



TERMS OF REFERENCE GREEN ENERGY AUCTION – 6

The Department of Energy (DOE), through the Green Energy Auction Committee¹ (GEAC), issues this Terms of Reference (TOR) for the Sixth Round of the Green Energy Auction (GEA-6) 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

B2.1.1: For Bid Bond

B2.1.2: For Performance Bond

B2.2: Drawing Certificate

B2.3: Surety Bond

B2.3.1: For Bid Bond

B2.3.2: For Performance Bond

Annex C: Instruction to Bidders

Annex D: Bidding Data, Forms, and Templates

D1: Registration Form

D1.1: Declared Net Export Capacity

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: Revised Work Program

Annex E: Available transmission capacity and location from 2027 – 2030

1. GENERAL SUPPLY DESCRIPTION

- 1.1. The auction shall be conducted exclusively for biomass projects employing direct combustion technology, which may either be stand-alone or co-generation, and are Renewable Portfolio Standards (RPS)-eligible and qualified under Section 6.1 of the GEAP Guidelines.
- 1.2. Consistent with Section 8 of the GEAP Guidelines, the Energy Regulatory Commission (ERC) shall differentiate the Green Energy Auction Reserve (GEAR) Price between co-generation and stand-alone biomass projects utilizing direct combustion technology.

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.

1.3. Installation Target (MW)

Biomass Technology	Delivery Commencement Period (DCP)	Installation Target ² (MW)
Co-generation	01 July 2027 – 31 December 2030	40.00
Stand-alone		120.00

Note: A summary of the available transmission capacities from 2027 – 2030 and their location is attached as Annex E for reference.

1.4. Supply Delivery Period³ (SDP)

1.4.1. Subject to Rule V, Section 11 of DC No. DC2025-11-0028, ERC Resolution No. 06, Series of 2025, and the Rules on Entitlement to Green Energy Tariff⁴ (GET) in the table set forth in Section 1.6.4 of this TOR, the SDP for any GEA Winning Bidder shall be twenty (20) years.

1.4.2. Notwithstanding the twenty (20)-year SDP, Winning Bidders⁵ 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, or the Revised Omnibus RE Guidelines, and amendments thereto, and the material terms and conditions under their Biomass Renewable Energy Operating Contract (BREOC) or Biomass Energy Operating Contract (BEOC).

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

1.5.1. 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.

1.5.2. The COD refers to the date of the start of commercial operation of the Biomass Facility, which occurs upon the issuance of the Certificate of Compliance (COC) or Provisional Authority to Operate (PAO) by the ERC, and notice of such commercial operations in the Wholesale Electricity Spot Market (WESM). The COD serves as the basis for establishing the GET Availment Date under Section 1.6.1.

1.6. Rules on Entitlement to GET

The following general rules shall govern the entitlement to the GET:

1.6.1. Entitlement to the GET shall commence on the GET Availment Date specified in the Notice submitted in accordance with Section 1.6.6 of this TOR: Provided, That the Winning Bidder may elect to set a retroactive

² The Installation Target refers to the megawatt capacity offered for subscription from biomass facilities utilizing the technology mentioned in Section 1.1 of this TOR.

³ "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.

⁴ 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.

⁵ Winning Bidders are those Qualified Bidders determined to have the most responsive bids or offers in the Auction Round for Biomass that subscribed the Installation Target, declared as such in the Notice of Award, complied with Post-Auction Requirements, and issued with COA.

GET Availment Date to coincide with the date of effectivity of its COC, PAO, or WESM registration, whichever is later: Provided, further, That in the event of such retroactive election, the formal Notice of GET Availment must be submitted to the DOE not later than thirty (30) calendar days from the date of effectivity of the COC, PAO, or WESM registration: Provided, further, that GET entitlement shall be suspended during any period when the Biomass Facility is not covered by a valid and effective PAO or COC: Provided, finally, that any such suspension shall not suspend, toll or extend the SDP, which shall continue to be reckoned from the GET Availment Date;

- 1.6.2. No payment of the GET shall be made for energy delivered to the WESM during any period where a legal impediment exists, such as a subsisting Power Supply Agreement (PSA) or where there is no valid COC or PAO;
- 1.6.3. The twenty (20)-year SDP for any Winning Bidder shall be reckoned from the GET Availment Date specified in the Notice submitted in accordance with Section 1.6.6 of this TOR, which date marks the actual commencement of entitlement to the GET, as determined by the application of the general rules and transition scenarios set forth in this Section 1.6;
- 1.6.4. In addition to the above, the following specific rules on entitlement to the GET shall apply to the cases described below:

