

The Republic of the Philippines

Procurement of Operation and Maintenance Service Contract for the Casecnan Hydroelectric Power Plant located at Pantabangan, Nueva Ecija

**(Project Reference No. 2021-PB-OMSC-
CHEPP-066-01)**



Supplemental Bid Bulletin No. 2

05 October 2021

**SUPPLEMENTAL BID BULLETIN NO. 2
FOR THE PROCUREMENT OF OPERATION AND MAINTENANCE SERVICE CONTRACT
FOR THE CASECNAN HYDROELECTRIC POWER PLANT LOCATED AT
PANTABANGAN, NUEVA ECIJA**

1. NOTICE TO BIDDERS

Bidders are hereby notified of the amendments, revisions, modifications and clarifications to the Bidding Documents dated 16 September 2021 for the Procurement of Operation and Maintenance Service Contract for the Casecnan Hydroelectric Power Plant located at Pantabangan, Nueva Ecija.

This Supplemental Bid Bulletin is being issued to clarify the documents and specific attachments that must be submitted by the Bidder.

In any case, it is conclusively presumed that the Bidder, in preparing their bids, has taken into account the information and procedures set forth in the ITB.

**2. CLARIFICATIONS BY PROSPECTIVE BIDDER/S TO THE BIDDING DOCUMENTS
DATED 16 SEPTEMBER 2021**

A. Single Largest Completed Contract (SLCC)

Pursuant to Section 23.4.1.3 of the 2016 revised IRR of RA No.9184, the Bidder shall have an SLCC that is at least one (1) contract similar to the Project the value of which, adjusted to current prices using the PSA's CPI, must be at least equivalent: For the procurement of Non-expendable Supplies and Services: The Bidder must have completed a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.

For this purpose, BDS Clause 5.3 provides that contracts similar to the Project shall be:

- a. Similar contract refers to a contract that **involves the operation and maintenance of power plant** (except Solar Power Plant and Battery Energy Storage) with generation output delivered to transmission line grid.
- b. **Completed within five (5) years** (September 2016 to September 2021).
- c. In the amount of at least **fifty percent (50%) of the Approved Budget for the Contract** with **at least with a minimum total power plant generating units capacity of 80MW.**

Under Non-Policy Opinion No. 150-2017 issued by the Government Procurement Policy Board (GPPB), a contract shall be considered "similar" to the contract to be bid if it involves goods or services of the same nature and complexity as the subject matter of the project being

procured. It further added that similarity of contract should be interpreted liberally in the sense that it should not refer to an exact parallel, but only to an analogous one of similar category.

In view of the above, PSALM did not, in any way, restrict or limit the bidders that can participate in the procurement project. In fact, PSALM, in order to attract more prospective bidders, has defined in ITB Clause 5.3, Section III. Bid Data Sheet a "Similar Contract" that involves the operation and maintenance of power plant, except Solar and Battery Energy Storage Power Plants, which do not have any prime movers.

Thus, any contracts involving operation and maintenance of any power plants except those mentioned above, which are not analogous or similar to the system of a hydroelectric power plant for having no prime movers, may be considered sufficient.

In addition, GPPB NPM No. 031-2009 provides the parameters to consider in verifying, validating and ascertaining whether the largest single completed contract submitted by the bidder satisfies the eligibility criterion prescribed in the IRR. It must be noted that the SLCC must conform to the following requirements:

- i. **Completed** within the period stated in the ITB;
- ii. Must be **at least fifty percent (50%)** of the approved budget of the contract; and
- iii. Must be **similar** to the contract to be bid.

Insofar as PSALM is concerned, we would like to invite your attention to NPM No. 175-2015 issued by the GPPB, which states that the BAC is mandated to require all bidders to submit the **end-user's acceptance**, which can be in the form of a Certification, or official receipt(s) relative to the Single Largest Completed Contract in accordance with Section 23.1 (a)(iv) of the IRR of RA 9184. Thus, as long as a Certification or official receipts issued by the end-user of the contract was submitted by the prospective bidder, the same will be sufficient to comply with the requirement of the law.

Thus, this eligibility criterion cannot be dispensed with or compromised as this is one of the minimum requirements that a prospective bidder has to satisfy to establish its track record and capacity to perform contractual obligations. Also, GPPB opined in NPM 031-2009 that this requirement, guided by the spirit behind the provision, should be interpreted strictly for the purpose of establishing a tangible gauge for the bidder's track record and capacity to perform contractual obligations.

B. Water Protocol

The "Water Protocol to Protect the National Irrigation Administration (NIA) Upper Pampanga River Integrated Irrigation System (UPRIIS)" requires that "All water used in the Casecan Hydroelectric Power Plant shall be discharge at the Pantabangan Reservoir."

NIA-UPRIIS is required to assure the availability of sufficient irrigation water in the Pantabangan Reservoir for sustainable irrigation service to the farmers.

Further, NIA and Operator shall create a Technical Working Group to discuss matters affecting CHPP especially, the discharge of water to the Pantabangan Reservoir.

The suggestions to include circumstances when there is lack of water or when CHPP is not operating, unable to generate electricity, and/or when damaged can be addressed by the by-pass valve which can discharge directly the water to Pantabangan Reservoir. If in case both generating units of the CHPP are on forced outage, the water from the Casecan and Taan Weir can still be delivered to Pantabangan (Lake) Reservoir at 40 cubic meters per second via power station by-pass valve manipulation scheme while closing the Main Inlet Valve. The operating scheme during such situation will be considered by the Operator.

