MAXIMÓ A. DELOS REYES / Acting Manager perations Planning and

Performance Department (NPC)

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# CONTRACT NO. LOG MSSP 2022-10-106-JBO

SUPPLY, DELIVERY, INSTALLATION, TESTING AND COMMISSIONING OF 15KV AUTOMATIC CIRCUIT RECLOSER FOR BATAG DIESEL POWER PLANT S2-BTG22-009 / PB220809-HG00296

### 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 NPC Building, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its Vice President, Small Power Utilities Group, MR. LARRY I. SABELLINA, who is duly authorized to represent it in this transaction, hereinafter referred to as NPC;

### and -

PPI PAZIFIK POWER, INC. a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 4F-6F South Park Plaza Building, Paseo de Magallanes Commercial Center, Makati City, herein represented by its Sales Manager, MR. JANN M. ALTAVANO, who is duly authorized to represent it in this transaction, hereinafter referred to as SUPPLIER.

### WITNESSETH: That -

WHEREAS, on 16 July 2022, NPC posted the Invitation to Bid for the Bidding for the Supply, Delivery, Installation, Testing Commissioning of 15kV Automatic Circuit Recloser for Batag Diesel Power Plant;

WHEREAS, there were two (2) prospective bidders who secured the bidding documents and participated in the bidding conducted on 09 August 2022:

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

WHEREAS, NPC accepted the said bid of the SUPPLIER;

Contract between NPC and PPI Pazifik Power, Inc.

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Small Power Utilities

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Acting Manager

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 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 Supply, Delivery, Installation, Testing and Commissioning of 15kv Automatic Circuit Recloser for Batag Diesel Power Plant, PR No. S2-BTG22-009 / PB220809-HG00296;
- 2. Supplemental/Bid Bulletin Nos. 1 and 2 dated 22 July 2022 and 29 July 2022:
- 3. Notice of Award dated October 13 2022;
- 4. Post Qualification Report dated 14 September 2022:
- 5. Bid Opening Report dated 10 August 2022;
- SUPPLIER's bid proposal dated 09 August 2022;
- 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 WORKS

The scope of work covers the Supply, Delivery, Installation, Testing and Commissioning of 15kV Automatic Circuit Recloser for Batag Diesel Power Plant:

- Dismantling of existing 15kV Automatic Circuit Recloser 1.
- Supply, Delivery, Installation, Test and Commissioning of the 2. new 15kV Automatic Circuit Recloser and accessories/materials necessary for the interfacing with the existing system

The following shall be included in the 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.

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Acting Manager

- 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 Section VI - EW TS-11.0 Drawings and Documentation Requirements:
  - Documents to be submitted before or upon delivery: a.
    - a.1 "Certificate of Origin" from the manufacturer;
    - "Warranty Certificate" for One (1) year against factory a.2 defects/workmanship;
    - a.3 Outline drawings of Automatic Circuit Recloser and accessories including Schematic and Wiring Diagrams;
    - User/Instruction and Installation Manual in Three (3) a.4 copies:

The instruction manual to be provided shall include the following:

- A schematic diagrams and component layout of all printed circuit boards
- A detailed list of all component and parts including manufacturers part numbers
- A detailed description of the circuit operation including block diagrams
- A comprehensive trouble-shooting guide to assist fault-finding
- Manufacturer's a.5 Brochure/Catalouges/Drawings contain information/data to support the Supplier's submitted and filled-out Technical Data Sheet;
- Calibration Certificate Traceable to National/International a.6 Standards:
- a.7 Characterization Curve / Calibration Data:
- a.8 Duly signed Routine Test Results; and
- Field Test to be performed and Certified Test and a.9 Inspection Reports duly signed and witnessed by NPC representative.
- Note: All documents shall be submitted to the Department Manager - Visayas Operations Department for evaluation and/or approval prior to issuance of acceptance certificate.

### ARTICLE III PROJECT DURATION

The Supplier shall complete the works as specified within Ninety (90) Calendar Days which shall become effective from receipt of the Notice to Proceed.

