



MORE Electric and Power Corporation  
**MINUTES OF THE MEETING**

Ref. MOM-TPBAC-2024-003

<b>Topic:</b>	Pre-Bid Conference for the Supply of 20 MW Baseload and 6.6 MW RPS Power Supply Requirement of MORE Electric and Power Corporation		
<b>Date of Meeting:</b>	10 September 2024	<b>Time:</b>	01:30 p.m.
<b>Facilitator:</b>	Niel V. Parcon	<b>Location:</b>	Sam's 21 Hotel, Diversion Road, Mandurriao, Iloilo City
<b>Entities Involved:</b>	MORE Power TPBAC Bidders CSP Observers		

## I. ATTENDANCE

### **MORE Power TPBAC:**

1. Niel V. Parcon (Chairperson)
2. John Wellcome Baxinela (Vice-Chairperson)
3. Wilmar J. Gonzaludo
4. Filomeno C. Sonza Jr.
5. Jordana Mari Jaco

### *Technical Working Group (TWG):*

1. Elizabeth Dahn A. Cabunagan
2. Raphael B. Dorilag
3. Roy D. Majarucon

### *Secretariat:*

1. John Dave V. Jabatan
2. Janine Louise S. Senupe
3. Jann Megan Allyson G. Say

### **Bidders:**

#### *Palm Concepcion Power Corporation (PCPC):*

1. Winifredo SM Pangilinan
2. Rosemarie Ravena-Bibar

#### *Therma Visayas, Inc. (TVI)*

1. Mike Baltazar
2. Matthew Cortez – *virtual*
3. Catherine Pasilaban – *virtual*
4. Angela Nadine Garcia – *virtual*

#### *Panay Energy Development Corporation (PEDC):*

1. Rodolfo Romero
2. Aislinn Hilaga
3. Michelle Ckorin Anne Calpito – *virtual*
4. Joy Marie Laroza – *virtual*

#### *FDC Misamis Power Corporation (FDC):*

1. Francis Mijares – *virtual*
2. Archimedes Cayasa – *virtual*
3. Venie Drixielon Escarcha – *virtual*



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**CSP Observers:**

*Iloilo City Local Economic Development, Investment, and Promotions Office (LEDIP):*

1. Velma Jane Lao

*Philippine Chamber of Commerce & Industry – Iloilo (PCCI)*

1. Vincent Abellar

**II. AGENDA**

1. Comments and Queries of Bidders on the TOR and ITB
2. Other matters

**III. CALL TO ORDER**

The meeting is called to order by the Chairperson at **01:30 p.m.**

**IV. CERTIFICATION OF QUORUM**

The Chairperson confirmed the presence of a quorum with **five out of five members** of the TPBAC present. The meeting is presided by the Chairperson.

**V. DISCUSSION**

- A. The Chairperson expressed that the DOE was **invited to observe** but was unable to attend due to other commitments. DOE requested to be **furnished** with the minutes of the Pre-Bid Conference.
- B. The Chairperson stated that Bid Bulletin 3 was issued to all participating Bidders in response to comments and queries manifested by some of the Bidders.
- C. The Chairperson opened the floor for additional comments and queries from Bidders, ordered sequentially based on submission of Expression of Interest:
  - i. PCPC
  - ii. TVI
  - iii. PEDC
  - iv. FDC

Bidder	Query / Comment	TPBAC Answer
<i>First Round</i>		
PCPC	Our actual fuel rates as of August 2024 is incidentally high, but our supplier commits a cheaper rate for CSP purposes.	Bidder may offer a committed rate, provided that they will make good of that rate on the day of delivery. The committed fuel rate will be subject to indexation and respective escalations.
TVI	Will new bidders still be able to join until October 10?	Yes, but we remind bidders that they will be unable to propound comments and queries unless they have submitted their EOI and paid the bid processing fee.
PEDC	Follow-up to PCPC's first question, this means that the passthrough is no longer followed if actual is not to be used.	The offered base rate, subject to changes following the movement of the indices, will still be used and be passed through to customers. We find comfort in using indices so we can predict the movement of



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		the fuel prices, as compared to the inventory method (e.g. buying fuel in bulk).
FDC	(No questions)	
<i>Second Round</i>		
PCPC	ERC approved a formula for a long-term coal supply contract which is higher compared to indices. PCPC has a special rate for CSP purposes with its suppliers. Shall the actual billing be used or the committed rate?	We will reference the committed / offered rate.
TVI	Shall we use August or July 2024 billing month for the base price?	We shall not restrict bidders to a specific month. Bidders are encouraged to give their best offer, provided that they make good of said offer on the delivery date.
PEDC	(Respectfully requested for a run-through of Bid Bulletin 003.)	Accepted, but shall be done if other bidders will no longer propound their questions.
FDC	(No questions)	
<i>Third Round</i>		
PCPC	Shall bidders use the base rate?	Yes, base rate with index. The index is provided for in the financial proposal form.
TVI	We ask confirmation if bidders can make use of multiple indices?	Confirmed.
PEDC	(No questions)	
FDC	(No questions)	
<i>Fourth Round</i>		
PCPC	(No questions)	
TVI	(No questions)	
PEDC	(No questions)	
FDC	(No questions)	

D. With no questions propounded for the fourth round, PEDC’s request to run through the Bid Bulletin 003 was accepted. The Secretariat presented **Bid Bulletin 003**.

