Consumption Rate - refers to the guaranteed maximum levels of fuel consumption in order to produce one (1) kWh of energy.

Contracted Capacity – refers to the total Guaranteed Delivered Capacity in MW to be supplied by the POWER SUPPLIER to NONECO at the Connection Point/s for the Contract Period.

Contract Period / Cooperation Period - refers to the ten-year period commencing on the Effective Date.

Delivered Capacity – refers to the sustained capacity of the power plant that is delivered and available at the Connection Point.

Dependable Capacity - refers to the sustained capacity of the generating unit or the power plant after adjusting the Rated Capacity to environmental conditions upon installation and is measured at the terminal of the generating unit or the bus where all generating units are connected.

Effective Date – refers to the first business day following the day on which all the requirements in the Conditions Precedent shall have occurred and satisfied.

Electric Cooperative (EC) - refers to a distribution utility organized under Presidential Decree No. 269 or as otherwise provided under EPIRA. Unless otherwise qualified, this particularly refer to Northern Negros Electric Cooperative, Inc. (NONECO).

ERC Notification Date - refers to the date of ERC publication in its website or the date that the POWER SUPPLIER and/or NONECO received the notification of ERC's final approval of the PSA whichever comes first.

Existing Plant – for Power Plants that are existing and in commercial operation.

Final Instructions to Bidders - refers to the last and final Instructions to Bidders issued by the BAC through a Bid Bulletin before the submission and



opening of the Bids and which supersedes all previous inconsistent directives relative to the Bidding Documents and the Bidding Process.

Financial Proposal - refers to the price offer of the Bidder in accordance with the requirements in Section 16 of this ITB.

Variable Operation & Maintenance Fee – or Variable O&M refers to the variable operation and maintenance costs component of the price which do not vary with changes in energy generation or supply.

Fuel Fee – refers to the variable cost component of the price for the fuel of the power plant including taxes, other government dues, and transport from fuel supplier site and the power plant site/s.

Generation Company (GENCO) - refers to a juridical entity authorized by the ERC to operate a facility used in the generation of the electricity or a company that owns and operates a power generating plant that produces electricity.

Guaranteed Delivered Capacity - refers to the Contracted Capacity which is the minimum capacity that must be available at the Connection Points to supply NONECO.

Information Memorandum - refers to the document issued by NONECO that describes this transaction and provides relevant information to prospective Bidders about the CSP to be conducted by NONECO.

Instruction to Bidders (ITB) – refers to the bidding procedures and requirements set up by the NONECO BAC for the purpose of conducting this CSP for prospective Bidders.

Lowest Calculated Bid (LCB) - refers to the Bid Proposal with the lowest Long-Term Levelized Price as determined and calculated based on the Evaluation Methodology set forth in Section 27 of this ITB.

Lowest Calculated Responsive Bid (LCRB) - refers to the Bid which was determined to be the LCB and is found to be responsive to all the requirements and conditions for eligibility and bidding after post-qualification evaluation.

New Plant – non-existing plants that are for construction or under construction.

Notice of Award - refers to the official written communication issued by the NONECO Board of Directors awarding the Power Supply Agreement to the Bidder with the Lowest Calculated Responsive Bid (LCRB).

Open Technology – refers to the Power Plant whose source of power can either be renewable or conventional that can guarantee to deliver the capacity required by NONECO.

Power Supply Agreement (PSA) - refers to a contract between the POWER SUPPLIER (the Winning Bidder) and NONECO that provides the commercial terms and conditions for the supply of electricity by the POWER SUPPLIER to NONECO as approved by the ERC.

Pre-Bid Conference - refers to the meeting/s organized by the BAC and attended by the prospective Bidders prior to the date of Bidding for the purpose of clarifying provisions in the Instruction to Bidders and other matters related to the Bidding.



Rated Capacity - refers to the capacity of generating unit or power plant based on the nameplate of the generating equipment.

Scheduled Outage - refers to the outage of the plant generating units and equipment planned by the POWER SUPPLIER for preventive maintenance as approved by the System Operator prior to the Operating Year in accordance with the PSA. For the purpose of this transaction, the scheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NONECO.

Scheduled Outage Hours - the number of hours that the Guaranteed Delivered Capacity is not available totally or partially due to the Scheduled Outage of the POWER SUPPLIER's power plant. For the purpose of this transaction, the scheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NONECO.

System Operator – refers to the entity who is authorized to operate and control in real-time the Island Grid of Negros in accordance with the Philippine Distribution Code and/or other applicable codes and guidelines. The System Operator shall prepare the Annual Operating and Maintenance Program of the Island Grid of Negros and shall be responsible to schedule and dispatch the generating units of the POWER SUPPLIER in accordance with the PSA and applicable codes and guidelines issued by the government.

Technical Proposal - refers to the part of the Bid containing the technical details of the Bidder's offer as required in Section 17 of this ITB.

Technical Working Group (TWG) - refers to the selected institutional, technical and financial personnel of NONECO, authorized to formulate its least cost power supply plan and provide technical support to the BAC in the conduct of the CSP for POWER SUPPLIER.

Transaction - refers to the Competitive Selection Process for the supply of 20MW Baseload, 5MW Peaking, and 7MW Intermediate RPS requirement of NONECO to supply power for 2026-2035.

Unscheduled Outage – refers to the forced outages and short-term unplanned outages for repairs that are not part of the approved Scheduled Outage. For the purpose of this transaction, the unscheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020 for the POWER SUPPLIER for its contracted capacity to NONECO.

Unscheduled Outage Hours - the number of hours that the Guaranteed Delivered Capacity is not available totally or partially due to Unscheduled Outage of the POWER SUPPLIER's power plant/s. For the purpose of this transaction, the unscheduled outage allowance shall be based on ERC Resolution No. 010, Series of 2020, for the POWER SUPPLIER for its contracted capacity to NONECO.

Variable Operation and Maintenance – or Variable O&M refers to the operation and maintenance costs component of the price, excluding fuel, which vary with the amount of energy generated or supplied by the POWER SUPPLIER to NONECO.



Winning Bidder - refers to the Bidder determined by BAC as having the Lowest Calculated Responsive Bid for approval by the NONECO Board of Directors.

4. Transaction Schedule

4.1. The Competitive Selection Process (CSP) for the 20MW Baseload, 5MW Peaking, and 7MW RPS requirement of NONECO shall follow the schedule as listed in Table 1. The BAC reserves the right to change any of these schedules. The BAC shall give appropriate and timely notice to participating Bidders in the event of changes in schedule.

Table 3. Transaction Schedule

Activities	Target Dates
Publication of Invitation to Bid	June 25, 2025, and July 02, 2025
Issuance of Bid Documents	June 27, 2025
Pre-Bidding Conference (1 st Round)	July 17, 2025
Availability of Bidding Documents	Until 22 July 2025; 5:00 P.M.
Pre-Bidding Conference (2 nd Round)	July 24, 2025
Last day of Issuance of Bid Bulletin and Final Instructions to Bidders	August 07, 2025
Due Diligence of the Bidders	June 27, 2025 – August 20, 2025
Submission of Bids	August 28, 2025
Opening of Bids	August 28, 2025 – Lot 1 August 29, 2025 – Lot 2 and Lot 3
Post Qualification and Evaluation of Bids	September 1-12, 2025
Issuance of Notice of Award	October 22, 2025
The signing of PSA	November 10, 2025
Posting of Performance Security	On or before November 20, 2025
Issuance of Notice to Proceed	November 25, 2025

B. BIDDING DOCUMENTS

5. Constituent Documents

5.1. For the purposes this CSP, the following comprise the Bidding Documents:

- a. Information Memorandum (Annex K);
- b. Invitation to Bid;
- c. Terms of Reference;
- d. The Instruction to Bidders; and,
- e. Bid Forms (Annex B).
- f. Draft PSA (Annex A)

6. Clarification and Amendment of Bidding Documents

6.1. Bidders who purchased the Bidding Documents may request clarification(s) pertaining to any part of the Bidding Documents. These shall be made using the Matrix of Comments template provided in Annex D-7 and which shall be sent to noneco.trading@gmail.com and noneco.csp@gmail.com using the authorized email address registered by the Bidder. **The deadline for**



submission of queries shall be on July 09, 2025, at 5:00PM, Philippine Standard Time. Bidders shall also provide the name of one (1) person as its authorized contact person/representative, together with contact details in the conduct of the Pre-bidding and Bidding Conference.

- 6.2. Bidders are prohibited to contact any member of the NONECO BAC and TWG for clarifications and amendments. All questions shall be directed to the NONECO BAC Secretariat only through email: noneco.trading@gmail.com and noneco.csp@gmail.com.
- 6.3. The NONECO BAC shall respond to the said request by issuing Bid Bulletin/s made available to all Bidders. The last Bid Bulletin will be issued July 31, 2025, or at least fifteen (15) calendar days before the deadline for the submission and receipt of bids.
- 6.4. Bid Bulletins issued will be sent to all bidders through their respective authorized emails. The same will also be posted on the DU's website, submitted for posting in the DOE CSP Portal, and will be sent to NEA for posting in its website, and in any conspicuous place in the premises of each NONECO offices. Bid Bulletins are considered read, once sent to the Bidder's authorized email address and/or posted on the DOE and NEA websites. It shall be the responsibility of all Bidders who have properly secured the Bidding Documents to inquire about and secure Bid Bulletins that may be issued by NONECO BAC. However, Bidders who have already submitted Bids before the issuance of the Bid Bulletin shall be informed and allowed to modify or withdraw their Bids.
- 6.5. Bid Bulletins may also be issued upon NONECO's BAC initiative for the purpose of clarifying or modifying any provision of the Bidding Documents. Any modification to the Bidding Documents shall be identified as an amendment or addendum as the case may be.

7. Pre-Bid Conferences

- 7.1 Pre-bid conferences shall be held on July 17, 2025, 10:00 AM at Nature's Village Resort, Talisay Highway, Talisay City, Negros Occidental, Philippines to clarify and address the Bidder's questions on the pertinent technical and financial components of the CSP. Only bidders who have purchased the Bidding Documents shall be allowed to participate in the pre-bid conferences. Another Pre-bid conference, may be conducted at the discretion of the BAC, as deemed necessary.
- 7.2 Bid Documents fee of Php400,000.00 for Baseload, Php100,000 for Peaking, and Php150,000.00 for RPS are non-refundable, and exclusive of taxes. Bidders shall send the bank transaction slip through email to the BAC Secretariat for issuance of official receipts.
- 7.3 In order to efficiently utilize the time for the pre-bid, all questions and clarifications shall be submitted using the Matrix of Comments as provided in Annex D-7. A soft copy of the same shall also be sent to the authorized email address of the Bidder and shall follow the process as indicated in Section 6.1 of this ITB. The signed hardcopy of written comments shall be submitted on July 17, 2025, 9:30 A.M. during the Pre-bid Conference.
- 7.4 On the day of the Pre-Bid Conference, the NONECO BAC will provide the answers to the queries submitted through the Matrix of Comments. Bidders,



through their authorized contact person/representative, are allowed up to three (3) follow-up questions.

- 7.5 The decisions of the NONECO BAC amending any provision of the Bidding Documents shall be issued in writing through a Bid Bulletin. Decisions made during the Pre-bid conference shall not be binding unless a Bid Bulletin is issued. The decision shall be final unless a protest has been filed in accordance with section 40 of this ITB.

C. BIDDER'S ELIGIBILITY, RESPONSIBILITIES AND DISQUALIFICATION

8. Eligible Bidders

- 8.1. The Eligibility requirements are enumerated in Section 14.

The following entities are eligible to participate in the bidding:

- a) Duly Licensed Filipino citizen for sole proprietorship;
 - b) Partnership duly organized under the laws of the Philippines;
 - c) Corporations duly organized under the laws of the Philippines;
 - d) Cooperatives duly organized under the laws of the Philippines; or
 - e) Joint Ventures and Consortium duly organized under the laws of the Philippines, provided they have submitted a duly notarized Joint Venture Agreement with a Board Resolution of party's Mother Company guaranteeing its full support to the JV and clearly stating the level of participation of partners/parties in case they win the bidding and formalize the JV or a Project Company.
- 8.2. The Bidder must have a power plant/s connected to the Philippine Grid whose total dependable and available uncontracted capacity is no lesser than the requirement of NONECO. The full contracted capacity of NONECO must be source from either a single plant or portfolio of plants owned and operated by the Bidder.
- 8.3. Bidder's technical staff and key officers must have at least five (5) years of experience on power plant operations in the Philippines or any other country regardless of technology.
- 8.4. Bidders must provide copies of its Certificate of Compliance (COCs) issued by ERC, the latest Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR). In lieu of COC, Bidders shall submit a certification issued by the ERC indicating the status of the bidder's application or submission of a copy of Provisional Authority to Operate (PAO).
- 8.5. Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by any government or other entity in accordance with Annex D-6 hereof.
- 8.6. In case of JV or Consortium, the qualification of the Bidder may be obtained by pooling the qualification of each member of the JV or Consortium. Provided that the member of the JV or Consortium with the longest track record shall be taken as the track record of the Bidder (i.e., the number of operating years of each member shall not be added).



9. Bidder's Responsibilities

9.1. The Bidder is responsible for the following:

- (a) Having taken steps to carefully examine all the Bidding Documents;
- (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the PSA;
- (c) Having made an estimate of the facilities and equipment available and needed to implement the PSA;
- (d) Having complied with its responsibility to inquire about or secure Bid Bulletin/s;
- (e) Ensuring that each of the documents submitted is in satisfaction of the CSP requirements, is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (f) Authorizing NONECO BAC to verify all the documents submitted;
- (g) Ensuring that the signatory is the duly authorized representative of the Bidder and granted full power and authority to do, execute, and perform any and all acts necessary to participate, submit the Bid, and to sign and execute the ensuing PSA, accompanied by the duly notarized Special Power of Attorney, Board/Partnership Resolution, or Secretary's Certificate, whichever is applicable;
- (h) Complying with existing labor laws and standards;
- (i) Ensuring that it did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of NONECO, BAC and CSP Advisors; and,
- (j) Bidder bears the risk for failure to observe any of the above responsibilities.

9.2. The Bidder, by the act of submitting its Bid, shall be deemed to have inspected relevant sites, determined the general characteristics and conditions of the PSA, and examined all instructions, forms, terms, and requirements in the Bidding Documents.

9.3. NONECO BAC shall not be responsible for erroneous interpretations or conclusions by Bidders out of the Bidding Documents.

9.4. The Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts, and regulations of the Republic of the Philippines which may affect the PSA in any way.

9.5. The Bidder shall bear all costs associated with the preparation and submission of its Bid. NONECO BAC shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the CSP.

9.6. The Bidder acknowledges that NONECO BAC will accept Bids only from those that have paid the applicable fee for the Bidding Documents indicated in the Invitation to Bid.

9.7. By submitting a proposal, the Bidder acknowledges that it has reviewed, is fully acquainted with, and unconditionally accepts the terms of the Bidding Documents and Instruction to Bidders, each Bid Bulletin and the Draft PSA. Bidders will not be granted relief on the plea of negligence, error or mistake in preparing its proposal.



9.8. Fully inform itself and understand all the conditions and matters affecting or that could affect its proposal, participation, or undertaking in the Transaction or the implementation of the PSA.

9.9. The Bidder, by the act of submitting its Bid, shall be deemed to have accepted and will abide to all procedures, requirements, rules and regulations issued by the BAC through the Bidding Documents.

10. Due Diligence

10.1. The Bidders shall be given the following pertinent technical and financial information of NONECO, thru an Information Memorandum (Annex K), which will contain the following information:

- a) List of NONECO Board of Directors
- b) List of BAC members and TWG members
- c) Demand and Energy Forecast (2026-2035)
- d) 8760 Load Profile of NONECO (2024)
- e) Utility Statistics and Operational (Technical and Financial) Performance
- f) Audited Financial Statements (2023-2024) of NONECO

10.2. The Bidders may conduct due diligence until **June 27, 2025 to August 20, 2025.**

10.3. If the Bidder desires to conduct on-site due diligence on NONECO, they may contact the NONECO BAC Secretariat, who shall coordinate the schedule. The Bidder must request the BAC in writing with the specific agenda and proposed schedule of visit. The BAC has the right to reject requests for a visit on any of the following occasions:

- a.) if the data needed have already been provided to Bidders
- b.) if the additional data needed can be sent thru email
- c.) if the agenda is deemed not relevant to this Transaction

10.4. Any cost associated with the conduct of due diligence shall be for the sole account of the Bidders.

10.5. All NONECO information found in the Information Memorandum and gathered thru the conduct of due diligence provided to the Bidders are considered confidential. Bidders are prohibited from distributing this information to persons or entities other than the Bidder and its official representatives. Bidders shall execute the Confidentiality Agreement (Annex D-3)

10.6. The Bidder, by the act of submitting its Bid, shall be deemed to have done due diligence on the subject of this Transaction.



11. DISQUALIFICATION OF BIDDER

11.1 The Bidder or any member of the Partnership, JV or Consortium must have no record of Unsatisfactory Performance as Generator or Power Plant Operator. For this purpose, "Unsatisfactory Performance" means any of the following within five (5) years prior to the Deadline of Bid Submission:

- (a) the failure by the Bidder to satisfactorily perform any of its material obligations in a power plant project, power plant operation contract, or power supply contract as evidenced by the imposition of a judicial pronouncement or arbitration award **that is final and executory**;
- (b) the expulsion of the Bidder from any power plant project, power plant operation contract, or power supply contract **due to Bidder's fault**;
- (c) the termination or suspension of any such project, operation or contract, **the cause of which is directly attributable to the Bidder**; or
- (d) material violation of laws and/or regulations by the Bidder to any power plant projects or contracts, including but not limited to environmental, health, safety, labor and social welfare laws and regulations, as evidenced by the findings of the relevant competent authority **rendered in a final and executory decision or judgement**.

11.2 The Bidder or any member of the Partnership, JV or Consortium must not be included in a blacklist issued by any governmental agency of the Philippines or in the Debarred and Cross-Debarred Firms & Individuals list posted in the World Bank website (www.worldbank.org/debarr), whether as an individual contractor, partnership or corporation or as a member of a joint venture or consortium.

11.3 The following are also grounds for the rejection of the Bids and/or the disqualification of the Bidders:

- (a) Failure to submit all the requirements in accordance with and as provided for in Section 14 of the ITB;
- (b) Failure to submit a Bid Security as provided for in Section 15 of the ITB;
- (c) In the event of collusion as provided for in Section 39;
- (d) Commission of any of the corrupt practices listed in Section 39; and
- (e) Failure to submit any of the following documents, together with the Bid, on Bid submission deadline:
 - i. Board Resolution/Secretary's Certification of the Bidder's Authorized Representative to the NONECO-CSP process and the Transaction, and Authorized Signatory/ies to the Bidding Documents and the PSA (Annex G).
 - ii. Omnibus Sworn Statement (Annex D-1).
 - iii. Acceptance of Bidding Documents (Annex D-2);
 - iv. Confidentiality Agreement and Undertaking (AnnexD-3);
 - v. Certification by Authorized Representative that documents submitted are originals or certified true copies thereof (AnnexD-4);
 - vi. Declaration of Relationship/Conflict of Interest (AnnexD-5); and
 - vii. Declaration against Blacklisting and Commission of Corrupt Practices (Annex D-6).



12. CONFLICT OF INTEREST

12.1. All Bidders found to have conflicting interests shall be disqualified to participate in this CSP, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs below:

- (a) A Bidder has the same legal representative as that of another Bidder for purposes of this CSP;
- (b) A Bidder has a relationship, directly or through third parties, that puts it in a position to have access to information about or influence on the Bid of another Bidder or influence the decisions of NONECO BAC regarding this CSP;
- (c) A Bidder submits more than one Bid in this CSP **for the same lot**;
- (d) A Bidder participated as a consultant in the preparation of the design or technical specifications of this CSP; and
- (e) A Bidder lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for this CSP, if the personnel would be involved in any capacity on the same project.

D. PREPARATION OF BIDS

13. Documents Comprising the Bid

13.1. The Bid shall consist the following:

- a) Eligibility Requirements as enumerated in Section 14
- b) Bid Security as required in Section 15
- c) Financial Proposal in accordance with Section 16; and
- d) Technical Proposal in accordance with Section 17.

13.2. The Bid shall be accompanied by a sworn affidavit of the Bidder's officers, directors, and controlling stockholders that they are not related to:

- a) members of NONECO's Board of Directors
- b) NONECO's General Manager and members of Management Staff
- c) members of the NONECO BAC
- d) members of the NONECO TWG
- e) members of the NONECO BAC Secretariat

by consanguinity or affinity up to the third civil degree (Annex D-5). Such relationships will result in the automatic disqualification of bidder.

13.3. Bids not addressing or providing all of the required items shall be considered non-responsive and thus, automatically disqualified.

14. Eligibility Requirements for Bidders

14.1. The Bidder shall submit Class "A" and Class "B" documents detailed in Sections 14.2 and Sections 14.3 for the BAC to ascertain its eligibility for the Bid:



14.2. Class “A” Documents

14.2.1 Executive Summary - Brief description of the bidder’s company history and structure, including relevant capabilities in the construction, operation, and maintenance of a power plant or in the supply of electricity to the Dus or ECs.

14.2.2 Organizational Structure - Basic information of the bidder’s legal status and organizational chart.

14.2.3 Legal Documents

- a) Registration Certificate issued by the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for a sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives.
- b) In case a special purpose company is formed for purposes of undertaking the project, proof of registration in accordance with Philippine laws.
- c) Latest General Information Sheet (GIS).
- d) The original and latest Articles of Incorporation and By-Laws or a Memorandum of Association or Partnership duly certified by the relevant authorities as may be applicable.
- e) Shareholder’s Agreement. In lieu of the Shareholder’s Agreement, a General Information Sheet, authenticated by the SEC shall be submitted.
- f) Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources (DENR).
- g) Mayor’s/Business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for the Exclusive Economic Zones or Areas. In cases of recently expired Mayor’s/Business Permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period described by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement.
- h) Taxpayer’s Identification Number (TIN) – BIR registration/certification
- i) Documentary proof of Bidder’s Compliance with tax obligations such as:
 - i. BIR VAT Registration
 - ii. Proof of VAT payments from first (1st) and second (2nd) Quarter of 2025
 - iii. Latest Tax Clearance from the BIR to prove bidder’s full and timely payment of taxes to the government
 - iv. A Certification under Oath from Bidder’s responsible officers that the Bidder is free and clear of all liabilities with the government
 - v. General Information Sheet submitted to the SEC
- j) Additional requirements for new plants only:
 - i. Availability of the land (for Lease or procured);
 - ii. Certificate of Compliance from the ERC;
 - iii. The company must be on the lists of Certificate of Endorsement of DOE to the ERC;
 - iv. Certificate of Registration from SEC;
 - v. DENR (ECC, SLUP, Flag, Foreshore Lease Agreement, etc.);
 - vi. NGCP (System Impact Study, Facility Study);
 - vii. LGU (Permits, Clearances);
 - viii. Gantt Chart for the construction of the plant;



1. For Geothermal: Maximum of 5 years
2. For Solar: Maximum of 3 years
3. For Wind: Maximum of 2 years
4. For Hydro: Maximum of 2 years
5. For Ocean: Maximum of 3 years
6. For Coal: Maximum of 5 years
7. For Bunker/Diesel: Maximum of 5 years

14.2.4 Technical Documents

- a) Company profile highlighting experiences and expertise of the company and key officers in power plant operation.

The bidder must also include the submission of:

- i. Lists of projects (PSAs) undertaken over the last ten (10) years.
 - ii. List of electricity generation plants that the bidder has operated for the last five (5) years.
 - iii. Proof of/Documentation on track record for the last five (5) years of power plants operated by it.
 - iv. Key Personnel Experience – curriculum vitae of key personnel of the prospective Bidder showing they have sufficient experience in the electric power industry, particularly in the generation sector; and
 - v. Other relevant information showing proof of the technical capabilities of the Bidder that would be helpful to the BAC.
- b) Matrix of the Bidder's ongoing projects and generation portfolio with the following minimum information for each power plant (Annex B-2):
- i. The name of the power plant
 - ii. Installed and dependable capacity of the power plant
 - iii. Type of power plant according to fuel or energy source
 - iv. Location (address) of power plant
 - v. Year the power plant was built and commissioned;
 - vi. Number and average duration of scheduled and unscheduled outages for the last five (5) years, or the actual outage data for new power plants operating for less than five years supported by a Certification issued by the System Operator or client distribution utility, or letter request submitted to NGCP be accepted but the document must be provided during the Post Qualification.
- c) Matrix of Bidder's customers with whom the Bidder have power plant operation, rental or power supply contracts (Annex B-2). The statement shall include, for each customer the following:
- i. Name and address of company
 - ii. Contracted Capacity (MW), Energy (MWH), and Contract Duration (Billing Month and Year)
 - iii. Number and average duration of scheduled and unscheduled outages for the last five (5) years, or the actual outage data for new power plants operating for less than five years supported by a Certification issued by the System Operator or client distribution utility.
- d) Copy of Certificate of Compliance issued by ERC or Service Contracts from the DOE as well as copies of its Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR) submission to ERC for the last five (5) years and the last 2 years in the case of RE. If COC is not available, submission of a copy of Provisional Authority to Operate (PAO) will suffice.



14.2.5 Financial Documents

- a) The Bidder's Audited Financial Statements, stamped "received" by the Bureau of Internal Revenue (BIR) for at least two (2) years (2023-2024), showing, among others, the Bidder's total and current assets and liabilities. For those submitting their AFS online, a BIR email confirmation proving submission of the AFS will suffice. Complete set of financial statement includes the following:
 - i. Balance Sheet
 - ii. Income Statement
 - iii. Statement of Changes in Equity
 - iv. Cash Flow Statement
 - v. Notes to Financial Statement
 - vi. Statement of Management Responsibility for Financial Statement
 - vii. Financial Ratios indicating liquidity measurement ratio, debt ratio, profitability ratio and operating performance ratio for Fiscal Year 2023 and 2024.
- b) Details of financial and operating background for the two (2) recent full financial years demonstrating the bidder's financial viability;
- c) Details of equity and financing plan indicating the capital structure and source of funds with supporting documents;
- d) Proof of commitment to the required equity contribution, as specified by the EC:
 - i. in the case where the Bidder is a corporation - e.g., **Treasurer's Affidavit** attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or shareholders agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or
 - ii. in the case of a consortium - an **Undertaking** of the members thereof to infuse the required equity contribution to the consortium.
- e) Letter of Credit, Bank Guaranty or Committed Line of Credit, or any proof of firm commitments from a reputable financial institution to provide sufficient credit lines to cover the total estimated cost of the project for prospective generation facilities;
- f) In the case of a consortium, the agreement indicating that the members are jointly and severally liable for the obligations of the Project Proponent under the contract; and
- g) Any other relevant information regarding the financial track record and capabilities of the bidder that it believes would be helpful to the BAC.

14.3 Class "B" Documents

- a) Secretary's Certificate designating the Bidder's authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA), bearing certified sheets containing at least three (3) specimens of full signature and three (3) initials of the designated representative/s (**Annex G**);



- b) A document containing the name, address and contact details, including telephone number/s, fax number/s and email address/es, of Bidder duly signed by the authorized representative/s with the Sworn Undertakings (Annex H and I);
- c) Omnibus Sworn Statement in accordance with Annex D-1 of this ITB;
- d) Acceptance of Bidding Documents (Annex D-2);
- e) Confidentiality Agreement (Annex D-3); and
- f) A certification issued by Bidder or its authorized representative that each of the documents submitted in satisfaction of the Instructions to Bidders is an original or a true and faithful reproduction or copy of the original (Annex D-4).
- g) Affidavit of Disclosure of Relations in accordance with Section 12 and Annex D-5;
- h) Statement that the Bidder is not banned or blacklisted from bidding by the government or any of its agencies and other private corporations or electric cooperatives and LGUs including its non-inclusion in the Consolidated Blacklisting Report issued by the Government of the Philippines (GOP) (Annex D-6)
- i) A letter authorizing the BAC or its duly authorized representative/s to verify all of the documents submitted or submission of Annex D-4 will suffice;
- j) Certification by the Bidder to the effect that it is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Bidding Process (Annex D-6);
- k) Sworn Undertaking that the Bidder, if applicable, as well as their affiliates, assigns and successors-in-interest, shall abide by the decisions of the BAC, shall hold the DU, its Board Members, Officers and Management, and BAC free and harmless from any claim or cause of action arising from the conduct and award of the Project, and shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Article VI (Protest Mechanism) and Article X (Enforcement) of the ERC 2023 CSP Implementing Rules;
- l) Certificate of Good Performance
- m) Any other document, in support of documents already submitted, that may be required by the BAC for clarification purposes during post-qualification.

- 14.4 Bidder must issue a Sworn Certificate of Non-Applicability for all items or documents that are not applicable. This Sworn Certificate must be inserted in lieu of each of the required document during the submission of the Bid.
- 14.5 To be considered eligible and qualified for contract award, a Bidder must comply with the requirements indicated in Section 13. Only the Proposal from Bidders that are complete based on the Eligibility Requirements listed in Section 14, shall be opened. Otherwise, said Proposals shall be returned unopened.
- 14.6 Failure to submit the requirements in Section 13.1 is ground for rejection of the Bid and/or the disqualification of the Bidder.
- 14.7 The submitted Certified True Copies of documents shall be stamped and signed in each and every page by the authorized representative/s.



15. Bid Security

15.1 Each Bidder shall submit, as part of its bid submission, a Bid Security in accordance with the following terms and conditions shall be valid for the duration of the bidding for at least one hundred eighty (180) calendar days from the submission and opening of bids to be issued to Northern Negros Electric Cooperative, Inc. (NONECO):

- a. It is an amount expressed in Philippine Pesos in the form of:
 - i. Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;
 - ii. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank;
 - iii. In case the Bid Security is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the BSP. The Bid Security shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance; or
 - iv. Irrevocable Standby Letter of Credit (SBLC)
- b. The amount must be equivalent to the three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder.

Table 4: Bid Security Computation

Bid Security Computation
<p>For Baseload</p> $\text{Bid Security} = \{[(20,000^{**} \times 365 \times 24) / 12] \times 3\} \times (\text{Bid Price Offer})$ <p>Note: ** = if the bid offer is 20,000kW, it may be change depends on the bid offer of the Bidder.</p>
<p>For Peaking</p> $\text{Bid Security} = \{[(5,000 \times 365 \times 4) / 12] \times 3\} \times (\text{Bid Price Offer})$
<p>For RPS</p> $\text{Bid Security} = \{[(7,000 \times 365 \times 24 \times 0.60) / 12] \times 3\} \times (\text{Bid Price Offer})$

The bid security will be automatically computed in the Financial Proposal template (Annex B-1). The Bidder may use the indicated amount or higher for the posting of the Bid Security.

15.2 Submission of a Bid Security is understood to mean that the Bidder shall enter into a PSA with NONECO and furnish the required Performance Security within ten (10) calendar days from the execution of the contract and commits to pay the corresponding amount as fine in the event it violates any of the conditions stated therein.



15.3 Bid Securities of the losing Bidder(s) shall be returned after the Board's approval of **BAC**'s recommendation to issue award to the Lowest Calculated Responsive Bidder (LCRB), except to those that failed to comply with the Eligibility Requirements in accordance with the preliminary examination in Section 25 and subsequently the Bid was not opened.

15.4 For the winning bidder(s), their bid security shall be returned upon the signing of the PSA and compliance with the performance security requirements in Sections 33 and 34.

A decision to withdraw the bid should not be grounds for forfeiture of the bid security unless the withdrawal is made prior to the opening of the bids.

15.5 Upon signing and execution of the PSA and the posting of the Performance Security, the successful Bidder's Bid Security will be returned.

15.6 A bid submitted either (i) without the required bid security (ii) in an amount less than the required amount, (iii) whose effectivity will expire prior to the bid validity period, or (iv) which is materially defective, shall be rejected outright and returned to the bidder.

15.7 The Bid Security may be forfeited under any of the following conditions:

- (b) A Bidder withdraws its Bid after bid opening and before PSA is signed with the winning bidder.
- (c) A Bidder has a finding against the veracity of the post-qualification requirements
- (d) A Bidder submits Bids that contain false information or falsified documents, or conceals such information in the Bids in order to influence the outcome of eligibility screening or any other stage of the CSP
- (e) A Bidder allows the use of one's name, or used the name of another for the purposes of this CSP
- (f) A **Winning** Bidder withdraws a Bid, or refuses to accept an award, or enter into the PSA with NONECO, after the Bidder had been adjudged as having submitted the LCRB
- (g) A **Winning** Bidder refuses or fails to post the required Performance Security within the prescribed time
- (h) A Bidder refuses to clarify or validate in writing its Bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification
- (i) A Bidder attempts to unduly influence the outcome of the CSP in its favor
- (j) The Winning Bidder fails to sign the PSA **intentionally or through its own fault**.

16. FINANCIAL PROPOSAL

16.1 The Financial Proposal of the Bid shall be accomplished and submitted using the Financial Bid Forms prescribed in Annex B-1.

16.1.1 For the electronic copy of Financial Proposal, Bidders shall only fill in values for cells in green. All other cells are either locked or have automatic computation. Bidders shall provide the Name of the Bidder, Contract Term,



Delivery Date, Power Plant Name, Power Plant Location, and indicate if the power plant’s supply comes from a renewable source.

16.1.2 Bidder must select from the drop-down menu its specific plant type.

Annual allowed outages must not exceed the scheduled and unscheduled outages indicated in the reference table provided for specific plant types. In case the bidder inputs the declared outage before choosing the plant type and exceeds the maximum allowable outage, the cell will turn red and an error prompt will appear.

Table 5: Allowed Scheduled and Unscheduled Outages

Plant Type	Scheduled (Hours)	Unscheduled (Hours)
Coal (Pulverized)	669	403
Coal (Circulating Fluidized Bed)	369	405
Gas (Combined Cycle)	300	184
Gas (Turbine)	156	544
Diesel	120	336
Oil Fired Thermal	739	667
Geothermal	144	328
Hydroelectric	554	163
Biomass	784	168

16.1.3 The template automatically fills in the type of fuel and technology based on the bidder’s selected plant type.

Each type of fuel selected has a corresponding inflation factor to be used for the forecasting of fuel fee from Year 2 to Year 10. These inflation factors will be used for the purpose of bid evaluation.

16.1.4 The Bidder shall prepare Financial Proposals for Lot 1 and/or Lot 2 and/or Lot 3, wherein:

- Lot 1 shall be the offer for baseload requirements of NONECO
- Lot 2 shall be the offer for peaking requirements of NONECO
- Lot 3 shall be the offer for RPS requirements of NONECO

NONECO shall enter a PSA with the Winning Bidder with the following price structure:

Lot 1 at 100% utilization:

$$Electricity\ Fee \left(\frac{Php}{kWh} \right) = CRF + FOM + VOM + Fuel\ Fee$$

Lot 2 at four (4) hours of capacity utilization:

$$Electricity\ Fee \left(\frac{Php}{kWh} \right) = CRF + FOM + VOM + Fuel\ Fee$$



Lot 3:

$$Electricity\ Fee\ \left(\frac{Php}{kWh}\right) = Energy\ Fee + Fuel\ Fee_{(If\ Applicable)}$$

Where:

CRF = Capital Recovery Fee (CRF), Php/kWh

EF = The tariff must be a singular, blended rate inclusive of Capital Recovery Factor (CRF), Fixed Operation & Maintenance (FOM), and Variable Operation & Maintenance

FOM = Fixed Operations and Maintenance, Php/kWh

VOM = Variable Operations and Maintenance, Php/kWh

FUEL FEE = amount of Fuel, including transportation and importation fees, Php/kWh (Average from April 2025 to June 2025)

Fuel Fee shall be a pass-through component of the price.

However, in order for NONECO to validate and pay the Fuel Fee, the Seller's Invoice shall include the following:

1. Summary of Total Fuel Cost: A summary statement showing the total Fuel Fee for the relevant billing period, with a detailed breakdown of all cost components.
2. Relevant fuel supplier's invoice: The invoice/s detailing the actual Fuel Fee incurred to produce the delivered energy to NONECO. If any index or indices are used, the Seller must provide the Buyer with relevant proof to substantiate index.
3. Fuel Inventory Report: The Seller must also attach the monthly fuel inventory report submitted to the DOE.
4. Fuel Supply Agreement: A copy of the applicable Fuel Supply Agreement covering the fuel used during the billing period.

NONECO reserves the right to defer payment of the Fuel Fee for any billing period until the required supporting documents have been fully submitted by the Winning Bidder.

This Electricity Fee computation is applicable to all Lots.

16.1.5 The winning bidder shall enter into a PSA with the buyer with the following price structure:

(The total fees for the month is the summation of the CRF, FOM, VOM and FF, multiplied to the energy delivered by the power plant)

$$Total\ Fees\ for\ the\ Month\ \left(\frac{Php}{kWh}\right) = (CRF + FOM + VOM + Fuel\ Fee) \times Total\ Energy_{Delivered}$$

Where:



- The total fees for the month is equal to the total charges for a billing month in Php/kWh;
- CRF is the applicable price during the billing period which varies depending on the capacity utilization factor;
- FOM is equal to the applicable price of the variable operations and maintenance cost component of the billing month;
- VOM is equal to the applicable price of the variable operations and maintenance cost component of the billing month;
- FF is equal to the applicable price of the fuel cost component of the billing month

16.1.6 The Total Energy delivered will be computed using this formula:

For Lot 1 at 100% utilization:

$$\text{Total Energy delivered for the Month (kWh)} = CC \times H_t$$

Where:

CC is the contracted capacity of the power plant

H_t is the total of hours in the billing month

For Lot 1 during outage allowance or forced majeure:

$$\text{Total Energy delivered for the Month (kWh)} = CC \times (H_t - H_o - H_{fm})$$

Where:

CC is the contracted capacity of the power plant

H_t is the total of hours in the billing month

H_o is the hours of outage in a billing month

H_{FM} is the total hours of outage due to force majeure in a billing month

For Lot 2 at four (4) hours of capacity utilization:

$$\text{Total Energy delivered for the Month (kWh)} = CC \times (4 \text{ hours} \times D_m)$$

Where:

CC is the contracted capacity of the power plant

D_m is the total of days in the billing month

For Lot 3, the energy to be delivered for that month will be based on Annex F of the ITB. For example, to achieve the required energy for the month, the Supplier must offer a 7MW capacity at 60% Load Factor. If the Supplier has a power plant with a lower utilization factor, the Supplier may offer a higher capacity to compensate or deliver the required energy per month.

16.1.7 The Bidder shall fulfill the Financial Proposal and shall detail the following wherein:



16.1.7.1 Capital Recovery Fee (CRF) in Php/kWh

- CRF shall not be indexed or escalated for the entire duration of the contract;
- For Lot 1, the CRF is equal to the bid price of capital recovery cost of the 100% CUF in the billing month;

$$CRF_{Month} = CRF_{Month} @ 100\% CUF_{Month}$$

The Capacity Utilization Factor (CUF) for each month is calculated as the ratio of the power plant's actual energy dispatched during that month to its maximum possible energy production at 100% utilization for the same period.

- For Lot 2, the CRF is equal to the bid price of capital recovery cost with four (4) hours utilization per day in the billing month.
- For Lot 3, the computation of the Energy Fee will be based on the energy to be delivered based on the Annex F of the ITB.

16.1.7.2 The base prices of the FOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the table.

Table 6: Reference Market Price and FOREX

Index	Base Value	Source
PH CPI	127.4	Consumer Price Index (2018 = 100), All Income Households, All Items for June 2025 https://www.bsp.gov.ph/SitePages/Statistics/Pricing.aspx?TabId=1
US CPI	322.561	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, June 2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025 https://www.bsp.gov.ph/statistics/external/day99_data.aspx

The applicable price for the FOM for the billing month shall be calculated as follows:

$$\begin{aligned}
 FOM_{Month} = & \left[K_L^{FOM} \times FOM_L^{CUF} \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] + \left[(1 - K_L^{FOM}) \times FOM_L^{CUF} \right] \\
 & + \left\{ \left[K_F^{FOM} \times FOM_F^{CUF} \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + \left[(1 - K_F^{FOM}) \times FOM_F^{CUF} \right] \right\} \times FOREX_{N-1}
 \end{aligned}$$



Where:

- K_L^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local fixed O&M;
- K_F^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign fixed O&M;
- FOM_L^{CUF} is the value of the local fixed O&M cost component at a given CUF;
- FOM_F^{CUF} is the value of the foreign fixed O&M cost component at a given CUF;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month **June 2025**, equal to **127.4**, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month;
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month **June 2025**, equal to **322.561**, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month;
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

16.1.7.3 The base prices of the VOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the **Table 6: Reference Market Price and FOREX.**

$$\begin{aligned}
 VOM_{Month} = & \left[K_L^{VOM} \times VOM_L \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] + [(1 - K_L^{VOM}) \times VOM_L] \\
 & + \left\{ \left[K_F^{VOM} \times VOM_F \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + [(1 - K_F^{VOM}) \times VOM_F] \right\} \times FOREX_{N-1}
 \end{aligned}$$

Where:

- K_L^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local variable O&M;
- K_F^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign variable O&M;



- VOM_L is the value of the local variable O&M cost component;
- VOM_F is the value of the foreign variable O&M cost component;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month **June 2025**, equal to **127.4**, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month (N-1);
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month **June 2025**, equal to **322.561**, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month (N-1);
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

16.1.7.4 For evaluation purposes, the Fuel Fee in Php/kWh shall be based on the Bidder's average fuel cost (inclusive of transportation and importation costs) from April 2025 to June 2025.