Scenarios	Rules on Entitlement to GET
1. COD achieved on or before DCD (Standard / On-Time Delivery)	1. <u>Prior/Interim Compensation:</u> From its actual COD until the date immediately preceding the GET Availment Date, the Winning Bidder shall be compensated in accordance with its operant offtake arrangement (<i>i.e.</i>, at the PSA Contract Price until the expiration, end, or early termination of such PSA, or at WESM Market Price while operating as a Merchant Plant). 2. <u>Allowable GET Availment Date:</u> The Winning Bidder may set its GET Availment Date on any date within the DCP: <i>Provided</i>, That such date shall not be earlier than its actual COD, nor later than the committed DCD, subject to the notice requirements under Section 1.6.6 of this TOR. 3. <u>Transition Mechanics:</u> To successfully transition to the GET, the Winning Bidder must submit a formal Notice of GET Availment, specifying the GET Availment Date, and attaching proof

	that any subsisting PSA has ended or is otherwise no longer effective.
2. COD achieved after DCD (Delayed Delivery / Penalized Exception)	1. <u>Prior/Interim Compensation:</u> Upon achieving COD, the Winning Bidder shall be compensated in accordance with its operant offtake arrangement (i.e., at the PSA Contract Price until the expiration, end, or early termination of such PSA, or at WESM Market Price while operating as a Merchant Plant) from the date of its COD until the date immediately preceding the GET Availment Date. 2. <u>Allowable GET Availment Date:</u> To remain within the parameters of this Scenario, the GET Availment Date specified in the Notice must occur on or before the three hundred sixty-fifth (365th) calendar day from the committed DCD, and must fall within the DCP. 3. <u>Transition Mechanics:</u> The Winning Bidder must submit a formal Notice of GET Availment under Section 1.6.6 of this TOR, specifying the GET Availment Date, and attaching proof that any subsisting PSA is no longer effective. 4. <u>Liquidated Damages for Delay:</u> Any delay in achieving COD or setting a GET Availment Date beyond the committed DCD shall trigger the drawing of one-tenth (1/10) of one (1) percent of the Performance Bond (PB) as a daily penalty for every day of delay, reckoned from the committed DCD until the date immediately preceding the specified GET Availment Date. 5. <u>Fatal Default:</u> Specifying a GET Availment Date or achieving a COD that exceeds three hundred sixty-five (365) days from the committed DCD, or is beyond the DCP, shall result in immediate ineligibility for the GET. In such event, the Performance Bond shall be drawn in full, and the

	Certificate of Award (COA), COE-GET, and other GEA documents shall be deemed automatically revoked without need of further notice pursuant to Section 10.7.4 of this TOR.
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1.6.5. **Effects of Failure to Deliver.** Failure by the Winning Bidder, for reasons solely attributable to the Winning Bidder, to deliver the Offered Capacity on its DCD, or within the three hundred sixty-five (365)-day period provided in Section 1.6.4, or within the DCP, shall constitute a prohibited act under Section 19 of the GEAP Guidelines. Such failure, or any violation of the warranties and conditions for entitlement set forth in Section 1.6.4, shall result in:

1.6.5.1. The partial or full drawing of the PB, as applicable, pursuant to Sections 10.7.3 and 10.7.4 of this TOR, respectively;

1.6.5.2. In cases falling under Section 10.7.4, the automatic revocation of the COA, COE-GET, and other GEA documents, without need of further notice; and/or

1.6.5.3. Consistent with Sections 19 and 20 of the GEAP Guidelines, and Section 1.7 of Annex C of this TOR, the Winning Bidder, its subsidiaries, and affiliates may be prohibited from participating in any other auction under the GEAP or other DOE-prescribed bidding processes; Provided, that such prohibition shall be imposed only upon a prior finding by an appropriate body or tribunal of the commission of the prohibited act.

1.6.6. **Notice of GET Availment.** The Winning Bidder shall submit a formal Notice of GET Availment to the DOE, through the GEAC with the assistance of the GEAC-Technical Working Group (TWG), copy furnished the Records Management Division (RMD), the GEA-All Fund Administrator (National Transmission Corporation or TransCo), and the Market Operator (Independent Electricity Market Operator of the Philippines or IEMOP). The Notice shall be submitted:

(a) Not later than thirty (30) calendar days prior to the target GET Availment Date; or

(b) In cases where the Winning Bidder elects to retroact its GET entitlement pursuant to Section 1.6.1, not later than thirty (30) calendar days after the date of effectivity of its COC, PAO, or WESM registration, whichever is later.

The Notice shall contain the following:

1.6.6.1. The specific GET Availment Date, which shall be a date within the DCP and strictly consistent with the applicable transition scenario under Section 1.6.4 of this TOR;

- 1.6.6.2. A valid and effective COC or PAO and proof of WESM Registration, certified as true copies by the ERC and the Market Operator, respectively.

