

CONTRACT NO. LOG MSSP 2022-01-003-ZCT

LEASE OF 1.0 MW MODULAR DIESEL GENERATING SET FOR EL NIDO DIESEL POWER PLANT LOCATED AT EL NIDO, PALAWAN S1-END21-007/PB210921-NA00335 (NP),

OCCIDENTAL MINDORO CONSOLIDATED POWER CORPORATION (LESSOR)

Michael L. De Ocampo
MICHAEL L. DE OCAMPO
Plant Engineer

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into in Quezon City, Philippines, by and between:

The **NATIONAL POWER CORPORATION**, a government-owned and controlled corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its **Officer-in-Charge, USEC. DONATO D. MARCOS**, who is duly authorized to represent it in this transaction, hereinafter referred to as **LESSEE**;

- and -

OCCIDENTAL MINDORO CONSOLIDATED POWER CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Suite 1003-1004, 10th Floor, Galleria Corporate Center, cor., Ortigas Ave., Brgy. Ugong Norte, Quezon City, Philippines herein represented by its **Plant Engineer, MR. MICHAEL L. DE OCAMPO**, who is duly authorized to represent it in this transaction, hereinafter referred to as **LESSOR**.

WITNESSETH: That -

WHEREAS, two (2) failed Public Biddings due to non-participation of bidders were conducted on 22 September 2021 and 18 October 2021 for the Lease of 1.0 MW Modular Diesel Generating Set for El Nido DPP, El Nido, Palawan;

WHEREAS, the Bids and Awards Committee recommended the conduct of Alternative Mode of Procurement (AMP) - Negotiated Procurement (Two Failed Biddings) and was approved by the Officer-in-Charge per Bid Opening Report dated 19 October 2021;

WHEREAS, on 10 December 2021, NPC posted the Invitation to Bid for the Negotiated Procurement for the Lease of 1.0 MW Modular Diesel Generating Set for El Nido DPP, El Nido, Palawan;

WHEREAS, only one (1) prospective bidder secured the terms

Contract between NPC and Occidental Mindoro Consolidated Power Corporation
Lease of 1.0 MW Modular Diesel Generating Set for El Nido DPP
Contract No. LOG MSSP 2022-01-003-ZCT

SIGNED IN THE PRESENCE OF:

NATIONAL POWER CORPORATION (LESSEE)

BY:

Janet N. Sabado
JANET N. SABADO
OIC-Manager, Controllers Dept.
(LESSEE)

Donato D. Marcos
USEC. DONATO D. MARCOS
Officer-in-Charge
(LESSEE)

Calvin Luther R. Ganotiva
Chief Operations Officer
Occidental Mindoro Consolidated Power Corporation
(LESSOR)

Michael L. De Ocampo
MICHAEL L. DE OCAMPO
Plant Engineer

BY:

SIGNED IN THE PRESENCE OF:

Celso Luyche Jr.
Celso Luyche Jr. Genetive
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation
(LESSOR)

Janet W. Sabado
JANET W. SABADO
OIC-Manager, Controllers Dept.
(LESSEE)

Usec. Donato D. Marcos
USEC. DONATO D. MARCOS
Officer-in-Charge
(LESSEE)

of reference and participated in the negotiated procurement conducted on 29 December 2021, on the aforesaid undertaking;

WHEREAS, LESSOR's bid offer is the single calculated and responsive bid;

WHEREAS, LESSEE accepted the said bid of the LESSOR;

NOW, THEREFORE, in view of the foregoing premises and for and in consideration of the mutual covenants and stipulations hereinafter provided, the parties hereto have agreed as follows:

ARTICLE I
DOCUMENTS COMPRISING THE CONTRACT

The following documents are hereby incorporated and made part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

1. Terms of Reference for the Lease of 1.0 MW Modular Diesel Generating Sets for El Nido Diesel Power Plant located at El Nido, Palawan;
2. Bid Opening Report dated 19 October 2021, for the approval of Alternative Mode of Procurement-Negotiated Procurement (Two Failed Biddings);
3. Supplemental/Bid Bulletin No. 1 dated 22 December 2021;
4. LESSOR's bid proposal dated 29 December 2021;
5. Bid Opening Report dated 29 December 2021;
6. Post Qualification Report dated 06 January 2022;
7. Notice of Award dated 21 January 2022;
8. Notice to Proceed; and
9. The Performance Security to be filed by LESSOR in accordance with this Contract.

