



REPUBLIC OF THE PHILIPPINES
NATIONAL POWER CORPORATION
(Pambansang Korporasyon sa Elektrisidad)

TERMS OF REFERENCE

Name of Project : SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL TO SPUG POWER PLANTS AND BARGES FOR CY 2024

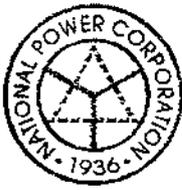
P.R. No : HO-FMG24-003(NP)

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Fuel Contract Management Division
Logistics Department

MARCH 2023



National Power Corporation

NEGOTIATED PROCUREMENT

NP 2024-0006

- The NATIONAL POWER CORPORATION (NPC), through its approved Corporate Budget of CY 2024 intends to apply the sum of **(Please see schedule below)** being the Approved Budget for the Contract (ABC) to payments under the contract. Bids received in excess of the ABC shall be automatically rejected at Bid opening.

PR Nos./PB Ref No. & Description	Similar Contracts	Pre-Nego Conference	Bid Submission / Opening	ABC
HO-FMG24-003 / PB231227-AM00033 (NP) Supply and Delivery of Engine Lubricating Oil to SPUG Power Plants and Barges for CY 2024	Supply and Delivery of Petroleum, Oil or Lubricant products	14 March 2024 9:30 AM	18 March 2024 9:30 AM	₱ 2,566,543.00
Venue: Kañao Function Room, NPC Bldg. Diliman, Quezon City				

- The NPC now invites Bids for Items listed above. Delivery of the items is required within **(see table below)** in the Technical Specifications in the Terms of Reference. Bidders should have completed from the date of submission and receipt of bids, a contract similar to the Project., must be at least equivalent to an amount as stated in the Terms of Reference.

PR Nos./PB Ref Nos.	Delivery Period / Contract Duration	Relevant Period of SLCC reckoned from the date of submission & receipt of bids
HO-FMG24-003	Nine (9) Months	Five (5) Years

- Bidding will be conducted through Negotiated Procurement procedures using a non-discretionary "pass/fail" criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the "Government Procurement Reform Act".
- Interested bidders may obtain further information from BAC Secretariat at the address given below during office hours.
- A complete set of TOR will be provided to the interested Bidders from the address below. It may also be downloaded from the websites of the Philippine Government Electronic Procurement System (PhilGEPS) <http://www.philgeps.gov.ph> and National Power Corporation <http://www.napocor.gov.ph>.
- NPC will hold a Pre-Negotiation Conference on the date, time and venue stated above.

Only registered bidder/s shall be allowed to participate for the conduct of virtual pre-bid conference. **Unregistered bidders** may attend the Pre-Bid Conference at the Kañao Room, NPC subject to the following:

- Only a maximum of two (2) representatives from each bidder / company shall be allowed to participate

- b. Wearing of Face Masks is recommended but not required in view of Proclamation No. 297 S.2023 lifting the State of Public Health Emergency Throughout the Philippines
 - c. The requirements herein stated including the medium of submission shall be subject to GPPB Resolution No. 09-2020 dated 07 May 2020
 - d. The Guidelines on the Implementation of Early Procurement Activities (EPA) shall be subject to GPPB Circular No. 06-2019 dated 17 July 2019
7. Bids must be delivered to the address below on the date stated above. Late bids shall not be accepted.
 8. NPC reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to the contract award, without thereby incurring any liability to the affected bidder or bidders.
 9. For further information, please refer to:

**Bids and Contracts Services Division,
Logistics Department**

Gabriel Y. Itchon Building

Senator Meriam P. Defensor-Santiago Ave. (formerly BIR Road)

Cor. Quezon Ave., Diliman, Quezon City, 1100

Tel Nos.: 8921-3541 local 5564/5713

Fax No.: 8922-1622

Email: bcsd@napocor.gov.ph



ATTY. MELCHOR P. RIDULME
Vice President, Office of the Legal Counsel and
Chairman, Bids and Awards Committee

SECTION I

INSTRUCTION TO BIDDERS

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SECTION I – INSTRUCTIONS TO BIDDERS

A. General

1. Scope of Bid

1.1. The National Power Corporation (NPC) wishes to conduct negotiated procurement for the **Supply and Delivery of Engine Lubricating Oil to SPUG Power Plants and Barges for CY 2024 PR No. HO-FMG24-003(NP)** to selected Bidders in accordance with the revised IRR of R.A. 9184.

1.2. NPC's address is:

Office : **Bids and Contracts Services Division (BCSD)**
Address : Ground Floor, Building No. 1
National Power Corporation
Sen. Miriam P. Defensor-Santiago Ave.,
(formerly BIR Road) cor. Quezon Blvd.,
Diliman, Quezon City, Metro Manila 1100
Tel Nos. : 8924-5211 and 8921-3541 Loc. 5564
Tel/Fax No. : 8922-1622
Email : bcسد@napocor.gov.ph

The name, identification and number of Project Sites specific to this bidding are indicated in Section IV - Schedule of Requirements, Part II - Table of Delivery Points for Bidding, described as Delivery Points on a Per Plant and Per Lot with (a) Common Delivery Point and (b) Individual Plant Site Delivery.

1.3 For such purpose, the BAC may send its official letters/correspondences/notices through email. Upon securing the bidding documents, Bidders shall be required to indicate their official email and alternate email addresses. All letters/correspondences/notices sent by the BAC through the designated/official email shall be considered officially received by all bidders on the date indicated in National Power Corporation's sent folder.

1.4 Contract scope shall be as specified in the Technical Specifications and Bid Price Schedule. All appurtenances and associated supplies/works required to complete the works shall be deemed included in the scope of the contract.

1.5 The goods are grouped into Project Site or Delivery Points basis. The bids shall be evaluated and the award of contract shall be based on said grouping. The Bidders bid offer for each Delivery Point must be within the ABC of the particular Delivery Point. Bidders with bid offers that exceed the ABC of the Delivery Point or with incomplete price for the Delivery Point shall be rejected. Bidders are required to submit bids to all the power plants/barges under the delivery point.

2. Source of Funds

2.1. The Funding Source is the Government of the Philippines (GOP) through the 2024 Corporate Budget of NPC, in the total amount of **Two Million Five Hundred Sixty-Six Thousand Five Hundred Forty-Three Pesos (P2,566,543.00)** shall be used to finance the cost of this procurement.

- 2.2. Payments will be made by NPC upon approval of the claims in accordance with the provisions, terms and conditions of the contract and existing and applicable law.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. NPC as well as the bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, NPC:

- (a) defines, for purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in RA 3019.

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of NPC, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive NPC of the benefits of free and open competition.

(iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of NPC, designed to establish bid prices at artificial, non-competitive levels.

(iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) "obstructive practice" is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of NPC or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its

knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of NPC or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

3.2. Further, NPC will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

3.3. Furthermore, NPC reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 3.

4. Conflict of Interest

4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

(a) A Bidder has controlling shareholders in common with another Bidder;

(b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;

(c) A Bidder has the same legal representative as that of another Bidder for purposes of this bid;

(d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of NPC regarding this bidding process;

(e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;

(f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid; or

(g) A Bidder who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the

preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

- 4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of Procuring Entity/NPC (HoPE), members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:
- (a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
 - (b) If the Bidder is a partnership, to all its officers and members;
 - (c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders;
 - (d) If the Bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and
 - (e) If the Bidder is a joint venture (JV), the provisions of items (a), (b), (c), or (d) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

- 5.1. The following persons shall be eligible to participate in this bidding:
- (a) Duly licensed Filipino citizens/sole proprietorships;
 - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
 - (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
 - (d) Cooperatives duly organized under the laws of the Philippines; and
 - (e) Persons/entities forming themselves into a Joint Venture (JV), *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the JV concerned shall be at least sixty percent (60%).
- 5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist:

SECTION I – INSTRUCTIONS TO BIDDERS

- (a) When a Treaty or International or Executive Agreement as provided in Section 4 of RA 9184 and its IRR allow foreign bidders to participate;
 - (b) Citizens, corporations, or associations of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;
 - (c) When the Goods sought to be procured are not available from local suppliers; or
 - (d) When there is a need to prevent situations that defeat competition or restrain trade.
 - (e) The foreign bidder claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos shall submit a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item/product. The said certification shall be validated during the post-qualification of bidders.
- 5.3. Government owned or – controlled corporations (GOCCs) may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not attached agencies of NPC.
- 5.4. The Bidder must have completed, within five (5) years prior to the deadline for submission and receipt of bids, a Single Largest Completed Contract (SLCC) similar to the Project and the value of which, adjusted, if necessary, by the Bidder to current prices using the Philippine Statistics Authority (PSA) consumer price index, must be at least equivalent to twenty five percent (25%) of the amount of every delivery point where the bidder is going to bid.
- For this purpose, similar contracts shall refer to Supply and Delivery of petroleum, oil or lubricant products.
- The Single Largest Completed Contract (SLCC) as declared by the bidder shall be verified and validated to ascertain such completed contract. Hence, bidders must ensure access to sites of such projects/equipment to NPC representatives for verification and validation purposes during post-qualification process.
- It shall be a ground for disqualification, if verification and validation cannot be conducted for reasons attributable to the Bidder.
- 5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to be bid, calculated as follows:
- $$\text{NFCC} = [(\text{Current assets minus current liabilities}) (15)] \text{ minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.}$$

The values of the domestic bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR. For purposes of computing the foreign bidders' NFCC, the value of the current

assets and current liabilities shall be based on their audited financial statements prepared in accordance with international financial reporting standards.

If the prospective bidder opts to submit a Committed Line of Credit (CLC), it must be at least equal to ten percent (10%) of the ABC to be bid. If issued by a foreign universal or commercial bank, it shall be confirmed or authenticated by a local universal or commercial bank.

Further, if the Bidder opted to submit a Committed Line of Credit (CLC), the bidder must submit a granted credit line valid/effective at the date of bidding. The Committed Line of Credit (CLC) shall be valid for nine (9) months plus six (6) month extension.

In the event that the bidder cannot submit a CLC with a validity that is not sufficient to cover the entire duration of the project, the CLC should be accompanied by a notarized acceptable **Letter of Undertaking**. The Letter of Undertaking shall be signed by the bidder and/or the issuing bank stating that ***“one (1) month prior to the expiration of the submitted CLC, it shall automatically be renewed/extended and remain valid until the completion of the project.”***

6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit an Omnibus sworn statement in the form prescribed in **Section V – Bidding Forms** as required in ITB Clause 12.1(b)(iii).
- 6.2. The Bidder is responsible for the following:
 - (a) Having taken steps to carefully examine all of the Bidding Documents;
 - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
 - (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
 - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under ITB Clause 10.3.
 - (e) Ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
 - (f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
 - (g) Authorizing the HoPE or its duly authorized representative/s to verify all the documents submitted;
 - (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform

any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;

- (i) Complying with the disclosure provision under Section 47 of RA 9184 and its IRR in relation to other provisions of RA 3019;
- (j) Complying with existing labor laws and standards, in the case of procurement of services; Moreover, bidder undertakes to:
 - (i) Ensure the entitlement of workers to wages, hours of work, safety and health and other prevailing conditions of work as established by national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable.

In case there is a finding by NPC or the DOLE of underpayment or non-payment of workers' wage and wage-related benefits, bidder agrees that the performance security or portion of the contract amount shall be withheld in favor of the complaining workers pursuant to appropriate provisions of Republic Act No. 9184 without prejudice to the institution of appropriate actions under the Labor Code, as amended, and other social legislations.

- (ii) Comply with occupational safety and health standards and to correct deficiencies, if any.

In case of imminent danger, injury or death of the worker, bidder undertakes to suspend contract implementation pending clearance to proceed from the DOLE Regional Office and to comply with Work Stoppage Order; and

- (iii) Inform the workers of their conditions of work, labor clauses under the contract specifying wages, hours of work and other benefits under prevailing national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable, through posting in two (2) conspicuous places in the establishment's premises; and
- (k) Ensuring that it did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of

this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.

- 6.5. NPC shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by NPC. However, NPC shall ensure that all information in the Bidding Documents, including bid/supplemental bid bulletin/s issued, are correct and consistent.
- 6.6. Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.
- 6.7. The Bidder shall bear all costs associated with the preparation and submission of his bid, and NPC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.8. The Bidder should note that NPC will accept bids only from those that have paid the applicable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. Origin of Goods

There is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to ITB Clause 24.1.

8. Subcontracts

Subcontracting may be allowed on transport, local/non-skilled labor under the supervision of the Bidder. The Bidder shall not be relieved from any liability or obligation that may arise from the performance of the Subcontractor. The Bidder shall also submit the complete eligibility documents of proposed sub-contractor, if any.

9. Negotiation

- 9.1. Negotiation shall be held at the venue and on the date indicated in the invitation, to clarify concerns on the technical and financial components of this procurement.
- 9.2. Bidders are encouraged to attend the negotiation to ensure that they fully understand NPC's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the TOR discussed during the negotiation.
- 9.3. Any statement made at the negotiation shall not modify the Terms of Reference unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.
- 9.4. Following completion of the negotiations, NPC shall request all Bidders remaining in the proceedings to submit, on a specified date, a best and final offer with respect to all aspects of their bid proposals.

10. Clarification and Amendment of TOR

- 10.1. Bidders may request for clarifications on any part of the documents for an interpretation during the negotiation meeting.
- 10.2. Supplemental/Bid Bulletins may be issued upon NPC's initiative for purposes of clarifying or modifying any provision of the Terms of Reference. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.3. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPs) and the website of NPC, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC.

B. Preparation of Bids**11. Language of Bids**

- 11.1. The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines. The English translation shall govern, for purposes of interpretation of the bid.

12. Documents Comprising the Bid: Eligibility and Technical Components

- 12.1. The first envelope shall contain the following eligibility and technical documents:

- (a) Eligibility Documents –

Class "A" Documents:

- (i) The prospective bidder shall submit a valid and updated Certificate of PhilGEPs Registration under Platinum Membership (all pages including the Annex A of the said Certificate). **Non-compliance shall be a ground for disqualification.**
- (ii) Statement of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; and

Statement of the Bidder's SLCC similar to the contract to be bid, in accordance with ITB Clause 5.4.

The two statements required shall indicate for each contract the following:

- (ii.1) name of the contract;
- (ii.2) date of the contract;
- (ii.3) contract duration;
- (ii.4) owner's name and address;
- (ii.5) kinds of Goods;
- (ii.6) For Statement of Ongoing Contracts - amount of contract and value of outstanding contracts;
- (ii.7) For Statement of SLCC - amount of completed contracts, adjusted by the Bidder to current prices using PSA's consumer price index, if necessary for the purpose of meeting the SLCC requirement;
- (ii.8) date of delivery; and
- (ii.9) end user's acceptance or official receipt(s) or sales invoice issued for the contract, if completed, which shall be attached to the statements.

The Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid (Form No. NPCSF-GOODS-03) shall be supported by the following documents to be submitted during Bid Opening:

1. Certificate of Acceptance; or Certificate of Completion; or Official Receipt (O.R); or Sales Invoice

The list of on-going contracts (Form No. NPCSF-GOODS-02) shall be supported by the following documents for each on-going contract to be submitted during Post-Qualification:

1. Contract/Purchase Order and/or Notice of Award
2. Certificate of Percent (%) Accomplishments and Satisfactory Performance as of the date of bidding coming from project owner/client.

The bidder shall declare in this form all his on-going government and private contracts including contracts where the bidder (either as individual or as a Joint Venture) is a partner in a Joint Venture agreement other than his current joint venture where he is a partner. Non declaration shall be a ground for disqualification of bid.

- (iii) NFCC computation in accordance with ITB Clause 5.5 or a committed Line of Credit from a universal or commercial bank.

Class "B" Document:

- (iv) If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners in accordance with Section 23.1(b) of the revised IRR of R.A. 9184.

Each partner of the joint venture shall submit their respective PhilGEPS Certificates of Registration in accordance with Section 8.5.2 of this IRR. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance. *Provided*, That the partner responsible to submit the NFCC shall likewise submit the Statement of all of its ongoing contracts and Audited Financial Statements.

Any single bidder/s who already procured/secured the bidding documents but want to avail the Joint Venture Agreement (JVA) shall inform the BAC in writing prior to the bid opening for records and documentation purposes.

