

Republic of the Philippines



Sale of Unserviceable Assets, Junk and Scrap Materials

Package 2: Kalayaan Pumped
Storage Power Plant (KPSPP)
Kalayaan, Laguna and Caliraya
Hydroelectric Power Plant (CHEPP)
Caliraya, Laguna.

The Bidding Documents

21 September 2020

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Section I. Invitation to Bid

INVITATION TO BID

For the Sale of Unserviceable Assets, Junk and Scrap Materials Located in Various Locations

The Power Sector Assets and Liabilities Management (PSALM) Corporation, through its Disposal Committee invites interested parties to participate in and bid for the Assets listed below. Bids received below the Minimum Bid Price shall be automatically rejected at bid opening. Bid offers shall be inclusive of 12% VAT.

1. Subject of the Bid

Asset/Package	Location	Qty.	Minimum Bid Price (MBP in PhP, inclusive of 12% VAT)
Package 2 Various retired equipment, used/obsolete parts and materials.	Kalayaan Pumped Storage Power Plant (KPSPP), in Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna.	1 Lot	4,700,000.00

- Submission of Bid shall be on a per Package basis. A Bidder may submit a Bid in one or more, or in all Packages. The said Bids shall be separate and distinct from each other, hence, one Bid each must be submitted individually for all four (4) Packages if a Bidder intends to participate in each of the Packages. A Bidder can be declared the Winning Bidder for any or all Packages.
- The Assets are being disposed on an “As-Is, Where-Is”, “Take-All” basis.
- The price offer shall be VAT-inclusive.
- Interested parties having an unsettled issue, unpaid account arising from contractual obligations with PSALM and/or those who have submitted fraudulent documents in previous PSALM Biddings are disqualified from participating in this bidding.
- The bidding will be conducted through an open competitive bidding using a non-discretionary “pass/fail” criterion.
- Interested Parties may download the Bidding Packages at the PSALM website: (<https://www.psalm.gov.ph>) which will be available starting on **21 September 2020** until one (1) Business Day prior to Bid Submission Deadline or alternatively, an electronic copy of the Bidding Package shall be sent by PSALM through electronic mail to Interested Parties. In order for an Interested Party to be allowed further participation in the bidding process, it must pay a non-refundable fee (the “Participation Fee”) in the following amount per Asset/Package:

Asset/Package	Particular	Participation Fee (in PHP)
Package 2	Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna.	5,000.00

Payment of Participation Fee can be deposited through PSALM LBP Account with the following details:

Account Name : Power Sector Assets and Liabilities Management Corporation (PSALM)

Account Number : 1802-1019-68*

Name of Bank : Land Bank of the Philippines

Branch : Paseo de Roxas

LBP Swift Code : LTBPPHMM

* following details subject to presentation/submission of proof of fund transfer

Only those that have paid the Participation Fee pursuant to the Invitation to Bid shall be considered eligible and allowed further participation in the Bidding Process.

8. PSALM will hold a Pre-Bid Conference to discuss the Bidding Procedures and other possible questions and/or clarifications from Bidders on **05 October 2020, 2:00 P.M.**, through video conferencing/webcasting via zoom, webex, google meet or other platforms which will be communicated to prospective bidders. Prospective bidder/s may manifest their intent to join the said videoconferencing by sending an email to the Disposal Secretariat. Thereafter, the Meeting ID will be sent out to the bidder/s prior to the schedule of the pre-bid conference.
9. Site due diligence and ocular inspection shall be conducted on the following schedule, subject to compliance with COVID19-related health and safety standards and other safety protocols being implemented at the site:

Asset Location	Schedule (9:00 A.M - 4:00 P.M.)
Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna	Tuesday, 20 October 2020

10. Sealed Bids shall be accepted from Bidders on or before **2:00 P.M. of 29 October 2020** at PSALM Office, 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Metro Manila, Philippines. All Bids must be accompanied by a Bid Security in any of the acceptable forms and in the amount stated in **Instruction to Bidders Clause 13.**

11. The opening and evaluation of bids shall be conducted at the PSALM Office, 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City, on the following schedules:

Asset/Package	Bid Opening
Package 2	29 October 2020, 2:45 P.M.

Bidders representative/s who opt to attend and witness the opening and evaluation of bids shall at all times, comply with COVID19-related health and safety standards.

12. PSALM reserves the right to accept or reject any bid, to annul the bidding process at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders.
13. For further information, please refer to:

Disposal Committee Chairperson
c/o The Disposal Committee Secretariat
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center 1
Astra corner Lux Drives, North Avenue, Quezon City 1105, Metro Manila, Philippines
Landline: (02) 7902-9078 / (02) 7902-9015
e-mail: Disposal_Committee_2020@psalm.gov.ph
Disposal_Sec_2020@psalm.gov.ph

ROMMEL G. REGACHO
Disposal Committee Chairperson

Section II. Instruction to Bidders

1. Scope of Bid

- 1.1. PSALM (hereinafter referred to as the “Seller”) wishes to receive bids for the bidding of **Package 2**: Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna.
- 1.2. The name, identification and quantity specific to this bidding are provided in **Section V. Technical Specifications**.
- 1.3. The sale is on an “AS-IS, WHERE-IS” basis.
- 1.4. The sale is on a “TAKE ALL” basis, selective withdrawal is prohibited.

2. Minimum Bid Price

14. Any bid lower than the Minimum Bid Price shall be disqualified for further participation in the bidding process:

Asset/Package	Location	Qty.	Minimum Bid Price (MBP in PhP, inclusive of 12% VAT)
Package 2 Various retired equipment, used/obsolete spare parts and scrap materials.	Kalayaan Pumped Storage Power Plant (KPSPP), in Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna.	1 Lot	4,700,000.00

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. The Seller as well as the bidder/buyer shall observe the highest standard of ethics during the bidding and execution of the contract. In pursuance of this policy, the Seller defines, for the purposes of this provision, the terms set forth below as follows:
 - 3.1.1. "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the sale process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - 3.1.2. "fraudulent practice" means a misrepresentation of facts in order to influence a sale process or the execution of a

contract to the detriment of the Seller, and includes collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Seller of the benefits of free and open competition.

3.1.3. “collusive practices” means a scheme or arrangement between two or more bidders, with or without the knowledge of the Seller, designed to establish bid prices at artificial, non-competitive levels.

3.1.4. “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a sale process, or affect the execution of a contract;

3.1.5. “obstructive practice” is:

3.1.5.1. deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Seller; or

3.1.5.2. acts intended to materially impede the exercise of the inspection and audit rights of the Seller.

3.2. The Seller will reject a proposal for award if it determines that the bidder recommended for award has engaged in any of the practices mentioned in this clause for purposes of competing for the contract.

