

# LUECO Bids and Awards Committee (BAC)

Quezon Avenue, San Fernando City

## BID BULLETIN No. 3 AMENDED PROVISIONS

**LUECO Bids and Awards Committee (BAC)** is issuing amendments on the following provisions of herein Bid Documents in response to initial queries/comments submitted by the interested Bidders prior to the Pre-Bid Conference. To wit:

### A) TERMS OF REFERENCE (TOR)

1. ITEM No. 9 – PROMPT PAYMENT DISCOUNT is amended to read as follows:

*Equivalent to 3% of the ~~Electricity Fee~~ **Total Generation Cost** upon full payment within ten (10) days from receipt of Final and Approved Power Bill.*

### B) INSTRUCTIONS TO PROSPECTIVE BIDDERS (IPB)

1. Section 2 - Bidding Schedule is amended to read as follows:

*Unless otherwise provided by the BAC, the indicative schedule for the Bidding is as follows:*

	<u>ACTIVITY</u>	<u>START</u>	<u>END</u>
1	Publication of the Invitation to Bid		
	1st Publication	14 May 2025, Wed	
	2nd Publication	21 May 2025, Wed	
2	Submission of Expression of Interest	15 May 2025, Thu	23 May 2025, Fri
3	Issuance of Bid Documents	16 May 2025, Fri	26 May 2025, Mon
4	Pre-submission of comments	16 May 2025, Fri	02 June 2025, Mon
5	Pre-bid Conference	17 Jun 2025, Tue	
6	Submission of Comments	18 Jun 2025, Wed	23 June 2025, Mon
7	Issuance of Bid Bulletins	30 Jun 2025, Mon	10 Jul 2025, Thu
8	Submission, Opening of Bids and Initial Evaluation of Bids	17 Jul 2025, Thu	
9	BAC Evaluation of Bids	18 Jul 2025, Fri	18 Jul 2025, Fri
10	Notification of Best Bid	21 Jul 2025, Mon	
11	Post Qualification of Best Bidder	23 Jul 2025, Wed	26 Jul 2025, Sat
12	Board Meeting - for approval of Notice of Award	29 Jul 2025, Tue	
13	Issuance of Notice of Award	30 Jul 2025, Wed	
14	Signing of PSA	05 Aug 2025, Tue	
15	Joint filing with ERC	<del>11 Aug 2025, Mon</del> <b>20 Aug 2025, Mon</b>	

2. Section 3.5 – OWNERSHIP OF DOCUMENTS is amended to read as follows:

*All documents submitted by a Bidder to the BAC pursuant to this IPB shall become the property of LUECO and any information obtained by LUECO from such documents may*

be reasonably used by them subject to the confidentiality clause in Section 3.6 (Confidentiality) **and the provisions of the Data Privacy Act of 2012.**


3. Section 4.2 – TECHNICAL PROPOSAL is amended to read as follows:

XXX

No later than the Bid Submission Deadline, a Bidder must submit its notarized Technical Proposal of its Portfolio of Plants, using the form in ANNEX 7, in a separate sealed envelope (Envelope 1B) with the following attachments **as evidence of compliance to the requirements stated in the Invitation to Bid's Terms of Reference (TOR):**

- ~~a) Evidence of compliance to the requirements xxx...~~
- ~~b) a. The Portfolio of Plants must be covered by a Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC and must be registered as a direct member of the WESM;~~
- ~~c) b. Details of the interconnection, operation xxx...~~
- ~~d) c. If the Portfolio Power Plants xxx...~~
- ~~e) d. List of projects undertaken over xxx...~~
- ~~f) e. List of electricity generation plants that the Bidder has operated and/or administered for the last five (5) years;~~
- ~~g) f. Proof of/Documentation on track record for the last five (5) years of Portfolio operated and/or administered by it;~~
- ~~h) g. For newly operated renewable energy plant xxx..~~
  - ~~1) i. Key Personnel Experience–curriculum vitae xxx...~~
  - ~~2) ii. Other relevant information xxx...~~
- ~~i) h. Certificate of Registration issued xxx...~~
- ~~j) i. A notarized certification, using the form xxx...~~
- ~~k) j. Certification of RPS-Eligible Renewable Plant xxx...~~