(b) Technical Documents –

- (i) Duly signed and completely filled-out Technical Data Sheets (Section III - Part II);
- (ii) Letter of Guarantee indicating the Project Sites that the Bidder shall submit a bid(s) (NPCSF-GOODS-09). Project Sites not indicated in the Letter of Guarantee but for which a bid was submitted in the Bid Price Schedule shall not be considered in the evaluation of bids.

The bidder shall not enumerate Project Sites wherein the total amount of the corresponding ABC will exceed the bidder's NFCC. Otherwise, it shall be a ground for disqualification.

- (iii) Omnibus Sworn statement in accordance with Section 25.2(a) (vii) of the IRR of RA 9184 and using the form prescribed in Section V – Bidding Forms;
- (iv) Complete eligibility documents of the proposed sub-contractor, if any
- (v) Certificate of International Law of Reciprocity for foreign bidders

- 12.2. In the case of foreign bidders, except for the Tax Clearance, the eligibility requirements under Class "A" Documents may be substituted by the appropriate equivalent documents, if any, issued by the country of the foreign bidder concerned. The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign

bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines.

These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct. Upon receipt of the said documents, the PhilGEPS shall process the same in accordance with the guidelines on the Government of the Philippines – Official Merchants Registry (GoP-OMR).

13. Documents Comprising the Bid: Financial Component

13.1. The financial component of the bid shall contain the following:

- (a) Duly signed Bid Letter indicating the total bid amount in accordance with the form prescribed in Section V – Bidding Forms;
- (b) Duly signed and completely filled-out Bid Price Schedule (Section IV) indicating the unit and total prices per item and the total amount in the prescribed Price Schedule form.
- (c) Bidders claiming for domestic preference shall submit the following:
 - i. Letter address to the BAC claiming for preference
 - ii. Certification from DTI as Domestic Bidder in accordance with the prescribed forms provided.

13.2. Price proposals that exceed the ABC shall be rejected.

13.3. In case a registered bidder will not submit bid for reason that his cost estimate is higher than the ABC, said bidder is required to submit his letter of non-participation/regret supported by corresponding detailed estimates. Failure to submit the two (2) documents shall be understood as acts that tend to defeat the purpose of bidding without valid reason as stated under Section 69.1.(i) of the revised IRR of R.A. 9184.

14. Alternative Bids

14.1 Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

14.2 Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

15. Bid Prices

- 15.1. The Bidder shall complete the appropriate Schedule of Prices included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Schedule of Prices. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be accomplished.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.
- 15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:
- (a) For Goods offered from within the Philippines:
 - (i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable);
 - (ii) The cost of all customs duties and sales and other taxes already paid or payable;
 - (iii) The cost of transportation, insurance, and other costs incidental to delivery of the Goods to their final destination; and
 - (iv) The price of other (incidental) services, specified in Clause 6.2 of the GCC and the Technical Specifications.
 - (b) For Goods offered from abroad:
 - (i) The price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the Technical Specifications. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.
 - (ii) The price of other (incidental) services, if any.
 - (c) For Services, based on the form which may be prescribed by NPC, in accordance with existing laws, rules and regulations
- 15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A

bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to ITB Clause 21.

All bid prices for the given scope of work in the contract as awarded shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Upon the recommendation of NPC, price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon approval by the GPPB. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

The Bid Prices shall be the bid less discount given plus Delivery Cost pursuant to the Appendix 22 of the Updated 2016 Revised IRR of R.A. 9184.

The Bidder shall submit a bid for Bid Price, less Discount and Delivery Cost which are components of the Delivered Price of engine lubricating oil (elo) when multiplied to the Quantity shall result into the Total Contract Price of elo for the Project Site or Delivery Point.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

- (a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.
- (b) For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) acceptable to NPC. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the *Bangko Sentral ng Pilipinas* (BSP) reference rate bulletin on the day of the bid opening.

The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.

16.2. If so allowed in accordance with ITB Clause 16.1, NPC for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.

16.3. Payment of the contract price shall be made in Philippine Pesos.

17. Bid Validity

17.1. Bids shall remain valid for the period of **ONE HUNDRED TWENTY (120) CALENDAR DAYS** from the date of the opening of bids.

17.2. In exceptional circumstances, prior to the expiration of the bid validity period, NPC may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. A Bidder may refuse the

request, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

18. Format and Signing of Bids

- 18.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in **Section V – Bidding Forms** on or before the deadline specified in the ITB Clauses 20 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under ITB Clause 12.1, and the second shall contain the financial component of the bid. This shall also be observed for each lot in the case of lot procurement.
- 18.2. Forms as mentioned in ITB Clause 18.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 18.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in ITB Clauses 12 and 13. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 18.4. Each and every page of the Bid Letter, including the **Schedule of Requirements (Bid Price Schedule)**, under Section IV hereof, shall be signed by the duly authorized representative/s of the Bidder. Failure to do so shall be a ground for the rejection of the bid.
- 18.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

19. Sealing and Marking of Bids

Each Bidder shall submit Two (2) copies of the first and second components of its Bid, marked **Original** and photocopy. Only the original copy will be read and considered for the bid.

Any misplaced document outside of the **Original** copy will not be considered. The photocopy is ONLY FOR REFERENCE.

The Procuring Entity may request additional hard copies and/or electronic copies of the Bid. However, failure of the Bidders to comply with the said request shall not be a ground for disqualification.

If the Procuring Entity allows the submission of bids through online submission to the given website or any other electronic means, the Bidder shall submit an electronic copy of its Bid, which must be digitally signed. An electronic copy that cannot be opened or is corrupted shall be considered non-responsive and, thus, automatically disqualified.

Bidders must also comply with the Disclaimer and Data Privacy Notice specified below: All bid submissions and related correspondences are confidential and for viewing only by the intended recipient/s. Any authorized access to review, reproduce, or disseminate the information contained therein is strictly prohibited. The National Power

Corporation (NAPOCOR) does not guarantee the security of any information electronically transmitted.

Bid submissions and related correspondences may contain personal and sensitive personal information, and are subject to the Data Privacy Act of 2012, its implementing rules, regulations and issuances of the National Privacy Commission of the Philippines ("Privacy Laws"). By viewing, using, storing, sharing and disposing (collectively "Processing"), such bids submission and correspondences, you consent to the Processing by NAPOCOR of the Personal Data contained in your submission/reply in accordance with NAPOCOR's Personal Data Privacy Policy which you can find at <http://www.napocor.gov.ph>.

To report any privacy issue, contact the Data Privacy Officer at dpo@napocor.gov.ph.

NAPOCOR is not liable for the proper and complete transmission of the information contained in bid submission/correspondences nor for any delay in its receipt.

C. Submission and Opening of Bids

20. Deadline for Submission of Bids

- 20.1. Proposals must be received by the BAC on the date and time agreed upon during negotiation meeting.
- 20.2. Any bid submitted after the deadline for submission and receipt of bids prescribed by NPC, pursuant to ITB Clause 20, shall be declared "Late" and shall not be accepted by NPC. The BAC shall record in the minutes of bid submission and opening, the Bidder's name, its representative and the time the late bid was submitted.
- 20.3. In case the bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the bids submitted and reschedule the opening of bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PhilGEPS website and the website of NPC.

21. Opening and Preliminary Examination of Bids

- 21.1. The BAC shall open the bids in public, immediately after the deadline for the submission and receipt of bids. In case the Bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PhilGEPS website and the website of NPC.
- 21.2. The BAC shall open the first bid envelopes and determine each Bidder's compliance with the documents prescribed in ITB Clause 12, using a non-discretionary "pass/fail" criterion. If a Bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".

SECTION I – INSTRUCTIONS TO BIDDERS

- 21.3. Immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in ITB Clause 13.1(b), the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
- 21.4. Letters of non-participation/regret shall be read out and recorded during bid opening.
- 21.5. All members of the BAC who are present during bid opening shall initial every page of the original copies of all bids received and opened.
- 21.6. In the case of an eligible foreign bidder as described in ITB Clause 5, the following Class "A" Documents may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned, which shall likewise be uploaded and maintained in the PhilGEPS in accordance with Section 8.5.2 of the IRR:
- (a) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;
 - (b) Mayor's/Business permit issued by the local government where the principal place of business of the bidder is located; and
 - (c) Audited Financial Statements showing, among others, the prospective bidder's total and current assets and liabilities stamped "received" by the Bureau of Internal Revenue or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two years from the date of bid submission.
- 21.7. Each partner of a joint venture agreement shall likewise submit the requirements in ITB Clause 12.1(a)(i). Submission of other documents required under ITB Clauses 12.1 by any of the joint venture partners constitutes compliance.
- 21.8. NPC shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price (per lot, if applicable, and/or including discount, (if any), findings of preliminary examination, and whether there is a withdrawal or modification; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.
- 24.8 The bidders or their duly authorized representatives may attend the opening of bids. The BAC shall ensure the integrity, security, and confidentiality of all submitted bids. The Abstract of Bids as read and the minutes of the bid opening shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.

- 24.9 To ensure transparency and accurate representation of the bid submission, the BAC Secretariat shall notify in writing all bidders whose bids it has received through its PhilGEPS-registered physical address or official e-mail address. The notice shall be issued within seven (7) calendar days from the date of the bid opening.

D. Evaluation and Comparison of Bids

22. Process to be Confidential

- 22.1 Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the case of ITB Clause 26.
- 22.2 Any effort by a bidder to influence NPC in its decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

23. Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, NPC may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by NPC shall not be considered.

24. Domestic Preference

- 24.1 NPC will grant a margin of preference for the purpose of comparison of bids in accordance with the following:
- (a) The preference shall be applied when the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder.
 - (b) For evaluation purposes, the lowest Foreign Bid shall be increased by fifteen percent (15%).
 - (c) In the event that the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then NPC shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid.
- 24.2 If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid within two (2) calendar days from receipt of written advice from the BAC, NPC shall award to the bidder offering the Foreign Bid, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.
- 24.3 A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

25. Detailed Evaluation and Comparison of Bids

25.1. NPC will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to ITB Clause 21, in order to determine the Lowest Calculated Bid.

25.2. The Lowest Calculated Bid shall be determined in two steps:

- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
- (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.

25.3. NPC's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. The BAC shall consider the following in the evaluation of bids:

- (a) Completeness of the bid. Bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a zero (0) or a dash (-) for the said item would mean that it is being offered for free to NPC, except those required by law or regulations to be provided for; and
- (b) Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications. Any adjustment shall be calculated in monetary terms to determine the calculated prices. In case of discrepancies between:
 1. bid prices in figures and in words, the latter shall prevail;
 2. total price per item and unit price for the item as extended or multiplied by the quantity of that item, the latter shall prevail;
 3. the stated total price and the sum of prices of component items, the latter shall prevail;
 4. unit cost in the detailed estimate and unit cost in the bill of quantities, the latter shall prevail;
- (c) The goods are grouped into Project Site or Delivery Point basis. The bids shall be evaluated and the award of contract shall be based on said grouping. The Bidders bid offer for each Delivery Point must be within the ABC of the particular Delivery Point. Bidders with bid offers that exceed the ABC of the Delivery Point or with incomplete price for the Delivery Point shall be rejected. Bidders are required to submit bids to all the power plants/barges under the delivery point. An incomplete submission of bid for the lot shall be non-responsive and disqualified outright.

In case there is a difference in the computation of the unit price (Delivered Price) by the Bidder and the Procuring Entity due to rounding off, the computation of the latter shall prevail and be considered for the evaluation.

Evaluation and Comparison of Bids using Index-Based Pricing:

The goods shall be delivered to the Project Sites (Delivery Points) categorized as (a) Per Plant with plant site delivery or pick-up at Supplier's depot or specific pier or wharf; and (b) Per Lot composed of power plants with a common delivery point or individual plant site delivery.

The most advantageous bid offer for a particular delivery point shall be determined using the formula below:

$$\text{Delivered Price} = \text{Bid Price} + \text{Excise Tax} + \text{Delivery Cost} + \text{EVAT}$$

Where:

Delivered Price = Price of Engine Lubricating Oil at delivery point up to four (4) decimal places, Peso/Liter

Bid Price = Refers to the bid of the prospective bidder including production cost, if any, less discounts given, (Bid - Discount), Peso/Liter.

Bid = Price for Engine Lubricating Oil up to four (4) decimal places, Peso/Liter

Discount = Total reductions given by the Bidder, up to four (4) decimal places, Peso/Liter

Excise Tax = Tax to be collected pursuant to R.A. 10963 – TRAIN Law and BIR Revenue Regulation No. 2-2018 in the amount as prescribed under the said Law and Regulation.

Delivery Cost = Bid Offer for transshipment rate corresponding to the freight cost from the Supplier's terminal, depot or source point to the delivery cost, up to four (4) decimal places, in Peso/Liter.

The Delivery cost shall constitute the packaging cost for the mode of delivery, Hauling Cost and Sealing Fees.

EVAT = Expanded Value Added Tax as provided in R.A. 9337, amending the National Internal Revenue Code of 1997 as amended and BIR Revenue Regulations No. 16-2005, up to four (4) decimal places, Peso/Liter.

The delivered price based on preceding formula shall be evaluated in Philippine Currency. The conversion factors of 1.0 Metric Ton (MT) = 1,145 Liters will be used, as required.

The bidder with the lowest evaluated price for a particular delivery point shall be considered the Lowest Calculated Bid for the particular delivery point whether Per Plant or Per Lot with (a) common delivery point or (b) individual plant site delivery. In the case of a delivery point on a Per Lot with Individual Plant Site Delivery and different types of lube oil, the lowest calculated bid shall be the total bid for the Lot. The Domestic Preference provision under ITB Clause 23 shall apply in the determination of the Lowest Calculated Bid.

Power plants with common delivery point, mode of delivery, ELO type and quality specifications should have the same Bid Price and Delivery Cost or Delivered Price. Otherwise, the power plant with the lowest Delivered Price shall be used as basis for evaluation of bids to the concerned power plants.

For power plant utilizing different types of ELO (i.e. high speed, medium speed engines and rocker arm) and will be sourced from the same depot/terminal/source point, and will be delivered to the same delivery point with the same mode of delivery, the Delivery Cost should be the same. Otherwise the power plant with the lowest delivery cost offer shall be used as basis for evaluation of bids to the concerned power plants.

For delivery points categorized as Per Lot composed of power plants with individual plant site delivery, the Bidder is required to submit bids to all the power plants covered under the lot. Otherwise, the bid for the particular lot is incomplete and shall be declared non-complying and disqualified.

- 25.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered.
- 25.5. NPC's evaluation of bids shall be based on the bid price quoted in the Bid Letter, which includes the Schedule of Prices.
- 25.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.
- 25.7. If so indicated pursuant to ITB Clause 1.2, Bids are being invited for individual lots or for any combination thereof, provided that all Bids and combinations of Bids shall be received by the same deadline and opened and evaluated simultaneously so as to determine the Bid or combination of Bids offering the lowest calculated cost to NPC. Bid prices quoted shall correspond to all items specified for each lot and to all quantities specified for each item of a lot.

26. Post-Qualification

- 26.1. The BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid complies with and is responsive to all the requirements and conditions specified in ITB Clauses 5, 12, and 13.
- 26.2. Within a non-extendible period of five (5) calendar days from receipt by the bidder of the notice from the BAC that it submitted the Lowest Calculated Bid, the Bidder shall submit the following documents and other appropriate licenses and permits required by law:
- a. Latest Income Tax Returns filed and paid through the BIR Electronic Filing and Payment System (eFPS);
 - b. Business Tax/VAT Returns within the last six (6) months preceding the date of the bid submission, filed and paid through the BIR (eFPS);
 - c. Class A – Eligibility Documents listed on the Annex A of Certificate of PhilGEPS Registration under Platinum Membership pursuant to Section 34.3 of the Revised IRR of R.A. 9184;
 - d. Joint Venture Agreement (JVA) duly notarized, if not yet submitted with bid, if applicable;
 - e. Contract/Purchase Order for the declared Single Largest Completed Contract;
 - f. Contract/Purchase Order and/or Notice of Award for the contracts stated in the List of all Ongoing Government & Private Contracts Including Contracts Awarded but not yet Started (NPCSF-GOODS-02);
 - g. Certificate of Percent (%) Accomplishment and Satisfactory Performance as of the bidding date coming from the project owner/client for all ongoing contracts stated in Form NPCSF-GOODS-02;
 - h. Supplier's product quality certificate and other supporting documents of engine lubricating oil proposed by the bidders must comply with the technical specifications. It shall be a ground for disqualification if the submitted product quality certificate and other supporting documents are determined not complying with the specifications during technical evaluation and post-qualification process;
 - i. The Supplier shall provide American Petroleum Institute (API)/European Automobile Manufacturers Association (ACEA)/Japanese Automotive Standards Organization (JASO) certification that they are member of any of the above organization to assure the correctness of the technical specifications submitted in the technical data sheets;
 - j. The licenses and permits relevant to the Project and the corresponding law requiring it as specified in the Technical Specifications, if any.
 - k. For foreign bidders, certificate of International Law of Reciprocity (Sample Form-03).