3.3. Further, the Seller will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in this clause.

4. Eligible Bidders

The following persons shall be eligible to participate in this bidding:

4.1. Duly licensed Filipino citizens/sole proprietorships;

4.2. Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;

4.3. Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;

4.4. Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) belongs to citizens of the Philippines; and

4.5. Persons/entities forming themselves into a Joint Venture (JV), i.e., a group of two (2) or more persons/entities that intend to be jointly and

severally responsible or liable for a particular contract. Provided, however, that Filipino ownership or interest of the JV concerned shall be at least sixty percent (60%).

5. Pre-Bid Conference

- 5.1. A pre-bid conference will be conducted to discuss the Bidding Procedures and other possible questions and/or clarifications from Bidders on **05 October 2020, 2:00 p.m.**, through video conferencing/webcasting via zoom, webex, google meet or other platforms which will be communicated to prospective bidders. Prospective bidder/s may manifest their intent to join the said videoconferencing by sending an email to the Disposal Secretariat. Thereafter, the Meeting ID will be sent out to the bidder/s prior to the schedule of the pre-bid conference.
- 5.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Seller's requirements. Non-attendance of the Bidder, however, will in no way prejudice its bid. Each Bidder may be represented by a maximum of two (2) persons.
- 5.3. Statements made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

6. Eligibility Documents

Interested bidders shall submit the following Eligibility Documents:

- 6.1. Registration certificate from the Securities and Exchange Commission (SEC) for corporations and partnerships, Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) or National Electrification Administration (NEA) for cooperatives;
- 6.2. Valid Mayor's permit issued by the city or municipality where the principal place of business of the prospective Bidder is located;
- 6.3. Valid Tax Clearance Certificate pursuant to E.O. 398 Series of 2005 and BIR Revenue Regulations (R.R.) No. 3-2005 as amended by BIR R.R. No. 1-2016.

Only valid TCC issued by the BIR pursuant to the above related BIR issuances is acceptable. Provisional Tax Clearance Certificate or any other form is not accepted. For the avoidance of doubt, a TCC issued by the Revenue Regional Office and submitted by a Bidder should be issued on or before the date of effectivity of BIR Revenue Memorandum Order No. 46-2018.

For further clarification on the valid TCC, Tax Clearances for Bidding Purposes shall only be valid after the same have been posted in the BIR Website. In case the TCC is not yet posted in the BIR Website, the Bidder must submit a certified true copy of the TCC issued by the BIR, or its original, which will be returned to the Bidder after the bidding process.

- 6.4. Valid joint venture agreement (JVA), in case a joint venture is already in existence.

In the absence of a JVA, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful, shall be included in the bid. Failure to enter into a joint venture in the event of a contract award shall be a ground for the forfeiture of the bid security.

Each partner of the joint venture shall submit items 6.1 to 6.3 and must be submitted by the authorized representative of the JVA.

The Disposal Committee reserves the right to disqualify any Bidder (including the Highest Bidder and Winning Bidder) should the Disposal Committee determine that any submission by a Bidder, including the Eligibility Documents, were not accurate, truthful, complete, authentic, and/or non-compliant with the Bidding Procedures.

In any event, the Disposal Committee reserves the right to request a Bidder to submit clarifications to its Eligibility Documents.

7. Due Diligence

- 7.1. A site visit request using PSALM Form No. 6 (Site Visit Request Form) must be submitted not later than **09 October 2020**.
- 7.2. Site due diligence and ocular inspection shall be on the following schedule, subject to compliance with COVID19-related health and safety standards and other safety protocols being implemented by:

Asset Location	Schedule (9:00 A.M - 4:00 P.M.)
Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna	Tuesday, 20 October 2020

- 7.3. Each Bidder may be represented by a maximum of three (3) persons. PSALM, however, reserves the right to restrict the number of persons.
- 7.4. The Bidders shall provide their own personal protective equipment (PPE) during site visits. The Seller shall not be liable for any untoward incident that may occur during site visits.
- 7.5. Bidders shall be accompanied by the Seller’s representative/s during site visit.
- 7.6. The Bidders shall comply with all safety rules, security regulations, working schedules and other regulations implemented at the plant/site.

8. Bidder’s Responsibilities

- 8.1. The Bidder shall be responsible for the following:
- 8.1.1. Carefully examine all of the Bidding Documents;
 - 8.1.2. Acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
 - 8.1.3. Made an estimate of the value of the Assets for sale;

- 8.1.4. Complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s);
- 8.1.5. Ensured that each of the documents submitted in satisfaction of the bidding requirements is certified true copy of the original, complete, and all statements and information provided therein are true and correct;
- 8.1.6. Authorized the Seller or its duly authorized representative/s to verify all the submitted documents;
- 8.1.7. Ensured that the signatory is the duly authorized representative of the Bidder and granted full power and authority to do, execute and perform any and all acts necessary and/or represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture; and
- 8.1.8. The bidders shall at all times, comply with the PSALM's COVID-19 health and safety standards while in PSALM's premises.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 8.2. The Bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish information or documentation required in the Bidding Documents shall result in the rejection of the bid and disqualification of the Bidder.
- 8.3. It shall be the sole responsibility of the Bidder to determine and satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the Asset to be bid, including; (a) the location of the Asset; (b) climatic conditions; (c) transportation facilities; (d) rules and regulations observed in the areas where the subject assets are located; and (e) other factors that may affect the cost, duration, and execution or implementation of this Project.
- 8.4. The Seller shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible Bidder out of the data furnished by the Seller.
- 8.5. The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Seller shall in no case be responsible or liable for reimbursement/payment of those costs, regardless of the conduct or outcome of the bidding process.
- 8.6. Before submitting their bids, the Bidder is deemed to be familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the bidding in any way.
- 8.7. The Seller shall accept bids only from those that have paid the non-refundable fee for the Bidding Documents at the office indicated in the **Invitation to Bid (ITB)**.

9. Clarification and Amendment of Bidding Documents

- 9.1. Bidders who have purchased the Bidding Documents may request for clarifications on any part of the Bidding Documents for an interpretation. Such a request must be in writing and submitted to the Seller at the address indicated in the Invitation to Bid at least ten (10) Days before the deadline set for the submission and receipt of bids.
- 9.2. Supplemental/Bid Bulletins may be issued upon the Seller's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than three (3) days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents shall be identified as an amendment.

10. Language of Bid

English shall be used for all correspondences and document relative to this project.

11. Documents Comprising the Bid: Technical Component

The first bid envelope shall contain the following Technical Documents:

- 11.1. Completely filled up FORM No. 3 Omnibus Sworn Statement;
- 11.2. Completely filled up FORM No. 4 Bidder's Sworn Undertaking;
- 11.3. Bid security in accordance with ITB Clause 13; and
- 11.4. Eligibility Documents enumerated under ITB Clause 6.

