



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

Brgy. Tortosa, Manapla, Negros Occidental, Philippines

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**INVITATION TO BID**

1. Pursuant to the Department of Energy (DOE) Circular No. DC2021-09-0030, Series of 2021, and the new ERC 2023 Competitive Selection Process (CSP) based on the ERC Resolution No. 16, Series of 2023, the Northern Negros Electric Cooperative, Inc. (NONECO) through the Bids and Awards Committee (BAC), invites all interested and qualified bidders to participate in the Competitive Selection Process (CSP) for the Procurement of 20 MW Baseload, 5 MW Peaking, and 7 MW RPS Power Supply requirements.

**2. TERMS OF REFERENCE**

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
<b>Area/s to be Service</b>	<input type="checkbox"/> On-Grid <input type="checkbox"/> Off-Grid <input type="checkbox"/> Both On and Off Grid		
<b>Demand Requirement</b>	<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
<b>Supply Type</b>	<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
<b>Type of Contract</b>	<input checked="" type="checkbox"/> Physical PSA <input type="checkbox"/> Financial PSA		

<b>Pricing Structure</b>	<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																										
<b>Contract Term</b>	<p>The contract capacity is divided into three (3) lots with the following contract terms:</p> <table border="1" data-bbox="483 376 1386 600"> <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														
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<b>Target Delivery Date</b>	<p>Delivery periods for Lots 1,2, and 3 are as follows;</p> <p>December 26, 2025</p>																												
<b>Contracted Demand/ Energy</b>	<p>For Lot 1</p> <table border="1" data-bbox="496 1049 1425 1161"> <thead> <tr> <th></th> <th>Demand</th> <th>Energy</th> </tr> </thead> <tbody> <tr> <td>Regular Year</td> <td>20 MW</td> <td>175,200,000.00 kWh</td> </tr> <tr> <td>Leap Year</td> <td>20 MW</td> <td>175,680,000.00 kWh</td> </tr> </tbody> </table> <p>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).</p> <p>For Lot 2</p> <table border="1" data-bbox="496 1472 1425 1584"> <thead> <tr> <th></th> <th>Demand</th> <th>Energy</th> </tr> </thead> <tbody> <tr> <td>Regular Year</td> <td>5 MW</td> <td>7,300,000.00 kWh</td> </tr> <tr> <td>Leap Year</td> <td>5 MW</td> <td>7,320,000.00 kWh</td> </tr> </tbody> </table> <p>For Lot 3</p> <table border="1" data-bbox="496 1697 1425 1836"> <thead> <tr> <th></th> <th>Demand</th> <th>Energy</th> </tr> </thead> <tbody> <tr> <td>Regular Year</td> <td rowspan="2">7 MW or higher to meet the required energy</td> <td>36,792,000.00 kWh</td> </tr> <tr> <td>Leap Year</td> <td>36,792,000.00 kWh</td> </tr> </tbody> </table>				Demand	Energy	Regular Year	20 MW	175,200,000.00 kWh	Leap Year	20 MW	175,680,000.00 kWh		Demand	Energy	Regular Year	5 MW	7,300,000.00 kWh	Leap Year	5 MW	7,320,000.00 kWh		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
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<p><b>Minimum Energy Off-Take</b></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> $MEOT = Contracted Demand_{kW} \times [No. of Hrs_{for\ the\ month} - Outage Allowance_{for\ the\ month}]$ <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><b>Type of Technology</b></p>	<p>Open</p>		<p>RPS Compliant Renewable Plant</p>
<p><b>Conditions before the start of supply</b></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><b>Tariff Structure</b></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"> <li>• Capital Recovery Fee (CRF)</li> <li>• Fixed Operation and Maintenance Cost (FOM)</li> <li>• Variable Operation and Maintenance Cost (VOM)</li> <li>• Fuel Fee (FF)</li> </ul>		

	<p style="text-align: center;"><math>Electricity\ Fee\ \left(\frac{Php}{kWh}\right) = CRF + FOM + VOM + Fuel\ Fee</math></p> <ol style="list-style-type: none"> <li>a. Capital Recovery Fee (CRF), PhP/kWh, no indexation.</li> <li>b. Fixed Operation &amp; Maintenance (FOM) can be indexed.             <ul style="list-style-type: none"> <li>• <math>FOM_F =</math> Foreign FOM</li> <li>• <math>FOM_L =</math> Local FOM</li> </ul> </li> <li>c. Variable Operation &amp; Maintenance (VOM) can be indexed.             <ul style="list-style-type: none"> <li>• <math>VOM_F =</math> Foreign VOM</li> <li>• <math>VOM_L =</math> Local VOM</li> </ul> </li> <li>d. Fuel cost shall be the average for the last 3 months of the Power Supplier’s fuel purchase.</li> <li>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.</li> <li>f. Bidders must submit sample bills for the process of evaluation.</li> </ol> <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>
<p><b>Outage Allowances</b></p>	<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"> <li>• Scheduled outages shall be provided by the Supplier as determined by the grid System Operator.</li> <li>• No carry-over of Outage allowance (OA) to any subsequent contract year.</li> <li>• No crediting of OA from scheduled to unscheduled and vice versa.</li> <li>• Power provider must provide a replacement power for the delay on the return to service per predetermined timeline by the EC during unscheduled outages.</li> <li>• All Planned Outages must be scheduled and declared twelve (12) months in advance but subject to revision depending on the approval of NGCP.</li> <li>• The Power Supplier shall furnish the Buyer a copy all planned outages that is submitted to the NGCP and DOE.</li> </ul>

