

INTEGRATED POWER AND CONTROL
PROVIDER INC.
(SUPPLIER)

SIGNED IN THE PRESENCE OF:

NATIONAL POWER CORPORATION
(NPC)

BY: 
AUDIE N. VEGA
General Manager


(SUPPLIER)
SAMIE M. SANDOVAL
Project Manager


NICHOLAS T. BENIGRA
Plant Manager, Agus 4 & 5 HPPC

BY: 
FERNANDO MARTIN Y. ROXAS
President and CEO

CONTRACT NO. LOG MSSP 2024-07-090-MGF

**REHABILITATION/UPGRADING OF GENERATOR UNIT 2 EXCITATION
SYSTEM FOR AGUS 5 HPP
MG-A5M24-005 / PB240514-AM00223 (PB2)**

KNOW ALL MEN BY THESE PRESENTS:

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

The **NATIONAL POWER CORPORATION**, a government-owned 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 President and CEO, **MR. FERNANDO MARTIN Y. ROXAS**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

INTEGRATED POWER AND CONTROL PROVIDER INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 2A 2F 8070 Danguile St. cor. Estrella Avenue, San Antonio Village, Makati City, Philippines, herein represented by its General Manager, **MR. AUDIE N. VEGA** who is duly authorized to represent it in this transaction, hereinafter referred to as **SUPPLIER**.

WITNESSETH: That -

WHEREAS, on 16 May 2024, NPC posted the Invitation to Bid for the Public Bidding of the Rehabilitation/Upgrading of Generator Unit 2 Excitation System for Agus 5 HPP;

WHEREAS, only one (1) prospective bidder secured the bidding documents and participated in the bidding conducted on 04 June 2024 on the aforesaid undertaking;

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

WHEREAS, NPC accepted the said bid of the SUPPLIER;

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:

Contract between NPC and Integrated Power and Control Provider Inc.
Rehabilitation/Upgrading of Generator Unit 2 Excitation System for Agus 5 HPP
Contract No. LOG MSSP 2024-07-090-MGF

BY:

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General Manager

SAMUE M. SANDOVAL
Project Manager

NICHOLAS T. BENIGRA
Plant Manager, Agus 4 & 5 HPPC

BY:

FERNANDO MARTIN Y. ROXAS
President/and CEO

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:

1. Bidding Documents for the Rehabilitation/Upgrading of Generator Unit 2 Excitation System for Agus 5 HPP under PR No. MG-A5M24-005 / PB240514-AM00223 (PB2);
2. Notice of Award dated 04 July 2024;
3. Post Qualification Report dated 14 June 2024;
4. Bid Opening/Evaluation Report dated 05 June 2024;
5. SUPPLIER's bid proposal dated 03 June 2024;
6. Supplemental/Bid Bulletin No. 1 dated 27 May 2024;
7. Notice to Proceed; and
8. 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 of works shall cover but not be limited to the following:

1. Preparation of Materials/resources onsite and site evaluation.
2. Verification and tagging of power cables for DC supply, Field Breaker Switch, Excitation Transformer, CT, PT and other connections from existing excitation panel.
3. Dismantling and removal of old excitation panel system along with its accessories and haul to Agus5 HPP Material Recovery Facility (MRF).
4. Cleaning and clearing of the area where old system is removed.
5. Supply, Delivery and Installation of the complete set of new excitation system along with its accessories. The installation site is indoor. Conduct confirmatory electrical tests thru CMTSD before and after installation.
6. Assembly and interconnections of excitation panels, wiring connections and busbar.
7. Termination of cable connection for DC supply, Field breaker switch and excitation transformer.
8. Reconnections to existing PT/CT, line connections and generator breakers.
9. Laying of control and signal wires from local to control room for protection relays, switches and indicator lamp.
10. Termination of control cables and wires for protection relays, switches and

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indicator lamp and sequencer, if necessary.

11. Operational checks of cooling fans, breakers and other devices such as sensors, transducer, alarms and protective devices.
12. Revalidation of wiring connections on terminal blocks and cable connections.
13. Testing of excitation, functional and protection to be witness by Agus 5 HPP and CMTSD personnel.
14. Cold commissioning & fine tuning of the new excitation system as per Agus 5 HPP parameter settings to be witnessed by Agus 5 HPP and CMTSD personnel.
15. Hot Commissioning of the new excitation system to be witnessed by Agus 5 HPP and CMTSD personnel.
16. Conduct factory acceptance tests (FAT) at the manufacturer's facility to be witnessed personally by two (2) NPC representatives. Costs of travel during FAT should be shouldered by the SUPPLIER.
17. Install the panel space heaters for the excitation transformer panel. Conduct test and commissioning for the said space heaters.
18. Configure and program the new excitation system according to the ideal specifications of the synchronous machine technical data. Conduct Interfacing of the new excitation system to the control room for remote operation.
19. Conduct test and commissioning of the new excitation system according to the IEEE or IEC standards to be witnessed by Agus 5 HPP and CMTSD personnel.
20. Conduct the required training and technology transfer to Agus 5 HPP and CMTSD personnel by the principal as per the contract requirements.