C. Various Provisions of the Bidding Documents

No.	Clarifications/Question	Response
1	Please confirm the required effectiveness period of the committed line of credit, which may be submitted in lieu of the computation of the Net Financial Contracting Capacity (“NFCC”).	<p>We would like to refer you to the second paragraph of the Form No. PSALM-03 Credit Line Certificate wherein:</p> <p><i>“The credit line shall be available within fifteen (15) calendar days after receipt by the <Contractor / Distributor / Manufacturer / Supplier> of the Notice of Award and such line of credit shall be maintained until the project is completed by the Supplier.”</i></p> <p>Please note that the line of credit must be at least equal to ten percent (10%) of the ABC to be bid.</p>
2	Please confirm that, as indicated by the Bids and Awards Committee (“BAC”) during the pre-bid conference on September 24, 2021, if the ongoing contract of a bidder is of such a nature that no Notice of Award or Notice to Proceed was, or was required to be, issued for it, the bidder can submit a copy of its ongoing	<p>Yes, we confirm that the ongoing contract is sufficient to support the projects listed in the bidding forms in lieu of the NOA and NTP. We also confirm that official receipts are acceptable.</p> <p>Be mindful that scanned copies can be submitted during the bid submission date, however,</p>

No.	Clarifications/Question	Response
	<p>contract in lieu of the Notice to Award and Notice to Proceed. If a copy of the contract is not a suitable substitute, please advise what alternative document a bidder might submit for the Notice of Award and Notice to Proceed. For the Notice to Proceed in particular, please confirm whether it may be sufficient to submit a document which indicates when the services of the bidder under the contract were to have commenced. For the Certificate of Accomplishment required by the note under Form No. ELIG-03, please confirm that it will be sufficient to submit either a document or documents issued by the client/customer of the bidder under the ongoing contract confirming the services that were provided by the bidder under the contract, and, where such documents are issued periodically under the contract, it will also be sufficient to submit those documents that were issued during the current calendar year (as it might be extremely voluminous to submit all documents for all years during which the contract was effective). If not the documents mentioned above, please confirm that the bidder may submit its official receipts for the current calendar year covering payments made for the services provided by the bidder during such calendar year.</p>	<p>the original copies will be checked during the post-qualification evaluation stage.</p>
3	<p>Please confirm that, under BDS 14.1(a), a standby letter of credit (“SBLC”) is an acceptable form of Bid Security and the amount of the SBLC should be PHP9,240,000 which is 2% of the Approved Budget for the Contract. Please also confirm</p>	<p>We confirm that if a standby letter of credit SBLC will be issued for purposes of the required Bid Security for this procurement project, then the amount of the SBLC should be PHP9,240,000 which is 2% of the Approved Budget for the</p>

No.	Clarifications/Question	Response
	that the SBLC need not be exactly identical to Form No. TEC03 and an SBLC in the template/standard form of the issuing commercial or universal bank chosen by the bidder, for example the form attached as Annex A to this letter request for clarification, will be acceptable as a Bid Security.	Contract. Kindly take note that Bidder's issued SBLC need to strictly follow the provided form TEC-03 in the issued Bidding documents. Any deviation to the contents of form TEC-03 might result into a disqualification of the Bidder.
4	As the bid opening will also be conducted at a physical address, please advise whether a bidder may also prepare a hard copy of its bid, solely for presentation to the BAC at the bid opening in case any difficulty is encountered by the BAC in checking the electronic copy of the bid (e.g., if, unavoidably, the electronic copy is not of sufficiently sharp resolution).	Under item # 7 of the Invitation to Bid, it is stated that: <i>"Bids must be duly received by the BAC Secretariat through online or electronic submission as indicated below on or before 12 October 2021 at 10:00AM. Late bids shall not be accepted. <u>Personal or manual submission of bids shall not be allowed.</u>"</i> Please ensure that all electronic copies submitted are clear and readable.
5	Please confirm that a bidder may designate any one of two or more persons to be an authorized representative for the purposes of the bidding, mindful of the risk that, in case only one person is designated, and unexpected circumstances prevent him from performing his functions, the bid of the bidder might be jeopardized.	Yes, the Bidder may designate any one of two or more persons to be an authorized representative for the purposes of this bidding.
6	In the computation of the NFCC (i.e., $NFCC = [(Current\ asset - current\ liabilities) (15)]$ minus value of all outstanding or uncompleted portions of the project under ongoing contracts yet to be started coinciding with the contract to be bid), please confirm how a bidder should compute for the component "all outstanding or uncompleted portions of the project under ongoing contracts	Yes, kindly use the information provided in the submitted form ELIG-01 to compute for the bidder's all outstanding or uncompleted portions of the project under ongoing contracts yet to be started coinciding with the contract to be bid.

No.	Clarifications/Question	Response
	yet to be started coinciding with the contract to be bid". Does this refer to the ongoing contracts and contracts awarded but not yet started of the bidder as reflected in Form No. ELIG-01?	
7	Please confirm that a bidder which is not a JV does not need to submit any document in writing indicating that the JVA requirement does not apply to the bidder.	The bidder needs to indicate in Form ELIG-04 "Joint Venture Agreement" that the "JV is Not Applicable".
8	Are all the minimum maintenance programs recommended by CEWEC under Annex 5 of the Terms of Reference required to be implemented by the operator (winning bidder)?	Yes, all the minimum maintenance programs recommended by CEWEC under Annex 5 of the Terms of Reference are required to be implemented by the Operator.
9	Please provide a clean list of the minimum work that the operator (winning bidder) will be required to do.	<p>The CHPP will be turned over in good operating condition but in case unnecessary upgrade to the power plant was done by the operator to enhance its performance, then the cost will be for the operator's account.</p> <p>There are maintenance items for October and November 2021 as provided in Attachment 1 which can no longer be performed by CEWEC.</p> <p>However, please see remarks therein. There are items mentioned that foreign expert to be provided by the CEWEC is needed to supervise the maintenance works but the Operator will provide the in-house-maintenance personnel and available spares in stock</p> <p>The list in Attachment 1 will be done by the Operator.</p>
10	Please provide copies of the maintenance records of the major works (such as PTR	All maintenance records will be shared to the winning bidder upon turnover.

