



**BUKIDNON SECOND ELECTRIC COOPERATIVE, INC.**  
**Manolo Fortich, Bukidnon**

Main Office: Manolo Fortich, Bukidnon  
 Branch Office: Malaybalay City, Bukidnon

Landline Number: 088-813-5780  
 Landline Number: 088-813-5730

## INVITATION TO BID

1. The Bukidnon Second Electric Cooperative, Inc. (BUSECO) through its Bids and Awards Committee (BAC) invites interested bidders to apply to bid for Power Supply:

ITEM NO.																																											
1	<p><b><u>2 MEGA WATT BASELOAD</u></b></p> <table border="1"> <tr> <td>1. Contract Capacity</td> <td>2 MW</td> </tr> <tr> <td>2. Minimum Energy Nomination</td> <td>At least Forty Percent (40%) of the Contracted Capacity</td> </tr> <tr> <td>3. Type of Plant</td> <td>Coal Power Plant</td> </tr> <tr> <td>4. Sources of Coal</td> <td>Must be specified</td> </tr> <tr> <td>5. Type of Service</td> <td>Base Load</td> </tr> <tr> <td>6. Term</td> <td>15 Years from the 1<sup>st</sup> draw month</td> </tr> <tr> <td>7. Commercial Operation Date</td> <td>2<sup>nd</sup> Quarter of 2017, otherwise subject to the penalty clause</td> </tr> <tr> <td>8. Tariff Structure</td> <td> <p>Base Rate are to be expressed in Php/kW and Php/kWh and at the maximum as follows:</p> <table border="1"> <tr> <td>Capital Recovery Fee</td> <td>Php 1,400.00/ kW/ month</td> </tr> <tr> <td>Fixed O&amp;M</td> <td>Php400.00/kW/month</td> </tr> <tr> <td>Variable O&amp;M</td> <td>Php 0.25 /kWh</td> </tr> <tr> <td>Fuel Fee (Php/kWh)</td> <td>Pass-Through (Actual Cost) Consumption Rate: Not more than 0.70 kg/kWh escalated at 1.5% annual degradation factor or Actual Fuel, whichever is lower</td> </tr> <tr> <td>Indices (CPI, FOREX)</td> <td>Must specify the base reference</td> </tr> <tr> <td>Coal Price Index</td> <td>Must specify the reference</td> </tr> <tr> <td>Fuel Cost (Coal price per metric tons)</td> <td>Must specify the Base Fuel Cost per metric Tons</td> </tr> </table> <p>Note: BIDDER must provide formula in derivation of each rate component</p> </td> </tr> <tr> <td>9. Method of Procurement of Fuel</td> <td>Must specify the method of SUPPLIER's procurement of fuel</td> </tr> <tr> <td>10. Form of Payment</td> <td>Philippine Peso</td> </tr> <tr> <td>11. Prompt Payment Discount</td> <td>At least 1%</td> </tr> <tr> <td>12. Mode of Security Deposit</td> <td>Maximum 1 month SD through Standby Letter of Credit</td> </tr> <tr> <td>13. Outage Allowance</td> <td>Maximum of 45 days per annum (Scheduled and Unscheduled Outage – non-cumulative.</td> </tr> <tr> <td>14. Provision for Replacement Power</td> <td>SUPPLIER must provide replacement energy from other sources, provided the BUYER must give its consent before the delivery. The actual cost or contract price whichever is lower of which shall be passed on to the BUYER.</td> </tr> </table>	1. Contract Capacity	2 MW	2. Minimum Energy Nomination	At least Forty Percent (40%) of the Contracted Capacity	3. Type of Plant	Coal Power Plant	4. Sources of Coal	Must be specified	5. Type of Service	Base Load	6. Term	15 Years from the 1 <sup>st</sup> draw month	7. Commercial Operation Date	2 <sup>nd</sup> Quarter of 2017, otherwise subject to the penalty clause	8. Tariff Structure	<p>Base Rate are to be expressed in Php/kW and Php/kWh and at the maximum as follows:</p> <table border="1"> <tr> <td>Capital Recovery Fee</td> <td>Php 1,400.00/ kW/ month</td> </tr> <tr> <td>Fixed O&amp;M</td> <td>Php400.00/kW/month</td> </tr> <tr> <td>Variable O&amp;M</td> <td>Php 0.25 /kWh</td> </tr> <tr> <td>Fuel Fee (Php/kWh)</td> <td>Pass-Through (Actual Cost) Consumption Rate: Not more than 0.70 kg/kWh escalated at 1.5% annual degradation factor or Actual Fuel, whichever is lower</td> </tr> <tr> <td>Indices (CPI, FOREX)</td> <td>Must specify the base reference</td> </tr> <tr> <td>Coal Price Index</td> <td>Must specify the reference</td> </tr> <tr> <td>Fuel Cost (Coal price per metric tons)</td> <td>Must specify the Base Fuel Cost per metric Tons</td> </tr> </table> <p>Note: BIDDER must provide formula in derivation of each rate component</p>	Capital Recovery Fee	Php 1,400.00/ kW/ month	Fixed O&M	Php400.00/kW/month	