To establish the Fuel Fee for evaluation purposes, the Bidder shall submit either of the following:

1. Actual Fuel Cost Data – A breakdown of the actual fuel costs, including transportation and importation fees, in Php/kWh for the period April 2025 to June 2025, supported by official invoices; or
2. Billing Statements – Copies of billing statements issued by the Bidder to at least two (2) regulated off-takers (i.e., excluding contestable market customers and retail electricity suppliers) for the period April 2025 to June 2025, showing the fuel cost charged in Php/kWh. The billing statements must show identical fuel cost, in Php/kWh, charged to each off-taker for the same month (e.g., the cost for April 2025 must be the same for Off-taker A and Off-taker B)

For the PSA implementation, the Fuel Fee (FF) will be based on the formula:

$$FF_{Month} = \text{Actual Fuel Pass Through Cost}$$

Bidder shall also specify all other applicable charges incorporated in its payment offers such as, but not limited to, connection facilities, wheeling charges, metering, communication equipment, and government taxes or levies.

Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period.



Below are the pre-determined inflation factors to be used in the Financial Proposal template for the purpose of financial proposal and evaluation:

Table 8: Pre-Determined Inflation Factors

Index	Inflation Rate	Source
Local Components	4.50%	Consumer Price Index (2018 = 100), All Income Households, All Items for July2021-June2025 https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1
Foreign Components	4.91%	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, July2021-June2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025, (nearest 12-month average, July2024-June2025, equal to 57.4223) https://www.bsp.gov.ph/statistics/external/day99_data.aspx

16.2 For Lot 3, the Bidder's proposed tariff must adhere to the following specifications:

- a. Single-Tariff Structure: The tariff must be a singular, blended rate inclusive of Capital Recovery Factor (CRF), Fixed Operation & Maintenance (FOM), and Variable Operation & Maintenance.

The tariff shall be fixed (i.e., not subject to escalation or any indices) for the whole duration of the contract.

Any fuel fee charges will be treated as a pass-through cost, subject to a post-billing verification process. This process will require the submission of additional documentation for validation.

For financial evaluation purposes, the Bidder is required to declare the generation mix for its nominated portfolio of plants. If the portfolio includes a Non-Renewable Energy (Non-RE) plant, the Bidder must submit the average fuel cost for the period of April 2025 to June 2025. This cost must be inclusive of all transportation and importation expenses.

- b. Generation Resource Nomination: The Bidder is required to nominate a specific power plant or a portfolio of plants as the source of supply.
- c. Renewable Energy Certificates (RECs): The Winning Bidder shall provide Renewable Energy Certificates (RECs) equivalent to the energy delivered to NONECO for Lot 3. The cost of RECs must be embedded within the single tariff and shall not incur any additional charges.
- d. Value-Added Tax (VAT) and Generation Mix: In the event of a VAT applicability, the Bidder must declare the generation mix, specifically detailing the portion attributed to non-renewable sources within the nominated plant portfolio.



- 16.3 All values shall be encoded in the Financial Proposal as found in Annex B-1 shall be rounded off to four (4) decimal places. In the event that Bidder provided until the hundredths value only, NONECO shall assume that the thousandths and ten thousandths values are zero (0).
- 16.4 Bidders may provide discounts and shall be declared in Php/kWh. Bidder shall also state the conditions in order to avail the discount. However, this shall not be considered in the initial evaluation of the bid.
- 16.5 The base prices for CRF, FOM, VOM and FF values declared by the Bidders in the Annex "B-1" shall be firm and binding and translated into the Power Supply Agreement with the Winning Bidder.
- 16.6 The Winning Bidder shall not re-negotiate the computation of the electricity fees.
- 16.7 Bidders may offer additional services to provide voltage regulation and improve power quality within the distribution lines, which shall be included in the final draft of the PSA, but not be limited to direct technical assistance and may include equally important services such as CSR activities for the improvement of Member-Consumer Owner's welfare.
- 16.8 Bidders must provide a Line Rental cap in (Php/kWh), which will be used during evaluation based on the NONECO Market Trading Node (06CADIZL_T1L1, 06CADIZL_T1L2, and 06CADIZL_T1L3). NONECO shall pay the line rental cap or the actual, whichever is lower. The Line rental cap shall not be considered for the Financial Evaluation.

If the actual line rental cost exceeds the bidder's proposed line rental cap, the excess amount will be subject to financial evaluation and settlement. The bidder will then be responsible for reimbursing NONECO for the difference.

17. Technical Proposal

- 17.1 The Technical Proposal shall detail the capacity of the Bidder to carry out the 20MW Baseload and/or 5MW Peaking and/or 7MW RPS Guaranteed Delivered Capacity of NONECO's requirement.
- 17.2 Bidder shall be required to submit the following documents:
- a) WESM Registration – Certified True Copy
 - b) Certificate of Compliance (COC) issued by the ERC- In lieu of COC, Bidders shall submit a certification issued by the ERC indicating the status of the Bidder's application.
 - c) Certificate of Endorsement from the DOE
 - d) Copy of Fuel/Coal/Steam Sale Agreement
 - e) Copy of Agreement for the Supply and Delivery of Goods/Fuel
 - f) Certificate/Document stating the Consumption Rate of Fuel Used
 - g) Company Profile Highlights and CV of Key Officers in Power Plant Operation
 - h) Latest Generation Company Information Sheet (GCIS) submitted to the ERC



- i) Latest Generation Company Management Report (GCMR) submitted to the ERC
- j) Planned Preventive Maintenance Schedule for 2026 to 2030
- k) Risk Mitigation Plan or Resiliency Compliance Plan for 2026 to 2034 as mandated under RA 10121.

In case of letter (d), and (e) are bound in Confidentiality Agreement, a Fuel Procurement plan is acceptable as long as it indicates some of the details:

- 1. Letter of Intent (LOI) from a Reputable Fuel Supplier,
- 2. Proof of Fuel Sourcing Capability;
- 3. Negotiation Letters with Potential Suppliers; and
- 4. Membership in Industry Associations related to fuel procurement.
- 5. And/or any relevant information that the Bidder has ensured its fuel procurement for the whole duration of the contract with NONECO.

However, in case of the bidder with Lowest Calculated Bid, submission of the Fuel/Coal/Steam Sale Agreement, and Agreement for the Supply and Delivery of Goods/Fuel is required during the Post Qualification and Detailed Evaluation process.

17.3 Bidders shall also provide the information required as found in Annex B-2.

- a) Generation Portfolio - Bidders shall provide the details of the power plants that it owns which are interconnected in the Luzon, Visayas and Mindanao grids.
- b) Customer Portfolio – Bidders shall provide contracted capacity details for the customers of their nominated power plant.

In lieu of this, the Bidder shall provide a Certification of their uncontracted capacity, provided that they will submit the detailed customer’s portfolio should they become the Winning Bidder.

17.3.1 Bidder must have a power plant connected to the Philippine Grids. The bidder shall submit a single line diagram showing the interconnection of its declared power plant to the grid.

17.3.2 For the purpose of Technical Proposal evaluation, the Bidder must submit the following documents to be included in the Section 17.2.

For Lot 1:

- 1. A sworn certification stating that the nominated Power Plant has the following:
 - a. Plant Power Factor (PPF) have at least 80%; and
 - b. Enough capacity for the contracting.

For Lot 2:

- 1. A sworn certification stating that nominated Power Plant has the following:
 - a. Plant Power Factor (PPF) have at least 20% to 30%;
 - b. With a Ramping rate of 5 MW/min (attach COC/PAO as proof);
 - c. Can start-up of at least 3x a day;



- d. Has a synchronization capability to the Grid of 30-90mins; and
- e. Plant Availability Factor of 95% (attach 2024 GCMR as proof).

For Lot 3:

- 1. Renewable Energy Service and/or Operating Contracts, as applicable;
- 2. Certificate of Registration with attached Terms and Conditions issued by the DTI – Board of Investments (BOI), if applicable; and
- 3. Certificate of Confirmation of Commerciality issued by the DOE or COC/PAO showing that RE plant has been in commercial operations after RA 9513 (RE Act).

During post-qualification, NONECO BAC may require a capability test of the bidder's plant to verify compliance with the foregoing.

18 Alternative Bids

18.1 Bidders shall submit offers that comply with the requirements of the Bidding Documents. Alternative Bids shall not be accepted. For this purpose, an Alternative Bid is an offer made by a Bidder in addition or as a substitute to its original Bid which may be included as part of its original Bid or submitted separately therewith for purposes of bidding.

19 Bid Validity

19.1 The winning Bidders' bid, as submitted, shall be valid for the whole duration of the contract. Under no circumstances shall the proposed offered rate in the financial proposal be changed once the winning bidder is determined.

19.2 A Bid must be valid for a period of not less than one hundred eighty (180) calendar days from the deadline for submission and opening of bids (Bid Validity Period). Any Bid with a shorter Bid Validity Period shall be immediately rejected.

20 Format and Signing of Bids

20.1 The Bidder shall provide three (3) copies of the Bid, one (1) original, one (1) photocopy, and one (1) Flash drive containing scanned copies of each document as found in envelope A. The Bid shall be printed or written in black indelible ink. In the event of any discrepancy between the original and the copies, the original shall prevail.

20.2 All pages of each document submitted and all pages and all portions of the pages where corrections and/or amendments have been made, shall be signed by the Bidder's authorized representative. Failure to do so shall be a ground for the rejection of the Bid.



- 20.3 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative of the Bidder.
- 20.4 The Financial Proposal shall be presented in the official Bid Form both in hard and soft/electronic copy. The soft/electronic copy shall be submitted in a USB Flash drive placed in a sealed envelope marked “Financial Proposal (Electronic Copy)”. The format of the name of the excel file shall be “Name of Bidder Bid for 20MW Baseload and/or 5MW Peaking and/or 7MW RPS”, (ex. ABC Generator_Bid for 20MW). The excel file shall be password-protected to avoid inadvertent modification of the Bid. In case of discrepancy between the hard and soft copy, the original hard copy shall prevail.
- 20.5 The Bidder shall be responsible for keeping the password until requested during the Bid Opening. The BAC shall not be accountable for the electronic file that may be corrupted during bid opening.

21 Sealing and Marking of Bids

- 21.1 The Bids shall be submitted in one (1) sealed main Bid envelope (or box) bearing the signature of the authorized representative/s to secure the seal and labelled as follows:

Name of Bidder Address of Bidder The BIDS AND AWARDS COMMITTEE (BAC) Northern Negros Electric Cooperative, Inc. (NONECO)
“COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 20MW BASELOAD AND/OR 5MW PEAKING AND/OR 7MW RPS OF NONECO TO SUPPLY POWER FOR 2026-2035”
NONECO Main Office, Brgy. Tortosa, Manapla, Negros Occidental WARNING: DO NOT OPEN BEFORE 10:00AM OF AUGUST 28, 2025

- 21.2 The Main Bid envelope shall contain three (3) non-transparent sealed envelopes bearing the name and address of the Bidder, signed by the authorized representative to secure the seal and marked as follows:

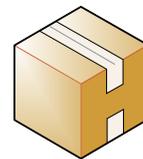
- Envelope A: Original
- Envelope B: Copy 1 and;
- Envelope C: Flash drive containing scanned copies of each document as found in envelope A.



Envelope A: Original



Envelope B: Copy 1

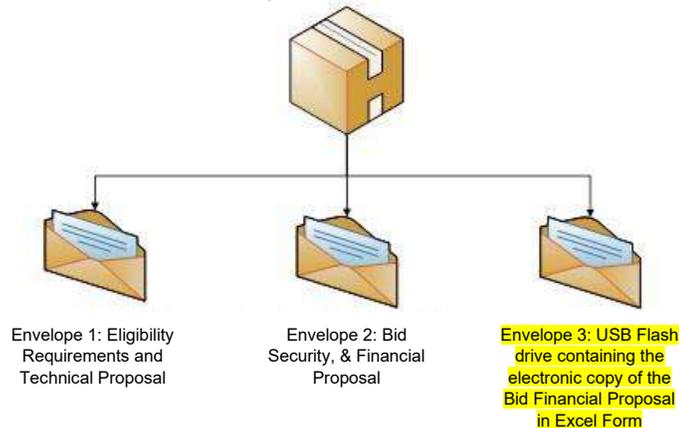


Envelope C: Flash Drive



Which, shall contain three (3) separate non-transparent sealed envelopes bearing the name and address of the bidder, signed by the authorized representative to secure the seal and labelled as follows:

- Envelope 1: Eligibility Requirements and Technical Proposal
- Envelope 2: Bid Security and Financial Proposal
- Envelope 3: USB Flash drive containing the electronic copy of the Bid Financial Proposal in Excel Form



The specific contents of ENVELOPE 1 are listed in Sections 14 and 15 and summarized in the Checklist of Eligibility and Bid Requirements (Annex C). The Bidder shall strictly adhere to the requirements listed to avoid disqualification.

ENVELOPE 1 shall contain seven (7) items:

- a) Seven (7) folders containing the Eligibility Requirements as listed in Section 14 and in Checklist of Eligibility and Bid Requirements to be labelled as follows:

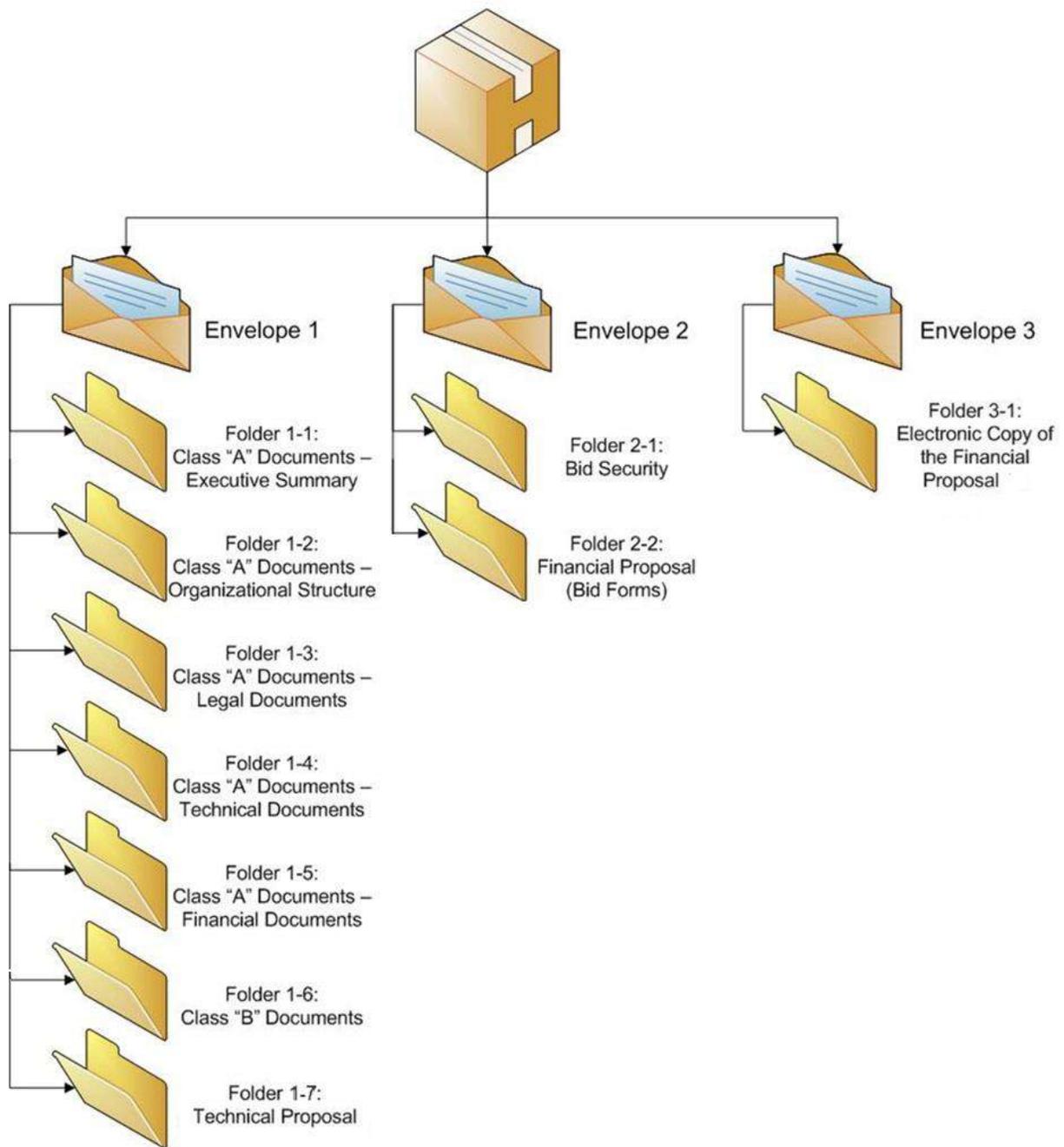
- Folder 1-1: Class “A” Documents – Executive Summary
- Folder 1-2: Class “A” Documents – Organizational Structure
- Folder 1-3: Class “A” Documents – Legal Documents
- Folder 1-4: Class “A” Documents – Technical Documents
- Folder 1-5: Class “A” Documents – Financial Documents
- Folder 1-6: Class “B” Documents
- Folder 1-7: Technical Proposal

ENVELOPE 2 shall contain two (2) items: two (2) folders containing the Bid Security and hard copies of the Financial Proposal (Bid Form);

- Folder 2-1: Bid Security
- Folder 2-2: Financial Proposal (Bid Forms)

ENVELOPE 3 shall contain the electronic copy of the Financial Proposal in USB flash drive to be labelled as follows:

- Envelope 3-1: Electronic Copy of the Financial Proposal



- 21.3 The Bidder shall properly accomplish and completely fill up all forms and documents submitted with the Bid. All documents shall be properly organized and sequenced in the same order they appear in Sections 13.1 and 14 and the Checklist of Eligibility and Bid Requirements (Annex C). The first page of individual documents shall be properly labelled with a document tab or separator for easy distinction of individual documents.
- 21.4 The Bidder shall strictly adhere to the foregoing requirements to avoid disqualification. If all envelopes are not sealed, securely signed and marked as required, the BAC will not assume responsibility for the misplacement or premature opening of the Bid and shall be rejected outright.



E. SUBMISSION AND OPENING OF BIDS

22 Deadline for Submission of Bids

22.1 Bids must be received by NONECO BAC on or before 09:00 AM (Philippine Standard Time) of **August 28, 2025**, at Nature's Village Resort, Talisay Highway, Talisay City, Negros Occidental, Philippines. The Bid is considered received by the BAC the moment it is dropped into the Bid submission drop **area per Lot**. Any Bid submitted thereafter shall be declared "Late" and shall not be accepted by NONECO BAC.

22.2 The BAC and the Bidders shall synchronize their time pieces with the Philippine Standard Time (as provided for in RA 10535 or the Philippine Standard Time Act of 2013. **Please refer to <https://oras.pagasa.dost.gov.ph/widget.shtml>**) of the exact time schedule of Bid Submission and Opening. The Philippine Standard Time shall be displayed prominently on the venue hall for Bid Submission on the Bid Submission date.

22.3 In case of fortuitous events such as typhoon, earthquake, flood, epidemic/pandemic, fire, landslides and other similar calamities, the BAC shall have the right to postpone the submission and opening of bids and inform all prospective bidders through issuance of Bid bulletin.

23 Modification and Withdrawal of Bids

23.1 The Bidder may modify its Bid after it has been submitted, provided that the modification is received by NONECO BAC prior to 9:00 AM deadline of submission of bids. The Bidder shall not be allowed to retrieve its original Bid but shall be allowed to submit another Bid equally sealed and properly identified, marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by NONECO BAC. Bid modifications received after 9:00 AM of deadline of submission of bids shall not be considered and shall be returned to the concerned Bidders unopened.

23.2 A Bidder may, through a Letter of Withdrawal, withdraw its Bid after it has been submitted for valid and justifiable reasons, provided that the Letter of Withdrawal is received by NONECO BAC prior to 9:00 AM of deadline of submission of bids. The Letter of Withdrawal must be executed by the authorized representative of the Bidder identified in the Omnibus Sworn Statement, a copy of which should be attached to the letter.

23.3 A Bidder who has acquired the Bidding Documents may also express its intention not to participate in the CSP through a letter which should reach and be stamped by NONECO BAC before 9:00 AM of deadline of submission of bids. A Bidder that withdraws its Bid shall not be permitted to submit another Bid, directly or indirectly, for the same CSP.

23.4 No Bid may be modified after 9:00 AM of deadline of submission of bids. No Bid may be withdrawn in the interval between 9:00 AM of deadline of submission of bids and the expiration of the period of Bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a Bid during this interval shall result in the forfeiture of the Bidder's Bid Security.



24 Opening of Bids

- 24.1 NONECO BAC shall open the Bids in public at 10:00 AM of August 28, 2025 for Lot 1, and August 29, 2025 for Lot 2 and 3, at the Nature’s Village Resort, Talisay Highway, Talisay City, Negros Occidental, Philippines. In case the Bids cannot be opened as scheduled due to justifiable reasons, NONECO BAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted at the websites of NONECO, NEA, and DOE.
- 24.2 Bidder’s duly authorized representative/s maybe be present at the time, date and place when the Bid Proposals will be opened. Otherwise, Bidder shall be considered to have waived its right to witness said opening. Representatives of the Bidders who are present shall sign a register evidencing their attendance.
- 24.3 Letters of Withdrawal shall be read out and recorded during Bid opening, and the envelope containing the corresponding withdrawn Bid shall be returned to the Bidder unopened. If the withdrawing Bidder’s representative is in attendance the original Bid and all copies thereof shall be returned to the representative during the Bid opening. If the representative is not in attendance, the Bid shall be returned unopened by registered mail. Bidders who withdraw their bids shall not be allowed to attend the bid opening proper.

F. PRELIMINARY EXAMINATION OF BIDS

25 Examination of Eligibility Requirements and Technical Proposal

- 25.1 The BAC shall open ENVELOPE 1 (Eligibility Requirements and Technical Proposal) first, to determine the compliance with Technical requirements and eligibility of the Bidder. The documents in ENVELOPE 1 submitted by each Bidder shall be examined and checked using a non-discretionary “pass/fail” criterion. The bidder shall pass first the eligibility requirements (legal, financial, technical) and then the Technical Proposal. If a required document is present, the Bid shall be rated “PASSED” for that particular requirement. If all the documents listed in Section 14 and Annex C hereof are rated “PASSED”, the Bid shall be rated “PASSED”. Otherwise, it shall be rated “FAILED”.
- 25.2 ENVELOPE 2 and 3 of Bidders who failed the Eligibility and Technical Proposal check shall no longer be opened and shall be returned to the Bidder.
- 25.3 The BAC shall open ENVELOPE 2 and 3 of each Bidder that was rated “PASSED” for eligibility.

26 Evaluation of Financial Proposal

- 26.1 The Financial Proposal (Bid Form) shall be examined for compliance to the Bid requirement:
 - (a) Financial Bid is presented in the official Bid Form (hardcopy)
 - (b) Presence of electronic copy of Financial Bid (in MS Excel format)



- 26.2 Before the evaluation of bid price, the Bid shall be examined for compliance with the following requirements:
1. Guaranteed Delivered Capacity for the assigned power plant location;
 2. Adjustments applied did not exceed the maximum allowable limit.
- 26.3 The BAC and TWG shall open the electronic copy of the Financial Bid Form to ascertain compliance to the minimum Guaranteed Delivered Capacity.
- 26.4 The TWG shall encode the values provided by the Bidder to ensure that the figures before and after the computation are reconciled.
- 26.5 If a Bid does not comply with the Bid Form requirements and the minimum Guaranteed Delivered Capacity, its Bid Price shall not be calculated anymore, and the Bid Offer shall be deemed disqualified.
- 26.6 A bid submitted either (i) without the required bid security (ii) in an amount less than the required amount, (iii) whose effectivity will expire prior to the bid validity period, or (iv) which is materially defective, shall be rejected outright and returned to the bidder.
- 26.7 In-case of tied bids, “Additional Services” (e.g. PPD, other discounts, CSR, technical supports, or institutional supports) will be considered in the determination of the winning bidder.

G. EVALUATION OF BID PRICE

27 Evaluation Methodology

- 27.1 The Financial Proposal of Bidders shall be evaluated separately and independently by calculating Effective Price (Php/kWh) which shall include the a.) Long-Term Levelized Price over a 10-year period for Lot 1, 2 and 3, considering the applicable inflation of indexable components, b.) Discounts.

27.2 Base Price

The Base Price shall have the following components:

- a. Capital Recovery Fee (CRF).
- b. Fixed Operation & Maintenance (FOM)
 - FOM_F = Foreign FOM
 - FOM_L = Local FOM
- c. Variable Operation & Maintenance (VOM)
 - VOM_F = Foreign VOM
 - VOM_L = Local VOM
- d. Fuel Fee (FF)

27.3 Indexation Rate

For purposes of evaluating the bid, the indices and inflation as provided in table, shall be used to inflate the base price offer by the bidder.



Table 9: Pre-Determined Inflation Factors

Index	Inflation Rate	Source
Local Components	4.50%	Consumer Price Index (2018 = 100), All Income Households, All Items for July2021-June2025 https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1
Foreign Components	4.91%	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, July2021-June2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for June 2025, (nearest 12-month average, July2024-June2025, equal to 57.4223) https://www.bsp.gov.ph/statistics/external/day99_data.aspx

The fuel cost of the energy fee component shall be indexed according to Fuel Inflation Factors shown in Table (i.e., the average fuel price from July to December 2023 will be multiplied by the inflation factor for the given year). No reference fuel prices shall be used for power supply from renewable energy sources. For the purpose of this Power Supply procurement, geothermal steam will not be considered an “indexable” fuel.

Table 10: Fuel Inflation Factors¹

YEAR	TYPE OF FUEL		
	COAL	OIL	NATGAS
2026	95.95%	100.61%	97.75%
2027	92.23%	101.25%	94.99%
2028	88.52%	101.89%	92.24%
2029	84.80%	102.53%	89.48%
2030	81.09%	103.16%	86.72%
2031	77.37%	103.80%	83.96%
2032	73.67%	104.42%	81.29%
2033	69.97%	105.04%	78.63%
2034	66.26%	105.66%	75.96%
2035	62.56%	106.28%	73.29%

27.4 Applicable Taxes

The applicable taxes in table applicable taxes, shall be applied to the bid price and WESM Price depending on the type of energy resource (i.e., whether renewable energy or non-renewable energy).

Table 11: Applicable Taxes

Energy Resource	VAT
Renewable Energy	0.00%
Non-Renewable	12.00%
WESM ²	8.4%

¹ Inflation factors are based on World Bank Commodities Price Forecast (Nominal US Dollars) released October 21, 2021.

² Quantities traded in WESM is assumed to be 70% non-renewable energy



The fixed cost of the CRF shall not be inflated but subject for taxation.

The following formula shall be used to calculate the price after tax of each tax component of the bid price or base price for the next 10 years.

$$GenCoPriceAfterTax_{Year} = GenCoPrice_{Year} \times (1 + VAT)$$

$$WESMPriceAfterTax_{Year} = WESMPrice_{Year} \times (1 + VAT)$$

27.5 The generation cost shall be calculated as follows:

$$AnnualGenCost_{Year}^{Total} = AnnualGenCost_{Year}^{Local} + AnnualGenCost_{Year}^{WESM}$$

$$AnnualGenCost_{Year}^{Local} = GenCoPriceAfterTax_{Year}^{Local} \times Energy_{Year}^{GenCo}$$

$$AnnualGenCost_{Year}^{WESM} = WESMPriceAfterTax_{Year} \times Energy_{Year}^{WESM}$$

$$Energy_{Year}^{GenCo} = Energy_{Year}^{Total} \times \left(1 - \frac{TotalAllowedOutageHours}{8760}\right)$$

$$Energy_{Year}^{WESM} = Energy_{Year}^{Total} \times \left(\frac{TotalAllowedOutageHours}{8760}\right)$$

Where,

$AnnualGenCost_{Year}^{Total}$ – Total Annual Generation Cost for a given year

$AnnualGenCost_{Year}^{Local}$ – Local component of Annual Generation Cost for a given year

$AnnualGenCost_{Year}^{WESM}$ – WESM component of Annual Generation Cost for a given year

$Energy_{Year}^{Total}$ – Total Annual Energy to be used for calculating the annual generation costs

$Energy_{Year}^{GenCo}$ – Annual Energy to be used for calculating the annual generation costs attributable to the Genco

$Energy_{Year}^{WESM}$ – Annual Energy to be used for calculating the annual generation costs to take into account the Allowed Outage proposed by the Genco

$TotalAllowedOutageHours$ – The Guaranteed maximum outage hours per year of the power plant as proposed by the Genco. This is the sum of the Scheduled and Unscheduled Outage Hours

27.6 Present Value of Generation Cost

The present worth of the generation cost is equal to generation cost for the year divided by one plus discount rate, raised to power of present year minus base year.

$$Present\ Value,\ Generation\ Cost\ (PhP)_{Year} = \frac{Generation\ Cost\ (PhP)_{Year}}{(1 + Discount\ Rate, \%)^{(Current\ Year - Base\ Year)}}$$

The discount rate will be 4.50%.



27.7 Levelized Price

Levelized price is equal to the summation of the present worth of the generation cost divided by the present worth of the annual energy for the whole duration of the contract.

$$\text{Levelized Cost of Energy (LCOE)} = \frac{\text{Present Value, Generation Cost (PhP)}}{\text{Present Value, Annual Energy (kWh)}}$$

$$\text{Present Value, Annual Energy (kWh)}_{\text{year}} = \frac{\text{Annual Energy (kWh)}_{\text{Year}}}{(1 + \text{Discount Rate, \%})^{(\text{Current Year} - \text{Base Year})}}$$

Where,

Levelized Cost of Energy (LCOE) – Calculated Levelized Price or the (equivalent uniform value) of the price offer for the 10-year period (2026-2035) discounted to present value (2025)

Present Value, Generation Cost (PhP) – Present Worth (at Year 2025) of the local component and WESM Component of total Annual Generation Cost covering 2026 to 2035

Present Value, Annual Energy (kWh)– Present Worth (at Year 2025) of the sum of the Energy per year covering 2026 to 2035

27.8 Marginal Bid Offer for Lot 1

If the resulting stack of Offered Capacities goes beyond the required Contracted Capacity, the Bidder that fills up the last stack (the “Marginal Bid Offer”) shall have its Offered Capacity reduced accordingly up to the extent of the required Contracted Capacity at its proposed tariff.

A Bidder with the Marginal Bid Offer which refuses to accept the reduction of its Offered Capacity up to the extent of the required Contracted Capacity at its proposed tariff shall have a portion of its Bid Security forfeited in favor of NONECO. The forfeited portion of the Bidder’s Bid Security shall be equivalent to the percentage difference between the Bidder’s Marginal Bid Offer and the required Contracted Capacity that needs to be filled (which the Bidder refused) relative to the Bidder’s Offered Capacity. For example, if the Bidder’s Marginal Bid Offer is 20MW but only 5MW is needed to fill the required Contracted Capacity, and the Bidder refuses to reduce its Offered Capacity to 5MW at the proposed tariff, then: (i) the Bidder’s entire Bid Security shall be drawn; (ii) NONECO shall retain 25% percent equivalent of its value; and (iii) return the remaining balance to the Bidder. In this example, if the Bidder refused to accept a reduction of 25% of its Offered Contract Capacity, then 25% of its Bid Security would be forfeited

In the event a Bidder with the LCB fails in the post-qualification, the Bidder with the next LCB shall be subjected to post-qualification, subject to any reduction of its Offered Contract Capacity, if necessary, should it be the Marginal Bid Offer. This process shall be repeated until the Bidder with the LCRB is determined.



27.9 Total Annual Energy

For purposes of evaluating the Proposals, the total annual energy for each year to be used in calculating the Total Annual Generation Cost is shown in Table.

Table 12: Total Annual Energy

	Lot 1	Lot 2	Lot 3
Regular Year	175,200,000.00 kWh ³	7,300,000.00 kWh ⁴	36,792,000.00 kWh ⁵
Leap Year	175,680,000.00 kWh ⁶	7,320,000.00 kWh ⁷	36,792,000.00 kWh ⁸

27.10 WESM Price

For evaluation of Proposals with Allowed Outages, the Genco Price will be substituted with a WESM Price that shall be applied to the total energy that will not be delivered by the Genco due to the outages. The inflated WESM Price in a given Year (2026 to 2035) shall be calculated as follows:

$$WESM Price_{Year} = WESM Price_{2024} \times (1 + ir)^{Current Year - Base Year}$$

Where,

$$WESM Price_{Year} - \text{Inflated WESM Price for a given Year (2026 to 2035)}$$

$$WESM Price_{July 2024 - June 2025} = \text{PHP 8.1778/kWh (Average WESM Price during GENCO's outages)}$$

The same file that was forwarded to the Bidders shall be used for the computation of the Bid Proposal.

Bidders shall submit their Financial Proposals both in hard and soft copies. There shall be no deviation in the data in the soft and hard copies. Should there be a deviation from the price offered found on the soft copy of the Financial Proposal compared to the hard copy, the amount as found in the hard copy shall prevail and be encoded in the file.

³ Annual Energy computed Lot 1 20 MW for 8760 hours based on the 100% load factor of the baseload requirement of NONECO,

⁴ Annual Energy computed Lot 2 5 MW for 4 hours per day in 365 days of the peaking requirement of NONECO,

⁵ Annual Energy computed Lot 3 7 MW for 8760 hours based on the 60% load factor of the RPS requirement of NONECO,

⁶ Annual Energy computed Lot 1 20 MW for 8784 hours based on the 100% load factor of the baseload requirements of NONECO,

⁷ Annual Energy computed Lot 2 5 MW for 4 hours per day in 366 days of the peaking requirement of NONECO,

⁸ Annual Energy computed Lot 3 7 MW for 8784 hours based on the 60% load factor of the RPS requirement of NONECO,



27.11 Discounts

For purposes of evaluation, the equivalent rate in PHP/kWh that can be created by the discounts (i.e. Prompt Payment Discount) shall be deducted from the Levelized Price of the Genco according to:

$$Discount = \sum_{Discounts} [Equivalent Discount Rate]$$

Discounts – Price adjustment due to all discounts to be deducted from the Levelized Price

Equiv Discount Rate = Equivalent rate in PHP/kWh of a discount

27.12 Effective Long- Term Levelized Price

The Effective Long-Term Levelized Price (ELTLP) which shall be used for Comparison of Proposals to select the Bidder with the Lowest Calculated Effective Long-Term Levelized Price shall be the Levelized Price after the adjustment by the equivalent price in PHP/kWh of any Discounts offered by the Bidder. Thus, the Effective Long-Term Levelized Price shall be computed as follows:

$$ELTLP = Levelized Cost of Energy - Discounts$$

Where, *ELTLP* – the Effective Long-Term Levelized Price of the Bidder

H. COMPARISON AND SELECTION OF LOWEST CALCULATED BID

28 Lowest Calculated Bid

28.1 The Bid with the lowest calculated Long-Term Levelized Price will be deemed the Lowest Calculated Bid (LCB) and shall be subjected to the next stage of evaluation, which is Post Qualification and Detailed Evaluation of Technical Proposal.

28.2 The contracts shall be awarded to the bidders with the Lowest Calculated Responsive Bid (LCRB) until the total aggregated demand is satisfied.

29 Tied Bids

29.1. In case of tied Bids, that is, if multiple Bidders have the same calculated Long-Term Levelized Price, the Bids shall be evaluated using the effective rate if the discount as provided by the Bidder is applied. And, in case there is still, a tie after the evaluation of the financial proposals of eligible Bidders, each of the bidders will be given a period of five (5) calendar days to submit a better offer. The new financial proposal shall undergo the same process of evaluation detailed in Section 26 and 27.



30 Evaluation of Technical Proposal

30.1 The Technical Proposal shall be evaluated based on the requirements detailed in Section 17. The Bidder shall exhibit technical feasibility and credibility that their power plant(s) has the ability to supply the Guaranteed Delivered Capacity on the Effective Date

31 Post Qualification

31.1 NONECO BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid complies with and is responsive to all the requirements and conditions specified in Annex C.

31.2 For the Eligibility Requirements, the Bidder shall show proof of technical capacity to supply the 20MW Baseload and/or 5MW Peaking and/or 7MW RPS requirement of NONECO from 2026-2035.

(a) Track record as generating company. List of similar projects owned, developed, constructed, and operated by the Bidder in the last five (5) years [2 years for RE], indicating and describing the project type, key project features and location. Provide convincing evidence of the Bidder's good track record and performance in the power generation business (Certificate of Good Performance from its existing and Previous Major Customers);

(b) Fuel supply arrangement. Convincing evidence that Bidder has been arranging with prospective fuel supplier for long-term fuel supply for the project, if applicable. Bidder shall have received sufficient assurances that a reliable supply of fuel will be available under competitive price and supply terms as evidenced by letters from prospective fuel suppliers.

(c) Fully complied the requirements as needed in Section 17.2

31.3 The Bidder shall show proof of financial capacity to supply the 20MW Baseload and/or 5MW Peaking and/or 7MW RPS requirement of NONECO from 2026-2035, **if awarded the PSA**, through the following:

(a) Company profile and history, including:

i. Brief narrative highlighting the key financial performance and history, for the last five (5) years or as many as exist if less than five (5), together with supporting documents, business license number, and tax identification number among others,

(b) Statement of the Bidder's Unrestricted Net Worth which must be supported by the two (2) latest Audited Financial Statements (Balance Sheet, Income Statement, and Statement of Cash Flows) stamped "received" by the BIR, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.

31.4 For documents submitted by the bidder that have been redacted due to data privacy regulations, the Lowest Calculated Bidder (LCB) must ensure the complete, unredacted versions are available for post-qualification review and verification.



- 31.5 A negative determination shall result in rejection of the Bidder's Bid, in which event NONECO BAC shall proceed to the next Lowest Calculated Bid, with a fresh period to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the LCRB is determined for recommendation of PSA award. If the Bidder with the Lowest Calculated Bid fails the criteria for post qualification, the BAC shall immediately notify in writing of its post disqualification and the grounds for it.
- 31.6 A positive determination shall result in the declaration of the Bidder as the Bidder with the Lowest Calculated Responsive Bid (LCRB).

I. CONTRACT AWARD

32 Award of Power Supply Agreement

- 32.1 NONECO shall award the PSA to the Bidder whose Bid has been determined to be the Lowest Calculated Responsive Bid (LCRB).
- 32.2 Notwithstanding the issuance of the Notice of Award, award of PSA shall be subject to the posting of the Performance Security and signing of the PSA.

33 Performance Security

- 33.1 To guarantee the faithful performance by the Winning Bidder of its obligations under the PSA, it shall post a Performance Security within a maximum period of ten (10) calendar days from the execution of the contract.
- 33.2 Performance Security shall be in the following form:

It is an amount expressed in Philippine Pesos in the form of:

- a. Cash or cashier's/manager's check issued by a Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;
- b. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank; or
- c. In case the Performance Security is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the BSP. The Performance Security shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.

The amount must be equivalent to the three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder. The performance security can be renewed annually.



- 33.3 Failure to post the performance bond will result in the forfeiture of the Bid Security.
- 33.4 Failure, inability or refusal of the Winning Bidder to join in the timely filing of the application will result in the forfeiture of the Performance Bond.

34 Signing of the PSA

- 34.1 NONECO shall enter into a PSA with the Winning Bidder within three (3) calendar days from receipt by NONECO of the Notice to Execute Award.
- 34.2 The following documents shall form part of the PSA:
 - (a) The PSA itself
 - (b) Pertinent Bidding Documents
 - (c) The Winning Bidder's Bid and all other documents submitted
 - (d) Performance Security
 - (e) Notice of Award of PSA
- 34.3 The refusal, inability, or failure of a Winning Bidder to enter into a PSA with the DU renders the CSP to be failed and the forfeiture of the Bid Security.

35 Notice to Proceed

Within five (5) calendar days from receipt of the Performance Bond, the DU shall issue a Notice to Proceed stating therein that all conditions stated in the Notice of Award have been complied with.

36 Lock-up Provision

The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium's special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) without the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller's obligations and duties under this Agreement.

Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.

J. MISCELLANEOUS PROVISIONS

37 Clarification of Bids

- 37.1 To assist in the evaluation, comparison and post-qualification of the Bids, NONECO BAC may ask in writing any Bidder for a clarification of its Bid. All responses to requests for clarification shall be in writing. Any clarification



submitted by a Bidder in respect to its Bid that is not in response to a request by NONECO BAC shall not be considered.

38 Reservation Clause

38.1 Notwithstanding the eligibility or post-qualification of a Bidder, NONECO BAC reserves the right to review its qualifications at any stage of this CSP if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and CSP requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or Bid evaluation criteria, NONECO BAC shall consider the said Bidder as ineligible and shall disqualify it from submitting a Bid or from obtaining an award or PSA.

38.2 NONECO BOD reserves the right to reject any and all Bids, declare a Failure of Bidding at any time prior to PSA award, or not to award the PSA, without thereby incurring any liability, and make no assurance that a PSA shall be entered into as a result of the CSP if there is prima facie evidence of collusion between officers or employees of NONECO Members, or between NONECO BAC and any of the Bidders, or if the collusion is between or among the Bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies, or tends to restrict, suppress, or nullify competition.

39 Process to be Confidential

39.1 NONECO officers and employees and Members of NONECO BAC as well as its Secretariat and TWG are prohibited from making or accepting any kind of communication with any Bidder regarding the evaluation of their Bids until the issuance of the Notice of Award.