No.	Clarifications/Question	Response
	<p>replacement) done on the Power Transformer, Turbine, Generator, Governor, National Irrigation Administration (“NIA”) Gates, including PM plan, GOMP, ERC significant event reports.</p> <p>Please provide copies of the records of all major maintenance works performed for the last three years.</p>	
11	<p>When did CHPP last conduct its capacity test?</p> <p>Please provide copies of the results of the last capacity test that was conducted</p> <p>The current operator will conduct a capacity test before handing over the plant back to the owner. Will the owner similarly conduct a capacity test before it hands over the plant to the new operator (winning bidder)?</p>	<p>The Capacity and Efficiency Test was conducted last 27 July 2021. Please see Attachment 2.</p> <p>The current operator will no longer conduct the capacity test before handing over the plant back to the Owner since it is already done.</p>
12	<p>Please confirm that the plant conducted a GCT as required by the 2016 Philippine Grid Code and directed by the Energy Regulatory Commission and the National Grid Corporation of the Philippines.</p>	<p>CEWEC coordinated with NGCP for the conduct of the Generating Unit Certification Test ideally during the July 2021 time period. However, because of the travel restrictions and the community quarantine protocols in place at that time, the test was not conducted. CEWEC had a meeting with NGCP in August 2021 where it was determined that the prevailing COVID-19 situation as well as the prevailing conditions of the Pantabangan lake level (which was already high and beyond the ideal test conditions needed to demonstrate the 165 MW maximum plant capacity) prevented the conduct of the test within 2021. It was also determined that the ideal operating conditions for the</p>

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		test may yet occur in July 2022 when there is a low Pantabangan lake level and the waters at the Casecnan weirs are at spilling levels.
13	Please provide copies of the existing Industrial All Risk Insurance, Asset Insurance Covers, Claims History and Safety and Risk Management 2Ps.	As per CEWEC, the policies of the current operator are negotiated at a global level for all Berkshire Hathaway affiliates and thus CEWEC is unable to disclose information relating to these policies. The insurance policies contracted by CEWEC include property insurance, business interruption, political risk, excess liability, crime, and vehicle insurances. CEWEC notes that the insurance coverage under the OMSC contemplated in the bidding will have a significant variance from those contracted by CEWEC because the fee and ownership structures are very different.
14	What are the insurance premiums being paid by PSALM in relation to the CHPP? What is the scope of such insurance?	The CHPP is insured by the current Operator. However, the CHPP will be insured by PSALM beginning 11 December 2021 and the year 2022. The insurance coverage will be Industrial All Risks with Sabotage and Terrorism and Comprehensive General Liability (to cover 3rd party).
15	What are the insurance premiums being paid by CEWEC in relation to the CHPP? What is the scope of such insurance?	PSALM has no information on the existing insurance premiums paid by CEWEC. Please see response in Item 13.
16	What will be the protocols between the operator (winning bidder) and the owner for liability in the event of major damages and failure to implement required activities	Please refer to Clause 13 Force Majeure under Section VI. Schedule of Requirements of the Bidding Documents. In addition, there should be a

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	<p>due to COVID-19, force majeure and cyber-attacks?</p>	<p>strict implementation of the government-imposed health and safety protocols with regards to COVID-19 and/or any contagious and other life-threatening diseases that may occur.</p> <p>As for the damages due to cyber-attacks, the operator must provide up-to-date cyber security system to prevent such occurrence. It will be the operator's liability if such happens.</p>
<p>17</p>	<p>Please confirm that CHPP has secured the Department of Environment and Natural Resources Certificate of Conformity (“COC”), Environmental Compliance Certificate (“ECC”), Certificate of Precondition (“CP”), and also the Renewable Energy Service Contract (“RESC”) with the Department of Energy.</p> <p>Note that Annex 12 of the Bidding Documents does not provide these permits or documents.</p>	<p>NIA/CEWEC do not have a Certificate of Convenience from the DENR in relation to the Casecan Project. In this regard, DENR-EMB issued an Environmental Compliance Certificate dated April 28, 1995 in the name of NIA for the Casecan Project. A copy of the ECC (without the annexes) is attached as Attachment 3.</p> <p>Please note that the CHPP, as a project, was implemented prior to the enactment of the law on the requirement of the Certificate of Precondition and Renewable Energy Service Contract. Thus, such are not required for the CHPP.</p> <p>In lieu of the Certificate of Precondition, attached as Attachment 4 is AO 248 dated 19 February 1996 which provides that “the indigenous Bugkalot community and the Provincial Development Councils of Nueva Viscaya, Isabela, Quirino and Cagayan have endorsed the implementation of the CHPP in support of the food-production and improved-power-generation-capability programs of the government.”</p>