Failure to submit any of the post-qualification requirements on time, or a finding against the veracity thereof, shall disqualify the bidder for award. Provided in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the bid security in accordance with Section 69 of the IRR of RA 9184.

- 26.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to ITB Clauses 12 and 13, as well as other information as NPC deems necessary and appropriate, using a non-discretionary "pass/fail" criterion, which shall be completed within a period of twelve (12) calendar days.
- 26.4. The post-qualification shall verify, validate, and ascertain all statements made and documents submitted by the bidder with the Lowest Calculated Bid/Highest Rated Bid, using non-discretionary criteria, as stated in the Bidding documents. These criteria shall consider, but shall not be limited to, the following:
- a. Legal Requirements. To verify, validate, and ascertain licenses, certificates, permits, and agreements submitted by the bidder, and the fact that it is not included in any "blacklist" as provided in Section 25.3 of IRR-A of RA 9184.
 - b. Technical Requirements. To determine compliance of the goods offered with the requirements specified in the Bidding Documents, including, where applicable:
 - i. Verification and/or inspection and testing of the goods/product, after-sales and/or maintenance capabilities, in applicable cases, as well as checking the following:
 - a. Delay in the partial delivery of goods amounting to ten percent (10%) of the contract price in its ongoing government and private contracts;
 - b. If any of these contracts shows the bidder's failure to deliver or perform any or all of the goods or services within the period(s) specified in the contract or within any extension thereof granted by NPC pursuant to a request made by the supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price; or
 - c. Unsatisfactory performance of the supplier's obligations as per contract terms and conditions at the time of inspection.
 - ii. Verification and validation of the bidder's stated competence and experience, and the competence and experience of the bidder's key personnel to be assigned to the project.
 - iii. Verification of availability and commitment, and/or inspection and testing for the required capacities and operating conditions, of equipment units to be owned/leased/under purchase by the bidder for use in the contract under bidding, as well as checking the performance of the bidder in its ongoing government and private contracts, if any of these ongoing contracts shows:

- a. Negative slippage of at least fifteen percent (15%) in any one project or a negative slippage of at least ten percent (10%) in each of two (2) or more contracts;
- b. Failure of the contractor to commence repair works on ongoing contracts within seven (7) calendar days and to complete them within thirty (30) calendar days after receipt of NPC's notice of defects and deficiencies;
- c. Failure of the contractor to commence repair works on contracts with pending certificates of acceptance within thirty (30) calendar days and complete them within ninety (90) days after receipt of NPC's notice of defects and failures; or
- d. Substandard quality of work as per contract plans and specifications, or unsatisfactory performance of the contractor's obligations as per contract terms and conditions, at the time of inspection.

If the BAC verifies any of these deficiencies to be due to the bidder's fault or negligence, the BAC shall disqualify the bidder from the award.

- c. **Financial Requirements.** To verify, validate and ascertain the bid price proposal of the bidder and, whenever applicable, the required committed Line of Credit in the amount specified and over the period stipulated in the Bidding Documents or the bidder's NFCC to ensure that the bidder can sustain the operating cash flow of the transaction.
- 26.5. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the LCRB, and recommend to the HoPE the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.
 - 26.6. A negative determination shall result in rejection of the Bidder's Bid, in which event NPC shall proceed to the next Lowest Calculated Bid with a fresh period to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the LCRB is determined for recommendation for contract award.
 - 26.7. Within a period not exceeding fifteen (15) calendar days from the determination by the BAC of the LCRB and the recommendation to award the contract, the HoPE or his duly authorized representative shall approve or disapprove the said recommendation.
 - 26.8. In the event of disapproval, which shall be based on valid, reasonable, and justifiable grounds as provided for under Section 41 of the IRR of RA 9184, the HoPE shall notify the BAC and the Bidder in writing of such decision and the grounds for it. When applicable, the BAC shall conduct a post-qualification of the Bidder with the next Lowest Calculated Bid. A request for reconsideration may be filed by the bidder with the HoPE in accordance with Section 37.1.3 of the IRR of RA 9184.

27. Reservation Clause

27.1. Notwithstanding the eligibility or post-qualification of a Bidder, NPC reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, NPC shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

27.2. Based on the following grounds, NPC reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

- (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of NPC, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
- (b) If NPC's BAC is found to have failed in following the prescribed bidding procedures; or
- (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
 - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the HoPE;
 - (ii) If the project is no longer necessary as determined by the HoPE; and
 - (iii) If the source of funds for the project has been withheld or reduced through no fault of NPC.

27.3. In addition, NPC may likewise declare a failure of bidding when:

- (a) No bids are received;
- (b) All prospective Bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The bidder with the LCRB refuses, without justifiable cause to accept the award of contract, and no award is made in accordance with Section 40 of the IRR of RA 9184.

E. Award of Contract

28. Contract Award

- 28.1. Subject to ITB Clause 26, the HoPE or its duly authorized representative shall award the contract to the Bidder whose bid has been determined to be the LCRB, at its submitted price or its calculated bid price, whichever is lower.
- 28.2. Prior to the expiration of the period of bid validity, NPC shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award duly received by the Bidder or its representative personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to NPC.
- 28.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:
- (a) Submission of the following documents within ten (10) calendar days from receipt of the Notice of Award:
 - (i) Valid JVA, if applicable; or
 - (ii) In the case of procurement by a Philippine Foreign Service Office or Post, the PhilGEPS Registration Number of the winning foreign Bidder;
 - (b) Posting of the performance security in accordance with ITB Clause 30;
 - (c) Signing of the contract as provided in ITB Clause 29; and
 - (d) Approval by higher authority, if required, as provided in Section 37.3 of the IRR of RA 9184.
- 28.4. At the time of contract award, NPC shall not increase or decrease the quantity of goods originally specified in **Section IV – Schedule of Requirements (Bid Price Schedule)**.

29. Signing of the Contract

- 29.1. At the same time as NPC notifies the successful Bidder that its bid has been accepted, NPC shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- 29.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to NPC.
- 29.3. NPC shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 29.4. The following documents shall form part of the contract:

SECTION I – INSTRUCTIONS TO BIDDERS

- (a) Contract Agreement;
- (b) Bidding Documents;
- (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g., bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from NPC's bid evaluation;
- (d) Notice of Award of Contract; and
- (e) Other contract documents that may be required by existing laws and/or NPC under these Bidding Documents.

30. Performance Security

- 30.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from NPC and in no case later than the signing of the contract.
- 30.2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of NPC in an amount not less than the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

- 30.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event NPC shall have a fresh period to initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for recommendation of contract award. However if no Bidder passed post-

qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement, if necessary.

30.4. The performance bond to be posted by the Contractor must also comply with following additional requirements:

1. The following must be indicated in the performance bond to be posted by the Contractor:
 - i. Company Name
 - ii. Correct amount of the Bond
 - iii. Contract/Purchase Order Reference Number
 - iv. Purpose of the Bond:
"To guarantee the faithful performance of the Principal's obligation to undertake (Contract/Purchase Order Description) in accordance with the terms and conditions of (Contract No. & Schedule/Purchase Order No.) entered into by the parties."
2. The bond shall remain valid and effective until the duration of the contract (should be specific date reckoned from the contract effectivity) plus sixty (60) days after NPC's acceptance of the last delivery/final acceptance of the project.
3. In case of surety bond, any extension of the contract duration or delivery period granted to the CONTRACTOR 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 the extension of the contract duration or delivery schedule would be beyond the effective period of the surety bond first posted, it shall be the sole obligation of the CONTRACTOR to post an acceptable Performance Security within ten (10) calendar days after the contract duration/delivery period extension has been granted by NPC.
4. Other required conditions in addition to the standard policy terms issued by the Bonding Company:
 - i. The bond is a penal bond, callable on demand and the entire amount thereof shall be forfeited in favor of the Obligee upon default of the Principal without the need to prove or to show grounds or reasons for demand for the sum specified therein;
 - ii. The amount claimed by the Obligee under this bond shall be paid in full and shall never be subject to any adjustment by the Surety;
 - iii. In case of claim, the Surety shall pay such claim within sixty (60) days from receipt by the Surety of the Obligee's notice of claim/demand letter notwithstanding any objection thereto by the Principal.

31. Notice to Proceed

Within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority, NPC shall issue the Notice to Proceed (NTP) together with a copy or copies of the approved contract to the successful Bidder.

All notices called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful Bidder.

32. Protest Mechanism

Decisions of NPC at any stage of the procurement process may be questioned in accordance with Section 55 of the IRR of RA 9184.

SECTION II

**GENERAL CONDITIONS OF THE
CONTRACT**

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SECTION II – GENERAL CONDITIONS OF CONTRACT

1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between NPC and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to NPC under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) NPC is **National Power Corporation (NPC or NAPOCOR)** with office address at BIR Road cor. Quezon Avenue, Diliman, Quezon City.
- (g) "NPC's country" is the Philippines.
- (h) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract.
- (i) "Day" means calendar day.
- (j) The "Effective Date" of the contract will be the date of signing the contract, however the Supplier shall commence performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.
- (k) "Verified Report" refers to the report submitted by the Implementing Unit to the HoPE setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. NPC as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, NPC:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
- (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of NPC, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive NPC of the benefits of free and open competition.
 - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of NPC, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
 - (v) "obstructive practice" is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of NPC or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of NPC or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Government of the Philippines (GOP) or NPC, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit NPC to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Government of the Philippines (GOP), if so required.

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified below, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

NPC's address for Notices is:

FERNANDO MARTIN Y. ROXAS
President & CEO
Ground Floor, Building No. 1
National Power Corporation
Sen. Miriam P. Defensor-Santiago Ave.,
(formerly BIR Road) cor. Quezon Blvd.,
Diliman, Quezon City, Metro Manila 1100

5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in GCC Clause 5.1.

6. Scope of Contract

6.1. The Goods and Related Services to be provided shall be as specified in in **Sections III – Technical Specifications and IV – Schedule of Requirements.**

6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract are provided below:

a. Delivery and Documents –

The delivery terms applicable to the Contract is EXW/DDP delivered to the project site specified in the technical specifications, in accordance with INCOTERMS. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination

Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section III – Technical Specifications.

For purposes of this Clause the Procuring Entity's Representative at the Project Site is the Plant Superintendent, Head or Supervisor.

b. Incidental Services –

The Supplier is required to provide the following services, including additional services specified in Technical Specifications.

The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

c. Packaging –

The Supplier shall provide packaging of the Goods as specified in the Technical Specifications

d. Insurance –

The Goods supplied under this Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to transportation and delivery. The Goods remain at the risk and title of the Supplier until their final acceptance by the Procuring Entity. The Supplier shall provide insurance of the Goods as specified in the Technical Specifications.

e. Transportation –

The Supplier is required under Contract to deliver the Goods EXW/DDP to the project site. Transport of the Goods to the point of destination in the Philippines, including insurance, as specified in this Contract, shall be arranged and paid for by the Supplier, and the related cost thereof shall be included in the Contract Price.

The Procuring Entity accepts no liability for the damage of Goods during transit. Risk and title will not be deemed to have passed to the Procuring Entity until their receipt and acceptance by the Procuring Entity at the point of destination.

The Supplier shall provide transportation of the Goods as specified in the Technical Specifications.

f. Patent Rights –

The Supplier shall indemnify NPC against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.

7. Subcontracting

- 7.1. Subcontracting of any portion of the Goods, if allowed in the ITB, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements under ITB Clause 12 and comply with the eligibility criteria specified therein. In the event that any subcontractor is found by NPC to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, NPC shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. NPC shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29.

The details of this provision are indicated in Clause TS-7.0 of Section III, Part I - Technical Specifications.

In the event a new law is passed by Congress or higher authorities that will affect payment, the same shall be applied, subject to approval of NPC Management.

10. Payment (*Not Applicable*)

- 10.1. Payments shall be made only upon a certification by the HoPE to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. At least one percent (1%) but not to exceed five percent (5%) of the amount of each payment shall be retained by NPC to cover the Supplier's warranty obligations under this Contract as described in GCC Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to NPC in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by NPC, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. The currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment and Terms of Payment (*Not Applicable*)

- 11.1. Advance payment not to exceed fifteen percent (15%) of the contract amount shall be allowed and paid within sixty (60) calendar days from effectivity of the contract and upon the submission to and acceptance by NPC of an irrevocable letter of credit or bank guarantee issued by a Universal or Commercial Bank. The irrevocable letter of credit or bank guarantee must be for an equivalent amount, shall remain valid until the goods are delivered, and accompanied by a claim for advance payment.
- 11.2. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.
- 11.3. The terms of payment shall be as follows:
 - 1) **For Supply and Delivery Contracts:**
 - (a) On Contract Effectivity: Advance payment of Fifteen percent (15%) of the total Contract Price shall be paid within sixty (60) days from effectivity of the Contract and upon submission of a claim and an irrevocable letter of credit or bank guarantee issued by a Universal or Commercial Bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section V- Bidding Forms.
 - (b) On Delivery: Eighty percent (80%) of the Contract Price of the **delivered Goods** shall be considered for payment, less the total amount of advance payment, if any and other deductions. If the amount is sufficient to fully

recoup the advance payment, the remainder after deductions shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the GCC Clause 6.2 provision on Delivery and Documents. Otherwise, the total delivery payment shall be charged against the advance payment and the remaining advance payment will be fully recouped from the succeeding claims.

- (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price of the **delivered Goods** shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by NPC's authorized representative. In the event that no acceptance certificate is issued by NPC's authorized representative within forty five (45) days after successful test and commissioning, if required, the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to NPC's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the GCC Clause 6.2 provision on Delivery and Documents.

2) For Supply, Delivery, Installation, Test and Commissioning Contracts:

- (a) On Contract Effectivity: Advance payment of Fifteen percent (15%) of the total Contract Price shall be paid within sixty (60) days from effectivity of the Contract and upon submission of a claim and an irrevocable letter of credit or bank guarantee issued by a Universal or Commercial Bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section V- Bidding Forms.

- (b) On Delivery: Eighty percent (80%) of the price of the **delivered Goods**, excluding price for installation, test and commissioning shall be considered for payment, less the total amount of advance payment, if any and other deductions. If the amount is sufficient to fully recoup the advance payment, the remainder after deductions shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the GCC Clause 6.2 provision on Delivery and Documents. Otherwise, the total delivery payment shall be charged against the advance payment and the remaining advance payment will be fully recouped from the succeeding claims.

- (c) On Acceptance: The remaining twenty percent (20%) of the price of the **delivered Goods** plus price for installation, test and commissioning shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by NPC's authorized representative. In the event that no acceptance certificate is issued by NPC's authorized representative within forty five (45) days after successful test and commissioning, the Supplier shall have the right to claim payment subject to NPC's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the GCC Clause 6.2 provision on Delivery and Documents.

