TERMS OF REFERENCE
SPECIAL AUCTION ROUND FOR WASTE-TO-ENERGY (WTE)

The Department of Energy (DOE), through the Green Energy Auction Committee[1] (GEAC), issues this Terms of Reference (TOR) for the Special Auction Round for WTE[2] pursuant to Section 9.3 of the Department Circular (DC) No. DC2021-11-0036, entitled "Providing the Revised Guidelines for the Green Energy Auction Program (GEAP) in the Philippines," as amended (the "GEAP Guidelines").

This TOR includes the following annexes:

Annex A: Auction Design
Annex B: Bonds
- B1: Bid Bond
- B2: Performance Bond
  - B2.1: Irrevocable Standby Letter of Credit
  - B2.2: Drawing Certificate
  - B2.3: Surety Bond

Annex C: Instruction to Bidders
Annex D: Bidding Data, Forms, and Templates
- D1: Registration Form
- D2: Letter of Intent
- D3: Affidavit of Undertaking (No Legal Impediment and Good Faith)
- D4: Sample Secretary's Certificate
- D5: Sample Board Resolution
- D6: Bid Form, as applicable
- D7: Affidavit of Undertaking (To Deliver Offered Capacity on Committed Delivery Commencement Date)
- D8: Affidavit of Undertaking (Mechanical Completion)
- D9: Revised Work Program (WP)

Annex E: Available transmission capacity and location from **2027 – 2029**

1. GENERAL SUPPLY DESCRIPTION

1.1. The Special Auction Round shall be conducted exclusively for WTE projects employing thermal combustion technology and are Renewable Portfolio Standards (RPS)-eligible and qualified under Section 6.1 of the GEAP Guidelines. Please refer to DC No. DC2026-07-0015, titled "*Amended Framework for the Integration of Waste-to-Energy Facilities in the Country's Power Generation Mix*" for reference.

[1] The GEAC is the committee reconstituted pursuant to Section 11 of the GEAP Guidelines, with additional powers and functions set out in this TOR.
[2] As used herein, Special Auction Round for WTE refers to the competitive process of procuring RE supply undertaken pursuant to this TOR as set out in Rule 3 of the GEAP Guidelines.

1.2. Installation Target (MW)

Delivery Commencement Period (DCP)	Installation Target[3] (MW)
01 March 2028 to 31 December 2029	400.00

Provided, That the Winning Bidder shall achieve Mechanical Completion on or before 31 December 2028, where Mechanical Completion is defined as the stage of project implementation at which following have been completed: (1) the principal structural and permanent works of the facility are ready to facilitate the installation of major process equipment and auxiliary systems listed below; and (2) all of such major process equipment and auxiliary systems have been delivered to the project site:

a. Boiler System, including the boiler unit, furnace, fuel feeding system, ash handling system, and associated auxiliaries;

b. Emission Control System, including air pollution control devices such as electrostatic precipitators or bag filters, flue gas treatment units, stack, and continuous emissions monitoring systems (CEMS);

c. Steam Turbine-Generator System, including turbine, generator, condenser, and cooling system;

d. Electrical Systems, including the substation equipment, power transformers, switchgear, protection and control systems, and interconnection facilities;

e. Fuel Handling and Storage Systems, including conveyors, bunkers, silos, and material handling equipment; and

f. Auxiliary and Balance-of-Plant Systems, including water treatment systems, compressed air systems, fire protection systems, and instrumentation and control systems.

If a Winning Bidder fails to achieve Mechanical Completion, as defined herein, the DOE shall proceed against such Winning Bidder in accordance with Section 10.7.8 of this TOR.

Note: Summary of the available transmission capacity from 2027 – 2029 and corresponding locations is attached as Annex "E" for reference.

[3] The Installation Target refers to the megawatt capacity offered for subscription from WTE facilities utilizing the technology mentioned in Section 1.5 of this TOR.

1.3. Supply Delivery Period[4] (SDP)

1.3.1. Subject to Rule V, Section 11 of DC No. 2026-07-0015, Energy Regulatory Commission (ERC) Resolution No. 06, Series of 2025, and the Rules on Entitlement to Green Energy Tariff[5] (GET) in the table set forth in Section 1.4.3 of this TOR, the SDP for any GEA Winning Bidder shall be twenty-five (25) years.

1.3.2. Notwithstanding the twenty-five (25)-year SDP, Winning Bidders[6] shall be entitled to GET only if they are compliant with applicable rules, regulations, and other issuances of the DOE, including DC No. DC2024-06-0018[7], and amendments thereto, and the material terms and conditions under its Biomass Energy Operating Contract (BEOC) or Waste-to-Energy Operating Contract (WTEOC).

1.4. Delivery Commencement Date (DCD) and Commercial Operation Date (COD)

1.4.1. The DCD refers to the committed delivery date in the bid offered by the Winning Bidder, following the format YYYY/MM/DD, subject to the terms provided in Section 14 of this TOR.

1.4.2. The COD refers to the date of the start of commercial operation of the WTE facility, which is upon issuance of the Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) from the ERC, and notice of such commercial operations in the Wholesale Electricity Spot Market (WESM). The COD shall be the basis for eligibility for payment of the GET, which shall commence only upon effectivity of the COC or PAO, ensuring alignment with applicable ERC rules and regulations: *Provided,* That payment of GET shall not be made for the power generated at any specific duration of time during the SDP without a valid COC or PAO.

1.4.3. The following rules on the entitlement to GET shall apply: *Provided*, That the payment of the GET shall commence upon effectivity of the COC or PAO consistent with Section 1.4.2 of this TOR.

[4] "Supply Delivery Period" refers to the years which the Offered Capacity will be delivered. Unless other provided in this TOR, the SDP shall commence upon COD.
[5] The GET refers to the price, in PhP/kWh, resulting from the conduct of each Green Energy Auction corresponding to each Winning Bidder on a pay-as-bid basis.
[6] Winning Bidders are those Qualified Bidders determined to have the most responsive bids or offers in the Special Auction Round for WTE that subscribed the Installation Target, declared as such in the Notice of Award, complied with Post-Auction Requirements, and issued with COA.
[7] "Revised Omnibus Guidelines Governing the Award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers."

Scenarios	Rules on Entitlement to GET
1. COD is before the DCD, but within DCP. (Ex. DCD – August 28, 2029 COD – July 30, 2029 DCP – March 01, 2028 – December 31, 2029	1. Upon COD, the Winning Bidder may be paid based on its GET upon submission of notice of GET availment to the following: a. DOE; b. National Transmission Corporation (TransCo) / GEA-ALL Fund Administrator; and c. Market Operator[8]. 2. The SDP shall be reckoned from the date specified in the above notice, subject to DOE validation that the Winning Bidder has no legal impediment to deliver the offered capacity from the date of GET availment.
2. COD is after the DCD and is not beyond the DCP. (Ex. DCD – August 05, 2029 COD – August 30, 2029 DCP – March 01, 2028 to December 31, 2029 GET may be availed but the Performance Bond (PB) shall be partially drawn.	1. Upon COD, the Winning Bidder may be paid based on its GET upon submission of notice of GET availment to the following: a. DOE; b. TransCo / GEA-ALL Fund Administrator; and c. Market Operator. 2. The SDP shall be reckoned from COD, subject to validation by the DOE that the Winning Bidder has no legal impediment to deliver the Offered Capacity from the date of GET availment. 3. However, the Winning Bidder's PB shall be partially drawn in accordance with Section 10.7.4 of this TOR.
3. COD is after the DCD and is beyond the DCP, where the delay is due to the fault of Winning Bidder.	• The Winning Bidder shall not be eligible to be paid based on its GET and its PB shall be drawn in full; the Certificate of Award (COA) and other documents issued in favor of the

[8] The Market Operator is the entity created or formed pursuant to RA No. 9136 mandated to implement the WESM.