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		<p>CHPP is not required to have a Renewable Energy Service Contract since the plant already commenced their commercial operation before the effectivity of RA 9513.</p>
18	<p>Who will be responsible for renewing the permits listed in Annex 12, as well as CHPP's COC, ECC, CP, and RESC?</p>	<p>PSALM will provide the existing valid permits from CEWEC but the renewal will be done by the Operator.</p> <p>Please refer to 3.2.1(o) of Attachment 1 (Terms of Reference) of the Bidding Document which provides that "Maintain valid permits and licenses of the power facilities and advise the Owner beforehand prior to its expiration; and facilitate the necessary renewal at the account of the Operator." The existing permits for CHPP is provided in Annex 12 - List of Permits of CHPP.</p>
19	<p>In addition, who will be responsible and liable for any violations of the conditions in the permits that were committed prior to the turn-over of the CHPP to the operator (winning bidder)?</p> <p>Please confirm that, under the contract, the operator (winning bidder) will have no obligation to remedy or address, and will not be liable in any way for, any pre-existing issues of and non-compliance by CHPP under applicable laws and rules and regulations administered by relevant government agencies, including the National Water Resources Board; Department of Energy; Department of Environment and Natural Resources; and relevant local government units. Please</p>	<p>With regards to the limits of liability of the Winning bidder as the Operator, may we refer Clause 8.1, Section VI. Schedule of Requirements, which provides the liability of the Operator.</p> <p>On the other hand, the current operator will be liable until 10 December 2021, 2400H.</p>

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	confirm what limits of liability are provided for the operator (winning bidder) under the contract, e.g., is there a maximum amount of liability; a threshold amount before the owner can make a claim against the operator; exclusions for indirect or speculative damages; etc.	
20	Please clarify whether CHPP's permits will be transferred to the name of NIA or PSALM, or both.	All existing permits are under the name of CEWEC however, it will be transferred to PSALM/NIA once the permit expires.
21	Are all third-party contracts coterminous up to December 11, 2021? Are there contracts or purchase orders already signed and awarded for 2022?	<p>Yes, contracts with all third-party contractors/vendors are coterminous with the end of the BOT period (<i>i.e.</i>, until 11 December 2021).</p> <p>The Purchase Orders and contracts are only until December 2021, although some fulfillment or deliveries may extend up to the 1st quarter of 2022. CEWEC can provide a list of activities/deliveries to the winning bidder during the turnover.</p>
22	Please provide copies of (all) relevant technical drawings and equipment tests, including shutdown schedules and significant event reports.	These will be shared to the winning bidder upon turnover.
23	In the TOR, Item 3.2.3(b)(xxii), what type of support services is referred to, and what programs are the operator expected to continue?	The support services that can be provided to the host communities, shall include but not limited to, Energy Regulation 1-94 and Corporate Social Responsibility projects.
24	For the activities scheduled for October and November 2021, do these already have covering agreements with the relevant parties, e.g., Andritz, Blue Power and Siemens, although they will still be conducted next year? Will the owner cover the costs?	Please see Attachment 1 indicating the status of, and CEWEC's remarks relating to, the maintenance activities scheduled for October and November 2021.

No.	Clarifications/Question	Response
25	Please confirm that a bidder need not sign or digitally sign each and every page of the bid (without prejudice to the explicit requirements for signing of certain particular bid forms and submissions), and it is sufficient that the two (2) pdf files [containing the documents of the first and second envelopes], respectively, are digitally signed.	Yes, we confirm. The bidders need to sign all the pages of the bid forms and any other forms that will require signature.
26	Please confirm that the sealing requirement is complied with in the electronic/online submission of the bid through the password provisions.	Yes, we confirm.
27	Please clarify the antigen testing requirements for the representatives who will witness the bid opening at the offices of PSALM: Should they take an antigen test prior to the bid opening and present their negative results at the bid opening (and, if this is the requirement, please confirm how many days before the bid opening the antigen test should be taken), or will the PSALM provide for antigen testing on the day of, and at the site of, the bid opening and the representatives will be required to take the antigen test there? Please confirm.	The antigen test should be valid within 48 hours before the bid opening date and the cost should be for the account of the bidder. Please be clarified that there will be no antigen testing available at the PSALM office.
28	Is the Philgeps Registration under Platinum category required to be an eligible bidder? Or perhaps this Philgeps Certificate of Registration of Membership is only for bidders who will acquire the lowest calculated bid?	Yes, the bidder shall be under Platinum category for this Bidding process.
29	Is there any deadline for the purchase and payment of bidding documents?	The deadline for the purchase and payment of the bidding document to be able to participate in the bidding process is 12 October 2021,

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		9:00AM. Thereafter, the bidder will have until 12 October 2021, 10:00AM to submit its electronic bid.
30	Suppose, the bidder already paid for the participation fee entered into Joint Venture, will the purchased bid document of the said bidder suffice for the JV's payment for the bid?	Yes. The company that paid for the participation fee should be one of the Joint Venturers.
31	Can such bidding document availed by bidder be used by its shareholder company who will participate in the bidding? Or new bid documents must be purchased by subsidiary company?	<p>The Participation Fee paid for the Bidding Document is company specific. The Name of the Company provided in the Official Receipt that paid for the said fee can participate.</p> <p>In case the bidder will assign its right to bid, the bidder should inform PSALM in writing of the name of the company that will bid before the bid submission deadline. This is in reference to NPM 062-2012 which informs that the RA 9184 and its IRR do not expressly provide that the purchase of Bidding Documents shall vest solely on a particular buyer or prospective bidder the right to participate in the bidding process using the very set of Bidding Documents purchased.</p>
32	ITB Section VI article 4.1(e) requires the Operator for all fines attributable to non-compliance to dispatch instructions of IEMOP. However, by experience, the non-compliance can also be attributed to the trader (in this case the Owner), especially if the trader is not properly aware of the situation in the power facility (lack of water, equipment malfunction, etc.). In a 5-minute market coordination between trader	<p>Under Clause 4.1 Scheduling and Dispatch of Section VI. Schedule of Requirements, it provides that:</p> <p>“(d) The Operator shall strictly comply with the real-time dispatch as published by IEMOP for each trading interval. In case of non-compliances, the Operator shall provide assistance to the Owner in its response to PEMC. Likewise, the Operator shall furnish the justification and relevant</p>

