



July 7, 2025

TERMS OF REFERENCE (TOR)

PROJECT NO.: TEI-ePROC-2025-003

PROJECT NAME: ACQUISITION AND INSTALLATION OF ONE (1) UNIT
HARMONIC FILTER

A. General Terms and Conditions

- a. **Specifications of the Products:** The Supplier/Vendor agrees to deliver to **Tarlac Electric Inc. (TEI)** the products specified in the purchase order/ contract or technical and financial proposals or other pertinent Bid Documents, as may be specified by **TEI**, in accordance with the specifications and the delivery schedule and terms indicated therein.
- b. **Price:** **TEI** shall pay to the Supplier/Vendor, the price specified in the purchase order/ contract, subject to the Supplier's/ Vendor's compliance with the terms of the purchase order/ contract and provisions of 'Procurement Guidelines for the Regulated Transmission and Distribution Assets and Services of Regulated Entities' issued by the ERC (along with amendments thereof).
- c. **Delivery:** Time is of the essence. Non-delivery of the awarded items shall be a ground for the cancellation of the order and imposition of penalty as may be defined under the Bid Documents.

B. Bid Preparation

- a. Bids submitted by Bidders shall meet the following listed conditions:
 1. All Bid Documents, forms, and submissions required as per the Bid Documents are provided along with the Bid;
 2. The technical proposal of the Bid does not include any

details of the financial proposal of the Bid;

3. Bid submitted shall, at all times, be in original form;
4. Bid is accompanied by acceptable bid security, in accordance with the Bid Documents if required; and
5. The bid submitted is not conditional.

Any Bid not meeting the conditions listed above shall be declared non-responsive and shall be disqualified. The financial proposal of such Bidders SHALL NOT be opened and SHALL BE returned.

- b. The financial proposal shall clearly provide all details, including the quoted price as a separate amount, taxes/ duties/ fees/ levies, and other charges applicable.
- c. Bidders shall submit their Bids signed/ endorsed duly by their authorized representative using appropriate forms specified under Bid Documents, on or before the Bid submission deadline.
- d. To establish the conformity of the Assets to the Bid Document, the Bidder shall furnish as part of its Bid, the documentary evidence (specifications, designs, drawings, and conformance to standards) and, where asked for, supply samples, demonstrate trials, or carry out tests as specified under Bid Document.

C. Bid Evaluation

- a. Bids received before the Bid submission deadline shall only be considered for Bid evaluation. Bids received after the deadline for Bid submission shall not be accepted by **TEI**.
- b. A Bidder may modify its Bid after it has been submitted, provided the modification is received by **TEI** prior to the deadline for Bid submission. No Bid may be modified post-deadline of the Bid submission.
- c. To promote transparency and fairness in the process, TEI may consider the appointment or designation of third-party

observers in the bidding process. The appointment of such third-party observers shall not result in any increase in procurement cost.

- d. Bidders are prohibited from making or accepting any kind of communication with members of the **Bids and Awards Committee (BAC)** of **TEI**, regarding evaluation of their Bids, unless otherwise allowed in accordance with the Bid documents.

D. Conditions Precedent/ Contract Award

- a. Failure to meet any of the conditions precedent listed under the Bid Document, within the specified period, or finding against the veracity thereof, shall disqualify the Bidder for award.
- b. **TEI** shall enter into a contract with the selected Bidder once all documentary requirements are complied with.

E. Termination

- a. **TEI** or **Supplier/ Vendor** may initiate termination proceedings in accordance with the terms and conditions defined under the purchase order/ contract/ Bid documents.
- b. A written notice of termination must be served to the other party at least thirty (30) days before the intended termination. The notice shall specify the nature of default/ failure, remedy required (if any), and time period allowed for remedy of default/ failure in accordance with the terms and conditions of the purchase order/ contract/ bid documents.