Scenarios	Rules on Entitlement to GET
	Winning Bidder shall, after due notice, be revoked pursuant to Section 10.7.5 of this TOR.

1.5. Eligible WTE Technology Type

The Special Auction shall be conducted exclusively for WTE facilities employing thermal combustion technology to process municipal solid waste (MSW).

For the avoidance of doubt, the feedstock utilized in such WTE facilities shall be strictly limited to MSW and shall not be co-fired with other non-MSW feedstock, regardless of source of the latter.

1.6. Cost and Tariff Structure

From the COD, the amount payable to a Winning Bidder shall be in PHP/kWh corresponding to each Winning Bidder's GET, on a pay-as-bid basis but not more than the Green Energy Auction Reserved (GEAR) Price promulgated by the ERC, subject to a one-time adjustment in accordance with Section 17 of the GEAP Guidelines.

The adjustment shall account for the period between the date of COA and the DCD of the WTE facility. In cases where the delay in attaining the DCD is attributable to Force Majeure events, i.e., the WTE facility does not achieve commercial operations on DCD, the adjustment shall be computed up to the COD. However, if the delay is due to the default of the Winning Bidder, the adjustment shall be limited to the period from the date of COA to DCD.

2. REGISTRATION OF QUALIFIED SUPPLIER

2.1. Registration Period of Qualified Suppliers

The Registration Period for Qualified Suppliers shall commence on the date immediately following the issuance of Green Energy Auction Reserve (GEAR) Price by the ERC and shall end on 31 July 2026. Only those registration requirements filed on or before 03:00 pm of the last day of the Registration Period shall be considered and accepted.

2.2. Registration Requirements and Procedures

2.2.1. In accordance with Rule V, Section 9 of DC No. DC2025-07-0015, a Qualified Supplier refers to an RE Developers/Generators whose WTE Operating Contract (WTEOC) or Biomass Renewable Energy Operating Contract (BREOC)/Biomass Energy Operating Contract (BEOC) was awarded, or the assignment thereof was approved, pursuant to the Omnibus RE Guidelines or the Revised Omnibus RE Guidelines, as applicable, including any amendments thereof, on or before the end of the registration period under the applicable Terms of Reference, and who are eligible to participate in the GEA as determined by the Green Energy Auction Committee under Section 6.1 of the GEAP Guidelines, as amended, may participate in the Special Auction Round for WTE.

For the avoidance of doubt, an RE Developer whose BREOC/BEOC (1) was awarded prior to the effectivity of the Revised Omnibus RE Guidelines and (2) has a development scheme for biomass technology, shall not be deemed a "Qualified Supplier" for purposes of the Special Auction Round for WTE unless all of the following requirements are complied with:

(1) The RE Developer's BREOC/BEOC has a development scheme for WTE utilizing thermal combustion technology to process MSW;

(2) The DOE approved the change in development scheme, in accordance with the Revised Omnibus RE Guidelines, after determining that the following requirements had been satisfactorily met:

a. Proposed Work Program covering the activities to be undertaken to complete the amendment from a biomass project to a WTE project, taking into consideration the attainment of Commercial Operations on or before 31 December 2029; and

b. Completed Feasibility Study, which shall include a Waste Analysis and Characterization Study (WACS); and

(3) The change in the development scheme was approved by the DOE on or before the end of the Registration Period.

Likewise, an RE Developer holding a WTEOC but employing non-thermal combustion technology shall not be eligible to participate in the Special Auction Round for WTE unless such RE Developer complies with the foregoing requirements.

Moreover, any disqualification to participate in the Special Auction Round for WTE shall not be cured by the submission of a WTEOC/BEOC that was awarded after the end of the Registration Period.

2.2.2. The Qualified Supplier intending to register in the Special Auction Round, shall submit the following documents electronically through gea.wte@doe.gov.ph, copy furnished Records Management Division through recordsreceiving.gea@doe.gov.ph:

2.2.2.1. A duly filled out Registration Form prescribed in Annex "D1", together with the required attachments;

2.2.2.2. Letter of Intent (LOI) to participate in the auction, addressed to the Chairperson of the GEA-Bids Evaluation and Awards Committee (BEAC) following the prescribed template in Annex "D2";

2.2.2.3. A duly notarized Affidavit of Undertaking, which shall comply with the prescribed template in Annex "D3", declaring that there is no legal impediment to the implementation of the project under the Special Auction Round for WTE;

2.2.2.4. A duly notarized Secretary's Certificate or Board Resolution designating (i) the signatory of the above documents as the Qualified Supplier's Authorized Representative, authorized to execute and file the same and participate in this auction for and on behalf of the RE Developer, (ii) the Alternate Authorized Representative, and (iii) the Observer for the Qualified Supplier, which shall comply with the prescribed templates in Annexes "D4" and "D5", respectively;

2.2.2.5. A duly executed Affidavit of Undertaking (Mechanical Completion), which shall comply with the prescribed template in Annex "D8", declaring its commitment to achieve Mechanical Completion of the WTE Project in accordance with Section 1.2 of this TOR; and

2.2.2.6. A Revised Work Program (WP), which shall comply with the prescribed template in Annex "D9", showing timeline of activities to achieve commercial operations on DCD.

For the avoidance of doubt, only those Registration Documents submitted by entities that have been determined as Qualified Suppliers shall be accepted.

2.2.3. For WTE projects which shall be developed in phases, the Qualified Suppliers may submit registration requirements on a per-phase basis: *Provided*, That each phase has specific DCD, a dedicated metering facility, and single revenue meter.

2.2.4. The complete registration requirements in ".zip" format with the applicable file name indicated below shall be attached to the email with a subject title (see examples below).

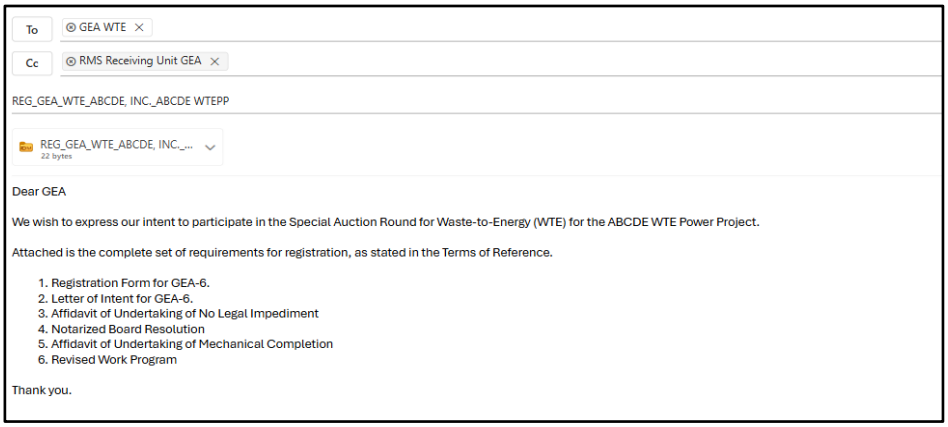
File Name and Subject Title: (Example for WTE)

REG_GEA_WTE_ABCDE, INC._ABCDE WTEPP (for Whole Facility)
REG_GEA_WTE_ABCDE, INC._ABCDE WTEPP_PH1 (for Phasing)
REG_GEA_WTE_ABCDE, INC._ABCDE WTEPP_PH1_UnitNo.1 (for Specific Unit)

Note:

- Waste-to-Energy Power Project (WTEPP);
- The Company Name should be abbreviated (e.g., ABCDE, INC.);
- Indicate in the File Name and Subject Title the Phase No. and/or Unit No., if applicable; and
- The File Name and Subject Title should be less than 200 characters.

Example:



2.2.5. The “Received” email timestamp shall be the basis for determining the timeliness of filing. An auto-generated email acknowledgment to the Qualified Supplier shall serve as notice of DOE’s receipt of the submission.