3) For Supply, Delivery, Installation, Test and Commissioning Contracts where Installation, Test and Commissioning prices are included in the supply price:

- (a) On Contract Effectivity: Advance payment of Fifteen percent (15%) of the total Contract Price shall be paid within sixty (60) days from effectivity of the Contract and upon submission of a claim and an irrevocable letter of credit or bank guarantee issued by a Universal or Commercial Bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section V- Bidding Forms.
- (b) On Delivery: Sixty percent (60%) of the price of the **delivered Goods** shall be considered for payment, less the total amount of advance payment, if any and other deductions. If the amount is sufficient to fully recoup the advance payment, the remainder after deductions shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the GCC Clause 6.2 provision on Delivery and Documents. Otherwise, the total delivery payment shall be charged against the advance payment and the remaining advance payment will be fully recouped from the succeeding claims.
- (c) On Acceptance: The remaining forty percent (40%) of the price of the **delivered Goods** shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by NPC's authorized representative. In the event that no acceptance certificate is issued by NPC's authorized representative within forty five (45) days after successful test and commissioning, the Supplier shall have the right to claim payment subject to NPC's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the GCC Clause 6.2 provision on Delivery and Documents.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. Within ten (10) calendar days from receipt of the Notice of Award from NPC but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 30.2.
- 13.2. The performance security posted in favor of NPC shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by NPC of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by NPC and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Supplier or the surety company filed by NPC;

SECTION II – GENERAL CONDITIONS OF CONTRACT

(b) The Supplier has no pending claims for labor and materials filed against it;

13.5. In case of a reduction of the contract value, NPC shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without NPC's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of NPC. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of NPC and shall be returned (all copies) to NPC on completion of the Supplier's performance under this Contract if so required by NPC.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the **Section III – Technical Specifications**; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

16.1. NPC or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to NPC. The **Section III – Technical Specifications** shall specify what inspections and/or tests NPC requires and where they are to be conducted. NPC shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to NPC. The Supplier shall provide NPC with results of such inspections and tests.

16.3. NPC or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that NPC shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

16.4. NPC may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to NPC, and shall repeat the

test and/or inspection, at no cost to NPC, upon giving a notice pursuant to **GCC Clause 5**.

- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by NPC or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by NPC provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in Section III – Part I (Technical Specifications). The obligation for 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 amounts shall only be released after the lapse of the warranty period specified in Section III – Part I (Technical Specifications); provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.

Certificate of Acceptance of the entire contract shall be issued only after complete delivery, inspection, test (if required) and acceptance of all Goods and services required in the contract

- 17.4. NPC shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period not exceed thirty (30) days upon receipt of the notice from NPC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to NPC.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in **GCC Clause 17.4**, NPC may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which NPC may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by NPC in **Section III – Technical Specifications**.

- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify NPC in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, NPC shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. Liquidated Damages

- 19.1. Subject to GCC Clauses 17.1 and 22, if the 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 the 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 pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

Should Supplier without any justifiable cause such as force majeure fails to perform or delay in the performance of its obligations under the Contract, Supplier shall pay the Procuring Entity (NPC) liquidated damages, and not by way of penalty, an amount equal to one tenth of one percent (0.10%) of the costs of the undelivered quantity per calendar day of delay reckoning from the occurrence of a plant load reduction/shutdown and until subsequent deliveries enough to exceed critical inventory level is achieved. NPC shall inform Supplier of the occurrence of liquidated damages and NPC shall also have the right to apply the provisions below.

1. Loss of Revenue

Should any of the NPC power plants suffer load reduction or shutdown, and as a result thereof NPC incurs loss of revenue, Supplier shall compensate NPC the amount corresponding to the actual and documented loss/es incurred by NPC. NPC shall be required to file its claim with the Supplier in writing specifying in reasonable detail the basis and computation of its claim.

2. Reimbursement of Additional Expenses of NPC

In cases where the Supplier delivers the lube oil to NPC power plants below the quantity as ordered per Section VI - Technical Specifications, Clause 6.1 (c) I, resulting to increase of frequency of receiving activities, Supplier shall pay for the additional expenses incurred by NPC which includes but not limited to laboratory testing, cost of

manpower required to handle the delivery of lube oil, and the cost of travel of NPC's representative from their official station to the receiving point of NPC.

3. Submittal of Claims

Any amount of liquidated damages and/or loss of revenue shall be invoiced by NPC to Supplier and paid by Supplier within thirty (30) calendar days after receipt by Supplier of NPC's invoice or said amount shall be deducted from any money due the Supplier under the contract and/or collect such liquidated damages from the Performance Security of the Supplier under the Contract, whichever is convenient to NPC.

A. Delayed Delivery

Penalty = Undelivered Quantity, liters x Cost per Liter, PhP/liter x 0.01% x no of days of delay

B. Loss of Revenue

Penalty = Unserved Energy, kwh x NPC SAGR, PhP/kwh

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between NPC and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either NPC or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between NPC and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and NPC shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines. For joint venture, all partners to the joint venture shall be jointly and severally liable to NPC.

- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to NPC shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Supplier could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Supplier. Such events may include, but not limited to, acts of NPC in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify NPC in writing of such condition and the cause thereof. Unless otherwise directed by NPC in writing, the Supplier shall continue to perform its obligations under the Contract, as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. NPC may rescind or terminate a contract for default, without prejudice to other courses of action and remedies available under the circumstances when, outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by NPC pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price.
- 23.2. NPC may terminate the contract when, as a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from NPC stating that the circumstance of *force majeure* is deemed to have ceased.
- 23.3. NPC shall terminate the contract when the Supplier fails to perform any other obligation under the Contract.
- 23.4. In the event NPC terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, NPC may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to NPC for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

23.5. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, NPC may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

NPC shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to NPC and/or the Supplier.

25. Termination for Convenience

25.1. NPC may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.

25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by NPC at the contract terms and prices. For Goods not yet performed and/or ready for delivery, NPC may elect:

- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
- (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for NPC which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of NPC before recovery may be made.

26. Termination for Unlawful Acts

26.1. NPC may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
- (b) Drawing up or using forged documents;
- (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and

- (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the HoPE shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
- (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
 - (iv) special instructions of NPC, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the HoPE a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating this Contract;
- (e) NPC may, at any time before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The HoPE may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the HoPE; and

- (h) The Supplier must serve a written notice to NPC of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by NPC.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with NPC's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

SECTION III

TECHNICAL SPECIFICATIONS

***(PART I – TECHNICAL
SPECIFICATIONS)***

TS-1.0 GENERAL

This specification covers the technical requirements for the supply and delivery of Engine Lubricating Oil (ELO) to SPUG power plants and barges for **CY 2024** as specified in Section IV, Part III (Schedule of Requirements) and Section III (Technical Specification).

TS-2.0 DEFINITIONS

2.1 In this Contract, the following terms shall be interpreted as indicated:

- (a) **"ASTM"** means the American Society for Testing Materials
- (b) **"BIR"** means the Bureau of Internal Revenue.
- (c) **"CONTRACTED QUANTITY"** means the quantity of Lubricating Oil to be delivered by the Supplier and committed to be lifted by the NPC.
- (d) **"CONTRACT"** means the agreement entered into between the NPC and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (e) **"CONTRACT PRICE/TOTAL CONTRACT PRICE"** means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (f) **"DAY"** means calendar day.
- (g) **"DELIVERED PRICE"** means the unit price of lubricating oil at plant site or delivery point as specified in Section IV - Schedule of Requirements, Part II – Table of Delivery Points for Bidding.
- (h) **"DELIVERY POINT"** means the designated location for the receipt of the delivery of fuel from the fuel supplier to NPC. The delivery point is categorized as (a) Per Plant with plant site delivery or pick-up at Supplier's depot or specific pier/wharf; and (b) Per Lot composed of power plants with a common delivery point or individual plant site delivery.
- (i) **"DELIVERY REFERENCE POINT"** means the agreed point of lubricating oil delivery:

Deliveries by:Delivery Reference Point

- | | |
|----------------------------|--------------------------------|
| 1. Bulkcontainers/ISO Tank | - Plant site or delivery point |
| 2. Drums | - Plant site or delivery point |
| 3. Pails | - Plant site or delivery point |

- (j) **"DEPOT/TERMINAL"** means the domestic lubricating oil supply sources of Supplier at various locations.

- (k) **"ENGINE LUBRICATING OIL (ELO) or LUBE OIL"** means the essential requirement of power generating main engine units that is used to minimize friction and engine wear, as well as coolant, with guaranteed quality specifications as provided in Section III - Technical Specifications.
- (l) **"GCC"** means the General Conditions of Contract contained in this section.
- (m) **"ITDI"** means the Industrial Technology and Development Institute.
- (n) **"ICIS-LOR"** means Independent Commodity Information System - London Oil Reports, which is used as reference in pricing lubricating oil.
- (o) **"LOT"** refers to group of plants where the ELO supply shall be delivered to the delivery point/pick-up point as enumerated in Section IV - Part II, Table of Delivery Points for Bidding.
- (p) **"LUBRICATING OIL SOURCE POINT"** means the Supplier's own terminal or depot.
- (q) **"LUBRICATING OIL SPECIFICATIONS"** means the guaranteed quality specification of engine lubricating oil as specified in Section III - Technical Specifications, Part II - Technical Data Sheets.
- (r) **"MINIMUM INVENTORY LEVEL"** a predetermined quantity of lubricating oil in the inventory of NPC to ensure continuous operation of the NPC SPUG power plants and barges.
- (s) **"BSP"** means the Bangko Sentral ng Pilipinas used as reference in the Philippine Peso (PhP) to the US Dollar (US\$) exchange rate.
- (t) **"PER ORDER BASIS"** means the payment scheme wherein NPC advises Supplier to deliver lubricating oil within a specified period of time, billing and payment of which shall be made on a per delivery basis.
- (u) **"POWER PLANT/BARGE"** means any one of the NPC SPUG power plants or barges to be supplied by the Supplier with Lubricating oil as enumerated in Section IV - Part II, Table of Delivery Points for Bidding.
- (v) **"QUALITY CERTIFICATE"** means the document issued by Supplier indicating the results of required lubricating oil quality analyses certifying to the quality of the lubricating oil for delivery. This may be in the form of a Certificate of Test (COT), Laboratory Inspection Report (LIR), Product Quality Certificate (PQC), and/or Laboratory Service Report (LSR), or any mutually acceptable form of certification issued by the Supplier indicating the analysis results of the lubricating oil delivered.
- (w) **"SCHEDULE OF MONTHLY LUBRICATING OIL REQUIREMENTS"** means the document showing the breakdown of the Contract Quantity. This is intended to provide Supplier an idea, for planning purposes, of the lubricating oil requirements of NPC SPUG power plants and barges.

- (x) **"SOURCE OF FUNDS"** means the Internal Cash Generation of NPC.
- (y) **"SERVICES"** means those services ancillary to the supply of the LUBRICATING OIL, such as transportation and insurance, and any other incidental services, such as, provision of technical assistance, training, seminars, and other such obligations of the Supplier covered under the Contract.
- (z) **"SCC"** means the Special Conditions of Contract.
- (aa) **"SUPPLIER"** means the individual contractor, or firm supplying the Lubricating oil under this Contract.

TS-3.0 SCOPE OF WORK

- 3.1 Supply and delivery of Engine Lubricating Oil as specified herein Section III - Technical Specifications and Section IV - Schedule of Requirements.
- 3.2 The quantity of Engine Lubricating Oil to be delivered shall be in accordance with Section IV - Schedule of Requirements, subject to the provisions of Clause TS-7.1, Purchase Price and Clause TS-8.3, Contract Amount and Implementation.

The monthly breakdown of ELO requirements based on the approved ELO Procurement Plan of NPC, are indicated in Section IV, Part III - Schedule of Monthly ELO Requirements. Said monthly breakdown is for the Supplier's planning purposes and an actual ELO demand requirement shall be provided to the Supplier pursuant to Clause TS-6.1 (b), Securing Engine Lubricating Oil Supplies.

- 3.3 In the event of a supply shortage and/or allocation of lube oil supplies imposed by the Philippine Government, or any of its instrumentalities, Supplier shall sell to NPC the said volumes as a minimum subject to the implementing rules and regulations issued by the Government agency of the Philippines exercising supervision over lube oil utilization and supplies.

TS-4.0 CONTRACT PERIOD AND LOCATION

- 4.1 The supply and delivery of Engine Lubricating Oil shall cover the period **April to December 2024 (Nine (9) months)**. The quantities of ELO to be delivered are indicated in Section IV - Schedule of Requirements, Part II - Table of Delivery Points for Bidding.

In case the contracted quantity cannot be lifted by NPC during the contract period of **nine (9) months**, the NPC shall continue lifting ELO from the Supplier pursuant to Clause TS-7.2. On the other hand, if the Total Contract Price has been used up and there is still remaining volume for delivery, the same shall no longer be lifted.

- 4.2 The locations of ELO deliveries are indicated in Section IV - Schedule of Requirements, Part II - Table of Delivery Points for Bidding.

TS-5.0 ENGINE LUBRICATING OIL SPECIFICATIONS

- 5.1 The Supplier shall guarantee to supply and deliver ELO in accordance with the quality specifications as indicated in Section III - Technical Specifications, Part II - Technical Data Sheets "A", "B", "C" and "D". The Supplier shall furnish NPC the Quality Certificate for each and every ELO delivery via the mode of delivery as specified in TS-9.0 - Transportation.
- 5.2 The Supplier shall provide American Petroleum Institute (API)/European Automobile Manufacturers Association (ACEA)/Japanese Automotive Standards Organization (JASO) certification that their products are included in any of the above organization to assure the correctness of the technical specifications submitted in the technical data sheets.

TS- 6.0 DELIVERY AND DOCUMENTS

- 6.1 The delivery of the Lubricating Oil shall be made by the Supplier in accordance with the terms and conditions as stated below:

a) Place of Delivery and Source Point

Supplier shall deliver the Lubricating Oil at SPUG designated point of receipt as specified in Section IV - Schedule of Requirements, Part II - Table of Delivery Points for Bidding. Such deliveries shall come from the Supplier's nominated Lubricating Oil Source Points during the bidding. In case a delivery will come from an alternate source point, delivered price of the Lubricating Oil shall be as if the delivery came from the original source point.

b) Securing Engine Lubricating Oil Supplies

i. Notice and Schedule of Delivery

To maintain minimum inventory, NPC shall schedule deliveries based on order and Supplier shall deliver within fifteen (15) calendar days after receipt of notice. Said lead time for delivery is applicable to all modes of lubricating oil deliveries as indicated in TS-9.0.

Notices of delivery schedules from NPC should not be served on Saturdays, Sundays and Legal National holidays unless with prior notice to Supplier. In case the 15th day falls on a Saturday, Sunday or Legal National Holiday, the delivery should be made before the Saturday, Sunday or Legal National Holiday.

In case the Supplier, without any justifiable cause as defined under TS-20.0, fails to deliver the lube oil within the prescribed period stated above, resulting in delay in lube oil delivery, Supplier shall pay NPC a penalty in an amount equal to one tenth of one percent (1.0%) of the cost of the undelivered quantity per calendar day of delay reckoning from the succeeding day of the last day of the prescribed period until actual day of delivery was made. NPC shall inform Supplier of the

occurrence of the penalty and shall also have the right to apply the provisions of **GCC Clause 19 - Liquidated Damages**.

ii. **Acknowledgement of Delivery Schedules/ETA Advises**

Supplier within twenty-four (24) hours upon receipt of notice from NPC, shall confirm acceptance of the delivery schedule requested by NPC or propose an alternative schedule if Supplier is unable to meet NPC's request. Such an alternative schedule shall be within delivery window requirement of the NPC or the minimum inventory requirement of the plant. If no response received from the Supplier within twenty-four (24) hours, the delivery schedule requested by the NPC shall be considered as the confirmed delivery schedule.

Where applicable, Supplier shall endeavor to dispatch notices of delivery to be received at NPC/SPUG receiving point during office hours only. For all modes of Engine Lubricating Oil deliveries, unless requested by NPC or during emergencies, Supplier shall deliver Lubricating Oil during daytime only.

iii. **Failure to Deliver Confirmed Delivery Order**

In the event the Supplier is unable to deliver all or a portion of the confirmed delivery order under Item b) above, NPC has the option to purchase supply from other sources to preclude any possibility for the lube oil inventory level to reach critical level. Supplier shall reimburse NPC the reasonable and documented costs incurred by NPC over and above what it normally pays Supplier.

Failure to deliver the total confirmed volume within the confirmed delivery schedule, the Supplier shall pay NPC a penalty in an amount equal to one tenth of one percent (0.10%) of the cost of the undelivered quantity per calendar day of delay until the total confirmed volume was delivered.

iv. **Transfer to Other Delivery Points**

NPC has the option to transfer the ELO delivery to other delivery points of the NPC through an Amendment to Order. Details of the transfer to other delivery points and costs are indicated on TS - 9.0 Section b.

v. **Safety and/or Qualification of Delivery Drums/Pails**

Supplier warrants that Supplier's Drums/Pails including all equipment used for delivering Lubricating Oil products to NPC meets all the safety requirements and standards and has undergone the required pre-qualification process and regular safety inspection and maintenance to meet safety requirements and standards of the Philippines.

