QUEZON II ELECTRIC COOPERATIVE, INC.
(QUEZELCO II)
Brgy. Gumian, Infanta, Quezon
Tel. Nos. (042)536-3406/536-4302

SUPPLEMENTAL / BID BULLETIN NO. 04-2026

Project Name: SUPPLY, CONSTRUCTION, INSTALLATION, TESTING AND COMMISSIONING OF ADDITIONAL SUBSTATION THROUGH THE RECONDITIONING AND ENERGIZATION OF EXISTING SPARE 5MVA POWER TRANSFORMER AT COMON SUBSTATION INFANTA, QUEZON

Subject: **Official Amendments and Clarifications on Project Payment Terms**

This Supplemental/Bid Bulletin is issued to modify, amend, and clarify specific provisions in the Bidding Documents for the above-mentioned project. This bulletin is issued in accordance with the NEA Revised Procurement Guidelines and Simplified Bidding Procedures for Electric Cooperatives under RA 10531, following a formal request for clarification from a prospective bidder.

All prospective bidders are hereby instructed to align their financial proposals with the updated and finalized provisions outlined below.

1. Harmonization of Payment Provisions

A clerical discrepancy between the Instruction to Bidders (ITB) and the Terms of Reference (TOR) regarding the milestone percentage breakdown has been noted.

To ensure parity and fair evaluation, the payment provisions detailed under ITB Item IB-24 (Payment) shall officially prevail and supersede any conflicting text found in the TOR. The contract value follows a strict 100% total distribution framework.

2. Matrix of Clarifications and BAC Rulings

The Bids and Awards Committee (BAC) hereby addresses the queries and proposed alterations to the payment milestones as follows:

Specific Provision / Query Raised by Bidder	BAC Official Ruling & Disposition
Query 1: Request to lower the first progress billing milestone requirement from 60% completion down to 50% completion.	**DENIED**. To safeguard the financial progress and physical completion alignment of the cooperative's infrastructure, the milestone remains strictly at 60% completion before the 35% payment can be requested.

Query 2: Request to adjust the second progress milestone from 100% completion down to 80% completion.	**DENIED**. There are no intermediate payment milestones at 80% or 90%. As per ITB IB-24, the 40% progress billing is due only upon 100% completion and must be fully supported by the Contractor's 100% Completion Report and Commissioning Report.
Query 3: Request to release the 10% retention money immediately upon the issuance of the Certificate of Final Acceptance instead of holding it for one (1) year.	**DENIED**. Pursuant to standard procurement rules under RA 10531, the 10% retention serves as a necessary warranty bond against defective workmanship, equipment, and materials. It shall be held for exactly one (1) year from the date of final project acceptance.

3. Finalized Consolidated Payment Scheme

All bidders must build their financial proposals strictly using this verified payment structure:

- 15% Mobilization Fee: Released upon the official issuance of the Notice to Proceed (NTP)
- 35% Progress Billing: Payable only upon reaching a minimum of 60% physical completion of the project.
- 40% Progress Billing: Payable upon 100% full project completion, contingent on the submission and acceptance of the *Contractor's 100% Completion Report* and *Commissioning Report*.
- 10% Retention Money: Held as a warranty security and released one (1) year after the official date of final project acceptance.

4. Revisions to Bidding Documents

Sections of the Terms of Reference (TOR) or technical specifications describing alternative milestone structures are hereby amended to match the scheme above. All other provisions, terms, and conditions in the Bidding Documents not affected by this Bulletin remain unchanged and in full force.

For the guidance and compliance of all prospective bidders.

Issued this **4th day of September, 2026** at QUEZELCO II Main Office, Infanta, Quezon.

MS. NANETTE M. PENAMENTE, MBA
BAC Chairperson

QUEZON II ELECTRIC COOPERATIVE, INC.
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September 4, 2026

MR. FROILAN B. FLORES
Proprietor
FBF Industrial Sales & Services
Brgy. Nagwaling, Pilar, Bataan

Subject: Transmittal of Supplemental / Bid Bulletin No. 1

Dear Mr. Flores,

Greetings!

We formally acknowledge your letter dated September 1, 2026, regarding your requests for clarification and confirmation on the Payment Terms for our upcoming project.

In response to your queries, the QUEZELCO II Bids and Awards Committee (BAC) has officially issued **Supplemental / Bid Bulletin No. 04-2026** This bulletin outlines the official rulings, corrections, and the finalized payment milestone structure governed by the NEA Revised Procurement Guidelines under RA 10531.

We have attached a complete copy of the Bid Bulletin to this letter for your immediate reference. Please ensure that your upcoming financial proposal is built strictly around the finalized payment terms specified therein.

Thank you for your active participation and interest in our procurement process.

Very truly yours,

MS. NANETTE M. PENAMENTE, MBA
BAC Chairperson