In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above, the latter shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

ARTICLE II
SCOPE OF CONTRACT

LESSOR shall provide 1.0 MW Modular Diesel Generating Set for El Nido Diesel Power Plant located at El Nido, Palawan. Scope of Work and related services to be provided by the LESSOR are contained in the Terms of Reference and Annex "A" showing the itemized Bid Price Schedule.

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OCCIDENTAL MINDORO CONSOLIDATED
POWER CORPORATION
(LESSOR)

Michael L. De Ocampo
MICHAEL L. DE OCAMPO
Plant Engineer

BY:

ARTICLE III
COMMENCEMENT AND COMPLETION PERIOD

The delivery, installation, testing and commissioning of the modular diesel generating sets shall be completed by the LESSOR in twenty (20) calendar days, reckoned from NPC's issuance of the Notice to Proceed. Commercial operation of the plant shall commence after the completion of the works.

The lease/contract duration shall be **six (6) months minimum** and **twelve (12) months maximum period** effective on the issuance of Notice to Proceed. It should be understood that such contract can be terminated any time after the first six (6) months minimum period of operation at the discretion of NPC depending on the power requirement of the local power system and the progress on NPC-SPUG plant expansion program.

ARTICLE IV
TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price of the lease shall be in the amount of **PHILIPPINE PESOS: EIGHTEEN MILLION NINE HUNDRED FOURTEEN THOUSAND NINE HUNDRED EIGHTY PESOS (PHP 18,914,980.00) ONLY.**

The Total Contract Price specified above shall be paid in accordance with the provisions of Section II, Clause GCC, Item 10, of the Terms of Reference. All taxes, customs duties, tariffs, exports, excise and all other taxes assessed and charged by the taxing authority of the country of origin upon production, manufacture or shipment of all materials, equipment and supplies to be furnished under the Contract shall be borne by the LESSOR.

In addition, all taxes, fees, insurance and cost of delivery to site shall be borne by the LESSOR.

ARTICLE V
EXTENSION OF CONTRACT

NPC has the option to extend the contract on a month to month basis subject to the availability of funds and applicable provisions of the RA 9184 and its revised IRR.

The basis for computation of monthly extension shall be based on Section II, Clause GCC, Item 11-3.

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SIGNED IN THE PRESENCE OF:

Calvin A. Genovive
Calvin A. Genovive
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation

(LESSOR)

JANET N. SABADO

OIC-Manager, Controllers Dept.
(LESSEE)

NATIONAL POWER CORPORATION
(LESSEE)

BY:

Usec. Donato D. Marcos
USEC. DONATO D. MARCOS

Officer-in-Charge

[Signature]
MICHAEL L. DE OCAMPO
Plant Engineer

BY:

ARTICLE VI
PERFORMANCE SECURITY

To guarantee the faithful performance of the LESSOR's obligation under this Contract, the LESSOR shall post a Performance Security which shall remain valid and effective during the contract duration.

a. Cash Manager's/Cashier's Check, Bank Draft/Guarantee issued by a Universal Bank, or Irrevocable Letter of Credit issued by a Universal or Commercial Bank: provided however, that it shall be confirmed or authenticated by a reputable local Universal or Commercial Bank, if issued by a foreign bank, equivalent to five percent (5%) of the contract price.

b. Surety Bond callable upon demand and penal in nature by a Surety or Insurance Company duly certified by the Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.

c. Performance Securing Declaration.

The Insurance Company that will issue Performance Security must be accredited by the Insurance Commission and acceptable to the National Power Corporation.