2.2.6. Should there be multiple submissions with the same subject title, only the documents submitted through the last email and received within the Registration Period shall be considered for evaluation.

3. PRE-BID EVALUATION

3.1. Determination of Qualified Bidders[9]

The Pre-Bid Evaluation shall consist of the following:

3.1.1. Evaluation of eligibility as Qualified Supplier and Registration Documents; and

3.1.2. Evaluation of Revised WP.

3.2. Evaluation of Eligibility as Qualified Supplier and Registration Documents

The GEAC-Technical Working Group (TWG) shall evaluate the registrants' compliance with Section 2.2.1 of this TOR and conduct an evaluation of the Registration Documents, specified in Sections 2.2.2.1 to 2.2.2.5, within three (3) working day from the last day of the Registration Period. In the evaluation of the Registration Documents, the GEAC-TWG shall assess the submissions and render a "Pass" or "Fail" mark based on the completeness and acceptability of the submission of the registrants.

Failure to submit any required documents, or submission of unacceptable documents (e.g., unnotarized when notarization is required) shall be grounds for disqualification: Provided, That instruments executed outside the Philippines which are not apostilled shall be accepted if the Qualified Supplier's Affidavit of Undertaking (No Legal Impediment and Good Faith) includes an undertaking to submit the original apostilled documents within thirty (30) calendar days from the last day of the Registration Period.

3.3. Notification to Qualified Suppliers with Deficient Registration Documents

Within one (1) working day from the evaluation mentioned in Section 3.1 of this TOR, the GEA-BEAC shall notify in writing the Qualified Suppliers who failed to comply with the registration requirements, stating therein the grounds for disqualification.

3.4. Filing of Request for Reconsideration

The disqualified registrant/Qualified Supplier may file a Request for Reconsideration (RR) with the GEA-BEAC within three (3) working days from receipt of the written notification mentioned in Section 3.2 of this TOR. All relevant supporting documents must be submitted along with the RR. Upon receipt of the RR, no additional supporting documents shall be accepted. The GEA-BEAC shall resolve the RR within three (3) working days from receipt thereof.

[9] "Qualified Bidders" refers to Qualified Suppliers who have been notified of their qualifications and have been furnished user-specific electronic identification (ID) to be used for the auction in accordance with Section 9.9 of the GEAP Guidelines.

In resolving the eligibility of a registrant to be a Qualified Supplier, the status of the registrant as of the date immediately preceding the start of the Registration Period shall be the sole consideration. The decision of the GEA-BEAC on the RR shall be final and executory.

3.5. Evaluation of Revised WP vis-à-vis Proposed DCD

On the date of issuance of the Notification to Qualified Suppliers with deficient registration documents mentioned in Section 3.3 of this TOR, the GEAC-TWG shall commence evaluation of the Revised WP and proposed DCDs of Qualified Suppliers whose Registration Documents, specified in Sections 2.2.2.1 to 2.2.2.5, were initially found in order. The evaluation of Revised WP of Qualified Suppliers with deficient registration documents shall be conducted only after the procedure set forth in Sections 3.1 to Section 3.4 of this TOR is completed.

The evaluation of the timeline of activities under the Revised WPs of registrants shall be completed within a period of three (3) working days, reckoned from the date of the determination of Qualified Suppliers whose Registration Documents were found in order.

3.5.1. The evaluation shall be conducted by the GEAC-TWG. The GEAC-TWG shall render a "Pass" or "Fail" mark based on whether the proposed DCD can be achieved considering the work accomplishments and works yet to be undertaken by the registrant. The GEA-BEAC shall validate the initial evaluation using the same criteria. The final decision on the acceptability of the Revised WP shall rest with the GEA-BEAC.

3.5.2. If, upon evaluation, it is found that the Revised WP of a registrant is not reasonably supported by the work accomplishments and the works yet to be undertaken based on Annex “D9”, the registrant/Qualified Supplier shall be given a one (1)-time opportunity to rectify its Revised WP, regardless of the number of items to be rectified. For this purpose, the GEAC-TWG shall endorse to the GEA-BEAC the issuance of a notice requiring the registrant to modify its timeline for undertaking the WTE project activities. The GEA-BEAC shall issue the Notice to Rectify Revised WP within three (3) working days from the last day of the period for evaluation mentioned in Section 3.5 hereof. The rectification shall be through a Revised WP using the template in Annex “D9” and submitted to the GEA-BEAC within five (5) calendar days from receipt of notice.

3.5.3. Evaluation of the rectified Revised WP shall follow the same procedure provided under Section 3.5.1 of this TOR and shall be completed within the same period mentioned in Section 3.5, paragraph 2, reckoned from the last day of the period to submit rectifications.

3.5.4. Failure to submit the rectified Revised WP within the prescribed period or a finding by the GEA-BEAC, upon recommendation of GEAC-TWG, that the rectified Revised WP is not acceptable, shall result in the disqualification of the relevant Qualified Bidders.

3.5.5. After the GEA-BEAC has resolved all RRs and completed the evaluation of the Revised WP and, if applicable, the rectified Revised WP, the GEA-BEAC shall proceed with the posting of list of Qualified Bidders set forth below. Upon such posting, the Qualified Bidders shall not be allowed to change, vary, or otherwise modify its proposed DCD, subject to Section 13 of the TOR.

3.5.6. If all Revised WP of Qualified Suppliers are accepted without need for rectification, the periods allotted for submission of rectified Revised WP and the evaluation thereof shall be dispensed with, and the GEA-BEAC shall proceed with the posting of list of Qualified Bidders set forth in Section 3.6 below.

3.6. Posting of List of Qualified Bidders

On the working day immediately after the resolution of the RR, the GEA-BEAC shall post the list of Qualified Bidders on the DOE website and notify such Qualified Bidders via emails.

4. PRE-BID CONFERENCE

4.1. The GEA-BEAC shall conduct a virtual Pre-Bid Conference, the schedule of which shall be posted on the DOE website.

4.2. Qualified Bidders are entitled to participate in the Pre-Bid Conference. Other stakeholders may attend the Pre-Bid Conference upon submission of a request therefor. The meeting link for the Pre-Bid Conference shall be provided through electronic mail.

4.3. Qualified Bidders shall have one (1) working day after the issuance of List of Qualified Bidders within which to submit their comments, inputs, or queries on the TOR, its Annexes, and other relevant details of the auction. Any comments submitted after the deadline shall not be accepted. In preparation for the Pre-Bid Conference, the GEAC-TWG shall have three (3) working days from the submission of the comments, inputs, or queries to consolidate, review, and prepare the proposed responses thereto and submit the same to the GEA-BEAC. The GEA-BEAC shall have two (2) working days from receipt of the GEAC-TWG submission for their review and approval.

4.4. The Pre-Bid Conference shall address those comments, inputs or queries that were timely received. Qualified Bidders may also raise questions, comments or clarifications on the TOR, its Annexes and other relevant details of the auction during the Pre-Bid Conference, which may be addressed directly therein. Clarifications from participants arising from the matters discussed during the Pre-Bid Conference shall be accepted until 5:00 pm on the date of the Pre-Bid Conference. Additional comments, inputs, or queries that are not directly related to the matters discussed during the Pre-Bid Conference shall not be accepted or considered.

4.5. All comments, input, or queries shall be submitted through the GEA official email. Thereafter, the GEA-BEAC shall resolve the comments/clarifications on the TOR, its Annexes, and other relevant details of the auction, as evaluated and consolidated by the GEAC-TWG.

4.6. The GEA-BEAC shall issue a Bid Bulletin to be posted on the DOE website not later than five (5) working days from the date of the Pre-Bid Conference containing the results of the Pre-Bid Conference, including any modification or amendment of the TOR and related documents as may be necessary. Such Bid Bulletin shall be signed by the GEA-BEAC Chairperson and shall be issued upon endorsement, through the GEAC, to the Secretary for approval.