39.2 Any effort by a Bidder to influence NONECO BAC in its decision in respect of Bid evaluation, Bid comparison, or PSA award will result in the rejection of the Bidder's Bid.

40 Failure of Bidding

40.1 NONECO BAC may declare a failure of CSP under any of the following conditions:

- (a) All Bidders are declared ineligible;
- (b) Only one Bidder submitted a proposal;
- (c) No proposal was received by the BAC on Bid Submission Deadline;
- (d) No Captive Market Supplier purchased the Bidding Documents after the deadline set in the published ITB;
- (e) Offers of Bidders failed to meet the requirements prescribed under the Terms of Reference (TOR), as determined by the BAC; or
- (f) In the event of refusal, inability, or failure of a Winning Bidder to enter into a PSA with the NONECO EC Member within the period provided in Section 23 of the Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements Entered into



by Distribution Utilities for the Supply of Electricity to their Captive Market of ERC Resolution No. 16, series of 2023.

40.2 The bidding process shall not be deemed a failure if the total Contract Capacity for this Transaction is not fully met for Lot 1.

41 **Fraudulent and Corrupt Practices**

41.1 The NONECO BOD, Management, the BAC, the TWG and the Bidders shall observe the highest standard of ethics for the duration of the transaction and during the execution of all agreements. In pursuance of this policy, the following definitions shall apply:

(a) "Corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves and/or others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official involved in this transaction or in contract execution; entering into any agreement or transaction manifestly and grossly disadvantageous to the Electric Cooperative and its member-consumers, whether or not any person profited or will profit thereby;

(b) "Fraudulent practice" means a misrepresentation of facts in order to influence the process or outcome of this transaction or the execution of an agreement to the detriment of the ECs, and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish Bid prices at artificial, non-competitive levels and to deprive the Electric Cooperative and its member-consumers of the benefits of free and open competition.

(c) "Collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Electric Cooperative or its member-consumers, designed to establish Bid prices at artificial, non-competitive levels;

(d) "Coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in this Transaction or affect the execution of an agreement. The BAC will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt, fraudulent, coercive and collusive practices in competing for the Power Supply Agreement (PSA).

41.2 NONECO BAC will declare a Bidder ineligible to be awarded the PSA if it at any time determines that the Bidder has engaged in corrupt or fraudulent practices in competing for, or in executing, a PSA.

41.3 NONECO BAC will seek to impose the maximum civil, administrative, and/or criminal penalties available under the applicable laws on individuals and organizations deemed to be involved in corrupt, fraudulent, collusive, coercive, and obstructive practices.



42 **Protest Mechanism and Dispute Resolution**

- 42.1 Any decision of NONECO BAC at any stage of this CSP may be questioned in accordance with compliance under Department of Energy Circular 2021-09-0030, and to the new ERC 2023 Competitive Selection Process (CSP) based on the ERC Resolution No. 16, Series of 2023.
- 42.2 The NONECO BAC shall decide on the request for reconsideration within ten (10) calendar days from receipt thereof.
- 42.3 In the event that the request for reconsideration of the Bidder is denied, decisions of the NONECO BAC may be protested in writing to NONECO Board.
- 42.4 The protest shall be filed within ten (10) calendar days from the receipt of the resolution denying its request for reconsideration.
- 42.5 A protest shall be made by filing a verified position paper with the NONECO Board accompanied with the payment of a non-refundable protest fee of One Million Pesos (PHP 1,000,000.00). Payment of protest fee shall be in the form of a Cashier's Check or Manager's Check issued to Northern Negros Electric Cooperative, Inc. (NONECO) and issued by a Universal or Commercial Bank with a branch in Bacolod City.
- 42.6 The verified position paper shall contain the following information:
- i. Name of Bidder and Address;
 - ii. Name of Bidding Transaction;
 - iii. Brief statement of facts, issue to be resolved; and,
 - iv. Such other matters and information pertinent and relevant to the proper resolution of the protest.
- 42.7 The position paper is verified by an affidavit that the affiant has read and understood the contents thereof and that all allegations therein are true and correct to his personal knowledge or based on authentic records.
- 42.8 An unverified position paper shall be considered unsigned and produces no legal effect and as such will lead to the outright dismissal of the protest. Non-payment of the protest fee shall also mean outright dismissal of protest.
- 42.9 The protest must be filed within ten (10) calendar days from receipt of the resolution denying the request for reconsideration.
- 42.10 Protests shall be resolved by the NONECO Board within ten (10) calendar days from receipt of written protest. The decision of the NONECO Board shall be final. An entity with jurisdiction on the matter shall decide or resolve the issue upon initiation of the concerned parties.
- 42.11 Any protest shall in no way stay or delay the CSP process. Provided, however, that protests must first be resolved before any award is made. Likewise, no suit or action shall be filed by the CSP Observers while the CSP is underway.

**NORTHERN NEGROS ELECTRIC COOPERATIVE, INC.
(NONECO)**

- and -

[NAME OF SELLER]

POWER SUPPLY AGREEMENT

DATED AS OF [DATE OF SIGNING]

THIS **POWER SUPPLY AGREEMENT** (this “Agreement”) is made at [LOCATION] on [DATE] BETWEEN:

NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO), an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **Brgy. Tortosa, Manapla, Negros Occidental, 6120, Philippines** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Buyer”); and

[NAME OF SELLER], an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **[Address of the Seller]** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Seller”).

Each of the Buyer and the Seller are hereafter individually referred to as “Party” and together, as the “Parties”.

WHEREAS:

Seller owns and operates, or plans to design, finance, construct, own, operate and maintain, whichever is applicable, a [gross capacity of the Facility] megawatts (MW) [Description of the Facility] located at [Location of the Facility]; and

Seller desires to sell to Buyer, and Buyer desires to purchase from the Seller, the energy and/or capacity pursuant to the terms and conditions set forth herein, consistent with the Terms of Reference of the relevant Competitive Selection Process (TOR-CSP) conducted by Buyer or the rules governing exemptions from the CSP, as the case may be.

NOW, THEREFORE, under the above premises and for and in consideration of the mutual covenants and agreements hereinafter set forth, the Parties, for themselves and their respective successors and assigns, have mutually agreed as follows:

SECTION 1

1. DEFINITION OF TERMS AND RULES OF INTERPRETATION

- 1.1. In this Agreement, capitalized terms shall have the meaning prescribed in **SCHEDULE 1** hereof. Capitalized terms not therein defined shall have the meanings as provided for in the TOR-CSP or by the applicable laws.
- 1.2. The following rules of interpretation shall govern this Agreement:
 - 1.2.1 expressions defined in **SCHEDULE 1** shall bear the respective meanings set out therein;
 - 1.2.2 the headings and paragraph numbering are for convenience of parties

and to avoid any insertion, but will not prevail in construing this Agreement;

- 1.2.3 terms not herein defined shall have the meanings as provided for in pertinent ERC rules and regulations and Department of Energy (DOE) circulars;
- 1.2.4 references to Sections and Schedules are, unless the context otherwise requires, references to Sections of, and Schedules to, this Agreement;
- 1.2.5 references to any agreement, enactment, ordinance or regulation includes any amendment thereof or any replacement in whole or in part;
- 1.2.6 all references herein to time are in relation to Philippine time;
- 1.2.7 words importing any gender include the other gender;
- 1.2.8 the words “include,” “includes,” and “including” are not limiting;
- 1.2.9 the words “hereof,” “herein,” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and
- 1.2.10 Any ambiguity in the contract is to be construed in favor of the objectives of the Republic Act No. 9136 or its implementing rules, regulations or circulars issued by the Department of Energy (DOE) or Energy Regulatory Commission (ERC), as the case may be.

SECTION 2

2. SALE AND PURCHASE OF ENERGY/CAPACITY

Subject to and in accordance with the terms of this Agreement, Seller shall make available and sell to Buyer, and Buyer shall purchase from the Seller for the consideration described in **SECTION 8**, the energy and/or capacity from and after the Delivery Date until the expiry of the Term.

SECTION 3

3. TERM

3.1 Contract Term

This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for ten (10) years commencing on the Delivery date, unless sooner terminated in accordance with the PSA and upon approval by the ERC.

3.2 Effective Date

Except for the obligation to deliver [Contracted Capacity/Energy], the Parties' rights and obligations under this Agreement shall commence on the Effective Date, which shall be the date upon which all of the following conditions are satisfied:

- a) Corporate Approvals. The receipt of the Seller of a certificate executed by the corporate or partnership secretary, as applicable, or a resolution duly and validly issued by the board of directors of Buyer, attesting to the fact that the board of directors of Buyer has adopted resolutions (i) authorizing Buyer to execute and to enter into and deliver this Agreement and perform all its obligation hereunder, and (ii) designating the person authorized to execute this Agreement on behalf of the Buyer; and
- b) Government Authorizations. All governmental authorizations (except ERC) which are required to have been obtained in connection with the execution, delivery and commencement of performance of this Agreement, shall have been obtained and be in full force and effect.

Within five (5) Days after the satisfaction of the conditions referred to in this Section, each Party shall send a written notice to the other Party confirming satisfaction of such conditions and indicating the Effective Date.

3.3 Delivery Date

The Seller shall commence delivery of Contract Capacity to Buyer on Delivery Date. The Delivery Date shall be later of either:

1. December 26, 2025; or
2. The 26th day of the calendar month immediately following the month in which the Energy Regulatory Commission ("ERC") issues a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued.

SECTION 4

4. ERC APPROVAL

- 4.1 Within thirty (30) days from execution of this Agreement, the Parties shall file a Joint Application for Approval of this Agreement with the ERC ("ERC Application") and shall exert their best efforts to secure the ERC's Provisional Approval, Interim Relief, and Final Approval of this Agreement as promptly as practicable in accordance with prevailing ERC guidelines, and shall fully cooperate with each other with respect to the ERC Application. Whichever party first receives written approval of the Agreement from the ERC shall, within five (5) calendar days, provide a copy of the approval to the other party.

Failure, inability, or refusal of the Seller, without justifiable cause to join in the timely filing of the ERC Application shall result in the forfeiture of the

Performance Bond. Should the failure to timely file the ERC Application is caused by Buyer's failure, inability, refusal, or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC.

SECTION 5

5. PERFORMANCE BOND

5.1 The Performance Bond amount shall be _____, which shall be effective from ten (10) days from the execution of this Agreement until the expiration of the Term. The Performance Bond shall be returned to Seller after the end of the Term unless sooner terminated in accordance with this Agreement.

5.2 The Performance Bond shall be issued in favor of the Buyer and must be in Philippine Peso in the form of:

- a. Cash or cashier's/manager's check issued by a Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;
- b. Bank draft/ guarantee or irrevocable/standby letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank; or
- c. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.

In case the Performance Bond is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the *Bangko Sentral ng Pilipinas*. The Performance Bond shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.

5.3 Within thirty (30) days after Buyer has notified the Seller in writing that it has drawn on the Performance Bond, the Seller shall provide such additional security or securities as may be sufficient in order to restore the Performance Bond to its full amount.

SECTION 6

6. SECURITY DEPOSIT

6.1 The Buyer shall not be required to post Security Deposit upon the execution of this Agreement.

6.2 In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice, the Buyer shall be required to post a Security Deposit within thirty (30) calendar

days of the immediately succeeding Billing Period.

- 6.3 The amount of the Security Deposit shall be equivalent to the Buyer's lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods, and shall be in the form of cash, cash bond, manager's or cashier's check, bank certified check, irrevocable stand-by letter of credit, surety bond or bank guarantee "callable on demand" issued by a financial institution.
- 6.4 The Seller shall be entitled to draw from the Security Deposit to offset any unpaid and undisputed Seller's Invoices, including any penalties or interest, if any.
- 6.5 If the Security Deposit is drawn partially or fully by the Seller, the Buyer shall replenish or replace the Security Deposit not later than thirty (30) calendar days from notice by the Seller.
- 6.6 If the Buyer remains current on its payment obligations with the Seller for three (3) consecutive Billing Periods following the posting of the Security Deposit, the Security Deposit shall be returned to the Buyer. The Buyer need not post another Security Deposit unless it again fails to fully pay one (1) undisputed Seller's Invoice.
- 6.7 The Buyer shall bear all costs related to securing the Security Deposit. Under no circumstances shall these costs be passed on to the Buyer's consumers.

SECTION 7

7. SUPPLY OF ENERGY

7.1 Seller's and Buyer's Obligations

Beginning on the Delivery Date, until the termination or expiration of this Agreement, Seller shall supply and deliver ___ MW or _____ kWh, as detailed in **SCHEDULE 2**, to Buyer at the Delivery Point, and the Buyer shall purchase and pay Seller the ___ MW or _____ kWh at the rate of [], resulting from the CSP and subject to the approval of the ERC.

In the event that an ERC [Interim Relief, Provisional Approval or Final Approval] shall have the effect of impairing the terms and conditions of this Agreement or requires any amendment to or modification of any provision of this Agreement that is not acceptable to either Party, then the Parties shall cooperate in good faith to address the required amendment or impairment, and Seller shall be free to file a motion for reconsideration with the ERC. In case Seller decides to file a motion for reconsideration, and pending resolution thereof by the ERC, the Parties shall implement the ERC Approval subject to

any adjustment or amendment that the ERC may direct. Any order on a motion for reconsideration shall be treated as an ERC Approval for purposes of the processes under this section. If the Parties are unable to agree on the required amendment within thirty (30) Days from receipt of the ERC Approval, or if the motion for reconsideration is not resolved by the ERC within one hundred eighty (180) days after its filing, or any proposed amendment is disapproved by the ERC, or approved by the ERC but still contains any material term or condition that is not acceptable to either Party, acting reasonably, then both Parties shall abide by the Commission's final decision.

7.2 WESM Operations

Buyer shall furnish Seller with its hourly nomination of demand on a daily, weekly, and monthly basis in accordance with the **Bilateral Contract Quantity Nomination Protocol provided in SCHEDULE 4 (BCQ Nomination Protocol)**.

7.2.1 For administrative and planning purposes only, Buyer shall furnish Seller with non-binding year-ahead, month-ahead and week-ahead nominations of Contract Capacity in accordance with the WESM Rules and the Operating Procedures.

7.2.2 Such nominations shall reflect Buyer's good faith estimate of its projected capacity requirements for such period. Buyer shall furnish Seller with the year-ahead nominations, the month-ahead nominations, and the week-ahead nominations.

7.3 Reduction of Contract Capacity

At the option of the Buyer, from time to time upon and after the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs, Buyer shall deliver to Seller written notice specifying the reduction in Contract Capacity and/or Contract Energy resulting from the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs, indicating when such reductions shall take place. Any such reduction shall be limited to an amount that will allow the Buyer to comply with its obligation to supply electricity in the least cost manner to its captive market. Except for such reduction of amount of Contract Capacity and/or Contract Energy to be specified by Buyer (including the resulting reduction in payments payable under this Agreement), all other terms and conditions of this Agreement shall remain in full force and effect, subject to the approval by the ERC.

The Parties shall agree on and prepare the protocol to implement the reduction in the amount of Contract Capacity, with observance of existing rules and regulations, as a result of the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs. The Parties shall submit a copy of the protocol to the ERC.

7.4 Scheduled Outages

- 7.4.1 At least seven (7) Days prior to the Delivery Date, the Seller shall submit to Buyer NGCP-approved Scheduled Outage periods for the remainder of the Year in which the Scheduled Commercial Operations Date occurs. Thereafter, by [DATE] of each Year after the Year in which the Scheduled Commercial Operation Date occurs, the Seller shall submit to Buyer NGCP-approved schedule of Scheduled Outage periods for the following Year. The outage periods shall be subject to the requirements under DOE guidelines and ERC rules and regulations.
- 7.4.2 At least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year after the Year in which the Scheduled Commercial Operation Date occurs, Buyer shall notify the Seller in writing whether the requested Scheduled Outage periods are acceptable. If Buyer cannot accept any of the requested Scheduled Outage periods, Buyer shall advise the Seller of a period when Buyer determines such unacceptable Scheduled Outage period can be rescheduled. Such rescheduled period shall be as close as reasonably practicable to the requested period, shall comply with the Minimum Functional Specifications indicated in Schedule 3, and shall be of equal duration as the requested period. The Seller shall conduct Scheduled Outages only during periods agreed to in writing by Buyer as aforesaid. The outage periods shall be subject to the approval requirements under DOE guidelines and ERC rules and regulations.
- 7.4.3 The Seller is allowed Scheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.
- 7.4.4 Buyer may, upon four (4) Days prior written notice, require the Seller to reschedule a Scheduled Outage; provided, however, that Buyer shall not request that such Scheduled Outage be rescheduled in a manner or time outside the Minimum Functional Specifications.
- 7.4.5 Buyer shall use its reasonable endeavors to coordinate its maintenance program for the Interconnection Facilities with the approved Scheduled Outages so as to minimize any disruption to the operation of the Facility.
- 7.4.6 For the plants that are not physically available on the date of delivery, it shall supply Replacement Power for a period not to exceed four (4) years, the Buyer should pay such Replacement Power at the lower of (a) the actual price of Replacement Power or (b) the approved charge for the PSA.

7.5 Unscheduled Outages

7.5.1 The Seller is allowed Unscheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.

7.6 Replacement Power

7.6.1 Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the Buyer. During such outage, Buyer shall source Replacement Power from other suppliers or from the WESM, at its own expense.

7.6.2 Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller. In the event of failure by the Seller to provide the Contract Capacity and/or Contract Energy, the Buyer shall be allowed to source the Replacement Power at the expense of the Seller. Provided further, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.6.3 For the plants that are not physically available on the date of delivery, the replacement power shall not exceed four (4) years, otherwise, the same shall be considered a breach of contract contemplated on the new **ERC CSP Rules of 2023 and shall** be a ground for termination of the Contract and payment by the Seller of Liquidated Damage and Penalty. The Buyer shall pay for such Replacement Power at a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.7 Transmission and Interconnection

7.7.1 If applicable, Seller shall enter into a Connection Agreement and Transmission Service Agreement with the NGCP to connect the Facility to the Grid.

7.7.2 At all times from and after the Effective Date, all interconnection, transmission and other agreements necessary for Seller to perform its obligations hereunder (including the Connection Agreement and Transmission Service Agreement) shall be in full force and effect.

SECTION 8

8. COMPENSATION, PAYMENT AND BILLING

8.1 Payment of Fees

Commencing on Delivery Date and throughout the entire Term, Buyer shall pay to the Seller each Billing Period an amount equal to the Monthly Payment in

accordance with **SCHEDULE 7 (Monthly Payment, Indexation and Adjustment)**.

There shall be no offsetting of payment between the Buyer and Seller and there shall be no withholding of disputed amounts, except for the inadvertent mistake in the amount.

If an invoice is not disputed by the Buyer within thirty (30) days of receipt or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable.

8.2 Billing to Buyer

Within ten (10) Days from the end of each Billing Period commencing on Delivery Date, the Seller shall deliver to the Buyer the Seller Invoice setting forth the amount that is due from the Seller for the preceding Billing Period.

The Parties shall make the necessary adjustments, if necessary, for the Seller Invoice covering the first and last Billing Periods.

8.3 Payments

Each Seller Invoice shall be due and payable not later than thirty-five (35) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day

8.4 Manner of Payment

All sums indicated in the Seller Invoice shall be paid by the Buyer in Philippine Pesos, through a bank check or bank transfer to a nominated bank of Seller.

8.5 Taxes

All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to the Seller, the Facility and the Seller's other assets shall be paid by the Seller in a timely manner. All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to Buyer arising from or in connection with its rights and obligations under this Agreement shall be paid by Buyer in a timely manner.

8.6 Prompt Payment Discount

The Seller shall extend [] percent (%) discount based on the non- fuel fee (sum of Capital Recovery Fee, Fixed O&M Fee and Variable O&M Fee, if applicable) to Buyer as prompt payment if 1) payment is made within fifteen (15) Days from receipt of Seller's billing, and 2) buyer is up to date with all its

payment obligations under this Agreement.

8.7 Line Rental

The Line Rental shall not exceed a pre-determined "Line Rental Cap" of [Amount] Pesos per kWh. This cap represents the maximum amount payable by the Buyer for Line Rental under this Agreement.

The Line Rental payable by the Buyer shall be the actual Line Rental calculated; or the Line Rental Cap, whichever is lower.

8.8 Liquidated Damages

Liquidated damages in case of default shall be in the amount of [] per MW per day that the defaulting Party continues with the default and any fraction thereof, to be paid within twenty (20) Days after written demand for payment.

SECTION 9

9. FORCE MAJEURE

9.1 Meaning of Force Majeure

In this Agreement, "Force Majeure" refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights under this Agreement due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations under this Agreement.

9.1.1 Acts of God –

Acts of God, should only be considered as force majeure sufficient to terminate the contract if –

- (a) The event or calamity is of the degree or intensity that the continued operation of the parties would lead to death or injury of the parties' employees or agents;
- (b) The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public.

9.1.2 Epidemic –

An epidemic officially declared by the national or local government, should

only be considered as force majeure and a ground for termination of contract, if the epidemic causes:

- (a) Impossibility to deliver the contracted goods or services; or
- (b) When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations.

9.1.3 Other Events of Force Majeure (Force Majeure-Acts of Man)

Force Majeure events occurring in or directly affecting the Philippines include:

- (a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;
- (b) nationwide strikes, works to rule or go-slows that extend beyond the Facility or are widespread or nationwide, or that are of a political nature;
- (c) radioactive contamination or ionizing radiation originating from a source outside or inside the Philippines.

9.1.4 Any material change in the terms and conditions of the Agreement (as determined by the affected Party), as ordered by the ERC in the Final Authority.

9.1.5 Any amendment, modification or change in applicable law or ERC rules and regulations after the date of this Agreement, or any decision or order by any court or governmental authority which provides for a new or change in the interpretation of applicable law or ERC rules and regulations by virtue of which Seller becomes liable to pay any new charges or any increased charges and adversely affects the ability of Seller to perform or materially increases the operating costs or capital expenditures associated with the Facility.

9.2 Notification and Obligation to Remedy

In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure; (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (d) perform acts to avoid further loss or wastage; (e) keep such other Party apprised of such efforts on a continuous basis; and (f) provide written notice of the resumption

of performance hereunder. Notwithstanding the occurrence of a Force Majeure, the Parties shall perform their obligations under this Agreement to the extent the performance of such obligations is not impeded by the Force Majeure.

9.3 Consequences of Force Majeure

Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Parties may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) six (6) consecutive months prior to the Delivery Date or (b) six (6) consecutive months after the Delivery Date.

SECTION 10

10. DEFAULTS AND TERMINATION

10.1 Events of Default

Each of the events described below shall constitute an Event of Default, provided that such events result to, in the case of Seller, an actual failure to deliver to Buyer of the required 20 MW or 87,600,000.00 kWh; or, in the case of Buyer, an actual failure to accept the required [Contract Capacity and/or Contract Energy] from, or pay the [Monthly Payments] to, Seller. An "Event of Default" shall mean, with respect to the relevant Party (such Party being, with respect to the Event of Default, a "Defaulting Party" and the other Party being the "Non-Defaulting Party"):

10.1.1 A Party fails to make any payment required pursuant to this Agreement when due and payable and such payment is not made within **ten (10)** Days after the Due Date;

10.1.2 A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement; and

10.1.3 A Party becomes bankrupt or there occurs a default, event of default or other similar condition or event with respect to the Buyer under one or more agreements or instruments to which it is a party.

Within a [number of days] from knowledge of the occurrence of an Event of Default and for Events of Default capable of being remedied or cured, the Non-Defaulting Party shall issue a written notice to the Defaulting Party specifying

in detail the relevant Event of Default (the “Notice of Default”). The Defaulting Party shall have the opportunity to cure the default within the following periods from receipt of the Notice of Default (each a “Cure Period”):

- (a) **Ten (10)** Days, for Events of Default under **SECTION 10.1.1**,
- (b) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.2**, and
- (c) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.3**.

10.2 Notice of Default and Termination or Upon Event of Default

In case an Event of Default is not cured within the applicable Cure Period or if the Event of Default is not capable of being remedied the Non- Defaulting Party may terminate this Agreement in accordance with **SECTION 10.4**, subject to the approval of the ERC, and may pursue any remedy available to it under this Agreement or at law.

10.3 Suspension upon Event of Default

In case an Event of Default is awaiting to be cured during the Cure Period under **SECTION 10.1**, the Non-Defaulting Party may suspend this Agreement, subject to the approval of the ERC, until such time the Event of Default is cured, or the applicable Cure Period lapsed.

10.4 Termination upon Event of Default

The following procedure shall apply in terminating this Agreement:

10.4.1 The Non-Defaulting Party shall issue a notice (a “Termination Notice”) to the other Party, specifying in detail the Event of Default giving rise to such Termination Notice, and the date on which the Party giving such Termination Notice proposes to terminate this Agreement, subject to the approval of the ERC.

10.4.2 During the period of [number of days] Days (or such longer period set out in the Termination Notice or as the Parties may agree) following the giving of such Termination Notice, the Parties shall negotiate as to what steps shall be taken with a view to mitigating or remedying the consequences of the relevant event having regard to all the circumstances.

10.4.3 If the Party receiving the Termination Notice intends to raise a Dispute regarding the right to give effect to the Termination Notice (the “Termination Notice Dispute”), such Party shall follow the procedure prescribed in **SECTION 11**; and

10.4.4 In circumstances where the Party in receipt of the Termination Notice

has referred a Termination Notice Dispute for resolution in accordance with **SECTION 10.4.3** above, if:

- i. at any time after the expiry of the period referred to in **SECTION 10.4.1**, the event giving rise to the Termination Notice has not been remedied; and
- ii. the Termination Notice Dispute has been determined in favor of the Party who has issued the Termination Notice,

the Agreement may be terminated only upon prior notification to and approval by ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.

10.5 Termination as a Result of Events Other than Event of Default

10.5.1. Nonfulfillment of Conditions Precedent to Effectivity. If any condition to the Effective Date has not been fulfilled on or before [date], then either Party has the option to terminate this Agreement by giving written notice of such termination to the other Party, provided that the fulfilment of such condition is not within the control of the Party seeking to give such notice, subject to the prior notification to and approval of ERC, pursuant to its rules and regulations. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than one hundred eighty (180) Days from the date of such notice, subject to the approval of the ERC.

10.5.2. Termination in Certain Events of Force Majeure. If an event of Force Majeure occurs under the circumstances and having the consequences described in **SECTION 9**, then this Agreement may be terminated, subject to prior notification to and approval by the ERC, by notice of either Party delivered to the other Party within seven (7) Days after the end of such 180-day period. If any Force Majeure is expected by the Claiming Party to exceed one hundred eighty (180) Days then the Claiming Party may give notice to the other Party at any time of the Claiming Party's desire to terminate this Agreement. The Non-Claiming Party shall notify the Claiming Party, within five (5) Days of the receipt of such notice, of either: (1) its acceptance of the notice, in which case this Agreement shall terminate effective on the date of such responsive notice, subject to the prior notification and approval of the ERC, pursuant to its rules and regulations; or (2) its disagreement with the Claiming Party's expectation of the duration of such Force Majeure event, in which case the dispute shall be resolved pursuant to **SECTION 11**.

SECTION 11

11. DISPUTE RESOLUTION

If any dispute or disagreement (“Dispute”) shall arise between the Parties in connection with this Agreement, either Party may request in writing that the respective chief executive officers of Seller and Buyer meet within [number of days] Days and attempt to resolve the Dispute. The Parties shall exert every effort to first resolve the Dispute amicably by mutual consultation.

Should parties fail to reach an amicable settlement after mutual consultation, any Dispute arising from this Agreement shall then be settled through arbitration, at a venue within the Philippines, with the rules of Republic Act No. 876 and Republic Act No. 9285 deemed incorporated by reference in this clause.

In the event such officers are unable to resolve such Dispute through the above arbitration clause, the ERC has the jurisdiction to hear and decide the Dispute between parties arising from this Agreement, in the exercise of its powers and functions under the EPIRA.

SECTION 12

12. ASSIGNMENT OF RIGHTS

The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium’s special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) with the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller’s obligations and duties under this Agreement. Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.

Notwithstanding anything to the contrary contained in this agreement, and in the event of the nonrenewal of Buyer's franchise or the transfer of rights to a new franchise holder, both parties agree to cooperate and exert reasonable efforts to ensure the uninterrupted and seamless transition of power supply services. The non-renewal of the franchise shall not, in itself, constitute grounds for automatic termination of this agreement. **Buyer** shall use best efforts to notify the SELLER in advance of any impending changes in franchise ownership or any circumstances that may affect the continued provision of power supply services. SELLER agrees to work collaboratively with **the Buyer** and any new franchise holder to facilitate a smooth transition, and both parties shall avoid taking any actions that may lead to the discontinuance of power supply during the transition period. This provision on assignability will be enforceable and will confer benefits upon the involved parties and their respective successors and assigns.

SECTION 13

13. NOTICES

13.1 Address for Notices

Any notice, communication, request or correspondence (each a “notice”) required or permitted under the terms and conditions of this Agreement shall be in writing, in the English or Filipino language (it being understood that any such communication or paper in a language other than the same shall be of no force or effect), and shall be (a) delivered personally, or (b) transmitted by electronic mail and either (i) recipient acknowledges receipt to sender or (ii) sender delivers to recipient a transmission confirmation; to the following addresses:

If to Buyer:

Address: NONECO Main Office, Brgy. Tortosa,
Manapla, Negros Occidental, 6120
Philippines
E-mail Add.: noneco.trading@gmail.com; noneco.coopogm@gmail.com
Attention:

If to Seller:

Address: _____

E-mail Add.: _____
Attention: _____

or such other address and/or telephone number as either Party may previously have notified to the other Party in accordance with this Section.

“Recipient” shall mean the president, managing partner, general manager, corporate secretary, treasurer, or in-house counsel, or signatory to this Agreement of the Party, or in their absence or unavailability, on their secretaries.

13.2 Effectiveness of Service

Notices shall be effective: (a) in the case of personal delivery, when received by the recipient; or (b) in the case of transmission by electronic mail, if receipt of the transmission occurs before 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, upon receipt of transmission, or if receipt of the electronic mail occurs after 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, the next succeeding Business Day.

SECTION 14

14. MISCELLANEOUS PROVISIONS

14.1 Variations in Writing

All additions, amendments or variations to this Agreement shall be binding only if in writing and signed by duly authorized representatives of both Parties, and with prior approval of the ERC.

14.2 Entire Agreement

This Agreement and all Schedules thereto together represent the entire understanding between the Parties in relation to the subject matter thereof and supersede any or all previous agreements or arrangements between the Parties in respect of the Facility (whether oral or written).

14.3 Severability

In the event that any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or of the same provisions in any other jurisdiction shall not in any way be affected or impaired thereby.

14.4 Waivers

14.4.1 No waiver by either Party of any default by the other in the performance of any of the provisions of this Agreement shall (a) operate or be construed as a waiver of any other or further default whether of a like or different character, and (b) be effective unless in writing duly executed by an authorized representative of such Party.

14.4.2 The failure by either Party to insist on any occasion upon the performance of the terms, conditions or provisions of this Agreement or time or other indulgence granted by one Party to the other shall not thereby act as a waiver of such breach or acceptance of any variation.

14.4.3 The Parties shall not, through mutual agreement, or consent or acquiescence of the other, waive any rights or obligations under this contract that may prejudice the rights of consumers.

14.5 Successors and Assigns

This Agreement shall inure to the benefit of, and be binding upon, the Parties hereto and their respective successors and permitted assigns, subject to the provision in **SECTION 12**.

14.6 No Liability for Review

No review or approval by Buyer of any agreement, document, instrument, drawing, specifications or design proposed by the Seller shall relieve the Seller from any liability that it would otherwise have had for its negligence in the preparation of such

agreement, document, instrument, drawing, specifications or design or from failure to comply with the applicable laws of the Republic of the Philippines with respect thereto, nor shall Buyer be liable to Seller or any other person by reason of its review or approval of an agreement, document, instrument, drawing, specification, or design.

14.7 Consequential Damages

Neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for indirect, consequential, punitive or exemplary damages resulting from the performance of obligations or the exercise of rights under or pursuant to this Agreement.

14.8 Affirmation

The Seller and Buyer declare and affirm that neither Party has paid nor has it undertaken to pay and that it shall in the future not pay any bribe, pay-offs, kick-backs or unlawful commission and that it has not in any other way or manner paid any sums, whether in Local Currency or Foreign Currency and whether in the Philippines or abroad, or in any other manner given or offered to give any gifts and presents in the Philippines or abroad to any person or Seller to procure this Agreement, and the Seller and Buyer undertake not to engage in any of the said or similar acts during the term of and relative to this Agreement.

14.9 Governing Law

This Agreement and the rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and construed according to applicable laws, rules and regulations of the Philippines.

14.10 Relationship of the Parties

This Agreement shall not make either of the Parties partners or joint venturers one with the other, nor make either the agent of the other. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other Party.

14.11 Survival

Cancellation, expiration or earlier termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such cancellation, expiration or termination, including the rights and obligations, warranties, remedies, promises of indemnity and confidentiality set forth in previous sections.

14.12 Language

The language for the purpose of administering this Agreement, including any expert proceeding or arbitration hereunder, shall be English or Filipino.

14.13 Performance Security/Bond

To guarantee the faithful performance by the Seller of its obligations under this Agreement, it shall post a Performance Security within a maximum period of ten (10) calendar days from the execution of the contract payable to the Buyer.

The Seller shall furnish a Performance Bond issued by (Cash, Check, SBLC) in the amount of Php _____ guaranteeing faithful performance of this Agreement. The Bond shall be initially valid for one (1) year and renewable annually.

14.14 Good Faith

In carrying out its obligations and duties under this Agreement, each Party shall have an obligation of good faith.

IN WITNESS whereof the Parties have entered into this Agreement the date first above written.

[NAME OF BUYER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

[NAME OF SELLER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

SECRETARY'S CERTIFICATE

I, _____, Filipino, of legal age and with office address at _____, after having duly sworn in accordance with law, hereby depose and state that:

1. I am the Corporate Secretary of _____, a _____ duly organized and existing under and by virtue of the laws of the Philippines with principal office address at _____.
2. At the special meeting of the Board of Directors held on _____, during which meeting a quorum was present and acting throughout, the following resolution was unanimously passed and approved:

RESOLVED, that the Board of Directors of _____ authorize, as it hereby authorizes _____ to sign the Agreement with _____, on behalf of the [Corporation].

3. This board resolution has not been revoked, amended or modified, and remains valid and binding on the [Corporation] as of the date hereof.
4. The foregoing statements are in accordance with the records of the [Corporation].

IN WITNESS WHEREOF, I have hereunto set my hand this _____ at _____, Philippines.

Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ in _____.
Affiant, who is personally known to me, exhibited to me his/her identification _____ issued in _____ on _____.

SCHEDULE 1

[Note: Schedule 1 shall be finalized by the Winning Bidder and the Buyer]

DEFINITIONS

Whenever the following terms appear in this Agreement or the Schedules hereto, whether in the singular or in the plural, present, future or past tense, they shall have the meanings stated below unless the content otherwise requires:

“Affiliate” - means any person which, alone or together with any other person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. As used herein, “control” shall mean the power to direct or cause the direction of the management policies of a person by contract, agency or otherwise.

“Agreement” - This Power Supply Agreement, including all Schedules thereto, as amended or supplemented from time to time.

“Allowed Outage” - The allowed number of hours for every contract year that a Unit and/or Component of a power plant is not available to perform its intended function due to some event directly associated with that Unit and/or Component based on the Rules and Regulations of ERC.

“Billing Period” - the period of one (1) month commencing at 0001H of the twenty- sixth (26th) day of each calendar month to 2400H of the twenty-fifth (25th) day of the calendar month.

“Business Day” - A Day on which business by and between banks may be carried on in [Location] in the Philippines.

“Buyer Grid System” - The Interconnection Facilities and any other transmission or distribution facilities on Buyer's side of the Interconnection Point(s) through which the Contract Capacity/Contract Energy of the Facility will be distributed by Buyer to users of electricity.

“Contract Capacity” - The capacity, expressed in kW allocated to the Buyer during the Billing Period.

“Contract Energy” - The energy, expressed in kWh to be consumed or purchased by the Buyer from the Seller during each Billing Period indicated in **SCHEDULE 2** (Contract Capacity and Contract Energy (Regular Year) and (Leap Year) at one hundred percent (100%) capacity utilization factor (CUF) with respect to the Contract Capacity.

“Contract Term” - shall have the meaning ascribed to it in **SECTION 3.1**.

“Contract Year” - a twelve-month period beginning on the date power delivery commences under this Agreement and recurring on each anniversary thereafter.

“Day” - The 24-hour period beginning and ending at 12:00 midnight in [Philippine Time]. For clarity, “Day” means calendar day, or any day including Saturday, Sunday, and any day

which is a legal holiday in the Philippines.

“Delivery Date” - shall have the meaning ascribed to it in **SECTION 3.3**.

“Delivery Point” - The Trading Node or NGCP/Metering Service providers’ metering point/s of the Seller.

“Dispute” - shall have the meaning ascribed thereto in **SECTION 11**.

“Effective Date” - means the date following the completion of the conditions referred to in **SECTION 3.2**.

“EPIRA” - The Republic Act No. 9136 of the Electric Power Industry Reform Act of 2001.

“ERC” - The Energy Regulatory Commission of the Philippines, the independent and quasi-judicial regulatory agency created under Section 38 of the EPIRA.

“ERC Approval” - shall pertain to either the Interim Relief, Provisional Authority, or Final Authority issued by the ERC for this Agreement.

“Facility” - [Provide brief description of generating facility, including fuel source, capacity and location, if applicable]

“Final Authority” - shall mean the final decision of the ERC on the application for approval of the Agreement that is not a Provisional Authority or Interim Relief.

“Force Majeure” - An event or occurrence specified in **SECTION 9**.

“Foreign Currency” or – The lawful currency of [_____].

“Fuel” – [Describe type of fuel used by the Facility, if applicable].

“Grid” - The high voltage backbone system of interconnected transmission lines, substations, and related facilities for the purpose of conveyance of bulk power.

“Interconnection Facilities” - All the facilities on the high side of the step-up transformer described in **SCHEDULE 3** to be constructed by or for Buyer to enable it to receive and deliver capacity and energy in accordance with this Agreement plus the Metering System.

“Interconnection Point” - The physical point(s) where the Facility and the Buyer Grid System are connected as specified in **SCHEDULE 3**.

“kW” - Kilowatts.

“kWh” - Kilowatt-hours.

“Law” - Any law, act, ordinance, code, decree, order, rule, policy, resolution or regulation of any governmental authority or agency (national, provincial, municipal, local) that is at any time applicable to the parties, contract, project, site or any part thereof.

“Liquidated Damages” - The meaning ascribed thereto in **SECTION 8.8**.

“Local Currency” - The lawful currency of the Philippines.

“Metering System” - All meters and metering devices owned by Buyer and used to measure the delivery and receipt of Energy/Capacity.

“Minimum Functional Specifications” - The minimum functional specifications (including the technical limits of the Facility) for the construction and operation of the Facility as set forth in Schedule 3 hereof.

“Month” - A calendar month according to the Gregorian calendar beginning at 12:00 midnight on the last day of the preceding month and ending at 12:00 midnight on the last day of that month.

“MW” - Megawatts.

“NGCP” - National Grid Corporation of the Philippines, the corporation awarded the concession to operate the transmission facilities of the National Transmission Corporation pursuant to the EPIRA and Republic Act No. 9511.

“Notice of Default” - The meaning ascribed thereto in **SECTION 10.1**.

“Parties” - Both Buyer and the Seller.

“Party” - Either Buyer or the Seller.

“Outage Allowance” - refers to the allowable outage per plant type as determined by the ERC.

“Replacement Power” - The energy from an alternative source responsible to be delivered by the Seller to Buyer at a price lower than the price set forth in the Agreement.

“RCOA” - The Retail Competition and Open Access.

“Scheduled Outage” - A planned partial or complete interruption of the Facility's generating capability that (a) is not an Unscheduled Outage; (b) has been scheduled and allowed by Buyer in accordance with **SECTION 7.4**; and (c) is for inspection, testing, preventive maintenance, corrective maintenance or improvement.

“Unscheduled Outage” - An interruption or reduction of a Unit's or the Facility's generating capability that is not a Scheduled Outage.

“Week” - Each period of seven (7) consecutive Days beginning at 12:00 midnight Philippine Standard Time falling between a Saturday and a Sunday.

“WESM” – Wholesale Electricity Spot Market.

“Year” - Each twelve (12) Month period commencing on 12:00 midnight on December 31 and ending on 12:00 midnight the following December 31 during the term of this Agreement.

