



MEMORANDUM

TO : ALL DISTRIBUTION UTILITIES

SUBJECT : COMPETITIVE SELECTION PROCESS (CSP) ADVISORY

DATE : DEC 17 2018

To effectively implement Department Circular No. DC2018-02-0003 entitled, "**ADOPTING AND PRESCRIBING THE POLICY FOR THE COMPETITIVE SELECTION PROCESS IN THE PROCUREMENT BY THE DISTRIBUTION UTILITIES OF POWER SUPPLY AGREEMENT FOR THE CAPTIVE MARKET**", the Department of Energy hereby issues the following advisory:

1. All Power Supply Agreements (PSAs) shall be procured through CSP, in a manner specified under Section 5 of the "Policy for the Competitive Selection Process in the Procurement by Distribution Utilities of Power Supply Agreement for the Captive Market" to be spearheaded by a Third Party Bids and Awards Committee (TPBAC) or a Joint Third Party Bids and Awards Committee (Joint TPBAC).
2. Section 5.1.2 provided for the composition of the TPBAC or the Joint TPBAC.
3. However, in recognition of the fact that some franchise areas may not have enough available specified professionals, it is hereby clarified that Section 5.1.2 of the CSP Policy should be read as:

5.1.2.3 A registered captive customer preferably with knowledge/experience in the fields of accounting, economics, finance, law, and engineering; and

5.1.2.4 A registered captive customer preferably with knowledge/experience in competitive public bidding.

The same applies to the composition of the Joint TPBAC.

4. This will ensure that the possible non-availability of the specified professionals shall not hamper the conduct of a CSP for the procurement of power supply. This is especially true with respect to off-grid areas in the country.
5. For your guidance and compliance.


ALFONSO G. CUSI
Secretary