5. BID BOND[10]

5.1. Posting of Bid Bond

5.1.1. Submission of Proof of Posting of Bid Bond

After the posting of Bid Bulletin mentioned in Section 4.6 of this TOR, Qualified Bidders shall have two (2) working days within which to submit their Proof of Posting of Bid Bond, in PDF file, through the GEA email at gea.wte@doe.gov.ph. Submissions shall be accepted until 12:00 NN of the same working day.

After the Auction Proper, Qualified Bidders shall submit the original copy of the Bid Bond within one (1) working day, through the DOE-RMD, addressed to:

Undersecretary Felix William B. Fuentebella
Green Energy Auction – Bids Evaluation & Awards Committee
Department of Energy
4th Floor, Bldg. 5, Energy Center, Rizal Drive
Bonifacio Global City, Taguig City
Telephone: (632) 8479-2900

5.1.2. Form and Validity of Bid Bond

[10] A Bid Bond is an instrument procured by Qualified Bidder that guarantees non-withdrawal of bids submitted, submission by such Bidder of Post-Auction Requirements within the prescribed period, and other conditions specified in this TOR.

A Qualified Bidder shall post a Bid Bond, in the form of Cash, Manager's Checks, Surety Bond, or Irrevocable Standby Letters of Credit with drawing certificate or bank guarantees as detailed in Annex "B". The Bid Bond shall take effect on the date of the Auction Proper and should be valid for one hundred twenty (120) calendar days: *Provided,* That the Bid Bond shall be extended for such period as may be required by the GEA-BEAC, upon endorsement of the GEAC-TWG, to cover any period of delay in conducting the Auction Proper. Should this be necessary, a Bid Bulletin shall be issued following the procedure set forth in Section 4.6 of this TOR.

Upon Submission of Post Auction Requirements and due validation thereof, the Bid Bond shall be released as provided in Section 5.2.3 of this TOR.

5.1.2.1. A parent company, partner, affiliate, subsidiary, or any other third party may be allowed to secure the Bid Bond "For the Account" of the Qualified Bidder. Bonds issued by foreign banks shall not be accepted, unless expressly confirmed or guaranteed by a duly authorized local banking institution.

5.1.2.2. The stated value of Bid Bond shall cover the Offered Capacity, as detailed in Section 6.3.4 of this TOR.

5.1.2.3. Qualified Bidders shall not be allowed to vary the Bid Bond after the electronic copy thereof is submitted to the DOE, unless required by the GEA-BEAC in accordance with Section 5.2.1 below.

5.2. Evaluation of Bid Bond

Bid Bonds shall be evaluated in accordance with the following:

5.2.1. Evaluation of Electronic Copy of Bid Bond.

5.2.1.1. Upon the lapse of the period for submission of the Proof of Posting of Bid Bond under Section 5.1.1 of this TOR, the GEAC-TWG shall have three (3) working days to conduct a formal and substantive evaluation on the electronic copies of Bid Bonds based on compliance of each Bid Bond with the prescribed template, stated amount, validity period and other matters set forth in Annex "B" of this TOR: *Provided,* That the stated value of the Bid Bond should not be less than the intended Offered Capacity.

The GEAC-TWG shall endorse the record of its findings to the GEA-BEAC. After review and due deliberation on the findings, the GEA-BEAC shall issue Notices of Bid Bond Deficiency, if any, to the Authorized Representatives of the concerned Qualified

Bidders within two (2) working days from the evaluation set out in the first paragraph of this Section 5.2.1.1.

Qualified Bidders shall rectify their deficient Bid Bonds within three (3) working days from receipt of Notice of Bid Bond Deficiency. Within three (3) working days from the lapse of this period, the GEA-BEAC, with the assistance of the GEAC-TWG, shall resolve whether to accept or reject the rectification on the Bid Bond. Qualified Bidders whose rectifications are rejected shall be disqualified from further participating in the auction. Qualified Bidders whose respective Bid Bonds were found in order shall be issued User-Specific IDs.

5.2.1.2. To ensure that the Offered Capacity of bids is fully covered by the stated value of the Bid Bond, the Electronic Bidding Platform shall only accept an Offered Capacity that is equal to or lower than the capacity covered by the Bid Bond.

5.2.2. Evaluation of Original of the Bid Bond

5.2.2.1. Within one (1) working day from the receipt of the original Bid Bond, the DOE-RMD pursuant to Section 5.1.1 of this TOR, shall transmit the original Bid Bond to the GEAC-TWG. Within one (1) working day from receipt thereof, the GEAC-TWG shall evaluate whether the submitted original Bid Bond is identical with the approved electronic copy of the Bid Bond in terms of content, format, stated amount, validity period, and signatures, and that it complies with the requirements under Annex “B” of this TOR.

5.2.2.2. Within two (2) working days from the evaluation as set out in section 5.2.2.1, the GEAC-TWG shall endorse to the GEA-BEAC the results of the verification, together with its findings on the conformity of the original Bid Bond.

Failure to submit a correct and acceptable original Bid Bond, including failure to correct incomplete pages or any discrepancy thereof with the electronic copy or rectified electronic copy, shall result in the endorsement of the concerned Bidder to the GEAC for disqualification from the auction. In such case, the next ranked bidders per ranking and stacking of offers as set forth in Section 8.2 of this TOR shall substitute the disqualified offer until the Installation Target is met.

5.2.3. The Bid Bond shall be released to the Winning Bidder upon the determination of the GEAC that the Post-Auction Requirements set forth in Section 10.6 of this TOR is in order.

5.3. Issuance of User-Specific IDs to Qualified Bidders

Within one (1) working day from the lapse of the period for evaluation of rectified electronic copies of Bid Bond, the GEAC-TWG shall issue User-Specific IDs to the respective authorized representatives of Qualified Bidders in accordance with Section 5.2.1.1 of this TOR. For this purpose, each Qualified Bidder shall create individual email accounts for each participating WTE project or phase thereof.

5.3.1. Unique IDs shall be issued to a Qualified Bidder for each of its participating WTE facility or phases thereof. The GEA email shall also contain the log-in credentials to the Electronic Bidding Platform for Bid submission.

5.3.2. It shall be the duty of the Qualified Bidder to: (a) acknowledge receipt of the GEA email; and (b) immediately change the default password of user-specific IDs.

5.3.3. The Qualified Bidder agrees that the Auction Proper shall not be delayed or postponed if it is unable to participate therein by reason of its failure to comply with this Section.

Upon Issuance of User-specific IDs, Qualified Bidders may log in twenty-four (24) hours before the start of the bidding process but may view only the landing page which contains the Installation Target and other relevant information regarding the Special Auction. Qualified Bidders may use this time to test any log-in or accessibility issues to the Electronic Bidding Platform. Any log-in or accessibility issue encountered shall be reported to the GEA Secretariat through gea.wte@doe.gov.ph or mobile phone number provided during the Pre-Bid Conference for immediate resolution.

6. AUCTION PROPER

6.1. Schedule of Activities

6.1.1. Auction Proper. The Auction Proper shall be held on the day following the end of the period for the issuance of User-Specific IDs. It shall commence upon the Opening of the Electronic Bidding Platform and shall terminate upon the acknowledgment by the GEA-BEAC that the bids stored in the Electronic Bidding Platform have been successfully archived: *Provided*, That the Auction Proper shall include the periods and activities resulting from Electronic Bidding Platform Contingent Events under Section 7 of this TOR.

6.1.2. Qualified Bidders shall place and enter their bids for WTE technology with the corresponding DCDs within the given timeframe, as shown below:

Auction Proper	
Opening of Electronic Bidding Platform	**9:00 AM**
Auction Start	**Auction End**
9:30 AM	9:45 AM
Closing of the Electronic Bidding Platform	10:00 AM
Archiving of Accepted Bids	

6.1.3. The Electronic Bidding Platform shall be opened at 9:00 AM until 10:00 AM. The Summary Page of Submitted and Accepted Bids shall be shown to the bidders and observers.