The following shall be included in the Supplier's scope of work:

1. The Supplier shall be responsible for visiting the delivery site and take particular reference to its accessibility, means of transportation, and all other factors that should be considered in carrying out the contract.
2. Provide equipment, tools, instruments, and consumables necessary during equipment testing for satisfactory completion of the work; and
3. Submission of pertinent documents as per TS-8.0 Drawings and Documentation to be Submitted as indicated in the bidding documents.

ARTICLE III PROJECT DURATION AND LOCATION


The project shall commence immediately upon issuance of the Notice to Proceed and the completion period shall be within **ONE HUNDRED EIGHTY (180) CALENDAR DAYS** reckoned from receipt of Notice to Proceed.

The project site is located at **Agus 5 HPP, Ditucalan, Iligan City, Lanao del Norte.**

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ARTICLE IV TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price shall be in the amount of and not exceeding **PHILIPPINE PESOS: THIRTY TWO MILLION PESOS (PHP 32,000,000.00)**.

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.

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.

- 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.
- 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 the 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

INTEGRATED POWER AND CONTROL
PROVIDER INC.
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BY:

AUDIE N. VEGA
General Manager

PRESENCE OF:

SAMUEL M. SANDOVAL
Project Manager

SIGNED IN THE

NICHOLAS T. BENIGRA
Plant Manager, Agus 4 & 5 HPPC

NATIONAL POWER CORPORATION
(NPC)

BY:

FERNANDO MARTIN Y. ROXAS
President and CEO

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 Warranty/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 pre-requisite to the discharge and return to the SUPPLIER of the Performance 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 the SUPPLIER'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(s) 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, the applicable rate of one tenth (1/10) of one (1) percent of the cost of unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%), NPC may rescind or terminate the Contract without prejudice to other courses 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

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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-SUPPLIER 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 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

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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 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.

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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 GOVERNING LAW

This Contract shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

ARTICLE XVI 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.

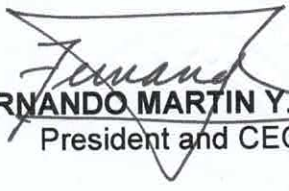
Contract between NPC and Integrated Power and Control Provider Inc.
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IN WITNESS WHEREOF, the parties hereto have signed this Contract
this 15th day of August, 2024 at Quezon City, Philippines.

NATIONAL POWER CORPORATION
(NPC)

**INTEGRATED POWER AND
CONTROL PROVIDER INC.**
(SUPPLIER)


BY:



FERNANDO MARTIN Y. ROXAS
President and CEO

BY:


AUDIE N. VEGA
General Manager

SIGNED IN THE PRESENCE OF:


NICHOLAS T. BENIGRA
Plant Manager, Agus 4 & 5 HPPC
(NPC)


(SUPPLIER)
SAMIE M. SANDOVAL
Project Manager

FUNDS AVAILABLE


LORLINA E. BOMEDIANO
Sr. Department Manager, Finance

(1)

CERTIFIED FUNDS AVAILABLE	
PERIOD	2024
JOB ORDER	WO# B133129
COST CENTER	6643013
AMOUNT	₱ 32,000,000.00

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this _____ day of AUG 15, 2024, personally appeared **MR. FERNANDO MARTIN Y. ROXAS**, President and CEO, **NATIONAL POWER CORPORATION**, with Document Identification in the form of Company ID No. APW20017432, known to me and to me known to be the same person who executed the foregoing instrument consisting of eleven (11) 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.

Notary Public
Until December 31, 2024
IBP Lifetime No.: _____
PTR No.: _____

Doc. No. 209 ;
Page No. 45 ;
Book No. 5 ;
Series of 2024.

ATTY. RODOLFO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-339(2023-2024)
Commission Expires on 31 December 2024
Roll No. 44291
IBP No. 307797; 01/31/2023; Tarlac
PTR No. 5661363; 01/12/2024; Quezon City
MCLE No. VII-0016459; 4/27/2022; Pasig City
4th Floor Gabriel Y. Itchon Building
Senator Defensor-Santiago Avenue (formerly BIR Road)
Corner Quezon Avenue, Diliman, Quezon City

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ACKNOWLEDGEMENT


CITY OF MAKATI

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this 22 day of JUL 2024, 2024, personally appeared, **MR. AUDIE N. VEGA**, General Manager, **INTEGRATED POWER AND CONTROL PROVIDER INC.**, with Identification Document in the form of DRIVER LICENSE, issued by LTO at MAKATI CITY, on 15/09/24, known to me and to me known to be the same person who executed the foregoing instrument consisting of eleven (11) 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.

Notary Public
Until December 31, 2024
IBP Lifetime No.: _____
PTR No.: _____

Doc. No.: 265
Page No.: 54
Book No.: 19
Series of 2024.


ATTY. BERNARDINO O. LAUTILLO
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M-073 UNTIL DEC. 31, 2025
LLNO. 77752 / MCLE Compliance No. VIII-002331 UNTIL APR. 14, 2028
IBP OR. NO. 410268 JAN. 8, 2024 / MAKATI CHAPTER
PTR No. 10083505 - JAN. 8, 2024
UNIT 2-B2 TRANS-PHIL HOUSE, DON CHINO ROCES AVE. COR
BAGTIKAN ST., SAN ANTONIO, MAKATI CITY