

INVITATION TO BID  
TEI-CSP-RE-2025-001-R3  
SUPPLY OF RENEWABLE ENERGY TO TEI

Pursuant to the *Department of Energy ("DOE")* Department Circular No. DC2023-06-0021, Series of 2023, and *Energy Regulatory Commission ("ERC")* Resolution No. 16, Series of 2023, *Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements*, and in compliance with *DOE Circular No. DC 2017-12-0015, the Renewable Portfolio Standards for On-Grid Areas, TARLAC ELECTRIC INC. ("TEI")*, through the *Bids and Awards Committee ("BAC")*, invites interested *Renewable Energy ("RE")* Generators to participate in the competitive bidding for the supply of electricity:

Contract Type	Physical
Supply Type	Daytime peak supply
Source of Power	Renewable Energy, RPS-eligible resources
Contract Term	10 Years
<b>Delivery Start Date ("DSD")</b>	26 December 2025, or upon ERC Approval, whichever comes later
Contract Capacity	10,000 kW TEI shall stack up the RE capacity offered from the lowest bid until the 10,0000 kW is filled-up.  Supplier must nominate its proposed Contract Capacity.
Contract Energy	For a Supplier with a Contract Capacity equal to the plant capacity and less than 10,000kW, Supplier shall sell all Renewable Energy produced by the nominated RE facility.  For a Supplier with a total Plant Capacity greater than 10,000 kW and contracted at 10,000 kW, the Contract Energy shall be based on the nominated Bilateral Contract Quantity (BCQ).
<b>Renewable Energy Certificates ("RECs")</b>	In a given Contract Year, the Power Supplier must deliver RPS-eligible energy corresponding to at least 18% Capacity Factor of the Supplier nominated Contract Capacity.  RECs shall be equivalent to the energy delivered to TEI and declared to the <b>Wholesale Electricity Spot Market ("WESM")</b> by the Power Supplier as a bilateral contract quantity, reckoned annually. However, RECs shall be accounted for monthly.  If the Supplier fails to deliver the Annual Contract Energy due to circumstances not falling under Force Majeure, the Supplier shall provide, at its own cost, the RECs corresponding to the energy shortfall.
Contract Price	1. Straight Energy price (in PhP/kWh), exclusive of line rental and VAT, and inclusive of other WESM charges. 2. Bidders shall submit a fixed rate in PhP/kWh for each contract year. 3. The fixed rate may vary for each contract year. 4. Line Rental shall be capped at PhPo.29/kWh. Any excess shall be for the account of the Supplier.
Discounts	Any <b>Prompt Payment Discount ("PPD")</b> or <b>any other discounts</b> offered by the Bidder/Supplier will be considered favorably in the determination of the Bid Price.
Delivery Point/s	The Trading Node or NGCP/Metering Service providers' metering point/s of the Seller.
Nominated Power Plant	The Bidder must identify the proposed power plant ("Nominated Power Plant"), and its location. 1. The Nominated Power Plant must already be in operation.