4. The LCOE Result Worksheet in Section 4.3 (c) of the IPB is revised as follows:  
Revised LCOE Worksheet

 <b>LA UNION ELECTRIC COMPANY, INC.</b> <b>San Fernando City, La Union</b> <b>BID PROPOSAL</b>						
Bidder's Company Name				Input Bidder's Name as it appears in the Bid Documents	FAIL	
Required Bid Security	PhP	#DIV/0!	The amount must be equivalent to three (3)-month contract cost of the proposed power supply agreement computed using the bid price offered by the Bidder in the form of an irrevocable standby letter of credit. (Section 10 letter (c) of Appendix B of ERC Resolution No. 16, Series of 2023)			#DIV/0!
Percentage Share of Type of Technology for each Contract Year			RENEWABLE	NON-RENEWABLE	REMARKS	
Year 1	%	16.42%	83.58%	Minimum RE % Share of 16.42%	PASS	
Year 2	%	18.94%	81.06%	Minimum RE % Share of 18.94%	PASS	
Year 3	%	21.46%	78.54%	Minimum RE % Share of 21.46%	PASS	
Year 4	%	23.98%	76.02%	Minimum RE % Share of 23.98%	PASS	
Year 5	%	26.98%	73.02%	Minimum RE % Share of 26.50%	PASS	
Year 6	%	29.02%	70.98%	Minimum RE % Share of 29.02%	PASS	
Year 7	%	31.54%	68.46%	Minimum RE % Share of 31.54%	PASS	
Year 8	%	34.06%	65.94%	Minimum RE % Share of 34.06%	PASS	
Year 9	%	36.58%	63.42%	Minimum RE % Share of 36.58%	PASS	
Year 10	%	39.10%	60.90%	Minimum RE % Share of 39.10%	PASS	
Base Energy Rate	PhP/kWh		Contract Price for Year 1. Put zero (0.0000) if not applicable.			FAIL FAIL
Percentage of Contract Price Subject to Escalation	%		For RE: Maximum of 50%. For Non-RE: Maximum of 60%. Bid is invalid if left blank.			FAIL FAIL
Annual Price Escalation Year 2	%		Maximum of 3.5% for RE and 5% for Non-RE. Invalid if left blank. Put zero (0.00) if option is no escalation. Escalation will start on the second Contract Year.			FAIL FAIL
Annual Price Escalation Year 3	%					FAIL FAIL
Annual Price Escalation Year 4	%					FAIL FAIL
Annual Price Escalation Year 5	%					FAIL FAIL
Annual Price Escalation Year 6	%					FAIL FAIL
Annual Price Escalation Year 7	%					FAIL FAIL
Annual Price Escalation Year 8	%					FAIL FAIL
Annual Price Escalation Year 9	%					FAIL FAIL
Annual Price Escalation Year 10	%					FAIL FAIL
Prompt Payment Discount	%	3.00%	Equivalent to 3% to the total fee.			PASS
VAT Rate	%		Maximum of 12%. Bid is invalid if left blank. Put zero (0.00) if not applicable. Value provided herein shall be the maximum VAT rate that Winning Bidder may charge LUECO for any given Billing Month.			FAIL FAIL



QUALIFICATION DOCUMENTS-COPY NO. 1; **and** ENVELOPE 1A-  
QUALIFICATION DOCUMENTS-COPY NO. 2. ~~and so forth.~~”

(b) xxx

(c) A Bidder shall place the ~~five (5)~~ **two (2)** sets of photocopies of the Qualification Documents in a sealed envelope marked as follows:

xxx..

8. Section 4.4.3 (a) (ii) and (c) respectively are amended to read as follows:

(a) xxx...

(i) xxx

(ii) ~~five (5)~~ **two (2)** sets of photocopies to be sealed in ~~five (5)~~ **two (2)** separate envelopes, clearly marked on each page as “ENVELOPE 1B-TECHNICAL PROPOSAL-COPY NO. 1; **and** ENVELOPE 1B-TECHNICAL PROPOSAL-COPY NO. 2 ~~and so forth.~~”.

(b) xxx

(c) A Bidder shall place the ~~five (5)~~ **two (2)** sets of photocopies of the Technical Proposal in a sealed envelope marked as follows:

xxx ...

9. Section 4.4.4 (b) is amended to read as follows:

(b) A Bidder shall place the ~~five (5)~~ **two (2)** sets of photocopies of the Qualification Documents (Envelope 1A) and Technical Proposal (Envelope 1B) in one main sealed envelope/package marked as Envelope 1 containing the following:

xxx...

10. Section 4.4.5 (a) (ii) and (c) respectively are amended to read as follows:

(a) xxx...

(i) xxx...

(ii) ~~five (5)~~ **two (2)** sets of photocopies, to be sealed in ~~five (5)~~ **two (2)** separate envelopes, clearly marked on each page as “ENVELOPE 2-BID-COPY NO. 1; **and** ENVELOPE 2-BID-COPY NO. 2 ~~and so forth.~~”.

(b) xxx...

(c) A Bidder shall place the ~~five (5)~~ **two (2)** sets of photocopies of the Bid in a sealed envelope marked as follows:

(d) xxx...

11. ANNEX 7 – TECHNICAL PROPOSAL (Portfolio of Plants)

xxx...

~~1-~~ The identification or list of characteristics of the Portfolio of plants showing evidence of compliance to the requirements stated in the Invitation to Bid’s Terms of Reference Table (“TOR Table”) **namely:**

~~2-~~ **a)** Copy of Certificate/s of Compliance (COC) **or Provisional Authority to Operate (PAO)** from the ERC xxx..

~~3-~~ **b)** Copy of valid Certificate/s from the Department of Energy (DOE) xxx..