Likewise, Supplier warrants that it has complied with all laws, rules and regulations pertaining to the environment, such as but not limited to the Philippine Coast Guard Memo Circular(s) on the Prevention,

Containment, Abatement and Control of Oil Marine Pollution; and DENR/NPCC rules and regulations regarding prohibition on the dumping of oil waste/bilge waters.

Supplier shall be responsible and liable for all accidents **not attributable to NPC** which includes but not limited to Lubricating Oil spills attributable to Supplier's and/or crew, and direct costs, charges, penalties and/or damages including loss revenue, shall be for the account of Supplier and Supplier shall indemnify and hold NPC free and harmless from any and all claims, demands, actions or proceeding of third persons in connection therewith. Supplier's Drums/Pails shall be equipped with the required contingency measures and equipment for Lubricating Oil spill, fires and the like.

vi. Authorized Signatories to Engine Lubricating Oil Orders/Receivers

Prior to first delivery, NPC shall provide Supplier the list including specimen signatures of all its authorized receivers of Lubricating Oil deliveries at the NPC SPUG power plants/barges awarded to Supplier. Only authorized receivers shall be allowed to receive the Lubricating Oil deliveries and sign the corresponding documents/receipts. Moreover, NPC shall also advise Supplier the names and specimen signature of NPC's officials authorized to issue Lubricating Oil orders.

In the event that the NPC/SPUG's authorized receivers are not present at the time of delivery, all reasonable and documented incidental expenses due to the delay of delivery and other charges shall be for the account of the NPC provided the notice requirement to NPC as specified in TS-6.0 b) i, is complied with, otherwise all expenses incurred due to delays or non receipt of delivery shall be for the account of Supplier.

TS-7.0 PRICES

7.1 Purchase Price

For and in consideration of the lubricating oil to be supplied under this Contract and the faithful performance of the other obligations herein of Supplier, NPC shall pay to Supplier in NPC's checks a price in accordance with the following formula.

Delivered Price = (Bid Price – Discount) + Delivery Cost +/- ICIS-LOR month on month Price Adjustments + E-VAT, up to four (4) decimal places, Peso/Liter.

Where:

Delivered Price = Applicable monthly price of Lubricating Oil at delivery point up to four (4) decimal places, Peso/Liter.

Bid Price = Refers to the bid of the prospective bidder which include production cost and excise tax, up to four (4) decimal places, Peso/Liter.

- = (Bid + Excise Tax)
- Bid** = Price for engine lubricating oil, up to four (4) decimal places, Peso/Liter.
- Excise Tax** = Tax to be collected pursuant to R.A. 10963 – TRAIN Law and BIR Revenue Regulation No. 2-2018 in the amount as prescribed under the said Law and Regulation.
- ICIS-LOR month on month Price Adjustment** = Difference between average of the past month and the average of present month up to four (4) decimal places, US\$/MT
- ICIS-LOR** = refers to an information provider for the chemical and oil industry, and is part of the LNRS Data Services Ltd., a private entity, based in London with office in Singapore.
- Delivery Cost** = Offered transshipment rate based on bidding corresponding to the freight cost from the Supplier's terminal, depot or source point to the delivery point, up to four (4) decimal places, in Peso/Liter.
- The Delivery cost shall constitute the packaging cost for the mode of delivery as specified in TS-9.1 a) Mode of Delivery.
- EVAT** = Expanded Value Added Tax as provided in Republic Act No. 9337, amending the National Internal Revenue Code of 1997 as amended and BIR Revenue Regulations No. 16-2005.
- The EVAT is equivalent to the sum of the Bid Price, Excise Tax, Delivery Cost and ICIS-LOR month on month Price Adjustment multiplied by twelve percent (12%), up to four (4) decimal places, Peso/Liter.
- = (Bid Price + Delivery Cost +/- ICIS-LOR month on month Price Adjustment) x 0.12

The delivered price based on the preceding formula shall be paid in Philippine Currency. The conversion factors of 1.0 Metric Ton (MT) = 1,145 Liters will be used, as required.

For all modes of delivery of lubricating oil, the delivered price shall be reckoned at the prevailing delivered price at the time of completion of delivery. NPC shall indicate the date and time of completion of delivery in the invoice while Supplier shall indicate the delivery location.

In cases of Force Majeure as defined in the tender documents, subject to mutual agreement between NPC and Supplier, the Supplier may source its lubricating oil supply from other source points and the price thereof shall be subject to negotiation between NPC and Supplier.

The Delivered Price of the ELO per delivery point shall be in Peso per Liter as specified herein. The Bid Price and Delivery Costs charged by the Supplier for the ELO delivered under this Contract shall vary from the Bid Price and Delivery Cost quoted by the Supplier in its Bid. Said Bid Price and Delivery Cost shall be valid for the duration of the supply period of the contract, including contract extension.

In the event a new law is passed by Congress or higher authorities that will affect payment, the same shall be applied, subject to approval of NPC Management.

7.2 Total Contract Price

The Total Contract Price of the Lubricating Oil per delivery point shall be computed based on the following formula:

$$\text{Total Contract Price, Pesos} = \text{Delivered Price} \times \text{Contract Quantity}$$

The Total Contract Price is expected to be consumed within the contract term. However, should there still be an available amount left after the contract term, said contract term shall be extended until the full amount is consumed. **The contract extension shall not exceed a period of six (6) months after the end of the contract term.** The Total Contract Price and Contract Quantity shall be guided by the provisions of TS - 8.3, Contract Amount and Implementation.

TS-8.0 PAYMENT

8.1 Invoicing and Documentary Requirements (Per Order Basis)

Supplier shall bill NPC for each Lubricating Oil delivery and shall submit the billing claim and Lubricating Oil ordering notice together with the following supporting documents. All documents are original except as indicated herein:

- (a) Packaged Deliveries
 - i. Original Invoice and Delivery Receipt
 - ii. Quality Certificate - certified copy
 - iii. BIR Withdrawal Certificate – certified copy

In addition to the above, Supplier shall also provide NPC, through the Fuel Contract Management Division, not later than the 7th of the current billing month the following documents to support the delivered price of Lubricating Oil used by the Supplier in the invoice:

- i. The monthly price adjustment for SN 500 Base Oil applicable for the Delivery Month.

- ii. The Bangko Sentral ng Pilipinas (BSP) Peso to the US Dollar exchange rate average applicable for the Delivery Month.

Supplier shall also provide all other documents that may be required by NPC in connection with the Contract within ten (10) calendar days after receipt of request from the NPC.

8.2 Payment Terms

All Lubricating Oil deliveries made by Supplier and received by NPC/SPUG power plants and barges within a particular calendar month shall be paid by the NPC at the end of the following calendar month, provided that all the requirements for payment stated above in TS 8.1 are received by the NPC not later than the seventh (7th) day of the following month. Otherwise, every day of delay in the submission of the documents, or settling a disputed bill, or due to force majeure as specified in GCC 22 shall extend the payment due date for the same number of days of the delay without penalty. All other billings complying with the payment requirements, undisputed, and not affected by force majeure shall be paid on due date. Otherwise, the late payments shall be subject to interest based on the ninety-one (91) day T-bill rate prevailing on the due date as issued by the Bangko Sentral ng Pilipinas (BSP) for payment until full payment is made. If the due date falls on a holiday or non-working day, payment shall be made on the succeeding business day.

A sample line graph for Lubricating Oil supply on per order basis, indicating the ICIS-LOR and PDS values to be used and the payment due date, are specified in *Section III - Technical Specifications, Part III - Line Graph Per Order Basis*.

8.3 Contract Amount and Implementation

NPC shall make, after every order, an accounting of the amount actually payable to the Supplier. This will determine the allowable unit/volume that may still be ordered from the remaining amount allotted for each Lubricating Oil to conform to the remaining amount in the Total Contract Price.

If during contract implementation, the Total Contract Price for this requirement would have been consumed notwithstanding that the said requirements were not fully delivered in the units/volume contemplated, no further order and payments shall be made.

The Supplier shall monitor its deliveries to ensure that it is within the Total Contract Price. No payment shall be made for ELO deliveries in excess of the Total Contract Price.

8.4 Delayed/Prompt Payment

Except when due to force majeure as specified in GCC 22, non-payment of accounts in full on its due date shall be subject to interest corresponding to the average 91-day T-Bill rate prevailing on due date as issued by the BSP until the account is fully paid.

Likewise, Supplier shall grant NPC prompt payment discount if NPC pays before payment due date. The discount shall correspond to the average 91-day T-Bill rate as issued by BSP prevailing on the actual date of prompt payment.

8.5 Payment in Case of Contract Termination

In case of termination of this Contract as specified in GCC 23 to 26, NPC will pay any outstanding obligation on payment due date after the effective date of termination. In case of nonpayment, interest as stipulated above shall accrue on the outstanding amount.

8.6 Quantity and Amount Reconciliation

For Power Plants/Delivery Points with concerns or issues regarding lube oil delivery (Quantity and Amount), reconciliation shall commence from the start of the implementation of the contract. For sales invoice(s) that need price adjustment due to unavailability of ICIS-LOR price, debit notes should be issued within the billing period. Any claims pertaining to reconciliation for the contract shall not be beyond three (3) months from the contract expiry date. Claims filed beyond the said period may only be paid subject to existing accounting and auditing rules and guidelines.

TS-9.0 TRANSPORTATION

9.1 The transport of the Lubricating Oil to the point of destination or such other named place of destination in the Philippines are as follows:

a) Mode of Delivery

Supplier shall deliver the Lubricating Oil in accordance with the Modes of Delivery as set forth in Section IV - Schedule of Requirements. Supplier shall assure that the delivery of Lubricating Oil shall meet the conditions of the receiving facilities at the delivery points as specified in said Section IV.

In case of any deviations in the mode of delivery in order to meet confirmed delivery schedule and/or minimum inventory level of the NPC SPUG power plants and barges as set forth herein, any additional cost and logistical requirements to be undertaken for such deviation shall be the responsibility of the Supplier.

i. Packaged Lubricating Oil Deliveries.

Package Lubricating Oil deliveries shall be made using container drums and pails. The Supplier shall guarantee the content of each drum or pail. NPC reserves the right to check the volume and integrity of the Lubricating Oil in the container drums and pails.

Supplier shall provide packaging of the Lubricating Oil as required to prevent spillage or contamination during transit to its final destination. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and open storage.

Details of the packaged Lubricating Oil deliveries are indicated on TS - 14.0 Packaging.

For all modes of delivery stated herein, the NPC and Supplier's representatives should be present for each Lubricating Oil delivery in order to witness, validate, affirm and confirm the quality and quantity of Lubricating Oil delivered to preclude discrepancies in the processing of payment.

The absence of the authorized representatives of either party to witness, validate, affirm and confirm the quality and quantity of the Lubricating Oil delivery shall constitute a waiver on the part of the party absent and thus the quality and quantity determined during the time of delivery shall be final and shall be used as basis for payment of Lubricating Oil deliveries.

b) Transfer to other Delivery Points (Amendment to Order)

In case of emergency, such as impending lube oil run-out due to critical inventory and other reasonable causes, NPC may transfer the ELO delivery to other delivery points of NPC through an Amendment to Order pursuant to Annex "D" -- Contract Implementation Guidelines for the Procurement of Goods, Supplies and Materials, of the Revised IRR of RA 9184. The bid price and delivery cost shall be as follows:

- i. a. In case the source and recipient power plants/delivery points are supplied by the same supplier, the bid price and delivery cost of the recipient power plant/delivery point shall be used as reference for payment of Lubricating Oil deliveries.
- b. In case a power barge is transferred to a location where a power plant/barge is already existing and operating with ELO supply from the same supplier, the bid price and delivery cost of the existing power plant/barge shall be used as reference for payment of lubricating oil deliveries to the transferred power barge.
- ii. If during the contract implementation, the delivery point of a particular power plant or barge differs from the contract, the bid price shall be maintained but the delivery cost shall be subject to negotiation. Should negotiations fail, the contract shall cease to effect in the particular power plant/delivery point.
- iii. The transfer/reallocation and/or conversion of type of Lubricating Oil shall not be limited to the power plants/delivery points as specified in the contract. Transfer/reallocation and/or conversion of type Lubricating Oil deliveries can be executed from one supply contract to another provided that said contracts belong to the same supplier and being implemented on the same contract year supply period.

Provided further that before any transfer/reallocation and/or conversion of type may be made from one contract to the other, the quantity and/or amount of the recipient power plant/delivery point has already been consumed. In this case, the bid price and delivery cost

of the recipient power plant/delivery point shall be used as basis for payment of lubricating oil deliveries.

The amended total contract price of the recipient and source power plants/barges/delivery points should not be exceeded. Hence, no payment shall be made for ELO deliveries in excess of the amended total contract prices of the concerned power plants/barges/delivery points.

- iv. NPC has the option to consider a new or alternative delivery point not included in the contract by way of Amendment to Order. The volume shall be taken from any of the delivery points covered by the supplier's contract. The bid price and delivery cost shall be subject to agreement by both parties.

In case Supplier at its own initiative elect to transfer a delivery due to rejection or non-acceptance by NPC, NPC has no obligation to pay Supplier any cost resulting from the transfer of the delivery.

c) Transfer of Ownership and Risk

Ownership of the Lubricating Oil shall pass to NPC when the product is received at NPC's power plant or delivery point as specified in Section IV - Part II, Table of Delivery Points for Bidding. Whereas, for power plants whose reference delivery point is pick-up at nearest depot/terminal/source point, ownership of the ELO shall pass to NPC when the product is received at the delivery point or withdrawn from the Supplier's depot/terminal/source point.

Supplier shall assume risk of loss and/or damage and/or accidents such as but not limited to lubricating oil spills, pilferage and loss due to fire while product is in transit from Supplier's Terminal/Depot/Stock Point to NPC/SPUG delivery reference points on board product haulers of the Supplier. For this purpose, Supplier shall insure the Lubricating Oil while in its custody for the full reinstatement value of the product. Risk of loss, pilferage and/or damage and/or accidents such as but not limited to lubricating oil spills shall also be assumed by Supplier.

Custody over the Lubricating Oil shall only pass to the NPC from the Supplier upon final acceptance in accordance with the delivery reference points as specified in Section IV, Part II – Table of Delivery Points.

TS-10.0 INSPECTION AND TESTS

10.1 The inspections and tests that will be conducted are:

a) Quality Determination

The quality of Lubricating Oil delivery shall be determined in accordance with applicable ASTM standards/procedures or other mutually accepted standards/procedures as specified in Section III - Technical Specifications.

Supplier shall furnish NPC the Quality Certificate for each and every Lubricating Oil delivery.

NPC reserves the right to conduct random test to validate the quality of the Lubricating Oil as delivered in the power plant/delivery point. In the event the lubricating oil delivered does not conform to the guaranteed technical specifications (Section III, Part II - Technical Data Sheets), NPC shall advise the Supplier of the deficiency and require the latter for immediate replacement of the whole batch of lubricating oil delivered (for drum/pail). The expenses in the withdrawal and replacement of the rejected lubricating oil shall be for the account of the Supplier.

b) Quantity Determination

Quantity/volume of delivered lubricating oil shall be based on Drums/Pails markings on its equivalent volume, provided however, that the Supplier shall provide NPC valid and updated ITDI Calibration Certificates of its Drums/Pails. Failure on the part of the supplier to provide a valid and updated ITDI Calibration Certificates shall cause the automatic rejection of delivery.

c) Rejection

1. Rejection Limits

Prior to actual discharging of deliveries, NPC reserves the right to perform tests and quality analyses of the Lubricating Oil properties as specified in Section VI - Technical Specifications. If the result of such test or analyses falls outside any of the reproducibility/precision limits defined in the applicable standard, NPC reserves the right to reject the Lubricating Oil delivery.

For Packaged Lubricating Oil deliveries, NPC reserves the right to reject the delivery if the (a) drum and pail seal and label are broken and/or tampered, and (b) if the drum or pail is in an advanced state of deterioration.

All costs and charges in connection with the rejection shall be for the account of the Supplier.

TS-11.0 WARRANTY

- 11.1 In order to assure that manufacturing/production defects shall be corrected by the Supplier, a Warranty Security shall be required from the contract awardee for a period of three (3) to six (6) months after acceptance by the plant of the ELO delivery.