6.1.4. Observers during Auction Proper

6.1.4.1. The GEA-BEAC shall allow one (1) Observer designated by the participating Qualified Bidders in their Registration Form to be virtually present during the Auction Proper and observe the bidding process.

For this purpose, the proceedings of the GEA-BEAC in its conduct of the Auction Proper shall be viewed by Observers virtually: *Provided,* That access of the Observers to the meeting platform shall be limited to viewing relevant information only. A virtual meeting link shall be provided to the participating Qualified Bidders' respective Observers.

6.1.4.2. The GEA-BEAC shall invite representatives from ERC, MMDA, TransCo, and the Independent Electricity Market Operator of the Philippines (IEMOP) as Observers. Other government entities/instrumentalities may be invited, if, after due deliberation by the GEA-BEAC, their participation and/or inputs on the Auction Proper is deemed necessary or appropriate for the successful delivery of winning WTE projects.

6.1.4.3. Members of the GEAC may attend the Auction Proper as Observers.

6.1.4.4. Other DOE officials and relevant personnel may attend the virtual meeting on the Auction Proper, subject to technical limitations such as hosting capacity of the virtual meeting platform.

6.1.5. Submission of Observations during the Auction Proper

The Qualified Bidders' Observer and authorized representatives may submit their observations to the GEA-BEAC not later than one (1) working day after the Auction Proper. Observations shall be jointly signed by the Qualified Bidder's Observer and authorized representative.

6.2. Auction Platform and Procedures

6.2.1. This Special Auction shall be conducted through an Electronic Bidding Platform where Qualified Bidders will gain access to their bid submission interface using the provided user-specific IDs for each of their WTE projects.

6.2.2. The Electronic Bidding Platform shall feature a user interface with user-editable cells to enter the bids. The interactive Bid Form on the platform must be completed in the manner indicated therein with all the required information filled out correctly and accurately. Upon clicking the "Submit" button in the interface, the Qualified Bidder will be prompted to confirm its bid submission. Once the bidder has confirmed, its bid will be submitted, timestamped, and stored in the Electronic Bidding Platform's database.

6.2.3. Revisions to the submitted bids shall be allowed through the submission of new bids on the platform. Only the bid with the latest timestamp shall be considered in the ranking and stacking of offers. No revision shall be allowed beyond the submission period.

6.2.4. Qualified Bidders shall place their bids for each of their WTE projects being offered in the auction with capacity in MW with three decimal places, which shall be less than or equal to the Net Export Capacity[11] of the facility, price in PHP/kWh with four decimal places, and DCD through the Electronic Bidding Platform, using their user-specific IDs.

6.2.5. The Electronic Bidding Platform shall not accept a bid that is submitted beyond the closure of the submission of bids.

6.3. Submission of Bids.

6.3.1. Qualified Bidders may offer the capacity of WTE Facilities that are compliant with Sections 6.1.1 of the GEAP Guidelines.

6.3.1.1. Qualified Bidders shall offer the entire Net Export Capacity of its WTE Facility or a portion thereof in accordance with Section 5.2.1.2 of this TOR. Where only a portion of the capacity of the

[11] "Net Export Capacity" refers to the capacity to be delivered by the plant to the grid, as distinguished from "Gross Capacity", which refers to the total power that may be generated by the WTE Facility. On the other hand, "Offered Capacity" refers to the Net Export Capacity to be offered/offered during the auction.

WTE Facility will be offered, such portion shall be covered by a separate generating unit and wholly offered: *Provided*, That the said unit/s have a dedicated metering facility and corresponding revenue meter.

6.3.2. For a WTE project with Phased-In Delivery Commitment, for which specific user-IDs have been issued, a Qualified Bidder may submit its Offered Capacity and Price Offer per phase: *Provided,* That each phase has a dedicated metering facility and corresponding revenue meter.

6.3.3. Subject to Section 5.2.1.2 of this TOR, when a Qualified Bidder wishes to offer the capacity of a WTE Facility, such Qualified Bidder shall place a bid therefor in the following format: capacity in MW with three decimal places, price in PHP/kWh with four decimal places and supply, and DCD.

6.3.4. The Offered Capacity should be based on the Net Export Capacity of the WTE Facility.

6.3.5. Any Bid with a Price Offer higher than the GEAR Price and/or Offered Capacity that is beyond the capacity prescribed in Section 6.3.3 above shall be deemed non-responsive, shall be discarded automatically and shall not be included in the ranking mentioned in Section 8.2 of this TOR.

6.4. Receipt of Bids

6.4.1. Every successful bid submission shall generate a unique Bid ID in the Electronic Bidding Platform which shall likewise be provided within the platform to the bidder.

6.4.2. An automatically generated email shall be sent to the registered email address of the bidder to serve as confirmation of receipt of its bid submission.

7. ELECTRONIC BIDDING PLATFORM CONTINGENT EVENTS

7.1. If the Electronic Bidding Platform is not available on the date and time set for the Auction Proper:

7.1.1. The GEA-BEAC shall re-schedule the online auction, which shall be announced within two (2) working days from the original auction schedule.

7.1.2. If no schedule can be set for an online auction, the GEA-BEAC may proceed with the physical submission of bids. Within five (5) working days from the original auction date, the GEA-BEAC shall announce the date and venue for the physical or electronic submission of bids.

7.1.3. Submission of Bids Outside the Electronic Bidding Platform

7.1.3.1. The Qualified Bidders shall submit their bids on the specified date and time following the Bid Form provided in Annex "D6" of this TOR to the GEA-BEAC either physically or electronically, as the case may be.

7.1.3.2. If the GEA-BEAC requires the submission of bids through any other online submission or electronic means, the Qualified Bidder shall submit an electronic copy of its bid in a PDF file. An electronic copy that cannot be opened or is corrupted shall be considered non-responsive and, thus, automatically disqualified.

7.1.3.3. The GEA-BEAC shall open the Bids in public at the time, date, and place specified in a separate announcement to be made by the GEA-BEAC not later than thirty (30) minutes after the close of submission of bids. The Qualified Bidders' representatives who are virtually present shall sign a register manifesting their attendance. In case videoconferencing, webcasting, or other similar technologies will be used, the attendance of Qualified Bidders shall likewise be recorded by the GEA-BEAC Secretariat.

7.1.3.4. In case the Bids cannot be opened as scheduled due to reasons beyond the control of the GEA-BEAC, the rescheduling shall be announced through a Bid Bulletin to be posted on the DOE website.

7.2. If the Electronic Bidding Platform becomes unavailable at the time set for accessing the Summary of Submitted/Accepted Bids:

7.2.1. The GEA-BEAC shall set a new time and date for such access and renew the Qualified Bidders' login credentials for this new schedule.

7.2.2. If such online access is still unavailable, the GEA-BEAC shall schedule a presentation of the initial results in public.

8. EVALUATION OF BIDS

8.1. Opening of Bids

Immediately after the closure of the submission of bids, the GEA-BEAC shall open the bids submitted and stored in the Electronic Bidding Platform.

8.2. Ranking of Bids

The Bids shall be ranked in accordance with the following:

8.2.1. The bids received shall be ranked automatically by the Electronic Bidding Platform from the lowest to the highest Price Offers and stacked until the corresponding Installation Target is met.

8.2.2. For clarity, the bids with the lowest Price Offers shall be the first ones to be considered to meet the Installation Target. In the case of a tie in Price Offers, the bids shall be ranked in accordance with the Tie-Breaker rules under Section 8.2.3.1 of this TOR.

8.2.3. The following rules for breaking a tie and for a marginal offer shall apply:

8.2.3.1. Tie-Breaker. If there is a tie, the bids shall be ranked according to bid timestamp where the bid with the earlier timestamp shall be ranked first.

