

**MORE-BAC-2025-001**

Supply and Installation of Two (2) Units 30/36 MVA Power Transformer

**TERMS OF REFERENCE**

**Section I: RATIONALE**

MORE Electric and Power Corporation (“**MORE Power**”) shall engage with the Contractor (**Contractor**) who shall provide, supply, deliver, haul, assemble, install, test/commission the proposed two (2) units of 30/36 MVA Power Transformer (hereinafter referred to as the “**Project**”), intended for Megaworld and General Hughes Substations, under its own control and method and shall be responsible for the execution of the specific activities under the contracted agreement in accordance with the specified specifications and standards. MORE Power shall intervene only in the desired and agreed results of the specific activities under the contracted agreement.

**Section II: LOCATION AND SERVICES**

The **Contractor** shall provide, supply, deliver, haul, assemble, install, test/commission the proposed two (2) units of 30/36 MVA Power Transformer with respect to the Scope of Works as defined in Section III below at **MORE Power** designated area in Iloilo City.

**Section III: SCOPE OF WORKS**

To provide Engineering, Procurement, Construction, and Commissioning of the proposed two (2) units of 30/36 MVA Power Transformer Project to include the following:

**1. GENERAL REQUIREMENT:**

- a. Permit/LGU/DENR/DPWH and other Permits
- b. Safety Signages and Equipment Labeling
- c. As Built Drawings
- d. Schematic Diagrams
- e. Protection Manuals
- f. Maintenance & Operation Manuals
- g. Equipment Manuals
- h. Trainings
- i. Software, *as may be required to ensure functionality and operation of certain Contractor-supplied equipment and devices*

**2. ELECTRICAL WORKS:**

<b>2.1</b>	<b>SUPPLY, DELIVERY, INSTALLATION, TESTING AND COMMISSIONING OF TWO (2) UNITS 30/36 MVA POWER TRANSFORMER</b>		
<b>2.1.1</b>	<b>POWER TRANSFORMER</b>		
<b>2.1.1.1</b>	<b>Supply, Installation, Testing and Commissioning of Two (2) units 30/36 MVA Power Transformer, the</b>	<b>1</b>	<b>Lot</b>

Contractor shall supply, install, test and commission the two (2) units 30/36 MVA Power Transformer **identical** to the existing Megaworld power transformer in accordance with the Owner's requirement and Technical Data Sheets.

#### **Section IV: COMMERCIAL REQUIREMENTS**

1. Currency must be in **Philippine Peso (PhP)**.
2. Bid prices in the Bid Price Schedule must be inclusive of Value-Added Tax (VAT)
3. Project Completion (Delivery):
  - a) Delivery – within **Two Forty (240) calendar days** from receipt of Notice to Proceed.

Delivery Location: Iloilo Business Park, Mandurriao & General Hughes cor. Duran St., City Proper

4. Price Validity: **Ninety (90) calendar days** from date of closing of the bidding event.
5. Payment Schedule –
  - a) **Down Payment – Twenty percent (20%) of the contract Sum** payable within thirty (30) days from the issuance of Notice to Proceed and upon receipt of corresponding billing invoice, provided that, the **Contractor** submits an Irrevocable Standby Letter of Credit by a Commercial Bank or Down Payment Bond issued by a bonding company acceptable to **MORE Power**.
  - b) **Progress Billing**
    - a. Thirty percent (30%) shall be payable within thirty (30) days after Factory Acceptance Test and issuance of Acceptance Certificate signed by the CLIENT's authorized representative and upon receipt of CONTRACTOR's corresponding Billing Invoice. CLIENT shall pay the CONTRACTOR the equivalent amount less recoupment of twenty percent (20%) advance payment and less the ten percent (10%) retention.
    - b. Thirty percent (30%) shall be payable within thirty (30) days after the delivery of the equipment in Iloilo City and issuance of Certificate of Delivery, signed by the CLIENT's authorized representative and upon receipt of CONTRACTOR's corresponding Billing Invoice. CLIENT shall pay the CONTRACTOR the equivalent amount less recoupment of the twenty percent (20%) advance payment and less the ten percent (10%) retention.