	<ol style="list-style-type: none"> <li>The Nominated Power Plant must be capable of supplying the nominated Contract Capacity and Contract Energy to TEI for the required Contract Period beginning on the DSD, after considering energy and capacity already committed to other off takers.</li> <li>In relation to the Nominated Power Plant, the Bidder must provide evidence that the Bidder or its direct shareholders are the owner of, or Controls, the energy output of the Nominated Power Plant and has sufficient authority to enter the RE PSA with TEI.</li> <li>The Nominated Power Plant must be registered as a direct member of the <b>WESM</b>.</li> <li>The Nominated Power Plant must have a <b>Certificate of Compliance ("COC")</b> or a Provisional Authority to Operate (PAO).</li> <li>The Bidder shall provide the latest available two (2) years WESM Nodal Prices where the Nominated Plant is located or connected, and which shall be used to determine the Line Rental value.</li> </ol>
<b>Outage Allowance ("OA")</b>	Outage Allowance shall be in accordance with ERC Resolution No. 10, Series of 2020.
Replacement Power	<ol style="list-style-type: none"> <li>If deliveries have not commenced as scheduled, The Supplier, for each day of delay, shall procure Replacement Power up to the declared contract quantity to be paid by TEI at the lower between load-weighted average WESM price and the Contract Price.</li> <li>After DSD and beyond OA, the Replacement Power will be provided by the Supplier and paid for by TEI the lower between load-weighted average WESM price and the Contract Price.</li> <li>In both instances above, the Supplier must procure, at its own cost, the RE Certificates (RECs) from the RE Market equivalent to the Replacement Power delivered.</li> </ol>
Reduction in the Supplier nominated Contract Capacity	The Buyer shall have the option to reduce the Supplier nominated Contract Capacity/Energy by reason of the implementation of Retail Competition and Open Access (RCOA) <sup>1</sup> , Green Energy Option Program (GEOP) <sup>2</sup> , Net-Metering, Distributed Energy Resources (DER) <sup>3</sup> , Retail Aggregation Program (RAP) <sup>4</sup> and other similar Laws, Rules and Regulations.
Penalties for Delay in Start of Deliveries	<p>If the DSD, as approved by ERC, is not met by the Supplier:</p> <ol style="list-style-type: none"> <li>For every day of delay from the DSD, the Supplier shall provide Replacement Power at the lower between load-weighted WESM average price for the billing period and the Contract Price; and,</li> <li>Supplier shall procure, at its own cost, the corresponding number of RECs from the RE Market to compensate TEI for the deficit caused by the delay.</li> <li>If the Supplier cannot provide replacement power on Day 1 of the contract term, the Performance Bond shall be forfeited, and the Supplier must replenish the Performance Bond within ten days from Day 2 of the contract term.</li> <li>If no delivery commences on Day 60 of delay, the replenished Performance Bond shall also be forfeited, and the RE PSA shall be terminated. The Supplier may also be blacklisted for breach of contract.</li> </ol>
Grounds for Termination	<p>The following are grounds for termination:</p> <ol style="list-style-type: none"> <li>Event of Default</li> <li>Non-Fulfilment of Conditions to Effective Date</li> <li>Non-occurrence of DSD</li> <li>Certain events of Force Majeure</li> <li>Upon Mutual Agreement</li> </ol>

<sup>1</sup> Sec. 31, R.A. No 9136 (EPIRA)

<sup>2</sup> Sec. 9, R.A. No. 9513 (RE Act)

<sup>3</sup> Sec. 17 & 18, ERC Res. 11, Series of 2022,

<sup>4</sup> ERC Res. 13 Series of 2024

	6. Change in Circumstances upon mutual agreement 7. Failure to post the Performance Bond or failure to replenish the Performance Bond.
Period of Validity of Bids	Bids shall remain valid for One Hundred Eighty (180) days from the deadline for the submission of bids.
Bid Security	Bidder shall submit a Bid Security in accordance with the following: <ol style="list-style-type: none"> <li>1. The Bid Security shall be a Manager's/Cashier's check from a reputable bank payable to TARLAC ELECTRIC INC.</li> <li>2. The Bid Security amount shall be the cost of a 3-month energy supply computed at 18% Capacity Factor x Bidder's Price Proposal.</li> <li>3. The Bid Security should be valid for One Hundred Eighty (180) days from the deadline for the submission of bids.</li> </ol>
Billing & Settlement	<ol style="list-style-type: none"> <li>1. Supplier to follow WESM Billing Cycle.</li> <li>2. Stipulated currency shall be in Philippine Peso.</li> <li>3. TEI shall settle all power bills in Philippine Peso.</li> </ol>
Performance Bond	The Winning Bidder shall post a Performance Bond, as a <i>condition precedent</i> to the signing of the RE PSA, in accordance with the following: <ol style="list-style-type: none"> <li>1. The Performance Bond shall be the cost of a 3-month energy supply computed at 18% Capacity Factor x Bidder's Price Proposal.</li> <li>2. The Performance Bond shall be in the form of Cash, Manager's/Cashier's check from a reputable bank, or a <b>Stand-By Letter of Credit ("SBLC")</b> from a reputable bank, payable to TARLAC ELECTRIC INC.</li> <li>3. The Performance Bond should be valid for 1 year, and until all the deliveries have commenced, the Performance Bond must be renewed one month before expiry.</li> <li>4. If an SBLC will be used, it must be callable upon demand without the need for clearance or approval from the winning bidder. The Bidder should assign a contact person to give instructions to when the bond is called or forfeited. The contact details should be printed on a clean sheet of bond paper that will be attached together with the SBLC.</li> <li>5. The Performance Bond must reflect details such as contact person, address, telephone number, and email address of the issuing bank for notification and demand.</li> <li>6. If the Performance Bond is forfeited, but the RE PSA is not terminated, the Winning Bidder shall post another Performance Security.</li> <li>7. The Performance Bond will be returned to the Supplier upon start of actual delivery.</li> </ol>
Lock-up Provision	The Winning Bidder shall not be allowed to sell and/or assign the executed RE PSA resulting from a successful CSP to any other entity.
Renewable Energy Power Supply Agreement (RE PSA)	The pro-forma RE PSA template supplied with the Bid Package shall be used as the primary reference. The winning Bidder is expected to sign the PSA with or without minimal revisions to the provisions as agreed with TEI.
Joint Filing to ERC	The Winning Bidder undertakes to make a Joint Filing with TEI to the ERC for the approval of the RE PSA within the period prescribed in the ERC CSP Guidelines.
Debarred & Cross- Debarred Firms	The Bidder and any of its Affiliates must not be included in a blacklist issued by any governmental agency of the Philippines or in the Debarred and Cross-Debarred Firms & Individuals list posted on the <b>World Bank website (<a href="http://www.worldbank.org/debarr">www.worldbank.org/debarr</a>)</b> , whether as an individual contractor, partnership or corporation or as a member of a joint venture or consortium
No Outstanding Dispute	The Bidder and any of its Affiliates must not have any Outstanding Dispute or pending/outstanding financial obligation/s with TEI, unless

