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

**Matrix of Comments**

<i>Proponent</i>	<i>Article/Section</i>	<i>Discussion of Comment(s) and/or Questions for Clarification</i>	<i>Suggestions/Proposed Change(s)</i>
PHINMA Energy Corp.	Article IV Sec. 6		<p>In the evaluation of the reasonableness of the rates, it is suggested to adopt a benchmarking method that takes into account the technology and the capacity of the power plant.</p> <p>Should the winning bid (overall rate) be lower than the corresponding benchmark rate, the winning bid shall automatically be approved by ERC since it has already satisfied the reasonableness of rates requirement through the CSP. The ERC will just need to evaluate the compliance of the DU with the process of the CSP.</p> <p>Only if the winning bid (overall rate) is above the corresponding benchmark rate, ERC shall evaluate its reasonableness through the cost-based methodology specific to the bidder.</p>



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			ERC shall update and publish the Benchmark rates annually for the guidance of the Power Industry.
	Article IV Sec. 2 (b)	CSP should be technology neutral for as long as the bidder will be able to supply all or a portion of the requirements of the DU at the most reasonable rate.	We propose that the tender should be technology neutral unless necessary: <ul style="list-style-type: none"> <li>• to comply with the Renewable Portfolio Standards policy, or</li> <li>• that the DU requires an embedded generator of specific technology for technical reasons (Reliability, Power Quality, etc.).</li> </ul>
	Article IV Sec. 2  The entire CSP Process including the award of contract should be completed within six (6) months from the publication of the invitation to bid...	The two (2) year duration will provide the DU ample time to conduct the CSP considering the possibility of two failed biddings and negotiated procurement. It will also provide for sufficient time to secure the ERC approval.	We propose that the CSP should start two (2) years prior to the intended commencement of supply.
	Article IV Sec. 13. Publication and Posting	The separate portals of DOE and ERC will provide the widest dissemination of CSP notices.	We propose that the invitation to bid be published DOE and ERC portals aside from its publications in newspapers of general circulation.
PHINMA Renewable Energy Corp.	Article IV	In Section 4.1(a) of the CSP, the BAC has 30 days within which to evaluate the proposal to determine whether it accepts or rejects the same. Prior to the Swiss Challenge and publication stated in Section 4.1(b) or within the 30-day period, can the proponent be	



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		allowed to negotiate terms and conditions of the proposal with the DU?	
	Article IV Sec. 4.1	<p>What happens in the event that there is no submission of a "lower price proposal"/counteroffer?</p> <p>How will the BAC-TWG evaluate on the basis of technical merit, proposals having the same price?</p> <p>Is it understood that in the absence of other proposals to determine the lowest price qualified bidder, the proponent's proposal will automatically be finalized and deemed submitted for ERC?</p>	

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