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OF:

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perations Planning and Performance Department (NPC) Acting Manager

Power Utilities Small

The Materials to be supplied shall be delivered to Batag Diesel Power Plant, Brgy. Marubay, Laoang, Northern Samar.

### ARTICLE IV TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price shall be in the amount of and not exceeding ONE MILLION THREE HUNDRED FIFTY FOUR THOUSAND FIVE HUNDRED TWENTY EIGHT PHILIPPINE PESOS (PHP 1,354,528.00).

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

All taxes, custom duties, tariffs, exports, excise and all other taxes assess 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.

- 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 total contract price.
- b. Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly accredited by the Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.
- Performance Securing Declaration.

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

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

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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 Warranty/Guarantee Bond after the performance of the contract pursuant to the provision contained in Section IV/General Conditions of the Contract, Section IV Clause GCC-5 of the Bid 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 final 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 to 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 fail 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.

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erations Planning and erformance Department (NPC)

Acting Manager

## **ARTICLE VIII** NON-ASSIGNMENT AND NO SUB-CONTRACT

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 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.

Contract between NPC and PPI Pazifik Power, Inc.

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Contract No. LOG MSSP 2022-10-106-JBO

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Small Power Utilities

MAXIMO A. DELOS REYES

Operations Planning and Performance Department

Acting Manager

### 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 he or his 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 he or his 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 him 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; he 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 his 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

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Contract No. LOG MSSP 2022-10-106-JBO

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MAXIMOÁ. DELOS REYES Operations Planning and Performance Department (NPC) cting Manager

Small Power Utilities

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 to complete the repair, and/or replacement within Thirty (30) Calendar Days, of the supplied instruments and accessories at his own expense against defect in design, workmanship and materials for a period of One (1) year after acceptance by NPC. The SUPPLIER must guarantee that the unit will perform in the manner as set forth in the manual and the Contract

The SUPPLIER shall submit a Warranty Certificate for one (1) year effective from the date of acceptance by NPC.

After the lapse of the warranty period, provided that there are no defects found and/or pending repairs works, NPC shall release the warranty security/certificate.

### ARTICLE XVI EFFECTIVITY

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

Contract between NPC and PPI Pazifik Power, Inc. Supply, Delivery, Installation, Testing and Commissioning of 15kV Automatic Circuit Recloser for Batag Diesel Power Plant Contract No. LOG MSSP 2022-10-106-JBO

# 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 shall be exclusively in the proper court of Quezon City, Philippines only.

IN WITNESS WHEREO	F, the parties he _, 2022 at Quez	ereto have signed this Contract on City, Philippines.
NATIONAL POWER CORPORA (NPC)	TION	PPI PAZIFIK POWER, INC. (SUPPLIER)
BY:	BY:	C111
LARRY L. SABELUNA Vice President Small Power Utilities Group		JANN M. ALTAVANO Sales Manager
SIGNED	IN THE PRESE	NCE OF:
MAXIMO A. DELOS REYES		Anito an Euros jn.
Acting Manager, Operations Plan and Performance Departmen (NPC)	nning	(SUPPLIER)
FUNDS AVAILABLE	CF PERIOD JOB ORDER COST CENTER AMOUNT	
	MINOUN	Production of the Control of the Con

Sr. Department Manager, Finance

LORLINA E. BOMEDIANO

amounting to \$ 1,304, 528.00

Contract between NPC and PPI Pazifik Power, Inc.
Supply, Delivery, Installation, Testing and Commissioning of 15kV Automatic Circuit Recloser for Batag Diesel Power Plant
Contract No. LOG MSSP 2022-10-106-JBO

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

### **ACKNOWLEDGEMENT**

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of 10 Nov 2022, personally appeared MR. LARRY I. SABELLINA, Vice President, Small Power Utilities Group, NATIONAL POWER CORPORATION, with Document Identification in the form of Company ID No. APW1301867, known to me and to me known to be the same person who executed the foregoing instrument consisting of ten (10) 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.

Page No. 46
Book No. 8
Series of 2022.