The COC or PAO must remain valid and effective from the time of the filing of the Notice of GET Availment Date until the proposed GET Availment Date; otherwise, the Notice shall be ineffective;

- 1.6.6.3. Where the Winning Bidder is operating under a PSA, a notarized proof of the expiration or pre-termination of the PSA on or before the proposed GET Availment Date, to ensure compliance with the anti-double recovery rule; and

- 1.6.6.4. A written undertaking to execute the Renewable Energy Payment Agreement (REPA) with the GEA-All Fund Administrator in accordance with the template and guidelines prescribed by the ERC.

1.7. Eligible Biomass Technology Type

All Biomass Projects, whether stand-alone or co-generation, are eligible to participate in this Auction; provided, that they are RPS-eligible and qualified under Section 6.1 of the GEAP Guidelines.

1.8. 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 shall not exceed the GEAR Price promulgated by the ERC.

Consistent with Section 17 of the GEAP Guidelines, the GET shall be subject to a one-time adjustment for indexation. The indexation adjustment shall account for the period between the date of issuance of the COA and the COD of the Winning Bidder's Biomass Facility.

The application, computation, and final determination of the indexed GET shall be governed strictly by the implementing rules, methodology, and formula promulgated by the ERC for this purpose. In the event of a delay in the achievement of COD, the determination of the applicable adjustment cut-off date and limitations on the adjusted tariff shall be in accordance with the said ERC rules.

2. REGISTRATION OF QUALIFIED SUPPLIER

2.1. Registration Period of Qualified Suppliers

The Registration Period shall commence thirty (30) calendar days after the issuance of the Notice of Auction or on the date following the issuance of GEAR Price by the ERC, whichever is later, and shall end fifteen (15) working days thereafter. Only those registration requirements that have been filed not later than 03:00 pm on the last day of the Registration Period shall be considered and accepted.

2.2. Registration Requirements and Procedures

- 2.2.1. A Qualified Supplier refers to an RE Developer/Generator (a) awarded with a valid and subsisting Biomass Renewable Energy Operating Contract (BREOC) or Biomass Energy Operating Contract (BEOC), or (b) issued with a Certificate of Authority (COAu) by the DOE pursuant to the Revised Omnibus RE Guidelines.

To be eligible, the BREOC, BEOC, or COAu shall have been awarded or issued prior to the start of the Registration Period. Furthermore, a Biomass Project shall be determined as eligible to participate in the GEA by the GEAC in accordance with Section 6.1 of the GEAP Guidelines, as amended.

- 2.2.1.1. Biomass Projects that are commercially operating must have a valid and existing COC or PAO at the time of registration.

- 2.2.1.2. A Winning Bidder that participated as a COAu holder shall be required to execute its BEOC as a post-auction requirement and a condition precedent to the issuance of the COA, as provided under Section 10.1.6 of this TOR.

- 2.2.2. A Qualified Supplier intending to register for the GEA-6, shall submit the following Registration Documents electronically through gea.6@doe.gov.ph, copy furnished the RMD through recordsreceiving.gea@doe.gov.ph:

- 2.2.2.1. Duly filled out Registration Form prescribed in Annex "D1" together with the required attachments such as the password-protected Declared Net Export Capacity following the prescribed template required in Annex "D1.1";

- 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. 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;

- 2.2.2.4. 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 Qualified Supplier, (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; and

- 2.2.2.5. COC or PAO, for Biomass Projects that are commercially operating pursuant to Section 2.2.1.1 of this TOR.

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 Biomass 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 corresponding revenue meter.
- 2.2.4. For a commercially operating RPS-eligible Biomass Facility and already registered in the WESM as generating unit/s which is/are without legal impediment (e.g., not covered by any supply agreements including contracts for ancillary services), a Qualified Supplier may submit registration requirements for the entire capacity of the generating unit/s: *Provided*, That where only a portion of a facility's total capacity is to be offered, such portion shall be covered by a separate generating unit and wholly offered, and shall have a dedicated metering facility and corresponding revenue meter.
- 2.2.5. The complete registration requirements in ".zip" format with the file name indicated below shall be attached to the electronic mail with a subject title (see examples below).