	this disqualification is waived by TEI. For this purpose, “ <b><u>Outstanding Dispute</u></b> ” refers to any pending judicial, administrative, or alternative dispute resolution proceeding between the Bidder or any of its Affiliates, on one hand, and TEI, on the other.
Prohibited Acts and Agreements	TEI and the Bidders shall observe the highest standard of ethics during the CSP process and execution of the contract. All Bidders and those acting on their behalf are strictly prohibited from committing acts and agreements stated in <b>Article VIII of ERC Resolution No. 16 Series of 2023</b> .
TEI Supply Portfolio Management	To diversify TEI’s supply portfolio and minimize supply disruptions, TEI will not consider offers from any Power Supplier when the Nominated Power Plant has an existing PSA with TEI. However, if the PSA of the Nominated Plant will expire on or before the DSD, the Power Supplier can join the bidding.
Other Relevant Information	If there are no Suppliers who purchased the bid documents by <b>6:00 PM of May 15, 2025, Thu</b> , the BAC shall declare a failure of Bidding and thereafter, TEI shall solicit offers from other RE providers. Stack-up offer may be entertained.

To obtain a hard copy of the Bid Documents, Parties interested to participate in the Bidding shall submit the following:

- a. Duly filled, signed, and notarized Expression of Interest (“**Expression of Interest**” or “**EOI**”), indicating bid participation in the **SUPPLY OF RENEWABLE ENERGY TO TEI**; and,
- b. **Non-Disclosure Undertaking** (“**Non-Disclosure Undertaking**” or “**NDU**”); and,
- c. Pay a non-refundable fee (“**Participation Fee**”) of Eighty-Four Thousand Pesos (PHP 84,000.00) inclusive of VAT and 2% creditable withholding tax. The Participation Fee may be paid in cash, by bank deposit/ transfer, or by manager’s check payable to” Tarlac Electric Inc.”, issued by a bank in the Philippines and acceptable to TEI.

The EOI & NDU forms are downloadable from the TEI website. The Bid Documents consist of (i) this Invitation to Bid and EOI & NDU Forms; and (ii) the Terms of Reference, including Annexes.

The Bid Documents may be acquired from Mondays to Fridays (excluding Holidays), beginning **April 30, 2025, until May 15, 2025**, from:

**Floriza D. Forlales, BAC-Secretariat**  
TARLAC ELECTRIC INC.  
Mabini St., Brgy. Mabini, Tarlac City  
Email: bac-secretariat@teiph.com