SCHEDULE 2

[Note: Schedule 2 shall be finalized by the Winning Bidder and the Buyer]

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (REGULAR YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	24	20,000	14,880,000.00	
February	24	20,000	14,880,000.00	
March	24	20,000	13,440,000.00	
April	24	20,000	14,880,000.00	
May	24	20,000	14,400,000.00	
June	24	20,000	14,880,000.00	
July	24	20,000	14,400,000.00	
August	24	20,000	14,880,000.00	
September	24	20,000	14,880,000.00	
October	24	20,000	14,400,000.00	
November	24	20,000	14,880,000.00	
December	24	20,000	14,400,000.00	

SCHEDULE 2

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (LEAP YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	24	20,000	14,880,000.00	
February	24	20,000	14,880,000.00	
March	24	20,000	13,920,000.00	
April	24	20,000	14,880,000.00	
May	24	20,000	14,400,000.00	
June	24	20,000	14,880,000.00	
July	24	20,000	14,400,000.00	
August	24	20,000	14,880,000.00	
September	24	20,000	14,880,000.00	
October	24	20,000	14,400,000.00	
November	24	20,000	14,880,000.00	
December	24	20,000	14,400,000.00	

SCHEDULE 3

[Note: Schedule 3 shall be finalized by the Winning Bidder and the Buyer]

MINIMUM FUNCTIONAL SPECIFICATIONS

Technical Limits of the Facility

Particulars	[Name of Plant/Facility]	[Name of Plant/Facility]
Location		
Type of Technology		
Mode of Operation (baseload, intermediate, peaking, etc.)		
Commissioning Date		
Date of Completion		
Economic Life, years		
Installed Capacity, MW		
Dependable Capacity, MW		
Auxiliary Load, MW		
Scheduled Outage, days		
Unscheduled Outage, days		
Voltage Limits (kV)		

Delivery Point/s

Location	Delivery Voltage

Interconnection Facilities

Illustration of the Site Location

Illustration of the Site Layout Area

Detailed Single Line Diagram

SCHEDULE 4

[Note: Schedule 4 shall be finalized by the Winning Bidder and the Buyer]

BCQ NOMINATION PROTOCOL

SCHEDULE 5

[Note: Schedule 5 shall be finalized by the Winning Bidder and the Buyer]

PROTOCOL FOR REDUCTION OF CONTRACT CAPACITY AND/OR CONTRACT ENERGY

1. Purpose:

This protocol outlines the procedures and guidelines for the reduction of Contract Capacity and/or Contract Energy between Northern Negros Electric Cooperative, Inc. (NONECO) and the Power Supplier, in accordance with the provisions of Energy Regulatory Commission (ERC) Resolution 16, Series of 2023 ("Resolution").

1. Scope:

This protocol applies to the contracts with specified Contract Capacity and/or Contract Energy.

2. Grounds for Reduction:

Buyer may initiate a reduction of Contract Capacity and/or Contract Energy based on the following grounds, as provided in the Resolution:

- Significant and sustained reduction in **Buyer's** load demand due to the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs.
 - The Buyer's customer procures electricity from RES, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such the NONECO's customer for the last twelve (12) calendar months prior to such disconnection; and
 - The Buyer's customer procures electricity from any supplier who does not supply electricity to Buyer, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such Buyer's customer for the last twelve (12) calendar months prior to such disconnection multiplied by the proportion of the Contracted Capacity to the total capacity contracted by the Buyer with all of its Suppliers of electric power (including the SELLER).
- Occurrence of Force Majeure events affecting permanent reduction of **the Buyer's** load demand.
- Change in Circumstances as defined in the resolution.

3. Procedure:

3.1. Submission of Request:

- **Buyer** shall submit a written request for a reduction of Contract Capacity and/or **Buyer** shall issue a Notice of Reduction to the Power Supplier, specifying the following:
 - The specific Contract Capacity and/or Contract Energy to be reduced.
 - The effective date of the reduction.
 - The grounds for the reduction, with supporting documentation.
 - The proposed revised terms and conditions of the PSA, if applicable.
 - A request for a meeting to discuss the proposed reduction.
- The Notice of Reduction shall be served to the Power Supplier at least [Number] days.

4. Discussion and Negotiation:

- Upon receipt of the Notice of Reduction, the Power Supplier shall have the right to request a meeting with **the Buyer** to discuss the proposed reduction.
- Both parties shall engage in good faith negotiations to reach a mutually acceptable agreement on the reduction of Contract Capacity and/or Contract Energy and any necessary amendments to the PSA.
- The discussions shall focus on, but not be limited to:
 - The validity of the grounds for reduction.
 - The impact of the reduction on both parties.
 - Possible alternative solutions.
 - The appropriate compensation, if any, for the reduction.

5. Agreement and Amendment:

If an agreement is reached, both parties shall execute an amendment to the PSA, reflecting the revised Contract Capacity and/or Contract Energy and any other agreed-upon terms and conditions.

If no agreement is reached within [Number] days from the date of the Notice of Reduction, **Buyer** may proceed with the reduction, subject to compliance with the Resolution and the PSA.

6. Regulatory Approval:

Any amendment to the PSA resulting from the reduction of Contract Capacity and/or Contract Energy shall be submitted to the ERC for approval, in accordance with the ERC Resolution 16, Series of 2023.

7. Dispute Resolution:

Any disputes arising from the implementation of this protocol shall be resolved in accordance with the dispute resolution provisions of the PSA and in accordance with the ERC Resolution 16, Series of 2023.

8. Review and Amendment:

This protocol shall be reviewed and amended as necessary to ensure compliance with the ERC Resolution 16, Series of 2023.

9. Documentation:

All notices, agreements, and other relevant documents related to the reduction of Contract Capacity and/or Contract Energy shall be properly documented and maintained by both parties.

SCHEDULE 6

[Note: Schedule 6 shall be finalized by the Winning Bidder and the Buyer]

SCHEDULED AND UNSCHEDULED OUTAGES

The Seller shall be allowed of outages for each contract year not exceeding to:

Scheduled outage: _____ hours.

Unscheduled outage: _____ hours

1. Scheduled outages shall be provided by the Supplier as determined by the grid System Operator.
2. No carry-over of Outage allowance (OA) to any subsequent contract year.
3. No crediting of Outage allowance (OA) from scheduled to unscheduled and vice versa.
4. The penalty clause will be determined based on the EC-approved timeline of the scheduled outage.
5. Power provider must provide replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages.
6. Seller must provide NGCP-approved schedule of Scheduled Outage at least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year.

SCHEDULE 7

[Note: Schedule 7 shall be finalized by the Winning Bidder and the Buyer]

MONTHLY PAYMENT, INDEXATION AND ADJUSTMENT

The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items shall be itemized and classified into:

Electricity Fee will compose of the following:

- Capital Recovery Fee (CRF)
- Fixed Operation and Maintenance Cost (FOM)
- Variable Operation and Maintenance Cost (VOM)
- Fuel Fee (FF)

$$Electricity\ Fee\ \left(\frac{Php}{kWh}\right) = CRF + FOM + VOM + Fuel\ Fee$$

A. Capital Recovery Fee (CRF)

CRF shall not be indexed or escalated for the entire duration of the contract;

The CRF is equal to the bid price of capital recovery cost of the 100% CUF in the billing month;

$$CRF_{Month} = CRF_{Month} @ 100\% CUF_{Month}$$

The CUF for each month shall be calculated as ratio of the energy dispatch of the month, and the total energy production of the power plant at 100% utilization.

B. Fixed Operation and Maintenance Fee (FOM)

The base prices of the FOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the table.

Index	Base Value	Source
PH CPI	127.4	Consumer Price Index (2018 = 100), All Income Households, All Items for June 2025 https://www.bsp.gov.ph/SitePages/Statistics/Pric es.aspx?TabId=1
US CPI	322.561	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, June 2025 https://www.bls.gov/regions/northeast/data/cons umerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025 https://www.bsp.gov.ph/statistics/external/day99 data.aspx

The applicable price for the FOM for the billing month shall be calculated as follows:

$$\begin{aligned}
 FOM_{Month} = & \left[K_L^{FOM} \times FOM_L^{CUF} \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] \\
 & + [(1 - K_L^{FOM}) \times FOM_L^{CUF}] \\
 & + \left\{ \left[K_F^{FOM} \times FOM_F^{CUF} \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + [(1 - K_F^{FOM}) \times FOM_F^{CUF}] \right\} \times FOREX_{N-1}
 \end{aligned}$$

Where:

- K_L^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local fixed O&M;
- K_F^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign fixed O&M;
- FOM_L^{CUF} is the value of the local fixed O&M cost component at a given CUF;
- FOM_F^{CUF} is the value of the foreign fixed O&M cost component at a given CUF;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month June 2025, equal to 127.4, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month;
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month June 2025, equal to 322.561, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month;
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

C. Variable Operation and Maintenance Fee (“VOM”)

The base prices of the VOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the table.

Index	Base Value	Source
PH CPI	127.4	Consumer Price Index (2018 = 100), All Income Households, All Items for June 2025 https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1
US CPI	322.561	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, June 2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025 https://www.bsp.gov.ph/statistics/external/day99_data.aspx

$$\begin{aligned}
 VOM_{Month} = & \left[K_L^{VOM} \times VOM_L \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] + [(1 - K_L^{VOM}) \times VOM_L] \\
 & + \left\{ \left[K_F^{VOM} \times VOM_F \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + [(1 - K_F^{VOM}) \times VOM_F] \right\} \times FOREX_{N-1}
 \end{aligned}$$

Where:

- K_L^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local variable O&M;
- K_F^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign variable O&M;
- VOM_L is the value of the local variable O&M cost component;
- VOM_F is the value of the foreign variable O&M cost component;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month June 2025, equal to 127.4, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month (N-1);
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month June 2025, equal to 322.561, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month (N-1);
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

D. Fuel Fee (“FF”)

The Fuel Fee (FF) will be based on the formula:

$$FF_{Month} = Actual\ Fuel\ Pass\ Through\ Cost$$

Fuel Fee shall be a pass-through component of the price.

However, in order for NONECO to validate and pay the Fuel Fee, the Seller’s Invoice shall include the following:

1. Summary of Total Fuel Cost: A summary statement showing the total Fuel Fee for the relevant billing period, with a detailed breakdown of all cost components.
2. Relevant fuel supplier’s invoice: The invoice/s detailing the actual Fuel Fee incurred to produce the delivered energy to NONECO. If any index or indices are used, the Seller must provide the Buyer with relevant proof to substantiate index.
3. Fuel Inventory Report: The Seller must also attach the monthly fuel inventory report submitted to the DOE.
4. Fuel Supply Agreement: A copy of the applicable Fuel Supply Agreement covering the fuel used during the billing period.

NONECO reserves the right to defer payment of the Fuel Fee for any billing period until the required supporting documents have been fully submitted by the Winning Bidder.

E. Sample Bills

**NORTHERN NEGROS ELECTRIC COOPERATIVE, INC.
(NONECO)**

- and -

[NAME OF SELLER]

POWER SUPPLY AGREEMENT

DATED AS OF [DATE OF SIGNING]

THIS **POWER SUPPLY AGREEMENT** (this “Agreement”) is made at [LOCATION] on [DATE] BETWEEN:

NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO), an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **Brgy. Tortosa, Manapla, Negros Occidental, 6120, Philippines** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Buyer”); and

[NAME OF SELLER], an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **[Address of the Seller]** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Seller”).

Each of the Buyer and the Seller are hereafter individually referred to as “Party” and together, as the “Parties”.

WHEREAS:

Seller owns and operates, or plans to design, finance, construct, own, operate and maintain, whichever is applicable, a [gross capacity of the Facility] megawatts (MW) [Description of the Facility] located at [Location of the Facility]; and

Seller desires to sell to Buyer, and Buyer desires to purchase from the Seller, the energy and/or capacity pursuant to the terms and conditions set forth herein, consistent with the Terms of Reference of the relevant Competitive Selection Process (TOR-CSP) conducted by Buyer or the rules governing exemptions from the CSP, as the case may be.

NOW, THEREFORE, under the above premises and for and in consideration of the mutual covenants and agreements hereinafter set forth, the Parties, for themselves and their respective successors and assigns, have mutually agreed as follows:

SECTION 1

1. DEFINITION OF TERMS AND RULES OF INTERPRETATION

- 1.1. In this Agreement, capitalized terms shall have the meaning prescribed in **SCHEDULE 1** hereof. Capitalized terms not therein defined shall have the meanings as provided for in the TOR-CSP or by the applicable laws.
- 1.2. The following rules of interpretation shall govern this Agreement:
 - 1.2.1 expressions defined in **SCHEDULE 1** shall bear the respective meanings set out therein;
 - 1.2.2 the headings and paragraph numbering are for convenience of parties

and to avoid any insertion, but will not prevail in construing this Agreement;

- 1.2.3 terms not herein defined shall have the meanings as provided for in pertinent ERC rules and regulations and Department of Energy (DOE) circulars;
- 1.2.4 references to Sections and Schedules are, unless the context otherwise requires, references to Sections of, and Schedules to, this Agreement;
- 1.2.5 references to any agreement, enactment, ordinance or regulation includes any amendment thereof or any replacement in whole or in part;
- 1.2.6 all references herein to time are in relation to Philippine time;
- 1.2.7 words importing any gender include the other gender;
- 1.2.8 the words “include,” “includes,” and “including” are not limiting;
- 1.2.9 the words “hereof,” “herein,” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and
- 1.2.10 Any ambiguity in the contract is to be construed in favor of the objectives of the Republic Act No. 9136 or its implementing rules, regulations or circulars issued by the Department of Energy (DOE) or Energy Regulatory Commission (ERC), as the case may be.

SECTION 2

2. SALE AND PURCHASE OF ENERGY/CAPACITY

Subject to and in accordance with the terms of this Agreement, Seller shall make available and sell to Buyer, and Buyer shall purchase from the Seller for the consideration described in **SECTION 8**, the energy and/or capacity from and after the Delivery Date until the expiry of the Term.

SECTION 3

3. TERM

3.1 Contract Term

This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for ten (10) years commencing on the Delivery date, unless sooner terminated in accordance with the PSA and upon approval by the ERC.

3.2 Effective Date

Except for the obligation to deliver [Contracted Capacity/Energy], the Parties' rights and obligations under this Agreement shall commence on the Effective Date, which shall be the date upon which all of the following conditions are satisfied:

- a) Corporate Approvals. The receipt of the Seller of a certificate executed by the corporate or partnership secretary, as applicable, or a resolution duly and validly issued by the board of directors of Buyer, attesting to the fact that the board of directors of Buyer has adopted resolutions (i) authorizing Buyer to execute and to enter into and deliver this Agreement and perform all its obligation hereunder, and (ii) designating the person authorized to execute this Agreement on behalf of the Buyer; and
- b) Government Authorizations. All governmental authorizations (except ERC) which are required to have been obtained in connection with the execution, delivery and commencement of performance of this Agreement, shall have been obtained and be in full force and effect.

Within five (5) Days after the satisfaction of the conditions referred to in this Section, each Party shall send a written notice to the other Party confirming satisfaction of such conditions and indicating the Effective Date.

3.3 Delivery Date

The Seller shall commence delivery of Contract Capacity to Buyer on Delivery Date. The Delivery Date shall be later of either:

1. December 26, 2025: or
2. The 26th day of the calendar month immediately following the month in which the Energy Regulatory Commission ("ERC") issues a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued.

SECTION 4

4. ERC APPROVAL

- 4.1 Within thirty (30) days from execution of this Agreement, the Parties shall file a Joint Application for Approval of this Agreement with the ERC ("ERC Application") and shall exert their best efforts to secure the ERC's Provisional Approval, Interim Relief, and Final Approval of this Agreement as promptly as practicable in accordance with prevailing ERC guidelines, and shall fully cooperate with each other with respect to the ERC Application. Whichever party first receives written approval of the Agreement from the ERC shall, within five (5) calendar days, provide a copy of the approval to the other party.

Failure, inability, or refusal of the Seller, without justifiable cause to join in the timely filing of the ERC Application shall result in the forfeiture of the

Performance Bond. Should the failure to timely file the ERC Application is caused by Buyer's failure, inability, refusal, or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC.

SECTION 5

5. PERFORMANCE BOND

5.1 The Performance Bond amount shall be _____, which shall be effective from ten (10) days from the execution of this Agreement until the expiration of the Term. The Performance Bond shall be returned to Seller after the end of the Term unless sooner terminated in accordance with this Agreement.

5.2 The Performance Bond shall be issued in favor of the Buyer and must be in Philippine Peso in the form of:

- a. Cash or cashier's/manager's check issued by a Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;
- b. Bank draft/ guarantee or irrevocable/standby letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank; or
- c. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.

In case the Performance Bond is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the *Bangko Sentral ng Pilipinas*. The Performance Bond shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.

5.3 Within thirty (30) days after Buyer has notified the Seller in writing that it has drawn on the Performance Bond, the Seller shall provide such additional security or securities as may be sufficient in order to restore the Performance Bond to its full amount.

SECTION 6

6. SECURITY DEPOSIT

6.1 The Buyer shall not be required to post Security Deposit upon the execution of this Agreement.

6.2 In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice, the Buyer shall be required to post a Security Deposit within thirty (30) calendar

days of the immediately succeeding Billing Period.

- 6.3 The amount of the Security Deposit shall be equivalent to the Buyer's lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods, and shall be in the form of cash, cash bond, manager's or cashier's check, bank certified check, irrevocable stand-by letter of credit, surety bond or bank guarantee "callable on demand" issued by a financial institution.
- 6.4 The Seller shall be entitled to draw from the Security Deposit to offset any unpaid and undisputed Seller's Invoices, including any penalties or interest, if any.
- 6.5 If the Security Deposit is drawn partially or fully by the Seller, the Buyer shall replenish or replace the Security Deposit not later than thirty (30) calendar days from notice by the Seller.
- 6.6 If the Buyer remains current on its payment obligations with the Seller for three (3) consecutive Billing Periods following the posting of the Security Deposit, the Security Deposit shall be returned to the Buyer. The Buyer need not post another Security Deposit unless it again fails to fully pay one (1) undisputed Seller's Invoice.
- 6.7 The Buyer shall bear all costs related to securing the Security Deposit. Under no circumstances shall these costs be passed on to the Buyer's consumers.

SECTION 7

7. SUPPLY OF ENERGY

7.1 Seller's and Buyer's Obligations

Beginning on the Delivery Date, until the termination or expiration of this Agreement, Seller shall supply and deliver ___ MW or _____ kWh, as detailed in **SCHEDULE 2**, to Buyer at the Delivery Point, and the Buyer shall purchase and pay Seller the ___ MW or _____ kWh at the rate of [], resulting from the CSP and subject to the approval of the ERC.

In the event that an ERC [Interim Relief, Provisional Approval or Final Approval] shall have the effect of impairing the terms and conditions of this Agreement or requires any amendment to or modification of any provision of this Agreement that is not acceptable to either Party, then the Parties shall cooperate in good faith to address the required amendment or impairment, and Seller shall be free to file a motion for reconsideration with the ERC. In case Seller decides to file a motion for reconsideration, and pending resolution thereof by the ERC, the Parties shall implement the ERC Approval subject to

any adjustment or amendment that the ERC may direct. Any order on a motion for reconsideration shall be treated as an ERC Approval for purposes of the processes under this section. If the Parties are unable to agree on the required amendment within thirty (30) Days from receipt of the ERC Approval, or if the motion for reconsideration is not resolved by the ERC within one hundred eighty (180) days after its filing, or any proposed amendment is disapproved by the ERC, or approved by the ERC but still contains any material term or condition that is not acceptable to either Party, acting reasonably, then both Parties shall abide by the Commission's final decision.

7.2 WESM Operations

Buyer shall furnish Seller with its hourly nomination of demand on a daily, weekly, and monthly basis in accordance with the **Bilateral Contract Quantity Nomination Protocol provided in SCHEDULE 4 (BCQ Nomination Protocol)**.

7.2.1 For administrative and planning purposes only, Buyer shall furnish Seller with non-binding year-ahead, month-ahead and week-ahead nominations of Contract Capacity in accordance with the WESM Rules and the Operating Procedures.

7.2.2 Such nominations shall reflect Buyer's good faith estimate of its projected capacity requirements for such period. Buyer shall furnish Seller with the year-ahead nominations, the month-ahead nominations, and the week-ahead nominations.

7.3 Reduction of Contract Capacity

At the option of the Buyer, from time to time upon and after the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs, Buyer shall deliver to Seller written notice specifying the reduction in Contract Capacity and/or Contract Energy resulting from the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs, indicating when such reductions shall take place. Any such reduction shall be limited to an amount that will allow the Buyer to comply with its obligation to supply electricity in the least cost manner to its captive market. Except for such reduction of amount of Contract Capacity and/or Contract Energy to be specified by Buyer (including the resulting reduction in payments payable under this Agreement), all other terms and conditions of this Agreement shall remain in full force and effect, subject to the approval by the ERC.

The Parties shall agree on and prepare the protocol to implement the reduction in the amount of Contract Capacity, with observance of existing rules and regulations, as a result of the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs. The Parties shall submit a copy of the protocol to the ERC.

7.4 Scheduled Outages

- 7.4.1 At least seven (7) Days prior to the Delivery Date, the Seller shall submit to Buyer NGCP-approved Scheduled Outage periods for the remainder of the Year in which the Scheduled Commercial Operations Date occurs. Thereafter, by [DATE] of each Year after the Year in which the Scheduled Commercial Operation Date occurs, the Seller shall submit to Buyer NGCP-approved schedule of Scheduled Outage periods for the following Year. The outage periods shall be subject to the requirements under DOE guidelines and ERC rules and regulations.
- 7.4.2 At least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year after the Year in which the Scheduled Commercial Operation Date occurs, Buyer shall notify the Seller in writing whether the requested Scheduled Outage periods are acceptable. If Buyer cannot accept any of the requested Scheduled Outage periods, Buyer shall advise the Seller of a period when Buyer determines such unacceptable Scheduled Outage period can be rescheduled. Such rescheduled period shall be as close as reasonably practicable to the requested period, shall comply with the Minimum Functional Specifications indicated in Schedule 3, and shall be of equal duration as the requested period. The Seller shall conduct Scheduled Outages only during periods agreed to in writing by Buyer as aforesaid. The outage periods shall be subject to the approval requirements under DOE guidelines and ERC rules and regulations.
- 7.4.3 The Seller is allowed Scheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.
- 7.4.4 Buyer may, upon four (4) Days prior written notice, require the Seller to reschedule a Scheduled Outage; provided, however, that Buyer shall not request that such Scheduled Outage be rescheduled in a manner or time outside the Minimum Functional Specifications.
- 7.4.5 Buyer shall use its reasonable endeavors to coordinate its maintenance program for the Interconnection Facilities with the approved Scheduled Outages so as to minimize any disruption to the operation of the Facility.
- 7.4.6 For the plants that are not physically available on the date of delivery, it shall supply Replacement Power for a period not to exceed four (4) years, the Buyer should pay such Replacement Power at the lower of (a) the actual price of Replacement Power or (b) the approved charge for the PSA.

7.5 Unscheduled Outages

7.5.1 The Seller is allowed Unscheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.

7.6 Replacement Power

7.6.1 Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the Buyer. During such outage, Buyer shall source Replacement Power from other suppliers or from the WESM, at its own expense.

7.6.2 Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller. In the event of failure by the Seller to provide the Contract Capacity and/or Contract Energy, the Buyer shall be allowed to source the Replacement Power at the expense of the Seller. Provided further, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.6.3 For the plants that are not physically available on the date of delivery, the replacement power shall not exceed four (4) years, otherwise, the same shall be considered a breach of contract contemplated on the new **ERC CSP Rules of 2023** and shall be a ground for termination of the Contract and payment by the Seller of Liquidated Damage and Penalty. The Buyer shall pay for such Replacement Power at a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.7 Transmission and Interconnection

7.7.1 If applicable, Seller shall enter into a Connection Agreement and Transmission Service Agreement with the NGCP to connect the Facility to the Grid.

7.7.2 At all times from and after the Effective Date, all interconnection, transmission and other agreements necessary for Seller to perform its obligations hereunder (including the Connection Agreement and Transmission Service Agreement) shall be in full force and effect.

SECTION 8

8. COMPENSATION, PAYMENT AND BILLING

8.1 Payment of Fees

Commencing on Delivery Date and throughout the entire Term, Buyer shall pay to the Seller each Billing Period an amount equal to the Monthly Payment in

accordance with **SCHEDULE 7 (Monthly Payment, Indexation and Adjustment)**.

There shall be no offsetting of payment between the Buyer and Seller and there shall be no withholding of disputed amounts, except for the inadvertent mistake in the amount.

If an invoice is not disputed by the Buyer within thirty (30) days of receipt or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable.

8.2 Billing to Buyer

Within ten (10) Days from the end of each Billing Period commencing on Delivery Date, the Seller shall deliver to the Buyer the Seller Invoice setting forth the amount that is due from the Seller for the preceding Billing Period.

The Parties shall make the necessary adjustments, if necessary, for the Seller Invoice covering the first and last Billing Periods.

8.3 Payments

Each Seller Invoice shall be due and payable not later than thirty-five (35) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day

8.4 Manner of Payment

All sums indicated in the Seller Invoice shall be paid by the Buyer in Philippine Pesos, through a bank check or bank transfer to a nominated bank of Seller.

8.5 Taxes

All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to the Seller, the Facility and the Seller's other assets shall be paid by the Seller in a timely manner. All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to Buyer arising from or in connection with its rights and obligations under this Agreement shall be paid by Buyer in a timely manner.

8.6 Prompt Payment Discount

The Seller shall extend [] percent (%) discount based on the non- fuel fee (sum of Capital Recovery Fee, Fixed O&M Fee and Variable O&M Fee, if applicable) to Buyer as prompt payment if 1) payment is made within fifteen (15) Days from receipt of Seller's billing, and 2) buyer is up to date with all its

payment obligations under this Agreement.

8.7 Line Rental

The Line Rental shall not exceed a pre-determined "Line Rental Cap" of [Amount] Pesos per kWh. This cap represents the maximum amount payable by the Buyer for Line Rental under this Agreement.

The Line Rental payable by the Buyer shall be the actual Line Rental calculated; or the Line Rental Cap, whichever is lower.

8.8 Liquidated Damages

Liquidated damages in case of default shall be in the amount of [] per MW per day that the defaulting Party continues with the default and any fraction thereof, to be paid within twenty (20) Days after written demand for payment.

SECTION 9

9. FORCE MAJEURE

9.1 Meaning of Force Majeure

In this Agreement, "Force Majeure" refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights under this Agreement due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations under this Agreement.

9.1.1 Acts of God –

Acts of God, should only be considered as force majeure sufficient to terminate the contract if –

- (a) The event or calamity is of the degree or intensity that the continued operation of the parties would lead to death or injury of the parties' employees or agents;
- (b) The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public.

9.1.2 Epidemic –

An epidemic officially declared by the national or local government, should

only be considered as force majeure and a ground for termination of contract, if the epidemic causes:

- (a) Impossibility to deliver the contracted goods or services; or
- (b) When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations.

9.1.3 Other Events of Force Majeure (Force Majeure-Acts of Man)

Force Majeure events occurring in or directly affecting the Philippines include:

- (a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;
- (b) nationwide strikes, works to rule or go-slows that extend beyond the Facility or are widespread or nationwide, or that are of a political nature;
- (c) radioactive contamination or ionizing radiation originating from a source outside or inside the Philippines.

9.1.4 Any material change in the terms and conditions of the Agreement (as determined by the affected Party), as ordered by the ERC in the Final Authority.

9.1.5 Any amendment, modification or change in applicable law or ERC rules and regulations after the date of this Agreement, or any decision or order by any court or governmental authority which provides for a new or change in the interpretation of applicable law or ERC rules and regulations by virtue of which Seller becomes liable to pay any new charges or any increased charges and adversely affects the ability of Seller to perform or materially increases the operating costs or capital expenditures associated with the Facility.

9.2 Notification and Obligation to Remedy

In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure; (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (d) perform acts to avoid further loss or wastage; (e) keep such other Party apprised of such efforts on a continuous basis; and (f) provide written notice of the resumption

of performance hereunder. Notwithstanding the occurrence of a Force Majeure, the Parties shall perform their obligations under this Agreement to the extent the performance of such obligations is not impeded by the Force Majeure.

9.3 Consequences of Force Majeure

Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Parties may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) six (6) consecutive months prior to the Delivery Date or (b) six (6) consecutive months after the Delivery Date.

SECTION 10

10. DEFAULTS AND TERMINATION

10.1 Events of Default

Each of the events described below shall constitute an Event of Default, provided that such events result to, in the case of Seller, an actual failure to deliver to Buyer of the required 20 MW or 87,600,000.00 kWh; or, in the case of Buyer, an actual failure to accept the required [Contract Capacity and/or Contract Energy] from, or pay the [Monthly Payments] to, Seller. An "Event of Default" shall mean, with respect to the relevant Party (such Party being, with respect to the Event of Default, a "Defaulting Party" and the other Party being the "Non-Defaulting Party"):

- 10.1.1 A Party fails to make any payment required pursuant to this Agreement when due and payable and such payment is not made within **ten (10)** Days after the Due Date;
- 10.1.2 A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement; and
- 10.1.3 A Party becomes bankrupt or there occurs a default, event of default or other similar condition or event with respect to the Buyer under one or more agreements or instruments to which it is a party.

Within a [number of days] from knowledge of the occurrence of an Event of Default and for Events of Default capable of being remedied or cured, the Non-Defaulting Party shall issue a written notice to the Defaulting Party specifying

in detail the relevant Event of Default (the “Notice of Default”). The Defaulting Party shall have the opportunity to cure the default within the following periods from receipt of the Notice of Default (each a “Cure Period”):

- (a) **Ten (10)** Days, for Events of Default under **SECTION 10.1.1**,
- (b) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.2**, and
- (c) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.3**.

10.2 Notice of Default and Termination or Upon Event of Default

In case an Event of Default is not cured within the applicable Cure Period or if the Event of Default is not capable of being remedied the Non- Defaulting Party may terminate this Agreement in accordance with **SECTION 10.4**, subject to the approval of the ERC, and may pursue any remedy available to it under this Agreement or at law.

10.3 Suspension upon Event of Default

In case an Event of Default is awaiting to be cured during the Cure Period under **SECTION 10.1**, the Non-Defaulting Party may suspend this Agreement, subject to the approval of the ERC, until such time the Event of Default is cured, or the applicable Cure Period lapsed.

10.4 Termination upon Event of Default

The following procedure shall apply in terminating this Agreement:

10.4.1 The Non-Defaulting Party shall issue a notice (a “Termination Notice”) to the other Party, specifying in detail the Event of Default giving rise to such Termination Notice, and the date on which the Party giving such Termination Notice proposes to terminate this Agreement, subject to the approval of the ERC.

10.4.2 During the period of [number of days] Days (or such longer period set out in the Termination Notice or as the Parties may agree) following the giving of such Termination Notice, the Parties shall negotiate as to what steps shall be taken with a view to mitigating or remedying the consequences of the relevant event having regard to all the circumstances.

10.4.3 If the Party receiving the Termination Notice intends to raise a Dispute regarding the right to give effect to the Termination Notice (the “Termination Notice Dispute”), such Party shall follow the procedure prescribed in **SECTION 11**; and

10.4.4 In circumstances where the Party in receipt of the Termination Notice

has referred a Termination Notice Dispute for resolution in accordance with **SECTION 10.4.3** above, if:

- i. at any time after the expiry of the period referred to in **SECTION 10.4.1**, the event giving rise to the Termination Notice has not been remedied; and
- ii. the Termination Notice Dispute has been determined in favor of the Party who has issued the Termination Notice,

the Agreement may be terminated only upon prior notification to and approval by ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.

10.5 Termination as a Result of Events Other than Event of Default

10.5.1. Nonfulfillment of Conditions Precedent to Effectivity. If any condition to the Effective Date has not been fulfilled on or before [date], then either Party has the option to terminate this Agreement by giving written notice of such termination to the other Party, provided that the fulfilment of such condition is not within the control of the Party seeking to give such notice, subject to the prior notification to and approval of ERC, pursuant to its rules and regulations. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than one hundred eighty (180) Days from the date of such notice, subject to the approval of the ERC.

10.5.2. Termination in Certain Events of Force Majeure. If an event of Force Majeure occurs under the circumstances and having the consequences described in **SECTION 9**, then this Agreement may be terminated, subject to prior notification to and approval by the ERC, by notice of either Party delivered to the other Party within seven (7) Days after the end of such 180-day period. If any Force Majeure is expected by the Claiming Party to exceed one hundred eighty (180) Days then the Claiming Party may give notice to the other Party at any time of the Claiming Party's desire to terminate this Agreement. The Non-Claiming Party shall notify the Claiming Party, within five (5) Days of the receipt of such notice, of either: (1) its acceptance of the notice, in which case this Agreement shall terminate effective on the date of such responsive notice, subject to the prior notification and approval of the ERC, pursuant to its rules and regulations; or (2) its disagreement with the Claiming Party's expectation of the duration of such Force Majeure event, in which case the dispute shall be resolved pursuant to **SECTION 11**.

SECTION 11

11. DISPUTE RESOLUTION

If any dispute or disagreement (“Dispute”) shall arise between the Parties in connection with this Agreement, either Party may request in writing that the respective chief executive officers of Seller and Buyer meet within [number of days] Days and attempt to resolve the Dispute. The Parties shall exert every effort to first resolve the Dispute amicably by mutual consultation.

Should parties fail to reach an amicable settlement after mutual consultation, any Dispute arising from this Agreement shall then be settled through arbitration, at a venue within the Philippines, with the rules of Republic Act No. 876 and Republic Act No. 9285 deemed incorporated by reference in this clause.

In the event such officers are unable to resolve such Dispute through the above arbitration clause, the ERC has the jurisdiction to hear and decide the Dispute between parties arising from this Agreement, in the exercise of its powers and functions under the EPIRA.

SECTION 12

12. ASSIGNMENT OF RIGHTS

The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium’s special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) with the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller’s obligations and duties under this Agreement. Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.

Notwithstanding anything to the contrary contained in this agreement, and in the event of the nonrenewal of Buyer's franchise or the transfer of rights to a new franchise holder, both parties agree to cooperate and exert reasonable efforts to ensure the uninterrupted and seamless transition of power supply services. The non-renewal of the franchise shall not, in itself, constitute grounds for automatic termination of this agreement. **Buyer** shall use best efforts to notify the SELLER in advance of any impending changes in franchise ownership or any circumstances that may affect the continued provision of power supply services. SELLER agrees to work collaboratively with **the Buyer** and any new franchise holder to facilitate a smooth transition, and both parties shall avoid taking any actions that may lead to the discontinuance of power supply during the transition period. This provision on assignability will be enforceable and will confer benefits upon the involved parties and their respective successors and assigns.

SECTION 13

13. NOTICES

13.1 Address for Notices

Any notice, communication, request or correspondence (each a “notice”) required or permitted under the terms and conditions of this Agreement shall be in writing, in the English or Filipino language (it being understood that any such communication or paper in a language other than the same shall be of no force or effect), and shall be (a) delivered personally, or (b) transmitted by electronic mail and either (i) recipient acknowledges receipt to sender or (ii) sender delivers to recipient a transmission confirmation; to the following addresses:

If to Buyer:

Address: NONECO Main Office, Brgy. Tortosa,
Manapla, Negros Occidental, 6120
Philippines
E-mail Add.: noneco.trading@gmail.com; noneco.coopogm@gmail.com
Attention:

If to Seller:

Address: _____

E-mail Add.: _____
Attention: _____

or such other address and/or telephone number as either Party may previously have notified to the other Party in accordance with this Section.

“Recipient” shall mean the president, managing partner, general manager, corporate secretary, treasurer, or in-house counsel, or signatory to this Agreement of the Party, or in their absence or unavailability, on their secretaries.

13.2 Effectiveness of Service

Notices shall be effective: (a) in the case of personal delivery, when received by the recipient; or (b) in the case of transmission by electronic mail, if receipt of the transmission occurs before 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, upon receipt of transmission, or if receipt of the electronic mail occurs after 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, the next succeeding Business Day.

SECTION 14

14. MISCELLANEOUS PROVISIONS

14.1 Variations in Writing

All additions, amendments or variations to this Agreement shall be binding only if in writing and signed by duly authorized representatives of both Parties, and with prior approval of the ERC.

14.2 Entire Agreement

This Agreement and all Schedules thereto together represent the entire understanding between the Parties in relation to the subject matter thereof and supersede any or all previous agreements or arrangements between the Parties in respect of the Facility (whether oral or written).

14.3 Severability

In the event that any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or of the same provisions in any other jurisdiction shall not in any way be affected or impaired thereby.

14.4 Waivers

14.4.1 No waiver by either Party of any default by the other in the performance of any of the provisions of this Agreement shall (a) operate or be construed as a waiver of any other or further default whether of a like or different character, and (b) be effective unless in writing duly executed by an authorized representative of such Party.

14.4.2 The failure by either Party to insist on any occasion upon the performance of the terms, conditions or provisions of this Agreement or time or other indulgence granted by one Party to the other shall not thereby act as a waiver of such breach or acceptance of any variation.

14.4.3 The Parties shall not, through mutual agreement, or consent or acquiescence of the other, waive any rights or obligations under this contract that may prejudice the rights of consumers.

14.5 Successors and Assigns

This Agreement shall inure to the benefit of, and be binding upon, the Parties hereto and their respective successors and permitted assigns, subject to the provision in **SECTION 12**.

14.6 No Liability for Review

No review or approval by Buyer of any agreement, document, instrument, drawing, specifications or design proposed by the Seller shall relieve the Seller from any liability that it would otherwise have had for its negligence in the preparation of such

agreement, document, instrument, drawing, specifications or design or from failure to comply with the applicable laws of the Republic of the Philippines with respect thereto, nor shall Buyer be liable to Seller or any other person by reason of its review or approval of an agreement, document, instrument, drawing, specification, or design.

14.7 Consequential Damages

Neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for indirect, consequential, punitive or exemplary damages resulting from the performance of obligations or the exercise of rights under or pursuant to this Agreement.

14.8 Affirmation

The Seller and Buyer declare and affirm that neither Party has paid nor has it undertaken to pay and that it shall in the future not pay any bribe, pay-offs, kick-backs or unlawful commission and that it has not in any other way or manner paid any sums, whether in Local Currency or Foreign Currency and whether in the Philippines or abroad, or in any other manner given or offered to give any gifts and presents in the Philippines or abroad to any person or Seller to procure this Agreement, and the Seller and Buyer undertake not to engage in any of the said or similar acts during the term of and relative to this Agreement.

14.9 Governing Law

This Agreement and the rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and construed according to applicable laws, rules and regulations of the Philippines.

14.10 Relationship of the Parties

This Agreement shall not make either of the Parties partners or joint venturers one with the other, nor make either the agent of the other. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other Party.

14.11 Survival

Cancellation, expiration or earlier termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such cancellation, expiration or termination, including the rights and obligations, warranties, remedies, promises of indemnity and confidentiality set forth in previous sections.

14.12 Language

The language for the purpose of administering this Agreement, including any expert proceeding or arbitration hereunder, shall be English or Filipino.

14.13 Performance Security/Bond

To guarantee the faithful performance by the Seller of its obligations under this Agreement, it shall post a Performance Security within a maximum period of ten (10) calendar days from the execution of the contract payable to the Buyer.

The Seller shall furnish a Performance Bond issued by (Cash, Check, SBLC) in the amount of Php _____ guaranteeing faithful performance of this Agreement. The Bond shall be initially valid for one (1) year and renewable annually.

14.14 Good Faith

In carrying out its obligations and duties under this Agreement, each Party shall have an obligation of good faith.

IN WITNESS whereof the Parties have entered into this Agreement the date first above written.

[NAME OF BUYER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

[NAME OF SELLER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

SECRETARY’S CERTIFICATE

I, _____, Filipino, of legal age and with office address at _____, after having duly sworn in accordance with law, hereby depose and state that:

1. I am the Corporate Secretary of _____, a _____ duly organized and existing under and by virtue of the laws of the Philippines with principal office address at _____.
2. At the special meeting of the Board of Directors held on _____, during which meeting a quorum was present and acting throughout, the following resolution was unanimously passed and approved:

RESOLVED, that the Board of Directors of _____ authorize, as it hereby authorizes _____ to sign the Agreement with _____, on behalf of the [Corporation].

3. This board resolution has not been revoked, amended or modified, and remains valid and binding on the [Corporation] as of the date hereof.
4. The foregoing statements are in accordance with the records of the [Corporation].

IN WITNESS WHEREOF, I have hereunto set my hand this _____ at _____, Philippines.

Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ in _____.
Affiant, who is personally known to me, exhibited to me his/her identification _____ issued in _____ on _____.

SCHEDULE 1

[Note: Schedule 1 shall be finalized by the Winning Bidder and the Buyer]

DEFINITIONS

Whenever the following terms appear in this Agreement or the Schedules hereto, whether in the singular or in the plural, present, future or past tense, they shall have the meanings stated below unless the content otherwise requires:

“Affiliate” - means any person which, alone or together with any other person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. As used herein, “control” shall mean the power to direct or cause the direction of the management policies of a person by contract, agency or otherwise.

“Agreement” - This Power Supply Agreement, including all Schedules thereto, as amended or supplemented from time to time.

“Allowed Outage” - The allowed number of hours for every contract year that a Unit and/or Component of a power plant is not available to perform its intended function due to some event directly associated with that Unit and/or Component based on the Rules and Regulations of ERC.

“Billing Period” - the period of one (1) month commencing at 0001H of the twenty- sixth (26th) day of each calendar month to 2400H of the twenty-fifth (25th) day of the calendar month.

“Business Day” - A Day on which business by and between banks may be carried on in [Location] in the Philippines.

“Buyer Grid System” - The Interconnection Facilities and any other transmission or distribution facilities on Buyer's side of the Interconnection Point(s) through which the Contract Capacity/Contract Energy of the Facility will be distributed by Buyer to users of electricity.

“Contract Capacity” - The capacity, expressed in kW allocated to the Buyer during the Billing Period.

“Contract Energy” - The energy, expressed in kWh to be consumed or purchased by the Buyer from the Seller during each Billing Period indicated in **SCHEDULE 2** (Contract Capacity and Contract Energy (Regular Year) and (Leap Year) at one hundred percent (100%) capacity utilization factor (CUF) with respect to the Contract Capacity.