Variable O&M	Php 0.25 /kWh	Fuel Fee (Php/kWh)	Pass-Through (Actual Cost) Consumption Rate: Not more than 0.70 kg/kWh escalated at 1.5% annual degradation factor or Actual Fuel, whichever is lower	Indices (CPI, FOREX)	Must specify the base reference	Coal Price Index	Must specify the reference	Fuel Cost (Coal price per metric tons)	Must specify the Base Fuel Cost per metric Tons	9. Method of Procurement of Fuel	Must specify the method of SUPPLIER's procurement of fuel	10. Form of Payment	Philippine Peso	11. Prompt Payment Discount	At least 1%	12. Mode of Security Deposit	Maximum 1 month SD through Standby Letter of Credit	13. Outage Allowance	Maximum of 45 days per annum (Scheduled and Unscheduled Outage – non-cumulative.	14. Provision for Replacement Power	SUPPLIER must provide replacement energy from other sources, provided the BUYER must give its consent before the delivery. The actual cost or contract price whichever is lower of which shall be passed on to the BUYER.
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	15. Provision for Re-Marketing	Must provide re-marketing agreement during WESM and Non-WESM scenario.										
	16. Other Consideration	Associated Fees in Filing and Securing approval with the ERC shall be on the account of the SUPPLIER, this include but not limited to the legal fees and publication.										
	17. Bid Bond	Bids must be accompanied by a bid bond equivalent 10% of the total estimated monthly energy to be delivered computed as follows: Contracted Capacity x 60% load factor x 730 hours x proposed rate x 10% in the form of Manager's Check which shall be tendered/ submitted on the Bidding date.										
2	<b><u>5 MEGA WATT (MW) PEAK LOAD</u></b>											
	1. Contract Capacity	5 MW, (minimum of 2 engines)										
	2. Minimum Energy Off-take	No minimum energy off-take										
	3. Nomination	Plant Technical PMIN										
	3. Type of Plant	Embedded Bunker Fired Power plant										
	4. Type of Service	Peak Load										
	5. Delivery point	BUSECO's Aglayan Substation										
	6. Type of Agreement	Build-Operate-Maintain-Transfer (BOMT) Agreement										
	7. Term	15 Years from the Commercial Operation Date										
	8. Commercial Operation Date	2 <sup>nd</sup> Quarter of 2018, otherwise subject to the penalty clause										
	9. Tariff Structure	<p>Base Rate are to be expressed in Php/kW and Php/kWh and at the maximum as follows:</p> <table border="1" style="margin-left: 40px;"> <tr> <td>Capital Recovery Fee</td> <td>Php 730/ kW/ month</td> </tr> <tr> <td>Fixed O&amp;M</td> <td>Php 515/kW/month</td> </tr> <tr> <td>Variable O&amp;M</td> <td>Php 0.50 /kWh</td> </tr> <tr> <td>Fuel and Lube Fee (Php/kWh)</td> <td>Consumption rate: 0.260 li/kWh or Actual, whichever is lower 0.002 li/kWh or Actual, whichever is lower</td> </tr> <tr> <td>Indices (CPI and FOREX)</td> <td>1. Must indicate the reference 2. Base reference will be at the end of the month of the contract signing date</td> </tr> </table> <p>Note: BIDDER must provide formula in derivation of each rate component</p>	Capital Recovery Fee	Php 730/ kW/ month	Fixed O&M	Php 515/kW/month	Variable O&M	Php 0.50 /kWh	Fuel and Lube Fee (Php/kWh)	Consumption rate: 0.260 li/kWh or Actual, whichever is lower 0.002 li/kWh or Actual, whichever is lower	Indices (CPI and FOREX)	1. Must indicate the reference 2. Base reference will be at the end of the month of the contract signing date
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Indices (CPI and FOREX)	1. Must indicate the reference 2. Base reference will be at the end of the month of the contract signing date											
	10. Method of Procurement of Fuel	Must specify the method of SUPPLIER's procurement of fuel										
	11. Form of Payment	Philippine Peso										
	12. Prompt Payment Discount	At least 1% of the Fixed Cost component										
	13. Mode of Security Deposit	Maximum 1 month SD through Standby Letter of Credit										
	14. Interconnection Arrangements	Power Plant shall be interconnected to the BUSECO 13.2 kV Distribution System in which all related cost shall be shouldered by the SUPPLIER										



