

Bid Document	Section/Provision	Query	TPBAC Clarification/s
Terms of Reference (TOR)	Item 1. Type of Contract	<p>Annex A on demand and energy requirements only show a maximum Capacity Utilization Factor (CUF) of 60%.</p> <p>Based on the given data, LUECO seems to require only Load Following supply and not Baseload. Can LUECO commit a certain minimum CUF either monthly or annually?</p>	<p>We can provide the historical Maximum and Minimum Demand for 2019.</p> <p>The type of contract is baseload and load following, firm, which reason we cannot commit a certain minimum CUF either monthly or annually to avoid paying for energy not consumed.</p>
Terms of Reference (TOR)	Items 2. Technology of Source Plant	<p>As Open Technology, can the Winning Bidder(s) be allowed to source the Contract Capacity/Energy or any portion thereof, from other sources including the WESM due to operational limitation(s) of its source Plant?</p> <p>(1) The indicated Contract Energy (full energy requirement) of 224,962 MWh – 337,349MWh (approximately 60% CUF of Contract Capacity) should be fully sourced from the Supplier's source plant except during outages (Scheduled, Forced or an event of Force Majeure).</p> <p>(2) What is LUECO's current peak demand?</p> <p>(3) IF LUECO is a Direct WESM Member, how much portion of its peak demand is supplied thru Power Supply Contract(s) and how much bought in the WESM?</p>	<p>Yes.</p> <p>Yes.</p> <p>For Dec 2020 – CP 31.58MW and NCP 31.69MW For Year 2020 – CP 36.20MW and NCP 36.26MW</p> <p>LUECO is not a Direct WESM Member.</p>
Terms of Reference (TOR)	Item 4. Required Contract Capacity	Why the sudden reduction in Contract Capacity (in kW) in the period 26 Aug 2031 to 25 Feb 2032?	<p>The period from 26 Aug 2031 to 25 Feb 2032 is less than one (1) year, considering that the franchise of LUECO will expire on 09 March 2032 and the billing period ends on the 25th of every month.</p> <p>Moreover, the period is from Aug to Feb when the demand is not that high.</p>

Terms of Reference (TOR)	Item 5. Required Contracted Energy	Suggest to consistently use the term Contracted Capacity and Contracted Energy as well in the Annex A and Schedule 1 of the EPPA	Noted.
Terms of Reference (TOR)	Item 6. Contracted Term	Why is the term not exactly 10 years? What is important with 25 February 2032?	To coincide with the last NGCP billing (every 25 th of the month) period prior to LUECO's franchise expiry (March 9, 2032)
Terms of Reference (TOR)	Item 7. Tariff Structure	<p>(1) Only a single, energy-based rate is allowed as Bid Price (Base Energy Rate) intended to supply Load Following energy requirements at maximum or minimum of 60% CUF?</p> <p>- Please clarify further the intended rate structure as well as required "base indices" for better understanding and consistent application by all interested Bidders?</p> <p>2) Bidder is allowed to propose an annual adjustment of up to a maximum of 3.5% of 50% of the BER beginning Contract Year 2 up to 25 February 2032</p> <p>Can a bidder propose a different level of maximum escalation and maximum share of BER for each contract year?</p> <p>Will the lowest Bid be determined with the consideration of the following (included in the calculations):</p> <ul style="list-style-type: none"> a. LCOE of BER* b. PAR and PPD c. Value Added Tax (VAT) <p>-*At what discount rate shall the LCOE be computed? Please clarify.</p>	<p>Yes.</p> <p>We are just concerned with the Base Energy Rate and not the components.</p> <p>No.</p> <p>Yes.</p> <p>Please refer to LCOE Calculation. Discount rate is 8%.</p>