“Contract Term” - shall have the meaning ascribed to it in **SECTION 3.1**.

“Contract Year” - a twelve-month period beginning on the date power delivery commences under this Agreement and recurring on each anniversary thereafter.

“Day” - The 24-hour period beginning and ending at 12:00 midnight in [Philippine Time]. For clarity, “Day” means calendar day, or any day including Saturday, Sunday, and any day

which is a legal holiday in the Philippines.

“Delivery Date” - shall have the meaning ascribed to it in **SECTION 3.3**.

“Delivery Point” - The Trading Node or NGCP/Metering Service providers’ metering point/s of the Seller.

“Dispute” - shall have the meaning ascribed thereto in **SECTION 11**.

“Effective Date” - means the date following the completion of the conditions referred to in **SECTION 3.2**.

“EPIRA” - The Republic Act No. 9136 of the Electric Power Industry Reform Act of 2001.

“ERC” - The Energy Regulatory Commission of the Philippines, the independent and quasi-judicial regulatory agency created under Section 38 of the EPIRA.

“ERC Approval” - shall pertain to either the Interim Relief, Provisional Authority, or Final Authority issued by the ERC for this Agreement.

“Facility” - [Provide brief description of generating facility, including fuel source, capacity and location, if applicable]

“Final Authority” - shall mean the final decision of the ERC on the application for approval of the Agreement that is not a Provisional Authority or Interim Relief.

“Force Majeure” - An event or occurrence specified in **SECTION 9**.

“Foreign Currency” or – The lawful currency of [_____].

“Fuel” – [Describe type of fuel used by the Facility, if applicable].

“Grid” - The high voltage backbone system of interconnected transmission lines, substations, and related facilities for the purpose of conveyance of bulk power.

“Interconnection Facilities” - All the facilities on the high side of the step-up transformer described in **SCHEDULE 3** to be constructed by or for Buyer to enable it to receive and deliver capacity and energy in accordance with this Agreement plus the Metering System.

“Interconnection Point” - The physical point(s) where the Facility and the Buyer Grid System are connected as specified in **SCHEDULE 3**.

“kW” - Kilowatts.

“kWh” - Kilowatt-hours.

“Law” - Any law, act, ordinance, code, decree, order, rule, policy, resolution or regulation of any governmental authority or agency (national, provincial, municipal, local) that is at any time applicable to the parties, contract, project, site or any part thereof.

“Liquidated Damages” - The meaning ascribed thereto in **SECTION 8.8**.

“Local Currency” - The lawful currency of the Philippines.

“Metering System” - All meters and metering devices owned by Buyer and used to measure the delivery and receipt of Energy/Capacity.

“Minimum Functional Specifications” - The minimum functional specifications (including the technical limits of the Facility) for the construction and operation of the Facility as set forth in Schedule 3 hereof.

“Month” - A calendar month according to the Gregorian calendar beginning at 12:00 midnight on the last day of the preceding month and ending at 12:00 midnight on the last day of that month.

“MW” - Megawatts.

“NGCP” - National Grid Corporation of the Philippines, the corporation awarded the concession to operate the transmission facilities of the National Transmission Corporation pursuant to the EPIRA and Republic Act No. 9511.

“Notice of Default” - The meaning ascribed thereto in **SECTION 10.1**.

“Parties” - Both Buyer and the Seller.

“Party” - Either Buyer or the Seller.

“Outage Allowance” - refers to the allowable outage per plant type as determined by the ERC.

“Replacement Power” - The energy from an alternative source responsible to be delivered by the Seller to Buyer at a price lower than the price set forth in the Agreement.

“RCOA” - The Retail Competition and Open Access.

“Scheduled Outage” - A planned partial or complete interruption of the Facility's generating capability that (a) is not an Unscheduled Outage; (b) has been scheduled and allowed by Buyer in accordance with **SECTION 7.4**; and (c) is for inspection, testing, preventive maintenance, corrective maintenance or improvement.

“Unscheduled Outage” - An interruption or reduction of a Unit's or the Facility's generating capability that is not a Scheduled Outage.

“Week” - Each period of seven (7) consecutive Days beginning at 12:00 midnight Philippine Standard Time falling between a Saturday and a Sunday.

“WESM” – Wholesale Electricity Spot Market.

“Year” - Each twelve (12) Month period commencing on 12:00 midnight on December 31 and ending on 12:00 midnight the following December 31 during the term of this Agreement.

SCHEDULE 2

[Note: Schedule 2 shall be finalized by the Winning Bidder and the Buyer]

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (REGULAR YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	4	5,000	620,000.00	
February	4	5,000	620,000.00	
March	4	5,000	560,000.00	
April	4	5,000	620,000.00	
May	4	5,000	600,000.00	
June	4	5,000	620,000.00	
July	4	5,000	600,000.00	
August	4	5,000	620,000.00	
September	4	5,000	620,000.00	
October	4	5,000	600,000.00	
November	4	5,000	620,000.00	
December	4	5,000	600,000.00	

SCHEDULE 2

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (LEAP YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	4	5,000	620,000.00	
February	4	5,000	620,000.00	
March	4	5,000	580,000.00	
April	4	5,000	620,000.00	
May	4	5,000	600,000.00	
June	4	5,000	620,000.00	
July	4	5,000	600,000.00	
August	4	5,000	620,000.00	
September	4	5,000	620,000.00	
October	4	5,000	600,000.00	
November	4	5,000	620,000.00	
December	4	5,000	600,000.00	

SCHEDULE 3

[Note: Schedule 3 shall be finalized by the Winning Bidder and the Buyer]

MINIMUM FUNCTIONAL SPECIFICATIONS

Technical Limits of the Facility

Particulars	[Name of Plant/Facility]	[Name of Plant/Facility]
Location		
Type of Technology		
Mode of Operation (baseload, intermediate, peaking, etc.)		
Commissioning Date		
Date of Completion		
Economic Life, years		
Installed Capacity, MW		
Dependable Capacity, MW		
Auxiliary Load, MW		
Scheduled Outage, days		
Unscheduled Outage, days		
Voltage Limits (kV)		

Delivery Point/s

Location	Delivery Voltage

Interconnection Facilities

Illustration of the Site Location

Illustration of the Site Layout Area

Detailed Single Line Diagram

SCHEDULE 4

[Note: Schedule 4 shall be finalized by the Winning Bidder and the Buyer]

BCQ NOMINATION PROTOCOL

SCHEDULE 5

[Note: Schedule 5 shall be finalized by the Winning Bidder and the Buyer]

**PROTOCOL FOR REDUCTION OF CONTRACT CAPACITY AND/OR
CONTRACT ENERGY**

1. Purpose:

This protocol outlines the procedures and guidelines for the reduction of Contract Capacity and/or Contract Energy between Northern Negros Electric Cooperative, Inc. (NONECO) and the Power Supplier, in accordance with the provisions of Energy Regulatory Commission (ERC) Resolution 16, Series of 2023 ("Resolution").

1. Scope:

This protocol applies to the contracts with specified Contract Capacity and/or Contract Energy.

2. Grounds for Reduction:

Buyer may initiate a reduction of Contract Capacity and/or Contract Energy based on the following grounds, as provided in the Resolution:

- Significant and sustained reduction in **Buyer's** load demand due to the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs.
 - The Buyer's customer procures electricity from RES, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such the NONECO's customer for the last twelve (12) calendar months prior to such disconnection; and
 - The Buyer's customer procures electricity from any supplier who does not supply electricity to Buyer, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such Buyer's customer for the last twelve (12) calendar months prior to such disconnection multiplied by the proportion of the Contracted Capacity to the total capacity contracted by the Buyer with all of its Suppliers of electric power (including the SELLER).
- Occurrence of Force Majeure events affecting permanent reduction of **the Buyer's** load demand.
- Change in Circumstances as defined in the resolution.

3. Procedure:

3.1. Submission of Request:

- **Buyer** shall submit a written request for a reduction of Contract Capacity and/or **Buyer** shall issue a Notice of Reduction to the Power Supplier, specifying the following:
 - The specific Contract Capacity and/or Contract Energy to be reduced.
 - The effective date of the reduction.
 - The grounds for the reduction, with supporting documentation.
 - The proposed revised terms and conditions of the PSA, if applicable.
 - A request for a meeting to discuss the proposed reduction.
- The Notice of Reduction shall be served to the Power Supplier at least [Number] days.

4. Discussion and Negotiation:

- Upon receipt of the Notice of Reduction, the Power Supplier shall have the right to request a meeting with **the Buyer** to discuss the proposed reduction.
- Both parties shall engage in good faith negotiations to reach a mutually acceptable agreement on the reduction of Contract Capacity and/or Contract Energy and any necessary amendments to the PSA.
- The discussions shall focus on, but not be limited to:
 - The validity of the grounds for reduction.
 - The impact of the reduction on both parties.
 - Possible alternative solutions.
 - The appropriate compensation, if any, for the reduction.

5. Agreement and Amendment:

If an agreement is reached, both parties shall execute an amendment to the PSA, reflecting the revised Contract Capacity and/or Contract Energy and any other agreed-upon terms and conditions.

If no agreement is reached within [Number] days from the date of the Notice of Reduction, **Buyer** may proceed with the reduction, subject to compliance with the Resolution and the PSA.

6. Regulatory Approval:

Any amendment to the PSA resulting from the reduction of Contract Capacity and/or Contract Energy shall be submitted to the ERC for approval, in accordance with the ERC Resolution 16, Series of 2023.

7. Dispute Resolution:

Any disputes arising from the implementation of this protocol shall be resolved in accordance with the dispute resolution provisions of the PSA and in accordance with the ERC Resolution 16, Series of 2023.

8. Review and Amendment:

This protocol shall be reviewed and amended as necessary to ensure compliance with the ERC Resolution 16, Series of 2023.

9. Documentation:

All notices, agreements, and other relevant documents related to the reduction of Contract Capacity and/or Contract Energy shall be properly documented and maintained by both parties.

SCHEDULE 6

[Note: Schedule 6 shall be finalized by the Winning Bidder and the Buyer]

SCHEDULED AND UNSCHEDULED OUTAGES

The Seller shall be allowed of outages for each contract year not exceeding to:

Scheduled outage: _____ hours.

Unscheduled outage: _____ hours

1. Scheduled outages shall be provided by the Supplier as determined by the grid System Operator.
2. No carry-over of Outage allowance (OA) to any subsequent contract year.
3. No crediting of Outage allowance (OA) from scheduled to unscheduled and vice versa.
4. The penalty clause will be determined based on the EC-approved timeline of the scheduled outage.
5. Power provider must provide replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages.
6. Seller must provide NGCP-approved schedule of Scheduled Outage at least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year.

SCHEDULE 7

[Note: Schedule 7 shall be finalized by the Winning Bidder and the Buyer]

MONTHLY PAYMENT, INDEXATION AND ADJUSTMENT

The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items shall be itemized and classified into:

Electricity Fee will compose of the following:

- Capital Recovery Fee (CRF)
- Fixed Operation and Maintenance Cost (FOM)
- Variable Operation and Maintenance Cost (VOM)
- Fuel Fee (FF)

$$Electricity\ Fee\ \left(\frac{Php}{kWh}\right) = CRF + FOM + VOM + Fuel\ Fee$$

A. Capital Recovery Fee (CRF)

The CRF is equal to the bid price of capital recovery cost with four (4) hours utilization per day in the billing month.

B. Fixed Operation and Maintenance Fee (FOM)

The base prices of the FOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the table.

Index	Base Value	Source
PH CPI	127.4	Consumer Price Index (2018 = 100), All Income Households, All Items for June 2025 https://www.bsp.gov.ph/SitePages/Statistics/Pricing.aspx?TabId=1
US CPI	322.561	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, June 2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025 https://www.bsp.gov.ph/statistics/external/day99_data.aspx

The applicable price for the FOM for the billing month shall be calculated as follows:

$$\begin{aligned}
 FOM_{Month} = & \left[K_L^{FOM} \times FOM_L^{CUF} \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] \\
 & + \left[(1 - K_L^{FOM}) \times FOM_L^{CUF} \right] \\
 & + \left\{ \left[K_F^{FOM} \times FOM_F^{CUF} \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + \left[(1 - K_F^{FOM}) \times FOM_F^{CUF} \right] \right\} \times FOREX_{N-1}
 \end{aligned}$$

Where:

- K_L^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local fixed O&M;
- K_F^{FOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign fixed O&M;
- FOM_L^{CUF} is the value of the local fixed O&M cost component at a given CUF;
- FOM_F^{CUF} is the value of the foreign fixed O&M cost component at a given CUF;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month June 2025, equal to 127.4, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month;
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month June 2025, equal to 322.561, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month;
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

C. Variable Operation and Maintenance Fee (“VOM”)

The base prices of the VOM may have local and foreign component that may or may not be indexed to applicable inflation indexations. The bid price offered by the bidder shall be indexed based on the table.

Index	Base Value	Source
PH CPI	127.4	Consumer Price Index (2018 = 100), All Income Households, All Items for June 2025 https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1
US CPI	322.561	Consumer Price Index for All Urban Consumers (CPI-U) (1982-1984 = 100): U.S. City Average All Items, by expenditure category, June 2025 https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm
FOREX	57.4246	Daily Pesos per U.S. Dollar Rate, Monthly Average for March 2025 https://www.bsp.gov.ph/statistics/external/day99_data.aspx

$$\begin{aligned}
 VOM_{Month} = & \left[K_L^{VOM} \times VOM_L \times \frac{PH\ CPI_{N-1}}{PH\ CPI_{BASE}} \right] + [(1 - K_L^{VOM}) \times VOM_L] \\
 & + \left\{ \left[K_F^{VOM} \times VOM_F \times \frac{US\ CPI_{N-1}}{US\ CPI_{BASE}} \right] \right. \\
 & \left. + [(1 - K_F^{VOM}) \times VOM_F] \right\} \times FOREX_{N-1}
 \end{aligned}$$

Where:

- K_L^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for local variable O&M;
- K_F^{VOM} is the indexation parameter in percent (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation), for foreign variable O&M;
- VOM_L is the value of the local variable O&M cost component;
- VOM_F is the value of the foreign variable O&M cost component;
- $PH\ CPI_{Base}$ is the base value of the Philippine CPI (2018-100) of all income households of all items for the reference month June 2025, equal to 127.4, as found in <https://www.bsp.gov.ph/SitePages/Statistics/Prices.aspx?TabId=1>
- $PH\ CPI_{N-1}$ is the value of the Philippine CPI on the month preceding the billing month (N-1);
- $US\ CPI_{Base}$ is the average of the US consumer price index for all urban consumers (CPI-new) (1982=100), by expenditure category, for the reference month June 2025, equal to 322.561, published by US bureau of labor statistics, https://www.bls.gov/regions/northeast/data/consumerpriceindex_us_table.htm;
- $US\ CPI_{N-1}$ is the value of the US CPI on the month preceding the billing month (N-1);
- $FOREX_{N-1}$ is the value of the monthly average of daily pesos or US dollar rate on the month preceding the billing month published by BSP, https://www.bsp.gov.ph/statistics/external/day99_data.aspx.

D. Fuel Fee (“FF”)

The Fuel Fee (FF) will be based on the formula:

$$FF_{Month} = Actual\ Fuel\ Pass\ Through\ Cost$$

Fuel Fee shall be a pass-through component of the price.

However, in order for NONECO to validate and pay the Fuel Fee, the Seller’s Invoice shall include the following:

1. Summary of Total Fuel Cost: A summary statement showing the total Fuel Fee for the relevant billing period, with a detailed breakdown of all cost components.
2. Relevant fuel supplier’s invoice: The invoice/s detailing the actual Fuel Fee incurred to produce the delivered energy to NONECO. If any index or indices are used, the Seller must provide the Buyer with relevant proof to substantiate index.
3. Fuel Inventory Report: The Seller must also attach the monthly fuel inventory report submitted to the DOE.
4. Fuel Supply Agreement: A copy of the applicable Fuel Supply Agreement covering the fuel used during the billing period.

NONECO reserves the right to defer payment of the Fuel Fee for any billing period until the required supporting documents have been fully submitted by the Winning Bidder.

E. Sample Bills

**NORTHERN NEGROS ELECTRIC COOPERATIVE, INC.
(NONECO)**

- and -

[NAME OF SELLER]

POWER SUPPLY AGREEMENT

DATED AS OF [DATE OF SIGNING]

THIS **POWER SUPPLY AGREEMENT** (this “Agreement”) is made at [LOCATION] on [DATE] BETWEEN:

NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO), an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **Brgy. Tortosa, Manapla, Negros Occidental, 6120, Philippines** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Buyer”); and

[NAME OF SELLER], an entity duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal office address at **[Address of the Seller]** represented herein by its **[Designation of Representative], [Name of Representative]** (hereinafter referred to as “Seller”).

Each of the Buyer and the Seller are hereafter individually referred to as “Party” and together, as the “Parties”.

WHEREAS:

Seller owns and operates, or plans to design, finance, construct, own, operate and maintain, whichever is applicable, a [gross capacity of the Facility] megawatts (MW) [Description of the Facility] located at [Location of the Facility]; and

Seller desires to sell to Buyer, and Buyer desires to purchase from the Seller, the energy and/or capacity pursuant to the terms and conditions set forth herein, consistent with the Terms of Reference of the relevant Competitive Selection Process (TOR-CSP) conducted by Buyer or the rules governing exemptions from the CSP, as the case may be.

NOW, THEREFORE, under the above premises and for and in consideration of the mutual covenants and agreements hereinafter set forth, the Parties, for themselves and their respective successors and assigns, have mutually agreed as follows:

SECTION 1

1. DEFINITION OF TERMS AND RULES OF INTERPRETATION

- 1.1. In this Agreement, capitalized terms shall have the meaning prescribed in **SCHEDULE 1** hereof. Capitalized terms not therein defined shall have the meanings as provided for in the TOR-CSP or by the applicable laws.
- 1.2. The following rules of interpretation shall govern this Agreement:
 - 1.2.1 expressions defined in **SCHEDULE 1** shall bear the respective meanings set out therein;
 - 1.2.2 the headings and paragraph numbering are for convenience of parties

and to avoid any insertion, but will not prevail in construing this Agreement;

- 1.2.3 terms not herein defined shall have the meanings as provided for in pertinent ERC rules and regulations and Department of Energy (DOE) circulars;
- 1.2.4 references to Sections and Schedules are, unless the context otherwise requires, references to Sections of, and Schedules to, this Agreement;
- 1.2.5 references to any agreement, enactment, ordinance or regulation includes any amendment thereof or any replacement in whole or in part;
- 1.2.6 all references herein to time are in relation to Philippine time;
- 1.2.7 words importing any gender include the other gender;
- 1.2.8 the words “include,” “includes,” and “including” are not limiting;
- 1.2.9 the words “hereof,” “herein,” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and
- 1.2.10 Any ambiguity in the contract is to be construed in favor of the objectives of the Republic Act No. 9136 or its implementing rules, regulations or circulars issued by the Department of Energy (DOE) or Energy Regulatory Commission (ERC), as the case may be.

SECTION 2

2. SALE AND PURCHASE OF ENERGY/CAPACITY

Subject to and in accordance with the terms of this Agreement, Seller shall make available and sell to Buyer, and Buyer shall purchase from the Seller for the consideration described in **SECTION 8**, the energy and/or capacity from and after the Delivery Date until the expiry of the Term.

SECTION 3

3. TERM

3.1 Contract Term

This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for ten (10) years commencing on the Delivery date, unless sooner terminated in accordance with the PSA and upon approval by the ERC.

3.2 Effective Date

Except for the obligation to deliver [Contracted Capacity/Energy], the Parties' rights and obligations under this Agreement shall commence on the Effective Date, which shall be the date upon which all of the following conditions are satisfied:

- a) Corporate Approvals. The receipt of the Seller of a certificate executed by the corporate or partnership secretary, as applicable, or a resolution duly and validly issued by the board of directors of Buyer, attesting to the fact that the board of directors of Buyer has adopted resolutions (i) authorizing Buyer to execute and to enter into and deliver this Agreement and perform all its obligation hereunder, and (ii) designating the person authorized to execute this Agreement on behalf of the Buyer; and
- b) Government Authorizations. All governmental authorizations (except ERC) which are required to have been obtained in connection with the execution, delivery and commencement of performance of this Agreement, shall have been obtained and be in full force and effect.

Within five (5) Days after the satisfaction of the conditions referred to in this Section, each Party shall send a written notice to the other Party confirming satisfaction of such conditions and indicating the Effective Date.

3.3 Delivery Date

The Seller shall commence delivery of Contract Capacity to Buyer on Delivery Date. The Delivery Date shall be later of either:

1. December 26, 2025; or
2. The 26th day of the calendar month immediately following the month in which the Energy Regulatory Commission ("ERC") issues a Provisional Authority or Interim Relief, as applicable, or Final Authority, if neither Provisional Authority nor Interim Relief was issued.

SECTION 4

4. ERC APPROVAL

- 4.1 Within thirty (30) days from execution of this Agreement, the Parties shall file a Joint Application for Approval of this Agreement with the ERC ("ERC Application") and shall exert their best efforts to secure the ERC's Provisional Approval, Interim Relief, and Final Approval of this Agreement as promptly as practicable in accordance with prevailing ERC guidelines, and shall fully cooperate with each other with respect to the ERC Application. Whichever party first receives written approval of the Agreement from the ERC shall, within five (5) calendar days, provide a copy of the approval to the other party.

Failure, inability, or refusal of the Seller, without justifiable cause to join in the timely filing of the ERC Application shall result in the forfeiture of the

Performance Bond. Should the failure to timely file the ERC Application is caused by Buyer's failure, inability, refusal, or delay, without justifiable cause, to provide or comply with the ERC requirements, Buyer shall be liable for and shall indemnify Power Supplier for any fine, penalty or demerit to be imposed by the ERC.

SECTION 5

5. PERFORMANCE BOND

5.1 The Performance Bond amount shall be _____, which shall be effective from ten (10) days from the execution of this Agreement until the expiration of the Term. The Performance Bond shall be returned to Seller after the end of the Term unless sooner terminated in accordance with this Agreement.

5.2 The Performance Bond shall be issued in favor of the Buyer and must be in Philippine Peso in the form of:

- a. Cash or cashier's/manager's check issued by a Universal or Commercial Bank or any other banks certified by the Bangko Sentral ng Pilipinas as authorized to issue such financial instrument;
- b. Bank draft/ guarantee or irrevocable/standby letter of credit issued by a Universal or Commercial Bank; provided, however, that it shall be confirmed or authenticated by a local Universal or Commercial Bank if issued by a foreign bank; or
- c. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.

In case the Performance Bond is issued by an international bank, said security has to be confirmed and validated by its local branch in the Philippines or by a bank that is duly registered and authorized by the *Bangko Sentral ng Pilipinas*. The Performance Bond shall be expressed in or converted to Philippine Peso at the exchange rate prevailing on the date of its issuance.

5.3 Within thirty (30) days after Buyer has notified the Seller in writing that it has drawn on the Performance Bond, the Seller shall provide such additional security or securities as may be sufficient in order to restore the Performance Bond to its full amount.

SECTION 6

6. SECURITY DEPOSIT

6.1 The Buyer shall not be required to post Security Deposit upon the execution of this Agreement.

6.2 In the event that the Buyer fails to fully pay one (1) undisputed Seller's Invoice, the Buyer shall be required to post a Security Deposit within thirty (30) calendar

days of the immediately succeeding Billing Period.

- 6.3 The amount of the Security Deposit shall be equivalent to the Buyer's lowest monthly generation cost with the Seller over the past twelve (12) Billing Periods, and shall be in the form of cash, cash bond, manager's or cashier's check, bank certified check, irrevocable stand-by letter of credit, surety bond or bank guarantee "callable on demand" issued by a financial institution.
- 6.4 The Seller shall be entitled to draw from the Security Deposit to offset any unpaid and undisputed Seller's Invoices, including any penalties or interest, if any.
- 6.5 If the Security Deposit is drawn partially or fully by the Seller, the Buyer shall replenish or replace the Security Deposit not later than thirty (30) calendar days from notice by the Seller.
- 6.6 If the Buyer remains current on its payment obligations with the Seller for three (3) consecutive Billing Periods following the posting of the Security Deposit, the Security Deposit shall be returned to the Buyer. The Buyer need not post another Security Deposit unless it again fails to fully pay one (1) undisputed Seller's Invoice.
- 6.7 The Buyer shall bear all costs related to securing the Security Deposit. Under no circumstances shall these costs be passed on to the Buyer's consumers.

SECTION 7

7. SUPPLY OF ENERGY

7.1 Seller's and Buyer's Obligations

Beginning on the Delivery Date, until the termination or expiration of this Agreement, Seller shall supply and deliver ___ MW or _____ kWh, as detailed in **SCHEDULE 2**, to Buyer at the Delivery Point, and the Buyer shall purchase and pay Seller the ___ MW or _____ kWh at the rate of [], resulting from the CSP and subject to the approval of the ERC.

In the event that an ERC [Interim Relief, Provisional Approval or Final Approval] shall have the effect of impairing the terms and conditions of this Agreement or requires any amendment to or modification of any provision of this Agreement that is not acceptable to either Party, then the Parties shall cooperate in good faith to address the required amendment or impairment, and Seller shall be free to file a motion for reconsideration with the ERC. In case Seller decides to file a motion for reconsideration, and pending resolution thereof by the ERC, the Parties shall implement the ERC Approval subject to

any adjustment or amendment that the ERC may direct. Any order on a motion for reconsideration shall be treated as an ERC Approval for purposes of the processes under this section. If the Parties are unable to agree on the required amendment within thirty (30) Days from receipt of the ERC Approval, or if the motion for reconsideration is not resolved by the ERC within one hundred eighty (180) days after its filing, or any proposed amendment is disapproved by the ERC, or approved by the ERC but still contains any material term or condition that is not acceptable to either Party, acting reasonably, then both Parties shall abide by the Commission's final decision.

7.2 WESM Operations

Buyer shall furnish Seller with its hourly nomination of demand on a daily, weekly, and monthly basis in accordance with the **Bilateral Contract Quantity Nomination Protocol provided in SCHEDULE 4 (BCQ Nomination Protocol)**.

7.2.1 For administrative and planning purposes only, Buyer shall furnish Seller with non-binding year-ahead, month-ahead and week-ahead nominations of Contract Capacity in accordance with the WESM Rules and the Operating Procedures.

7.2.2 Such nominations shall reflect Buyer's good faith estimate of its projected capacity requirements for such period. Buyer shall furnish Seller with the year-ahead nominations, the month-ahead nominations, and the week-ahead nominations.

7.3 Reduction of Contract Capacity

At the option of the Buyer, from time to time upon and after the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs, Buyer shall deliver to Seller written notice specifying the reduction in Contract Capacity and/or Contract Energy resulting from the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs, indicating when such reductions shall take place. Any such reduction shall be limited to an amount that will allow the Buyer to comply with its obligation to supply electricity in the least cost manner to its captive market. Except for such reduction of amount of Contract Capacity and/or Contract Energy to be specified by Buyer (including the resulting reduction in payments payable under this Agreement), all other terms and conditions of this Agreement shall remain in full force and effect, subject to the approval by the ERC.

The Parties shall agree on and prepare the protocol to implement the reduction in the amount of Contract Capacity, with observance of existing rules and regulations, as a result of the implementation of RCOA, GEOP, RPS, Net Metering programs, and other similar government programs. The Parties shall submit a copy of the protocol to the ERC.

7.4 Scheduled Outages

- 7.4.1 At least seven (7) Days prior to the Delivery Date, the Seller shall submit to Buyer NGCP-approved Scheduled Outage periods for the remainder of the Year in which the Scheduled Commercial Operations Date occurs. Thereafter, by [DATE] of each Year after the Year in which the Scheduled Commercial Operation Date occurs, the Seller shall submit to Buyer NGCP-approved schedule of Scheduled Outage periods for the following Year. The outage periods shall be subject to the requirements under DOE guidelines and ERC rules and regulations.
- 7.4.2 At least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year after the Year in which the Scheduled Commercial Operation Date occurs, Buyer shall notify the Seller in writing whether the requested Scheduled Outage periods are acceptable. If Buyer cannot accept any of the requested Scheduled Outage periods, Buyer shall advise the Seller of a period when Buyer determines such unacceptable Scheduled Outage period can be rescheduled. Such rescheduled period shall be as close as reasonably practicable to the requested period, shall comply with the Minimum Functional Specifications indicated in Schedule 3, and shall be of equal duration as the requested period. The Seller shall conduct Scheduled Outages only during periods agreed to in writing by Buyer as aforesaid. The outage periods shall be subject to the approval requirements under DOE guidelines and ERC rules and regulations.
- 7.4.3 The Seller is allowed Scheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.
- 7.4.4 Buyer may, upon four (4) Days prior written notice, require the Seller to reschedule a Scheduled Outage; provided, however, that Buyer shall not request that such Scheduled Outage be rescheduled in a manner or time outside the Minimum Functional Specifications.
- 7.4.5 Buyer shall use its reasonable endeavors to coordinate its maintenance program for the Interconnection Facilities with the approved Scheduled Outages so as to minimize any disruption to the operation of the Facility.
- 7.4.6 For the plants that are not physically available on the date of delivery, it shall supply Replacement Power for a period not to exceed four (4) years, the Buyer should pay such Replacement Power at the lower of (a) the actual price of Replacement Power or (b) the approved charge for the PSA.

7.5 Unscheduled Outages

7.5.1 The Seller is allowed Unscheduled Outages not to exceed the number of hours for each Contract Year as set forth in **SCHEDULE 6**, during which times reduced or no deliveries will be available to the Buyer, subject to ERC rules and regulations on Reliability Performance Indices.

7.6 Replacement Power

7.6.1 Within the Allowed Outage. The procurement of any Replacement Power within the Allowed Outage shall be the responsibility of the Buyer. During such outage, Buyer shall source Replacement Power from other suppliers or from the WESM, at its own expense.

7.6.2 Beyond the Allowed Outage. The procurement of any Replacement Power beyond the Allowed Outage shall be the responsibility of the Seller. In the event of failure by the Seller to provide the Contract Capacity and/or Contract Energy, the Buyer shall be allowed to source the Replacement Power at the expense of the Seller. Provided further, that the rates to be charged for the procurement of Replacement Power shall be a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.6.3 For the plants that are not physically available on the date of delivery, the replacement power shall not exceed four (4) years, otherwise, the same shall be considered a breach of contract contemplated on the new **ERC CSP Rules of 2023 and shall** be a ground for termination of the Contract and payment by the Seller of Liquidated Damage and Penalty. The Buyer shall pay for such Replacement Power at a) the actual price of the Replacement Power; or b) the approved charge for the PSA, whichever is lower.

7.7 Transmission and Interconnection

7.7.1 If applicable, Seller shall enter into a Connection Agreement and Transmission Service Agreement with the NGCP to connect the Facility to the Grid.

7.7.2 At all times from and after the Effective Date, all interconnection, transmission and other agreements necessary for Seller to perform its obligations hereunder (including the Connection Agreement and Transmission Service Agreement) shall be in full force and effect.

SECTION 8

8. COMPENSATION, PAYMENT AND BILLING

8.1 Payment of Fees

Commencing on Delivery Date and throughout the entire Term, Buyer shall pay to the Seller each Billing Period an amount equal to the Monthly Payment in

accordance with **SCHEDULE 7 (Monthly Payment, Indexation and Adjustment)**.

There shall be no offsetting of payment between the Buyer and Seller and there shall be no withholding of disputed amounts, except for the inadvertent mistake in the amount.

If an invoice is not disputed by the Buyer within thirty (30) days of receipt or if the payment is not disputed by the Seller within thirty (30) days of receiving payment from the Buyer, the invoice and payment shall be deemed accepted, final, and binding on the Seller or Buyer, as applicable.

8.2 Billing to Buyer

Within ten (10) Days from the end of each Billing Period commencing on Delivery Date, the Seller shall deliver to the Buyer the Seller Invoice setting forth the amount that is due from the Seller for the preceding Billing Period.

The Parties shall make the necessary adjustments, if necessary, for the Seller Invoice covering the first and last Billing Periods.

8.3 Payments

Each Seller Invoice shall be due and payable not later than thirty-five (35) Days from receipt of the Seller Invoice by the Buyer ("Due Date"). If the last day of the Due Date falls on a Saturday, Sunday, legal/regular holiday or special holiday declared by the applicable local government unit where a Party holds principal office, then payment shall be made on the immediately succeeding Working Day

8.4 Manner of Payment

All sums indicated in the Seller Invoice shall be paid by the Buyer in Philippine Pesos, through a bank check or bank transfer to a nominated bank of Seller.

8.5 Taxes

All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to the Seller, the Facility and the Seller's other assets shall be paid by the Seller in a timely manner. All present and future national, local or other lawful taxes, duties, levies, or other impositions applicable to Buyer arising from or in connection with its rights and obligations under this Agreement shall be paid by Buyer in a timely manner.

8.6 Prompt Payment Discount

The Seller shall extend [] percent (%) discount based on the non- fuel fee (sum of Capital Recovery Fee, Fixed O&M Fee and Variable O&M Fee, if applicable) to Buyer as prompt payment if 1) payment is made within fifteen (15) Days from receipt of Seller's billing, and 2) buyer is up to date with all its

payment obligations under this Agreement.

8.7 Line Rental

The Line Rental shall not exceed a pre-determined "Line Rental Cap" of [Amount] Pesos per kWh. This cap represents the maximum amount payable by the Buyer for Line Rental under this Agreement.

The Line Rental payable by the Buyer shall be the actual Line Rental calculated; or the Line Rental Cap, whichever is lower.

8.8 Liquidated Damages

Liquidated damages in case of default shall be in the amount of [] per MW per day that the defaulting Party continues with the default and any fraction thereof, to be paid within twenty (20) Days after written demand for payment.

SECTION 9

9. FORCE MAJEURE

9.1 Meaning of Force Majeure

In this Agreement, "Force Majeure" refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights under this Agreement due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations under this Agreement.

9.1.1 Acts of God –

Acts of God, should only be considered as force majeure sufficient to terminate the contract if –

- (a) The event or calamity is of the degree or intensity that the continued operation of the parties would lead to death or injury of the parties' employees or agents;
- (b) The event or calamity is of the degree or intensity that the continued operation of the parties would be of great hazard to the security and safety of the public.

9.1.2 Epidemic –

An epidemic officially declared by the national or local government, should

only be considered as force majeure and a ground for termination of contract, if the epidemic causes:

- (a) Impossibility to deliver the contracted goods or services; or
- (b) When there is no remedy or protocol placed/issued by the government or the regulatory agencies to assist the parties in fulfilling their obligations.

9.1.3 Other Events of Force Majeure (Force Majeure-Acts of Man)

Force Majeure events occurring in or directly affecting the Philippines include:

- (a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;
- (b) nationwide strikes, works to rule or go-slows that extend beyond the Facility or are widespread or nationwide, or that are of a political nature;
- (c) radioactive contamination or ionizing radiation originating from a source outside or inside the Philippines.

9.1.4 Any material change in the terms and conditions of the Agreement (as determined by the affected Party), as ordered by the ERC in the Final Authority.

9.1.5 Any amendment, modification or change in applicable law or ERC rules and regulations after the date of this Agreement, or any decision or order by any court or governmental authority which provides for a new or change in the interpretation of applicable law or ERC rules and regulations by virtue of which Seller becomes liable to pay any new charges or any increased charges and adversely affects the ability of Seller to perform or materially increases the operating costs or capital expenditures associated with the Facility.

9.2 Notification and Obligation to Remedy

In the event of the occurrence of a Force Majeure that prevents a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (a) notify within five (5) Days the other Party in writing of such Force Majeure; (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (d) perform acts to avoid further loss or wastage; (e) keep such other Party apprised of such efforts on a continuous basis; and (f) provide written notice of the resumption

of performance hereunder. Notwithstanding the occurrence of a Force Majeure, the Parties shall perform their obligations under this Agreement to the extent the performance of such obligations is not impeded by the Force Majeure.

9.3 Consequences of Force Majeure

Neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more Force Majeure or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-by-day basis for so long as one or more Force Majeure continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred; and provided further, that the Parties may file the proper motion for termination, when the Force Majeure delays a Party's performance for a period greater than (a) six (6) consecutive months prior to the Delivery Date or (b) six (6) consecutive months after the Delivery Date.

SECTION 10

10. DEFAULTS AND TERMINATION

10.1 Events of Default

Each of the events described below shall constitute an Event of Default, provided that such events result to, in the case of Seller, an actual failure to deliver to Buyer of the required 20 MW or 87,600,000.00 kWh; or, in the case of Buyer, an actual failure to accept the required [Contract Capacity and/or Contract Energy] from, or pay the [Monthly Payments] to, Seller. An "Event of Default" shall mean, with respect to the relevant Party (such Party being, with respect to the Event of Default, a "Defaulting Party" and the other Party being the "Non-Defaulting Party"):

10.1.1 A Party fails to make any payment required pursuant to this Agreement when due and payable and such payment is not made within **ten (10)** Days after the Due Date;

10.1.2 A Party breaches any of its material representations, warranties, covenants or obligations under this Agreement; and

10.1.3 A Party becomes bankrupt or there occurs a default, event of default or other similar condition or event with respect to the Buyer under one or more agreements or instruments to which it is a party.

Within a [number of days] from knowledge of the occurrence of an Event of Default and for Events of Default capable of being remedied or cured, the Non-Defaulting Party shall issue a written notice to the Defaulting Party specifying

in detail the relevant Event of Default (the “Notice of Default”). The Defaulting Party shall have the opportunity to cure the default within the following periods from receipt of the Notice of Default (each a “Cure Period”):

- (a) **Ten (10)** Days, for Events of Default under **SECTION 10.1.1**,
- (b) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.2**, and
- (c) One hundred eighty (180) Days, for Events of Default under **SECTION 10.1.3**.

10.2 Notice of Default and Termination or Upon Event of Default

In case an Event of Default is not cured within the applicable Cure Period or if the Event of Default is not capable of being remedied the Non- Defaulting Party may terminate this Agreement in accordance with **SECTION 10.4**, subject to the approval of the ERC, and may pursue any remedy available to it under this Agreement or at law.

10.3 Suspension upon Event of Default

In case an Event of Default is awaiting to be cured during the Cure Period under **SECTION 10.1**, the Non-Defaulting Party may suspend this Agreement, subject to the approval of the ERC, until such time the Event of Default is cured, or the applicable Cure Period lapsed.

10.4 Termination upon Event of Default

The following procedure shall apply in terminating this Agreement:

10.4.1 The Non-Defaulting Party shall issue a notice (a “Termination Notice”) to the other Party, specifying in detail the Event of Default giving rise to such Termination Notice, and the date on which the Party giving such Termination Notice proposes to terminate this Agreement, subject to the approval of the ERC.

10.4.2 During the period of [number of days] Days (or such longer period set out in the Termination Notice or as the Parties may agree) following the giving of such Termination Notice, the Parties shall negotiate as to what steps shall be taken with a view to mitigating or remedying the consequences of the relevant event having regard to all the circumstances.

10.4.3 If the Party receiving the Termination Notice intends to raise a Dispute regarding the right to give effect to the Termination Notice (the “Termination Notice Dispute”), such Party shall follow the procedure prescribed in **SECTION 11**; and

10.4.4 In circumstances where the Party in receipt of the Termination Notice

has referred a Termination Notice Dispute for resolution in accordance with **SECTION 10.4.3** above, if:

- i. at any time after the expiry of the period referred to in **SECTION 10.4.1**, the event giving rise to the Termination Notice has not been remedied; and
- ii. the Termination Notice Dispute has been determined in favor of the Party who has issued the Termination Notice,

the Agreement may be terminated only upon prior notification to and approval by ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.

10.5 Termination as a Result of Events Other than Event of Default

10.5.1. Nonfulfillment of Conditions Precedent to Effectivity. If any condition to the Effective Date has not been fulfilled on or before [date], then either Party has the option to terminate this Agreement by giving written notice of such termination to the other Party, provided that the fulfilment of such condition is not within the control of the Party seeking to give such notice, subject to the prior notification to and approval of ERC, pursuant to its rules and regulations. Upon the giving of notice of termination, this Agreement shall terminate on the date specified for termination in such notice, which date shall not be earlier than one hundred eighty (180) Days from the date of such notice, subject to the approval of the ERC.

10.5.2. Termination in Certain Events of Force Majeure. If an event of Force Majeure occurs under the circumstances and having the consequences described in **SECTION 9**, then this Agreement may be terminated, subject to prior notification to and approval by the ERC, by notice of either Party delivered to the other Party within seven (7) Days after the end of such 180-day period. If any Force Majeure is expected by the Claiming Party to exceed one hundred eighty (180) Days then the Claiming Party may give notice to the other Party at any time of the Claiming Party's desire to terminate this Agreement. The Non-Claiming Party shall notify the Claiming Party, within five (5) Days of the receipt of such notice, of either: (1) its acceptance of the notice, in which case this Agreement shall terminate effective on the date of such responsive notice, subject to the prior notification and approval of the ERC, pursuant to its rules and regulations; or (2) its disagreement with the Claiming Party's expectation of the duration of such Force Majeure event, in which case the dispute shall be resolved pursuant to **SECTION 11**.

SECTION 11

11. DISPUTE RESOLUTION

If any dispute or disagreement (“Dispute”) shall arise between the Parties in connection with this Agreement, either Party may request in writing that the respective chief executive officers of Seller and Buyer meet within [number of days] Days and attempt to resolve the Dispute. The Parties shall exert every effort to first resolve the Dispute amicably by mutual consultation.