F. Corrupt, Fraudulent, Collusive, Coercive, and Obstructive Practices

- a. The Bidders/ Suppliers/ Vendors shall observe the highest standard of ethics during the Procurement and execution of the contract.
- b. The Bidders/ Suppliers/ Vendors shall refrain from engaging in corrupt, fraudulent, collusive, coercive, and obstructive practices, defined as follows:

'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 includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the Procurement process or in contract execution;

'Fraudulent practice' means a misrepresentation of facts in order to influence a Procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practice among Bidders (prior to or after Bid submission) designed to establish Bid prices at artificial, non- competitive levels and to deprive the Procuring Entity of the benefits of free and open competition;

'Collusive practices' means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish Bid prices at artificial, non-competitive levels;

'Coercive practices' means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

'Obstructive practice' is:

- i. 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 investigations into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
- ii. acts intended to materially impede the exercise of the inspection rights of the Procuring Entity

TEI reserves its right to pursue the imposition of 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 above.

Engagement in any of the corrupt, fraudulent, collusive, coercive and/ or obstructive practices, or blacklisting or debarment by governments, international organizations, domestic and international financial institutions, and procuring entities, shall form valid grounds for termination of purchase order/ contract and/ or application of penalties defined under Bid Documents or under applicable laws.

G. Code of Integrity

- a. Any Bidder participating in the Procurement process shall:
 - 1. Not offer any bribe, reward or gift, or any material benefit, either directly or indirectly in exchange for an unfair advantage in the Procurement process or to otherwise influence the Procurement process;
 - 2. Not misrepresent or omit that misleads or attempts to mislead so as to obtain a financial or other benefit or avoid an obligation;
 - 3. Not indulge in any collusion, Bid rigging or anti-competitive behaviour to impair the transparency, fairness and progress of the Procurement process;
 - 4. Not misuse any information shared between the Procuring Entity and the Bidders with an intent to gain unfair advantage in the Procurement process;
 - 5. Not indulge in any coercion, including impairing or harming or threatening to do the same, directly or indirectly, to any party or to its property to influence the Procurement process;
 - 6. Not obstruct any investigation or audit of a Procurement process;
 - 7. Disclose conflict of interest, if any; and

8. Disclose any previous transgressions with any entity in Philippines or any other country, other national agencies, foreign governments, international organizations, local and international and financial institutions, and other procuring entities during the last three (3) years, or any debarment by any other procuring entity.

H. Responsibility of the Bidders

The Bidder must carefully examine the Bid Package, including the Procedures and Terms of Reference, and any Bid Bulletins that may be issued, and fully inform them of all conditions and matters that could affect their Bid in any way.

I. TEI Rights

- a. TEI reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations:

Reference: Section 41 of the IRR-A (Reservation Clause) of R.A. 9184

1. If there is prima facie evidence of collusion between appropriate public officers or employees of the procuring entity, or between the BAC 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;
2. If the BAC is found to have failed in following the prescribed bidding procedures; or
3. For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the company as follows:
 - (i) if the physical and economic conditions have significantly changed so as to render the project no longer economically, financially, or technically feasible as determined by the head of the procuring entity;
 - (ii) if the project is no longer necessary as determined by the head of the procuring entity; and

- (iii) if the source of funds for the project has been withheld or reduced through no fault of the procuring entity.

- b. To amend, revise, modify, or clarify the bid documents through the issuance of a Bid Bulletin at any time not later than one (1) week before the deadline of bid submission.