File Name and Subject Title: (Example for Biomass)

REG_GEA6_BIOMASS_ABCDE, INC._ABCDE BPP (for Whole Facility)

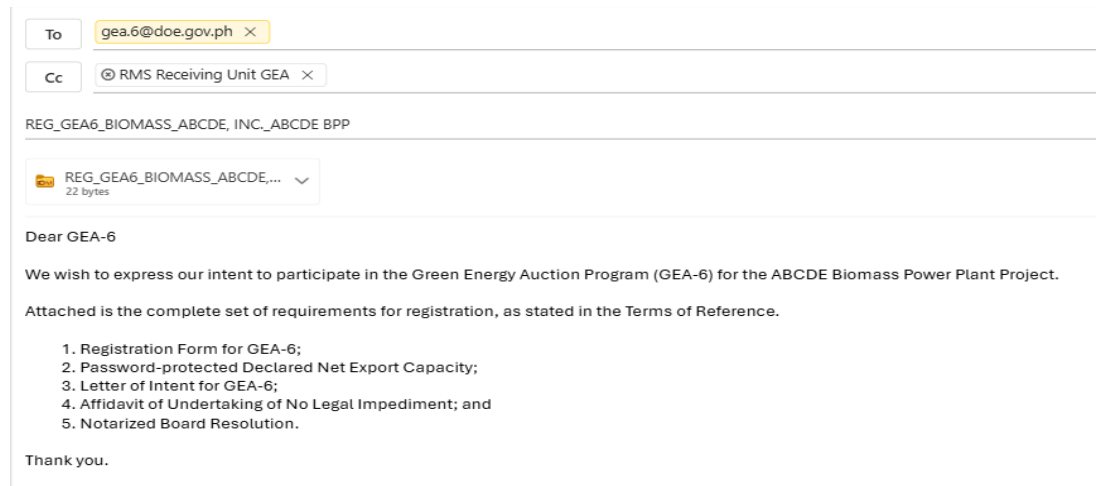
REG_GEA6_BIOMASS_ABCDE, INC._ABCDE BPP_PH1 (for Phasing)

REG_GEA6_BIOMASS_ABCDE, INC._ABCDE BPP PH1 Unit No.1
(for Specific Unit)

Note:

- BPP refers to the Biomass Power Project;
- The Company Name should be abbreviated (e.g., ABCDE, INC.);
- The Phase No. and/or Unit No., if any, should be indicated in the File Name and Subject Title; and
- The File Name and Subject Title should be less than 200 characters.

Example:



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

2.2.7. Should there be multiple submissions with the same subject title, only the documents submitted in the latest electronic mail and received within the registration period shall be considered for evaluation.

3. PRE-BID EVALUATION

3.1. Determination of Qualified Bidders⁶

The GEAC- TWG shall evaluate the registrants’ compliance with Section 2.2.1 of this TOR and thereafter conduct an evaluation of Qualified Suppliers’ Registration Documents, specified in Sections 2.2.2, within three (3) working days from the last day of the Registration Period. In the evaluation of the Registration Documents, the GEAC-TWG shall assess the submission and render a “Pass” or “Fail” mark based on the completeness of the Registration Documents.

3.1.1. Failure to comply with Section 2.2.1 of this TOR shall be a ground for disqualification of the registrant.

3.1.2. Failure to submit any Registration Document, or submission of unacceptable documents (e.g., unnotarized when notarization is required) shall be a ground 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 submission of the relevant document.

3.2. Notification to Disqualified Registrants and Qualified Suppliers with Deficient Registration Documents

⁶ “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.

Within three (3) working days from the last day of the evaluation mentioned in Section 3.1 of this TOR, the GEA-BEAC shall deliberate on the results of evaluation of the GEAC-TWG: Provided, That 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: Provided, further, That the decision of the GEA-BEAC on the eligibility as Qualified Supplier shall be final and executory.

Within the same period above, the GEA-BEAC shall give written notices to the registrants which were found ineligible as Qualified Suppliers and the Qualified Suppliers that failed to comply with the registration requirements on their disqualification from participating in the GEA-6.

In the above notices, the GEA-BEAC shall state the grounds for disqualification.

3.3. Filing of Motion / Request for Reconsideration

The disqualified Qualified Supplier may file one (1) Request for Reconsideration (RR) with the GEA-BEAC within seven (7) 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. Further, the RR as filed may not be supplemented, amended, modified or superseded by a new RR.

The GEA-BEAC shall resolve the RR within five (5) working days from the last day of the above reglementary period. The decision of the GEA-BEAC on the RR shall be final and executory.

3.4. Posting of List of Qualified Bidders

On the working day immediately after the last day of the evaluation of the RR mentioned in Section 3.3 of this TOR, the GEA-BEAC shall post the List of Qualified Bidders on the DOE website and notify such Qualified Bidders via electronic mail.

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 posting of the List of Qualified Bidders within which to submit their comments, input, or queries on the TOR, its Annexes, and other relevant details of the auction. Any comment submitted after the deadline shall not be accepted.
- 4.4. 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.