8.2.3.2. Marginal Offer[12]. If a bid becomes the Marginal Offer, any portion in excess of the Offered Capacity shall be included in the winning bid in consideration of the indivisibility of the WTE Project.

8.2.4. The GEAC-TWG shall validate the bids as ranked and shall endorse to the GEA-BEAC the said Bids and their corresponding capacities that make up the Installation Target.

8.2.5. The GEAC-TWG shall conduct the validation mentioned in Section 8.2.4 of this TOR within two (2) working days from the evaluation of original Bid Bond under Section 5.2.2.2 of this TOR.

8.2.6. The GEA-BEAC shall review and endorse the results of the validation of Bids to the GEAC within two (2) working days from receipt thereof.

8.2.7. The GEAC shall, within two (2) working days from receipt of the GEA-BEAC's endorsement, approve the list of Potential Winning Bidders which shall be based on the accepted bids that fall within the Installation Target.

9. NOTICE OF AWARD (NOA)

9.1. Issuance of NOA

9.1.1. Within two (2) working days from the approval of the GEAC mentioned in Section 8.2.7 of this TOR, the GEAC shall endorse to the Secretary the list of Potential Winning Bidders for Issuance of NOA. Within two (2) working days from receipt of endorsement, the Secretary shall approve and issue the NOA.

9.1.2. The DOE shall then post the NOA on its website not later than one (1) working day from the Secretary's approval thereof.

[12] "Marginal Offer" refers to a bid, the capacity offer of which fully subscribes the remaining Installation Target, and where a portion of the offered capacity exceeds such Installation Target.

10. SUBMISSION OF POST-AUCTION DOCUMENTS

10.1. Within a non-extendible period of thirty (30) calendar days from the posting of the NOA under Section 9.1.2 of this TOR, the Potential Winning Bidders shall submit to DOE-RMD, addressed to the GEA-BEAC Chairperson, pursuant to Section 5.1.1 of this TOR, the following:

10.1.1. Original GEA Affidavit of Undertaking to deliver the committed capacities in accordance with Annex "D7" of this TOR;

10.1.2. Original PB, the amount of which shall be determined based on the formula in Annex "D" and in accordance with the requirements in Annex "B" of this TOR;

10.1.3. Proof of application filing for System Impact Study (SIS) with the National Grid Corporation of the Philippines (NGCP) and/or Distribution Impact Study (DIS) with the concerned distribution utility (DU); and

10.1.4. Certification issued by Renewable Energy Resources Compliance Division (RERCD) of the DOE that the Potential Winning Bidder is compliant with the financial obligations under RE Service/Operating Contracts as of Auction Proper, if applicable.

10.2. Within one (1) working day from the lapse of the period provided under Section 10.1 of this TOR, the DOE-RMD shall transmit the documents listed in Sections 10.1.1 to 10.1.4 to the GEAC-TWG, except that any PB in the form of Cash shall be immediately transmitted to the DOE-Treasury Division (TD).

10.3. The GEAC-TWG shall evaluate the Post-Auction Documents within five (5) working days from receipt thereof. The evaluation results shall be endorsed to the GEA-BEAC, which shall validate and, if appropriate, recommend to the GEAC the issuance of Certificates of Award to the Winning Bidders concerned in accordance with Section 11 of this TOR.

10.4. A Potential Winning Bidder that fails to submit and/or comply with any of the foregoing Post-Auction Documents within the prescribed period shall be disqualified and its Bid Bond shall be called.

10.5. In the event that a Potential Winning Bidder is disqualified, the Offered Capacity corresponding to the disqualified Potential Winning Bidder shall be awarded to the next-ranked Bidder/s until the Installation Target is met in accordance with Section 8.2.1 of this TOR, subject to compliance with the same post-auction requirements set forth in Section 10.1 of this TOR: *Provided,* That the next-ranked Bidder/s has/have valid and effective Bid Bond/s at the time of notice of inclusion of its/their bid/s in the Installation Target

10.6. Posting of PB

10.6.1. To guarantee the faithful performance of its obligations under the GEAP Guidelines, this TOR, undertakings and related agreements, including the timely completion of Milestone Activities strictly in accordance with the timelines specified in the Revised WP (Annex "D9"), the Potential Winning Bidder shall deliver a PB that complies with the following conditions:

10.6.1.1. Have a minimum term of one (1) year, except that the term of the first PB shall only cover the remaining period of the current year, *i.e.,* effective date until 31 December of the current year, and the term of the last PB shall only cover the period until sixty (60) days following the committed DCD, as may be extended; and

10.6.1.2. Be renewed annually, consistent with Section 10.6.2 of this TOR. Not later than sixty (60) calendar days prior to the expiration of the PB, the proof of renewal of the PB shall be submitted to the GEAC.

10.6.2. In every case, the WTE Facility of the Winning Bidder shall be covered by a PB that shall remain effective and in place until sixty (60) days after committed DCD. During the sixty (60)-calendar-day period, the DOE shall validate compliance by the Winning Bidder of its supply obligations under the GEAP.

10.6.3. The PB shall be returned to the Winning Bidder upon compliance with Section 10.6.2: *Provided,* That the Winning Bidder's compliance with the obligations under the GEAP was duly confirmed by the DOE.

If, after verification by the DOE, the actual capacity delivered exceeds the Offered Capacity, the Winning Bidder shall be notified that it shall receive a COE-GET for the actual delivered capacity for its WTE Facility from the DOE: *Provided,* That the Winning Bidder shall provide the SIS or DIS confirming that the transmission/distribution facility can accommodate the increased capacity.

10.6.4. The amount of PB, or any renewal thereof, may be reduced based on actual completion of the WTE Facility subject to DOE's validation in both cases. Such validation shall be conducted during the 3rd Quarter of every calendar year until committed DCD, as may be applicable.

For this purpose, the Winning Bidders shall submit a report containing the actual completion of, and expenditures incurred for, the WTE Facility not later than the last day of the 2nd Quarter of every calendar year.

10.7. The PB, or any portion thereof, shall be drawn in any of the following circumstances:

10.7.1. If a Winning Bidder fails to submit the renewed PB within the periods prescribed in Section 10.6.1.2, the DOE, without the need of notice to the Winning Bidder, shall call the PB for the current year and hold the proceeds of the same as cash bond, until the Winning Bidder shall have submitted a renewed or replacement PB compliant with the requirements therefor.

In the event that the PB is called pursuant to this Section and the Winning Bidder fails/omits to submit a renewed or replacement PB before the end of the current year, the cash bond shall stand as the PB of the Winning Bidder and may be drawn in accordance with the terms herein. In such event, the Winning Bidder shall not be allowed to replace the cash bond.

10.7.2. If the capacity delivered of the WTE Facility, as indicated in the COE-GET, auction is less than one hundred percent (100%) of the Offered Capacity submitted by the Winning Bidder, the PB shall be partially drawn proportional to the difference between the Offered Capacity and the capacity indicated in the COE-GET.

10.7.3. If the Winning Bidder fails to deliver any of the Milestone Activities specified below on the respective dates set forth in its Revised WP (Annex “D9”), and such delay is partly or wholly due to its fault, and is not excused under Sections 13.1 and 13.2 of this TOR, the DOE shall draw one-tenth (1/10) of one percent (1%) of the PB for every day of delay as penalty regardless of the number of delayed Milestone Activities until the Winning Bidder is fully compliant with the said Milestone Activities:

10.7.3.1. Submission of Valid Feedstock Supply Agreements, Proof of Financial Closing, and Engineering, Procurement and Construction (EPC) Contract

10.7.3.2. Submission of Licenses / Permits / Clearances which shall include:

10.7.3.2.1. Certificate of Non-Overlap / Certificate Precondition issued by the National Commission on Indigenous Peoples (NCIP);
10.7.3.2.2. Water Rights Permit issued by National Water Resources Board (NWRB);
10.7.3.2.3. Local Government Unit (LGU) Resolution of Support; and
10.7.3.2.4. Business Permit.

