

## TERMS OF REFERENCE TABLE

Contract Type	Physical
Supply Type	Baseload
Source of Power	Open/Conventional Technology
Contract Term	10 Years
Delivery Start Date ("DSD")	26 October 2026, or Upon ERC Approval, whichever comes later.
Contract Period and Contract Capacity	26 October 2026 to 25 February 2029 : 12 MW 26 February 2029 to 25 October 2036 : 27 MW
Firm Minimum Contract Energy	12MW: 68,328.000 MWH @ 65% Capacity Factor 27MW: 153,738.000 MWH @ 65% Capacity Factor <i>Notes:</i> 1. Minimum Dispatch per Interval at 50% of Contracted Capacity. 2. Minimum 65% Capacity Factor per Billing Period 3. See Annex 3, Contract Specifications, for Minimum Contract Energy per year
Contract Price Structure	Bidder shall provide the Contract Price/Tariff structure: 1. Two-part Tariff consisting of Fixed and Variable Costs 2. Capital Recovery Fee component of the Tariff should be fixed for the whole Contract Period and in Philippine currency 3. No Take-or-Pay on Variable Costs, which includes Fuel and VOM 1. Bidder's Proposed Price (for the first Contract Year) and its Levelized Cost of Electricity (LCOE) are both subject to a pre-determined Reserve Price, which will only be revealed to Qualified Bidders during the opening of the Bids
Discounts	Any Prompt Payment Discount ("PPD") and Power Factor Discount ("PFD") offered by Bidder/Supplier will be considered in the determination of the Bid Price.
Delivery Point/s	AEC Metering Point at Mexico S/S or other Metering Point/s as may be identified during the contract term.
Nominated Power Plant	Bidder must identify the proposed power plant ("Nominated Power Plant"), and its location. 1. The Nominated Power Plant must be already in operation. 2. The Nominated Plant must be capable of supplying the Contract Capacity and Contract Energy to AEC for the duration of the Contract Period beginning on target Delivery Start Date, net of energy and capacity already contracted to other off takers. 3. In relation to the Nominated Power Plant, Bidder must provide evidence that the Bidder or its direct shareholders, is the owner of, or Controls, the Nominated Power Plant and has sufficient authority to enter into a power supply agreement with AEC. 4. The Nominated Power Plant must be registered as a direct member of the Wholesale Electricity Spot Market ("WESM"). 5. The Nominated Power Plant must have a Certificate of Compliance valid for at least six (6) months from date of Bid Opening.

	6. Bidder shall provide the latest available one (1) year WESM Nodal Prices where the Nominated Plant is located or connected, and which shall be used to determine the Line Rental value.
Outage Allowance ("OA")	Outage Allowance are as follows: 1. Scheduled OA not exceeding Seven Hundred Twenty (720) hours 2. Unscheduled OA not exceeding Three Hundred Sixty (360) hours 1. No carry-over of OA
Replacement Power	1. If deliveries have not commenced as scheduled, Power Supplier shall, for each day of delay, procure Replacement Power up to contracted capacity to be paid by AEC at the lower between load-weighted average WESM price and the Contract Price. 2. After start of deliveries and beyond Outage Allowance, Replacement Power will be provided by Power Supplier and paid for by AEC the lower between load-weighted average WESM price and the Contract Price.
Assignment or Transfer of Contract Capacity	The Contract Capacity and Associated Energy that is no longer required by AEC may be assigned or transferred to another entity.
Reduction in Contract Capacity	The Contract Capacity and associated Energy may be reduced equivalent to the reduction in the demand of captive customers 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, Sections 17 and 18 of ERC Rules Governing Distributed Energy Resources <sup>3</sup> and other similar Laws, Rules and Regulations.
Penalties for Delay in Start of Deliveries	If the Delivery Start Date, as approved by ERC, is not met by Supplier: 1. For every day of delay from Delivery Start Date, Supplier shall provide Replacement Power at the lower between load-weighted average WESM price and the Contract Price; 2. If Supplier cannot provide replacement power on Day 1 of contract term, the Performance Security shall be forfeited, and Supplier must replenish the Performance Security within ten days from Day 2 of contract term. 3. If no delivery commenced by Day 60 of delay, the replenished Performance Security shall also be forfeited, and the PSA will be terminated.
Grounds for Termination	The following are grounds for termination: 1. Event of Default 2. Non-Fulfilment of Conditions to Effective Date 3. Non-Occurrence of DSD 4. Certain events of Force Majeure 5. 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 date of deadline for the submission of bids.