- 4.5. The Pre-Bid Conference shall address those comments, inputs, or queries received within the prescribed period. 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.
- 4.6. All comments, inputs, or queries shall be submitted through the GEA official electronic mail. Thereafter, the GEA-BEAC shall resolve the comments or clarifications on the TOR, its Annexes, and other relevant details of the auction, as evaluated and consolidated by the GEAC-TWG.
- 4.7. The GEA-BEAC shall issue a Bid Bulletin to be posted on the DOE website within 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 BOND⁷

5.1. Posting of Bid Bond

5.1.1. Submission of Electronic Copy of Bid Bond⁸

Not later than 12:00 noon of the fifth (5th) working day after the posting of Bid Bulletin mentioned in Section 4.7 of this TOR, Qualified Bidders shall:

- 5.1.1.1. Submit Cash Bond to the DOE-Treasury Division (TD); or
- 5.1.1.2. Submit the electronic copy of their Bid Bonds, in PDF file, through the GEA electronic mail at gea.6@doe.gov.ph.

To ensure the integrity of the bidding process, a Qualified Bidder shall redact the stated value and any reference thereof in the Electronic Copy of the Bid Bond.

⁷ 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.

⁸ Pursuant to the administrative discretion of the GEAC to streamline the auction process as authorized under Special Order No. 2025-01-0004 and SO No. 2026-05-0027, the submission of physical documents specified in Sections 9.5 and 9.8 of the GEAP Guidelines is deferred until after the Auction Proper. For the avoidance of doubt, the financial security of the Bid Bond remains active and effective pre-auction through the submission of electronic proof of posting under Section 5.1.1 of this TOR.

5.1.2. Submission of Original Bid Bond and Password to Access Declared Net Export Capacity

Within one (1) working day immediately following the Auction Proper, Qualified Bidders shall submit the original of the Bid Bond 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

The Qualified Bidder shall likewise submit, in a sealed envelope together with the original Bid Bond, the password required to access its Declared Net Export Capacity under Annex D1.1. The sealed envelope shall be clearly marked with the Project Name and the words "PASSWORD FOR ANNEX 'D1.1'." Failure to submit the sealed envelope and/or provide a correct password within the prescribed period or inability of the GEAC-TWG to access Annex "D.1.1" for any cause reasonably attributable to the Qualified Bidder shall be subject to the disqualification mentioned in Section 5.2.2.2 of this TOR.

5.1.3. Form and Bid Bond Validity Period

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 as detailed in Annex "B" of this TOR. The Bid Bond shall take effect on the date of the Auction Proper and should be valid for one hundred forty (140) calendar days therefrom: Provided, That the Bid Bond shall be extended by the Qualified Bidder for such period as may be required by the GEA-BEAC, upon endorsement of the GEAC-TWG, to cover any period of extension in conduct of auction activities. Should this be necessary, a Bid Bulletin shall be issued following the procedure set forth in Section 4.7 of this TOR.

5.1.3.1. 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.

5.1.3.2. The stated value of the Bid Bond shall not be less than the amount of the intended Offered Capacity multiplied by one million pesos (PhP1,000,000) per MW. If the Offered Capacity is below one (1) MW, the Bid Bond shall be fixed at PhP1,000,000.00.

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 Electronic Copy 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 thereon based on compliance of each Bid Bond with the prescribed template and validity period as set forth in Annex “B” of this TOR and correctness on the details of the Qualified Bidder, RE Project, and the like.

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 Qualified Bidders within two (2) working days from the evaluation set out in the first paragraph of this Section 5.2.1.1. For the avoidance of doubt, the evaluation hereunder shall not cover the stated value of the Bid Bond vis-à-vis Offered Capacity. The final determination on whether the Bid Bond covers the Offered Capacity shall be made by the GEA-BEAC, with the assistance of the GEAC-TWG, under Section 8.2.4 of this TOR.

- 5.2.1.2. Qualified Bidders shall rectify their deficient Bid Bonds within five (5) working days from receipt of Notice of Bid Bond Deficiency.

As a rule, Qualified Bidders shall not be allowed to vary the Bid Bond after the electronic copy thereof is submitted to the DOE. However, Qualified Bidders may be allowed to vary the Bid Bond, except its stated value, if so required by the GEA-BEAC after due evaluation thereof as provided in Section 5.2.1.1 of this TOR, and only to conform with the prescribed Bid Bond template or rectify errors in the details of the Qualified Bidder, RE Project, and the like.

- 5.2.1.3. Within three (3) working days from the lapse of the period above, 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.

5.2.2. Evaluation of Original of the Bid Bond

- 5.2.2.1. Within one (1) working day from the receipt of the original Bid Bond pursuant to Section 5.1.2 of this TOR, the DOE-RMD shall transmit the original Bid Bond to the GEAC-TWG. Within two (2) working days 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, validity period, and signatures, and that it complies with the requirements under Annex “B” of this TOR.

In addition, the GEAC-TWG shall evaluate which Qualified Bidders submitted compliant Bid Bonds and which ones did not.