- c. Forty percent (40%) shall be payable within thirty (30) days upon delivery, installation, and commissioning of the equipment and issuance of Certificate of Project Completion signed by the CLIENT's authorized representative and upon receipt of CONTRACTOR's corresponding Billing Invoice. CLIENT shall pay the CONTRACTOR the equivalent amount less recoupment of the twenty percent (20%) advance payment and less the ten percent (10%) retention.
- c) **Retention** – The Owner shall be entitled to withhold the amount equivalent to ten percent (10%) of the Contract Sum and shall retain the same pending complete fulfillment by the Contractor of all its obligations under the Agreement (“Retention Money”). The Retention Money shall be released upon issuance of Project Final Acceptance, or, in the alternative, upon posting by the Contractor of a Surety Bond in an amount equivalent to the Retention Money, issued by a Bonding Company acceptable to MORE Power.

## **Section V: BIDDER REQUIREMENTS**

The following documents must be submitted by the **Contractor** during the bidding proper:

1. Valid joint venture agreement, *if any*
2. List of at least three (3) existing major clients for the last five (5) years;
3. DTI/SEC/CDA Registration Certificate;
4. Updated Mayor's/Business Permit;
5. BIR Form 2303;
6. Valid Tax Clearance or Sworn Application for Tax Clearance with previously issued Tax Clearance;
7. Philippines Contractor Accreditation Board (PCAB) License category “B” or higher, with SP-EE (Electrical Works) specialization category “B” or higher;
8. Latest Income Tax Return;
9. Latest Business Tax Return (VAT or percentage tax);
10. Statement of all ongoing and completed government and private contracts, including contracts awarded but not yet started of projects similar to the contract to be bid.
11. Statement of the bidder's Single Largest Completed Contract (SLCC) within the past ten (10) years, which shall have a contract cost of *at least* fifty percent (50%) of the Approved Budget for the Contract (ABC) and similar to the contract to be bid. The SLCC shall be inclusive of VAT and taken at face value (*e.g.* not subject to price adjustments or escalation for projects completed in the past years);

For purposes of Item 9 and 10, “similar” shall mean Contracts which have the same major categories of the scope of works, which shall be the following:

## Supply and Installation of Two (2) Units 30/36 MVA Power Transformer

### Terms of Reference

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- a) Experience in supply, delivery, transport, logistics, and installation of a power transformer (mobile substations included) of *at least* 10 MVA and 69 kV at the high side.
- b) Experience in testing & commissioning of a power transformer (mobile substations included) of *at least* 10 MVA and 69 kV at the high side.
- c) Experience in dealing with associated power transformer accessories necessary for its ideal protection and energization.

12. 2023 Audited Financial Statements stamped “received” by the BIR or electronic submission with receipt duly acknowledge by the BIR;
13. 2024 Audited Financial Statements stamped “received” by the BIR, *if available*, or unaudited 2024 Financial Statements duly certified by the Company’s President, CEO, or highest-ranking officer;
14. Monthly Statement of Cash Flows for the past six (6) months or interim or latest Financial Statements in lieu of the cash flow; and
15. Cash flow forecast for the next twelve (12) months;
16. Computation of Net Financial Contracting Capacity (NFCC). However, a bidder may submit a committed Line of Credit from a Universal or Commercial Bank, in lieu of its NFCC computation.

The computation of a bidder’s NFCC must be at least equal to the ABC to be bid, calculated as follows:  $NFCC = [(Current\ assets\ minus\ current\ liabilities)\ (15)]$  minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

The NFCC computation shall be determined for both the 2023 Audited Financial Statement and the Audited/Unaudited 2024 Financial Statements.