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	<p>and Operator is crucial and at times it is the trader that fails to properly take into account the correct plant condition in its offers to IEMOP. In such cases, it would not be fair for Operator to pay all fines and penalties. How will non-compliance arising from or due to the Owner's trading team be treated?</p>	<p>supporting documents explaining the non-compliances.</p> <p>(e) In the event that PEMC and/or ERC impose financial penalty due to the Operator's non-compliances with the real-time dispatch, such penalty shall be for the account of the Operator."</p> <p>The non-compliance attributable to PSALM like incident of internet failure for not being able to submit its bid to the Wholesale Electricity Spot Market prior to gate closure is understandably not the operator's fault.</p>
33	<p>Will PSALM consider an extension for the submission of bids?</p>	<p>The project timeline needs to be followed to be able to conclude an OMSC with the Winning Bidder prior to 26 November 2021, the target issuance of the Notice to Proceed. Therefore, PSALM cannot consider extension of the bid submission deadline.</p>
34	<p>What will be the start of the bid validity of the Bid Security?</p>	<p>Under Clause 14 "Bid Security" of Section 2, Instruction to Bidder, the Bid and bid security shall be valid from bid submission until 09 February 2022.</p>
35	<p>FORM TEC-02 and TEC-03</p>	<p>Please follow the template format for the forms.</p> <p>Please refer to Section III. Bid Data Sheet, ITB Clause 14.1 which provides that:</p> <p>The bid security shall be in the form of a <u>Bid Securing Declaration</u>, or <u>any of the following forms and amount:</u></p> <p>a. The amount of not less than PhP9,240,000.00 [2% of ABC], if bid security is in cash, cashier's/manager's</p>

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		<p>check, bank draft/guarantee or irrevocable letter of credit issued by a commercial or universal bank licensed to do business in the Philippines; or</p> <p>b. The amount of not less than PhP23,100,000.00 [5% of ABC] if bid security is in Surety Bond.</p> <p>The Bidder is allowed to submit a scanned notarized Bid Securing Declaration, subject to submission of the original notarized Bid Securing Declaration or other acceptable forms of Bid Security during Post-Qualification Stage.</p>
36	When will be the start of the validity of the Performance Security?	<p>Under Clause 3 of Section IV. General Conditions of Contract, within ten (10) calendar days from receipt of the Notice of Award by the Bidder from the Procuring Entity but in no case later than prior to the signing of the Contract by both parties, the successful Bidder shall furnish the performance security in any of the forms prescribed in Section 39 of the 2016 revised IRR of RA No. 9184.</p> <p>See Form No. PSALM-02 (Performance Security).</p>
37	Can the original validity of the performance security be for 1 year, subject to renewal annually?	No, Performance Security should be valid from posting up to sixty (60) days after the expiration of the Term.
38	In the event that the termination, prolonged and continuous outage, or breach is not due to any act of the Operator, or not due to any of	Please refer to Clause 7, Performance Security, Section IV, Schedule of Requirement, which provides that:

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	the instance mentioned in this clause, will the Performance Security be immediately returned to the Operator in full?	<p>In case of Termination or Pre-termination due to privatization, the performance security will be returned to the Operator as follows:</p> <ul style="list-style-type: none"> i. sixty (60) days after the expiration of the Term; and ii. issuance by the Procuring Entity of the Certificate of Completion and Acceptance.
39	In the formula for the Fee Reduction Amount ("FRA"), what happens if DE is greater than RE? Will this result in an increase in the Service Fee instead of a reduction?	DE greater than RE will not happen because this will only apply when DE encounters deration or outage of unit due to operator's fault.
40	Will the Contract Agreement be signed by both PSALM and NIA or will PSALM sign for itself and on behalf of NIA?	The contract for the Procurement of the OMSC for Casecan HEPP will be signed by PSALM by virtue of the Deed of Conveyance between PSALM and NIA.
41	May we request for a copy of PSALM's authority to represent NIA as well in this Bid/Project? May we request for a copy of the PPA Contract between PSALM and NIA?	PSALM may provide the winning bidder the copy of the Deed of Conveyance. However, the PPA will not be disclosed.
42	What name will be indicated for the bidder if it is an unincorporated joint venture? Will the corporate names of all JV partners be indicated?	For bidding purposes, the bidder shall indicate the "JV of Company A and Company B".
43	If bidder is an unincorporated JV (i.e. two or more corporations), do each of the JV partners/corporations submit their respective technical and financial documents? Or do we indicate the two corporations as the "bidder" and submit only one bid form?	Please refer to SBB 1, item 3C(ii).
44	May we have the names of (i) Head of Procuring Entity (ii) members of the BAC, (iii) TWG, (iv) BAC Secretariat, (v) head of Project Management Office,	The Head of the Procuring Entity is the PSALM Board which the members of the BAC, BAC Secretariat and TWG is appointed by PSALM

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	end-user unit, project consultants?	President. Please refer to the list of attendee in the Minutes of the Pre-Bid Conference posted in PSALM Website.
45	In the Table, the second column provides for "Rate (A)" to be filled up in PHP. However, for the Operating Fee, there appears a note that this shall be computed based on the annual Generation of 451,539.40 MWh. Please confirm if we need to indicate the PhP/kWh in the "Rate" column or if the computed peso amount is sufficient. Will the PhP/kWh amount have to be provided anywhere in the Detailed Bid Price Schedule?	There is no need to indicate the rate in P/kWh for the Operating Fee. The bid for the Service Fee and Operating Fee shall be in absolute amount.
46	Please confirm that this form (Contract Agreement) is NOT part of the bid submission yet.	Yes
47	Please confirm that this form (Credit Line Certificate) is NOT part of the bid submission yet, or whether this is the form for the commitment from universal or commercial bank of line of credit in lieu of NFCC.	The Credit Line Certificate shall be submitted in lieu of the NFCC in case the bidder will not meet the NFCC requirement.
48	"In the event that PEMC and/or ERC impose financial penalty due the Operator's non-compliances with real time dispatch and such non-compliances were not due to the Owner's trading team, such penalty shall be for the account of the Operator."	Yes