12. Documents Comprising the Bid: Financial Component

The original copy **Bid Form (Form No. 1)**, which form part the Bidding Documents, shall be detached from the same and shall be accomplished and submitted by the Bidders under the second bid envelope.

Failure to fully and completely comply with the requirements of the Bid Form of the Bidding Documents may cause the Financial Component to be deemed non-compliant, which may result in the Bid being disqualified.

13. Bid Security

- 13.1. **Bid Security.** The Bid Security shall be in the form of cash or manager's check in an amount at least equal to ten percent (10%) of the Bid Price which shall be issued by any commercial or universal bank licensed to do business and operating in the Philippines payable to PSALM Corporation. Bidders who opt to submit Bid Security in the form of cash shall deposit the same through telegraphic transfer at the following PSALM LBP account subject to presentation/submission of proof of fund transfer:

Name of Bank	:	Land Bank of the Philippines
Branch	:	Paseo de Roxas Branch
Account Name	:	Power Sector Assets and Liabilities Management Corporation (PSALM)
Account Number	:	1802-1019-68*
LBC Swift Code	:	TLBPPHMM

** following details subject to presentation/submission of proof of fund transfer*

Bid security in the form of Manager’s Check/Cashier’s Check; or any combination shall be submitted as part of bid envelope.

The bid security, issued in favor of the Seller shall be equal to the following:

Asset/Package	Amount of Bid Security
Package 2	PhP470,000.00 Or 10% of the Minimum Bid Price

- 13.2. The bid security should be valid for at least one hundred twenty (120) days from the date of the bid opening. Any bid not accompanied by an acceptable bid security shall be rejected by the Seller as being non-responsive.
- 13.3. Except for the bid security of the 2nd Highest Ranking Bidder, the Bid Security of all losing Bidders shall be returned immediately after the opening of bids without interest to the Bidders. Without prejudice on its forfeiture, bid securities shall be returned only after the Bidder with the highest bid has signed the contract and furnished the performance security, but in no case, later than the expiration of the bid security validity period indicated in **ITB Clause 13.2**.
- 13.4. Upon signing and execution of the contract pursuant to **ITB Clause 25**, and the posting of the performance security pursuant to **ITB Clause 26**, the successful Bidder’s bid security will be returned not later than the bid security validity period as indicated in the **ITB Clause 13.2**, or may form part of the Performance Security upon written request of the Bidder.
- 13.5. The bid security may be forfeited:
 - 13.5.1. If a Bidder:
 - 13.5.1.1. withdraws its bid during the period of bid validity specified in **ITB Clause 14**;
 - 13.5.1.2. fails to submit the requirements within the prescribed period;
 - 13.5.1.3. submits eligibility requirements containing false information or falsified documents;
 - 13.5.1.4. submits bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;
 - 13.5.1.5. allows the use of one’s name, or using the name of another for purposes of public bidding;
 - 13.5.1.6. withdraws a bid, or refuses to accept an award, or refuses to enter into contract with the Seller without

- justifiable cause, after the Bidder had been adjudged as having submitted the Highest Responsive Bid;
- 13.5.1.7. refuses or fails to post the required performance security within the prescribed time;
 - 13.5.1.8. refuses to clarify or validate in writing its bid during post-qualification within a period of seven (7) Days from receipt of Seller's request for clarification;
 - 13.5.1.9. attempts to unduly influence the outcome of the bidding in his favor by any means;
 - 13.5.1.10. when any of its potential joint venture partners, fail to enter into the joint venture after the bid is declared successful;
 - 13.5.1.11. fails or refuses to participate in the tie-breaking procedures in accordance with **ITB Clause 19.6.**
- 13.5.2. If the successful Bidder:
- 13.5.2.1. fails to pay a one-time full payment of his bid price within the period prescribed under **ITB Clause 25.2;**
 - 13.5.2.2. fails to sign the contract in accordance with **ITB Clause 25;** or
 - 13.5.2.3. fails to furnish performance security in accordance with **ITB Clause 26.**

14. Bid Validity

- 14.1. Bids shall remain valid for at least 120 days from the date of the opening of bids.
- 14.2. In exceptional circumstances, prior to the expiration of the Bid validity period, the Seller may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in **ITB Clause 13** shall also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

15. Format and Signing of Bids

- 15.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in **Section VI. Bidding Forms**, on or before the deadline specified in **ITB Clause 17** in two (2) separate sealed bid envelopes, which shall be submitted simultaneously. The first envelope shall contain the Technical Component of the bid under **ITB Clause 11**, and the second envelope shall contain the Financial Component of the bid under **ITB Clause 12.**
- 15.2. Forms, as mentioned in **ITB Clause 15.1**, must be completed without any alterations to their format, and no substitute form shall be accepted.

- 15.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in ITB Clause 11 and ITB Clause 12. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 15.4. The bid shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- 15.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

16. Sealing and Marking of Bids

16.1. Each Bidder shall submit,

(a) TECHNICAL COMPONENT (ITB Clause 11):

- a1. One (1) set of **CERTIFIED TRUE COPY** of the original and two (2) sets of PHOTO COPY designated as COPY 1 and COPY 2;
- a2. Each set must be sealed in one (1) envelope, respectively marked as "**CERTIFIED TRUE COPY OF THE ORIGINAL**- Technical", "**COPY 1- Technical**" and "**COPY 2- Technical**"

(b) FINANCIAL COMPONENT (Bid Form - Form No.1):

- b1. **Three (3) ORIGINAL TRUE COPIES;**
- b2. Each copy must be sealed in one (1) envelope each, marked as "**ORIGINAL 1**- Financial", "**ORIGINAL 2**- Financial" and "**ORIGINAL 3**- Financial".

The "**CERTIFIED TRUE COPY OF THE ORIGINAL**" TECHNICAL and the "**ORIGINAL 1**" FINANCIAL COMPONENT must be sealed in one (1) envelope marked as "ORIGINAL". In the same manner, "COPY 1" of the TECHNICAL and "**ORIGINAL 2**" FINANCIAL COMPONENT must be sealed in one (1) envelope marked as "COPY 1"; and, "COPY 2" of the TECHNICAL and "**ORIGINAL 3**" FINANCIAL COMPONENT must be sealed in one (1) envelope marked as "COPY 2".

All submissions must be sealed in one (1) package, which will be marked with the following:

- 16.1.1. *"Package 2: Sale of Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna."*;
- 16.1.2. name and address of the Bidder in capital letters;
- 16.1.3. to be addressed to the Seller's Disposal Committee stated in the Invitation to Bid; and
- 16.1.4. bear a warning "DO NOT OPEN BEFORE..." the date and time for the opening of bids.