The obligation for the warranty shall be covered by either Retention Money in an amount equivalent to at least ten percent (10%) of every progress payment, or a Special Bank Guarantee equivalent to at least ten percent (10%) of the Total Contract Price. The said amount shall only be released after the lapse of the warranty period or after consumption of the ELO delivered whichever comes earlier: Provided, however, that the ELO delivered

are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

- 11.2 In case of contract extension, warranty period shall also be extended for a period of three (3) to six (6) months after acceptance by the plant of the ELO delivery. The retention money in an amount equivalent to at least ten percent (10%) of every progress payment, or a special bank guarantee equivalent to at least ten percent (10%) of the total contract price shall also be extended by the Supplier.
- 11.3 Release of the Retention Money and/or Special Bank Guarantee after the lapse of the warranty period or after consumption of the ELO delivered, the end-user/plant (in case of Retention Money) or Fuel Contract Management Division - FCMD (in case of Special Bank Guarantee) shall issue a certification that the ELO delivered had been consumed.
- 11.4 Opened drum or pail that is partially used shall be considered as consumed. Release of retention money or special bank guarantee shall not be affected.
- 11.5 Special Bank Guarantee shall be issued by the Supplier upon issuance of the Notice of Award.

TS-12.0 PRIVATIZATION

- 12.1 In the event that the ownership/possession or operation of the NPC or SPUG power plant or barge is transferred to another entity as a result of privatization, any of the following shall govern, at the option of NPC;
 - a) The contractual obligations of NPC under this Contract shall be transferred to the new owner/operator of the plant subject to the written consent of the Supplier and the new owner/operator of the plant. Should the consent of the Supplier and the new owner/operator of the plant cannot be secured, the contract shall cease to have force and effect;
 - b) Pre-termination of the Contract, provided that written notice is given by NPC to the Supplier at least thirty (30) days prior to its termination;
 - c) Assign the contract to any of the NPC power plants.
- 12.2. In the event that the New Power Provider (NPP) take over the operation of the NPC in a certain area, NPC has the option to assign the contract of the existing SPUG power plant or barge to any of the NPC power plants.

The above shall be without prejudice to payment of claims which were incurred prior to the transfer of the contractual obligation or termination of the Contract.

TS-13.0 INCIDENTAL SERVICES

- 13.1 The Supplier is required to provide free of charge to NPC the following services, including additional services, if any:
 - a. Supervision of delivery of the supplied Lubricating Oil requirements;

- b. Technical assistance such as technical information on instruments and equipment necessary for the utilization, handling and disposition of lubricating oil purchased from the Supplier including laboratory correlation, if necessary.
- c. The Supplier shall also provide in-house and field trainings, seminars and technical services relevant to lubricating oil orientation, utilization, development, supply, transfer, storage and handling, safety and environmental concern activities.
- d. The following technical services to support plant operations are mandatory requirement during contract implementation.

Technical Services	FREQUENCY PER YEAR	
	High Speed Diesel-Fired Engine	Medium Speed
		Diesel/Bunker-Fired Engine
1. Used-Oil Analysis	Quarterly	Quarterly
2. In-Service Lube Oil Condition Monitoring	Shall be conducted based on the running hours of an engine that will be determined and agreed upon during contract implementation	
3. Engine Diagnostic Test	N/A	Shall be conducted based on the running hours of an engine that will be determined and agreed upon during contract implementation
4. Technical Seminars, Trainings	Annually	Annually

In case any or all of the above technical services cannot be performed by the Supplier, NPC shall conduct or engage with a third party to conduct such services and all costs incurred for the said services shall be charged to the Supplier.

TS-14.0 PACKAGING

14.1 Drums and Pails

- a. The Supplier shall provide such packaging of the Lubricating Oil as required to prevent spillage or contamination during transit to its final destination. The packaging should be sufficient to withstand, without limitation, rough handling during transit and storage.

- b. Packaged lubricating oil deliveries shall be made using drums or pails. The Supplier shall guarantee the content of each drum or pail. The drum or pail contents in liters shall be indicated in the delivery receipt and invoice.

14.2 The packaging must be clearly marked as follows:

Name of Procuring Entity	:	National Power Corporation
Contract Description/Code	:	
Delivery Point	:	
Name of Supplier	:	
Product Name	:	
API Seals/Labels/Markings	:	
Gross Weight	:	
Net Weight	:	
Quantity, in liters	:	

Suppliers with ISO certification are not required to mark packaging as indicated above. The Supplier shall adopt their standard labels and marking but will be required to submit to NPC a copy of their ISO certificate during contract implementation. Suppliers with no ISO certification are required to mark packaging accordingly.

TS-15.0 INSURANCE

The Lubricating Oil supplied under the Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to transportation, storage and delivery. The Lubricating Oil remains at the risk and title of the Supplier until their final acceptance by NPC.

TS-16.0 SUBCONTRACTS

Subcontracting of any Lubricating Oil supply contracts awarded to the Supplier is not allowed.

TS-17.0 NON-WAIVER OF RIGHTS

No failure to exercise and no delay in exercising on the part of NPC of any of its rights under these Specifications and the Contract shall operate as waiver thereof, nor shall any single or partial exercise of any right preclude any other or further exercise thereof, or the exercise of any other right. The right and remedies herein provided are cumulative and not exclusive of any right or remedies provided by law.

SECTION III

TECHNICAL SPECIFICATIONS

***(PART II – TECHNICAL DATA
SHEETS)***

PART II - TECHNICAL DATA SHEETS

**SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
 TO SPUG POWER PLANTS AND BARGES FOR CY 2024**

1. The Bidder shall complete this technical data sheet and submit the filled-up form with the technical proposal. The Bidder shall use continuation sheets as necessary for any other additional information keeping to the format shown herein or by reproducing the same.
2. NPC reserves the right to reject Bids without proper and/or specific data and information as required herein.
3. The data required are technical requirements for the engine lubricating oil to be provided by the bidder. Bidder's proposal shall at least be equal or superior to the requirements specified by NPC.

1.0 TECHNICAL DATA

ITEM	DESCRIPTION	NPC REQUIREMENT	SUPPLIER'S DATA
1	ENGINE LUBRICATING OIL SPECIFICATIONS FOR DIESEL OIL FIRED - HIGH SPEED	Refer to Attachment "A"	

Name of Bidder :

Signature of Bidder :

TERMS OF REFERENCE

SECTION III - TECHNICAL SPECIFICATIONS

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
TO SPUG POWER PLANTS AND BARGES FOR CY 2024
PR NO. HO-FMG24-003(NP)

ATTACHMENT "A"

**ENGINE LUBRICATING OIL SPECIFICATIONS
DIESEL OIL FIRED ENGINE - HIGH SPEED**

Property	Unit	Standard Method	NPC Specifications			Suppliers Data			Comply / Not Comply
			Min	Max	Remarks	Min	Max	Remarks	
1. Viscosity Grade		IP-71 / ASTM-D445	SAE15W40		min. viscosity @ 100 °C				
2. Total Base Number (TBN)	mgKOH/g	IP-276 / ASTM-D2896	9						
3. API Level or equivalent in JASO & ACEA			CI-4						

Note: API level must supported by certification from API or equivalent certifying body.

Name of bidder: _____

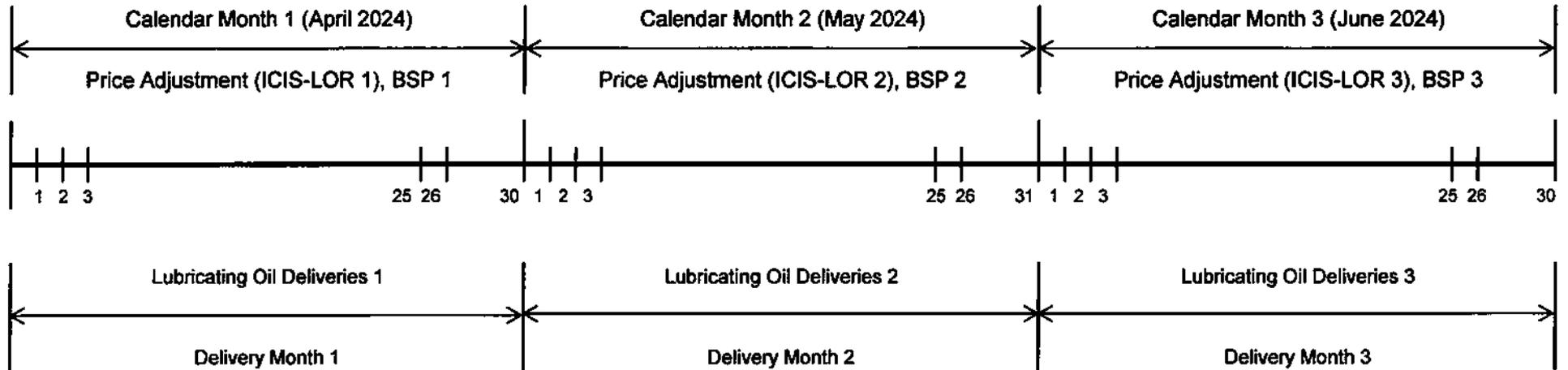
Signature of bidder: _____

SECTION III

TECHNICAL SPECIFICATIONS

***(PART III – SAMPLE COMPUTATION
AND LINE GRAPH PER ORDER BASIS)***

NATIONAL POWER CORPORATION
 LINE GRAPH FOR ENGINE LUBRICATING OIL SUPPLY ON PER ORDER BASIS



A. Lube Oil Deliveries are covered under NPC Billing Month (BM), 1st day until the end of the particular month.

B. Processing of Invoice: $\text{Delivered Price (Lube Oil), P/Liter} = (\text{Bid} + \text{Excise Tax} - \text{Discount}) \pm \text{ICIS-LOR month on month Price Adjustments} + \text{Delivery Cost} + \text{EVAT}$

- Lube Oil Deliveries 1 = Payment due date is end of May 2024.
- Lube Oil Deliveries 2 = Payment due date is end of June 2024.
- Lube Oil Deliveries 3 = Payment due date is end of July 2024.

TERMS OF REFERENCE

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
 TO SPUG POWER PLANTS AND BARGES FOR CY 2024
 PR NO. HO-FMG24-003(NP)

SECTION III - TECHNICAL SPECIFICATIONS

PART III - SAMPLE COMPUTATION FOR LUBE OIL SUPPLY ON PER ORDER BASIS

SAMPLE COMPUTATION 1
 (Engine Lubricating Oil)

Bid, PhP/liter 120.0000
 Discout, PhP/liter -
 Delivery Cost, PhP/liter 1.2000
 Volume, liters 2,000.00
 Metric Ton to Liter 1145

Assumptions:

1. Bid Date, 1st Week of Month 0
2. End of LO discharging, day before end of Month 4
3. Forex, Average of Previous Month, BSP Ref. Rate, PhP/US\$ = 48.52

ICIS-LOR Monthly Average, \$/MT

	Month 0	Month 1	Month 2	Month 3	Month 4
1st Week	1200	1250	1350	1400	
2nd Week	1200	1250	1350	1400	
3rd Week	1200	1300	1350	1400	
4th Week	1200	1300	1350	1400	
Monthly Average	1200.0000	1275.0000	1350.0000	1400.0000	
ICIS-LOR Month Difference		75.0000	75.0000	50.0000	

ICIS-LOR Monthly Adjustment, \$/MT

Month 1	75.0000
Month 2	75.0000
Month 3	50.0000
Month 4	
Total*	200.0000
* Convert to PhP/Liter, ICIS-LOR_PA =	8.4751

Bid	Discount	ICIS-LOR_PA	Excise Tax	Delivery Cost	EVAT	Delivered Price	Actual Payable
120.0000	-	8.4751	10.0000	1.2000	16.761	156.4361	312,872.20

TERMS OF REFERENCE

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
 TO SPUG POWER PLANTS AND BARGES FOR CY 2024
 PR NO. HO-FMG24-003(NP)

SECTION III - TECHNICAL SPECIFICATIONS
 PART III - SAMPLE COMPUTATION FOR LUBE OIL SUPPLY ON PER ORDER BASIS

SAMPLE COMPUTATION 2
 (Engine Lubricating Oil)

Bid, PhP/liter 120.0000
 Discout, PhP/liter -
 Delivery Cost, PhP/liter 1.2000
 Volume, liters 2,000.00
 Metric Ton to Liter 1145

Assumptions:
 1. Bid Date, 3rd Week of Month 0
 2. End of LO discharging, End of Month 1
 3. Forex, Average of Month 1, BSP Ref. Rate, PhP/US\$ = 48.52

ICIS-LOR Monthly Average, \$/MT

	Month 0	Month 1	Month 2	Month 3	Month 4
1st Week		1250			
2nd Week		1250			
3rd Week	1200	1300			
4th Week	1200	1300			
Monthly Average	1200.0000	1275.0000			
ICIS-LOR Month Difference		75.0000			

ICIS-LOR Monthly Adjustment, \$/MT

Month 1	75.0000
Month 2	
Month 3	
Month 4	
Total*	75.0000
* Convert to PhP/Liter, ICIS-LOR_PA =	3.1782

Bid	Discount	ICIS-LOR_PA	Excise Tax	Delivery Cost	EVAT	Delivered Price	Actual Payable
120.0000	-	3.1782	10.0000	1.2000	16.1254	150.5036	301,007.20

TERMS OF REFERENCE

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
 TO SPUG POWER PLANTS AND BARGES FOR CY 2024
 PR NO. HO-FMG24-003(NP)

SECTION III - TECHNICAL SPECIFICATIONS

PART III - SAMPLE COMPUTATION FOR LUBE OIL SUPPLY ON PER ORDER BASIS

SAMPLE COMPUTATION 3
 (Engine Lubricating Oil)

Bid, PhP/liter 120.0000
 Discout, PhP/liter -
 Delivery Cost, PhP/liter 1.2000
 Volume, liters 2,000.00
 Metric Ton to Liter 1145

Assumptions:

1. Bid Date, 3rd Week of Month 0
2. End of LO discharging, day before end of Month 1
3. Bid Price

ICIS-LOR Monthly Average, \$/MT

	Month 0	Month 1	Month 2	Month 3	Month 4
1st Week		1250			
2nd Week		1250			
3rd Week	1200	1300			
4th Week	1200				
Monthly Average	1200.0000				
ICIS-LOR Month Difference					

ICIS-LOR Monthly Adjustment, \$/MT

Month 1	0.0000
Month 2	
Month 3	
Month 4	
Total*	0.0000
* Convert to PhP/Liter, ICIS-LOR_PA =	0.0000

Bid	Discount	ICIS-LOR_PA	Excise Tax	Delivery Cost	EVAT	Delivered Price	Actual Payable
120.0000	-	0.0000	10.0000	1.2000	15.744	146.9440	293,888.00

TERMS OF REFERENCE

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
 TO SPUG POWER PLANTS AND BARGES FOR CY 2024
 PR NO. HO-FMG24-003(NP)

SECTION III - TECHNICAL SPECIFICATIONS

PART III - SAMPLE COMPUTATION FOR LUBE OIL SUPPLY ON PER ORDER BASIS

SAMPLE COMPUTATION 4
 (Engine Lubricating Oil)

Bid, PhP/liter 120.0000
 Discout, PhP/liter -
 Delivery Cost, PhP/liter 1.2000
 Volume, liters 2,000.00
 Metric Ton to Liter 1145

Assumptions:

1. Bid Date, 3rd Week of Month 0
2. End of LO discharging, End of Month 1
3. Forex, Average of 3rd Week to 4th Week of Month 0, BSP Ref. Rate, PhP/US\$ 48.52

ICIS-LOR Monthly Average, \$/MT

	Month 0	Month 1	Month 2	Month 3	Month 4
1st Week		1250			
2nd Week		1250			
3rd Week	1200	1300			
4th Week	1200	1300			
Monthly Average	1200.0000	1275.0000			
ICIS-LOR Month Difference		75.0000			

ICIS-LOR Monthly Adjustment, \$/MT

Month 1	75.0000
Month 2	
Month 3	
Month 4	
Total*	75.0000
* Convert to PhP/Liter, ICIS-LOR_PA =	3.1782

Bid	Discount	ICIS-LOR_PA	Excise Tax	Delivery Cost	EVAT	Delivered Price	Actual Payable
120.0000	-	3.1782	10.0000	1.2000	16.1254	150.5036	301,007.20