		<p>(3) The term “Contract Price” in Annex B LCOE Calculation Sheet is not defined clearly.</p> <ul style="list-style-type: none"> - Please define the term in both the TOR (body and Annex B) and the EPPA particularly in Schedule 4 (Electricity Fees) <p>(4) Pre-determined “Reserve Prices” for Contract Year 1 BER and LCOE</p> <p>-The Reserved Prices SHOULD be apple-to-apple with the costs and risks contemplated in the entire TOR and EPPA such as: (a) at an average generation rate at 60% CUF, (b) inclusive of Line Rental and all WESM charges, (c) inclusive of Replacement Power Costs for all outages (SO, FO, FME), (d) net of discount(s), if any (e) inclusive of VAT</p> <ul style="list-style-type: none"> - Should the Bidder’s proposed Bid Price for the first Billing Year and its LCOE be both lower than the respective Reserved Prices? - If a Bidder’s Bid Price for first year is higher the Reserved Price for CY1 but lower than Reserved Price for LCOE, will the said Bidder be “disqualified outrightly”? 	<p>Contract Price is equivalent to the LCOE. Please refer to ANNEX B of the TOR.</p> <p>xxx . . .</p> <p>Where X = same “Contract Price” (Php/kWH) for each Year</p> <p>Solving for X:</p> $X = \frac{\text{NPV of Amount}}{\text{NPV of Energy}} = \text{LCOE}$ <p>Yes</p> <p>Yes.</p> <p>Section 4.4.3 of the IPB is amended to read as follows:</p> <p>4.4.3. <i>The TPBAC shall proceed to rank xxx . . .</i></p> <p><i>Apart from ranking the LCOE of the Proposed Price of the Qualified Bidders, the lowest Bidder shall be the one that meets the following requirements TPBAC shall also examine: 1) if both the LCOE and the Proposed Price (for the first Billing Year) are equal to or lower than the respective Reserve Price, and 2) it has the lowest Final LCOE.</i></p>
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<p>Terms of Reference (TOR)</p>	<p>Item 8. Power Act Reduction (PAR)</p>	<p>(1) Please clarify further the <u>legal basis</u> for LUECO’s entitlement to the PAR and <u>implementation process</u> of this PAR for residential end-consumers?</p> <p>Is the granting of a PhP0.30/kWh PAR discount a “FIRM” requirement in the Bid Proposal? No PAR offer means “disqualification”?</p> <p>(2) Under Article 5.5.2 of the EPPA, the BUYER shall be entitled to a Prompt Payment Discount.</p> <p>- Is the PPD also a “FIRM” requirement in the Bid Proposal? No PPD offer means</p>	<p>While it is true that the PAR applies to NPC Plants, however our residential consumers have been enjoying this benefit for 20 years now and we would like to maintain it that way, for the following reasons:</p> <ol style="list-style-type: none"> 1. Residential customers are also called Captive Customers who are being protected by the State, unlike other classes of customers who have the right to choose their Supplier under RCOA; 2. Commercial or Industrial Consumers can claim the cost of electricity as part of their Operating Expenses. <p>LUECO shall provide SELLER the necessary information/data required to compute for the Estimated PAR discount for the current billing month and corresponding PAR adjustment for the previous month. Hence, the PAR and PARA provision in the ERC required URR.</p> <p>Why the adjustment? The PAR discount is supposed to be applied in the same billing month of LUECO and the Supplier. But due to the reason that Supplier and LUECO have different billing periods (LUECO's PAR Data for the current billing month still not available during the processing of the Supplier's Current Bill) , the previous month's PAR data is being used by the Supplier to compute for the estimated PAR discount and the corresponding adjustment will be reflected in the succeeding month.</p> <p>PAR is optional.</p> <p>Yes. PPD has a minimum value of 3% in the LCOE Workbook. Bid is invalid if left blank.</p>
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		<p>“disqualification”?</p> <p>- Why is the PPD not mentioned anywhere in the TOR nor in Schedule 4 (Electricity Fees) of the EPPA?</p> <p>Can the Bidder propose any other type of discount? If yes, how will LUECO reflect the same in the determination of the winning Bid?</p>	<p>As per order of the DOE, it should not be included in the Terms of Reference (TOR) but instead to be included in the IPB. Hence, it is included in the LCOE worksheet.</p> <p>No other discount in lieu of PPD since this would not be fair to other Bidders and this requires modification in the LCOE. The BER should be net of any other type of discount.</p>