E. The following points in Bid Bulletin 003 were highlighted by the TPBAC:

- i. For replacement power, the bidder is still required to **provide even during allowable outages**. However, the replacement power may come from source **not necessarily from the bidder’s nominated plant**. The contract price shall **still be followed** instead of the actual price, meaning that the bidder gets to keep the difference if it is sourced from a cheaper plant. Reciprocally, MORE is also protected from higher rates if the replacement power is sourced by the bidder from a more expensive plant.
- ii. The TPBAC informs bidders that congestions driving up the line rental charges in Panay have been **addressed by NGCP last 08 Sept 2024**. Moreover, there are additional projects that will **further reduce the congestion situation** in Panay, however, ETC is still yet to be determined.
- iii. Regarding *ITB Section 14.1.2*, the TPBAC shall make the following changes:
  - 1. For TOR 1 (baseload), the **minimum offer is 10 MW**, and **only 5 MW increments** are allowed (e.g. 10 MW, 15 MW, 20 MW.)
  - 2. For TOR 2 (RPS), the **minimum offer is 3.3 MW**, and **only 1 MW increments** are allowed (e.g. 3.3 MW, 4.3 MW, 5.3 MW, 6.3 MW).



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These changes are made to be fair to the next lowest bidder, if ever, from supplying a quantity that is **no longer reasonable and economical** (e.g. lowest bidder offers 19 MW, second lowest bidder is forced to supply only 1 MW.)

However, given these changes, the second lowest bidder is required to accept the next block **as long as its offer is not above the Reserve Price**. The TPBAC emphasizes that it **does not want an unmet capacity** with this CSP.

- iv. The EOI documents sent to the Secretariat **still need to be resubmitted** as part of the bid documents during the Opening of Bids.

F. The following follow-up questions were propounded after the presentation of Bid Bulletin 003:

Bidder	Query / Comment	TPBAC Answer
PCPC	Kindly reveal the Reserve Price before the Opening of Bids. We are contemplating for bidders to be given chances to withdraw if they cannot beat the Reserve Price.	The TPBAC makes a note on this and shall refer up to the CEO and President for approval.
PEDC	Is the power plant consumption considered? We propose a degradation factor.	Yes, it considers the consumption rate. For convenience and simplicity, the TPBAC advises bidders to incorporate other factors on the base price.
TVI	Our questions regarding PSA were not responded to in Bid Bulletin 003.	Due to the peculiarities of the PSA with each individual bidder, the TPBAC shall engage only with the winning bidder.
TVI	Is the PSA still open for negotiation?	Yes.
PEDC	Are there already respondents for RPS?	For RPS, there are still ongoing revisions for the ITB and financial proposal. The TPBAC not only considers the price offer, but also the capacity factor as MORE is after the REC credits compliance. A multi-criteria decision analysis is being formulated to allow REs of differing technologies to have, to as much extent as possible, a level playing field.  As of the moment, Joy-Nostalg Solaris, Inc. and FDC Misamis are joining for RPS.
PCPC	What's the reason why the RPS capacity seems to be an "unusual number?"	It is due to the proposed embedded generators of MORE Power.
PCPC	We respectfully request the ITB for RPS.	The ITB sent to bidders already incorporates both baseload and RPS. However, there are ongoing revisions to be incorporated in the FITB for RPS-specific items.
PCPC	For RPS, if the power plant is still not operational by the date of delivery, can bidders provide WESM + REC credits?	Yes.



**VI. OTHER MATTERS**

- A. Ms. Lao of LEDIP expressed her appreciation for being invited as a CSP observer and the transparency of the TPBAC to invite observers to witness the proceedings. The TPBAC expresses its gratefulness to LEDIP for recognizing the diligence of the TPBAC in looking out and ensuring a fair CSP.
- B. Ms. Abellar of PCCI queried if there are new players that have joined the CSP. The TPBAC responded that TVI based in Cebu is a new player in this CSP.
- C. The TPBAC made mention that based on the current trends in the CSP, there is a lack of generation capacity in the country. The TPBAC took the opportunity to ask the help of the national government and the business sectors through PCCI to encourage more investors in order to have more competition.

**VII. ADJOURNMENT**

There being no matters left to discuss and on motion duly made and seconded, the conference was **adjourned at 3:28 p.m.**

Prepared by:

  
**JOHN DAVE V. JABATAN**  
Head Secretariat

Approved by:

  
**NIEL V. PARCON**  
Chairperson  
Third-Party Bids and Awards Committee