SECTION IV

**SCHEDULE OF
REQUIREMENTS**

***(PART I – APPROVED BUDGET
FOR CONTRACT)***

**NATIONAL POWER CORPORATION
CY 2024 ENGINE LUBRICATING OIL REQUIREMENTS**

SPUG POWER PLANTS AND BARGES

PLANT NAME	QUANTITY, liters	Approved Budget for Contract (ABC), PhPesos
SCHEDULE IA - DIESEL-FIRED, HIGH SPEED		
VISAYAS		
EASTERN VISAYAS		
PER PLANT		
1 Limasawa DPP	1,890	238,367.00
LOT 1 - SAMAR		
	16,920	2,133,951.00
1 Biri DPP	2,440	
2 Capul DPP	2,180	
3 San Antonio DPP	1,640	
4 San Vicente DPP	1,100	
5 Maripipi DPP	1,420	
6 Tagapul-an DPP	1,340	
7 Zumarraga DPP	1,900	
8 Sto. Niño DPP	920	
9 Cabunga-an DPP	100	
10 Ilijan DPP	100	
11 Takut DPP	300	
12 Libucan Dacu DPP	500	
13 Almagro DPP	1,360	
14 Biasong DPP	100	
15 Costa Rica DPP	240	
16 Lunang DPP	140	
17 Kerikite DPP	180	
18 Bagongon DPP	420	
19 Buluan DPP	80	
20 Cinco Rama DPP	460	
TOTAL Eastern Visayas	18,810	2,372,318.00
WESTERN VISAYAS		
PER PLANT		
1 Guintarcan DPP	1,540	194,225.00
TOTAL Western Visayas	1,540	194,225.00
GRAND TOTAL VISAYAS	20,350	2,566,543.00

SECTION IV

**SCHEDULE OF
REQUIREMENTS**

***(PART II – TABLE OF DELIVERY
POINTS FOR BIDDING)***

NATIONAL POWER CORPORATION
ENGINE LUBRICATING OIL REQUIREMENTS FOR CY 2024
TABLE OF DELIVERY POINTS FOR BIDDING

Schedule IA - Diesel-Fired Engine, High Speed
SPUG POWER PLANTS AND BARGES

Plant Name	Quantity Liters	Delivery		Delivery Point/Plant Location
		Mode	Preferred Container Capacity	
VISAYAS				
EASTERN VISAYAS				
PER PLANT				
1 Limasawa DPP	1,890	Drum	210 liters	Pick-up nearest depot/warehouse
LOT 1 - SAMAR	16,920	Pail	20 liters	Pick-up nearest depot/warehouse
1 Biri DPP	2,440			
2 Capul DPP	2,180			
3 San Antonio DPP	1,640			
4 San Vicente DPP	1,100			
5 Maripipi DPP	1,420			
6 Tagapul-an DPP	1,340			
7 Zumarraga DPP	1,900			
8 Sto. Niño DPP	920			
9 Cabunga-an DPP	100			
10 Ilijan DPP	100			
11 Takut DPP	300			
12 Libucan Dacu DPP	500			
13 Almagro DPP	1,360			
14 Biasong DPP	100			
15 Costa Rica DPP	240			
16 Lunang DPP	140			
17 Kerikite DPP	180			
18 Bagongon DPP	420			
19 Buluan DPP	80			
20 Cinco Rama DPP	460			
TOTAL Eastern Visayas	18,810			

NATIONAL POWER CORPORATION
 ENGINE LUBRICATING OIL REQUIREMENTS FOR CY 2024
 TABLE OF DELIVERY POINTS FOR BIDDING

Schedule IA - Diesel-Fired Engine, High Speed
 SPUG POWER PLANTS AND BARGES

Plant Name	Quantity Liters	Delivery		Delivery Point/Plant Location
		Mode	Preferred Container Capacity	
WESTERN VISAYAS				
PER PLANT				
1 Guintarcan DPP	1,540	Pail	20 liters	Pick-up nearest depot/warehouse
TOTAL: Western Visayas	1,540			

SECTION IV

**SCHEDULE OF
REQUIREMENTS**

***(PART III – SCHEDULE OF MONTHLY
FUEL REQUIREMENTS)***

TERMS OF REFERENCE
SECTION IV - SCHEDULE OF REQUIREMENTS
PART III - SCHEDULE OF MONTHLY ELO REQUIREMENTS

NATIONAL POWER CORPORATION
ENGINE LUBRICATING OIL REQUIREMENTS FOR CY 2024
SCHEDULE OF MONTHLY ENGINE LUBRICATING OIL REQUIREMENTS

SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL
TO SPUG POWER PLANTS AND BARGES FOR CY 2024
PR NO. HO-FMG24-003(NP)

Schedule IA - Diesel-Fired Engine, High Speed
SPUG POWER PLANTS AND BARGES

Plant Name	Quantity Liters	2024 Requirements, in Liters												Total (Liters)
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
VISAYAS														
EASTERN VISAYAS														
PER PLANT														
1 Limasawa DPP	1,890				1,050				840					1,890
LOT 1 - SAMAR	16,920				5,640			5,640			5,640			16,920
1 Biri DPP	2,440													
2 Capul DPP	2,180													
3 San Antonio DPP	1,640													
4 San Vicente DPP	1,100													
5 Maripipi DPP	1,420													
6 Tagapul-an DPP	1,340													
7 Zumarraga DPP	1,900													
8 Sto. Niño DPP	920													
9 Cabunga-an DPP	100													
10 Ilijan DPP	100													
11 Takut DPP	300													
12 Libucan Dacu DPP	500													
13 Almagro DPP	1,360													
14 Biasong DPP	100													
15 Costa Rica DPP	240													
16 Lunang DPP	140													
17 Kerikite DPP	180													
18 Bagongon DPP	420													
19 Buluan DPP	80													
20 Cinco Rama DPP	460													
TOTAL Eastern Visayas	18,810													
WESTERN VISAYAS														
PER PLANT														
1 Guntarcan DPP	1,540				1,540									1,540
TOTAL Western Visayas	1,540													

SECTION IV

**SCHEDULE OF
REQUIREMENTS**

***(PART IV – BID PRICE PROPOSAL
FORM)***

NATIONAL POWER CORPORATION
ENGINE LUBRICATING OIL REQUIREMENTS FOR CY 2024
BID PRICE PROPOSAL

Schedule IA - Diesel-Fired Engine, High Speed
SPUG POWER PLANTS AND BARGES

Plant Name	Quantity	Delivery Mode	Source	Delivery Point	Bid	Excise Tax	Bid Price	Discount	Delivery Cost	E-VAT	Delivered Price	Total Contract Price
A	B	C	(Local Source / Country of Origin)	(Yes/No)	P/Liter	P/Liter	P/Liter	P/Liter	P/Liter	P/Liter	P/Liter	Pesos
A	B	C	D	E	F	G	H	I	J	K	L	M
VISAYAS												
EASTERN VISAYAS												
PER PLANT												
1 Limasawa DPP	1,890	Drum				10.0000						
LOT 1 - SAMAR	16,920	Pail				10.0000						
1 Biri DPP	2,440											
2 Capul DPP	2,180											
3 San Antonio DPP	1,640											
4 San Vicente DPP	1,100											
5 Maripipi DPP	1,420											
6 Tagapul-an DPP	1,340											
7 Zumarraga DPP	1,900											
8 Sto. Niño DPP	920											
9 Cabunga-an DPP	100											
10 Ilijan DPP	100											
11 Takut DPP	300											
12 Libucan Dacu DPP	500											
13 Almagro DPP	1,360											
14 Biasong DPP	100											
15 Costa Rica DPP	240											
16 Lunang DPP	140											
17 Kerikite DPP	180											
18 Bagongon DPP	420											
19 Bufuan DPP	80											
20 Cinco Rama DPP	460											
WESTERN VISAYAS												
PER PLANT												
1 Guintarcan DPP	1,540	Pail				10.0000						
	20,350											

- NOTES :**
- D - Bidder should indicate the following: 1) Local Source - Ex. Terminal, Depot or Source Point, location 2) Ex-EPZA, 3) Imported - origin.
 - E - In column for Delivery Point, indicate "YES" if the lubricating oil shall be delivered at the delivery point as specified in Section VII, Part II - Table of Delivery Points for Bidding. Indicate "NO" if different from said Section VII, Part II or an alternative delivery point, which shall be non-complying and disqualified.
 - F, I & J - Indicate bids for Bid, Discount and Delivery Cost. [Round off to four (4) decimal places].
 - H - Refers to the bid of the prospective bidder which include production cost and excise tax. Bid Price = Bid + Excise Tax [Round off to four (4) decimal places].
 - G - Excise Tax pursuant to R.A. 10963, Tax Reform for Acceleration and Inclusion (TRAIN) Law.
 - K - Expanded Value Added Tax pursuant to BIR Revenue Regulations No. 16-2005. E-VAT = (Bid Price + Delivery Cost) x 0.12 [Round off to four (4) decimal places].
 - L - Delivered Price = Bid Price - Discount + Delivery Cost + E-VAT [Round off to four (4) decimal places]
 - M - Total Contract Price = Quantity x Delivered Price. (Round off to two (2) decimal places).

NATIONAL POWER CORPORATION
ENGINE LUBRICATING OIL REQUIREMENTS FOR CY 2024
BID PRICE PROPOSAL

Schedule IA - Diesel-Fired Engine, High Speed
SPUG POWER PLANTS AND BARGES

Plant Name	Quantity Liters	Delivery Mode	Source (Local Source / Country of Origin)	Delivery Point (Yes/No)	Bid P/Liter	Excise Tax P/Liter	Bid Price P/Liter	Discount P/Liter	Delivery Cost P/Liter	E-VAT P/Liter	Delivered Price P/Liter	Total Contract Price Pesos
A	B	C	D	E	F	G	H	I	J	K	L	M

The Total Contract Price should not be greater than the Total Approved Budget for Contract (ABC) as indicated in Section VII, Part I - Approved Budget for Bidding. Otherwise the bid shall be disqualified outright.

Signature over Printed Name
Authorized Representative

Company Name

Date

SECTION IV

**SCHEDULE OF
REQUIREMENTS**

***(PART V – BID SECURITY
REQUIREMENT)***

**NATIONAL POWER CORPORATION
CY 2024 ENGINE LUBRICATING OIL REQUIREMENTS**

SPUG POWER PLANTS AND BARGES

PLANT NAME	QUANTITY, liters	Approved Budget for Contract (ABC), PhPesos	Bid Security	
			a) 2.0 Percent (PhPesos)	b) 5.0 Percent (PhPesos)
SCHEDULE IA - DIESEL-FIRED, HIGH SPEED VISAYAS				
EASTERN VISAYAS				
PER PLANT				
1 Limasawa DPP	1,890	238,367.00	4,767.34	11,918.35
LOT 1 - SAMAR	16,920	2,133,951.00	42,679.02	106,697.55
1 Biri DPP				
2 Capul DPP				
3 San Antonio DPP				
4 San Vicente DPP				
5 Maripipi DPP				
6 Tagapul-an DPP				
7 Zumarraga DPP				
8 Sto. Niño DPP				
9 Cabunga-an DPP				
10 Ilijan DPP				
11 Takut DPP				
12 Libucan Dacu DPP				
13 Almagro DPP				
14 Biasong DPP				
15 Costa Rica DPP				
16 Lunang DPP				
17 Kerikite DPP				
18 Bagongon DPP				
19 Buluan DPP				
20 Cinco Rama DPP				
WESTERN VISAYAS				
PER PLANT				
1 Guintarcan DPP	1,540	194,225.00	3,884.50	9,711.25

SECTION VIII – BIDDING FORMS

TABLE OF CONTENTS

NPCSF-GOODS-01	- Checklist of Technical and Financial Envelope Requirements for Bidders
NPCSF-GOODS-02	- List of all Ongoing Government & Private Contracts Including Contracts Awarded but not yet Started
NPCSF-GOODS-03	- Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid
NPCSF-GOODS-04	- Computation of Net Financial Contracting Capacity (NFCC)
NPCSF-GOODS-05	- Joint Venture Agreement
NPCSF-GOODS-06a	- Form of Bid Security : Bank Guarantee
NPCSF-GOODS-06b	- Form of Bid Security : Surety Bond
NPCSF-GOODS-06c	- Bid Securing Declaration Form
NPCSF-GOODS-07	- Omnibus Sworn Statement (Revised)
NPCSF-GOODS-08	- Bid Letter
NPCSF-GOODS-09	- Letter of Guarantee
Sample Form 01	- Bank Guarantee Form for Advance Payment
Sample Form 02	- Certification from DTI as Domestic Bidder
Sample Form 03	- Certificate of International Law of Reciprocity

SECTION V

BIDDING FORMS

Standard Form No: NPCSF-GOODS-01

Checklist of Technical & Financial Envelope Requirements for Bidders**A. THE 1ST ENVELOPE (TECHNICAL COMPONENT) SHALL CONTAIN THE FOLLOWING:****1. ELIGIBILITY DOCUMENTS****a. (CLASS A)**

- PhilGEPS Certificate of Registration and Membership under Platinum Category (all pages) in accordance with Section 8.5.2 of the IRR of RA 9184;

Note: The failure by the prospective bidder to update its Certificate with the current and updated Class "A" eligibility documents shall result in the automatic suspension of the validity of its Certificate until such time that all of the expired Class "A" eligibility documents has been updated

- Statement of all ongoing government and private contracts if any, whether similar or not similar in nature and complexity to the contract to be bid (NPCSF-GOODS-02).
- The Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer price index, must be at least 25% of the ABC of every delivery point where the bidder is going to bid (NPCSF-GOODS-03) complete with the following supporting documents:
 1. Certificate of Acceptance; or Certificate of Completion; or Official Receipt (O.R); or Sales Invoice

(The Single Largest Completed Contract (SLCC) as declared by the bidder shall be verified and validated to ascertain such completed contract. Hence, bidders must ensure access to sites of such projects/equipment to NPC representatives for verification and validation purposes during post-qualification process.

It shall be a ground for disqualification, if verification and validation cannot be conducted for reasons attributable to the Bidder.)

- Duly signed computation of its Net Financial Contracting Capacity (NFCC) at least equal to the ABC (NPCSF-GOODS-04) or a Committed Line of Credit (CLC) at least equal to ten percent (10%) of the ABC, issued by a Universal or Commercial Bank; If the Bidder opted to submit a Committed Line of Credit (CLC), the bidder must submit a granted credit line valid/effective at the date of bidding.

b. (CLASS B)

- For Joint Venture (if applicable), any of the following:
 - Valid Joint Venture Agreement (NPCSF-GOODS-05)
 - OR**
 - Notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA, if awarded the contract
- Certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item/product *(For foreign bidders claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos)*

2. Technical Documents

- Bid Security, any one of the following:
 - Bid Securing Declaration (NPCSF-GOODS-06c)
 - OR**
 - Cash or Cashier's/Manager's check issued by a Universal or Commercial Bank – 2% of ABC;

Standard Form No: NPCSF-GOODS-01

OR

- Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: (NPCSF-GOODS-06a) - 2% of ABC;

OR

- Surety Bond callable upon demand issued by a reputable surety or insurance company (NPCSF-GOODS-06b) - 5% of ABC, with
 - Certification from the Insurance Commission as authorized company to issue surety
- Duly signed, completely filled-out and notarized Omnibus Sworn statement (Revised) (NPCSF-GOODS-07), complete with the following attachments:
 - For Sole Proprietorship:
 - Special Power of Attorney
 - For Partnership/Corporation/Cooperative/Joint Venture:
 - Document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)
- Duly signed and completely filled-out Technical Data Sheets (Section VI – Part II); if specified in the Bidding Documents;
- Data and information to be submitted with the Proposal as specified in Section VI – Technical Specifications (if specified in the Bidding Documents);
- Complete eligibility documents of the proposed subcontractor, if any
- Letter of Guarantee (NPCSF-GOODS-09)

B. THE 2ND ENVELOPE (FINANCIAL COMPONENT) SHALL CONTAIN THE FOLLOWING:

- Duly signed Bid Letter indicating the total bid amount in accordance with the prescribed form (NPCSF-GOODS-08)
- Duly signed and completely filled-out Schedule of Requirement (Section VII) indicating the unit and total prices per item and the total amount in the prescribed Price Schedule form.
- For Domestic Bidder claiming for domestic preference:
 - Letter address to the BAC claiming for preference
 - Certification from DTI as Domestic Bidder in accordance with the prescribed forms provided

CONDITIONS:

1. Each Bidder shall submit two (2) copies of the first and second components of its Bid, marked Original and photocopy. Only the original copy will be read and considered for the bid. Any misplaced document outside of the Original copy will not be considered. The photocopy is ONLY FOR REFERENCE. NPC may request additional hard copies and/or electronic copies of the Bid. However, failure of the Bidders to comply with the said request shall not be a ground for disqualification.
2. In the case of foreign bidders, the eligibility requirements under Class "A" Documents (except for Tax Clearance) may be substituted by the appropriate equivalent documents, if any, issued by the country of the foreign bidder concerned. The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines.