- 16.2. If all envelopes are not sealed and marked as required, the Seller will assume no responsibility for the misplacement or premature opening of the bid.
- 16.3. The original and the three copies of the Bid shall be computer typewritten and shall be signed by the Bidder or its duly authorized representative/s.

17. Deadline for Submission of Bids

Bids must be received by the Seller's Disposal Committee at 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Philippines on or before **29 October 2020, 2:00 p.m.** Bids received after the time set for bid opening will not be accepted. Each Bidder may be represented by a maximum of two (2) persons.

18. Withdrawal of Bids

- 18.1. A Bidder may express its intention not to participate in the bidding through a letter which should reach and be stamped "RECEIVED" by the Disposal Committee before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same Project.
- 18.2. A Bidder may also, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Seller prior to the deadline prescribed for submission and receipt of bids. Bids requested to be withdrawn shall be returned unopened to the Bidders.

19. Opening and Preliminary Examination of Bids

- 19.1. The Disposal Committee shall open the first bid envelopes of Bidders in public at 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Philippines on **29 October 2020, at 2:45 p.m.** to determine each Bidder's compliance with the documents prescribed in **ITB Clause 11**. For this purpose, the Disposal Committee shall check the submitted documents of each Bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a Bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed".
- 19.2. Immediately after determining compliance with the requirements in the first envelope, the Disposal Committee shall forthwith open the second bid envelope of each remaining eligible Bidder whose first bid envelope was rated "passed". The second envelope of each complying Bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted bid price is lower than the minimum bid price, the Disposal Committee shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid

requirements for both components shall be rated “passed” and shall immediately be considered for evaluation and comparison.

- 19.3. Letters of Withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder’s representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- 19.4. A Bidder determined as “failed” has three (3) Days upon written notice or, if present at the time of bid opening, upon verbal notification, within which to file a request or motion for reconsideration with the Disposal Committee: Provided, however, that the motion for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the Disposal Committee shall decide on the request for reconsideration within seven (7) Days from receipt thereof.
- 19.5. If a failed Bidder signifies his intent to file a protest, the Disposal Committee shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the protest has been finally decided by the Seller, after which said bid envelopes together with the Bid Security shall be returned to the Bidder.
- 19.6. In case of a tie, it shall be resolved immediately through an auction to be conducted by the Disposal Committee between and among the Bidders submitting the highest tied Financial Bid. Such auction shall be done by each Bidder by submitting a revised Bid Form (Form No.1) until the tie is broken.
- 19.7. After all ties have been resolved, if any, the Disposal Committee shall announce successful bidding and declare the highest bidder including the 2nd and 3rd ranking bidders.
- 19.8. The Seller shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The Disposal Committee members shall sign the abstract of bids as read.

20. Clarification of Bids

To assist in the evaluation and post-qualification of the bids, the Seller may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Seller shall not be considered.

21. Post-Qualification

- 21.1. Within thirty (30) Days, from the opening of bids and declaration of the Bidder with the highest bid, the Disposal Committee shall conduct a post-qualification to determine whether the Bidder complies with and is responsive to all the requirements and conditions specified in **ITB Clause 4, ITB Clause 6, ITB Clause 11 and ITB Clause 12.**
- 21.2. Unless otherwise communicated by PSALM, the post-qualification shall be conducted through videoconferencing via zoom, MS Teams or other platforms. The meeting ID will be conveyed and sent out to the highest bidder.
- 21.3. During post-qualification evaluation, the Bidder with the highest Bid shall also present its latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS), other appropriate licenses and permits required by law and shall submit its duly signed detailed implementation schedule.

The 2019 Income Tax Return and Latest Business Tax Returns shall cover the last six (6) months prior to Bid Opening, filed and paid through the BIR Electronic Filing and Payment System (eFPS) and other appropriate licenses and permits required by law.

For areas where e-filing is yet to be implemented, a Certification to that effect from the BIR Main Office is acceptable.

Latest Business Tax Return refers to Value Added Tax (VAT) and/or Percentage Tax Returns, whichever is applicable covering the quarter and month/s prior to the Bid opening. Bidder filing both the VAT and Percentage Tax Returns must submit both returns.

Failure to present/submit any of the post-qualification requirements, or a finding against the veracity thereof, shall disqualify the Bidder for award. Provided in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the Bid Security.

- 21.4. If the Disposal Committee determines that the Bidder with the highest bid passes all the criteria for post-qualification, it shall declare the said bid as the Highest Responsive Bid and recommend to the PSALM President/Board the award of contract to the said Bidder at its submitted bid price.
- 21.5. If, however, the Disposal Committee determines that the Bidder with the highest bid fails the criteria for post-qualification, it shall immediately notify the said Bidder in writing of its post-disqualification. The post-disqualified Bidder shall have seven (7) Days, from receipt of the said notification, to request from Disposal Committee a reconsideration of its decision. The Disposal Committee shall evaluate the request for reconsideration, using the same non-discretionary criteria, and shall issue its final determination of the said request within seven (7) Days from receipt thereof.

- 21.6. Immediately after the Disposal Committee has notified the first Bidder of its post-disqualification, and notwithstanding any pending request for reconsideration thereof, the Disposal Committee shall initiate and complete the same post-qualification process on the Bidder with the second highest bid. If the second highest bidder fails, the Disposal Committee shall declare a failure of bidding.

22. Protests on Decisions of the Disposal Committee

- 22.1. Decisions of the Disposal Committee with respect to the conduct of bidding may be protested in writing to the PSALM President; provided, that a prior motion for reconsideration should have been filed by the party concerned. The protest must be filed within seven (7) Days from receipt by the party concerned of the resolution of the Disposal Committee denying its motion for reconsideration. The verified position paper shall contain the following information:

- 22.1.1. The name of Bidder;
- 22.1.2. The office address of the Bidder;
- 22.1.3. The name of project/contract subject of the protest;
- 22.1.4. A brief statement of facts;
- 22.1.5. The issue to be resolved; and
- 22.1.6. Such other matters and information pertinent and relevant to the proper resolution of the protest.

- 22.2. The position paper is verified by an affidavit that the affiant has read and understood the contents thereof and that the allegations therein are true and correct of his personal knowledge or based on authentic records. An unverified position paper shall produce no legal effect and result to outright dismissal of the protest.

