# CONTRACT NO. LOG MSSP 2024-09-114-JVC

DESIGN, SUPPLY, DELIVERY, INSTALLATION, TESTING AND COMMISSIONING OF 30 KW ON-GRID SOLAR PV SYSTEM WITH NET METERING PROGRAM IN BICOL OPERATIONS DIVISION OFFICE, DARAGA, ALBAY

\$1-CAT24-009 / PB240730-AM00343

#### KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into in Quezon City, Philippines, by and between:

The NATIONAL POWER CORPORATION, a governmentowned and controlled corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at Gabriel Y. Itchon Building, Senator Miriam P. Defensor-Santiago Avenue (formerly BIR Road) corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its Vice President, Small Power Utilities Group, MR. RENE B. BARRUELA, who is duly authorized to represent it in this transaction, hereinafter referred to as NPC;

and -

TRADEMASTER RESOURCES CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Lot E, Impex Compound, Alabang-Zapote Road, Las Piñas City, herein represented by its Officer-In-Charge, MR. MELVIN R. ZABALA, who is duly authorized to represent it in this transaction, hereinafter referred to as SUPPLIER.

#### WITNESSETH: That -

WHEREAS, on 06 July 2024, NPC posted the Invitation to Bid for the Public Bidding of the Design, Supply, Delivery, Installation, Testing and Commissioning of 30 kW On-Grid Solar PV System with Net Metering Program in Bicol Operations Division Office, Daraga, Albay;

WHEREAS, there are three (3) prospective bidders who secured the Bidding Documents and participated in the bidding conducted on 30 July 2024 on the aforementioned undertaking;

WHEREAS, SUPPLIER's bid offer was considered as the single calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the SUPPLIER;

REVE B. BARRUELA
Vice President
Small Power Utilities Group

anager, Luzon Operations

Department

EDWIN T. TAT

Contract between NPC and Trademaster Resources Corporation
Design, Supply, Delivery, Installation, Testing and Commissioning of 30 kW On-Grid Solar PV
System with Net Metering Program in Bicol Operations Division Office, Daraga, Albay
Contract No. LOG MSSP 2024-09-114-JVC

AFG-LOG-007.F01 Rev. No. 0 Sheet 1 of 12

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NOW, THEREFORE, in view of the foregoing premises and for and in consideration of the mutual covenants and stipulations hereinafter provided, the parties hereto have agreed as follows:

# ARTICLE I DOCUMENTS COMPRISING THE CONTRACT

The following documents are hereby incorporated and made part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

- Bid Documents for the Design, Supply, Delivery, Installation, Testing and Commissioning of 30 kW On-Grid Solar PV System with Net Metering Program in Bicol Operations Division Office, Daraga, Albay.
- Notice of Award dated 17 September 2024;
- 3. Post Qualification Report dated 27 August 2024;
- 4. Bid Opening/Evaluation Report dated 31 July 2024;
- 5. SUPPLIER's bid proposal dated 30 July 2024;
- 6. Notice to Proceed; and
- The Performance Security to be filed by SUPPLIER in accordance with this Contract.

The documents mentioned above shall collectively be referred to as "Contract Documents".

In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above, the latter shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

#### ARTICLE II SCOPE OF WORK

The scope shall cover the Design, Supply, Delivery, Installation, Testing and Commissioning of 30 kW On-grid Solar PV System with Net Metering Program and the integration to the existing electric power system.

It is not the intent of this specification to specify all technical requirements or to set forth those requirements covered by applicable codes and standards. The SUPPLIER shall furnish manpower and supervision, high quality works, materials and equipment meeting the requirements of this specification and industry standards.

The SUPPLIER's scope of works under this Contract shall generally consist of provisions stipulated hereunder.

All works and materials which are not specifically mentioned herein but are deemed necessary for the safe and reliable operation of the Solar PV System shall be performed, identified and furnished by the SUPPLIER at no additional cost to NPC.