- 5.2.2.2. Within two (2) working days from the evaluation as set out in Section 5.2.2.1 of this TOR, 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 cover the Offered Capacity with its stated value or any discrepancy between the Original Bid Bond and the electronic copy or rectified electronic copy, shall be grounds for disqualification of the Qualified Bidders concerned from the auction. The decision of the GEA-BEAC on the non-compliance of the Bid Bond shall be final and unappealable.

- 5.2.3. The Bid Bond shall be released to the Winning Bidder upon the determination of the GEAC that the Post-Auction Documents set forth in Section 10.3 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 mentioned in Section 5.2.1.3 of this TOR, the GEA-BEAC, with the assistance of the GEAC-TWG, shall issue User-Specific IDs to the respective Authorized Representatives of Qualified Bidders in accordance with Section 5.2.1.3 of this TOR. For this purpose, each Qualified Bidder shall create individual electronic mail accounts for each participating biomass project or phase thereof.

- 5.3.1. Unique IDs shall be issued to a Qualified Bidder for each of its participating Biomass Facility or phases thereof. The GEA electronic mail 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 electronic mail; 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.

- 5.4. 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 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.6@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 mentioned in Section 5.3 of this TOR. 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 biomass technology (stand-alone and co-generation) with the corresponding DCDs within the given timeframe, as shown below:

Auction Proper	
Opening of Electronic Bidding Platform	9:30 AM
Stand-alone Technology	
Auction Start	Auction End
10:00 AM	10:15 AM
Co-generation Technology	
10:30 AM	10:45 AM
Closing of the Electronic Bidding Platform	11:00 AM
Archiving of Accepted Bids	

- 6.1.3. The Electronic Bidding Platform shall be open from 9:30 am to 11:00 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 each participating Qualified Bidder in its 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 the ERC, TransCo, Board of Investments (BOI), and the IEMOP as Observers. Other government entities and 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 Biomass 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 Bidder's Observer and Authorized Representative 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 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 Biomass 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 Biomass Projects, through the Electronic Bidding Platform, using their User-Specific IDs, specifying:

6.2.4.1. Offered Capacity in MW with three (3) decimal places, which shall be less than or equal to the Net Export Capacity⁹ of the facility,

6.2.4.2. Price Offer in PHP/kWh with four (4) decimal places; and

6.2.4.3. DCD.

⁹ "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 Biomass Facility. On the other hand, "Offered Capacity" refers to the Net Export Capacity to be offered/offered during the auction.

- 6.2.5. The Electronic Bidding Platform shall accept the Offered Capacity as entered by the Qualified Bidder: *Provided*, that the final determination of whether the Bid Bond and the Declared Net Export Capacity (Annex D1.1) cover said Offered Capacity shall be made by the GEAC-TWG under Section 8.2.4 of this TOR.
- 6.2.6. 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 Biomass 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 Biomass Facility or a portion thereof in accordance with Section 8.2.4.3 of this TOR. Where only a portion of the capacity of the Biomass Facility will be offered, such portion shall be covered by a separate generating unit and wholly offered: *Provided*, That the said unit/s or portion/s have a dedicated metering facility and corresponding revenue meter.
 - 6.3.2. For a Biomass Project with Phased-In Delivery Commitment, for which User-Specific 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. Any Bid with a Price Offer higher than the GEAR Price shall be deemed non-responsive and shall be discarded automatically. Any inconsistency in the Offered Capacity vis-à-vis technical (Net Export Capacity) or financial (Stated value of Bid Bond) requirements shall be subject to the validation and disqualification triggers set forth in Section 8.2.4 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 Qualified Bidder.
 - 6.4.2. An automatically generated electronic mail shall be sent to the registered electronic mail address of the Qualified 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 at the date and time set for the Auction Proper:
 - 7.1.1. The GEA-BEAC will re-schedule the online auction which will be announced within two (2) working days after 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” hereof 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 will 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 will 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 Offer¹⁰. In consideration of Marginal Offers, the Installation Targets may be increased by up to 50 MW (Cap) for Stand-alone and 20 MW (Cap) for Co-generation biomass projects.
- If a bid becomes the Marginal Offer and a portion of the Offered Capacity will exceed the remaining Installation Target plus Cap, such bid may be included in the Winning Bids, provided that the Winning Bidder agrees reduce its Offered Capacity to an amount not exceeding the remaining Installation Target plus Cap.
- 8.2.4. The GEAC-TWG shall validate the bids as ranked by the electronic bidding platform through the following process:
- 8.2.4.1. Any Bid belonging to a Qualified Bidder whose original Bid Bond or password submission was found non-compliant by the GEA-BEAC under Section 5.2.2.2 of this TOR shall be dropped;
- 8.2.4.2. Using the password submitted alongside the original Bid Bond pursuant to Section 5.1.2, the GEAC-TWG shall access the Declared Net Export Capacity of the facility as submitted under Annex D1.1. If the Offered Capacity entered by the Qualified Bidder on the platform is higher than the Declared Net Export Capacity in Annex D1.1, the said Bid shall be automatically disqualified, regardless of whether the stated value of the Bid Bond covers the Offered Capacity;
- 8.2.4.3. A bid shall be provisionally accepted only if the Offered Capacity is equal to or lower than the Declared Net Export Capacity, and provided further that the stated value of the Bid Bond fully covers the Offered Capacity; and
- 8.2.4.4. In the event that a bid is dropped or disqualified under this Section, the next-ranked Bidder/s per the ranking and stacking