- 22.3. A protest may be made by filing a verified position paper with the PSALM President, accompanied by the payment of a non-refundable protest fee. The non-refundable protest fee shall be equivalent to one percent (1%) of the bid amount. Bidders who opt to protest shall pay a non-refundable protest fee in the form of cash and shall deposit the same through telegraphic transfer to the following PSALM LBP account subject to presentation/submission of proof of fund transfer:

Name of Bank	:	Land Bank of the Philippines
Branch	:	Paseo de Roxas
Account Name	:	Power Sector Assets and Liabilities Management Corporation (PSALM)
Account Number	:	1802-1019-68*
LBC Swift Code	:	TLBPPHMM

** following details subject to presentation/submission of proof of fund transfer*

23. Reservation Clause

- 23.1. Notwithstanding the eligibility or post-qualification of a Bidder, the Seller reserves the right to review its qualifications at any stage of the sale process if it has reasonable grounds to believe that a

misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to successfully undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentations made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to successfully undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Seller shall consider the said Bidder as ineligible and shall, thereafter, disqualify it from obtaining an award or contract.

23.2. Based on the following grounds, the Seller reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

23.2.1. If there is prima facie evidence of collusion between appropriate public officers or employees of the Seller, or between the Disposal Committee and any of the Bidders, or if the collusion is between or among the Bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

23.2.2. If the Seller's Disposal Committee is found to have failed in following the prescribed bidding procedures; or

23.2.3. In addition, the Seller shall likewise declare a failure of bidding when:

23.2.3.1. Less than two (2) entities is issued the Bidding package;

23.2.3.2. Less than two (2) bids is received by Bid Submission Deadline;

23.2.3.3. All prospective Bidders are declared ineligible;

23.2.3.4. All bids failed to comply with all the bid requirements or failed post-qualification; or

23.2.3.5. The Bidder with the Highest Responsive Bid refuses, without justifiable cause, to accept the award of contract and no award is made.

24. Contract Award

24.1. Subject to **ITB Clause 21**, the Seller shall award the contract to the Bidder whose bid has been determined to be the Highest Responsive Bid.

24.2. Prior to the expiration of the period of bid validity, the Seller shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award, receipt of which must be confirmed in writing within two (2) days by the Bidder.

24.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- 24.3.1. Submission of the valid JVA, if applicable, within ten (10) Days from receipt by the Bidder of the notice from the Disposal Committee;
- 24.3.2. Posting of the performance security in accordance with **ITB Clause 26**; and
- 24.3.3. Approval by higher authority, if required.

25. Signing of the Contract

- 25.1. At the same time as the Seller notifies the successful Bidder that its bid has been accepted, the Seller shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- 25.2. Within fourteen (14) days from the date of the Notice of Award, the Buyer shall pay a one-time full payment of the bid price in accordance with the payment instruction to be issued by the Seller.
- 25.3. Within ten (10) Days from the date of the Notice of Award, the successful Bidder shall post the required performance security and sign and date the Contract and return the same to the Seller.
- 25.4. The Seller shall enter into contract with the successful Bidder within the same ten (10) Days period provided that all the documentary requirements are complied with.
- 25.5. The following documents shall form part of the contract:
 - 25.5.1. Contract Form (**Bidding Form No. 2**);
 - 25.5.2. Final Bidding Documents including schedules, attachments and annexes;
 - 25.5.3. Supplemental/Bid Bulletins, if any;
 - 25.5.4. Eligibility and Financial Components, and all other documents/statements submitted;
 - 25.5.5. Performance Security; and
 - 25.5.6. Notice of Award of Contract.

26. Performance Security

- 26.1. To guarantee the faithful performance by the winning bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) Days from the receipt of the Notice of Award from the Seller and in no case later than the date of signing of the contract;
- 26.2. The performance security shall be in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security
Cash; or Cashier's/Manager's check; or	Ten percent (10%) of the Bid Price

Any combination of the above.	
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- 26.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the Seller shall initiate and complete the post qualification of the second highest bid. The procedure shall be repeated until the highest bid is identified and selected for contract award. However, if no Bidder passed post-qualification, the Disposal Committee shall declare the bidding a failure.
- 26.4. The performance security may be released by the Seller and returned to the Buyer after the issuance of the Certificate of Completion and Final Acceptance by the Seller subject to the following conditions:
 - 26.4.1. Completion of all the requirements specified under **Section IV. Schedule of Requirements**; and
 - 26.4.2. The Buyer has no pending claims for labor and materials filed against it.

27. Notice to Proceed

Within three (3) **Days** from the date of approval of the contract, the **Seller** shall issue the Notice to Proceed to the Bidder.

Section III. General Conditions of Contract

1. Definitions

In this Contract, the following terms shall be interpreted as indicated:

- 1.1. Affiliate - shall mean a subsidiary company and parent company and subsidiaries, directly or indirectly, of a common parent.
- 1.2. Asset - the Unserviceable Assets, Junk and Scrap Materials Located in Various Locations as describe in Section V. Technical Specifications.
- 1.3. Disposal Committee - the committee created under PSALM Office Order No. 2020-058 dated 11 March 2020, task to facilitate the disposal of unserviceable equipment, unserviceable assets of sold plants and other disposable assets.
- 1.4. Business Days - shall be from Monday to Friday except holidays.
- 1.5. Buyer - the winning Bidder/awardee for the sale of Asset.
- 1.6. Certificate of Completion and Final Acceptance - the document issued by the Seller certifying completion by the Buyer of its obligations under this Contract.
- 1.7. Contract Price - the price payable to the Seller under the Contract for the sale of the Asset.
- 1.8. Contract - the agreement entered between the Seller and the Buyer, signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein (**Section VI. Bidding Forms, Form No. 2**).
- 1.9. Contract Completion Period - shall be forty-five (45) calendar days from receipt of Notice to Proceed until the Buyer's submission of Site Certificate of Completion to the Seller.
- 1.10. Day/s - means calendar day/s.
- 1.11. Implementing Unit - the unit of the Seller that is tasked with the implementation of this Contract.
- 1.12. Project Site - shall mean Kalayaan Pumped Storage Power Plant (KPSPP), in Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna.
- 1.13. Seller - the Power Sector Assets and Liabilities Management Corporation.
- 1.14. Site Certificate of Completion document issued by CBK Power Company Limited certifying that the Buyer has satisfactorily completed the hauling of the Asset and clean-up of the site. The certification shall indicate the date of actual completion of works.
- 1.15. Verified Report - the report submitted by the Implementing Unit to the PSALM President setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Governing Law and Language

- 2.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.
- 2.2. English shall be the controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondences and other documents shall be written in English.

3. Notices

- 3.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent email, or fax to such Party at the address specified below, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

The Seller's address for Notices is:

Office of the President and CEO
PSALM Corporation
24th Floor Vertis North Corporate Center 1
Astra corner Lux Drives, North Avenue
Quezon City 1105, Metro Manila, Philippines

The Buyer's address for Notices is:

[Insert address including, name of contact, fax and telephone number]

- 3.2. A Party may change its address for notice hereunder by giving the other Party notice of such change.

4. Scope of Contract

The scope of the Contract includes works as specified in Section IV. Schedule of Requirements and sale of the Asset as described in Section V. Technical Specifications.