AMENDMENT/S TO VARIOUS PROVISIONS OF THE BIDDING DOCUMENTS DATED 16 SEPTEMBER 2021

To add another paragraph under 3.2.3(xiv) under ATTACHMENT 1: Terms of Reference and its Annexes of Section VII. Technical Specification:

"Please note that one of the obligations of the Operator is to secure the rights over the land underlying the weather stations. The current operator (CEWEC) has a lease agreement with the owner of the land underlying the weather stations and has engaged the services of a

caretaker for the said facilities, both of which shall be the obligation of the Operator to eventually secure.”

Please be guided accordingly.

Quezon City, 5 October 2021.



IMMACULADA C. MAURICIO
Chairperson
Bids and Awards Committee

ATTACHMENT 1

Status of and Remarks on Remaining Maintenance Works for Oct. to Nov. 2021		
Item	Description	Remarks
17	Repair of the bypass spherical valve water leak on the counterweight side, and replacement of its servomotor. Contacted Andritz expert. One time October 2021	The equipment is functional. CECWEC is currently negotiating with a foreign contractor to provide expert supervision and technical support for rectification and testing purpose. The work will be done by the O&M service contractor's in-house maintenance personnel. Due to the prevailing weather conditions, travel restrictions and quarantine protocols, it is expected that this work will not be carried out within 2021, and may need to be implemented during the 2022 dry season at the earliest. CECWEC is willing to provide funding based on the service proposal of CECWEC's vendor should PSALM and the winning O&M service contractor agree to implement this work after the Casecnan plant turnover on December 10, 2021.
19	Unit 1- Verification of servomotor pressure balancing and load rejection testing (as was done with Unit 2), wicket gate clearance adjustment (if still necessary), and turbine performance commissioning. The PO to Blue Power, Malaysia includes pressure balancing of servomotors of both Casecnan and Taan Flap Gate, Flushing Gate, Sluice/Radial Gates 1, 2, and 3.	The equipment is functional. CECWEC is currently negotiating with a foreign contractor to provide expert supervision and technical support for testing purpose. The work will be done by the O&M service contractor's in-house maintenance personnel. Due to the prevailing weather conditions, travel restrictions and quarantine protocols, it is expected that this work will not be carried out within 2021, and may need to be implemented during the 2022 dry season at the earliest. CECWEC is willing to provide funding based on the service proposal of CECWEC's vendor should PSALM and the winning O&M service contractor agree to implement this work after the Casecnan plant turnover on December 10, 2021.
22	Analysis of the Unit 1 87G differential protection tripping issue. Activation of the differential protection triggers unit tripping. The study for protection modification has been completed.	This will be implemented as scheduled in October 2021.
23	Warranty work by Siemens on the 150 MVA power transformer (refurbished/spare) with has a minor oil leak coming out from the tap changer.	Siemens already acknowledged that there is a minor oil leak and that Siemens will undertake the necessary rectification works as a warranty claim. Due to the prevailing travel restrictions and quarantine protocols, it is expected that this work will not be carried out within 2021, and may need to be implemented after the December 10, 2021 Casecnan plant turnover. The winning O&M service contractor will do the final coordination on the schedule of the work.

ATTACHMENT 2




TEST CERTIFICATE


This is to certify that the Capacity Test and Efficiency Test for CASECNAN HYDROELECTRIC POWER PLANT has been successfully conducted in accordance with the Power Purchase Agreement (PPA).


TO WTI; the Capacity Test and Efficiency Test conducted on July 27, 2021 as follows:

Tested Net Power Output	148,772.57 kW
Tested Overall Project Efficiency	76.09%

This Test Certificate shall be valid for Contract Year 20.


ROSEL V. TEVES
Vice President-PES


ATTY. MELCHOR P. ROLDAN
Officer-In-Charge, OPCEQ


MANUEL LUIS B. PLOFINO
Senior Department Manager, RMS

ATTACHMENT 3



DEPARTMENT OF
ENVIRONMENT AND
NATURAL RESOURCES

APR 28 1995

9501-012-120C
Mr. Apolinario V. Bautista
Administrator
NATIONAL IRRIGATION ADMINISTRATION
EDSA, Quezon City

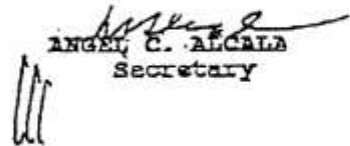
Dear Mr. Bautista:

This has reference to your proposed casacnan Multipurpose Irrigation and Hydro-Power Project to be located in Alfonso Castañeda, Nueva Viscaya and Pantabangan, Nueva Ecija.

After evaluation of the documents submitted on the aforesaid project, this Office has decided to grant the same an Environmental Compliance Certificate.

You may proceed with project implementation after securing all the necessary permits from the pertinent government agencies. Please be advised, however, that the Environmental Management Bureau will be monitoring the project periodically to ensure your compliance with the conditions cited in the attached Environmental Compliance Certificate. Further, any expansion of currently approved operations will be subject to a new Environmental Impact Assessment (EIA) requirement.