ATTY. RODOL FO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-127(2021-2022)
Commission Expires on 31 December 2022
Roll No. 44291
ISP No. 201548; 02/08/2022; RSM
No. 2614399; 02/08/2022; Quezon City
No. VI-0025196; 04/08/19; Pasky C...y
Ith Floor NPC Office Building
Quezon Ave. cor. BIR Road

niliman, Quezon City

Notary Public

PTR No.:

Until December 31, 2022 IBP Lifetime No.:

Contract between NPC and PPI Pazifik Power, Inc.

Supply, Delivery, Installation, Testing and Commissioning of 15kV Automatic Circuit Recloser for Batag Diesel Power Plant

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CARLIE D' FLIDO SR.

REPUBLIC OF THE PHILIPPINES) QUEZON CITY ) S.S

### **ACKNOWLEDGEMENT**

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this 2022, personally appeared MR. JANN M. ALTAVANO, Sales Manager, PPI PAZIFIK POWER, INC., with Identification Document in the form of at פחלאט כודש, on טעט וא, זאיז , known to me and to me known to be the same person who executed the foregoing instrument consisting of ten (10) 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, 2022 IBP Lifetime No.: PTR No.:

Doc. No.: Page No.: Book No .: XL//

Series of 2022.

ATTY. LEONARDO A. SARMIENTO III Hetery Population die

Notarial Commission NO. 2020-049 (Under Supreme Court B.M. 2795) extended from July 1 to December 3 PTR. No. OR No. 0154919 - 01/04/2022

BP OR No. 094682 - 01/04/2022 MCLE No. VI-0022748 - 04/02/19 Roll of Attorney No

Contract between NPC and PPI Pazifik Power, Inc.

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NATIONAL POWER CORPORATION

SIGNED IN THE PRESENCE OF:

(NPC)

BY:

Small Power Utilities Group Vice Presiden

MAXIMO A. DELOS REYES Operations Planning and Acting Manager

Performance Department

(NPC)

BY:

PPI PAZIFIK POWER, INC.

(SUPPLIER)

Sales Mahager

**ANNEX A** 

# SECTION VII - SCHEDULE OF REQUIREMENTS

Bid Price Schedule

SUPPLY, DELIVERY, INSTALLATION, TESTING AND COMMISSIONING OF 15KV AUTOMATIC RECLOSER FOR BATAG DIESEL POWER PLANT

PR NO. S2-BTG22-009 / PB220809-HG00296

los No		ě		UNIT PRICE	FOR GOODS AND	RELATED SERVICES TO	UNIT PRICE FOR GOODS AND RELATED SERVICES TO BE SUPPLIED AND DELIVERED	ELIVERED	TOTAL PRICE
	Description of Work or Materials	TINO		Delivered up to Leads Im Philippine Port (Phili Pesa)+	nport Duties & other Levies Imposed by Phil. Govt. (Phil. Peso)	Unit Price of Goods Import Duties & other Value Added Tax and Delivered up to Levies Imposed by other Taxes Imposed by Phili Govi. (Phil. Peso)+ (Phil. Peso)+ (Phil. Peso)	Local Transport from Port to Delivery Site (Phil. Peso)	Labor (Installation, Testing and Commissiong) (Ph.I. Peso)>	Local Currency (Phil. Pesa) (E+F+G+H+I) x C)
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5	Simply Doblem and Tool of (Eth) 0001 of the								
9	Jopez, Lorenzy and rest of DAY, 2004, 3 Priase, 604z, Automatic Circuit Reclaser including Bus Conductors. Line Hardwarer, and other Accessories in accordance with the Technical Specifications, Technical Data Sheet and Brid Drawings.	1 Set EST		747,993.00	30,058.00	93,366.12	35,246.88	335,606.00	1,242,270.00
2.0		1 Lot PHL	HE NA	4	N/A	NA	N/A	112,258.00	112,258.00
	TOTAL	One Mil	ion Three	Hundred	Fifty Four Tho	usand Five Hung	One Million Three Hundred Fifty Four Thousand Five Hundred Twenty Fight Peace Only	t Pasoe Only	4 254 520 00