5. Buyer's Responsibilities

- 5.1. It is the sole responsibility of the Buyer, whenever the performance of the obligations in this Contract requires that the Buyer obtain permits, approvals, and other licenses from relevant government authorities.
- 5.2. The Buyer shall be responsible for providing Personnel Protective Equipment to its personnel/workers.
- 5.3. The Buyer shall comply with all safety rules, security regulations, working schedules and other regulations implemented at the plant/site.
- 5.4. The Buyer shall submit the Site Certificate of Completion to the Seller within the Contract Completion Period.
- 5.5. Buyer shall present a detailed implementation schedule during the post-qualification.
- 5.6. Buyer shall thoroughly clean the sites/areas where the Assets are stored/located.
- 5.7. Buyer shall be liable for the clean-up and remediation of the sites if the cause of the contamination was due to the Buyer's fault or negligence.
- 5.8. The Buyer shall be answerable to all liabilities and/or obligations arising from the handling and transport of the Asset and shall hold the Seller free and harmless from any damages or claims from third parties/persons.
- 5.9. The Buyer shall shoulder all costs involved in the performance of the foregoing responsibilities, including utilities such as: power, water, etc., necessary for the completion of the Contract.
- 5.10. The bidders shall at all times, comply with the PSALM's COVID-19 health and safety standards while in PSALM's premises.

6. Taxes and Duties

The Buyer shall be entirely responsible for the payment of all necessary taxes, stamp duties, license fees and others that maybe imposed for the implementation of this Contract.

7. Performance Security

- 7.1. Within ten (10) Days from receipt of the Notice of Award from the Seller but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security as prescribed in **ITB Clause 26**.
- 7.2. The performance security posted in favor of the Seller shall be forfeited in the event it is established that the winning Bidder is in default in any of its obligations under the contract.
- 7.3. The performance security shall remain valid for at least thirty (30) days after the corresponding Contract Completion Period but in no case earlier than the issuance by PSALM of the Certificate of Completion and Final Acceptance. In any event that PSALM grants the Buyer's request for

time extension, the performance security shall be extended by the Buyer by the same number of days granted.

- 7.4. The performance security may be released by the Seller and returned to the Buyer after the issuance of the Certificate of Completion and Final Acceptance by the Seller subject to the following conditions:
 - 7.4.1. Completion of all the requirements specified under **Section IV. Schedule of Requirements**; and
 - 7.4.2. The Buyer has no pending claims for labor and materials filed against it.

8. Use of Contract Documents and Information

- 8.1. The Buyer shall not, except for purposes of performing the obligations in this Contract, without the Seller's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Seller. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 8.2. Any document, other than this Contract itself, enumerated in **GCC Clause 8.1** above, shall remain the property of the Seller and all copies thereof shall be returned to the Seller on completion of the Buyer's performance under this Contract, if so required by the Seller.

9. Inspection by the Seller

- 9.1. The Seller or its representative shall have the right to inspect the withdrawal/removal of the Asset, clean-up of the area of work and if applicable including the treatment, storage and disposal (TSD) facility of the Buyer, to ensure their conformity to the Contract.
- 9.2. The Seller, or its designated representative, shall bear all of its own costs and expenses incurred in such inspection.

10. Delays in the Buyer's Performance

- 10.1. Withdrawal/removal of the Asset shall be made by the Buyer in accordance with the time schedule prescribed by the Seller in **Section IV. Schedule of Requirements** and **Section V. Technical Specifications**.
- 10.2. If at any time during the performance of this Contract, the Buyer should encounter conditions impeding timely withdrawal/removal of the Asset, the Buyer shall promptly notify the Seller in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Buyer's notice, and upon causes provided for under **GCC Clause 14**, the Seller shall evaluate the situation and may extend the Buyer's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 10.3. Except as provided under **GCC Clause 13**, a delay by the Buyer in the performance of its obligations shall render the Buyer liable to the imposition of liquidated damages pursuant to **GCC Clause 11**, unless an

extension of time is agreed upon pursuant to **GCC Clause 10.2** without the application of liquidated damages.

11. Liquidated Damages

Subject to **GCC Clause 10** and **GCC Clause 13**, if the Buyer fails to satisfactorily comply with all the requirements under **Section IV. Schedule of Requirements** within the period(s) specified in this Contract inclusive of duly granted time extensions, if any, the Seller shall, without prejudice to its other remedies under this Contract and under the applicable laws, impose, as liquidated damages, a sum equivalent to one-tenth of one percent (1/10 of 1%) of unperformed portion of the Contract per day of delay based on the approved detailed implementation schedule.

12. Settlement of Disputes

- 12.1. If any dispute or difference of any kind whatsoever shall arise between the Seller and the Buyer in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 12.2. If, after thirty (30) days, the parties failed to resolve their dispute or difference by such mutual consultation, then either the Seller or the Buyer may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 12.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after the sale of the Asset under this Contract.
- 12.4. In the case of a dispute between the Seller and the Buyer, the dispute shall be resolved in accordance with Republic Act 9285, otherwise known as the “Alternative Dispute Resolution Act of 2004.
- 12.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise; and the Buyer shall pay the Seller any monies due the Seller.

13. Liability of the Buyer

The Buyer’s liability under this Contract shall be as provided by the applicable laws of the Republic of the Philippines.

14. Force Majeure

- 14.1. The Buyer shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in the performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 14.2. For purposes of this Contract the terms “*force majeure*” and “fortuitous event” may be used interchangeably. In this regard, a

force majeure or fortuitous event shall be interpreted to mean an event which the Buyer could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other causes the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor. Force majeure events may include, but not limited to, acts of the Seller in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

- 14.3. If a *force majeure* situation arises, the Buyer shall promptly notify the Seller in writing of such condition and the cause thereof. Unless otherwise directed by the Seller in writing, the Buyer shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

15. Termination for Default and Unlawful Acts

The Seller shall terminate this Contract for default and forfeit the Buyer's full payment and performance security when any of the following conditions attends its implementation:

- 15.1 In case the delay in the withdrawal/removal exceeds a time duration equivalent to twenty-five percent (25%) of the specified contract time plus any time extension duly granted to the Buyer;
- 15.2 The Supplier fails to perform any other obligation under the Contract;
- 15.3 In case it is determined prima facie that the Buyer has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract implementation. Unlawful acts include, but are not limited to, the following:
 - 15.3.1 Corrupt, fraudulent, and coercive practices as defined in **ITB Clause 3**;
 - 15.3.2 Drawing up or using forged documents;
 - 15.3.3 Any other act analogous to the foregoing.