Should parties fail to reach an amicable settlement after mutual consultation, any Dispute arising from this Agreement shall then be settled through arbitration, at a venue within the Philippines, with the rules of Republic Act No. 876 and Republic Act No. 9285 deemed incorporated by reference in this clause.

In the event such officers are unable to resolve such Dispute through the above arbitration clause, the ERC has the jurisdiction to hear and decide the Dispute between parties arising from this Agreement, in the exercise of its powers and functions under the EPIRA.

SECTION 12

12. ASSIGNMENT OF RIGHTS

The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium’s special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) with the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller’s obligations and duties under this Agreement. Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.

Notwithstanding anything to the contrary contained in this agreement, and in the event of the nonrenewal of Buyer's franchise or the transfer of rights to a new franchise holder, both parties agree to cooperate and exert reasonable efforts to ensure the uninterrupted and seamless transition of power supply services. The non-renewal of the franchise shall not, in itself, constitute grounds for automatic termination of this agreement. Buyer shall use best efforts to notify the SELLER in advance of any impending changes in franchise ownership or any circumstances that may affect the continued provision of power supply services. SELLER agrees to work collaboratively with the Buyer and any new franchise holder to facilitate a smooth transition, and both parties shall avoid taking any actions that may lead to the discontinuance of power supply during the transition period. This provision on assignability will be enforceable and will confer benefits upon the involved parties and their respective successors and assigns.

SECTION 13

13. NOTICES

13.1 Address for Notices

Any notice, communication, request or correspondence (each a “notice”) required or permitted under the terms and conditions of this Agreement shall be in writing, in the English or Filipino language (it being understood that any such communication or paper in a language other than the same shall be of no force or effect), and shall be (a) delivered personally, or (b) transmitted by electronic mail and either (i) recipient acknowledges receipt to sender or (ii) sender delivers to recipient a transmission confirmation; to the following addresses:

If to Buyer:

Address: NONECO Main Office, Brgy. Tortosa,
Manapla, Negros Occidental, 6120
Philippines
E-mail Add.: noneco.trading@gmail.com; noneco.coopogm@gmail.com
Attention:

If to Seller:

Address: _____

E-mail Add.: _____
Attention: _____

or such other address and/or telephone number as either Party may previously have notified to the other Party in accordance with this Section.

“Recipient” shall mean the president, managing partner, general manager, corporate secretary, treasurer, or in-house counsel, or signatory to this Agreement of the Party, or in their absence or unavailability, on their secretaries.

13.2 Effectiveness of Service

Notices shall be effective: (a) in the case of personal delivery, when received by the recipient; or (b) in the case of transmission by electronic mail, if receipt of the transmission occurs before 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, upon receipt of transmission, or if receipt of the electronic mail occurs after 5:00 P.M. recipient’s time and recipient receives a transmission confirmation or otherwise acknowledges transmission, the next succeeding Business Day.

SECTION 14

14. MISCELLANEOUS PROVISIONS

14.1 Variations in Writing

All additions, amendments or variations to this Agreement shall be binding only if in writing and signed by duly authorized representatives of both Parties, and with prior approval of the ERC.

14.2 Entire Agreement

This Agreement and all Schedules thereto together represent the entire understanding between the Parties in relation to the subject matter thereof and supersede any or all previous agreements or arrangements between the Parties in respect of the Facility (whether oral or written).

14.3 Severability

In the event that any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or of the same provisions in any other jurisdiction shall not in any way be affected or impaired thereby.

14.4 Waivers

14.4.1 No waiver by either Party of any default by the other in the performance of any of the provisions of this Agreement shall (a) operate or be construed as a waiver of any other or further default whether of a like or different character, and (b) be effective unless in writing duly executed by an authorized representative of such Party.

14.4.2 The failure by either Party to insist on any occasion upon the performance of the terms, conditions or provisions of this Agreement or time or other indulgence granted by one Party to the other shall not thereby act as a waiver of such breach or acceptance of any variation.

14.4.3 The Parties shall not, through mutual agreement, or consent or acquiescence of the other, waive any rights or obligations under this contract that may prejudice the rights of consumers.

14.5 Successors and Assigns

This Agreement shall inure to the benefit of, and be binding upon, the Parties hereto and their respective successors and permitted assigns, subject to the provision in **SECTION 12**.

14.6 No Liability for Review

No review or approval by Buyer of any agreement, document, instrument, drawing, specifications or design proposed by the Seller shall relieve the Seller from any liability that it would otherwise have had for its negligence in the preparation of such

agreement, document, instrument, drawing, specifications or design or from failure to comply with the applicable laws of the Republic of the Philippines with respect thereto, nor shall Buyer be liable to Seller or any other person by reason of its review or approval of an agreement, document, instrument, drawing, specification, or design.

14.7 Consequential Damages

Neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for indirect, consequential, punitive or exemplary damages resulting from the performance of obligations or the exercise of rights under or pursuant to this Agreement.

14.8 Affirmation

The Seller and Buyer declare and affirm that neither Party has paid nor has it undertaken to pay and that it shall in the future not pay any bribe, pay-offs, kick-backs or unlawful commission and that it has not in any other way or manner paid any sums, whether in Local Currency or Foreign Currency and whether in the Philippines or abroad, or in any other manner given or offered to give any gifts and presents in the Philippines or abroad to any person or Seller to procure this Agreement, and the Seller and Buyer undertake not to engage in any of the said or similar acts during the term of and relative to this Agreement.

14.9 Governing Law

This Agreement and the rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and construed according to applicable laws, rules and regulations of the Philippines.

14.10 Relationship of the Parties

This Agreement shall not make either of the Parties partners or joint venturers one with the other, nor make either the agent of the other. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other Party.

14.11 Survival

Cancellation, expiration or earlier termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such cancellation, expiration or termination, including the rights and obligations, warranties, remedies, promises of indemnity and confidentiality set forth in previous sections.

14.12 Language

The language for the purpose of administering this Agreement, including any expert proceeding or arbitration hereunder, shall be English or Filipino.

14.13 Performance Security/Bond

To guarantee the faithful performance by the Seller of its obligations under this Agreement, it shall post a Performance Security within a maximum period of ten (10) calendar days from the execution of the contract payable to the Buyer.

The Seller shall furnish a Performance Bond issued by (Cash, Check, SBLC) in the amount of Php _____ guaranteeing faithful performance of this Agreement. The Bond shall be initially valid for one (1) year and renewable annually.

14.14 Good Faith

In carrying out its obligations and duties under this Agreement, each Party shall have an obligation of good faith.

IN WITNESS whereof the Parties have entered into this Agreement the date first above written.

[NAME OF BUYER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

[NAME OF SELLER]

By: _____

Name: _____

Title: _____

WITNESSED BY:

By: _____

Name: _____

SECRETARY'S CERTIFICATE

I, _____, Filipino, of legal age and with office address at _____, after having duly sworn in accordance with law, hereby depose and state that:

1. I am the Corporate Secretary of _____, a _____ duly organized and existing under and by virtue of the laws of the Philippines with principal office address at _____.
2. At the special meeting of the Board of Directors held on _____, during which meeting a quorum was present and acting throughout, the following resolution was unanimously passed and approved:

RESOLVED, that the Board of Directors of _____ authorize, as it hereby authorizes _____ to sign the Agreement with _____, on behalf of the [Corporation].

3. This board resolution has not been revoked, amended or modified, and remains valid and binding on the [Corporation] as of the date hereof.
4. The foregoing statements are in accordance with the records of the [Corporation].

IN WITNESS WHEREOF, I have hereunto set my hand this _____ at _____, Philippines.

Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ in _____.
Affiant, who is personally known to me, exhibited to me his/her identification _____ issued in _____ on _____.

SCHEDULE 1

[Note: Schedule 1 shall be finalized by the Winning Bidder and the Buyer]

DEFINITIONS

Whenever the following terms appear in this Agreement or the Schedules hereto, whether in the singular or in the plural, present, future or past tense, they shall have the meanings stated below unless the content otherwise requires:

“Affiliate” - means any person which, alone or together with any other person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. As used herein, “control” shall mean the power to direct or cause the direction of the management policies of a person by contract, agency or otherwise.

“Agreement” - This Power Supply Agreement, including all Schedules thereto, as amended or supplemented from time to time.

“Allowed Outage” - The allowed number of hours for every contract year that a Unit and/or Component of a power plant is not available to perform its intended function due to some event directly associated with that Unit and/or Component based on the Rules and Regulations of ERC.

“Billing Period” - the period of one (1) month commencing at 0001H of the twenty- sixth (26th) day of each calendar month to 2400H of the twenty-fifth (25th) day of the calendar month.

“Business Day” - A Day on which business by and between banks may be carried on in [Location] in the Philippines.

“Buyer Grid System” - The Interconnection Facilities and any other transmission or distribution facilities on Buyer's side of the Interconnection Point(s) through which the Contract Capacity/Contract Energy of the Facility will be distributed by Buyer to users of electricity.

“Contract Capacity” - The capacity, expressed in kW allocated to the Buyer during the Billing Period.

“Contract Energy” - The energy, expressed in kWh to be consumed or purchased by the Buyer from the Seller during each Billing Period indicated in **SCHEDULE 2** (Contract Capacity and Contract Energy (Regular Year) and (Leap Year) at one hundred percent (100%) capacity utilization factor (CUF) with respect to the Contract Capacity.

“Contract Term” - shall have the meaning ascribed to it in **SECTION 3.1**.

“Contract Year” - a twelve-month period beginning on the date power delivery commences under this Agreement and recurring on each anniversary thereafter.

“Day” - The 24-hour period beginning and ending at 12:00 midnight in [Philippine Time]. For clarity, “Day” means calendar day, or any day including Saturday, Sunday, and any day

which is a legal holiday in the Philippines.

“Delivery Date” - shall have the meaning ascribed to it in **SECTION 3.3**.

“Delivery Point” - The Trading Node or NGCP/Metering Service providers’ metering point/s of the Seller.

“Dispute” - shall have the meaning ascribed thereto in **SECTION 11**.

“Effective Date” - means the date following the completion of the conditions referred to in **SECTION 3.2**.

“EPIRA” - The Republic Act No. 9136 of the Electric Power Industry Reform Act of 2001.

“ERC” - The Energy Regulatory Commission of the Philippines, the independent and quasi-judicial regulatory agency created under Section 38 of the EPIRA.

“ERC Approval” - shall pertain to either the Interim Relief, Provisional Authority, or Final Authority issued by the ERC for this Agreement.

“Facility” - [Provide brief description of generating facility, including fuel source, capacity and location, if applicable]

“Final Authority” - shall mean the final decision of the ERC on the application for approval of the Agreement that is not a Provisional Authority or Interim Relief.

“Force Majeure” - An event or occurrence specified in **SECTION 9**.

“Foreign Currency” or – The lawful currency of [_____].

“Fuel” – [Describe type of fuel used by the Facility, if applicable].

“Grid” - The high voltage backbone system of interconnected transmission lines, substations, and related facilities for the purpose of conveyance of bulk power.

“Interconnection Facilities” - All the facilities on the high side of the step-up transformer described in **SCHEDULE 3** to be constructed by or for Buyer to enable it to receive and deliver capacity and energy in accordance with this Agreement plus the Metering System.

“Interconnection Point” - The physical point(s) where the Facility and the Buyer Grid System are connected as specified in **SCHEDULE 3**.

“kW” - Kilowatts.

“kWh” - Kilowatt-hours.

“Law” - Any law, act, ordinance, code, decree, order, rule, policy, resolution or regulation of any governmental authority or agency (national, provincial, municipal, local) that is at any time applicable to the parties, contract, project, site or any part thereof.

“Liquidated Damages” - The meaning ascribed thereto in **SECTION 8.8**.

“Local Currency” - The lawful currency of the Philippines.

“Metering System” - All meters and metering devices owned by Buyer and used to measure the delivery and receipt of Energy/Capacity.

“Minimum Functional Specifications” - The minimum functional specifications (including the technical limits of the Facility) for the construction and operation of the Facility as set forth in Schedule 3 hereof.

“Month” - A calendar month according to the Gregorian calendar beginning at 12:00 midnight on the last day of the preceding month and ending at 12:00 midnight on the last day of that month.

“MW” - Megawatts.

“NGCP” - National Grid Corporation of the Philippines, the corporation awarded the concession to operate the transmission facilities of the National Transmission Corporation pursuant to the EPIRA and Republic Act No. 9511.

“Notice of Default” - The meaning ascribed thereto in **SECTION 10.1**.

“Parties” - Both Buyer and the Seller.

“Party” - Either Buyer or the Seller.

“Outage Allowance” - refers to the allowable outage per plant type as determined by the ERC.

“Replacement Power” - The energy from an alternative source responsible to be delivered by the Seller to Buyer at a price lower than the price set forth in the Agreement.

“RCOA” - The Retail Competition and Open Access.

“Scheduled Outage” - A planned partial or complete interruption of the Facility's generating capability that (a) is not an Unscheduled Outage; (b) has been scheduled and allowed by Buyer in accordance with **SECTION 7.4**; and (c) is for inspection, testing, preventive maintenance, corrective maintenance or improvement.

“Unscheduled Outage” - An interruption or reduction of a Unit's or the Facility's generating capability that is not a Scheduled Outage.

“Week” - Each period of seven (7) consecutive Days beginning at 12:00 midnight Philippine Standard Time falling between a Saturday and a Sunday.

“WESM” – Wholesale Electricity Spot Market.

“Year” - Each twelve (12) Month period commencing on 12:00 midnight on December 31 and ending on 12:00 midnight the following December 31 during the term of this Agreement.

SCHEDULE 2

[Note: Schedule 2 shall be finalized by the Winning Bidder and the Buyer]

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (REGULAR YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	15	7,000	3,124,800.00	
February	15	7,000	3,124,800.00	
March	15	7,000	2,822,400.00	
April	15	7,000	3,124,800.00	
May	15	7,000	3,024,000.00	
June	15	7,000	3,124,800.00	
July	15	7,000	3,024,000.00	
August	15	7,000	3,124,800.00	
September	15	7,000	3,124,800.00	
October	15	7,000	3,024,000.00	
November	15	7,000	3,124,800.00	
December	15	7,000	3,024,000.00	

SCHEDULE 2

CONTRACT CAPACITY AND/OR CONTRACT ENERGY (LEAP YEAR)

Billing Month	Hours	Contract Capacity (kW)	Contract Energy (kWh)	Minimum Contract Energy (kWh), if any
January	15	7,000	3,124,800.00	
February	15	7,000	3,124,800.00	
March	15	7,000	2,822,400.00	
April	15	7,000	3,124,800.00	
May	15	7,000	3,024,000.00	
June	15	7,000	3,124,800.00	
July	15	7,000	3,024,000.00	
August	15	7,000	3,124,800.00	
September	15	7,000	3,124,800.00	
October	15	7,000	3,024,000.00	
November	15	7,000	3,124,800.00	
December	15	7,000	3,024,000.00	

SCHEDULE 3

[Note: Schedule 3 shall be finalized by the Winning Bidder and the Buyer]

MINIMUM FUNCTIONAL SPECIFICATIONS

Technical Limits of the Facility

Particulars	[Name of Plant/Facility]	[Name of Plant/Facility]
Location		
Type of Technology		
Mode of Operation (baseload, intermediate, peaking, etc.)		
Commissioning Date		
Date of Completion		
Economic Life, years		
Installed Capacity, MW		
Dependable Capacity, MW		
Auxiliary Load, MW		
Scheduled Outage, days		
Unscheduled Outage, days		
Voltage Limits (kV)		

Delivery Point/s

Location	Delivery Voltage

Interconnection Facilities

Illustration of the Site Location

Illustration of the Site Layout Area

Detailed Single Line Diagram

SCHEDULE 4

[Note: Schedule 4 shall be finalized by the Winning Bidder and the Buyer]

BCQ NOMINATION PROTOCOL

SCHEDULE 5

[Note: Schedule 5 shall be finalized by the Winning Bidder and the Buyer]

PROTOCOL FOR REDUCTION OF CONTRACT CAPACITY AND/OR CONTRACT ENERGY

1. Purpose:

This protocol outlines the procedures and guidelines for the reduction of Contract Capacity and/or Contract Energy between Northern Negros Electric Cooperative, Inc. (NONECO) and the Power Supplier, in accordance with the provisions of Energy Regulatory Commission (ERC) Resolution 16, Series of 2023 ("Resolution").

1. Scope:

This protocol applies to the contracts with specified Contract Capacity and/or Contract Energy.

2. Grounds for Reduction:

Buyer may initiate a reduction of Contract Capacity and/or Contract Energy based on the following grounds, as provided in the Resolution:

- Significant and sustained reduction in **Buyer's** load demand due to the implementation of Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), Renewable Portfolio Standards (RPS), Net Metering programs, and other similar government programs.
 - The Buyer's customer procures electricity from RES, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such the NONECO's customer for the last twelve (12) calendar months prior to such disconnection; and
 - The Buyer's customer procures electricity from any supplier who does not supply electricity to Buyer, in which case Buyer shall be entitled to a reduction in the Contract Capacity equivalent to the average hourly coincidental peak demand of such Buyer's customer for the last twelve (12) calendar months prior to such disconnection multiplied by the proportion of the Contracted Capacity to the total capacity contracted by the Buyer with all of its Suppliers of electric power (including the SELLER).
- Occurrence of Force Majeure events affecting permanent reduction of **the Buyer's** load demand.
- Change in Circumstances as defined in the resolution.

3. Procedure:

3.1. Submission of Request:

- **Buyer** shall submit a written request for a reduction of Contract Capacity and/or **Buyer** shall issue a Notice of Reduction to the Power Supplier, specifying the following:
 - The specific Contract Capacity and/or Contract Energy to be reduced.
 - The effective date of the reduction.
 - The grounds for the reduction, with supporting documentation.
 - The proposed revised terms and conditions of the PSA, if applicable.
 - A request for a meeting to discuss the proposed reduction.
- The Notice of Reduction shall be served to the Power Supplier at least [Number] days.

4. Discussion and Negotiation:

- Upon receipt of the Notice of Reduction, the Power Supplier shall have the right to request a meeting with **the Buyer** to discuss the proposed reduction.
- Both parties shall engage in good faith negotiations to reach a mutually acceptable agreement on the reduction of Contract Capacity and/or Contract Energy and any necessary amendments to the PSA.
- The discussions shall focus on, but not be limited to:
 - The validity of the grounds for reduction.
 - The impact of the reduction on both parties.
 - Possible alternative solutions.
 - The appropriate compensation, if any, for the reduction.

5. Agreement and Amendment:

If an agreement is reached, both parties shall execute an amendment to the PSA, reflecting the revised Contract Capacity and/or Contract Energy and any other agreed-upon terms and conditions.

If no agreement is reached within [Number] days from the date of the Notice of Reduction, **Buyer** may proceed with the reduction, subject to compliance with the Resolution and the PSA.

6. Regulatory Approval:

Any amendment to the PSA resulting from the reduction of Contract Capacity and/or Contract Energy shall be submitted to the ERC for approval, in accordance with the ERC Resolution 16, Series of 2023.

7. Dispute Resolution:

Any disputes arising from the implementation of this protocol shall be resolved in accordance with the dispute resolution provisions of the PSA and in accordance with the ERC Resolution 16, Series of 2023.

8. Review and Amendment:

This protocol shall be reviewed and amended as necessary to ensure compliance with the ERC Resolution 16, Series of 2023.

9. Documentation:

All notices, agreements, and other relevant documents related to the reduction of Contract Capacity and/or Contract Energy shall be properly documented and maintained by both parties.

SCHEDULE 6

[Note: Schedule 6 shall be finalized by the Winning Bidder and the Buyer]

SCHEDULED AND UNSCHEDULED OUTAGES

The Seller shall be allowed of outages for each contract year not exceeding to:

Scheduled outage: _____ hours.

Unscheduled outage: _____ hours

1. Scheduled outages shall be provided by the Supplier as determined by the grid System Operator.
2. No carry-over of Outage allowance (OA) to any subsequent contract year.
3. No crediting of Outage allowance (OA) from scheduled to unscheduled and vice versa.
4. The penalty clause will be determined based on the EC-approved timeline of the scheduled outage.
5. Power provider must provide replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages.
6. Seller must provide NGCP-approved schedule of Scheduled Outage at least seven (7) Days prior to the Delivery Date and two (2) Months prior to the commencement of each Year.

SCHEDULE 7

[Note: Schedule 7 shall be finalized by the Winning Bidder and the Buyer]

MONTHLY PAYMENT, INDEXATION AND ADJUSTMENT

A. Single-Tariff Structure

The tariff must be a singular, blended rate inclusive of Capital Recovery Factor (CRF), Fixed Operation & Maintenance (FOM), and Variable Operation & Maintenance.

The tariff shall be fixed (i.e., not subject to escalation or any indices) for the whole duration of the contract.

Any fuel fee charges will be treated as a pass-through cost, subject to a post-billing verification process. This process will require the submission of additional documentation for validation.

B. Sample Bills

A. Effective Annual Rate		EQUIVALENT ADJUSTED ANNUAL RATE									
RATE COMPONENT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fixed O&M:	Php/kWh	0.4729	0.4777	0.4827	0.4879	0.4933	0.4991	0.5051	0.5114	0.5180	0.5250
Variable O&M:	Php/kWh	0.3552	0.3725	0.3906	0.4097	0.4296	0.4505	0.4725	0.4955	0.5197	0.5450
Fuel Fee:	Php/kWh	2.8526	2.6310	2.5251	2.4190	2.3132	2.2071	2.1015	1.9960	1.8901	1.7846
TOTAL GENERATION PRICE @ CUF	Php/kWh	5.3607	5.1611	5.0784	4.9965	4.9161	4.8367	4.7591	4.6829	4.6078	4.5346

E. Annual Dispatchable Energy (kWh):	175,200,000.00	175,200,000.00	175,680,000.00	175,200,000.00	175,200,000.00	175,200,000.00	175,680,000.00	175,200,000.00	175,200,000.00	175,200,000.00	175,200,000.00
F. Annual Generation Cost (Php):	939,202,786.10	904,231,039.25	892,176,470.69	875,394,343.61	861,307,191.82	847,387,546.65	836,080,337.14	820,443,631.67	807,292,256.06	794,454,050.94	
G. Present Value of Generation Cost (Php):	898,758,646.98	828,031,445.48	781,811,211.48	734,071,856.96	691,156,857.44	650,705,285.74	614,375,624.64	576,923,759.31	543,230,533.57	511,570,955.50	
H. Present Value of Annual Energy (kWh):	167,655,502.39	160,435,887.46	153,947,787.40	146,915,947.40	140,589,423.35	134,535,333.35	129,094,663.45	123,198,034.24	117,892,855.74	112,816,129.89	

I. Annual WESM Generation Cost with VAT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Dispatchable Energy	kWh	167,200,000.00	167,200,000.00	167,680,000.00	167,200,000.00	167,200,000.00	167,200,000.00	167,680,000.00	167,200,000.00	167,200,000.00	167,200,000.00
Energy in WESM	kWh	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00
Average WESM Price	Php/kWh	7.8256	7.4887	7.1662	6.8576	6.5623	6.2797	6.0093	5.7505	5.5029	5.2659

J. Adjusted Annual Dispatchable Price (Php/kWh):	5.4733	5.2674	5.1735	5.0815	4.9913	4.9026	4.8160	4.7316	4.6487	4.5680
K. Adjusted Annual Generation Cost (Php):	958,921,981.60	922,851,201.87	908,878,553.80	890,282,694.80	874,476,369.65	858,931,633.52	846,081,703.33	828,984,510.80	814,452,618.60	800,304,904.64
L. Adjusted Present Value of Generation Cost (Php):	917,628,690.52	845,082,486.08	796,447,190.20	746,556,652.73	701,724,477.97	659,569,940.85	621,724,913.13	582,929,578.48	548,048,773.22	515,338,482.16

Security Deposit	Php/kWh	-
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Long Term Levelized Cost of Energy:	Php/kWh	4.9997
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DISCOUNTS (Specify)	Percentage (%)	Remarks	Fixed Cost (Php/kWh)	Remarks
7.1				
7.2				
7.3				
7.4				
7.5				
7.6	TOTAL		-	

Effective Long Term Levelized Cost of Energy:	Php/kWh	4.9997
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I, the undersigned, hereby certify that: I am the duly authorized representative of the Bidder; This form has been accomplished in accordance with the rules and instructions issued by the NONECO Bids and Awards Committee (BAC); I have completed this form with full understanding that its contents shall be binding upon the Bidder I represent; Neither I nor any officer, employee, or agent of the Bidder has altered, tampered with, or modified any protected cells, pre-set parameters, values, or formulas in the form provided by the NONECO BAC; All information provided herein is true, correct, and complete to the best of my knowledge; I understand that any false statement, misrepresentation, or violation of the foregoing shall be grounds for disqualification; and This submission shall remain valid for a period of one hundred eighty (180) calendar days from the Bid Submission Date.

Name and Signature of Authorized Representative

Date

A. Effective Annual Rate		EQUIVALENT ADJUSTED ANNUAL RATE									
RATE COMPONENT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fixed O&M:	Php/kWh	0.4729	0.4777	0.4827	0.4879	0.4933	0.4991	0.5051	0.5114	0.5180	0.5250
Variable O&M:	Php/kWh	0.3552	0.3713	0.3882	0.4059	0.4244	0.4439	0.4644	0.4858	0.5083	0.5319
Fuel Fee:	Php/kWh	6.7116	6.7954	6.8384	6.8814	6.9236	6.9666	7.0082	7.0498	7.0914	7.1330
TOTAL GENERATION PRICE @ CUF	Php/kWh	13.6997	13.8044	13.8692	13.9351	14.0014	14.0696	14.1377	14.2070	14.2778	14.3499

E. Annual Dispatchable Energy (kWh):	7,300,000.00	7,300,000.00	7,320,000.00	7,300,000.00	7,300,000.00	7,300,000.00	7,320,000.00	7,300,000.00	7,300,000.00	7,300,000.00	7,300,000.00
F. Annual Generation Cost (Php):	100,007,661.20	100,772,140.18	101,522,594.33	101,726,102.50	102,210,301.32	102,708,007.98	103,487,699.66	103,711,358.33	104,227,708.45	104,754,484.19	104,754,484.19
G. Present Value of Generation Cost (Php):	95,701,111.19	92,280,067.01	88,963,904.65	85,303,577.19	82,018,763.25	78,869,041.61	76,045,706.73	72,928,284.68	70,135,286.51	67,454,312.19	67,454,312.19
H. Present Value of Annual Energy (kWh):	6,985,645.93	6,684,828.64	6,414,491.14	6,121,497.81	5,857,892.64	5,605,638.89	5,378,944.31	5,133,251.43	4,912,202.32	4,700,672.08	4,700,672.08

I. Annual WESM Generation Cost with VAT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Dispatchable Energy	kWh	7,050,000.00	7,050,000.00	7,070,000.00	7,050,000.00	7,050,000.00	7,050,000.00	7,070,000.00	7,050,000.00	7,050,000.00	7,050,000.00
Energy in WESM	kWh	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00
Average WESM Price	Php/kWh	7.8256	7.4887	7.1662	6.8576	6.5623	6.2797	6.0093	5.7505	5.5029	5.2659

J. Adjusted Annual Dispatchable Price (Php/kWh):	13.4985	13.5881	13.6403	13.6927	13.7466	13.8028	13.8601	13.9174	13.9773	14.0388	14.0388
K. Adjusted Annual Generation Cost (Php):	98,539,152.78	99,193,203.59	99,846,837.20	99,956,728.61	100,350,519.57	100,760,534.89	101,455,603.73	101,597,226.32	102,033,985.84	102,483,479.81	102,483,479.81
L. Adjusted Present Value of Generation Cost (Php):	94,295,839.98	90,834,187.48	87,495,444.37	83,819,848.64	80,526,379.45	77,373,585.33	74,552,464.81	71,441,658.49	68,659,120.85	65,991,949.60	65,991,949.60

Security Deposit	Php/kWh	-
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Long Term Levelized Cost of Energy:	Php/kWh	13.7553
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DISCOUNTS (Specify	Percentage (%)	Remarks	Fixed Cost (PhP/kWh)	Remarks
7.1				
7.2				
7.3				
7.4				
7.5				
7.6	TOTAL		-	

Effective Long Term Levelized Cost of Energy:	Php/kWh	13.7553
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I, the undersigned, hereby certify that: I am the duly authorized representative of the Bidder; This form has been accomplished in accordance with the rules and instructions issued by the NONECO Bids and Awards Committee (BAC); I have completed this form with full understanding that its contents shall be binding upon the Bidder I represent; Neither I nor any officer, employee, or agent of the Bidder has altered, tampered with, or modified any protected cells, pre-set parameters, values, or formulas in the form provided by the NONECO BAC; All information provided herein is true, correct, and complete to the best of my knowledge; I understand that any false statement, misrepresentation, or violation of the foregoing shall be grounds for disqualification; and This submission shall remain valid for a period of one hundred eighty (180) calendar days from the Bid Submission Date.

Name and Signature of Authorized Representative

Date

COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 7MW RPS OF NONECO TO SUPPLY FOR 2026 TO 2035

NAME OF THE BIDDER:	ABC COAL, INC.
CONTRACT TERM:	10
DELIVERY DATE:	December 26, 2025
POWER PLANT NAME:	ABC Power Development Corporation
POWER PLANT LOCATION:	Iloilo City, Iloilo
RENEWABLE? (Y/N):	Y
PLANT TYPE:	Solar
TYPE OF FUEL:	Renewable
LOT NO:	3

For Manual Entry
 Automatically Computed (Locked Cells)
 Locked Cells

Exchange Rate (March 2025)	57.4246	Php/\$
Foreign Components (Jul2021-Jun2025)	4.91%	
Local Components (Jul2021-Jun2025)	4.50%	
Applicable Taxes		
Renewable Energy	0.00%	
Non-Renewable	12.00%	
WESM	8.40%	
Discount Rate	4.50%	p.a.
WESM Average Price	8.1778	Php/kWh

CAPACITY OFFERED	2026-2035
2.1 RENEWABLE	18
2.2 NON-RENEWABLE	
2.3 TOTAL	18

Bid Security 50,600,269.74 Php

ANNUAL ALLOWED OUTAGES (HOURS)	2026-2035
3.1 SCHEDULED	10
3.2 UNSCHEDULED	0
3.3 TOTAL OUTAGE HOURS	10

Security Deposit N

Line Rental Cap 1.5000 Php/kWh

NONECO BID FORM FOR LOT 3

NAME OF THE BIDDER	ABC COAL, INC.	2026-2035
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ENERGY FEE			Energy Fee, Php/kWh
#	C.U.F	Weight	
4.1	23%	100.00%	5.5000

C. Applicable Taxes			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Renewable Energy	Php/kWh		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WESM	Php/kWh		8.40%	8.40%	8.40%	8.40%	8.40%	8.40%	8.40%	8.40%	8.40%	8.40%

D. Annual Generation Price with Applicable Tax		EQUIVALENT ADJUSTED ANNUAL RATE										
RATE COMPONENT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
EF (No Escalation)	Php/kWh	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	
TOTAL GENERATION PRICE @ CUF	Php/kWh	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	5.5000	

E. Annual Dispatchable Energy (kWh):	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00	36,792,000.00
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F. Annual Generation Cost (Php):	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00	202,356,000.00
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G. Present Value of Generation Cost (Php):	193,642,105.26	185,303,450.01	177,323,875.61	169,687,919.24	162,380,783.97	155,388,310.02	148,696,947.38	142,293,729.55	136,166,248.38	130,302,630.02
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H. Present Value of Annual Energy (kWh):	35,207,655.50	33,691,536.37	32,240,704.66	30,852,348.95	29,523,778.90	28,252,420.00	27,035,808.62	25,871,587.19	24,757,499.70	23,691,387.28
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I. Annual WESM Generation Cost with VAT		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Dispatchable Energy	kWh	36,750,000.00	36,750,000.00	36,750,114.75	36,750,000.00	36,750,000.00	36,750,000.00	36,750,114.75	36,750,000.00	36,750,000.00	36,750,000.00
Energy in WESM	kWh	42,000.00	42,000.00	41,885.25	42,000.00	42,000.00	42,000.00	41,885.25	42,000.00	42,000.00	42,000.00
Average WESM Price	Php/kWh	7.8256	7.4887	7.1662	6.8576	6.5623	6.2797	6.0093	5.7505	5.5029	5.2659

J. Adjusted Annual Dispatchable Price (Php/kWh):	5.5027	5.5023	5.5019	5.5015	5.5012	5.5009	5.5006	5.5003	5.5000	5.4997
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K. Adjusted Annual Generation Cost (Php):	202,453,677.13	202,439,523.57	202,425,788.29	202,413,018.65	202,400,615.94	202,388,747.31	202,377,331.32	202,366,521.31	202,356,120.87	202,346,168.30
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L. Adjusted Present Value of Generation Cost (Php):	193,735,576.20	185,379,935.05	177,385,030.85	169,735,732.88	162,416,586.07	155,413,456.53	148,712,622.25	142,301,127.98	136,166,329.71	130,296,299.12
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Security Deposit	Php/kWh	-
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Long Term Levelized Cost of Energy:	Php/kWh	5.5012
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DISCOUNTS (Specify	Percentage (%)	Remarks	Fixed Cost (PhP/kWh)	Remarks
7.1	PPD	5.00%	5% of CRF	
7.2				
7.3				
7.4				
7.5				
7.6	TOTAL		-	

Effective Long Term Levelized Cost of Energy:	Php/kWh	5.5012
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I, the undersigned, hereby certify that: I am the duly authorized representative of the Bidder; This form has been accomplished in accordance with the rules and instructions issued by the NONECO Bids and Awards Committee (BAC); I have completed this form with full understanding that its contents shall be binding upon the Bidder I represent; Neither I nor any officer, employee, or agent of the Bidder has altered, tampered with, or modified any protected cells, pre-set parameters, values, or formulas in the form provided by the NONECO BAC; All information provided herein is true, correct, and complete to the best of my knowledge; I understand that any false statement, misrepresentation, or violation of the foregoing shall be grounds for disqualification; and This submission shall remain valid for a period of one hundred eighty (180) calendar days from the Bid Submission Date.

Name and Signature of Authorized Representative

Date

COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF 7MW RPS OF NONECO TO SUPPLY FOR 2026 TO 2035

NAME OF THE BIDDER:	ABC COAL, INC.
CONTRACT TERM:	10
DELIVERY DATE:	December 26, 2025
POWER PLANT NAME:	ABC Power Development Corporation
POWER PLANT LOCATION:	Iloilo City, Iloilo
RENEWABLE? (Y/N):	Y
PLANT TYPE:	Solar
TYPE OF FUEL:	Renewable
LOT NO:	3

For Manual Entry
 Automatically Computed (Locked Cells)
 Locked Cells

NOMINATED POWER PLANTS		First Priority (Must Disptach)	Secondary Priority, RE Plants (Other Priority Dispatch)				Secondary Priority, Non-RE Plants (Other Priority Dispatch)	
		Supplier 1	Supplier 2	Supplier 3		Supplier 4	Supplier 5	
5.1	NAME OF POWER PLANT	ABC Power Development Corporation						
5.2	TYPE OF POWER PLANT	RE	RE	RE	RE	RE	Non-RE	Non-RE
5.3	GENERATION MIX (%)	50%	20%	10%	10%	10%	5%	5%
5.4	% VAT	0%	0%	0%	0%	0%	0.60%	0.60%

FUEL FEE		First Priority (Must Disptach)	Secondary Priority, RE Plants (Other Priority Dispatch)				Secondary Priority, Non-RE Plants (Other Priority Dispatch)	
		Supplier 1	Supplier 2	Supplier 3		Supplier 4	Supplier 5	
6.1	FUEL FEE (%)	0%	0%	0%	0%	0%	5%	5%
6.2	FUEL FEE (Php/kWh)	-	-	-	-	-		

Name and Signature of Authorized Representative

 Date

COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF NONECO 20 MW BASELOAD AND/OR 5MW PEAKING AND/OR 7 RPS TO SUPPLY POWER FOR 2026-2035

GENERATION PORTFOLIO

Name of Bidder:

DETAILS:		Power Plant 1	Power Plant 2	Power Plant 3	Power Plant 4	Power Plant 5
NAME OF THE POWER PLANT						
TYPE OF POWER PLANT / ENERGY SOURCE						
LOCATION OF THE POWER PLANT						
YEAR BUILT						
YEAR COMMISSIONED						
NO. OF GENERATING UNITS						
INSTALLED CAPACITY						
DEPENDABLE CAPACITY						
CONTRACTED CAPACITY						
OUTAGES, Scheduled						
2020	No. of Occurrence:					
	Average Duration:					
2021	No. of Occurrence:					
	Average Duration:					
2022	No. of Occurrence:					
	Average Duration:					
2023	No. of Occurrence:					
	Average Duration:					
2024	No. of Occurrence:					
	Average Duration:					
OUTAGES, Un-Scheduled						
2020	No. of Occurrence:					
	Average Duration:					
2021	No. of Occurrence:					
	Average Duration:					
2022	No. of Occurrence:					
	Average Duration:					
2023	No. of Occurrence:					
	Average Duration:					
2024	No. of Occurrence:					
	Average Duration:					

DETAILS:	Power Plant 1	Power Plant 2	Power Plant 3	Power Plant 4	Power Plant 5
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**Note: The bidder can base their outages on their declaration to the NGCP.
Any data that is not available, Bidder must provide justification through an affidavit stating the reason of the unavailaility of the data.**

Name and Signature of Authorized Person

Date

COMPETITIVE SELECTION PROCESS (CSP) FOR THE SUPPLY OF NONECO 20 MW BASELOAD AND/OR 5MW PEAKING AND/OR 7 RPS TO SUPPLY POWER FOR 2026-2035

CUSTOMER PORTFOLIO

Name of Bidder:
Power Plant:
Plant Location:

DETAILS:	Customer 1	Customer 2	Customer 3	Customer 4	Customer 5	Customer 6	Customer 7	Customer 8
Name of Company:								
Address:								
Contracted Capacity (MW):								
Energy (MWH):								
Contract Duration (Billing Month and Year):								

OUTAGES, Scheduled								
2020	No. of Occurrence:							
	Average Duration:							
2021	No. of Occurrence:							
	Average Duration:							
2022	No. of Occurrence:							
	Average Duration:							
2023	No. of Occurrence:							
	Average Duration:							
2024	No. of Occurrence:							
	Average Duration:							
OUTAGES, Un-Scheduled								
2020	No. of Occurrence:							
	Average Duration:							
2021	No. of Occurrence:							
	Average Duration:							
2022	No. of Occurrence:							
	Average Duration:							
2023	No. of Occurrence:							
	Average Duration:							
2024	No. of Occurrence:							
	Average Duration:							

Note: If any data that is not available, Bidder must provide justification through an affidavit stating the reason of the unavailbaillity of the data.

I attest that the information provided here are supplied with consent from the respective entities, with thorough knowledge that it shall only be used for the sole purpose of this Transaction.