<p>Terms of Reference (TOR)</p>	<p>Item 9. Outage Allowance</p> <p><i>In case of Force Majeure affecting the Supplier, the Supplier shall continue to supply LUECO at <u>BER or WESM price, whichever is lower.</u></i></p>	<p>To reiterate Article 8.3.1 of the EPPA:</p> <p>8.3.1 Except as provided in Section 8.5, <u>the affected Party shall be excused from performance to the extent affected and shall not be considered to be in default in respect of any obligation under this Agreement</u> (including any obligation of BUYER to pay the Electricity Fees) for so long as failure to perform such obligation shall be due to an Event of Force Majeure</p> <p>(1) Requiring the Supplier to continuously supply LUECO during events of Force Majeure is very much inconsistent with Article 8.3.1 of the EPPA</p> <p>Force Majeure Events (FME) are beyond the control of LUECO and the Supplier, thus the affected party should not be required to comply with its obligations under the EPPA, moreso at a seemingly significant financial loss</p>	<p>Article 8.2 of the EPPA is amended to read as follows: xxx</p> <p><i>For the avoidance of doubt, xxx . . .</i></p> <p><i>In the case of Force Majeure Event affecting Power Supplier, and there is available Supply from other sources, Power Supplier shall continue to supply LUECO at BER or WESM Price at LUECO’s Market Trading Node, whichever is lower.</i></p> <p><i>For reference, xxx . . .</i></p> <p><i>For the avoidance of doubt, the Power Supplier shall not be entitled to claim any of its act or omission as Force Majeure.</i></p> <p>In the light of the recent Amendment, the provisions in the TOR and EPPA regarding this matter will be consistent.</p> <p>And Article 8.3.1 is amended to read as follows:</p> <p>8.3.1 <i>Except as provided in Section 8.2 and 8.5, the affected Party shall be excused from performance to the extent affected and shall not be considered to be in default in respect of any obligation under this Agreement (including any obligation of BUYER to pay the Electricity Fees) for so long as failure to perform such obligation shall be due to an Event of Force Majeure.</i></p>

Terms of Reference (TOR)	Item 10. Replacement Power Replacement Power during Planned, Unplanned, and Force Majeure Outages of the source plants shall solely be for the account of the Power Supplier.	If such will be the case (“guaranteed supply arrangement”), then, all Replacement Power should be paid at the Contract Price regardless of source and cost.	Please see comments above.
Terms of Reference (TOR)	Item 12. Regulatory Approvals <i>Any modifications from the ERC shall: (1) not be a ground for the automatic discontinuance of the supply arrangement or termination of the EPPA, and (2) 2) in the case of a rate disallowance, for the account of the Power Supplier.</i>	(1) There is no “automatic discontinuance of supply” in any normal Generation Supply Contract. Parties shall negotiate and/or amicably settle any ERC modifications in its approval. (2) Any rate disallowance during a Provisional Approval or Interim Relief can still be reconsidered in the Final Decision. Thus, LUECO may still be required to pay for its account such rate disallowance.	Yes, we agree in no “automatic discontinuance of supply” and in case of amicable settlement, the same shall be approved by ERC. Never was there a case of rate disallowance on the generation charge where the difference is shouldered by the DU nor the customers. If it were a portion of the Distribution Charge that will be disallowed, there is no question that the DU will be made to bear the said disallowance.
Terms of Reference (TOR)	Item 14. Eligibility Requirements of Power Supplier <i>Experience in supplying to a Distribution Utility to be evidenced by an ERC approval or on-going ERC Application</i>	Do we include this requirement in the Qualification Documents?	Yes.
Terms of Reference (TOR)	Item 15. Bid Security	Can a Bidder post other forms of Bid Security such as “Manager’s Check”?	Yes as far as Manager’s Check is concerned.