16. Procedures for Termination of Contracts

The following provisions shall govern the procedures for termination of this Contract:

- 16.1. Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) Days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- 16.2. Upon recommendation by the Implementing Unit, the PSALM President and CEO shall terminate this Contract through a written notice to the Buyer which shall state:

- 16.2.1. that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - 16.2.2. the extent of termination, whether in whole or in part;
 - 16.2.3. an instruction to the Buyer to show cause as to why this Contract should not be terminated; and
 - 16.2.4. special instructions of the Seller, if any.
- 16.3. The Notice of Termination shall be accompanied by a copy of the Verified Report;
 - 16.4. Within a period of seven (7) Days from receipt of the Notice of Termination, the Buyer shall submit to the PSALM President and CEO a verified position paper stating why this Contract should not be terminated. If the Buyer fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the PSALM President and CEO shall issue an order terminating this Contract;
 - 16.5. The Seller may, at any time before receipt of the Buyer's verified position paper, withdraw the Notice of Termination if it is determined that certain items or works subject of the notice had been completed or performed before the Buyer's receipt of the notice;
 - 16.6. Within a non-extendible period of ten (10) Days from receipt of the verified position paper, the PSALM President and CEO shall decide whether or not to terminate this Contract. It shall serve a written notice to the Buyer of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Buyer of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice of Termination; and
 - 16.7. On the other hand, the Buyer must serve a written notice to the Seller of its intention to terminate the contract at least thirty (30) Days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) Days after the receipt of such notice by the Seller.

17. Assignment of Rights

The Buyer shall not assign his rights or obligations under this Contract to another entity, in whole or in part, except with the Seller's prior written consent.

18. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by mutual written amendment signed by the Parties.

19. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

Section IV. Schedule of Requirements

Section IV. SCHEDULE OF REQUIREMENTS

1. The assets are being disposed on an “As-Is, Where-Is”, “Take-All” basis, selective withdrawal is prohibited.
2. The Buyer shall present a detailed implementation schedule during the post-qualification subject to Disposal Committee’s approval.
3. The project shall be completed within forty-five (45) calendar days from receipt of the Notice to Proceed or the third (3rd) Business Day from delivery of Seller of the Notice to Proceed, whichever comes earlier.
4. The Buyer shall inform/advise PSALM of the mobilization and demobilization schedule for each of the plant site.
5. The Buyer shall comply with all safety rules, security regulations, working schedules and other regulations implemented at the plant/site.
6. The Buyer shall provide its workers’ personal protective equipment.
7. Buyer shall thoroughly clean the sites/areas where the Assets are stored/located.
8. Buyer shall be liable for the clean-up and remediation of the sites if the cause of the contamination was due to the Buyer’s fault or negligence.
9. It is the responsibility of the Buyer to test and dispose any hazardous waste/materials found on the subject asset in accordance with the DENR rules and regulations except all PCB contaminated equipment, which are excluded in the sale.
10. The Buyer shall shoulder all costs involved in the performance of the foregoing responsibilities, including utilities such as: power, water, etc., necessary for the completion of the Contract.

Section V. Technical Specifications

TECHNICAL SPECIFICATIONS

1. Description of the Assets

Asset/Package	Particular	Quantity	Unit of Measure
Package 2	<u>Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna:</u> Various retired equipment, used/obsolete spare parts and scrap materials.	1	Lot

2. Photo Documentation

Package 2:

Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna

LOCATED AT KPSPP, KALAYAAN, LAGUNA	
	
USED FIRE FIGHTING PANEL	USED AUXILIARY GOVERNOR PANEL
	
USED HYDRO GOVERNOR PUMP UNIT	USED CIRCUIT BREAKER
	
USED VARIOUS ELECTRIC MOTORS	USED VARIOUS VALVES & PANELS



USED GENERATOR ROTOR COIL



RETIRED 230KV OIL FILLED CABLES

LOCATED AT CHEPP, CALIRAYA, LAGUNA



RETIRED TRANSFORMER UNIT 1 –
22MVA



RETIRED TRANSFORMER UNIT 2 –
22MVA

Section VI. Bidding Forms

Bid Form

Date: _____

To: The Disposal Committee Chairperson
Power Sector Assets and Liabilities
Management Corporation
24th Floor Vertis North Corporate Center 1
Astra corner Lux Drives North Avenue,
Quezon City 1105, Philippines

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Supplemental Bid Bulletins, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to purchase **Package 2**: Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna, in conformity with the said Bidding Documents, for the sum of _____ (PhP _____) *[Total Bid amount in words and figures]*.

If our Bid is accepted, we undertake to provide a performance security in the form, amount, and within the period specified in the Bidding Documents.

If awarded, we undertake to take ownership, use, withdraw/remove, handle, transport, store, treat, and/or re-sell the Assets in accordance with the withdrawal/removal schedule specified in Section IV Schedule of Requirements.

We agree to abide by this Bid for the Bid Validity Period specified in **ITB Clause 14** and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We certify/confirm that we comply with the eligibility requirements as provided under **ITB Clause 4** of the Bidding Documents.

Dated this _____ day of _____ 2020.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

Contract Form

THIS AGREEMENT made this _____ day of _____ 2020 between *Power Sector Assets and Liabilities Management Corporation* of the Philippines (hereinafter called “the Seller”) of the one part and _____ [name of Buyer] of _____ [city and country of Buyer] (hereinafter called “the Buyer”) of the other part:

WHEREAS the Seller invited Bids for **Package 2**: Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna, and has accepted a Bid by the Buyer in the sum of _____ [contract price in words and figures] (hereinafter called “The Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form (Form No. 1) submitted by the bidder;
 - (b) the Schedule of Requirements;
 - (c) the General Conditions of Contract;
 - (d) the Performance Security;
 - (e) the Seller’s Notification of Award; and
 - (f) the Supplemental Bid Bulletin, if any.
3. In consideration of the payments to be made by the Buyer to the Seller as hereinafter mentioned, the Buyer hereby covenants with the Seller to use, withdraw/remove, handle, transport, store, treat, and/or re-sell the Assets therein in conformity in all respects with the provisions of The Contract.
4. The Buyer hereby covenants to pay the Seller, in consideration of the Assets, the Contract Price or such other sum as may become payable under the provisions of the Contract at the time and in the manner prescribed by The Contract.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, and delivered by _____ the
_____ (for the Seller).

(Seller)

Signed, sealed, and delivered by _____, the
_____ (for the Buyer).

(Buyer)

Witnessed by:

Republic of the Philippines)
_____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____, Philippines, this ___ day of _____, 2020, personally appeared:

Name	Identification Document	Issued on	Issued at

known to me and to me known to be the same person who executed the foregoing instrument consisting of three (3) pages, including the page whereon this Acknowledgment is written, all pages signed by both parties and their instrumental witnesses, and they acknowledged before me that the same is their free and voluntary act and deed and that of the Corporation they represent.

