

TERMS OF REFERENCE

Procurement of UTM License Renewal and Support Maintenance (Main, VAOD, MAOD) with Possible Upgrade

The Energy Regulatory Commission (ERC) intends to engage the services of a Contractor, as IT Services Provider¹, duly authorized and with the necessary expertise, experience, and capacity to supply, deliver, install, configure, and provide technical support on the existing SonicWall Network Security Appliance.

I. BACKGROUND

Unified threat management (UTM), is an information security term that refers to a security solution that provides multiple security functions on the network. A UTM appliance include functions such as anti-spyware, antivirus, anti-spam, intrusion detection and prevention, content filtering, network firewalling, and leak prevention. Some units also provide services such as remote routing, network address translation (NAT), and virtual private network (VPN) support.

The ERC has been utilizing the SonicWall UTM appliance for more than 10 years and since then has been providing the Commission with advanced threat prevention in a high-performance security platform. Utilizing innovative deep learning technologies in the capture cloud platform, the SonicWall UTM delivers the automated real-time breach detection and prevention the network needs.

II. CONTRACT PERIOD

The contract period shall cover twelve months (12) months upon receipt of Notice to Proceed (NTP).

¹ **IT services** refers to the application of business and technical expertise to enable organizations in the creation, management and optimization of or access to information and business processes. (Gartner, <https://gtmr.it/2DFjojl>)

III. APPROVED BUDGET FOR THE CONTRACT (ABC)

1. The Fund for this engagement shall be sourced from the General Appropriations Act (GAA) for the fiscal year 2021 of the ERC.
2. The ABC for the project is **One Million Pesos Only (PhP1,000,000.00)** inclusive of all government taxes and other fees and charges.

IV. MODE OF PROCUREMENT

The Procurement of the Energy Regulatory Commission's Unified Threat Management (UTM) Appliance License shall be undertaken through Competitive Bidding pursuant to RA No. 9184 and its 2016 Revised IRR.

V. QUALIFICATIONS OF THE SERVICE PROVIDER

The Contractor should have the necessary eligibility, experience and expertise in providing the service, with the following credentials:

1. At least twelve (12) years experience in providing data & network security.
2. At least twelve (12) years experience in designing, deploying, managing and maintaining SonicWall firewalls.
3. Must have at least four (4) SonicWall certified engineers.
4. Must submit a letter from the principal certifying partnership, experience and capability.
5. Must comply with imposed health protocols. Service providers must have a valid swab test result issued within three (3) days before proceeding onsite and must fill up a health declaration form before entering the ERC premises. Wearing of face masks and face shields are a must. Those who have COVID-19 symptoms shall be refused entry.

VI. MINIMUM TRACK RECORD

The ERC desires a service Contractor who has completed, within the last five (5) years from the date of submission and receipt of bids, a single largest contract that is similar to the Contract to be bid.

VII. SCOPE OF WORK AND DELIVERABLES

A. Activities:

Activities	Estimated Working Days
1. Delivery and Supply of the licenses	12 Days
2. Installation and Configuration	2 Days
3. Firewall Product updates (best practice and security features)	1 Day

B. Detailed Specifications:

1 Lot – Unified Threat Management (UTM) Appliance License with the following specifications for One (1) Year:

- Gateway Anti-Virus
- Anti-Spyware
- Standard Content Filter Service
- Intrusion Prevention Service
- Software Updates
- Firmware Updates
- On-Site Technical Support
- Telephone Technical Support
- Application Intelligence and Control
- RFDPI (Reassembly Free Deep Packet Inspection) Firewall Engine

Includes:

- 1.** One (1) Year Hardware, Software & Firmware Support for the other existing SonicWall NSA 4600 UTM Appliance

- 2.** One (1) Year Hardware, Software & Firmware Support for the existing SonicWall TZ300 UTM Appliance of the Cebu & Davao Field Offices with One (1) Year Security Services:
 - A. Gateway Anti-Virus
 - B. Anti-Spyware
 - C. Standard Content Filter Service
 - D. Intrusion Prevention Service
 - E. Software Updates
 - F. Firmware Updates
 - G. On-Site Technical Support
 - H. Telephone Technical Support

- 3.** One (1) Year Hardware, Software & Firmware Support for the existing SonicWall TMZ215 of the MOS-Spot Market Division (SMD) with One (1) Year Security Services:
 - A. Gateway Anti-Virus
 - B. Anti-Spyware
 - C. Standard Content Filter Service
 - D. Intrusion Prevention Service
 - E. Software Updates
 - F. Firmware Updates
 - G. On-Site Technical Support
 - H. Telephone Technical Support

4. WARRANTY and MAINTENANCE

- A. One (1) year warranty on hardware and software
- B. One (1) year onsite and phone support

VIII. PAYMENT SCHEME

1. The Total Contract Price should not exceed the ABC of ONE MILLION PESOS (PHP1,000,000.00). Payment shall be made within thirty (30) calendar days from delivery and final acceptance at the ERC Main, VAOD and MAOD Offices and submission of the required documents.
2. Since the above payment shall be subject to the usual government accounting and auditing requirements, the Winning Bidder is expected to be familiar with the Government Accounting Manual (GAM).

IX. LIQUIDATED DAMAGES

1. Where the service provider refuses or fails to satisfactorily complete the work within the specified contract time, plus any extension time duly granted and is hereby in default under the contract, the service provider shall pay ERC for liquidated damages, and not by way of penalty, an amount, as provided in the conditions of the contract, equal to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay. The maximum deduction shall be ten percent (10%) of the amount of the contract, of which ERC shall have the discretion to terminate the contract without prejudice to any other action or remedy it may take to recover the losses incurred as a result of the service provider's failure/non-performance, including but not limited to forfeiture of performance security and/or blacklisting of the latter.

2. Entitlement to such liquidated damages, ERC need not prove the damages actually incurred. Said damages in any amount shall be deducted from any money due or which may become due the service provider under the Contract and/or collect such liquidated damages from the retention money or other securities posted by the service provider at the ERC's convenience.

X. RESERVATION CLAUSE

The Energy Regulatory Commission (ERC) reserves the right to reject any and all bids, declare a failure of bidding or not award the contract at any time prior to contract award in accordance with Section 41 of R.A. No. 9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders.

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