#### 1. Solar PV System

- a. Design, supply, delivery, installation, testing and commissioning of Solar PV Plant with a total installed capacity of at least 30kW Solar
- and instrumentation cables including ground conductors, conduit and other appurtenances required to power and interface the supplied equipment which form part the Solar PV System;
- c. Design, supply, delivery, installation and testing of grounding system for the Solar PV system and other newly installed facility(ies), if any, included in the contract; and
- d. Supply and delivery of all the required and necessary tools and accessories for the safe and reliable operation and maintenance of the on-grid solar PV System.

# 2. Net Metering System

- a. Supply, delivery, installation and testing of service entrance equipment complete with the required protection for the measurement of energy generation and system utilization of the solar PV system as shown in the Bid Drawings; and
- b. Secure legal, administrative and associated payment requirements for the connection of on-grid solar PV system such as:
  - Net-Metering application to Distribution Utility (DU);
  - Local Government Unit (LGU) Building Permit & Electrical Permit
  - Distribution Impact Study (as applicable)
  - LGU Certificate of Final Inspection;
  - Energy Regulation Commission (ERC) Certificate Compliance (COC);
  - DU Connection Agreement; and
  - Other permits/ regulatory compliances as applicable.

#### 3. Civil and Structural Support

a. Supply, delivery, installation, of railings and supports complete with clips, clamps, screws and other necessary accessories;

# On-Grid System

PV System consisting of solar panels, string inverters with DC boxes/ AC combiner box and grounding system, structural support, DC/AC power cables, conduits and its appurtenances, metering system harmonic & surge filter, if necessary, and all other necessary components and associated auxiliaries; b. Design, supply, delivery, installation and testing of power, control,

Small Power Utilities Group ENE B. BARRUEL Vice President

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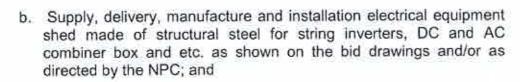
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 Supply, delivery and installation of Ethylene Propylene Diene Monomer (EPDM) for the connection between kliplock hook and roof sheet to prevent water insertion.

SUMMARY OF I	MAIN EQUIPMENT TO SUPPLIE		/INSTALLED BY
Capacity of Solar PV System (kW)	Net Metering System with Service Entrance Equipment (Lot)	General and Equipment Grounding System (Lot)	Power, Control & Instrumentation Cables (Lot)
30	1	1	1

# ARTICLE III PROJECT DURATION AND LOCATION

The contract duration shall be ONE HUNDRED TEN (110) CALENDAR DAYS reckoned from the receipt of Notice to Proceed inclusive of fifteen (15) unworkable days considered unfavorable for the execution of the works. The equipment shall be delivered, installed, tested and commissioned at Bicol Operations Division Office. The SUPPLIER shall be responsible for taking reference to its accessibility, means of transportation and all other factors that could hamper the smooth execution of the contract.

Any and/or all expenses arising through the lack of knowledge of the SUPPLIER regarding the existing conditions of the delivery point shall be his responsibility and no additional payment thereof shall be made by NPC.

The Solar PV-Diesel Hybrid System (with ESS) is located in Bicol Operations Division Office, Brgy. Peñafrancia, Daraga Albay

# ARTICLE IV TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price shall be in the amount of and not exceeding PHILIPPINES PESOS: THREE MILLION TWO HUNDRED THOUSAND PESOS (PHP 3,200,000,00) ONLY.

The Total Contract Price specified above shall be paid in accordance with the provision of Section IV-GCC, Clause 2 of the Bidding Documents.

All taxes, custom duties, tariffs, exports, excise and all other taxes assessed and charged by the taxing authority of the country of origin upon production, manufacture or shipment of all materials, equipment and supplies to be furnished under the Contract shall be borne by the SUPPLIER.

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In addition, all taxes, fees, insurance and cost of delivery to site shall be borne by the SUPPLIER.