10.7.3.3. Submission of Interconnection Permits / Licenses / Clearances, which shall include:

10.7.3.3.1. SIS or DIS; and
10.7.3.3.2. Facility Study.

10.7.3.4. Submission of the Environmental Compliance Certificate (ECC) issued by the Environmental Management Bureau under the Department of Environment and Natural Resources (DENR).

10.7.3.5. Conduct of EPC Activities:

10.7.3.5.1. Detailed Engineering Work;
10.7.3.5.2. Procurement and Manufacturing;
10.7.3.5.3. Civil Works;
10.7.3.5.4. Mechanical Installation Work; and
10.7.3.5.5. Electrical and Control Systems.

10.7.3.6. Submission of requirements for testing and commissioning of the WTE Project to the NGCP/DU until issuance of the Final Certificate of Authority to Connect (FCATC) and Provisional Authority to Operate (PAO) or Certificate of Compliance (COC) by the ERC, which shall include:

10.7.3.6.1. Proof of filling for Provisional Certificate of Approval to Connect (PCATC);
10.7.3.6.2. FCATC; and
10.7.3.6.3. PAO or COC.

Provided, That the penalty provided in this section 10.7.3 shall apply only in cases of delay in the Milestone Activities occurring prior to the DCD; Provided, further, That the penalty provisions prescribed under Section 10.7.4 and 10.7.5 of this TOR, as herein renumbered, shall apply in cases of delay in delivery of the project on the DCD.

10.7.3.7. Each Winning Bidder shall submit to the GEAC a Milestone Accomplishment Report on its compliance or non-compliance with the Milestone Activities against the timelines provided under the Revised WP within five (5) working days from the last day of the Milestone Period indicated in the Winning Bidders Revised WP. If a Winning Bidder fails to submit the Milestone Accomplishment Report within the prescribed period, the penalty provided in Section 10.7.3 of this TOR shall automatically apply.

10.7.3.8. Each Winning Bidder shall submit to the GEAC a report on its delivery or non-delivery of the Offered Capacity upon DCD within five (5) calendar days from the said DCD.

10.7.4. If the Winning Bidder fails to deliver on the DCD and (a) the delay is due to its fault and (b) the COD is not beyond the DCP, one-tenth (1/10) of one (1) percent of the PB shall be drawn for every day of delay as penalty.

10.7.5. If the Winning Bidder fails to deliver on the DCD and (a) the delay is due to its fault and (b) the COD is beyond the DCP, the PB shall be drawn in full. Further, the COA, COE-GET, and other documents issued in favor of the Winning Bidder shall, be automatically revoked, without need of any notice, and the Winning Bidder shall not be entitled to the GET for the Offered Capacity: *Provided*, That the vacated capacity shall not be filled up with the Offered Capacity of the next-in-line Bidder/s in the ranking of bids.

10.7.6. Notwithstanding any partial drawing of the PB under Section 10.7.2, the Winning Bidder shall be required to post and maintain, upon each annual renewal pursuant to 10.6.1.2, a PB equivalent to the full amounts prescribed under Annex "B" of this TOR. Any amounts previously drawn shall not reduce or be credited against the required PB amount for subsequent renewals. The Winning Bidder shall, upon each renewal, replenish the PB to its full required amount, subject only to such reductions in the amount thereof as may be validated pursuant to Section 10.6.4 of this TOR.

10.7.7. Calling of PB

If the DOE finds that a Winning Bidder's failure to observe or perform its obligations under the Revised WP, including the completion of Milestone Activities by the timelines set out in the approved Revised WP, or to deliver the Offered Capacity on DCD, as the case may be, and such failure does not fall under Section 13.3 of this TOR, the DOE shall proceed against the PB of such Winning Bidder.

The calling of the PB, which may be full or partial, shall be made by the Secretary upon the recommendation of the GEAC. Such recommendation shall be based on the validation by the GEAC-TWG on the compliance or non-compliance of the Winning Bidder with its Revised WP or DCD.

10.7.7.1. The GEAC-TWG shall conduct validation of the accomplishment of Milestone Activities under the Revised WP within ten (10) working days from the last day of the period for the submission of Milestone Accomplishment Report under Section 10.7.3.7, covering the Milestone Period indicated in the Winning Bidder's Revised WP.

10.7.7.1.1. A Winning Bidder shall include in its Milestone Accomplishment Report any extension granted to it in accordance with Section 13.5 of this TOR.

10.7.7.2. The GEAC-TWG shall have five (5) working days from submission of proof of COD from the Winning Bidder to conduct validation thereof.

10.7.7.3. If warranted by the circumstances, the GEAC-TWG shall recommend to the GEAC the calling of the PB of a Winning Bidder.

10.7.8. Effect of non-compliance with the Affidavit of Undertaking (Mechanical Completion under Annex "D8"). Notwithstanding Sections 10.7.3. 10.7.4, and 10.7.5 of this TOR, thirty percent (30%) of the PB of a Winning Bidder shall be drawn in cases where such Winning Bidder fails to achieve Mechanical Completion on or before 31 December 2028. For the avoidance of doubt, the PB shall be drawn as herein provided in case of failure to deliver any of the major process equipment and auxiliary systems listed in Section 1.2 of this TOR and the Affidavit of Undertaking (Annex "D8") are not delivered to the project site on or before 31 December 2028.

10.7.8.1. The Winning Bidder that fails to achieve Mechanical Completion within the period prescribed immediately above shall be entitled to the GET for the Offered Capacity, provided that all the following conditions are met:

10.7.8.1.1. The COD of the WTE project is not later than 31 December 2029;

10.7.8.1.2. The Winning Bidder remits to the DOE the amount drawn in accordance with Section 10.7.8 of this TOR within fifteen (15) calendar days from receipt by the bond issuer of the Drawing Certificate: *Provided, however*, That a copy of the Drawing Certificate shall be furnished to the insured Winning Bidder; and

10.7.8.1.3. The Winning Bidder replenishes or otherwise restores the full amount of the PB, as computed under Annex "B", within forty-five (45) calendar days from receipt of the above Drawing Certificate.

10.7.9. Liquidated Damages for Breach of Certificate of Award

The following provisions shall govern in cases where a Winning Bidder unilaterally waives or abandons the COA, fails or omits to deliver, achieves COD but opts not to deliver the Offered Capacity in accordance with this TOR and Annexes and the COA, or otherwise discontinues the delivery of the Offered Capacity during the Supply Delivery Period:

10.7.9.1. The Winning Bidder shall pay to the DOE, as liquidated damages, an amount equal to: (i) two percent (2%) of the project cost per MW for WTE multiplied by the offered capacity in MW; and (ii) twenty-five percent (25%) of the amount in item (i), regardless of the percentage of project completion or the fact that the Offered

Capacity is delivered by the Winning Bidder under a different market offtake arrangement.

10.7.9.2. The DOE shall have the right to enforce payment of the amount due under Section 10.7.9.1, as follows:

10.7.9.2.1. Proceed against the PB of such Winning Bidder, if the same is still valid and effective; and

10.7.9.2.2. Demand payment from such Winning Bidder of any unpaid amount not covered by the PB, to be remitted to the DOE.

10.7.9.3. The rules set forth in Section 10.7.3 of this TOR shall govern cases not falling under Section 10.7.9.1 hereof.

11. CERTIFICATE OF AWARD[13]

The DOE shall issue a COA to each Winning Bidder that timely submits the Post-Auction Documents mentioned in Section 10.1 of this TOR and whose Post-Auction Documents comply with the requirements of this TOR, within three (3) working days from the date the GEAC affirms that the Post-Auction Documents are in order.