Very truly yours,


ANGEL C. ALCALA
Secretary

cc: Environment Sector
DENR - Region II

RAY/RPA/MS/lay*



DEPARTMENT OF
ENVIRONMENT AND
NATURAL RESOURCES

ENVIRONMENTAL COMPLIANCE CERTIFICATE

The DENR, through the Environmental Management Bureau (EMB), hereby grants this Environmental Compliance Certificate (ECC) to the proposed CASECNAAN MULTIPURPOSE IRRIGATION AND POWER PROJECT OF THE NATIONAL IRRIGATION ADMINISTRATION to be located in Alfonso Castaneda, Nueva Viscaya and Pantabangan, Nueva Ecija, after complying with the Environmental Impact Assessment (EIA) requirement, as prescribed in the promulgated guidelines implementing Section 3 (b) of P.D. 1121 and P.D. 1586.

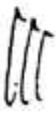
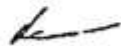
This Certificate is being issued subject to the following conditions:

1. This Certificate is valid only for the Casacnan Multipurpose Irrigation and Hydro-Power Project (CMIP) consisting of the following:
 - 1.1 two run-of-river diversion dams to be located in Casacnan and Taang Rivers each with height of approximately 20-25 meters and length of about 100-120 meters and occasional impoundment of approximately 1-2 kms stretch from the intake;
 - 1.2 about 6.3 meters diameter underground transbasin tunnel with a distance of approximately 25.0 km from the Casacnan Area to the Pantabangan reservoir;
 - 1.3 underground powerhouse of approximately 140 MW capacity surface switchyard in Pantabangan and project offices within the area; and
 - 1.4 access roads comprising of about 40-km single access road that will connect the intakes to the existing conversion road in Nueva Ecija, 10-km two-lane access road that will be built from the intakes to the powerhouse area and a 5-km single lane road around the underground access tunnel near the Abuyo River.
2. Pre-Construction Phase
 - 2.1 The NIA will provide the EMB the following documents within sixty (60) days after receipt of this ECC for approval by this office:

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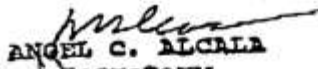
- 2.1.1 a detailed plan containing riverbank and mountainside slope protection/stabilization measures;
 - 2.1.2 a detailed Watershed Management Plan for Cascoán watershed and an improved management programme for Pantabangan watershed;
 - 2.1.3 a detailed Socio-economic Monitoring Plan for the impact area that includes health, sanitation, education and employment/livelihood, among others;
 - 2.1.4 a Water Quality Monitoring Plan that shall include:
 - 2.1.4.1 monthly monitoring frequency during construction and quarterly during operation phase;
 - 2.1.4.2 parameters to be monitored should be those listed in the National Standards for best usage of water (without excluding those found later to be statistically constant);
 - 2.1.4.3 the water supply of the affected villages, but not limited to Barangay Polaway. Monitoring will be monthly and parameters to be monitored will be those listed in the National Standards for Drinking Water, of the Department of Health, Series of 1993;
 - 2.1.5 details of Housekeeping and Spoils Management Plan from construction to abandonment phase;
 - 2.1.6 detailed design and implementation program before the construction of the tunnel to ensure that the detailed mitigating measures are incorporated in the design and implementation phase;
 - 2.2 Secure permit for water rights allocation from National Water Resources Board (NWRB) and LGU endorsement/s for submission to EMB;
3. Construction/Operation Phase
- 3.1 All civil works shall be designed to withstand earthquakes of intensity 8 (Richter scale) or higher.
 - 3.2 The proposed plans on slope protection/stabilization, watershed management, water quality monitoring, socio-economic monitoring, compensation scheme and housekeeping and spoils management shall be strictly carried out. A report on the implementation on the plans shall be submitted to EMB quarterly during construction phase and semi-annually during operation phase;

- 3.3 NIA shall implement all the measures stated in the EIS to mitigate the occupational risks involved in the construction of the transbasin tunnel;
4. The project shall be implemented in conformance with the Final Environmental Impact Statement (EIS) and as approved by this Office shall be undertaken or complied with;
 5. NIA shall create an Environmental Unit within sixty (60) days after receipt of the ECC. The EU shall be headed by a qualified Environmental Officer authorized to implement the Management and Monitoring Plans as approved by EMB and make major decisions in relation to the conditions stipulated in this ECC;
 6. A. If, contrary to the proponents declaration to the Department, there is no acceptance of this project by the local communities (Local Government Units and Indigenous People within the project site), this ECC shall be deemed null and void.
B. NIA shall put up an Environmental Guarantee Fund (EGF) for watershed management, water quality and socio-economic monitoring, indemnification of damages, compensation of affected parties and rehabilitation of affected ecosystems. The mechanics of the EGF which shall be developed and committed through a Memorandum of Agreement (MOA) among the proponent, DENR, LGU and concerned NGO(s) within sixty (60) days after ECC issuance;
 7. A multipartite monitoring team (MMT) composing of representatives of the DENR, NGO, LGU and the proponent shall be formed within sixty (60) days to oversee the implementation of the project at all stages of project development;
 8. NIA shall undertake an annual Information and Education Communication (IEC) Campaign on the importance of wildlife and diversity to the affected residents in the impact area;
 9. Any expansion from existing approved operations shall be subject to the EIA requirements;
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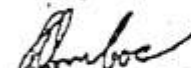
10. On-the-spot monitoring and inspections will be undertaken by the EMB and/or DENR Region II in coordination with concerned groups;
11. All other necessary permits from other government agencies shall be secured before project implementation;
12. Transfer of ownership of this project carries the same conditions in this ECC for which written notification shall be made within fifteen (15) days from such transfer.

Non-compliance with any of the above conditions shall be sufficient cause for the suspension or cancellation of this Certificate and/or imposition of a fine in an amount not to exceed Fifty Thousand Pesos (P50,000.00) for every violation thereof, at the discretion of the Environmental Management Bureau (Section 9 of P.D. 1586).