<p>Terms of Reference (TOR)</p>	<p>Item 17. Penalty for non-supply due to unavailability of power from the Grid</p> <p><i>Power Supplier shall pay a penalty equivalent to: 20% x GENRATE from the previous Billing Month x Unsupplied Energy</i></p>	<p>In the worst case that there is no available power even in the Grid, what is the rationale and basis for such penalty?</p>	<p>We recognized your concern and in fact this is subject of our query to DOE and we quote the reply of DOE <i>“The DOE concurred that such provision is necessary to ensure efficiency in the operation of the winning bidder, which consequently results in continuous electric power supply to LUECO’s captive customers. xxx . . . deletion of such provision for penalty is not recommended as it is for the protection of the LUECO’s captive customers of having reliable and available supply of electricity.”</i></p> <p>We can only reduce the penalty from 20% to 5% and this shall be subject to amendment thru a Bid Bulletin.</p>
<p>Terms of Reference (TOR)</p>	<p>Item 19. Other Relevant Information</p>	<p>(1) on the implementation of RCOA</p> <p>-How many end-consumers (number and maximum demand) does LUECO have that are qualified as Contestable Customers under the existing Rules?</p> <p>(2) Payment shall be made by LUECO within thirty (30) days upon receipt of Power Bill</p> <p>May we suggest the following rewording: “Payment shall be made by LUECO within thirty (30) days upon receipt of Power Bill but in no case shall payment be made beyond the last day of the immediately succeeding month after the end of the Billing Period (“Payment Date”), provided that if the Payment Date is not a Business Day then the payment shall be due and payable on the immediately next Business Day</p> <p>There is no Security Deposit to be posted by LUECO under the EPPA, thus any financial risk to the Supplier should be minimized. Further we suggest that should LUECO fails to pay in full any power bill, LUECO shall be required to post a Security Deposit equivalent to one (1) month Generation Charges within five (5) Days from the Payment Date.</p>	<p>1MW and above – 1 750kW – 999kW - 1</p> <p>We stick to our original Payment Schedule since it has been the practice for many decades now.</p> <p>There is no need for Security Deposit because the PPD that LUECO stands to lose in case of partial payment is a substantial amount.</p>

Instructions to Prospective Bidders (IPB)	IPB. Sec 2.1.1(b) P.3 <i>the Bid Requirements posted on LUECO's website on the same day the Invitation to Bid was published which lays down the legal, financial and qualification requirements to be proven through the Qualification Documents, as well as requirements for Technical Proposal and Bid ("Bid Requirements");</i>	What are these Bid Requirements referring to? No "Bid Requirements" posted in LUECO website.	The Bid Requirements are in the ANNEXES attached in the IPB.
Instructions to Prospective Bidders (IPB)	Section 2.2.6 P.6	Will the submission and opening of bids be done personally (face-to-face)?	These are all embodied in the CSP Guidelines on Virtual Bidding Process which will be posted in the DOE CSP Portal in the coming weeks after the approval by DOE.
Instructions to Prospective Bidders (IPB)	Section 3 P.13 Document Submission	May the Authorized Representative indicated in the Secretary's Certificate be allowed to certify the documents as true copy of the original document?	The Corporate Secretary is the one certifying the documents being submitted are true copies of the original. Please refer to the wordings in the Secretary's Certificate.
Instructions to Prospective Bidders (IPB)	Section 3.1 Qualification Documents	If the document is not applicable to the Bidder, do we need to submit a write-up or simply indicate "Not Applicable"?	Write "Not Applicable"
Instructions to Prospective Bidders (IPB)	Section 3.1.2	Please clarify the list of documents that we need to submit under Section 3.1.2 since it is not consistent with Annex 3	Annex 3 is just a checklist of the requirements stated therein (A – G) eliciting either a Certified True Copy of the Document from concerned Government Agency or a notarized Certification from the Corporate Secretary.
Instructions to Prospective Bidders (IPB)	IPB. Sec 3.1.2b P.14 <i>copy of its articles of incorporation and by-laws or articles of partnership, which shall be certified as a true copy by (i) the SEC; or (ii) the corporate secretary, in which case, it must be under oath and notarized;</i>	May we submit the latest amended Articles of Partnership?	Yes.
Instructions to Prospective Bidders (IPB)	Section 3.1.4.(a) P.14	Please clarify that the document to be submitted here is the Audited Financial Statement of the Bidder.	Yes.