¹⁰ "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.

of offers under Section 8.2.1 of this TOR shall substitute the disqualified bidder until the Installation Target is met, subject to the same validation requirements.

- 8.2.5. The GEAC-TWG shall conduct the validation mentioned in Section 8.2.4 of this TOR within three (3) 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 three (3) working days from the last day of the period provided above.
- 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 five (5) working days from receipt of endorsement, the Secretary shall either approve the issuance of the NOA or, when the circumstances so warrant, revert the endorsement to the GEAC for further proceedings to ensure conformity with this TOR and applicable laws, rules, regulations and guidelines.
- 9.1.2. The DOE shall then post the NOA containing the List of Potential Winning Bidders on its website not later than one (1) working day from the Secretary's approval thereof.

10. SUBMISSION OF POST-AUCTION REQUIREMENTS

- 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, under Section 5.1.3 of this TOR, the following:
 - 10.1.1. Original GEA Affidavit of Undertaking to deliver the Offered Capacity in accordance with Annex "D7" of this TOR;¹¹
 - 10.1.2. Original PB, the amount of which shall be determined based on the formula in Annex "B" of this TOR;
 - 10.1.3. Proof of filing of application for System Impact Study (SIS) with the National Grid Corporation of the Philippines (NGCP) or Distribution

¹¹ Pursuant to the administrative discretion of the GEAC to streamline the auction process as authorized under Special Order No. 2025-01-0004 and SO No. 2026-05-0027, the submission of undertakings specified in Sections 9.5 and 9.8 of the GEAP Guidelines is deferred to the Post-Auction phase.

Impact Study (DIS) with the concerned distribution utility (DU) or a copy of valid PAO or COC issued by ERC for existing Biomass Facilities;

- 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;
 - 10.1.5. A Revised Work Program (WP), which shall comply with the prescribed template in Annex "D8", showing timeline of activities to achieve COD on DCD, if applicable; and
 - 10.1.6. For Potential Winning Bidders that participated in the auction as holders of a COA, a copy of the BEOC duly executed and signed by the Potential Winning Bidder and the Secretary.
- 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 Section 10.1 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 Requirements within ten (10) 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 Requirements 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 Documents 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, 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 DCD or COD whichever comes later, as may be extended; and

- 10.6.1.2. Be renewed annually, consistent with Section 10.6.3 of this TOR. Not later than sixty (60) calendar days prior to the expiration of the current PB, the Original PB must be submitted to the GEAC.
- 10.6.2. Existing Biomass Facilities that are already under commercial operations or have achieved COD shall still be required to post a PB covering the Offered Capacity under GEAP to ensure that on the DCD, as the case may be, and for sixty (60) days thereafter, the Winning Bidder shall comply with its obligations under the GEAP.
- 10.6.3. In every case, the Biomass Facilities of the Winning Bidder shall be covered by a PB that shall remain effective and in place until sixty (60) days after committed DCD or COD, as the case may be. During the sixty (60)-day period, the DOE, through the GEA-BEAC with the assistance of the GEAC-TWG, shall validate compliance by the Winning Bidder of its supply obligations under the GEAP.
- 10.6.4. The PB shall be returned to the Winning Bidder upon compliance with Section 10.6.3 of this TOR: Provided, That the Winning Bidder's compliance with the obligations under the GEAP was duly confirmed by the DOE, through the GEA-BEAC with the assistance of the GEAC-TWG.
- 10.6.5. If, after verification by the DOE, through the GEA-BEAC with the assistance of the GEAC-TWG, 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 Biomass 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: Provided, further, That for Winning Bidders that accepted a Cap on their Offered Capacity under Section 8.2.3.2 of this TOR, the capacity reflected in the COE-GET shall not exceed the said Cap.
- 10.6.6. The amount of the PB, or any renewal thereof, may be reduced based on actual completion of the Biomass Facility subject to the DOE's validation in both cases. Such validation shall be conducted during the 3rd Quarter of every calendar year until committed DCD or COD, as may be applicable.

For this purpose, the Winning Bidders shall submit a report containing the actual completion of, and expenditures incurred for, the Biomass 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 of this TOR, the DOE, without the need of notice to the Winning Bidder, shall call the PB for the current year and hold the same as cash bond, until the Winning Bidder shall have submitted a renewed or replacement PB compliant with the requirements

therefor, in which case, the cash bond shall be returned to the Winning Bidder.