J. Bid Documents

The Bidder shall prepare two (2) Main Envelopes properly labeled, signed, and sealed with the following details:

1st Main Envelope

- ✓ Bidder's Company Name
- ✓ Project Name
- ✓ "Technical Requirements"

2nd Main Envelope

- ✓ Bidder's Company Name
- ✓ Project Name
- ✓ "Financial Offer"

1ST MAIN ENVELOPE:

The first (1st) main envelope for submission shall be in a softbound with labels and index numbers. The document must have a title page that matches the label of its envelope, and on the second page, a checklist of the requirements along with its index number.

a. Technical Requirements:

1. Certification of ongoing and previously supplied/ installed Harmonic Filters to local Private Distribution Utilities (DUs), Electric Cooperatives (ECs), or Industrial Customers
 - Indicate the company name, address, and project completion date
2. Certification – as Manufacturer, Exclusive Distributor, Authorized Distributor, Partner, or Trader
3. Specification Sheets/ Technical Data Sheets of the proposed Harmonics Filter

2nd MAIN ENVELOPE

b. Financial Offer:

1. Supplier Offer in Philippine Peso Currency VAT Inc. (please show VAT separately), printed in the bidder's company letterhead with date and signature
 - 1st line for the supply
 - 2nd line for the installation
2. Minimum Order Qty: 1 unit
3. Warranty: minimum of 1 year after energization
4. Incoterm: Door to door (TEI, San Rafael Warehouse)
5. Delivery: until December 29, 2025
6. After-sales Service: inclusive of 1 year tech service support, free one-time annual preventive maintenance, and training
7. Training: Operations, maintenance, and troubleshooting
8. Offer validity: 60 days
9. Payment Term: 30 days after user acceptance

K. SCOPE OF WORK

PROJECT NAME: ACQUISITION AND INSTALLATION OF ONE (1) UNIT HARMONIC FILTER

1. Harmonic Filter Specifications
 - Harmonic Filter
 - Minimum rating: 30 A RMS, 230 V, 3 Phase, 4-wire
 - Reduction of up to 15th harmonics
 - Indoor, wall mounted
 - with compatible and appropriately sized current transformers
 - with cable and other accessories needed for installation and termination
2. Installation
 - Joint Inspection before Installation
 - Installation, including CTs and cable terminations
 - With proper labels/ tags (for electrical wiring)
 - Observe wire color coding
3. Manpower requirement: Senior Engineers or Experts

4. Submittals:
 - Installation drawings (single line diagrams and schematic diagrams)
 - warranty certificate
 - list of spare parts and supply lead time
 - Operations and maintenance manual
 - Report – Initial and Final Power Quality Testing
 - Documentation (results and commissioning report)
5. Testing and Commissioning
 - Initial power quality testing and analysis before installation
 - Final power quality testing and analysis after installation
6. Training: Operations, maintenance, and troubleshooting
7. Bid Document price: n/a
8. Bid Security Requirement: n/a
9. Delivery/ Completion: until December 29, 2025
10. Penalty Clause: 1/10 of 1% not exceeding 10% of the total project cost for every day of delay
11. Selection Criteria: Most competitive financial Bid submitted by the technically qualified Bidder

Note: The Proposal must be based on this TOR

L. SCHEDULE

PARTICULARS	DATE
1. Publication	July 28, 2025 – August 4, 2025
2. EOI Submission deadline	August 5, 2025, 5:00 pm
3. Pre-bid Conference	August 7, 2025, 10:30 pm via MS Teams
4. Bidder clarification	Until August 14, 2025, 1:00 pm
5. Bid Submission due date	August 22, 2025, 5:00 pm, softcopy via TEI e-Procurement and hardcopy at TEI, San Rafael, Tarlac City
6. Bid Opening	August 23, 2025
7. Evaluation and Clarification	August 23 – 30, 2025
8. Series of Negotiations	August 22 – 30, 2025
9. Final Bid Assessment, Reco, and Approval	August 30, onwards
10. Announcement of the Winning Bidder	August 30, onwards

M. Clarification and amendment of Bidding Documents

The Prospective Bidders may request TEI for further information or clarification of the Bidding Documents via email. TEI will respond in kind to any request for information or clarification not later than four (4) days before the bid submission due date. TEI's response will be sent via email to all qualified Bidders via Bid Bulletin.

All communications must be addressed to the BAC-Secretariat, whose contact details are more particularly described as follows:

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