The Performance Bond shall be valid for the duration of the contract and remain valid and effective until after sixty (60) days, from NPC's issuance of Certificate of Demobilization. In case of surety bond, should there be any extension of the contract period, the LESSOR shall correspondingly post an extension of the bond within ten (10) days from the notice. The Performance Bond shall also be answerable for any damages or penalties or any expenses incurred that LESSEE may suffer as a result of the failure of the LESSOR to perform its obligations under this Contract. The Performance Bond shall be entirely forfeited by LESSEE upon default of LESSOR.

ARTICLE VII
LIQUIDATED DAMAGES

Should LESSOR fail to satisfactorily deliver any or all the Goods and/or perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions, if any, LESSEE 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 percent (1%) 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%), the LESSEE may rescind or terminate the contract without prejudice to other course of

[Signature]
USEC. DONATO D. MARCOS
Officer-in-Charge

BY:

SIGNED IN THE PRESENCE OF:

[Signature]
Captain Luther R. Genoveve
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation

(LESSOR)

JANET N. SABADO

OIC-Manager, Controllers Dept.
(LESSEE)

Contract between NPC and Occidental Mindoro Consolidated Power Corporation
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OCCIDENTAL MINDORO CONSOLIDATED
POWER CORPORATION
(LESSOR)


MICHAEL L. DE OCAMPO
Plant Engineer

BY:

SIGNED IN THE PRESENCE OF:

Calvin Luther R. Genotiva
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation
(LESSOR)


JANET N. SABADO
OIC-Manager, Controllers Dept.
(LESSEE)

NATIONAL POWER CORPORATION
(LESSEE)


USEC. DONATO D. MARCOS
Officer-in-Charge

BY:

action and remedies open to it.

**ARTICLE VIII
WARRANTY CLAUSE**

LESSOR hereby warrants that he or his representative has not offered or paid, directly or indirectly, any government officer and LESSEE official or employee any consideration or commission for the Contract nor has he or his representative exerted or utilized any corrupt or unlawful influence to secure or solicit this Contract for any consideration or commission; that the LESSOR will not subcontract any portion or portions of the scope of work of the Contract awarded to him to any official or employee of the LESSEE and to the relatives within the 3rd degree of consanguinity or affinity of LESSEE's officials who are directly and indirectly involved in Contract awards or project execution; and that if any commission is being paid to a private person, he shall disclose the name of said person and the amount being paid; and that any violation of this Warranty shall constitute sufficient ground for the rescission of cancellation of this Contract, or the reduction from the Contract Price of the consideration or commission paid without prejudice to the filing of any action for the violation of RA No. 3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the LESSOR and/or his representative and/or the erring LESSEE official(s) and employee(s).

**ARTICLE IX
JOINT AND SEVERAL LIABILITY**

The liability of the LESSOR and/or any and all of the entities representing it on any manner under this Contract or relating thereto is joint and several and for this reason LESSEE may proceed against any or all of them.

**ARTICLE X
VALIDITY CLAUSE**

If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

**ARTICLE XI
EFFECTIVITY**

This Contract shall become effective on the date of the issuance of Notice to Proceed.

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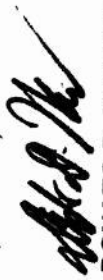
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NATIONAL POWER CORPORATION
(LESSEE)

BY:


USEC. DONATO D. MARCOS
Officer-in-Charge

SIGNED IN THE

PRESENCE OF:


Calvin Luther, Gestativa
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation

(LESSOR)

OCCIDENTAL MINDORO CONSOLIDATED
POWER CORPORATION
(LESSOR)

BY:


MICHAEL L. DE OCAMPO
Plant Engineer

action and remedies open to it.

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ARTICLE XII
AGREEMENT MODIFICATION

No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment signed by the Parties.

ARTICLE XIII
VENUE OF ACTION



The parties hereto agree that the venue of action for any cause or causes of action which may arise from this Contract shall be exclusively in the proper court of Quezon City, Philippines, only.

IN WITNESS WHEREOF, the parties hereto have signed this Contract this 8TH day of APRIL 2022 at Quezon City, Philippines.