- ~~4. c) If located in Luzon, Visayas or Mindanao, xxx..~~
- ~~5. d) Details of the interconnection, operation and xxx..~~
- ~~6. e) If the Power Plant has been in Commercial Operation xxx..~~
- ~~7. f) List of projects undertaken xxx..~~
- ~~8. g) List of electricity generation plants that the Bidder has operated **and/or administered** for the last five (5) years;~~
- ~~9. h) Proof of/Documentation on track record for the last five (5) years of Portfolio operated **and/or administered** by it;~~
- ~~10. i) For newly operated renewable energy plant, xxx...~~
  - ~~a. 1. Key Personnel Experience – curriculum vitae xxx...~~
  - ~~b. 2. Other relevant information showing proof xxx...~~
- ~~11. j) Certificate of Registration issued by xxx..~~
- ~~12. k) A notarized certification, using the form in ANNEX 4-A xxx...~~
- ~~13. Certification of RPS-Eligible Renewable Plant xxx...~~

### C) POWER SUPPLY AGREEMENT (PSA)

1. The following terminologies shall be included in Section 1.1 DEFINITIONS

***“Contract Year” refers to a defined 12-month period within the PSA Cooperation Period starting the Commencement Date and repeat annually throughout the Agreement.***

***“Provisional Invoice” has the meaning given to it in Schedule 5.***

2. The definition of “Year” is amended to read as follows:

***“Year” this refers to calendar 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.***

3. “Power Plant” in Section 1.1 shall be replaced with “Portfolio of Power Plants” and shall be defined as follows:

***“Portfolio of Power Plants” means the ~~designated~~ **nominated** power plants of the SELLER from which the SELLER sources electric power to be supplied to BUYER. It shall also mean power plants or plants with reference to portfolio of plants.***

4. Section 2.2.1.1 is amended to read as follows:

***2.2.1.1 The term of this Agreement (the “Cooperation Period”) shall commence on the Commencement Date and shall expire on September 25, 2035, unless terminated earlier in accordance with the terms of this Agreement.***

***It is, however, subject to extension by reason of ERC delay of Approval or any event of extended Force Majeure during the Cooperation Period, in***

*which case it shall be extended by a period of time for which the performance is excused as a result of the extended Force Majeure event or due to the delay of ERC approval.*

5. SECTION 4.2 is amended to read as follows:

**4.2 Availability of Contract Capacity and/or Contract Energy.** Seller shall guarantee availability of the Contract Capacity/Energy during the term of this Agreement xxx...

*Failure of Delivery of Supply, in case SELLER is unable to source electricity from Power Plant for whatever reason, SELLER shall undertake alternative sourcing arrangements to compensate for the failure or shortfall, provided that, BUYER shall pay to SELLER the prevailing Generation Rate or from the alternative source, whichever, is lower. In case SELLER fails to supply BUYER electricity due to unavailability of supply from its Power Plant, WESM, and any other source, SELLER shall pay a fine calculated as follows:*

***Fine = 10% x GENRATE from the previous Billing Month x Unsupplied Energy***

***Where:***

***Unsupplied Energy = the average of the last 4 same day, same hour of the Trading Intervals affected by the loss of supply from Power Plant, WESM, and any other source which shall be used to reduce the generation charge to the consumers.***

6. Section 5.2.4 is amended to read as follows:

*5.2.4 If applicable, BUYER will endeavor to dispute, protest or question a Final and Approved Invoice within fifteen (15) Business Days from the date of its receipt. In such a case, the dispute, protest or question shall be resolved within ~~thirty (30)~~ **ninety (90)** Days from the date of filing thereof. If the dispute, protest or question is not resolved, BUYER may at any time refer such dispute, protest or question for resolution in accordance with ARTICLE 17.*

7. Section 8.2.1 Acts of God- a) and b) are amended respectively to read as follows:

xxx..

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

8. Section 13.1.2.1 is amended to read as follows:

*13.1.2.1 Within five (5) Days after receipt from BUYER of the documents set forth in Section 13.1.1 (or such other period agreed upon by the Parties), the Parties shall jointly file with the ERC the necessary application for the approval of this Agreement ("**ERC Application**") and shall exert best efforts to obtain such approval as promptly as practicable following the submission of the ERC Application and to allow for the issuance of the ERC Approval. Parties shall comply with all the applicable procedural requirements governing such applications under the Implementing Rules and Regulations of Republic Act No. 9136.*

***In the meantime, upon receipt of the ERC decision requiring amendments to the Agreement, the Parties shall cooperate in good faith to address the ERC modification of the Agreement and/or to negotiate amendments to the Agreement. In the event that the Parties agree to an amended Agreement, the Parties shall file the amended Agreement for approval by the ERC within thirty (30) Days from the execution of such amended Agreement.***

9. Section 20.11 is amended to read as follows:

*20.11 **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 **including Data Privacy Act of 2012.***

Please be guided accordingly.

For BAC:

The Secretariat