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 Biomass Facility, as indicated in the COE-GET, auction is less than 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 on the DCD and (a) the delay is due to its fault and (b) does not exceed three hundred sixty-five (365) days from the DCD but within DCP, one-tenth (1/10) of one (1) percent of the PB shall be drawn for every day of delay as penalty.
- 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 delay exceeds 365 days or beyond the DCP, the PB shall be drawn in full. Further, the COA, COE-CET, 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-inline Bidder/s in the ranking of bids.
- 10.7.5. 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.

- 10.7.5.1. 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 Biomass 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. Project Cost shall be issued through Bid Bulletin based on ERC Resolution on the GEAR Price determination for GEA-6.
- 10.7.5.2. The DOE shall have the right to enforce payment of the amount due under Section 10.7.5.1, as follows:
 - 10.7.5.2.1. Proceed against the PB of such Winning Bidder, if the same is still valid and effective; and

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

10.7.6. The Winning Bidder acknowledges and agrees that the COA, together with the Affidavit of Undertaking (Annex "D7") and the terms and conditions of this TOR, constitutes a valid and binding contract for the supply and delivery of the Offered Capacity. In case of any breach of these obligations, or any damage resulting therefrom, the DOE may pursue any and all available legal remedies and claim damages through proper courts of competent jurisdiction. This provision shall be without prejudice to the right of the DOE to enforce liquidated damages under Section 10.7.5 of this TOR, or to recommend the imposition of administrative and criminal penalties under the GEAP Guidelines, EPIRA, and the RE Act.

11. CERTIFICATE OF AWARD¹² (COA)

The DOE shall issue a COA to each Winning Bidder that timely submits the Post-Auction Requirements mentioned in Section 10.1 of this TOR and whose Post-Auction Requirements 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 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, 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

¹² 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 Biomass 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.

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 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 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 Bidder 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 hereof.

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 Biomass Facility, as replacement. Such replacement Biomass Facility shall be located within the same grid, and have the same offered capacity and price, as the Winning Bidder's Biomass Facility except that the DCD of the replacement Biomass Facility 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 Biomass Facility.

- 13.6. In addition to the requirements under Section 13 of the TOR, a Winning Bidder that invokes FM shall submit the following to the GEAC:

- 13.6.1. 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;
- 13.6.2. A request to extend the timeline to accomplish DCD, as the case may be;
- 13.6.3. A computation of the period of extension claimed based on Section 13.6.1 and 13.6.2 of this TOR; and
- 13.6.4. A Work Plan (WP) reflecting a new timeline to attain COD, as the case may be.

14. ISSUANCE OF CERTIFICATE OF ENDORSEMENT FOR GREEN ENERGY TARIFF¹³

- 14.1. The Winning Bidder of an existing Biomass Facility may apply for COE-GET with the DOE subject to the submission and validation of the following:

- 14.1.1. Proof of WESM registration;
- 14.1.2. Copy of the GEA COA; and
- 14.1.3. Copy of valid COC or PAO issued by ERC.

- 14.2. The Winning Bidder with a new Biomass Facility shall be issued a COE-GET by the DOE upon submission and validation of the following:

- 14.2.1. Proof of WESM registration;
- 14.2.2. Copy of the GEA COA; and
- 14.2.3. Final Certificate of Approval to Connect¹⁴ (FCATC).

In the event that the actual export capacity is less than the Offered Capacity, the PB shall be partially drawn according to Section 10.7.2 of this TOR.

- 14.3. The COE-GET shall be processed according to Section 6 of the DOE DCNo. DC2013-05-0009.
- 14.4. 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.

- 14.5. Maintenance of Eligibility for GET. The continued validity of the COE-GET is contingent upon the Winning Bidder's adherence to operational standards, particularly regarding fuel and feedstock security:

¹³ 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 Biomass Facility and readiness to inject power to the grid under GEAP.

¹⁴ 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.

- 14.5.1. Throughout the SDP, the Winning Bidder shall ensure the continuous availability of biomass feedstock or supply to meet its Offered Capacity.
- 14.5.2. The Winning Bidder shall submit an annual Feedstock Inventory and Supply Report to the DOE no later than December 15th of every calendar year. This report must demonstrate adequate feedstock security for the immediately succeeding operating year. Failure to demonstrate adequate feedstock security, or any material breach in supply arrangements resulting in prolonged under-generation, shall be considered a material breach of the COA. This may result in the application of penalty provisions under the Renewable Energy Payment Agreement (REPA).

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 subject to prior approval by the DOE of the assignment of the RE Contract covering the Biomass.
- 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.