	<p>copy of the audited (parent and consolidated, if applicable) financial statements of the Bidder or any of its direct shareholders representing Controlling interest, Affiliates or Ultimate Parent for the last three (3) years</p>		
<p>Instructions to Prospective Bidders (IPB)</p>	<p>IPB. Sec 3.1.2 d & e P.14</p> <p><i>(d) a diagram of the corporate structure of the Bidder with an indication of which entity has Controlling interest over, or is the Affiliate or Ultimate Parent of, the Bidder and a copy of the shareholders' agreement, pooling agreement, voting trust agreement or equivalent document if the Bidder is a partnership or consortium, which shall be certified as a true copy by the corporate secretary (or its equivalent), which certification must be under oath and notarized;</i></p>	<p>Please clarify if these are separate requirements.</p> <p>For item d - diagram of corporate structure of the Bidder? For item e - copy of the shareholders' agreement?</p>	<p>Yes. Section 3.1.2 is amended to read as follows:</p> <p><i>3.1.2. Company Information, using the form in ANNEX 3, with the following attachments;</i></p> <p><i>(a) copy of its SEC Certificate xxx . . .</i></p> <p><i>(b) copy of its articles xxx . . .</i></p> <p><i>(c) copy of its latest General xxx . . .</i></p> <p><i>(d) a diagram of the corporate structure of the Bidder with an indication of which entity has Controlling interest over, or is the Affiliate or Ultimate Parent of, the Bidder and a copy of the shareholders' agreement, pooling agreement, voting trust agreement or equivalent document if the Bidder is a partnership or consortium, which shall be certified as a true copy by the corporate secretary (or its equivalent), which certification must be under oath and notarized;</i></p> <p><i>(e) Parent of, the Bidder and a copy of the shareholders' agreement, pooling agreement, voting trust agreement or equivalent document if the Bidder is a partnership or consortium, which shall be certified as a true copy by the corporate secretary (or its equivalent), which certification must be under oath and notarized;</i></p> <p><i>(fe) if applicable, copy of its registration xxx . . .</i></p> <p><i>(gf) if the Bidder is under a partnership xxx . . .</i></p> <p><i>(hg) a notarized certification, xxx . . .</i></p>

<p>Instructions to Prospective Bidders (IPB)</p>	<p>Section 3.2 P.14</p>	<p>Please clarify the list of documents that we need to submit under Section 3.2 since it is not consistent with Annex 7</p>	<p>ANNEX 7 (page 43) of the IPB gives a list of attachments that need to be provided in the Bid Submission, which is the same list under Section 3.2. Page 44, however, provides "Certification regarding Technical Proposal which has to be notarized as required under Sec. 3.2 (please refer to 2nd paragraph)</p>
<p>Instructions to Prospective Bidders (IPB)</p>	<p>IPB. Sec 3.2a P.14</p> <p><i>Evidence of compliance to the requirements stated in the Invitation to Bid's Terms of Reference Table ("TOR Table");</i></p> <p><i>Annex 7</i></p> <p>The identification or list of characteristics of the Nominated Power Plant or portfolio of plants showing evidence of compliance to the requirements stated in the Invitation to Bid's Terms of Reference Table ("TOR Table");</p>	<p>Does the "TOR TABLE" refers to the Table under "Certification regarding Technical Proposal" of the Annex 7?</p>	<p>Section 3.2 of the IPB and ANNEX 7 made mention of the "TOR Table". Under Item No. 14 of the Terms of Reference (also known as the TOR Table) there is a list of eligibility requirements of the Power Supplier.</p>
<p>Instructions to Prospective Bidders (IPB)</p>	<p>IPB. Sec 3.2b P.14</p> <p><i>The Nominated Power Plant or portfolio of plants must be covered by a Certificate of Compliance (COC) from the ERC. If the Nominated Power Plant or portfolio of plants is/are located in Luzon or Visayas, it must be registered as a direct member of the WESM</i></p>	<p>May we submit a Provisional Authority to Operate (PAO) in lieu of a COC?</p>	<p>Yes, provided the PAO has not yet expired and/or not disapproved by the ERC.</p>
<p>Instructions to Prospective Bidders (IPB)</p>	<p>IPB. Sec 3.2c P.15</p> <p><i>Details of the interconnection, operation, and maintenance of the Nominated Power Plant or portfolio of plants, including but not limited to general information on the Nominated Power Plant or portfolio of plants and key components thereof, plant</i></p>	<p>What particular document shall be attached to this requirement?</p>	<p>Item 4 of ANNEX 7 of the IPB is self-explanatory. It is dependent on your internal records and/or monitoring. Usually these are documents submitted to ERC upon application for Certificate of Compliance.</p> <p>We require at least three years data.</p>

	site/s, and interconnection site/s, for at least three (3) years; and		
Instructions to Prospective Bidders (IPB)	Annex 2 Authority to Participate in the Bidding and Designation of Authorized Representative	May we be allowed to use our own template for this?	The ANNEX Templates should be uniform for all.