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	15. Location of the Plant	Within 15km distance from BUSECO Aglayan Sub-Station (with proof contract of sale of plant location)						
	17. Outage Allowance	876 Hours per Year (scheduled and unscheduled outage)						
	18. Other Consideration	Associated Fees in Filing and Securing approval with the ERC shall be on the account of the SUPPLIER, which include but not limited to legal fees and publication.						
	19. Bid Bond	Bids must be accompanied by a bid bond equivalent 10% of the total estimated monthly energy to be delivered computed as follows: Contracted Capacity x 60% load factor x 180 hours x proposed rate x 10% in the form of Manager's Check which shall be tendered/ submitted on the Bidding date.						
3	<b><u>180 KILO WATT (KW) EMBEDDED BASELOAD</u></b>							
	<b>Description</b>	<b>Specification</b>						
	1. Contract Capacity	180 kW						
	2. Contract Energy	Take all the kWh generated by the SUPPLIER within the Contracted Demand						
	3. Type of Plant	Embedded Hydro Power Plant						
	4. Type of Service	Baseload						
	5. Delivery point	Nearest BUSECO 13.2 kv line						
	5. Term	15 Years from the Commercial Operation Date						
	6. Commercial Operation Date	2 <sup>nd</sup> Quarter of 2017, otherwise subject to the penalty clause						
	7. Tariff Structure	Generation Charge shall not be more than Php 5.40/ kWh and be express in Php/kWh as follows: <table border="1" data-bbox="808 1540 1474 1655"> <tr> <td>Capital Recovery Fee</td> <td>Php 4.60/kwh</td> </tr> <tr> <td>Fixed O&amp;M</td> <td>Php 0.65/kwh</td> </tr> <tr> <td>Variable O&amp;M</td> <td>Php 0.15/kwh</td> </tr> </table>	Capital Recovery Fee	Php 4.60/kwh	Fixed O&M	Php 0.65/kwh	Variable O&M	Php 0.15/kwh
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Variable O&M	Php 0.15/kwh							
	8. Form of Payment	Philippine Peso						
	9. Prompt Payment Discount	At least 5% of total power bill						
	10. Mode of Security Deposit	No security deposit						
	11. Interconnection Arrangements	Power Plant shall be connected to BUSECO System in which all related cost shall be shouldered by the SUPPLIER						
	13. Outage Allowance	876 hours per contract year						
	14. Other Consideration	Associated Fees in Filing and Securing approval with the ERC shall be on the account of the SUPPLIER, which include but not limited to legal fees and publication.						
	15. Bid Bond	Bids must be accompanied by a bid bond equivalent 10% of the total estimated monthly energy to be delivered computed as follows: Contracted Capacity x						



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		60% load factor x 730 hours x proposed rate x 10% in the form of Manager's Check which shall be tendered/ submitted on the Bidding date.
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- Interested bidders may likewise call the BAC for more inquiries for the bidding process/documents during office hours at 088-228-5780 or contact Ms. Charmie Red P. Fantonial at 0926-559-9253.
- Only interested bidders (and/or authorized representative/s) are allowed to participate in the pre-bid conference upon payment of non-refundable fee of One Hundred Thousand Pesos (PhP 100,000.00) before 09:00 am Philippine Standard Time (PST) of the said date.
- Bidding shall be conducted in a two-way envelope system. The first envelope shall contain four separate folders contained with (1) the legal documents; (2) technical documents; (3) financial documents; and Class B documents. The second envelope shall contain two folders with the technical proposal and financial proposal with the bid bond. Sealed bids shall be received by the BAC during the Bidding proper.
- The **PRE-BID CONFERENCE** shall be held in **Mallberry Suites Hotel, Cagayan de Oro City** on **October 13, 2016** at **10:00 o'clock in the morning (PST) for 2MW Baseload, 1:00 o'clock in the afternoon for 5MW Peakload and 3:00 o'clock in the afternoon for the 180 KW Embeddded Baseload**. Failure of the Bidder to attend the Pre-Bid Conference as scheduled shall automatically mean a waiver of their right to question any provision of the Bidding Package.
- The Bidding Proper and opening of bids shall be on **October 25-26, 2016**; time and venue shall be announced during the PRE-BID CONFERENCE.
- BUSECO reserves the right to accept or reject any or all bids and to annul the bidding process any time before the award of contract, without incurring any liability to the affected bidders.

**MELCHIE R. NACALABAN, Lib**  
Chairperson, BUSECO Bids and Awards Committee