# ARTICLE V PERFORMANCE SECURITY

To guarantee the faithful performance of the SUPPLIER's obligation under this Contract, the SUPPLIER shall post a performance security which shall remain valid and effective during the contract duration. The Performance security maybe in any of the following forms:

- a. Cash, Manager's/Cashier's Check, Bank Draft/Guarantee issued by a Universal or Commercial Bank or Irrevocable Letter of Credit issued by a Universal or Commercial Bank. Provided however, that it shall be confirmed or authenticated by a reputable local Universal or Commercial Bank if issued by a Foreign Bank equivalent to Five Percent (5%) of the contract price;
- b. Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly certified by the Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.

The Insurance Company that will issue Performance Security must be accredited by the Insurance Commission and acceptable to NPC.

The performance security shall be valid for the duration of the contract and shall remain valid and effective until after sixty (60) days from NPC's final acceptance of the item, The Performance Bond shall also be answerable for any damages or penalties or any expenses that NPC may suffer as a result of the failure of the SUPPLIER to perform its obligations under this Contract. The Performance Bond shall be entirely forfeited by NPC upon default of the SUPPLIER.

In case of surety bond, any extension of the contract time granted to the SUPPLIER, shall be considered as given, and any modification of the Contract shall be considered as authorized, as if with the expressed consent of the surety, provided that such extension or modifications falls within the effective period of the said surety bond. However, in the event that such extension of the contract time would be beyond the effective period of the surety bond first posted, it shall be the sole obligation of the SUPPLIER to post an acceptable Performance Security within ten (10) calendar days after the contract time extension has been granted by NPC.

# ARTICLE VI WARRANTY/GUARANTEE BOND

To assure that manufacturing defects shall be corrected by the SUPPLIER or its manufacturer, the SUPPLIER shall post a Guarantee Bond after the performance of the contract pursuant to the provision contained in Section IV-GCC, Clause 5 of the Bidding Documents. This is also a prerequisite to the discharge and return to the SUPPLIER of the Performance

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Bond. This shall remain valid for twelve (12) months after the acceptance of the goods by the end user. The obligation of the warranty shall be covered by, at NPC's option, either retention money in an amount equivalent to at least one percent (1%) but not exceed five percent (5%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) but not to exceed five percent (5%) of the total contract price. The said amount shall only be released after the lapse of the warranty period, provided, however, that the GOODS supplied are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

#### ARTICLE VII LIQUIDATED DAMAGES

Should SUPPLIER fails to satisfactorily deliver any or all of the Goods and/or to perform the services within the period specified in this Contract inclusive of duly granted time extensions, if any, NPC shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to one tenth (1/10) of one (1) percent of the contract cost of delay/unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%) of the contract amount, NPC may rescind or terminate the contract without prejudice to other course of action and remedies open to it.

#### ARTICLE VIII NON-ASSIGNMENT AND NO SUB-CONTRACTING

The SUPPLIER shall not, without the written approval of NPC, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contracting or any other disposition, shall be sufficient ground for NPC to terminate or cancel this Contract motu proprio without need of judicial action. Should NPC give its written approval, such consent shall not relieve the SUPPLIER of its responsibilities under the Contract. The SUPPLIER shall ensure that the terms and conditions of any sub-contract shall comply and conform with the terms and conditions of this Contract. The SUPPLIER shall be responsible for the observance by the sub-contractor of the terms and conditions of this Contract.

If any portion of the project sub-contracted is not performed faithfully in accordance with the contract, the sub-contractor shall be removed or replaced immediately upon the written request of NPC, provided, however, that any failure of NPC to make such request shall not relieve the SUPPLIER of its obligations under the contract. NPC shall not be responsible for the delays or costs incurred by the SUPPLIER because of the disapproval or removal of the sub- contractor, or because of the late submission of its approval.

#### ARTICLE IX AGREEMENT MODIFICATION

No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment

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signed by the Parties.

# ARTICLE X SUSPENSION OF WORK

NPC may suspend the work wholly or partly by written order for a certain period of time, as it deems necessary due to force majeure or any fortuitous events as defined in the contract. The SUPPLIER shall take all reasonable steps to minimize the costs allocable to the work covered by such order during work stoppage.