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

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

<sup>3</sup> ERC Resolution No. 11, Series of 2022

Bid Security	<p>Bidder shall submit a Bid Security in accordance with the following:</p> <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 Angeles Electric Corporation.</li> <li>2. The Bid Security amount shall be the cost of a 3-month energy supply at 65% Capacity Factor computed as follows: 17,082,000 kWh x Bidder's Price Proposal per kWh.</li> <li>3. The Bid Security should be valid for One Hundred Eighty (180) days from date of 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. AEC shall settle all power bills in Philippine Peso.</li> </ol>
Performance Bond	<p>Winning Bidder shall post a Performance Bond, as a <i>condition precedent</i> to the signing of the PSA, in accordance with the following:</p> <ol style="list-style-type: none"> <li>1. The Performance Bond shall be the cost of a 3-month energy supply at 65% Capacity Factor computed as follows: 17,082,000 kWh x Bidder's Price Proposal per kWh.</li> <li>2. The Performance Bond shall be in the form of Cash, Manager's/Cashier's check from a reputable bank, or a Stand-By Letter of Credit (SBLC) from a reputable bank, payable to Angeles Electric Corporation.</li> <li>3. The Performance Bond should be valid until 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 need for clearance or approval from winning bidder.</li> <li>5. The Performance Bond must provide for a contact person and 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 PSA is not terminated, Winning Bidder shall post another Performance Bond.</li> <li>7. The Performance Bond will be returned to the Supplier upon start of actual delivery.</li> </ol>
Lock-up Provision	<p>The Winning Bidder shall not be allowed to sell or assign the executed PSA resulting from a successful CSP to any other entity.</p>
Power Supply Agreement (PSA)	<p>The pro-forma PSA template supplied with the Bid Package shall be used as primary reference.</p> <p>The winning Bidder is expected to sign the PSA without or with minimal revisions to the provisions.</p>
Joint Filing to ERC	<p>Winning Bidder, at the pain of forfeiting its performance bond, undertakes to make a Joint Filing with AEC to ERC for the approval of the PSA within the period prescribed in the ERC CSP Guidelines.</p>
Debarred & Cross-Debarred Firms	<p>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 &amp; Individuals list posted in the World Bank website (<a href="http://www.worldbank.org/debarr">www.worldbank.org/debarr</a>), whether as an individual contractor, partnership or corporation or as a member of a joint venture or consortium.</p>

No Outstanding Dispute	Bidder and any of its Affiliates must not have any Outstanding Dispute or pending/outstanding financial obligation/s with AEC, unless this disqualification is waived by AEC. 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 AEC, on the other.
Prohibited Acts and Agreements	AEC and the Bidders shall observe the highest standard of ethics during the CSP process and execution of the contract. Bidders and all those acting on their behalf are strictly prohibited from committing acts and agreements stated in Article VIII of ERC Resolution No. 16 Series of 2023.
AEC Supply Portfolio Management	To diversify AEC's supply portfolio and minimize supply disruptions, AEC will not consider offers from any Power Supplier when the Nominated Power Plant has an existing PSA with AEC. However, if the PSA of the Nominated Plant will expire on or before the Delivery Start Date, the Power Supplier can join the bidding.
Other Relevant Information	Should the AEC BAC receive less than <b>TWO (2) Expressions of Interest</b> by <b>4:00 pm of February 19, 2025</b> (Expression of Interest Deadline), the BAC shall declare a failure of Bidding.