	Others	<p>(1) Does the Authorized Representative need to sign/initial the document submissions?</p> <p>(2) Can we request for word doc files for the Annexes indicated in the IPB?</p> <p>(3) Please provide a checklist for the complete set of requirements in accordance to the Instructions to Prospective Bidders and Terms of Reference to be followed by the Bidders. Also, kindly indicate in the checklist the documents which need to be certified.</p> <p>(4) May we kindly request for LUECO to release a</p>	<p>The Authorized Representatives can sign the document submissions provided he is also the Company's Authorized Signatory. Note that the word used is "signed" and not "initialed".</p> <p>Please refer to Section 3.3 (c) Bid and Bid Security as amended</p> <p><i>(c) Proposed Price for each Billing Year throughout the Cooperation Period beginning on the Commencement Date, as reflected in the Financial Evaluation Workbook. A soft copy of the Financial Evaluation Workbook (this includes worksheets on LCOE Result and Annual Esc; Base Rates Table; in the forms shown below) shall be submitted in a USB/thumbnail flash memory drive via email, together with a print out of the said duly accomplished worksheet/s, signed in all pages by the Bidder's authorized representative and submitted as part of Envelope 3; and</i></p> <p>No. Sorry that we cannot accede to your request since that would mean non-uniform application of the rules. Anyway, there are available software applications to convert pdf files to word.</p> <p>All the requirements to be submitted are provided in Annex templates. As to the documents that needs to be certified, please read the contents thereof.</p> <p>As to the questions/clarifications submitted on/or before Jan 25, 2021, the TPBAC shall issue Bid Bulletin on the Q and A as soon as all queries have been addressed.</p>

		<p>bid bulletin after the Pre-bid Conference and before the deadline of submission of comments on February 11, 2021 so that the Bidders can still include their additional questions/clarifications regarding the discussion on the Pre-bid Conference</p> <p>Should the hard copies of the Bid need to be submitted and received by the TPBAC on the Bid Submission Deadline, April 12, 2021?</p>	<p>These are all embodied in the CSP Guidelines on Virtual Bidding Process which will be posted in the DOE CSP Portal in the coming weeks after approval by DOE.</p>
Electric Power Purchase Agreement (EPPA)	<p>Article 1</p> <p>Definition of “Bilateral Contract Quantities” <i>“Bilateral Contract Quantities” or “BCQ” refers to the quantity of electrical energy as declared by SELLER at the WESM for BUYER for any Trading Interval/s and is equivalent to actual metered quantities by Metering Services Provider xxx</i></p>	<p>“Bilateral Contract Quantities” or “BCQ” refers to the quantity of electrical energy as declared by SELLER at the WESM for BUYER for any Trading Interval/s and is equivalent to adjusted metered quantities by Market Operator (Any imbalances between raw and adjusted metered quantities will be absorbed by the seller assuming LUECO was still an Indirect WESM Member. Declaring at adjusted MQ will already address this meter imbalance.)</p>	<p>We stick to our original provision for the reason that there are Contestable customers still being supplied by LUECO at same rates given to captive customers.</p>
Electric Power Purchase Agreement (EPPA)	<p>Article 4.4</p> <p>Allowed Downtime</p> <p><u>SELLER shall be allowed planned or unplanned outage of the Power Plant during the course of the Cooperation Period</u>, provided that SELLER shall undertake alternative sourcing arrangements during this period; and provided further, that BUYER shall pay to SELLER at the prevailing Electricity Fee and shall have no additional premium or cost to BUYER.</p>	<p>If the intent of this CSP and EPPA is to provide the Supplier with an “allowed downtime” or “outage allowance”, then Supplier should not be required to supply the Contracted Capacity and Contracted Energy, which is the NORMAL arrangement if there is an “outage allowance.</p>	<p>The mandate of DOE is 100% availability of Power Supply to the end consumers.</p>