Standard Form No: NPCSF-GOODS-01

These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct. Upon receipt of the said documents, the PhilGEPS shall process the same in accordance with the guidelines on the Government of the Philippines – Official Merchants Registry (GoP-OMR).

3. *A Bidder not submitting bid for reason that his cost estimate is higher than the ABC, is required to submit his letter of non-participation/regret supported by corresponding detailed estimates. Failure to submit the two (2) documents shall be understood as acts that tend to defeat the purpose of public bidding without valid reason as stated under Section 69.1.(i) of the revised IRR of R.A. 9184.*

Standard Form Number: NPCSF-GOODS-03

The Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid

Business Name : _____
 Business Address : _____

Name of Contract	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Contractor's Role		a. Amount at Award b. Amount at Completion c. Duration	a. Date Awarded b. Contract Effectivity c. Date Completed
			Description	%		

- Notes: 1. The bidder must state only one (1) Single Largest Completed Contract (SLCC) similar to the contract to be bid.
 2. Supporting documents such as:
 a) Certificate of Acceptance; or Certificate of Completion; or Official Receipt (O.R); or Sales Invoice for the contract stated above shall be submitted during Bid Opening; and
 b) Contract/Purchase Order shall be submitted during the Post-Qualification.

Submitted by : _____
 (Printed Name & Signature)
 Designation : _____
 Date : _____

Standard Form Number: NPCSF-GOODS-04

NET FINANCIAL CONTRACTING CAPACITY (NFCC)

- A. Summary of the Supplier's/Distributor's/Manufacturer's assets and liabilities on the basis of the income tax return and audited financial statement for the immediately preceding calendar year are:

		Year 20__
1.	Total Assets	
2.	Current Assets	
3.	Total Liabilities	
4.	Current Liabilities	
5.	Net Worth (1-3)	
6.	Net Working Capital (2-4)	

ABC to be bid	
---------------	--

- B. The Net Financial Contracting Capacity (NFCC) based on the above data is computed as follows:

NFCC = [(Current assets minus current liabilities) x 15] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract for this Project.

NFCC = P _____

Submitted by:

Name of Supplier / Distributor / Manufacturer

Signature of Authorized Representative

Date : _____

Standard Form Number: NPCSF-GOODS-05

JOINT VENTURE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

That this JOINT VENTURE AGREEMENT is entered into by and between: _____, of legal age, *(civil status)* _____, authorized representative of _____ and a resident of _____.

- and -

_____, of legal age, *(civil status)* _____, authorized representative of _____ a resident of _____.

That both parties agree to join together their capital, manpower, equipment, and other resources and efforts to enable the Joint Venture to participate in the Bidding and Undertaking of the hereunder stated Contract of the **National Power Corporation**.

NAME OF PROJECT

CONTRACT AMOUNT

That the capital contribution of each member firm:

NAME OF FIRM	CAPITAL CONTRIBUTION
1.	P
2.	P

That both parties agree to be jointly and severally liable for their participation in the Bidding and Undertaking of the said contract.

That both parties agree that _____ and/or _____ shall be the Official Representative/s of the Joint Venture, and are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Joint Venture in the Bidding and Undertaking of the said contract, as fully and effectively and the Joint Venture may do and if personally present with full power of substitution and revocation.

That this Joint Venture Agreement shall remain in effect only for the above stated Contract until terminated by both parties.

Name & Signature of Authorized Representative

Official Designation

Name of Firm

Name & Signature of Authorized Representative

Official Designation

Name of Firm

Witnesses

1. _____ 2. _____

[Jurat]

[Format shall be based on the latest Rules on Notarial Practice]

Standard Form Number: NPCSF-GOODS-06a

FORM OF BID SECURITY (BANK GUARANTEE)

WHEREAS, *(Name of Bidder)* _____ (hereinafter called "the Bidder") has submitted his bid dated *(Date)* _____ for the *[name of project]* (hereinafter called "the Bid").

KNOW ALL MEN by these presents that We *(Name of Bank)* _____ of *(Name of Country)* _____ having our registered office at _____ (hereinafter called "the Bank" are bound unto National Power Corporation (hereinafter called "the Entity") in the sum of *[amount in words & figures as prescribed in the bidding documents]* for which payment well and truly to be made to the said Entity the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this _____ day of _____ 20____.

THE CONDITIONS of this obligation are that:

- 1) if the Bidder withdraws his Bid during the period of bid validity specified in the Bidding Documents; or
- 2) if the Bidder does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidder; or
- 3) if the Bidder, having determined as the LCB, fails or refuses to submit the required tax clearance, latest income and business tax returns and PhilGEPs registration certificate within the prescribed period; or
- 4) if the Bidder having been notified of the acceptance of his bid and award of contract to him by the Entity during the period of bid validity:
 - a) fails or refuses to execute the Contract; or
 - b) fails or refuses to submit the required valid JVA, if applicable; or
 - c) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

we undertake to pay to the Entity up to the above amount upon receipt of his first written demand, without the Entity having to substantiate its demand, provided that in his demand the Entity will note that the amount claimed by it is due to the occurrence of any one or combination of the four (4) conditions stated above.

The Guarantee will remain in force up to 120 days after the opening of bids or as it may be extended by the Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE _____ SIGNATURE OF THE BANK _____

WITNESS _____ SEAL _____

(Signature, Name and Address)

Standard Form Number: NPCSF-GOODS-06b

FORM OF BID SECURITY (SURETY BOND)

BOND NO.: _____ DATE BOND EXECUTED: _____

By this bond, We (Name of Bidder) (hereinafter called "the Principal") and (Name of Surety) of (Name of Country of Surety), authorized to transact business in the Philippines (hereinafter called "the Surety") are held and firmly bound unto National Power Corporation (hereinafter called "the Employer") as Obligee, in the sum of (amount in words & figures as prescribed in the bidding documents), callable on demand, for the payment of which sum, well and truly to be made, we, the said Principal and Surety bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

SEALED with our seals and dated this _____ day of _____ 20 _____

WHEREAS, the Principal has submitted a written Bid to the Employer dated the _____ day of _____ 20 _____, for the _____ (hereinafter called "the Bid").

NOW, THEREFORE, the conditions of this obligation are:

- 1) if the Bidder withdraws his Bid during the period of bid validity specified in the Bidding Documents; or
- 2) if the Bidder does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidder; or
- 3) if the Bidder, having determined as the LCB, fails or refuses to submit the required tax clearance, latest income and business tax returns and PhilGEPs registration certificate within the prescribed period; or
- 4) if the Bidder having been notified of the acceptance of his bid and award of contract to him by the Entity during the period of bid validity:
 - d) fails or refuses to execute the Contract; or
 - e) fails or refuses to submit the required valid JVA, if applicable; or
 - f) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

then this obligation shall remain in full force and effect, otherwise it shall be null and void.

PROVIDED HOWEVER, that the Surety shall not be:

- a) liable for a greater sum than the specified penalty of this bond, nor
- b) liable for a greater sum than the difference between the amount of the said Principal's Bid and the amount of the Bid that is accepted by the Employer.

Standard Form Number: NPCSF-GOODS-06b
Page 2 of 2

This Surety executing this instrument hereby agrees that its obligation shall be valid for 120 calendar days after the deadline for submission of Bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Employer, notice of which extension(s) to the Surety is hereby waived.

PRINCIPAL _____ SURETY _____

SIGNATURE(S) _____ SIGNATURES(S) _____

NAME(S) AND TITLE(S) _____ NAME(S) _____

SEAL _____ SEAL _____

Standard Form No: NPCSF-GOODS-06c

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.**BID-SECURING DECLARATION**
SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL TO SPUG POWER PLANTS
AND BARGES FOR CY 2024
PR NO. HO-FMG24-003(NP)To: **National Power Corporation**
BIR Road cor. Quezon Ave.
Diliman, Quezon CityI/We¹, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the Procuring Entity for the commission of acts resulting to the enforcement of the Bid Securing Declaration under Sections 23.1 (b), 34.2, 40.1 and 69.1, except 69.1 (f) of the IRR of R.A. 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
 - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
 - (c) I am/we are declared as the bidder with the Lowest Calculated and Responsive Bid, and I/we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I/we have hereunto set my hand this ____ day of ____
20____ at _____, Philippines._____
[Name and Signature of Bidder's Representative/
Authorized Signatory]
[Signatory's legal capacity]
Affiant**[Jurat]**

[Format shall be based on the latest Rules on Notarial Practice]

¹ Select one and delete the other. Adopt same instruction for similar terms throughout the document.

Standard Form No: NPCSF-GOODS-07

Omnibus Sworn Statement (Revised)

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing at [Address of Affiant], after having been duly sworn in accordance with law, do hereby depose and state that:

1. *[Select one, delete the other:]*

[If a sole proprietorship:] I am the sole proprietor or authorized representative of [Name of Bidder] with office address at [address of Bidder];

[If a partnership, corporation, cooperative, or joint venture:] I am the duly authorized and designated representative of [Name of Bidder] with office address at [address of Bidder];

2. *[Select one, delete the other:]*

[If a sole proprietorship:] As the owner and sole proprietor, or authorized representative of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached duly notarized Special Power of Attorney;

[If a partnership, corporation, cooperative, or joint venture:] I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)];

3. [Name of Bidder] is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, by itself or by relation, membership, association, affiliation, or controlling interest with another blacklisted person or entity as defined and provided for in the Uniform Guidelines on Blacklisting;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. [Name of Bidder] is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. *[Select one, delete the rest:]*

[If a sole proprietorship:] The owner or sole proprietor is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

[If a partnership or cooperative:] None of the officers and members of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management

Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

[If a corporation or joint venture:] None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. *[Name of Bidder]* complies with existing labor laws and standards; and
8. *[Name of Bidder]* is aware of and has undertaken the responsibilities as a Bidder in compliance with the Philippine Bidding Documents, which includes:
 - a. Carefully examining all of the Bidding Documents;
 - b. Acknowledging all conditions, local or otherwise, affecting the implementation of the Contract;
 - c. Making an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d. Inquiring or securing Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.
9. *[Name of Bidder]* did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.
10. In case advance payment was made or given, failure to perform or deliver any of the obligations and undertakings in the contract shall be sufficient grounds to constitute criminal liability for Swindling (Estafa) or the commission of fraud with unfaithfulness or abuse of confidence through misappropriating or converting any payment received by a person or entity under an obligation involving the duty to deliver certain goods or services, to the prejudice of the public and the government of the Philippines pursuant to Article 315 of Act No. 3815 s. 1930, as amended, or the Revised Penal Code.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 20__ at _____, Philippines.

[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]

[Insert signatory's legal capacity]
Affiant

[Jurat]

[Format shall be based on the latest Rules on Notarial Practice]

Standard Form No: NPCSF-GOODS-09

BID LETTER

Date: _____

To: **THE PRESIDENT**
National Power Corporation
BIR Road cor. Quezon Ave.
Diliman, Quezon City

Gentlemen:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers]*____, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to perform **SUPPLY AND DELIVERY OF ENGINE LUBRICATING OIL TO SPUG POWER PLANTS AND BARGES FOR CY 2024 (PR NO. HO-FMG24-003(NP))** in conformity with the said Bidding Documents for the sum of *[total Bid amount in words and figures]*_____ or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to supply and deliver the goods and perform other services, if required within the contract duration and in accordance with the scope of the contract specified in the Schedule of Requirements and Technical Specifications.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in Bid Documents and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the Lowest Calculated Bid or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements pursuant to the Bidding Documents.

We likewise certify/confirm that the undersigned, *[for sole proprietorships, insert: as the owner and sole proprietor or authorized representative of [Name of Bidder]*_____ has the full power and authority to participate, submit the bid, and to sign and execute the ensuing contract, on the latter's behalf for the *[Name of Project]*_____ of the National Power Corporation *[for partnerships, corporations, cooperatives, or joint ventures, insert: is granted full power and authority by the [Name of Bidder]*_____ to participate, submit the bid, and to sign and execute the ensuing contract on the latter's behalf for *[Name of Project]*_____ of the National Power Corporation.

We acknowledge that failure to sign each and every page of this Bid Letter, including the attached Schedule of Requirements (Bid Price Schedule), shall be a ground for the rejection of our bid.

*[name and signature of authorized signatory]*_____
[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

[name of bidder]

Standard Form No. NPCSF-GOODS-09

(Bidder's Letterhead)

_____ Date

The National Power Corporation
BIR Road corner Quezon Avenue
Diliman, Quezon City

SUBJECT: Letter of Guarantee

Gentlemen:

We hereby guarantee to supply and deliver the engine lubricating oil to the following Project Site/Delivery Point(s) as follows:

(Indicate all the project sites/delivery point(s) and the corresponding type of lube oil to be bid upon)

in accordance with Section VI – Technical Specifications and Section VII – Schedule of Requirements called for in the bid documents.

Very truly yours,

(Name & Signature)
(Designation)

Doc. No. _____
Page No. _____
Book No. _____
Series of 20

Sample Form - 01

Bank Guarantee Form for Advance Payment

(This Form is Not Applicable)

To: **THE PRESIDENT**
National Power Corporation
BIR Road cor. Quezon Ave.
Diliman, Quezon City

[name of Contract]

Gentlemen and/or Ladies:

In accordance with the Advance Payment Provision, of the General Conditions of Contract, *[name and address of Supplier]* (hereinafter called the "Supplier") shall deposit with the PROCURING ENTITY a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[name of the universal/commercial bank]*, as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the PROCURING ENTITY on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding *[amount of guarantee in figures and words]*.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the PROCURING ENTITY and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid and in full effect from the date the advance payment is received by the Supplier under the Contract and until the Goods are accepted by the PROCURING ENTITY.

Yours truly,

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

Sample Form - 02

CERTIFICATION AS A DOMESTIC BIDDER

This is to certify that based on the records of this office, (Name of Bidder) is duly registered with the DTI on _____.

This further certifies that the articles forming part of the product of (Name of Bidder), which are/is (Specify) _____ are substantially composed of articles, materials, or supplies grown, produced or manufactured in the Philippines. (Please encircle the applicable description/s).

This certification is issued upon the request of (Name of Person/Entity) in connection with his intention to participate in the bidding for the (Name of Project) of the National Power Corporation (NPC).

Given this ___ day of _____ 20__ at _____, Philippines

Name

Position

Department of Trade & Industry

Sample Form - 02

CERTIFICATION AS A DOMESTIC ENTITY

This is to certify that based on the records of this office, (Name of individual, partnership, corporations or cooperative) is a duly registered (Specify) _____ on _____ for _____ years.

This further certifies that (Name of Person/Entity) _____ is a Domestic Entity pursuant to the provisions of the revised Implementing Rules and Regulations of Republic Act No. 9184, otherwise known as “**The Government Procurement Reform Act**” having satisfied the following requirements:

- An individual or sole proprietor who is a citizen of the Philippines; or
- A partnership, corporation, cooperative or association with at least seventy five percent (75%) of interest or outstanding capital stock belonging to citizens of the Philippines;
- Habitually established in business and habitually engaged in the manufacture or sale of the merchandise of (Specify the merchandise) _____; and
- The business has been in existence for at least five (5) consecutive years since _____.

This certification is issued upon the request of (Name of Person/Entity) _____ in connection with its intention to participate in the bidding for the (Name of Project) _____ of the National Power Corporation (NPC).

Given this ___ day of _____ 20__ at _____, Philippines

Name

Position

Agency

Sample Form - 03

Certification, Re: International Law of Principle of Reciprocity

CERTIFICATION

We certify that _____ Government grants to Filipino citizen the right to engage in and conduct business in _____ without restriction as regards ownership or equity requirements.

This certification is issued in accordance with the international law principle of reciprocity and to enable _____ to participate in the National Power Corporation (NPC) tender process for its oil-based fuel requirements without any restriction on ownership or equity requirements.

Issued this _____ day of _____, 20_____.

(Embassy of Bidder's Country) Embassy