### Section VI: BID PRICES

The **Contractor** shall complete the appropriate Bid Price Schedule stating the unit prices, the total amount to be undertaken under the Contract, as well as the offered brand as maybe applicable.

### Section VII: DELIVERY TIME

The **Contractor** shall complete the performance of the Scope of Works within **Two Hundred Forty (240) calendar days** from the date indicated in the Notice to Proceed (NTP). Failure by the **Contractor** to meet the guaranteed completion date shall make the **Contractor** liable for liquidated damages.

For avoidance of doubt the following terms shall have the following meaning:

1. **Project Provisional Acceptance** – certificate issued upon completion of at least 95% of the Project provided that the substation is energized or is ready for energization.

2. **Project Completion** – certificate issued upon 100% completion of the Project.
3. **Project Final Acceptance** – certificate issued after the three (3) year Defects Liability Period.
4. **Defects Liability Period** – is the period from issuance of Project Completion to issuance of Project Final Acceptance.

### **Section VIII: LIQUIDATED DAMAGES**

Contract shall contain a provision on liquidated damages which shall be payable by the **Contractor** in case of breach thereof. The amount of the liquidated damages shall be at least equal to **one-tenth (1/10) of one percent (1%) of the total contract cost for every day of delay**. Once the cumulative amount of liquidated damages reaches **ten percent (10%)** of the amount of the contract, **MORE Power** may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances.

### **Section IX: DOCUMENTATION**

Document to be submitted by the **Contractor**:

1. Shop Drawings
2. Design and Construction Drawings
3. As-Built Drawings
4. Test Results
5. Operation Manuals
6. Equipment Manuals
7. Maintenance Manuals
8. Certificate of Training Conducted

### **Section X: OTHER WARRANTIES**

1. The Parties intend that an independent contractor-employer relationship shall be created. **MORE Power** is interested in the result to be achieved. The Contractor shall have entire charge, control, and supervision over the works and services herein agreed upon and shall regularly monitor the performance of the employees to ensure quality of works.
2. It is agreed and understood that the **Contractor** shall have the exclusive authority to select, engage, and discharge its employees or otherwise direct and control their services. The determination of wages and salary or compensation of its employees shall be within its full control.
3. In the performance of the agreed services, the **Contractor** shall deploy and assign enough trained and experienced employees to carry out the works in accordance with the terms of the contract.

4. The **Contractor** shall provide its employees with appropriate identification cards, appropriate uniforms, safety equipment and tools, and personal protective equipment (PPE). The Contractor shall ensure that its employees have undergone the necessary environmental and health and safety trainings for the type of services they are to perform.
5. The **Contractor** shall hold **MORE Power** free and harmless from any and all damages, injuries, liabilities, suit, claims, losses, cost/and or expenses (including attorney's fees) arising from Contractor's non-compliance with the requirements stated herein and from negligent or deliberate acts of the Contractor's employees while in the performance of their duties.
6. The **Contractor** shall be answerable or accountable for the accident or any injuries or death which may occur to any of its employees during the performance of the works under the contract.
7. To the extent permitted by law, **MORE Power's** maximum aggregate liability to the Contractor for damages arising out of or relating to this Project whether based upon contract, tort, delict, strict liability, breach of statutory duty or any other basis for liability, shall not exceed the total value of the contract to be paid under this Agreement.
8. The **Contractor** may not subcontract or assign any of its rights, responsibilities or obligations under the Contract, either in whole or in part, to any third party without the prior written consent of **MORE Power**.

#### **Section XI: VALIDITY AND SAVING CLAUSE**

If any provision of the **TOR** shall be void or unenforceable for any reasons, such provision shall be ineffective to the extent of that voidability or unenforceability without invalidating the remaining provisions thereof, provided however that the Parties shall replace any void or unenforceable provision by valid and enforceable language as come nearest to the original provision in economic impact and intent.

**MORE Power** may terminate the **Contract** in whole or in part at any time if it has determined the existence of conditions that make contract implementation economically, financially, or technically impractical and/or unnecessary.