



**IFUGAO ELECTRIC COOPERATIVE, INC.**  
Lagawe, Ifugao

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**INVITATION TO BID**  
**ITB No. TPBAC 2021-01**

**For the supply of 7.5 MW base load requirement of Ifugao Electric Cooperative, Inc. through Competitive Selection Process (CSP)**

Pursuant to the Department of Energy (DOE) Circular No. DC 2018-02-0003 and National Electrification Administration (NEA) Memorandum No. 2019-007, IFELCO, thru the Third Party Bids and Awards Committee (TPBAC), invites all interested and qualified Bidders to participate in the competitive bidding for the Supply of electricity for its base load requirement to meet the demand of its customers.

**TERMS OF REFERENCE (TOR)**

<b>CONTRACT TYPE</b>	Base load				
<b>TECHNOLOGY REQUIRED</b>	Existing RE technologies that has been in commercial operations or had incremental capacity resulting from upgrading or expansion after the effectivity of the Renewable Energy Act of 2008 (RE Act) or RA 9513.  RE Technologies that is duly approved by DOE or ERC.				
<b>COOPERATION PERIOD</b>	The PSA shall be valid for a period of Nine (9) years commencing on the immediate 26 <sup>th</sup> day upon completion of condition precedents to supply and approval of ERC.				
<b>TERMS OF SUPPLY</b>					
<b>CONTRACTED ENERGY</b>	The minimum MWh/year based on the baseload requirements of IFELCO is 32,500 MWh/year.				
<b>CONTRACTED DEMAND</b>	7.5MW				
<b>REPLACEMENT ENERGY</b>	Except for a Force Majeure Event, Supplier guarantees the supply for the Contracted Energy.  In the event that the Supplier is unavailable or unable to supply the Contracted Energy in whole or in part due to a Force Majeure Event, the Supplier may find Replacement Energy for the Customer as its own discretion, <b>to be charged at the Contract Price</b> . IFELCO still has the right to refuse said Replacement Energy during such cases.  The replacement power offer shall be RE technology, since the intention of the procurement is for RPS compliance.				
<b>OUTAGE ALLOWANCE</b>	No Outage Allowance.				
<b>FEES</b>					
<b>RATE STRUCTURE</b>	Tariff Structure Components to include: <table border="1" style="width: 100%;"> <tr> <td>A. Capacity Fees (PHP/kW)</td> </tr> <tr> <td>B. Fixed O&amp;M (PHP/kWh)</td> </tr> <tr> <td>C. Variable O&amp;M (PHP/kWh)</td> </tr> <tr> <td>D. Fuel Fee (PHP/kWh)</td> </tr> </table> Please refer to Energy Regulation Commission Rules Practice and Procedure which require breakdown of the base prices of Operation and Maintenance, Capacity Fee, Fixed Operation Fee, and Energy Fee (provide computation).	A. Capacity Fees (PHP/kW)	B. Fixed O&M (PHP/kWh)	C. Variable O&M (PHP/kWh)	D. Fuel Fee (PHP/kWh)
A. Capacity Fees (PHP/kW)					
B. Fixed O&M (PHP/kWh)					
C. Variable O&M (PHP/kWh)					
D. Fuel Fee (PHP/kWh)					
<b>TAXATION</b>	The calculation of the effective price shall include applicable government taxes, particularly the 12% e-VAT for non-renewable energy supply. Zero VAT will be applied for renewable energy sources. If the total generating capacity for the [power supply will come from combination of renewable and non- renewable energy, the effective e-VAT shall apply, VAT shall also apply to WESM prices.				
<b>CURRENCY</b>	All offers must be in Philippine Peso.				
<b>RATE ADJUSTMENT</b>	Yearly adjustment based on Philippine Consumer Price Index (CPI) only.				
<b>PASS-THROUGH CHARGES</b>	1. VAT and other Taxes (except Supplier's Corporate Income Tax) 2. All other fees, taxes, not forming part of the generation charge.				