Electric Power Purchase Agreement (EPPA)	<p>Article 5.1 Electricity Fees</p>	<p>Kindly reword Article 5.1 because it seems to be focusing on the Supplier’s invoice and not</p>	<p>Article 5.1 made mention of Schedule 5 which pertains to Electricity Fees.</p>

		<p>the applicable Electricity Fees.</p> <p>Articles 5.2.2 and 5.2.3 should be included in Article 5.1 being price-related rather than Payment Procedure.</p>	<p>The PPD is part and parcel of the Payment Procedure as the same is being deducted if the billed amount is paid within the prescribed period.</p> <p>Noted on PAR.</p>
Electric Power Purchase Agreement (EPPA)	Article 5.2.6	Please clarify the basis of the “interest” which shall be calculated at a <u>rate per annum equal to the T- Bill Rate as of the due</u>	The T-Bill Rate is lower than the BSP rate and in case of default, the latter is more burdensome to the defaulting party.
Electric Power Purchase Agreement (EPPA)	<p>Article 13.2</p> <p>Seller Conditions Precedent</p>	We suggest to include the receipt by Seller of a copy of the ERC Order or Decision approving the EPPA	The BUYER and the SELLER have the same Conditions Precedent and they stand on equal footing.
Electric Power Purchase Agreement (EPPA)	<p>Article 14.2 Item (e)</p> <p>Buyer’s Events of Default</p> <p><i>It shall be illegal for BUYER to accept the BCQ due to BUYER's fault, and such illegality is not removed, withdrawn or corrected within sixty (60) Days.</i></p>	Please clarify further what specific instance(s) is being contemplated in this provision	<p>Some specific instances:</p> <ol style="list-style-type: none"> 1. Franchise of BUYER has been revoked and yet the BUYER continuous to operate. 2. The court issues an injunction or a TRO to stop the operation of the BUYER and yet BUYER continuous to operate.
Electric Power Purchase Agreement (EPPA)	<p>Article 14.2 Item (f)</p> <p><i>BUYER fails to make any payment of a Final Invoice when such invoice becomes due and payable in accordance with ARTICLE 5 of this Agreement and such payment is not made within one hundred twenty (120) Days after the due date of the relevant Final Invoice.</i></p>	Schedule 5. Invoicing and Payment Procedures provides that Buyer shall pay the Final Invoice in full within 30 Days from receipt. If after 120 Days, said Final Invoice remains unpaid, it would only mean that the succeeding Final Invoices for the next 3-4 Billing Periods would also be unpaid, Such an instance would have a significant financial impact on the Supplier. Thus, we suggest that non-payment of a Final Invoice for at least thirty (30) Days would result to the Buyer’s Default under the EPPA.	<p>As a compromise let us make it Ninety (90) days.</p> <p>Article 14.2 (f) Buyer Events of Default of the EPPA is amended to read as follows:</p> <p><i>f) BUYER fails to make any payment of a Final Invoice when such invoice becomes due and payable in accordance with ARTICLE 5 of this Agreement and such payment is not made within one hundred twenty (120) Ninety (90) Days after the due date of the relevant Final Invoice.</i></p>
Electric Power Purchase Agreement (EPPA)	Article 18 Jurisdiction	Suggest to include as an alternative jurisdiction particularly the location of the principal office of the Supplier	We stick to the original provision.
	OTHER MATTERS	(1) Until when is the validity of the Franchise of LUECO?	March 9, 2032

		<p>(2) Is the EPPA still subject to negotiations between the Winning Bidder and LUECO?</p> <p>If there are inconsistencies between the bid docs (ITB, TOR, Bid Bulletins, etc.) versus the signed and ERC approved EPPA, which provisions/document shall prevail?</p>	<p>No.</p> <p>Signed ERC Approved EPPA.</p>
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