



Philippine Economic Zone Authority

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Invitation to submit Competitive Commercial Proposal

1. The Philippine Economic Zone Authority (PEZA) Board under **Resolution No. 18-480 dated 10 September 2018** approves PEZA Management's acceptance of the Manila Electric Company's (MERALCO) proposal to operate and maintain/manage the Baguio Economic Zone's (BCEZ) power distribution system for a **25-year period** through a **Lease Concession Agreement (LCA)**. To ensure transparency and to get the most competitive proposal advantageous to PEZA. PEZA is now inviting prospective competitor/s with more superior proposal.
2. MERALCO's proposed operation and maintenance/management of BCEZ's power distribution facilities, particularly described in **Terms of References (TOR)**.
3. Concession date shall commence on the date as mutually agreed upon by both parties.
4. The Proposal is open to all interested proponents for competitive commercial proposal, subject to the conditions for eligibility and certified photo copies of documentary requirements, as provided below:
5. **Eligibility Requirements**
 - a. Filipino citizens.
 - b. Juridical Entity
 - i. 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;
 - ii. 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;
 - iii. Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) belongs to citizens of the Philippines;
 - iv. Persons/entities forming themselves into a joint venture, 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 joint venture concerned shall be at least sixty percent (60%).
 - c. Must have experience in managing and/or operating distribution facilities for least three (3) years at an existing capacity 45MVA or 50% of BCEZ existing demand;
 - d. Must have capability to invest with at least Php150.0Million net asset value;
 - e. Must have a certification of good credit from lending institutions as well as existing loan facility equivalent to the capital investment and overall business plan; and
 - f. Must have an Authority to enter into this Contract from the Board of this project.

6. Documentary Requirements

- a. Registration Certificate from the Securities and Exchange Commission (SEC) and/or Department of Trade and Industry (DTI);
 - b. Valid/Current Mayor's Permit issued by the city or municipality where the principal place of business of the Bidder is located;
 - c. Proof of financial capability with at least Php150.0Million net asset value, audited financial/income statement for the last three (3) fiscal years, certificate of bank deposit or letter of credit;
 - d. Valid Tax Clearance issued by the Collection Enforcement Division of BIR, attesting that the taxpayer has no outstanding Final Assessment Notice and/or delinquent account;
 - e. Long-term Contract or Concession Agreement involving operation and management of distribution facilities; and
 - f. Sworn Statement that the photocopies of documents submitted are authentic and authorizing PEZA or its authorized representatives to verify the authenticity of any or all of the above eligibility and qualification documents submitted.
7. Interested proponents may obtain further information and secure the terms of references (TOR) for operation and maintenance/management of BCEZ's power distribution system from PEZA – Office of Deputy Director General for Policy and Planning (ODDGPP) and at the address/ email address and telephone numbers given in item no. 12 from **8:00 a.m. to 5:00 p.m.** (Monday to Friday).
8. Competitive proposal shall be evaluated based on the criteria(s)/parameters set forth as provided in the TOR and in item number 5 and 6;
9. Competitive proposal must be duly received by the ODDGPP at the address below on or before **5:00 p.m. of October 8, 2018** at address given below.
10. In case any of the above dates is declared as a special non-working holiday, it will be automatically reset on the next working day.
11. The PEZA reserves the right to accept or reject all commercial proposals at any time prior to contract award, without thereby incurring any liability to the affected proponent or proponents.
12. For further information, please refer to:

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