NATIONAL POWER CORPORATION
(LESSEE)

**OCCIDENTAL MINDORO
CONSOLIDATED POWER CORP.**
(LESSOR)


By:


USEC. DONATO D. MARCOS
Officer-in-Charge 


By:


MICHAEL L. DE OCAMPO
Plant Engineer

SIGNED IN THE PRESENCE OF:



JANET N. SABADO
OIC-Manager, Controllers Dept.
(LESSEE)



Calvin Luther R. Gaoativa
Chief Operations Officer
Occidental Mindoro Consolidated
Power Corporation
(LESSOR)

As per CB1 # AFPD-23-02-5455 amounting to ₱2,364,372.50.

₱16,550,607.50

FUNDS AVAILABLE

2022 - Feb 16 to Dec. 31
GL 574
5381043
₱16,550,607.50



JANET N. SABADO
OIC-Manager, Controllers Dept.

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REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

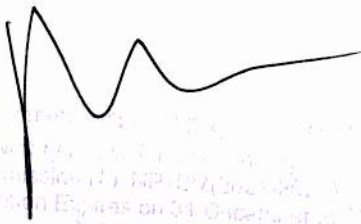
ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this _____ day of 7 APR 2022, 2022, personally appeared **USEC. DONATO D. MARCOS**, Officer-in-Charge, **NATIONAL POWER CORPORATION**, with Document Identification in the form of Company ID No. APN2017335V, known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and he acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until December 31, 2022
IBP Lifetime No.: _____
PTR No.: _____

Doc. No. 174 ;
Page No. 74 ;
Book No. 3 ;
Series of 2022.



Notario Publico en la Ciudad de Quezon
Calle General Luna No. 117, Quezon City
Tel. No. 44291
RSM No. 201248-0250212, RSM
No. 2014369-0250212, Quezon City
VI-0025112, 12/10/19, RSM
Office of NPC Office Building
Calle General Luna, Quezon City

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REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.
PASIG CITY


ACKNOWLEDGEMENT

PASIG CITY
BEFORE ME, a Notary Public for and in Quezon City, Philippines, this 11 FEB 2022 day of _____, 2022, personally appeared **MR. MICHAEL L. DE OCAMPO**, Plant Engineer, **OCCIDENTAL MINDORO CONSOLIDATED POWER CORPORATION** with Identification Document in the form of Government ID No. N02-13-006586 issued by LTO at Quezon City, on Mar. 2019, known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and he acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until December 31, 2022
IBP Lifetime No.: _____
PTR No.: _____

Doc. No. 96 ;
Page No. 21 ;
Book No. XLV ;
Series of 2022.


Atty. Rowena C. De Castro-Matira
Commission Serial No. NP 92 (2020-2021)
Until December 31/2021 - Extended to 6/2022
PTR No. 1852203D 1/7/2022
IBP No. 183421 1/3/2022
18th flr., Union Bank Plaza, Neralda Won. cor.
Onyx & Sapphire Rlys., Ortigas Ave. Pasig City
MCLC No. VI-0025540 - 04/03/19

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AFG-LOG-007.F01
Rev. No. 0
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SECTION VII - SCHEDULE OF REQUIREMENTS

BID PRICE SCHEDULE (BPS)

Item	Work Description	Quantity	Unit of Measure	Unit Price Per Day (in PhP)	Total Price for 12-month (in PhP)
1.0	Rental/Lease Rate at 1.0MW for 24 hours operation per day including Operation & Maintenance, Billing Meter, Transformer/s and VAT	365	days	49,580.00	18,096,700.00
2.0	Mobilization/Transportation Cost including Installation, Tapping, Test & Commissioning and VAT	1	Lot	-	337,600.00
3.0	Demobilization / Transportation including Disconnection, Site Clean-up and VAT	1	Lot	-	337,600.00
4.0	Insurance (Foreign and Local)	1	Lot	-	143,080.00
5.0	Import Duties, and Other Taxes, Levies imposed by country of origin and Philippine Government on equipment brought in	1	Lot	-	0.00
TOTAL					18,914,980.00

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Occidental Mindoro Consolidated Power Corp.: Engr. Michael L. De Ocampo Plant Engineer
Name of Firm Name and Signature of Representative Designation

6/1/16

NATIONAL POWER CORPORATION

VII-BPS-1