Before the suspension order expires, the procuring entity concerned shall either lift such order or terminate the work covered by the same. If the suspension order is lifted, or if the period of the order expires, the SUPPLIER shall have the right to resume work. Appropriate adjustments shall be made in the delivery or contract schedule, or contract price, or both, and the contract shall be modified accordingly.

# ARTICLE XI PRE-TERMINATION

Notwithstanding any provision to the contrary, NPC has the right to terminate, cancel and/or rescind this contract motu proprio, without need of judicial action, in case of breach thereof by the SUPPLIER, by giving at least ten (10) day written notice, which shall be final and binding on all parties. Upon receipt of NPC's notice, the SUPPLIER cannot remove, withdraw or pull-out any equipment, machinery, tool, material and supply brought to the project site without the written approval of NPC.

Any misrepresentation made by the SUPPLIER in the submission of documents, or suppression of material facts, which if known could have disqualified the SUPPLIER gives NPC the immediate right or recourse to motu proprio, without need of judicial action, rescind, abrogate or otherwise terminate the Contract.

Within thirty (30) days after termination, cancellation or rescission of this Contract, the Parties shall settle their respective accountabilities as of the date of termination, cancellation, or rescission, including the refund of any and all advances made, plus legal interest from the date of receipt of the amount or amount advanced.

#### ARTICLE XII WARRANTY CLAUSE

SUPPLIER hereby warrants that it or its representative has not offered or paid, directly or indirectly, any government officer and NPC official or employee any consideration or commission for the Contract nor has it or its representative exerted or utilized any corrupt or unlawful influence to secure or solicit this Contract for any consideration or commission; that the SUPPLIER will not subcontract any portion or portions of the scope of work of the Contract awarded to it to any official or employee of the NPC and to the relatives within

MYN ROCE HERMO (SUPPLIER)

anager, Luzon Operations
Department
(NPC)

RENE B. BARRUELA Vice President Small Power Utilities Group

anager, Luzon Operations

Department

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the 3rd degree of consanguinity or affinity of NPC's officials who are directly and indirectly involved in Contract awards or project execution; and that if any commission is being paid to a private person; it shall disclose the name of said person and the amount being paid; and that any violation of this Warranty shall constitute sufficient ground for the rescission or cancellation of this Contract; or the reduction from the Contract Price of the consideration or commission paid without prejudice to the filing of any action for the violation of RA No. 3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the SUPPLIER and/or its representative and/or the erring NPC official(s) and employee(s).

# ARTICLE XIII JOINT AND SEVERAL LIABILITY

The liability of the SUPPLIER and/or any and all of the entities representing it on any manner under this Contract or relating to thereto is joint. and several and for this reason NPC may proceed against any or all of them.

# ARTICLE XIV VALIDITY CLAUSE

If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

# ARTICLE XV GUARANTEE

The SUPPLIER shall guarantee that he will repair, and/or replace, at his own expense, equipment and machineries, against defect in design, workmanship and materials and shall include labor, parts and travel time for necessary repairs at the plant site effective from date of issuance of Certificate of Completion for a period of twelve (12) months. However, the manufacturer's warranty against defect in design, workmanship and materials for solar panels array and rapid shutdown equipment shall be ten (10) years while the Inverters shall have a minimum warranty of five (5) years.

The SUPPLIER shall provide on-call support for issues beyond the technical capability of NPC personnel as specified in the scope of works. If issues cannot be fixed or solved by telephone support, the SUPPLIER must be able to send to the plant site their appropriate staff within ten (10) calendar days after NPC's notification.

This shall include any maintenance/repair services rendered upon request of NPC in the event of any abnormality occurs within the warranty period. For the minor repairs/replacement/adjustments as determined by the SUPPLIER, facility maintenance personnel who had undergone training the SUPPLIER conducted by may perform the repairs/replacement/adjustments, if authorized by the SUPPLIER thru any means of available communications, provided that such repair is done properly.