 Name and Signature of Authorized Person

 Date



ANNEX C

CHECKLIST OF ELIGIBILITY REQUIREMENTS AND PROPOSAL

- Checklist for Contents of Main Envelope
- Checklist for Contents of Envelopes A, B, and C
- Checklist for Contents of Eligibility Requirements

CHECKLIST FOR CONTENTS OF MAIN ENVELOPE

ITEM	LABELS	Compliance (✓)		REMARKS
		PASS	FAIL	
A	ENVELOPE A (ORIGINAL)			
B	ENVELOPE B (COPY 1)			
C	ENVELOPE C (Flash drive containing scanned copies of each document as found in envelope A)			

CHECKLIST FOR CONTENTS OF ENVELOPES A, B, and C

ITEM	LABELS	PASS	FAIL	REMARKS
1	Envelope 1: Eligibility Requirements			
1.1	Folder 1-1: Class "A" Documents - Executive Summary			
1.2	Folder 1-2: Class "A" Documents - Organizational Structure			
1.3	Folder 1-3: Class "A" Documents - Legal Documents			
1.4	Folder 1-4: Class "A" Documents - Technical Documents			
1.5	Folder 1-5: Class "A" Documents - Financial Documents			
1.6	Folder 1-6: Class "B" Documents			
1.7	Folder 1.7: Technical Proposal			
2	Envelope 2: Bid Security, Technical and Financial Proposal			
2.1	Folder 2-1: Bid Security			
2.2	Folder 2-2: Financial Proposal (BID Forms)			
3	Envelope 3: USB flash drive containing the electronic copy of the BID (Financial Proposal and Excel Bid Form)			
3.1	Envelope 3-1: Electronic Copy of the Financial Proposal			



CHECKLIST FOR CONTENTS OF ELIGIBILITY REQUIREMENTS

ITEM	LABELS	PASS	FAIL	REMARKS
1.1	Folder 1-1: Class "A" Documents - Executive Summary			
1.2	Folder 1-2: Class "A" Documents - Organizational Structure			
1.3	Folder 1-3: Class "A" Documents - Legal Documents			
a)	Registration Certificate issued by the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for a sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives.			
b)	In case a special purpose company is formed for purposes of undertaking the project, proof of registration in accordance with Philippine laws.			
c)	Latest General Information Sheet (GIS)			
d)	The original and latest Articles of Incorporation and By-Laws or a Memorandum of Association or Partnership duly certified by the relevant authorities as may be applicable			
e)	Shareholder's Agreement. In lieu of the Shareholder's Agreement, a General Information Sheet, authenticated by the SEC shall be submitted.			
f)	Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources (DENR).			
g)	Mayor's/Business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for the Exclusive Economic Zones or Areas. In cases of recently expired Mayor's/Business Permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period described by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement.			
h)	Taxpayer's Identification Number (TIN) – BIR registration/certification			
i)	Documentary proof of Bidder's Compliance with tax obligations such as:			
	i. BIR VAT Registration			
	ii. Proof of VAT payments for the past six (6) months (4 th Qtr of 2024 – 1 st Qtr of 2025)			
	iii. Latest Tax Clearance from the BIR to prove bidder's full and timely payment of taxes to the government			
	iv. A Certification under Oath from Bidder's responsible officers that the Bidder is free and clear of all liabilities with the government			
	v. General Information Sheet submitted to the SEC			
j)	Additional requirements for new plants only:			
	i. Availability of the land (for Lease or procured)			
	ii. Certificate of Compliance from the ERC			
	iii. The company must be on the lists of Certificate of Endorsement of DOE to the ERC			
	iv. Certificate of Registration from SEC			
	v. DENR (ECC, SLUP, Flag, Foreshore Lease Agreement, etc.)			
	vi. NGCP (System Impact Study, Facility Study)			
	vii. LGU (Permits, Clearances)			
	viii. Gantt Chart for the construction of the plant			



CHECKLIST FOR CONTENTS ELIGIBILITY REQUIREMENTS

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
1.4	Folder 1-4: Class "A" Documents - Technical Documents			
a)	Company profile highlighting experiences and expertise of the company and key officers in power plant operation:			
	i. Lists of projects (PSAs) undertaken over the last ten (10) years			
	ii. List of electricity generation plants that the bidder has operated for the last five (5) years			
	iii. Proof of/Documentation on track record for the last five (5) years of power plants operated by it			
	iv. Key Personnel Experience – Curriculum Vitae / Affidavit of key personnel of the prospective Bidder showing they have sufficient experience in the electric power industry, particularly in the generation sector; and			
	v. Other relevant information showing proof of the technical capabilities of the Bidder that would be helpful to the BAC			
b)	Matrix of the Bidder’s ongoing projects and generation portfolio with the following minimum information for each power plant (Annex B-2):			
	i. The name of the power plant			
	ii. Installed and dependable capacity of the power plant			
	iii. Type of power plant according to fuel or energy source			
	iv. Location (address) of power plant			
	v. Year the power plant was built and commissioned			
	vi. Number and average duration of scheduled and unscheduled outages for the last five (5) years, or the actual outage data for new power plants operating for less than five years supported by a Certification issued by the System Operator or client distribution utility, or letter request submitted to NGCP be accepted but the document must be provided during the Post Qualification.			
c)	Matrix of Bidder’s customers with whom the Bidder have power plant operation, rental or power supply contracts (Annex B-2). The statement shall include, for each customer, for each customer the following:			
	i. Name and address of company			
	ii. Contracted Capacity (MW), Energy (MWH), and Contract Duration (Billing Month and Year)			
	iii. Number and average duration of scheduled and unscheduled outages for the last five (5) years, or the actual outage data for new power plants operating for less than five years supported by a Certification issued by the System Operator or client distribution utility.			
d)	Copy of Certificate of Compliance issued by ERC or Service Contracts from the DOE as well as copies of its Generation Company Information Sheet (GCIS) and Generation Company Management Report (GCMR) submission to ERC for the last five (5) years and the last 2 years in the case of RE. If COC is not available, submission of a copy of Provisional Authority to Operate (PAO) will suffice.			



CHECKLIST FOR CONTENTS OF ELIGIBILITY REQUIREMENTS

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
1.5	Folder 1-5: Class "A" Documents - Financial Documents			
a)	The Bidder's Audited Financial Statements, stamped "received" by the Bureau of Internal Revenue (BIR) for at least two (2) years (2023-2024), showing, among others, the Bidder's total and current assets and liabilities. For those submitting their AFS online, a BIR email confirmation proving submission of the AFS will suffice. Complete set of financial statement includes the following:			
	i. Balance Sheet			
	ii. Income Statement			
	iii. Statement of Changes in Equity			
	iv. Cash Flow Statement			
	v. Notes to Financial Statement			
	vi. Statement of Management Responsibility for Financial Statement			
	vii. Financial Ratios indicating liquidity measurement ratio, debt ratio, profitability ratio and operating performance ratio for Fiscal Year 2023 and 2024			
b)	Details of financial and operating background for the two (2) recent full financial years demonstrating the bidder's financial viability			
c)	Details of equity and financing plan indicating the capital structure and source of funds with supporting documents			
d)	Proof of commitment to the required equity contribution, as specified by the EC			
	i. In the case where the Bidder is a corporation - e.g., Treasurer's Affidavit attesting to actual paid-up capital, subscription agreement(s) between a shareholder(s) of the Winning Bidder and the Winning Bidder itself covering said equity contribution, or shareholders agreement between and among two (2) or more shareholders of the Winning Bidder undertaking to contribute/subscribe the required equity contribution; or			
	ii. In the case of a consortium - an Undertaking of the members thereof to infuse the required equity contribution to the consortium			
e)	Letter of Credit, Bank Guaranty or Committed Line of Credit, or any proof of firm commitments from a reputable financial institution to provide sufficient credit lines to cover the total estimated cost of the project for prospective generation facilities			
f)	In the case of a consortium, the agreement indicating that the members are jointly and severally liable for the obligations of the Project Proponent under the contract; and			
g)	Any other relevant information regarding the financial track record and capabilities of the bidder that it believes would be helpful to the BAC.			



CHECKLIST FOR CONTENTS OF ELIGIBILITY REQUIREMENTS

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
1.6	Folder 1-6: Class "B" Documents			
a)	Secretary’s Certificate designating the Bidder’s authorized representative/s who will sign (a) the documents required in this Bid, and (b) the Power Supply Agreement (PSA), bearing certified sheets containing at least three (3) specimens of full signature and three (3) initials of the designated representative/s (Annex G);			
b)	A document containing the name, address and contact details, including telephone number/s, fax number/s and email address/es, of Bidder duly signed by the authorized representative/s (Annex H and Annex I);			
c)	Omnibus Sworn Statement in accordance with Annex D-1 of this ITB;			
d)	Acceptance of Bidding Documents (Annex D-2);			
e)	Confidentiality Agreement (Annex D-3); and			
f)	A certification issued by Bidder or its authorized representative that each of the documents submitted in satisfaction of the Instructions to Bidders is an original or a true and faithful reproduction or copy of the original (Annex D-4).			
g)	Affidavit of Disclosure of Relations in accordance with Section 12 and Annex D-5;			
h)	Statement that the Bidder is not banned or blacklisted from bidding by the government or any of its agencies and other private corporations or electric cooperatives and LGUs including its non-inclusion in the Consolidated Blacklisting Report issued by the Government of the Philippines (GOP) (Annex D-6);			
i)	A letter authorizing the BAC or its duly authorized representative/s to verify all of the documents submitted or submission of Annex D-4 will suffice;			
j)	Certification by the Bidder to the effect that it is not prohibited or restricted in any manner under applicable law or any agreement or license from participating in the Bidding Process (Annex D-6);			
k)	Sworn Undertaking that the Bidder, if applicable, as well as their affiliates, assigns and successors-in-interest, shall abide by the decisions of the BAC, shall hold the DU, its Board Members, Officers and Management, and BAC free and harmless from any claim or cause of action arising from the conduct and award of the Project, and shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Article VI (Protest Mechanism) and Article X (Enforcement) of the ERC 2023 CSP Implementing Rules;			
l)	Certificate of Good Performance			
m)	Any other document, in support of documents already submitted, that may be required by the BAC for clarification purposes during post-qualification.			



CHECKLIST FOR CONTENTS OF TECHNICAL PROPOSAL

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
1.7	Envelope 1-7: TECHNICAL PROPOSAL			
a)	WESM Registration – Certified True Copy			
b)	Certificate of Compliance (COC) issued by the ERC- In lieu of COC, Bidders shall submit a certification issued by the ERC indicating the status of the Bidder’s application.			
c)	Certificate of Endorsement from the DOE			
d)	Copy of Fuel/Coal/Steam Sale Agreement			
e)	Copy for Supply and Delivery of Goods/Fuel			
f)	Certificate/Document stating the Consumption Rate of Fuel Used			
g)	Company Profile Highlights and CV of Key Officers in Power Plant Operation			
h)	Latest Generation Company Information Sheet (GCIS) submitted to the ERC			
i)	Latest Generation Company Management Report (GCMR) submitted to the ERC			
j)	Planned Preventive Maintenance Schedule for 2026 to 2030			
k)	Risk Mitigation Plan or Resiliency Compliance Plan for 2026 to 2034 as mandated under RA 10121			
l)	Bidders shall also provide the information required as found in Annex B-2			
	i. Generation Portfolio			
	ii. Customer Portfolio			
m)	Single Line Diagram showing the interconnection of the declared power plant to the Grid.			
n)	For Lot 1 1. A sworn certification stating that nominated Power Plant have the following: a. Plant Power Factor (PPF) have at least 80%; and b. Enough capacity for the contracting.			
o)	For Lot 2 1. A sworn certification stating that nominated Power Plant have the following: a) Plant Power Factor (PPF) have at least 20% to 30%; b) With a Ramping rate of 5 MW/min; c) Can start-up of at least 3x a day; d) Has a synchronization capability to the Grid of 30-90mins.			
p)	Lot 3 1. Renewable Energy Service and/or Operating Contracts, as applicable; 2. Certificate of Registration with attached Terms and Conditions issued by the DTI – Board of Investments (BOI); and 3. Certificate of Confirmation of Commerciality issued by the DOE or COC/PAO showing that RE plant has been in commercial operations after RA 9513 (RE Act)			



CHECKLIST FOR CONTENTS OF BID SECURITY

ITEM	DESCRIPTION	PASS	FAIL	REMARKS				
2	<p>Envelope 2-1: Bid Security</p> <p>Bid Security in accordance with the following terms and conditions with a validity of a one hundred eighty (180) days from the deadline for submission and opening of Bids.</p>							
2.1	<p>The amount must be equivalent to the three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Bid Security Computation</td> </tr> <tr> <td> <p>For Baseload</p> <p>Bid Security = $\{[(20,000^{**} \times 365 \times 24) / 12] \times 3\} \times (\text{Bid Price Offer})$</p> <p>Note: ** = if the bid offer is 20,000kW, it may be change depends on the bid offer of the Bidder.</p> </td> </tr> <tr> <td> <p>For Peaking</p> <p>Bid Security = $\{[(5,000 \times 365 \times 4) / 12] \times 3\} \times (\text{Bid Price Offer})$</p> </td> </tr> <tr> <td> <p>For RPS</p> <p>Bid Security = $\{[(7,000 \times 365 \times 24 \times 0.60) / 12] \times 3\} \times (\text{Bid Price Offer})$</p> </td> </tr> </table>	Bid Security Computation	<p>For Baseload</p> <p>Bid Security = $\{[(20,000^{**} \times 365 \times 24) / 12] \times 3\} \times (\text{Bid Price Offer})$</p> <p>Note: ** = if the bid offer is 20,000kW, it may be change depends on the bid offer of the Bidder.</p>	<p>For Peaking</p> <p>Bid Security = $\{[(5,000 \times 365 \times 4) / 12] \times 3\} \times (\text{Bid Price Offer})$</p>	<p>For RPS</p> <p>Bid Security = $\{[(7,000 \times 365 \times 24 \times 0.60) / 12] \times 3\} \times (\text{Bid Price Offer})$</p>			
Bid Security Computation								
<p>For Baseload</p> <p>Bid Security = $\{[(20,000^{**} \times 365 \times 24) / 12] \times 3\} \times (\text{Bid Price Offer})$</p> <p>Note: ** = if the bid offer is 20,000kW, it may be change depends on the bid offer of the Bidder.</p>								
<p>For Peaking</p> <p>Bid Security = $\{[(5,000 \times 365 \times 4) / 12] \times 3\} \times (\text{Bid Price Offer})$</p>								
<p>For RPS</p> <p>Bid Security = $\{[(7,000 \times 365 \times 24 \times 0.60) / 12] \times 3\} \times (\text{Bid Price Offer})$</p>								
2.2	Manager's Check/Cashier's Check							
2.3	Universal or Commercial Bank							

MC/CC No : _____

Drawee Bank: _____

Branch : _____

**CHECKLIST FOR CONTENTS OF FINANCIAL PROPOSAL**

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
2	Envelope 2-2: FINANCIAL PROPOSAL			
a)	Duly Accomplished Bid Form (Annex B-1) – Print-out duly signed by the Authorized Representative			
b)	Necessary attachments (e.g. invoices), documentation, and any other relevant information as supporting documents in the bid proposal, along with a narrative on how the values declared in the Bid Proposal were computed			



CHECKLIST FOR CONTENTS OF ENVELOPE 3

ITEM	DESCRIPTION	PASS	FAIL	REMARKS
3	Envelope 3: ELECTRONIC COPY OF FINANCIAL PROPOSAL			
a)	Duly Accomplished MS Excel File of Financial Proposal (Stored on a flash drive)			

Note: Bidder must issue a Sworn Certificate of Non-Applicability for every item or document that is not applicable.



ANNEX D-1: Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____)
S.S.

AFFIDAVIT

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing/with office address at [Address of Affiant (Residence/Office)], after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of [Name of Bidder] with office address at [Address of Bidder];
2. I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the Bid, and to sign and execute the ensuing Power Supply Agreement (PSA) with NONECO for the Supply of 20 MW Baseload and/or 5 MW Peaking and/or 7 MW RPS to Supply Power for 2026-2035 , accompanied by the duly notarized Special Power of Attorney, Board/Partnership Resolution, or Secretary's Certificate, whichever is applicable;
3. Each of the documents submitted in satisfaction of the requirements of the Competitive Selection Process is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
4. [Name of Bidder] is authorizing NONECO BAC to verify all the documents submitted;
5. None of the officers, directors, and controlling stockholders of [Name of Bidder] are related to the members of NONECO's Board of Directors and Management, members of NONECO BAC, members of NONECO TWG, members of NONECO BAC Secretariat, and NONECO project consultants, by consanguinity or affinity up to the third civil degree;
6. [Name of Bidder] complies with existing labor laws and standards; and
7. [Name of Bidder] is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Documents;
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the PSA;
 - c) Make an estimate of the facilities available and needed for the PSA to be bid, if any;
 - d) Inquire about or secure Supplemental/Bid Bulletin(s); and
 - e) Accepted and will abide to all the procedures, requirements, rules and regulations issued by the NONECO BAC through the Bidding Documents.



8. [Name of Bidder] did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government and or NONECO in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto ____, 2025 at
set my hand this

day of

_____, Philippines.

Bidder's Representative / Authorized
Signatory

SUBSCRIBED AND SWORN to before me this __ day of [Month] 2025 at [Place of Execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with No. _____.

Witness my hand and seal this __day of [Month] 2025.

NAME OF NOTARY PUBLIC

Serial No. of Commission _ Notary
Public for ____until _____
Roll of Attorneys No. _____
PTR No. _____[date issued], [place
issued] IBP No. _____[date issued],
[place issued]

Doc. No. _____

Page No. _____

Book No. _____

Series of _____



ANNEX D-2: Acceptance of the Bidding Documents

ACCEPTANCE OF THE BIDDING DOCUMENTS

Date

The Chairman
BIDS AND AWARDS COMMITTEE
NORTHERN NEGROS ELECTRIC
COOPERATIVE, INC. (NONECO)
Brgy. Tortosa, Manapla
Negros Occidental, Philippines, 6120

Subject: Negros Occidental Electric Cooperative Competitive Selection
Process for the Supply of 20 MW Baseload, 5 MW Peaking, and 7 MW RPS to
Supply Power

Sir/Madam:

We refer to the Bidding Documents issued in relation to the above subject.

[Bidder's name] hereby declares, represents and warrants that:

1. [Bidder's name] has read and understood each and every section and page of the Bidding Documents, the provisions, terms and conditions thereof and any amendment, supplement or modification thereto, including the Transaction Information Memorandum and Supplemental Bid Bulletins, and accepts and agrees to be bound and to fully abide by and comply with the terms and conditions thereof and any amendment, supplement or modification thereto as well as the decisions of the BAC;
2. [Bidder's name] waives any right it may have to seek and obtain a writ of injunction or prohibition or restraining order against NONECO to prevent or restrain this Transaction or any proceeding related thereto, the holding of any other bidding or any proceeding related thereto, the selection of the Winning Bidder and the execution of the Power Supply Agreement. Such waiver shall, however, be without prejudice to the right of the undersigned to question the lawfulness of any disqualification or the rejection of their Bid by appropriate administrative or judicial processes not involving the issuance of a writ of injunction or prohibition or restraining order;
3. [Bidder's name] shall, at all times, comply with Philippine Law; and
4. [Bidder's name] unconditionally and irrevocably waives any defect, deviation, fault or infirmity in this Transaction and the whole process conducted by NONECO

[Bidder's name]
By:
Signature Printed
Name
Title/Designation



ANNEX D- 3: Confidentiality Agreement and Undertaking

CONFIDENTIALITY AGREEMENT AND UNDERTAKING

Date

BIDS AND AWARDS COMMITTEE
NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO)
Brgy. Tortosa, Manapla
Negros Occidental, Philippines, 6120

Subject: Northern Negros Electric Cooperative, Inc. (NONECO), Competitive Selection Process (CSP) for the Procurement of 20 MW Baseload, 5 MW Peaking, and 7 MW RPS to Supply Power

Sir/ Madam:

We refer to the Bidding Documents issued in relation to the above subject.

Capitalized terms used but not defined herein shall have the meaning given in the Bidding Documents.

“Confidential Information” as referred herein shall mean and include any and all information, whether written, oral or otherwise, concerning the business, operations, prospects, finances, or other affairs of the EC and the Bidders, their affiliates, associates and/ or subsidiaries. Said information includes, without limitation, documents, product specifications, data, know-how, compositions, designs, sketches, photographs, graphs, drawings, past, current, and planned research and development, current and planned marketing or distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, computer software and programs, database technologies, systems, structures and architectures, historical financial statements, business plans, financial projections and budgets, historical and projected sales, capital spending budgets and plans, current or prospective financial sources, the names and backgrounds of personnel, personnel training techniques and materials, and any portion or section of or attachment to, the Bidding Documents, or other documents and materials prepared in connection with this Transaction, however such information is documented, that has been or may hereafter be provided, made available or shown to [Bidder’s name] or is otherwise obtained from the review of the documents or properties of, and discussions with, the NONECO and the Bidders, their affiliates, associates and/or subsidiaries, by [Bidder’s name], irrespective of the form of the communication or reproduction or storage, and also includes all notes, analyses, compilations, studies, summaries, and other materials prepared by [Bidder’ name] containing or based, in whole or in part, on any information included in the foregoing.

The following information will not constitute “ Confidential Information” for purposes of the Undertaking: (a) information which [Bidder’s name] can prove was already in its possession and was available to it on a non-confidential basis prior to disclosure by the NONECO and/ or the disclosing Bidders; (b) information which is obtained by [Bidder’s name] from a third person which, insofar as is known to [Bidder’s name], is not prohibited from disclosing the information under a contractual, legal or fiduciary obligation to [Bidder’s name]; (c) information which is or becomes generally available to the public other than as a result of a breach of this Undertaking by [Bidder’s name] and (d) information which is required to be disclosed pursuant to any legal, regulatory or judicial requirements, or request by other regulatory organization having legal authority, or required by the rules of any relevant stock exchange.



[Bidder's name] hereby declares, represents and warrants that:

1. [Bidder's name] acknowledges that, in connection with its receipt and acceptance of the Bidding Documents, including the Transaction Information Memorandum and Supplemental Bulletins, and its participation in the Transaction, it will have access to Confidential Information.
2. In consideration of its receipt of Confidential Information, [Bidder's name] warrants and undertakes that all Confidential Information shall be held and treated in strict confidence and shall not communicate, publish, sell, trade or otherwise disclose to anyone, except to its officers, directors, employees, advisors and consultants, and subsidiaries and affiliates and the latter's officers, directors, employees, advisors and consultant who need to know to Confidential Information for purposes of preparation and evaluation of the [Bidder's name]'s Bid and in connection with its participation in the Transaction and each of the aforementioned persons will be informed and advised by [Bidder's name]of the confidential nature of such information and obligations under this undertaking of confidentiality, substantially in the same form and content as this Confidentiality Agreement and Undertaking, from each such person.
3. [Bidder's name] further warrants and undertakes that it will use the Confidential Information only to prepare and evaluate its Bid and to decide whether or not it will proceed with and participate in the Transaction.
4. [Bidder's name] acknowledges that the confidentiality obligations set forth in this document shall terminate three (3) years after date hereof or on the date on which disclosure is no longer restricted either under the applicable Philippine Law or under the terms and conditions specified in the Bidding Documents and the Power Supply Agreement.

[Bidder's name] By: Signature

Printed Name

Title/

Designation

Witnessed by:



ANNEX D-4: Certification of Submission of Original or CTC

**CERTIFICATION OF SUBMISSION OF ORIGINAL OR
CERTIFIED TRUE COPIES OF DOCUMENTS AND
AUTHORIZATION FOR BAC TO VERIFY SAID DOCUMENTS**

I, (NAME OF AUTHORIZED REPRESENTATIVE), of (Bidder's Name), with office address at _____ after having been sworn to according to law, hereby depose and state that:

I am the authorized representative of (Bidder's Name) as per Secretary Certificate / Board Resolution No. _____, dated __, submitted in accordance with this Transaction;

1. (Bidder's name) is a company organized and existing under the laws of the Republic of the Philippines and is participating as a Bidder in this Transaction;
2. All of the documents submitted by (Bidder's name) is satisfaction of the Instructions to Bidders and submitted as part of this Transaction are originals or certified true and correct copies of the original document(s).
3. (Bidder's name) hereby authorizes the Bids and Awards Committee (BAC) or its duly authorized representative/s to verify all of the documents submitted by (Bidder's name).

(AUTHORIZED REPRESENTATIVE)

SUBSCRIBED AND SWORN TO before me this ___day of _____, 2025 at _____, City, Philippines, the following who is personally known to me exhibiting to me the following:

Affiant	Competent Evidence of Identity	
	Type of ID	ID NUMBER AND EXPIRY DATE

NOTARY PUBLIC

Doc. No.
Page No.
Book No.
Series of 20_.



ANNEX D-5 Certification Regarding Relationship and Against Conflict of Interest

CERTIFICATION REGARDING RELATONSHIP AND AGAINST CONFLICT OF INTEREST

I, (NAME OF AUTHORIZED REPRESENTATIVE), of (Name of Bidder) with office address at _____ after having been sworn to according to law, hereby depose and state that:

1. I am the authorized representative of (Bidder's name) as per Secretary Certificate / Board Resolution No. _____, dated _____, submitted in accordance with the Transaction;
2. (Bidder's name) is a company organized and existing under the laws of the Republic of Philippines and is participating as a Bidder in this Transaction;
3. (Bidder's name) will not submit more than one Bid in this bidding process;
4. (Bidder's name)
 - (i) Does not have the same legal representative as any other Bidder of the same Lot in this Transaction for purposes of this Bid;
 - (ii) Has not participated as a consultant in the preparation of the design or technical specifications of the subject of the Bid; and
 - (iii) Does not lend, or temporarily second, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.
5. Further, none of (Bidder's name)'s officers is related to the head of NONECO by consanguinity or affinity up to the third civil degree or any of their officers or employees having direct access to information that may substantially affect the result of the Bidding, such as, but not limited to, the members of the Technical Working Group (TWG), the members of the Bids and Awards Committee (BAC), the BAC Secretariat and NONECO Board of Directors and Management.
6. (Bidder's name) acknowledges and accepts that relationship of the nature described above or failure to comply with the foregoing provisions will result in the rejection of (Bidder's name) Bid.

AUTHORIZED REPRESENTATIVE



SUBSCRIBED AND SWORN TO before me this ___day of _____
2025 at _____,
City, Philippines, the following who is personally known to me exhibiting to me the following:

Affiant	Competent Evidence of Identity	
	Type of ID	ID NUMBER AND EXPIRY DATE

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ANNEX D-6: Certification Against Blacklisting and Graft and Corrupt Practices

CERTIFICATION AGAINST BLACKLISTING AND GRAFT AND CORRUPT PRACTICE

I, (NAME OF AUTHORIZED REPRESENTATIVE), of (Name of Bidder) with office address at _____ after having been sworn to according to law, hereby depose and state that:

1. I am the authorized representative of (Bidder's name) as per Secretary Certificate / Board Resolution No. _____, dated _____, submitted in accordance with this Transaction;
2. (Bidder's name) is a company organized and existing under the laws of the Republic of Philippines and is participating as a Bidder in this Transaction;
3. (Bidder's name) is:
 - a. Free and clear of all liabilities (including taxes, customs duties, among others) with the government.
 - b. Not "blacklisted" or barred from Bidding by the Government or any of its agencies, offices, corporations or LGUs, including its non-inclusion in the Consolidated Blacklisting Report issued by the Government of the Philippines (GOP) and the World Bank.
4. (Bidder's name) has never been engaged in nor will it at any time engage in corrupt, fraudulent, coercive and/ or collusive practices in competing for contracts including, but not limited to, Power Supply Agreements (PSAs) beginning from the commencement of the transaction until the complete execution of all agreements, when applicable.
5. In accordance herewith, (Bidder's name) acknowledges and accepts the applicability to it of Section 39 of the Instructions to Bidders.
6. (Bidder's name) further understands and accepts that the Bid and Awards Committee will reject any Bidder and/or refuse award the PSA to such Bidder which it determines to have engaged in corrupt, fraudulent, coercive and/or collusive practices in any stage of this Transaction.



7. Finally, (Bidder's name) understands and accepts that the BAC may also declare a Bidder ineligible, either indefinitely or for a stated period of time, and may disqualify the Bidder outright if it determines that the said Bidder has engaged in corrupt or fraudulent practices at any time in the past.

AUTHORIZED REPRESENTATIVE

SUBSCRIBED AND SWORN TO before me this ___day of _____
2025 at _____,
City, Philippines, the following who is personally known to me exhibiting to me the following:

Affiant	Competent Evidence of Identity	
	Type of ID	ID NUMBER AND EXPIRY DATE

NOTARY PUBLIC

Doc. No.

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ANNEX E

**NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO) COMPETITIVE
POWER SUPPLY PROCUREMENT**

SUBJECT : LISTS OF ACCEPTABLE BANKS

1. 1ST VALLEY BANK
2. ADVANCE CREDIT BANK
3. AGRICULTURAL BANK OF THE PHILIPPINES
4. AL-AMANAH ISLAMIC INVESTMENT BANK
5. ALLBANK
6. ASIA UNITED BANK (AUB)
7. AUSTRALIA AND NEW ZEALAND BANK
8. BANGKOK BANK
9. BANK OF AMERICA
10. BANK OF CHINA
11. BANK OF COMMERCE
12. BANK OF MAKATI
13. BANK OF THE PHILIPPINE ISLANDS (BPI)
14. BANK ONE SAVINGS CORPORATION
15. BATAAN DEVELOPMENT BANK
16. BAYANIHAN BANK
17. BANCO DE ORO (BDO)
18. CARD SME BANK
19. CATHAY UNITED BANK
20. CENTURY SAVINGS BANK
21. CHANG HWA COMMERCIAL BANK
22. CHINA BANK SAVINGS
23. CHINA BANKING CORPORATION
24. CIMB BANK
25. CITIBANK
26. CITY SAVINGS BANK
27. CITYSTATE SAVINGS BANK
28. COOPERATIVE BANK
29. CORDILLERA SAVINGS BANK
30. CROWN BANK
31. CTBC BANK
32. DEUTSCHE BANK
33. DEVELOPMENT BANK OF THE PHILIPPINES (DBP)
34. DUMAGUETE CITY DEVELOPMENT BANK
35. EAST WEST BANK
36. EQUICOM SAVINGS BANK
37. FBC FIRST BANK
38. FIRST COMMERCIAL BANK
39. FIRST CONSOLIDATED BANK
40. FIRST ISABELA COOPERATIVE BANK
41. HIYAS BANK
42. HUA NAN COMMERCIAL BANK
43. INDUSTRIAL AND COMMERCIAL BANK OF CHINA
44. INDUSTRIAL BANK OF KOREA



**NONECO 20 MW BASELOAD, 5 MW PEAKING, AND 7 MW RPS COMPETITIVE SELECTION PROCESS
LISTS OF ACCEPTABLE BANKS**

45. ING BANK
46. ISLA BANK
47. JPMORGAN CHASE BANK
48. KEB HANA BANK
49. LAND BANK OF THE PHILIPPINES
50. LEGAZPI SAVINGS BANK
51. LEMERY SAVINGS & LOAN BANK
52. LIFE SAVINGS BANK
53. LOLC BANK PHILIPPINES
54. LUZON DEVELOPMENT BANK
55. MAKILING DEVELOPMENT BANK
56. MALAYAN SAVINGS BANK
57. MAYBANK PHILIPPINES
58. MEGA INTERNATIONAL COMMERCIAL BANK
59. METROPOLITAN BANK & TRUST COMPANY
60. MIZUHO BANK
61. MUFG BANK
62. NATIONAL TEACHERS AND EMPLOYEES COOPERATIVE BANK
63. NEGROS COOPERATIVE BANK
64. NETWORK CONSOLIDATED COOPERATIVE BANK
65. NORTHPOINT DEVELOPMENT BANK
66. OCCIDENTAL MINDORO COOPERATIVE BANK
67. ONE COOPERATIVE BANK
68. PACIFIC ACE SAVINGS BANK
69. PAMPANGA DEVELOPMENT BANK
70. PENBANK
71. PHIL STAR DEVELOPMENT BANK
72. PHILIPPINE BANK OF COMMUNICATIONS
73. PHILIPPINE BUSINESS BANK
74. PHILIPPINE NATIONAL BANK
75. PHILIPPINE SAVINGS BANK
76. PHILTRUST BANK
77. PHILIPPINE VETERANS BANK
78. PRODUCERS SAVINGS BANK
79. QUEEN CITY DEVELOPMENT BANK
80. QUEZON COCONUT BANK
81. RIZAL COMMERCIAL BANKING CORPORATION (RCBC)
82. RIZAL MICROBANK
83. ROBINSONS BANK
84. RURAL BANK
85. SECURITY BANK
86. SHINHAN BANK
87. STANDARD CHARTERED BANK
88. STERLING BANK OF ASIA
89. SUMITOMO MITSUI BANKING CORPORATION (SMBC)
90. SUN SAVINGS BANK
91. THE HONGKONG AND SHANGHAI BANKING CORPORATION
92. UNITED COCONUT PLANTERS BANK (UCPB)
93. UNION BANK
94. UNITED OVERSEAS BANK
95. UNIVERSITY SAVINGS BANK
96. WEALTH DEVELOPMENT BANK
97. YUANTA SAVINGS BANK



98. ZAMBOANGA DEL NORTE COOPERATIVE BANK



ANNEX F

NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO) COMPETITIVE POWER SUPPLY PROCUREMENT

SUBJECT : SCHEDULE OF DELIVERY (DEMAND AND ENERGY)

A. NORTHERN NEGROS ELECTRIC COOPERATIVE, INC. (NONECO)

LOT 1: BASELOAD (24 Hours: 0100H-2400H)

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2026 January	20	14,880,000.00	31
2026 February	20	14,880,000.00	31
2026 March	20	13,440,000.00	28
2026 April	20	14,880,000.00	31
2026 May	20	14,400,000.00	30
2026 June	20	14,880,000.00	31
2026 July	20	14,400,000.00	30
2026 August	20	14,880,000.00	31
2026 September	20	14,880,000.00	31
2026 October	20	14,400,000.00	30
2026 November	20	14,880,000.00	31
2026 December	20	14,400,000.00	30
TOTAL	20	175,200,000.00	

LOT 2: PEAKING (Peak Hours: between 1800H-2200H)

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2026 January	5	620,000.00	31
2026 February	5	620,000.00	31
2026 March	5	560,000.00	28
2026 April	5	620,000.00	31
2026 May	5	600,000.00	30
2026 June	5	620,000.00	31
2026 July	5	600,000.00	30
2026 August	5	620,000.00	31
2026 September	5	620,000.00	31
2026 October	5	600,000.00	30
2026 November	5	620,000.00	31
2026 December	5	600,000.00	30
TOTAL	5	7,300,000.00	

LOT 3: RPS (Intermediate: between 0600H-2000H)

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2026 January	7	3,124,800.00	31
2026 February	7	3,124,800.00	31
2026 March	7	2,822,400.00	28
2026 April	7	3,124,800.00	31
2026 May	7	3,024,000.00	30
2026 June	7	3,124,800.00	31
2026 July	7	3,024,000.00	30
2026 August	7	3,124,800.00	31
2026 September	7	3,124,800.00	31
2026 October	7	3,024,000.00	30
2026 November	7	3,124,800.00	31
2026 December	7	3,024,000.00	30
TOTAL	7	36,792,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2027 January	20	14,880,000.00	31
2027 February	20	14,880,000.00	31
2027 March	20	13,440,000.00	28
2027 April	20	14,880,000.00	31
2027 May	20	14,400,000.00	30
2027 June	20	14,880,000.00	31
2027 July	20	14,400,000.00	30
2027 August	20	14,880,000.00	31
2027 September	20	14,880,000.00	31
2027 October	20	14,400,000.00	30
2027 November	20	14,880,000.00	31
2027 December	20	14,400,000.00	30
TOTAL	20	175,200,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2027 January	5	620,000.00	31
2027 February	5	620,000.00	31
2027 March	5	560,000.00	28
2027 April	5	620,000.00	31
2027 May	5	600,000.00	30
2027 June	5	620,000.00	31
2027 July	5	600,000.00	30
2027 August	5	620,000.00	31
2027 September	5	620,000.00	31
2027 October	5	600,000.00	30
2027 November	5	620,000.00	31
2027 December	5	600,000.00	30
TOTAL	5	7,300,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2027 January	7	3,124,800.00	31
2027 February	7	3,124,800.00	31
2027 March	7	2,822,400.00	28
2027 April	7	3,124,800.00	31
2027 May	7	3,024,000.00	30
2027 June	7	3,124,800.00	31
2027 July	7	3,024,000.00	30
2027 August	7	3,124,800.00	31
2027 September	7	3,124,800.00	31
2027 October	7	3,024,000.00	30
2027 November	7	3,124,800.00	31
2027 December	7	3,024,000.00	30
TOTAL	7	36,792,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2028 January	20	14,880,000.00	31
2028 February	20	14,880,000.00	31
2028 March	20	13,920,000.00	29
2028 April	20	14,880,000.00	31
2028 May	20	14,400,000.00	30
2028 June	20	14,880,000.00	31
2028 July	20	14,400,000.00	30
2028 August	20	14,880,000.00	31
2028 September	20	14,880,000.00	31
2028 October	20	14,400,000.00	30
2028 November	20	14,880,000.00	31
2028 December	20	14,400,000.00	30
TOTAL	20	175,680,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2028 January	5	620,000.00	31
2028 February	5	620,000.00	31
2028 March	5	580,000.00	29
2028 April	5	620,000.00	31
2028 May	5	600,000.00	30
2028 June	5	620,000.00	31
2028 July	5	600,000.00	30
2028 August	5	620,000.00	31
2028 September	5	620,000.00	31
2028 October	5	600,000.00	30
2028 November	5	620,000.00	31
2028 December	5	600,000.00	30
TOTAL	5	7,320,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2028 January	7	3,124,800.00	31
2028 February	7	3,124,800.00	31
2028 March	7	2,822,400.00	29
2028 April	7	3,124,800.00	31
2028 May	7	3,024,000.00	30
2028 June	7	3,124,800.00	31
2028 July	7	3,024,000.00	30
2028 August	7	3,124,800.00	31
2028 September	7	3,124,800.00	31
2028 October	7	3,024,000.00	30
2028 November	7	3,124,800.00	31
2028 December	7	3,024,000.00	30
TOTAL	7	36,792,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2029 January	20	14,880,000.00	31
2029 February	20	14,880,000.00	31
2029 March	20	13,440,000.00	28
2029 April	20	14,880,000.00	31
2029 May	20	14,400,000.00	30
2029 June	20	14,880,000.00	31
2029 July	20	14,400,000.00	30
2029 August	20	14,880,000.00	31
2029 September	20	14,880,000.00	31
2029 October	20	14,400,000.00	30
2029 November	20	14,880,000.00	31
2029 December	20	14,400,000.00	30
TOTAL	20	175,200,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2029 January	5	620,000.00	31
2029 February	5	620,000.00	31
2029 March	5	560,000.00	28
2029 April	5	620,000.00	31
2029 May	5	600,000.00	30
2029 June	5	620,000.00	31
2029 July	5	600,000.00	30
2029 August	5	620,000.00	31
2029 September	5	620,000.00	31
2029 October	5	600,000.00	30
2029 November	5	620,000.00	31
2029 December	5	600,000.00	30
TOTAL	5	7,300,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2029 January	7	3,124,800.00	31
2029 February	7	3,124,800.00	31
2029 March	7	2,822,400.00	28
2029 April	7	3,124,800.00	31
2029 May	7	3,024,000.00	30
2029 June	7	3,124,800.00	31
2029 July	7	3,024,000.00	30
2029 August	7	3,124,800.00	31
2029 September	7	3,124,800.00	31
2029 October	7	3,024,000.00	30
2029 November	7	3,124,800.00	31
2029 December	7	3,024,000.00	30
TOTAL	7	36,792,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2030 January	20	14,880,000.00	31
2030 February	20	14,880,000.00	31
2030 March	20	13,440,000.00	28
2030 April	20	14,880,000.00	31
2030 May	20	14,400,000.00	30
2030 June	20	14,880,000.00	31
2030 July	20	14,400,000.00	30
2030 August	20	14,880,000.00	31
2030 September	20	14,880,000.00	31
2030 October	20	14,400,000.00	30
2030 November	20	14,880,000.00	31
2030 December	20	14,400,000.00	30
TOTAL	20	175,200,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2030 January	5	620,000.00	31
2030 February	5	620,000.00	31
2030 March	5	560,000.00	28
2030 April	5	620,000.00	31
2030 May	5	600,000.00	30
2030 June	5	620,000.00	31
2030 July	5	600,000.00	30
2030 August	5	620,000.00	31
2030 September	5	620,000.00	31
2030 October	5	600,000.00	30
2030 November	5	620,000.00	31
2030 December	5	600,000.00	30
TOTAL	5	7,300,000.00	

Year/Month	Contracted Demand (MW)	Contracted Energy (kWh)	No. of Days
2030 January	7	3,124,800.00	31
2030 February	7	3,124,800.00	31
2030 March	7	2,822,400.00	28
2030 April	7	3,124,800.00	31
2030 May	7	3,024,000.00	30
2030 June	7	3,124,800.00	31
2030 July	7	3,024,000.00	30
2030 August	7	3,124,800.00	31
2030 September	7	3,124,800.00	31
2030 October	7	3,024,000.00	30
2030 November	7	3,124,800.00	31
2030 December	7	3,024,000.00	30
TOTAL	7	36,792,000.00	



ANNEX G

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____)
S.S.

SECRETARY CERTIFICATE

I, [Name of Secretary], Secretary of [Name of Company], hereby certify that at a meeting of the Board of Directors held on [Date of Meeting], a resolution was duly adopted authorizing [Name of Bidder's Representative], as the authorized representative of [Name of Bidder], to submit, withdraw, and participate in the bidding process for the [Name of Project].

As such, [Name of Bidder's Representative] is authorized to act on behalf of [Name of Bidder] and to make any and all decisions related to the bidding process, including but not limited to the submission of bids, the withdrawal of bids, and participation in any negotiations related to the [Name of Project].

I further certify that [Name of Bidder's Representative] has been duly authorized to sign all necessary documents and/or the PSA, and to take any and all actions necessary or appropriate to carry out the intent of this resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the company this [Date of Certification].

[Name of Secretary]
Secretary,
[Name of Company]

SUBSCRIBED AND SWORN to before me, this _____ day of _____ at _____, Philippines, affiant exhibiting to me his/her (*Competent Evidence of Identity*) issued on _____ at _____, Philippines.

Doc No. _____
Page No. _____
Book No. _____
Series of _____

Note: While this format is subject to modification, its fundamental essence and underlying content must remain consistent with the original certificate.



SWORN UNDERTAKING

We, (Name of the Authorized Representatives.), of legal age, (Address of the Authorized Representative), after having been sworn in accordance with law, hereby depose and say:

1. That we are the authorized representatives of (Bidder), a corporation duly organized and existing under the laws of the Philippines, with principal address at _____.
2. That we are fully aware of the bidding process for the NONECO CSP being conducted by the NONECO Bids and Awards Committee (BAC).
3. That we hereby undertake and swear that should our bid be accepted, we shall abide by all the decisions, resolutions, and rulings of the BAC pertaining to the bidding process for the aforementioned project and shall hold NONECO harmless from any claim or cause of action arising from the conduct and award of the Project.
4. That we shall undertake not to institute or file any case or claim before any court of competent jurisdiction and administrative agency in relation to the conduct and award of the Project, except as provided for under Section 34 (Protest Mechanism) and ERC Resolution No 16, Series of 2023 Article X (Enforcement).
5. That we acknowledge the authority of the BAC to disqualify our bid or declare it as failed, without prejudice to the rights of NONECO.
6. That we understand the consequences of non-compliance with the decisions of the BAC, including but not limited to sanctions and disqualifications from future bidding opportunities.
7. That all statements made herein are true and correct to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ 2025 at _____.