<b>FORCE MAJEURE</b>	
<b>FORCE MAJEURE EVENT</b>	<p>A "Force Majeure Event" is an event beyond the reasonable control of the Party claiming a Force Majeure Event, which, through the exercise of due diligence, foresight, and Good Industry Practice, that Party could not have avoided or unable to overcome. Such events include, but are not limited to the following:</p> <p style="text-align: center;"><i>Typhoon; storm; tropical depression; flood or inundation; lightning strikes; earthquake; volcanic eruption; tsunami; fire; epidemic; pandemic; plaque; radioactive contamination or ionizing radiation; acts of war whether war is declared or not; invasion; riot; national emergencies, civil disturbance; sabotage; explosion; insurrection; military or usurped power; strike; labor dispute; action of any court or governmental authority, or any civil or military authority de facto or de jure; act of God or the public enemy; failure in the transmission of energy due to causes consequent of decisions or actions by NGCP, the distribution utility or other governmental authority, or any other event or cause of a similar nature beyond the reasonable control of the Party claiming a Force Majeure Event.</i></p> <p><i>No payment of CRF and FOM;</i></p> <p><i>IFELCO shall not be required to make payments for any of the following:</i>  <i>a) Capacity that is unavailable; and b) Capacity that it cannot accept.</i></p>
<b>ELIGIBILITY REQUIREMENTS</b>	<p>If Bidder is under partnership or consortium, it must present an agreement showing that they are jointly and severally liable in this Bidding and the resulting PSA.</p> <p>Bidders to submit experience and technical capability/qualification of technical staff, management team/consultants and organization structure.</p> <p>Bidders to submit Certificate of Compliance issued by the ERC.</p>
<b>LINE RENTAL AND OTHER CHARGES</b>	<p>Delivery point shall be at the market trading node of IFELCO;</p> <p>Bidder must provide Line Rental Cap (Php/kWh) which will be used during evaluation;</p> <p>IFELCO shall pay line rental cap or actual line rental fee, whichever is lower;</p> <p>Other charges, such as Market Fees, Imbalance Charges and Billing Adjustments, shall be on the account of the Supplier.</p>
<b>PENALTIES</b>	<p>If Winning Bidder fails to deliver contracted capacity on the delivery date, it shall pay IFELCO the prevailing one year total contract cost;</p> <p>If either of the Parties failed to perform its obligation in accordance with the contract leading to its pre-termination, the defaulting party shall pay the liquidated damages equivalent to prevailing on year total contract cost.</p>
<b>OTHER INFORMATION</b>	
<b>REGULATORY APPROVAL</b>	<p>The Supplier shall make the necessary adjustment in accordance with the directive of the ERC. Downward adjustment in the rates shall not be a ground for the termination of the contract and IFELCO should not be made to shoulder the incremental difference.</p>
<b>GROUNDS FOR TERMINATION</b>	<ol style="list-style-type: none"> <li>1. Extended Force Majeure.</li> <li>2. Valid expropriation by Government Authority of the Supplier's Assets or the Customer's Assets.</li> <li>3. The shareholders of either Party passes a resolution for winding-up or either Party commences proceedings before any court or administrative tribunal for winding-up, dissolution, bankruptcy, insolvency, or similar relief, or become the subject of a final order or decree in any such proceedings; Provided that, the dissolution is made in good faith and not for the purpose of evading valid rights and obligations of the other party.</li> <li>4. Failure to cure an Event of Default.</li> </ol>
<b>CHANGES ON CONTRACTED ENERGY DUE TO RCOA OR GEOP</b>	<p>IFELCO shall be allowed to reduce the contracted demand equitably among its power suppliers if affected by the reduction in demand of its captive customer with the ongoing implementation of the Retail Competition and Open Access and /or Green Energy Option.</p>
<b>WESM PARTICIPATION</b>	<p>Winning Supplier shall be the counter party of IFELCO in WESM. IFELCO is indirect participant to the WESM.</p>

Interested bidders may obtain a copy of the bidding documents upon payment of a non-refundable "bidders fee" amounting to One Hundred Fifty Thousand Pesos (Php150,000.00), either in cash or Manager's Check payable to Ifugao Electric Cooperative, Inc.

Only the bidders authorized representative are allowed to attend and participate in the pre-bid conference and the bidding process, together with other DOE, NEA, and ERC observers invited by the TPBAC.

Upon due notice to participants IFELCO TPBAC reserves the right to amend the schedule of activities, as follows;

### Bidding Schedules

No.	Activity	Date and Time
1	Publication and Invitation to Bid	April 14, 2021 and April 21, 2021
2	Issuance of Bid Documents (bidders may purchase online)	April 19, 2021 - May 4, 2021 8:00AM-12:00NN and 1:00PM-5:00PM IFELCO Main Office, Lagawe, Ifugao
3	Pre-Bid Conference (bidders may attend via Zoom)	May 5, 2021 @9:00AM IFELCO Main Office, Lagawe, Ifugao
4	Issuance of Bid Bulletin(s), if any	May 10, 2021 - May 17, 2021
5	Due Diligence of Proponent (bidders may attend via Zoom)	May 10, 2021@9:00AM - 4:00PM
6	Submission (Bidders may submit via E-mail) and Opening of Bids (Bidders may attend via Zoom)	May 25, 2021 @9:00AM IFELCO Main Office, Lagawe, Ifugao
7	Evaluation of Bids	May 26, 2021 - May 28, 2021
8	Post-Qualification of Bids	May 31, 2021 - June 3, 2021
9	Issuance of Notice of Award	June 8, 2021 - June 10, 2021

The TPBAC reserves the right to reject any and all bids declare a failure of CSP, or not award the PSA at any time prior to PSA award in accordance with the 2018 CSP Policy issued under Department of Energy Circular No. DC2018-02-0003, without thereby incurring any liability to the affected Bidders.

For further information, please refer to Ms. Verlynda C. Binyahan. TPBAC Secretariat, at mobile no. 0977-485-4429 or thru TPBAC email at [tpbac2021.ifelco@gmail.com](mailto:tpbac2021.ifelco@gmail.com)

Approved for release

**ENGR. YPUGGO T. TUGUINAY**  
TPBAC Chairman

Noted by:

**ROMEO V. ACUESTA**

NEA Project Supervisor/Acting General Manager