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Small Power Utilities Group Vice President

The applicable guarantee period shall be exclusive of any downtime attributable to the SUPPLIER. In case of equipment downtime occurs during the warranty period due to fault of the SUPPLIER, the downtime hours shall be added to the required warranty period. Hence, the warranty period is extended with the equivalent downtime attributable to the SUPPLIER.

Provided further that the release of the warranty bond/security is without prejudice to the terms provided by GW-15.0 and shall be done after the warranty period plus downtime attributable to SUPPLIER, if any as certified by the concerned end-user.

In the event that undue delay is being caused by the SUPPLIER for failing to attend the requested maintenance/repair services within ten (10) calendar days, a penalty in the formula stated in the bid document shall be charged to the SUPPLIER.

The SUPPLIER guarantees that when the equipment and/or material are placed in operation and/or use, it will perform in the manner as set forth in the Contract.

#### ARTICLE XVI **EFFECTIVITY**

This Contract shall become effective upon receipt of the Notice to Proceed.

## ARTICLE XVII VENUE OF ACTION

The parties hereto agree that the venue of action for any cause or causes of action which may arise in connection with this Contract, after failure to settle the same amicably, shall be exclusively in the proper courts of Quezon City.

this \_\_\_\_\_ day of CT\_28\_2024. 2024 at Quezon City, Philippines.

NATIONAL POWER CORPORATION (NPC) TRADEMASTER RESOURCES CORPORATION (SUPPLIER)

BY:

RENE B. BARRUELA

Vice President Small Power Utilities Group BY:

MELVIN R. ZABALA Officer-In-Charge

SIGNED IN THE PRESENCE OF:

EDWIN T. TATEL

Manager, Luzon Operations Department (NPC) WIN ROSE & HERMO

SUPPLIER)

**FUNDS AVAILABLE** 

LORLINA E. BOMEDIANO

Sr. Department Manager, Finance

PERIOD JOB ORDER COST GENTER AMOUNT

Certificate of Budgetary Inclusion

Period: FY 2025
Account / WO/JO: EG01A77
CBI Reference No.: (PRP-25-10-03)7
Cost Center: 589 3040
Amount P 3, 200, 000-06

Belvecton F, Aragon Manager, BPRD

# REPUBLIC OF THE PHILIPPINES) ) S.S

### ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this Identification Document in the form of PAGE PORT NO. P2311010B, issued by at MANILA, on 25 June 2019, known to me and to me known to be the same person who executed the foregoing instrument consisting of twelve (12) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and he acknowledged before me that the same is his free and voluntary act and deed and that of the Company he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Book No.: X Series of 2024.

Doc. No.: Page No.: ( Notary Public Until December 31, 2024 IBP Lifetime No.: PTR No.:

Notary Public Appointment No. LP 22-044 Until December 31, 2024 ROLL NO. 31643

PTR NO. 12652985 J-1/2/2024 Las Piñas City IBP NO. 17322-01/10/22 MCLEEXEMPTED NO. VII-IMETC-002276

# **ACKNOWLEDGEMENT**

DCT 2.8 AR day of \_\_\_\_\_\_\_, 2024, personally appeared MR. RENE B. BARRUELA Vice President, Small Power Utilities Group, NATIONAL POWER CORPORATION, with Document Identification in the form of Company ID No. APW1300668, known to me and to me known to be the same person who executed the foregoing instrument consisting of twelve (12) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and he acknowledged before me that the same is his free and voluntary act and deed and that of the Company he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Doc. No. 487; Page No. 99; Book No. 1;

Series of 2024.

ATTY. DIWA RAFAEL B. BONTUYAN
Notary Public for Quezor City
Commission No. NP-401 (2023-2024)
Commission Expires on 31 December 2024
Roll No. 64390
IBP No. 1006807; 02/07/2023; Quezon City
PTR No. 4540603; 04/20/2023; Quezon City
MCLE No. VII-0009839; 02/14/2022; Pasig City
4th Floor NPC Office Building
Duezon Ave. cor. BIR Road

Ciliman Oliezon City

Until December 31, 2024

Notary Public

PTR No.:

IBP Lifetime No.