<p><b>Force Majeure</b> <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><b>Replacement Power</b></p>	<p>The Supplier shall be responsible for providing replacement power in the following cases, except for Force Majeure Events:</p> <ul style="list-style-type: none"> <li>a) During any delay of the Start of Delivery of Supply; and</li> <li>b) When its power plant fully consumed the scheduled or unscheduled outage to ensure continuity of supply in compliance with the cooperation period.</li> </ul> <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><b>Form of Payment</b></p>	<p>Mode of Payment may be through:</p> <ul style="list-style-type: none"> <li>(a) Manager’s Check; or</li> <li>(b) Electronic Bank Transfer.</li> </ul> <p>Currency of Payment: Philippine Peso</p> <p>Billing Period: Monthly</p>
<p><b>Penalty provisions in cases of delay in construction of the power plant or commencement</b></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>

<b>t of commercial operations</b>	<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>
<b>Reduction of Contract Capacity and/or Contract Energy</b>	Provisions shall be guided and consistent with the ERC Resolution 16, Series of 2023, CSP, Appendix C1, Draft PSA (Physical).
<b>Prompt Payment Discount and Other Discounts</b>	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.
<b>Line Rental</b>	<ul style="list-style-type: none"> <li>• Delivery point shall be at the market trading node of the Buyer.</li> <li>• Bidder must provide a Line Rental cap in (Php/kWh) which will be used during evaluation; and</li> <li>• Buyer shall pay line rental cap or actual, whichever is lower.</li> </ul>
<b>Security Deposit</b>	<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>
<b>Taxes</b>	Bidder to indicate applicable taxes.
<b>Application Process with ERC</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>Grounds for Termination of Contract</b>	<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 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"> <li>a) Bankruptcy or insolvency of the Genco;</li> <li>b) Expiration, reduction, or revocation of the franchise of the concerned DU;</li> <li>c) Breach of contract;</li> </ul>

	<p>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;</p>
<p><b>Assignability</b></p>	<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>

**3. INDICATED SCHEDULE OF ACTIVITIES**

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	July 17, 2025
Last day of Issuance of Bid Bulletin and Final Instructions to Bidders	July 31, 2025
Due Diligence of the Bidders	June 27, 2025 – August 20, 2025
Submission and Opening of Bids	August 21, 2025
Post Qualification and Evaluation of Bids	August 24, 2025 – August 28, 2025
Issuance of Notice of Award	October 16, 2025
Final Evaluation/Assessment of PSA	October 21, 2025
The signing of PSA	November 04, 2025
Posting of Performance Security	On or before November 14, 2025
Issuance of Notice to Proceed	November 19, 2025
Submission of Documents for Pre-Filing with ERC	December 04, 2025

4. Upon due notice to the participants, the NONECO BAC may amend the above schedules.
5. Bid Documents fee of Php400,000.00 for Baseload (Lot 1), Php100,000 for Peaking (Lot 2), and Php150,000.00 for RPS (Lot 3) non-refundable, and exclusive of taxes. Bidders shall send the bank transaction slip through email to the BAC Secretariat for issuance of official receipts.
6. Complete set of Bid Document may be acquired upon payment of a non-refundable Bid Documents fee and securing official receipt through the BAC Secretariat. Payment may be deposited to:
 

Bank/Branch	:	BDO Victorias
Account Name	:	NONECO
Account No.	:	003790042816
7. Venues for the pre-bidding and bid opening shall be announced through the bid bulletins. Only bidders who purchased bid documents shall be allowed to attend the pre-bidding and the bid opening.
8. NONECO BAC reserves the right to amend the schedule of activities, reject any or all bids, declare failure of bidding in accordance with CSP Rules and other pertinent issuance that may be applicable and assumes no obligation to compensate or indemnify any bidder for expenses or losses that may be incurred in the preparation of bid, nor does it guarantee that an award will be made.
9. A protest on the BAC Decision(s) shall be accompanied by the payment of a non-refundable protest fee of One Million Pesos (Php 1,000,000.00).

For further inquiries, please refer to:

BAC Secretariat  
 Northern Negros Electric Cooperative, Inc.  
 NONECO  
 Brgy. Tortosa, Manapla, Negros Occidental

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**ENGR. ROEL F. SALGADO**  
 NONECO BAC Chairman