



RULES GOVERNING THE PROCUREMENT, EXECUTION, AND EVALUATION OF POWER SUPPLY AGREEMENTS ENTERED INTO BY DISTRIBUTION UTILITIES FOR THE SUPPLY OF ELECTRICITY TO THEIR CAPTIVE MARKET

Document	Article / Section	Discussion of Comment/s and/or Questions for Clarification	Suggestions / Proposed Change(s)
PSA Rules	Definition of Third Party Auctioneer?	It has been deleted. Why? Note that the TPA accreditation is an ERC responsibility.	
	Section 5.2	Approved PSPP – not approved DDP? This will mean procurement will happen simultaneously with all ECs.	Based on EPIRA, it is the DDP that is published not later than 30 th of March of each year.
	Section 8	Where is the lawyer? This is not consistent with DOE's prescribed BOD. The 5 th member should be a lawyer, and 2 members must be from the captive market.	
	Section 13.2	Shortening contract period will increase tariff, especially for areas for missionary electrification. What is your policy direction on this? What if there's no more subsidy? Are you saying you are fine with off-grid consumers to pay the true cost of electricity?	Add "which shall not exceed 25 years".
	Section 14, paragraph 6	Local circulation OR general circulation? Please clarify. Local circulation only would cause imperfect information dissemination amongst bidders.	
	Section 16.1	Technical capability: 10 years?	This criteria limits entry of new players and uses the big industry players as a template. Suggest to let the cooperative decide on the number of years for each criteria, appropriate for the nature/size of the project.
	Section 16.1		The Bidder shall submit the following: (a) Details of financial and operating

			<p>background for the two (2) recent full financial years demonstrating the Bidder's financial viability.</p> <p>(b) Details of equity and financing plan indicating the capital structure and source of funds with supporting documents.</p> <p>(c) Any other relevant information regarding financial track record and capabilities of the Bidder that it believes would be helpful to the DU Bids & Awards Committee.</p>
	Section 26	What is the rationale?	Suggest placing a lock-in provision in the PSA, instead of adding a lock down provision that is subject to ERC approval.
	Section 27		Please harmonize CSP timelines (e.g. DOE says 5 months, ERC says 6 months, under DOE DC 2018-02-0003), from ITB to Joint Filing of PSA.
	Section 28, (a)		"The contracted capacity subject of the unsolicited proposal shall not exceed 10% of the on-grid DU's total peak demand, and less than or equal to 500 kW for off-grid areas."
	Section 39	Not consistent with Section 9 of DOE DC 2018-02-0003, removing "only one GenCo submitted an offer".	Please clarify for consistency
	Section 43, second paragraph	Please clarify wording. What is being referred to as to MOA?	
	Section 47, last paragraph	Please clarify on wording, can be confusing.	