Signature of the Authorized Representative
Representative

Name of the Authorized Representative

Signature of the Authorized

Name of the Authorized Representative

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2024 at _____ Affiant is personally known to me and was identified by me through competent evidence of identity having exhibited his (government issued ID) with number _____ and expiring on _____.



Witness my hand and seal this ____ day of _____ 2025.

Notary Public
Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2025.



CERTIFICATION OF LIST OF AUTHORIZED REPRESENTATIVES

TO WHOM IT MAY CONCERN:

This is to certify that the individuals listed below are appointed as Authorized Representative of (Company) :

1. Name:
Designation:
Address:
Contact Details:
Email Address

2. Name
Designation
Address:
Contact Details:
Email Address:

3. Name
Designation
Address:
Contact Details:
Email Address

These representatives are authorized to act on behalf of the company in all matters requiring representation, negotiation and decision making and to sign any and all documents required in the bidding for NONECO CSP and/or to sign the Power Supply Agreement.

Signed and sealed on this _____ day of _____ 2025.

Signature over printed name

Board Secretary

Date:



INSTRUCTION ON FILLING-OUT THE BID FORM

A. General Instructions

- The Bidder may only encode data in the green-colored cells in the Bid Form. All other cells are protected and cannot be modified.

3	NAME OF THE BIDDER:	ABC COAL, INC.	
4	CONTRACT TERM:	10	
5	DELIVERY DATE:	December 26, 2025	
6	POWER PLANT NAME:	ABC Power Development Corporation	
7	POWER PLANT LOCATION:	Iloilo City, Iloilo	
8	RENEWABLE? (Y/N):	N	
9	PLANT TYPE:	Coal (Circulating Fluidized Bed)	
10	TYPE OF FUEL:	Coal	
11	LOT NO.:	1	
13	CAPACITY OFFERED	2026-2035	
15	2.1 RENEWABLE		
16	2.2 NON-RENEWABLE		
17	2.3 TOTAL	20	
19	ANNUAL ALLOWED OUTAGES (HOURS)	2026-2035	
21	3.1 SCHEDULED	250	
22	3.2 UNSCHEDULED	150	
23	3.3 TOTAL OUTAGE HOURS	400	
25	NONECO BID FORM FOR LOT 1		
27	NAME OF THE BIDDER	ABC COAL, INC.	2026-2035
29	CAPITAL RECOVERY FEE		Capital Recovery (CRF), Php/kWh
30	#	C.U.F	Weight
31	4.1	100%	100.00%
			1.5000

Bid Security: 242,542,537.85 PI
 Security Deposit: N
 Line Rental Cap: 1,5000

- Adding/inserting new rows, columns, and/or sheets is not allowed.
- All data inputs for outage allowance must be in hours (hrs.) and must be whole numbers.
- All data for the offered prices must be in four (4) decimal places.
- The transfer of data from the electronic copy of the Bids to the Bid Evaluation Template will be done automatically. It is therefore critical that Bidder ensures that data is encoded properly in the designated cells.
- The entry of disallowed data forms may render a Bid unfit for evaluation. The Bidder shall be responsible for ensuring the integrity of data entries.
- Some data entries have drop-down menus where choices are given. If none of the choices are applicable to the Bidder, Bidder may inform the BAC.
- Bidder may password-protect its file to prevent inadvertent modification of its Bid.
- The filename format of the Bid Form should be "ABC Generator_Bid for 20MW".
 - FDC_Bid for 20MW and/or FDC_Bid for 5 MW and/or FDC_Bid for 7 MW RPS;
 - TLI_Bid for 20MW and/or TLI_Bid for 5 MW and/or TLI_Bid for 7 MW RPS;
 - SPI_Bid for 20MW and/or SPI_Bid for 5 MW and/or SPI_Bid for 7 MW RPS;
 - PEDC_Bid for 20MW and/or PEDC_Bid for 5 MW and/or PEDC_Bid for 7 MW RPS; and
 - EAUC_Bid for 20MW and/or EAUC_Bid for 5 MW and/or EAUC_Bid for 7 MW RPS



B. Specific Instructions

1. Name of Bidder

- a. Bidder must encode the name of company (Bidder) as it appears in the official Bid documents. An acronym of the company may be added if the allocated space allows. If the space allocated is too small, Bidder may abbreviate.
- b. Data entry for the Name of Bidder (1) is only needed on the top part of the Bid Form. The other fields for the Bidder’s name will automatically be filled in on the contract years for which the Bidder has an offer.

COMPETITIVE SELECTION PROCESS (CSP) F	
NAME OF THE BIDDER:	ABC COAL, INC.

2. Contract Terms and Delivery Date

- a. For the Contract Terms, the Bidder must encode “10”. For Delivery Date, Bidder must input “December 26, 2025” in confirmation with the Terms of Reference (TOR) since we don’t have an exact date on when the Honorable Commission (ERC) approval of the agreement.

4 CONTRACT TERM:	10
5 DELIVERY DATE:	December 26, 2025

3. Power Plant Name and Power Plant Location

- a. For Power Plant Name, Bidder must input the power plant name. In case if the Power Plant Name and the name of bidder is the same, kindly input same data inputted in Name of Bidder. For Power Plant location, the Bidder must provide the official address of the power plant nominated for this Bid.

POWER PLANT NAME:	ABC Power Development Corporation
POWER PLANT LOCATION:	Iloilo City, Iloilo

4. Plant Type

- a. Bidder must select from the drop-down menu its specific Plant Type (Row 9).

7	POWER PLANT LOCATION:	Iloilo City, Iloilo
8	RENEWABLE? (Y/N):	N
9	PLANT TYPE:	Diesel
10	TYPE OF FUEL:	Coal (Pulverized)
11	LOT NO:	Coal (Circulating Fluidized Bed)
12		Gas (Combined Cycle)
13	CAPACITY OFFERED	Gas (Turbine)
14		
15	2.1 RENEWABLE	Diesel
16	2.2 NON-RENEWABLE	Oil Fired Thermal
17	2.3 TOTAL	Geothermal
18		Hydroelectric
19	ANNUAL ALLOWED OUTAGES (HOURS)	Biomass
20		
21	3.1 SCHEDULED	120

- b. Once the Bidder selects the specific Plant Type, the Type of Fuel and the Sources (Renewable or Conventional) will automatically select.



PLANT YPE	TYPE OF PLANT	RENEWABLE
Coal (Pulverized)	Coal	N
Coal (Circulating Fluidized Bed)	Coal	N
Gas (Combined Cycle)	NatGas	N
Gas (Turbine)	NatGas	N
Diesel	Oil	N
Oil Fired Thermal	Oil	N
Geothermal	Renewable	Y
Hydroelectric	Renewable	Y
Biomass	Renewable	Y

Once the Bidder selects the necessary data especially the type of fuel, a pre-determined inflation factors and base value will be automatically provided in the Financial Proposal template for the purpose of evaluation.

5. Capacity Offered

- a. Bidder must encode the capacity offered in MW according to its source of energy (Renewable or Non-Renewable for Lot 1 and 2, Renewable only for Lot 3) for each contract Year which the Bidder can offer for.
- b. The capacity offered must not exceed the Maximum Total Offer per Contract Year of 20MW for Lot 1 and a minimum of 5MW with an increment of 5MW, 5 MW for Lot 2, and 7 MW for Lot 3 or higher to meet the required energy.

CAPACITY OFFERED	2026-2035
2.1 RENEWABLE	5
2.2 NON-RENEWABLE	16
2.3 TOTAL	21

Value is Above the Maximum Offer

6. Annual Allowed Outages

- a. Allowed outages must not exceed the scheduled and unscheduled outages indicated in the reference table provided for specific plant types. In case the bidder inputs the declared outage before choosing the plant type and exceeds the maximum allowable outage, the cell will turn red, and an error prompt will appear as shown in the figure below:

ANNUAL ALLOWED OUTAGES (HOURS)	2026-2035
3.1 SCHEDULED	120
3.2 UNSCHEDULED	150
3.3 TOTAL OUTAGE HOURS	270

PLANT YPE	SCHEDULED	UNSCHEDULED
Coal (Pulverized)	669	403
Coal (Circulating Fluidized Bed)	369	405
Gas (Combined Cycle)	300	184
Gas (Turbine)	156	544
Diesel	120	336
Oil Fired Thermal	739	667
Geothermal	144	328
Hydroelectric	554	163
Biomass	784	168

For Lot 3, if the plant type offer is Solar or Wind, Bidder has the option or discretion to input its own allowed scheduled and unscheduled outages.



7. Rate Component

- a. For Lot 1 Capital Recovery Fee (CRF), Bidder must fill in the capacity fees for the 100% utilization factor. Capital Recovery Fee should only be in PHP/kWh. The Bidder shall be responsible for ensuring the COMPLETENESS of data entries. Failure of the Bidder to fill in the capacity fees for **100% CUF** will render the Bid unfit for evaluation and is considered a ground for disqualification, without forfeiting the Bid Security.

28	CAPITAL RECOVERY FEE			Capital Recovery (CRF), PhP/kWh
29	#	C.U.F	Weight	
30	4.1	100%	100.00%	1.5000
31				

For Lot 2 and 3, the Bidder must fill the capacity fees for 17.39% CUF for Lot 2 (4 hours per day), and 60% CUF for Lot 3 **or lower to meet the energy required**.

Lot 2:

30	CAPITAL RECOVERY FEE			Capital Recovery (CRF), PhP/kWh
31	#	C.U.F	Weight	
32	4.1	17.39%	100.00%	5.5000
33				
34				

Lot 3:

ENERGY FEE			Energy Fee, PhP/kWh
#	C.U.F	Weight	
4.1	23%	100.00%	5.5000

- b. For each sub-component (Fixed O&M, Variable O&M, and Fuel, whether local, foreign, or both), prices entered must have 4.0000 decimal places.

Under Indexation (%), Bidder must enter the percentage (%) with an effective value between zero (0) (for no indexation) to one (1) (for full indexation).

For evaluation purposes, the indexation percentage for the Fuel Fee, for both its local and foreign components, will be fixed at 100%.

ENERGY FEE		LOCAL COMPONENT (Php/kWh)			FOREIGN COMPONENT (\$/kWh)		
		Fixed O&M	Variable O&M	Fuel	Fixed O&M	Variable O&M	Fuel
5.1	BASE ENERGY PRICE	0.2500	0.0300	0.2500	0.0030	0.0050	0.0400

INDEXATION (%)		LOCAL COMPONENT			FOREIGN COMPONENT		
		Fixed O&M	Variable O&M	Fuel	Fixed O&M	Variable O&M	Fuel
6.1	Percent to be Indexed	0.00%	100.00%	100.00%	50.00%	100.00%	100.00%

The percent indexation must be expressed in number and must have up to two (2) decimal places only.

For Lot 1 and 2, for evaluation purposes, the Fuel Fee in Php/kWh shall be based on the Bidder's average fuel cost (inclusive of transportation and importation costs) from April 2025 to June 2025.

- c. **For Lot 3, The tariff must be a singular, blended rate inclusive of Capital Recovery Factor (CRF), Fixed Operation & Maintenance (FOM), and Variable Operation & Maintenance.**

ENERGY FEE			Energy Fee, PhP/kWh
#	C.U.F	Weight	
4.1	23%	100.00%	5.5000



The Bidder is required to declare the generation mix for its nominated portfolio of plants.

NOMINATED POWER PLANTS		First Priority (Must Dispatch)	Secondary Priority, RE Plants (Other Priority Dispatch)			Secondary Priority, (Other Priority)
		Supplier 1	Supplier 2	Supplier 3		Supplier 4
5.1	NAME OF POWER PLANT	ABC Power Development Corporation				
5.2	TYPE OF POWER PLANT	RE	RE	RE	RE	Non-RE
5.3	GENERATION MIX (%)	50%	20%	10%	10%	5%

If the portfolio includes a Non-Renewable Energy (Non-RE) plant, the Bidder must submit the average fuel cost for the period of April 2025 to June 2025. This cost must be inclusive of all transportation and importation expenses.

FUEL FEE		First Priority (Must Dispatch)	Secondary Priority, RE Plants (Other Priority Dispatch)			Secondary Priority, Non-RE Plants (Other Priority Dispatch)	
		Supplier 1	Supplier 2	Supplier 3		Supplier 4	Supplier 5
6.1	FUEL FEE (%)	0%	0%	0%	0%	5%	5%
6.2	FUEL FEE (Php/kWh)	--	--	--	--		

Secondary Priority, Non-RE Plants (Other Priority Dispatch)	
Supplier 4	Supplier 5
5%	5%

8. Discount Offered

- a. Bidder may offer a discount and must be translated into Php/kWh, and state the condition to avail the said discount.

DISCOUNTS (Specify)	Percentage (%)	Remarks	Fixed Cost (Php/kWh)	Remarks
7.1				
7.2				
7.3				
7.4				
7.5				
7.6	TOTAL		-	

9. Security Deposit

Bidders may select on the drop-down list for the security deposit. "Y" for requiring NONECO a 1-month equivalent power bill security deposit, and "N" for no security deposit.

Security Deposit	N	
	N	
	Y	
Line Rental Cap	1.5000	Php/kWh

10. Line Rental Cap

Bidders must provide a Line Rental cap in (Php/kWh) which will be used during evaluation based on the NONECO Market Trading Node (06CADIZL_T1L1, 06CADIZL_T1L2, and 06CADIZL_T1L3).

Line Rental Cap	1.5000	Php/kWh
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Other Instructions:

1. Bidder is encouraged to maintain a clean copy of the Bid Form as backup in case Bidder inadvertently damages the file.
2. Bidder is discouraged from making copy---paste and/or cut---paste operations for the data entries. Safeguards and data sanity checks may be removed with these operations.
3. Bidder may ask the BAC in writing for any clarifications in filling out the Bid Form.

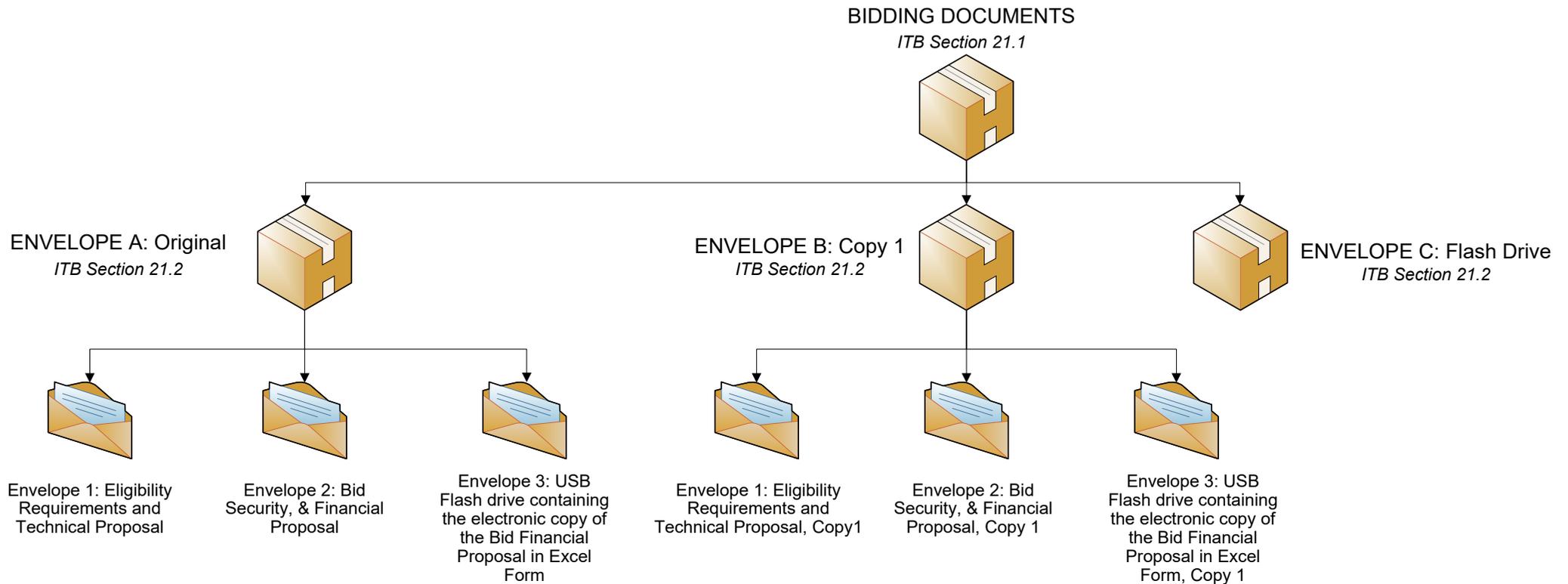


PREPARATION OF BIDDING DOCUMENTS

ITB 21.1 The Bids shall be submitted in one (1) sealed main Bid envelope (or box) bearing the signature of the authorized representative/s to secure the seal.

21.2 The Main Bid envelope shall contain three (3) non-transparent sealed envelopes bearing the name and address of the Bidder, signed by the authorized representative to secure the seal and marked as follows:

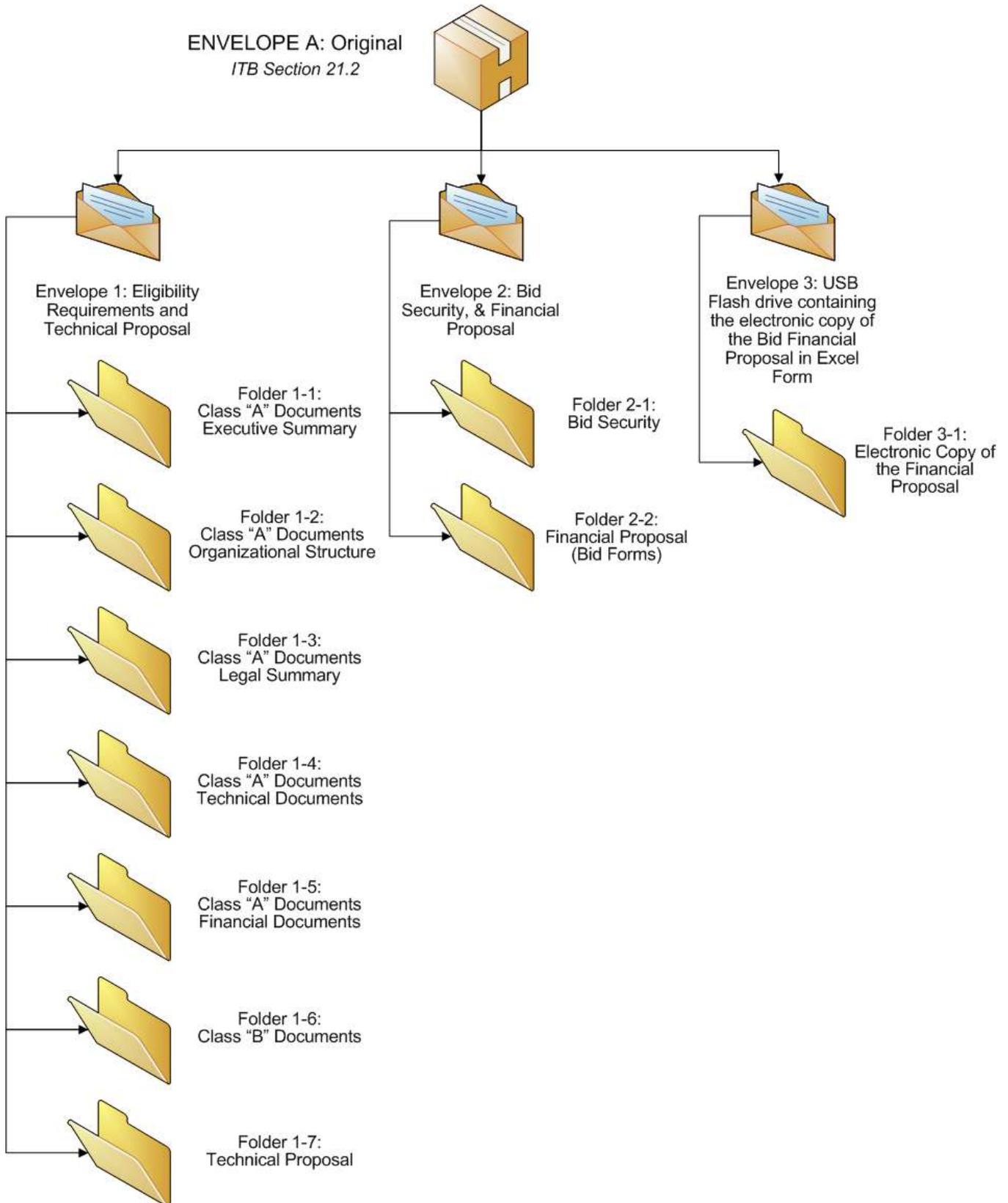
- Envelope A: Original
- Envelope B: Copy 1 and;
- Envelope C: Flash drive containing scanned copies of each document as found in Envelope A.

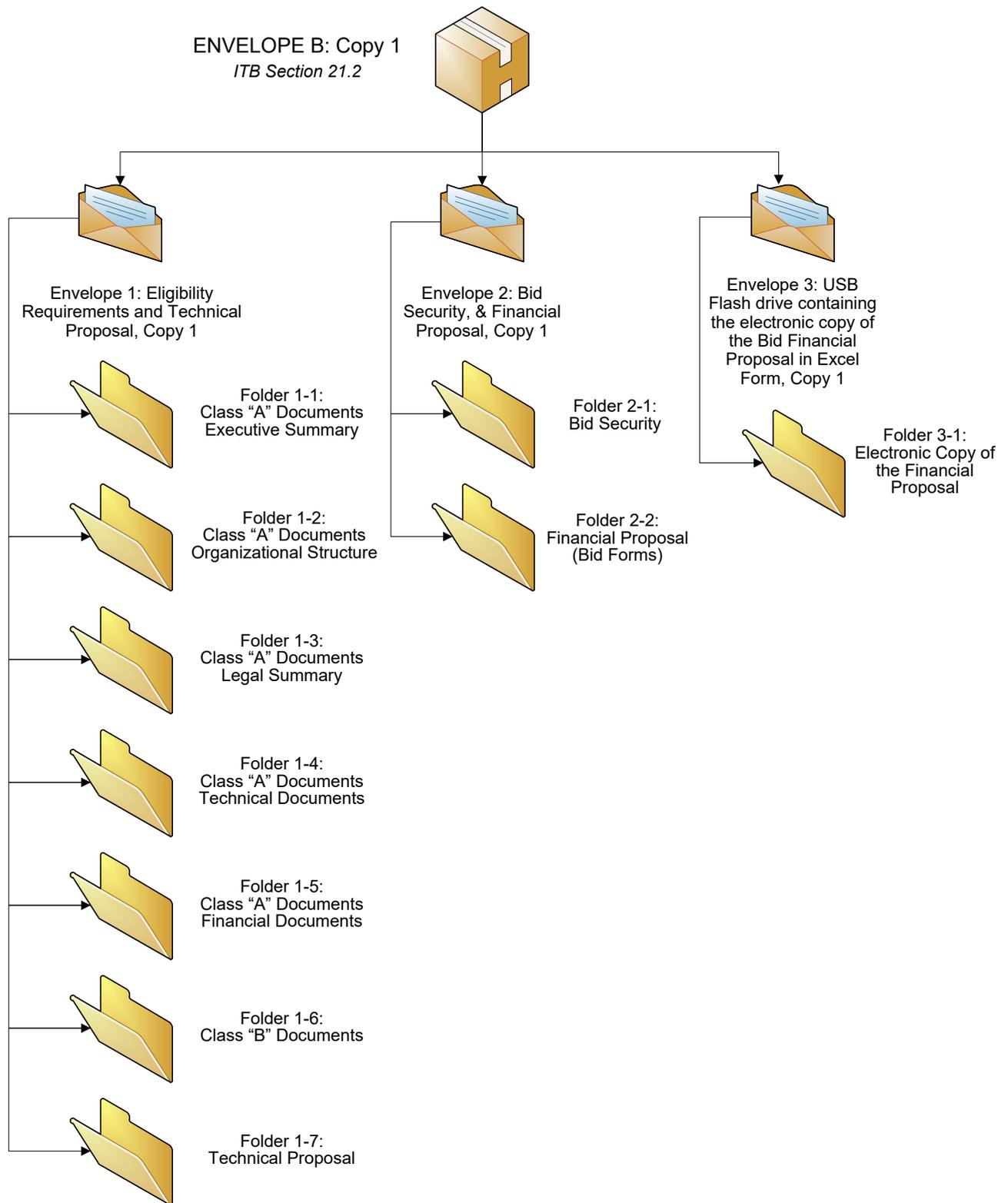




Which, shall contain three (3) separate non-transparent sealed envelopes bearing the name and address of the bidder, signed by the authorized representative to secure the seal and labelled as follows:

- Envelope 1: Eligibility Requirements and Technical Proposal
- Envelope 2: Bid Security and Financial Proposal
- Envelope 3: USB Flash drive containing the electronic copy of the Bid Financial Proposal in Excel Form







**SUPPLY OF 20 MW BASELOAD, 5 MW
PEAKING, AND 7 MW RPS CAPACITIES
TO
NORTHERN NEGROS ELECTRIC
COOPERATIVE, INC. (NONECO)**



TERMS OF REFERENCE

28 May 2025



Below are the minimum contract requirements of Northern Negros Electric Cooperative, Inc. (NONECO) for the supply of 20 MW Baseload, 5 MW Peaking, and 7 MW RPS capacity requirements for the period commencing December 26, 2025. Terms of reference indicated herein are non-negotiable, and Bidder must be able to meet all the requirements of Northern Negros Electric Cooperative, Inc. (NONECO).

Target Date of Publication: June 25, 2025, and July 02, 2025

Purpose of CSP: As scheduled in the PSPP For RPS Compliance

(Note: For PSAs procured for purposes of compliance with the Renewable Portfolio Standards (RPS) under Republic Act No. 9513, or the Renewable Energy (RE) Act, and other applicable laws and policies, the supply should come from an RPS-eligible plant, in accordance with the applicable DOE Circulars and rules and regulations of the ERC.)

TERMS OF REFERENCE	REQUIREMENT														
	LOT 1	LOT 2	LOT 3												
Area/s to be Service	<input type="checkbox"/> On-Grid <input type="checkbox"/> Off-Grid <input type="checkbox"/> Both On and Off Grid														
Demand Requirement	<input checked="" type="checkbox"/> Baseload <input type="checkbox"/> Intermediate <input type="checkbox"/> Peaking	<input type="checkbox"/> Baseload <input type="checkbox"/> Intermediate <input checked="" type="checkbox"/> Peaking	<input type="checkbox"/> Baseload <input checked="" type="checkbox"/> Intermediate <input type="checkbox"/> Peaking												
Supply Type	<input checked="" type="checkbox"/> Firm <input type="checkbox"/> Non-Firm	<input checked="" type="checkbox"/> Firm <input type="checkbox"/> Non-Firm	<input type="checkbox"/> Firm <input checked="" type="checkbox"/> Non-Firm												
Type of Contract	<input checked="" type="checkbox"/> Physical PSA <input type="checkbox"/> Financial PSA														
Pricing Structure	<input type="checkbox"/> Capacity-based PSA <input checked="" type="checkbox"/> Energy-based PSA	<input type="checkbox"/> Capacity-based PSA <input checked="" type="checkbox"/> Energy-based PSA	<input type="checkbox"/> Capacity-based PSA <input checked="" type="checkbox"/> Energy-based PSA												
Contract Term	<p>The contract capacity is divided into three (3) lots with the following contract terms:</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>LOT</th> <th>PERIOD</th> <th>DEMAND</th> </tr> </thead> <tbody> <tr> <td>Lot 1</td> <td>2026-2035</td> <td>20 MW</td> </tr> <tr> <td>Lot 2</td> <td>2026-2035</td> <td>5 MW</td> </tr> <tr> <td>Lot 3</td> <td>2026-2035</td> <td>7 MW</td> </tr> </tbody> </table> <p>This Agreement shall take effect immediately from Effective Date, and from such date, shall remain in force and effect for ten (10) years commencing on the Delivery date, unless sooner terminated in accordance with the PSA and upon approval by the ERC.</p>			LOT	PERIOD	DEMAND	Lot 1	2026-2035	20 MW	Lot 2	2026-2035	5 MW	Lot 3	2026-2035	7 MW
LOT	PERIOD	DEMAND													
Lot 1	2026-2035	20 MW													
Lot 2	2026-2035	5 MW													
Lot 3	2026-2035	7 MW													
Target Delivery Date	<p>Delivery periods for Lots 1,2, and 3 are as follows;</p> <p>December 26, 2025</p>														



Contracted Demand/ Energy	For Lot 1		
		Demand	Energy
	Regular Year	20 MW	175,200,000.00 kWh
	Leap Year	20 MW	175,680,000.00 kWh
	For Lot 1, a Bidder may offer to supply capacity in increments of 5 Megawatts (MW), up to a maximum of the baseload requirement for the entire period as specified in the Table. However, the minimum bid capacity is 5 Megawatts (MW).		
	For Lot 2		
		Demand	Energy
	Regular Year	5 MW	7,300,000.00 kWh
	Leap Year	5 MW	7,320,000.00 kWh
	For Lot 3		
	Demand	Energy	
Regular Year	7 MW or higher to meet the required energy	36,792,000.00 kWh	
Leap Year		36,792,000.00 kWh	



<p>Minimum Energy Off-Take</p>	<p>For Lot 1, Under normal conditions, the Energy will be the MEOT or the Actual Energy Off-Take, whichever is higher.</p> <p>However, during the Forced Majeure or Plant Outage, the energy will be the actual energy delivered.</p> $MEOT = \text{Contracted Demand}_{kW} \times [\text{No. of Hrs}_{for\ the\ month} - \text{Outage Allowance}_{for\ the\ month}]$ <p>For example:</p> <p>Contracted Demand = 10,000kW</p> <p>Outage Allowance = 200 hrs./12 = 16.66 hrs. per month</p> <p>No. of Hours = (28 days x 24) = 672 hrs. (for February)</p> $MEOT = 10,000kW(672\ hrs. - 16.66\ hrs)$ $MEOT = 6,553,400.00\ kWh$ <p>If the Supplier offers no outage allowance, the load factor will be 100%.</p>	<p>Minimum Energy Off-Take will be based on the indicated demand/energy on the Schedule of Delivery (Annex F).</p>	<p>Minimum Energy Off-Take will be based on the indicated demand/energy on the Schedule of Delivery (Annex F).</p>
<p>Type of Technology</p>	<p>Open</p>		<p>RPS Compliant Renewable Plant</p>
<p>Conditions before the start of supply</p>	<p>Issuance of Provisional Authority or Interim Relief, as applicable or Final Authority, if neither Provisional Authority or Interim Relief was issued.</p>		
<p>Tariff Structure</p>	<p>The bidder shall specify its levelized Energy Payment offer in Php/kWh.</p> <p>The Bidder shall provide the detailed calculation of its payment offers including formula and references. All cost items shall be itemized and classified into:</p> <p>Bidders must submit sample bills for the process of evaluation.</p> <ul style="list-style-type: none"> • Capital Recovery Fee (CRF) • Fixed Operation and Maintenance Cost (FOM) • Variable Operation and Maintenance Cost (VOM) • Fuel Fee (FF) 		



	$\text{Electricity Fee} \left(\frac{\text{Php}}{\text{kWh}} \right) = \text{CRF} + \text{FOM} + \text{VOM} + \text{Fuel Fee}$ <ol style="list-style-type: none">a. Capital Recovery Fee (CRF), PhP/kWh, no indexation.b. Fixed Operation & Maintenance (FOM) can be indexed.<ul style="list-style-type: none">• $\text{FOM}_F = \text{Foreign FOM}$• $\text{FOM}_L = \text{Local FOM}$c. Variable Operation & Maintenance (VOM) can be indexed.<ul style="list-style-type: none">• $\text{VOM}_F = \text{Foreign VOM}$• $\text{VOM}_L = \text{Local VOM}$d. For evaluation purposes, Fuel cost shall be the average for the last 3 months of the Power Supplier's fuel purchase.e. Foreign components of the Electricity fee shall first be converted to PhP/kWh using the FOREX conversion parameters that will be provided in the ITB and indexed to the Philippine Inflation Rate thereafter.f. Bidders must submit sample bills for the process of evaluation. <p>The Bidder shall include all necessary attachments (e.g. invoices), documentation, and any other relevant information in every billing statement that will enable the EC to determine that the billing computation is compliant with the PSA.</p> <p>Bidder shall also specify all other applicable charges incorporated in its payment offers such as, but not limited to, connection facilities, wheeling charges, metering, communication equipment, and government taxes or levies.</p> <p>Bidder shall specify its Total Landed Generation Cost in PhP/kWh and shall serve as Financial Bid Price.</p> <p>Specify formula for base fee adjustments affected by factors such as Philippine Inflation Rate, FOREX, and Escalation that may be due to fuel degradation and others.</p> <p>Bid price shall exclude any penalties and/or discounts to be implemented for the duration of the contract period.</p> <p>Each of the unbundled tariff components shall be accompanied by a derivation, computation, or simulated value for every year of the PSA, as applicable.</p>
Outage Allowances	<p>The Bidder shall declare its Scheduled and Un-scheduled Outage Allowance. For each contract year, the total duration of the Bidder's Scheduled and Un-scheduled Outages shall not be more than the Allowed Scheduled and Un-scheduled Outage plant per Plant type as per ERC Resolution No. 10 Series of 2020.</p> <ul style="list-style-type: none">• Scheduled outages shall be provided by the Supplier as determined by the grid System Operator.• No carry-over of Outage allowance (OA) to any subsequent contract year.• No crediting of OA from scheduled to unscheduled and vice versa.• Power provider must provide a replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages.



	<ul style="list-style-type: none"> • All Planned Outages must be scheduled and declared twelve (12) months in advance but subject to revision depending on the approval of NGCP. • The Power Supplier shall furnish the Buyer a copy all planned outages that is submitted to the NGCP and DOE.
<p>Force Majeure <i>(Should be in accordance with prevailing DOE and ERC issuances)</i></p>	<p>“Force Majeure” refers to any of the following that is beyond the reasonable control of the Party/Parties claiming force majeure which, through the exercise of due foresight and good industry practice, the Party/Parties could not have avoided, did not contribute to or participate in, and which, even by exercise of due diligence, the Party/Parties is unable to overcome, thus preventing the party from carrying out its obligations or from enjoying its rights under this Agreement due to the impossibility of delivering the goods and services, or the imminent harm that such events, in the absence of safeguards and protocols, may bring upon its employees, agents or the general public in the performance of its obligations under this Agreement.</p> <p>The Force Majeure is based on the under Department of Energy Circular 2021-09-0030, and on the new ERC 2023 Competitive Selection Process (CSP) based on the ERC Resolution No. 16, Series of 2023, Appendix C2, Draft PSA (Physical).</p> <p>There will be no payment of any capacity fee or any capacity that the EC cannot accept, in case of outage during any force majeure.</p> <p>All other arrangements in case of force majeure may be agreed upon by parties and shall form part of the PSA, but should be consistent with the TOR.</p>
<p>Replacement Power</p>	<p>The Supplier shall be responsible for providing replacement power in the following cases, except for Force Majeure Events:</p> <ol style="list-style-type: none"> a) During any delay of the Start of Delivery of Supply; and b) When its power plant fully consumed the scheduled or unscheduled outage to ensure continuity of supply in compliance with the cooperation period. <p>The rates to be charged for the procurement of Replacement Power shall be the actual price of the Replacement Power; or the approved charge for the PSA, whichever is lower.</p> <p>Replacement power shall be the obligation of the Supplier. In the event of failure by the Supplier to provide the replacement power, NONECO shall be allowed to source the replacement power at the Supplier’s expense.</p> <p>The obligation for the Supplier to provide replacement power shall be guided and consistent with the ERC Resolution 16, Series of 2023, Annex A, Article 5, Section 15.</p>
<p>Form of Payment</p>	<p>Mode of Payment may be through:</p> <ol style="list-style-type: none"> (a) Manager’s Check; or (b) Electronic Bank Transfer. <p>Currency of Payment: Philippine Peso</p> <p>Billing Period: Monthly</p>



<p>Penalty provisions in cases of delay in construction of the power plant or commencement of commercial operations</p>	<p>Liquidated damages in case of default shall be the cost of actual replacement power and any other costs incurred to secure power and shall be paid within twenty (20) calendar days after written demand for payment.</p> <p>If the Power Supplier fails to deliver 20 MW Baseload and/or 5 MW Peaking and/or 7 MW RPS upon effectivity of the Contract, the Power Supplier must secure a Replacement Power to ensure continuity of supply in compliance with the cooperation period.</p> <p>Suppose the Power Supplier fails to perform its material obligation to supply contracted capacity to NONECO for one (1) year: In that case, NONECO shall have the right, by written notice, to terminate the Contract. By such NONECO shall require settlement of liquidated damages.</p> <p>If the Power Supplier and NONECO do not reach a satisfactory solution to resolve the issues arising from the Force Majeure/Fortuitous event after one hundred eighty (180) days, the Contract shall be terminated upon prior notification to and approval by ERC pursuant to its rules, regulations, and applicable guidelines, by giving a written notice of termination pursuant to the order of the ERC.</p>
<p>Reduction of Contract Capacity and/or Contract Energy</p>	<p>Provisions shall be guided and consistent with the ERC Resolution 16, Series of 2023, CSP, Appendix C1, Draft PSA (Physical).</p>
<p>Prompt Payment Discount and Other Discounts</p>	<p>The Seller shall extend (__) percent (_%) discount based on the non-fuel fee (sum of Capital Recovery Fee, Fixed O&M and variable O&M Fee, if applicable) to the Buyer as prompt payment discount if payment is made within fifteen (15) Days from receipt of Seller's billing provided that the Buyer has no outstanding payables to the Seller.</p>
<p>Line Rental</p>	<ul style="list-style-type: none"> • Delivery point shall be at the market trading node of the Buyer. • Bidder must provide a Line Rental cap in (Php/kWh) which will be used during evaluation; and • Buyer shall pay line rental cap or actual, whichever is lower.
<p>Security Deposit</p>	<p>No Security Deposit; otherwise, it will form part of the bid evaluation.</p> <p>In the event that a Power Bill remains unpaid after its Payment Due Date, the Customer is required to issue Security Deposit equivalent to one hundred percent (100%) of their projected monthly Power Bill in a form of irrevocable standby letter of credit "callable on demand" valid for the Contract Duration, in the form and substance satisfactory to the Supplier and issued by a financial institution acceptable to the Supplier.</p> <p>However, should the Buyer be able to perform its financial obligation for three (3) consecutive months, the Seller shall return the Security Deposit with interest.</p>
<p>Taxes</p>	<p>Bidder to indicate applicable taxes.</p>
<p>Application Process with ERC</p>	<ul style="list-style-type: none"> • There shall be joint filing for the approval of the terms and conditions under the power supply agreement and the Power Supplier will cover all expenses associated with jointly filing the Power Supply Agreement's terms and conditions for regulatory approval.
<p>Grounds for Termination of Contract</p>	<p>No party to the PSA shall be allowed to terminate the contract within the validity period thereof, unless expressly allowed under the ERC Resolution No. 16, Series of 2023. Termination shall only be allowed (a)based on</p>



	<p>grounds stipulated in the PSA which should be consistent with ERC Resolution No. 16, Series of 2023, (b) upon full compliance with the procedural requirements set forth in the PSA, (c) with prior approval from the ERC. A motion for termination of a PSA must be justified only on any of the following grounds:</p> <ul style="list-style-type: none">a) Bankruptcy or insolvency of the Genco;b) Expiration, reduction, or revocation of the franchise of the concerned DU;c) Breach of contract;d) Default of either party without fault or negligence on the other party;e) Force majeure rendering the supply of electricity impossible to accomplish;f) Any other circumstance analogous to the foregoing grounds;
Assignability	<p>The Seller may only assign or transfer its rights or obligations to its Affiliates or its consortium's special purpose vehicle under, pursuant to or associated with (a) this Agreement, (b) the Facility, (c) the movable property and intellectual property of the Seller, or (d) the revenues or any of the rights or assets of the Seller, in each of subsections (a) through (c) with the prior written consent of the Buyer, provided, however, that any such assignee of Seller shall have the ability to perform all of Seller's obligations and duties under this Agreement. Buyer must be informed of the transfer of the assignment before the filing to ERC. Such transfer of rights and obligations under this provision shall require prior notification and approval of the ERC. Nonetheless, both assignor and assignee are solidarily liable under this Agreement.</p> <p>Notwithstanding anything to the contrary contained in this agreement, and in the event of the nonrenewal of Buyer's franchise or the transfer of rights to a new franchise holder, both parties agree to cooperate and exert reasonable efforts to ensure the uninterrupted and seamless transition of power supply services. The non-renewal of the franchise shall not, in itself, constitute grounds for automatic termination of this agreement. Buyer shall use best efforts to notify the SELLER in advance of any impending changes in franchise ownership or any circumstances that may affect the continued provision of power supply services. SELLER agrees to work collaboratively with Buyer and any new franchise holder to facilitate a smooth transition, and both parties shall avoid taking any actions that may lead to the discontinuance of power supply during the transition period. This provision on assignability will be enforceable and will confer benefits upon the involved parties and their respective successors and assigns.</p>

Prepared by:

ENGR. ROEL F. SALGADO
BAC – Chairman

ATTY. JOHN P. DELES
BAC Member



ENGR. RYAN H. BENEDICTO
BAC Member

ELREEN JANE Z. BANOT
BAC Member

JOSEPH PANALIGAN
BAC Member