WITNESS MY HAND AND NOTARIAL SEAL, on the date and place first above written.

Notary Public

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2020.

FORM NO. 3

Republic of the Philippines)
City/Municipality of _____) S.S.

Omnibus Sworn Statement

A F F I D A V I T

I, (name of bidder's authorized representative), of legal age, (Civil Status), (Nationality), and residing at (Address of the Signatory), after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of (Name of bidder) with office address at _____;
2. I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the (Name of bidder) in the bidding [as stated in the duly notarized Secretary's Certificate hereto attached *(if applicable)*];

In connection with the bidding for the Sale of **Package 2**: Various retired equipment, used/obsolete spare parts and scrap materials, in Kalayaan Pumped Storage Power Plant (KPSPP), Kalayaan, Laguna and Caliraya Hydroelectric Power Plant (CHEPP), in Caliraya, Laguna:

- (a) Having taken steps to carefully examine all of the Bidding Documents;
 - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the Contract;
 - (c) Having made an estimate of the Assets to be bid; and
 - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under **ITB Clause 8.1.4**.
1. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

(Name of bidder) is not disqualified or prohibited by any government body or court from participating in any bidding of a government body or entering into any kind of contract with a government body;

(Name of bidder), its parent company, stockholders, subsidiaries, affiliates, directors or officers and their relatives within the fourth

degree of consanguinity or affinity or common law, have no uncompleted projects, conflict, dispute or unsettled issue arising out of, or in connection with the EPIRA or its Implementing Rules and Regulations with the Seller, which affect the sale/disposal of the Seller's Assets.

1. (Name of bidder) is authorizing the Seller or its duly authorized representative(s) to verify all the documents submitted with the Bureau of Internal Revenue, the Department of Environment and Natural Resources, the Department of Energy, and any other appropriate governmental body;
2. (Name of bidder) is not related to the Seller, members of the Bids and Awards Committee (Disposal Committee), the Technical Working Group, and the Disposal Committee Secretariat, by consanguinity or affinity up to the third civil degree; and
3. (Name of bidder) complies with existing labor laws and standards.
4. (Name of Bidder) did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.
5. (Name of bidder) certifies that its TSD facility is currently operational according to its latest ECC.

IN WITNESS WHEREOF, I have hereunto set my hand this __ day of __, 2020 at _____, Philippines.

Bidder's Representative/Authorized Signatory

SUBSCRIBED AND SWORN TO before me this __ day of _____ 2020, Philippines.

Notary Public

Doc. No.
Page No.
Book No.
Series of 2020

Bidder's Undertaking

Date: _____

To: The Disposal Committee Chairperson
Power Sector Assets and Liabilities
Management Corporation
24th Floor Vertis North Corporate Center 1
Astra corner Lux Drives
North Avenue, Quezon City 1105
Philippines

Gentlemen and/or Ladies:

Mindful of the nature and purpose of the Project and to ensure that the government's interests therein are fully protected, we unconditionally and voluntarily represent and warrant that:

- a. We accept, agree to be bound, and fully abide by and comply with the terms and conditions of the Bidding Documents and all Supplemental/Bid Bulletins or amendments, supplement or modification thereto as well as the decisions of the Disposal Committee;
- b. Waive any and all claims and causes of action against the Disposal Committee and PSALM in the event that the bidding, selection and/or award be (i) stopped or terminated by PSALM; or (ii) restrained, enjoined, declared invalid or is set aside by a court of competent jurisdiction or any Government Body for any reason whatsoever;
- c. Waive any defect, deviation, fault or infirmity in the bidding process conducted by the Disposal Committee or by PSALM up to and including the date hereof;
- d. Waive any right to seek and obtain a writ of injunction or prohibition or restraining order against the Disposal Committee and PSALM and/or any third party to prevent or restrain the bidding process or any proceedings related thereto, the holding of a bidding or any proceeding related thereto, the selection of the highest bidder and winning bidder, and any draw on or forfeiture of the Bid Security. Such waiver shall, however, be without prejudice to the right of the undersigned to question the lawfulness of any disqualification or the rejection of their Bid by appropriate administrative or judicial processes not involving the issuance of a writ of injunction or prohibition or restraining order, except only as provided under Section 78 of the Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA);

- e. We have secured the necessary licenses and permits required by Philippine law to participate in the bidding process and submit a bid and all such permits and licenses are valid and existing; and
- f. We do not have any Affiliate (i) who is a bidder or (ii) who is an Affiliate of a bidder.

Dated this _____ day of _____ 2020.

[signature]

[in the capacity of]

Duly authorized to sign, Bid for and on behalf of _____.

SUBSCRIBED AND SWORN TO before me this ___ day of _____ 2020, Philippines.

NOTARY PUBLIC

Doc. No.
Page No.
Book No.
Series of 2020

Joint Venture Agreement

KNOW ALL MEN BY THESE PRESENTS:

That this JOINT VENTURE AGREEMENT is entered into By and Between _____, of legal age, (civil status) , owner/proprietor of _____ and a resident of _____.

- and -

_____, of legal age, (civil status) , owner/proprietor of _____ a resident of _____.

That both parties agree to join together their manpower, equipment, and what is needed to facilitate the Joint Venture to participate in the Eligibility, Bidding and Undertaking of the here-under stated project to be conducted by the PSALM Corporation.

NAME OF PROJECT

CONTRACT AMOUNT

That both parties agree to be jointly and severally liable for the entire assignment.

That both parties agree that Mr./Ms. _____ and/or _____ shall be the Official Representative of the Joint Venture, and is granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Joint Venture in the bidding as fully and effectively and the Joint Venture may do and if personally present with full power of substitution and revocation.

That this Joint Venture Agreement shall remain in effect only for the above stated Project until terminated by both parties.

Name and Signature of Authorized Representative

Name and Signature of Authorized Representative

Official Designation

Official Designation

Name of Firm

Name of Firm

Witnesses

1. _____

2. _____

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____)S.S.

BEFORE ME, a Notary Public for and in _____, Philippines,
this _____ day of _____, 20____, personally appeared:

Name	Identification Document	Issued on	Issued at

known to me and known to be the same persons who executed the foregoing instrument consisting of _____ () pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is their free and voluntary act and deed and/or that of the corporation/entity they represent.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until 31 December 20____
PTR No. _____
Issued at: _____
Issued on: _____
TIN No. _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

Site Visit Request Form

Bidder's Name:		Date:
Name and Signature of Authorized Representative/s:		Contact No.:
Mailing Address:		Email Address:
Nominated Persons		
Name	Position	Contact No.
1.		
2.		
3.		
Received by:		Approved by:
<hr style="width: 80%; margin: 0 auto;"/> Printed Name and Signature		<hr style="width: 80%; margin: 0 auto;"/> Printed Name and Signature