Given this APR 28 1995


ANGEL C. ALCALA
Secretary

Recommending Approval:


CARLOS C. TOMBOC
Director

SAV/RPA/MS/207*

ATTACHMENT 4

MALACAÑANG
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 248

**PROVIDING FOR THE CREATION OF A SPECIAL TASK FORCE TO
OVERSEE THE IMPLEMENTATION OF THE SOCIAL MEASURE
COMPONENT OF THE CASECNAN MULTI-PURPOSE
IRRIGATION AND POWER PROJECT
(SMC-CMPIPP)**

WHEREAS, the improvement of agricultural production and power generation capability is among the primordial development thrusts of the National Government;

WHEREAS, the National Irrigation Administration has found that the run-off waters of the Taang and Cagayan Rivers, the uppermost tributaries of the Cagayan Rivers, could be tapped to irrigate 50,000 hectares of farmlands in Central Luzon and at the same time generate 140 MW of power;

WHEREAS, the project is one of the identified priority power generation projects of the administration and is envisioned for implementation under the Build-Operate-Transfer Scheme;

WHEREAS, the project design was subjected to several public consultations primarily to establish its social acceptability and to reassure the affected localities that it would have no adverse effects to their environment and indigenous culture;

WHEREAS, the implementation of the Casecnan Multipurpose Project further underscored the need for protection of its watershed areas which are the ancestral domain of the Bugkalots, an indigenous tribe of Nueva Vizcaya, Quirino (Region 02) and Aurora (Region 04);

WHEREAS, the indigenous Bugkalot community and the Provincial Development Councils of Nueva Vizcaya, Isabela, Quirino and Cagayan have endorsed the implementation of the CMPIPP in support of the food-production and improved-power-generation-capability programs of the government;

WHEREAS, a Social Measure component of the project was identified in CORD-RDCC Meeting on June 27, 1995 as essential to the social acceptability of the CMPIPP for which the Regional Development Council of Region II has identified fast-tracking intervention on on-going and proposed infrastructure projects in Region II;

WHEREAS, in response to an earlier call for focused attention to the twenty demands of the affected communities within the Bugkalot territory (ANNEX 2), a Plan of Action has been formulated by an Ad Hoc Inter-agency Committee created by the Region II Peace and Order Council last May 1995; and

WHEREAS, after completion of its task to formulate an Action Plan for Bugkalots, the Committee has since been dissolved.

NOW, THEREFORE, I FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law do hereby order the Creation of a Special Task Force to Oversee the Implementation of the Social Measure Component of the Casecnan Multi-Purpose Irrigation and Power Project (CMPIPP) with the following composition and functions:

SECTION 1. Composition. The Inter-agency Special Task Force shall be composed of the following :

Chairman : RDC II Chairperson

Members :

- 1.1 RDC II Co-Chairman
- 1.2 NEDA Regional Director
- 1.3 Representative from Catholic Clergy Region II
- 1.4 Over-all Chairman of the Confederation of Bugkalots from Nueva Vizcaya, Quirino and Aurora
- 1.5 ONCC Deputy Executive Director
- 1.6 NIA Regional Administrator
- 1.7 NPC Regional Director
- 1.8 DENR Regional Executive Director
- 1.9 DA Regional Director
- 1.10 DPWH Regional Director
- 1.11 DILG Regional Director
- 1.12 DOLE Regional Director
- 1.13 DOH Regional Director
- 1.14 DSWD Regional Director
- 1.15 DECS Regional Director
- 1.16 PNP Regional Director
- 1.17 DTI Regional Director
- 1.18 President-Bugkalot Association on Casecnan Concerns
- 1.19 California Energy Casecnan Water and Energy Company, Inc. (CECWECI)

SECTION 2. Functions:

- 2.1 The Special Task Force shall coordinate and monitor the implementation of the following Social Measure Component of the CMPIPP as earlier approved by RDC II in its **Resolution No. 326-95, hereby attached as ANNEX 1.**
 - a) Package of Social Measures in Response to the Twenty Demands of the Bugkalots Tribe forwarded to the Office of the President in March 1995. The list of the twenty demands of the Bugkalots appears as **ANNEX 2.**

- b) Implementation of Priority Infrastructure Projects of Region II; and
- c) Development, Protection and Management of Priority Watershed Areas of Region II.

SECTION 3. Secretariat. The Regional Office of the Northern Cultural Communities (ONCC) in Bambang, Nueva Vizcaya shall serve as the Secretariat of this Special Task Force with the ONCC Sr. Deputy Executive Director as head of the Secretariat and concurrently member of the Special Task Force.

SECTION 4. Funding. The funding of the programs, projects and activities to implement this Order shall come from (a) the agencies whose mandates are consistent with the formulated Plan of Action; and (b) the President's Contingency Fund in the amount of P30 million for the initial year 1996 and subsequent amounts to be submitted to the Office of the President by the Task Force Secretariat on an annual basis for at least 5 years; and (c) any other Fund as the President may authorize. The release of this fund shall be in close coordination with the Department of Budget and Management and the Secretariat of the Special Task Force, subject to the usual accounting and auditing rules and regulations. Appropriate guidelines of the disbursement of the Fund will be prepared by the Special Task Force Secretariat.

SECTION 5. Term of the Committee. The Committees shall cease to exist six months after the completion of CMPIPP.

SECTION 6. Effectivity. The Administrative Order shall take effect immediately.

DONE in the City of Manila, this *1st* of *February* in the year of Our Lord, Nineteen Hundred and Ninety-Six.



By the President:



RUBEN D. TORRES
Executive Secretary