12. CONFIDENTIALITY IN PROCEEDINGS

12.1. The DOE shall ensure that documents received from Qualified Bidders/Suppliers, evaluations, discussions thereon, and other matters which a reasonable person would consider as confidential, shall be treated with confidentiality.

12.2. To this end, the DOE Information Technology and Management Services shall allocate three (3) laptop computers with appropriate security features for the exclusive use of GEAC-TWG and the System Administrator at Auction Proper and shall develop protocols in the conduct of the above activities. The said protocol shall be submitted to, and approved by, the GEA-BEAC within thirty (30) calendar days from the issuance of the Notice of Auction and this TOR. Upon approval, the said protocol shall form part of this TOR.

13. EFFECTS OF FORCE MAJEURE AFTER THE ISSUANCE OF CERTIFICATE OF AWARD

13.1. 'Force Majeure' (FM) refers to an extraordinary event that is not foreseeable or avoidable, or to an event that could not be foreseen, or which, though foreseen, is inevitable to happen, and is beyond the will, control,

[13] A COA refers to a document issued by the DOE to a Winning Bidder indicating the name of such Bidder, the Offered Capacity, name of the WTE Facility, and GET. The COA and other relevant documents are bases for the DOE, as well as compliance with applicable requirements, to issue the Certificate of Nomination/Endorsement for GET, taking into account the commercial operations date and the delivery date.

participation, and influence of the Winning Bidder.

13.2. This further refers to an event or circumstance generally caused: (a) by nature, such as but not limited to, fires, floods, typhoons, or other catastrophes, or natural calamities; and/or (b) by the acts of man, such as but not limited to, war, national emergencies, revolution, riot, insurrection, civil unrest, or any other similar violent or threatening actions. It may likewise pertain to any analogous event that may relate to a power system emergency or transmission system issue that shall affect the continuity of delivery of power by the Winning Bidder.

13.3. Written notice of FM shall be submitted not later than fifteen (15) calendar days from the earlier of: (a) the occurrence of the FM; or (b) the Winning Bidder's knowledge that FM exists. The notice of FM shall be addressed to the GEAC and supported by proof that:

13.3.1. The FM exists;

13.3.2. The event/s occurred independent of the will of the RE Developer;

13.3.3. The event/s rendered it impossible for the RE Developer to fulfill its obligations in a normal manner; and

13.3.4. The RE Developer is free of participation in, or aggravation of, the injury to the DOE.

Failure to timely notify the GEAC shall bar the Winning Bidder from invoking such FM for purposes of claiming extension of time in respect of the affected Milestone Activity or for the non-delivery on DCD, as applicable. For clarity, the notice of FM under this Section shall serve only as notification of the occurrence of FM and shall not, by itself, constitute an invocation thereof to claim extension of time.

13.4. The Winning Bidder shall be given an additional period to comply with the Post Auction Requirements if such Winning Bidder proves that FM prevented compliance with the said requirements within the period prescribed in Section 10.1.

13.5. The Winning Bidder affected by FM may be excused from the performance of its obligation to accomplish the Milestone Activities in accordance with the timelines under the Revised WP to the extent caused by FM.

The Winning Bidder affected by FM may be granted an extension within which to accomplish the Milestone Activities under the revised WP. If extension is warranted, the extension period shall be equivalent to the duration of the FM as duly invoked and validated and the Winning Bidder shall not be liable for any delay or damages arising from such failure to perform: Provided, That the Winning Bidder has given a written notice of FM as set forth in Section 13.3 hereof.

Failure to timely accomplish the Milestone Activities after the lapse of the approved extension period may cause the calling of the PB, in the whole or in part, in accordance with Sections 10.7.3, 10.7.4, and 10.7.5 of this TOR.

13.6. The Winning Bidder affected by FM shall be excused from the performance of its obligation to deliver the Offered Capacity on DCD to the extent caused by FM. If extension is warranted, the Winning Bidder shall not be liable for any delay or damages arising from such failure to perform: *Provided, further,* That the Winning gave a written notice of Force Majeure as set forth in Section 13.3 hereof.

The Winning Bidder affected by FM shall be granted an extension to commence delivery of supply. Such an extension period shall be equivalent to the duration of FM. Failure to deliver after the period of extension shall cause the calling of the PB in full or in part in accordance with Section 10.7 of this TOR.

If the Winning Bidder establishes that the delay due to FM will materially and adversely affect the feasibility of the Bids, such Winning Bidder may nominate another RE Facility, as replacement. Such replacement RE Facility shall develop the same type of RE resource, be located within the same grid, and have the same offered capacity and price, as the Winning Bidder's WTE Facility except that the DCD of the former may be one (1) year later than the committed DCD. Should a Winning Bidder choose this option, it must post the PB and renew the same annually in accordance with Section 10.6.1.2 until delivery and validation of the replacement WTE Facility.

13.7. In addition to the requirements under Sections 10.7.3.7, 10.7.3.8, and 13 of the TOR, as herein supplemented, a Winning Bidder that invokes FM shall submit the following to the GEAC:

13.7.1. Gantt Chart showing the duration of each FM event and the corresponding activity or activities affected: *Provided,* That where multiple FM events occur within the same or overlapping period, the Winning Bidder shall prove that such events resulted in distinct periods of delay;

13.7.2. A computation of the period of extension claimed based on Section 13.7.1 and 13.7.3 of this TOR;

13.7.3. A request to extend the timeline to accomplish the Milestone Activity or Activities, or DCD, as the case may be; and

13.7.4. Revised WP reflecting a new timeline to attain the Milestone Activity or Activities, or DCD, as the case may be.

14. ISSUANCE OF CERTIFICATE OF ENDORSEMENT FOR GREEN ENERGY TARIFF[14] (COE-GET)

14.1. The Winning Bidder shall be issued a COE-GET by the DOE upon submission and validation of the following:

14.1.1. Proof of WESM registration;

14.1.2. Copy of the GEA COA;

14.1.3. Notice of GET availment pursuant to Section 1.4.3 of this TOR, if applicable; and

14.1.4. Written declaration of attainment of Successful Commissioning and submission of NGCP's Final Certificate of Authority to Connect[15] (FCATC) and Generating Unit Capability Test Certificate (GUCT) for grid-connected facilities, or any equivalent documents showing proof of Successful Commissioning for embedded generation facilities.

14.2. The COE-GET shall be processed according to Section 6 of DC No. DC2013-05-0009.

14.3. The Winning Bidder shall secure COC by complying with the procedures outlined in ERC Resolution No. 17, Series of 2023.

The COE-GET shall reflect the validated date of Successful Commissioning and capacity.

[14] A COE-GET is a certificate issued by the DOE, upon recommendation of the GEAC, according to the procedure set forth in DC No. DC2013-05-0009, after confirming the Successful Commissioning of the WTE Facility and readiness to inject power to the grid under GEAP.

[15] An FCATC refers to the certification issued by Transmission Network Provider (TNP) or Distribution Utility (DU) to a Generation Company attesting that its Generation Facility/ies is ready to deliver energy to Grid or distribution network in accordance with the Philippine Grid Code (PGC); Philippine Distribution Code (PDC) and other relevant.

15. ASSIGNMENT OF CERTIFICATE OF AWARD AND/OR COE-GET

15.1. Any assignment by the Winning Bidder of its COA and/or COE-GET, whether made prior to or after the DCD, shall be allowed only upon the prior approval by the DOE of the assignment of the RE Contract covering the WTE Facility with the Winning Bid.

15.2. Upon the approval of the RE Contract assignment, the DOE shall:

15.2.1. Issue the COA in the name of the Assignee;

15.2.2. Amend the COA to substitute the Assignee as the Winning Bidder;

15.2.3. Issue the COE-GET in the name of the Assignee; or

15.2.4. Amend the COE-GET to substitute the Assignee as the Winning Bidder.