

CHECKLIST OF REQUIREMENTS
RENEWABLE ENERGY (RE) CONTRACT APPLICATION

A. Legal Requirements

1. **Proof of Registration (Individual or Proprietorship; or Corporation/ Joint Venture/ Consortium/ Cooperative; or Local Government Units**
 - a. Individual or Proprietorship
 - i. Birth Certificate issued by the Philippine Statistics Authority (PSA Certified)
 - ii. Current Business Permit (Certified True Copy)
 - iii. Department of Trade and Industry (DTI) Registration, if applicable (Certified True Copy)
 - iv. Special Power of Attorney to Negotiate and Enter into RE Contract with DOE, if applicable
 - b. Corporation/ Joint Venture/ Consortium/ Cooperative
 - i. By-Laws (BL) and Articles of Incorporation (AOI) and BL and AOI of its corporate stockholders (SEC-Certified or CDA-Certified or NEA-Certified)
 - ii. Board Resolution authorizing its representative to Negotiate and Enter into RE Contract with DOE, if applicable
 - iii. Latest General Information Sheet (GIS) and latest GIS of its corporate stockholders (Certified True Copy)
 - iv. Current Business Permit (Certified True Copy)
 - v. Organizational Chart of the Company (Certified True Copy)
 - c. Local Government Units
 - i. Council Resolution approving the proposed project and authorizing its representative to negotiate and enter into RE Contract with DOE
2. **Passport ID or any valid government-issued ID of the Authorized representatives, i.e., signatory and witness under the RE Contract**
3. **Proof of Possessory Rights (for Biomass & Solar)**
 - a. **For private lands, in the order of precedence, any of the following documents may be submitted:**
 - i. Certificates of title to the real properties in the name of the RE Applicant; or
 - ii. Contracts, deeds, agreements and the like that unconditionally grant the BEOC/WTEOC Applicant ownership or right to possess the real properties

for purposes of construction, installation, maintenance and operation of the biomass or waste-to-energy project thereon; or

- iii. Contracts, deeds, agreements, and the like that unconditionally grant the BEOC/WTEOC Applicant an exclusive option to acquire the ownership or the right to possess the real properties: Provided, That the right to construct, install, maintain and operate the biomass or waste-to-energy project thereon is vested unto the BEOC/WTEOC Applicant.
- iv. If the acceptable proof of ownership or possessory rights are not available and the AOI is not subject of a conflicting claim, the RE Applicant shall submit the following:
 - a) Affidavit of Acquired Possessory Rights executed strictly in accordance with the template provided in Annex "L-1" of DC2024-06-0018; and
 - b) Board Resolution authorizing the affiant to execute the instrument on behalf of the RE Applicant.

b. **For public lands, in the order of precedence, any of the following documents may be submitted:**

- i. Permits and clearances issued in favor of the RE Applicant by a government agency or instrumentality that has jurisdiction over the AOI authorizing the use of such AOI for the RE Project; or
- ii. Any other permits issued by the relevant government agency or instrumentality, including Notice of Award.
- iii. If the acceptable proof of ownership or possessory rights are not available and the AOI is not subject of a conflicting claim, the RE Applicant shall submit the following:
 - a) Affidavit of Acquired Possessory Rights executed strictly in accordance with the template provided in Annex "L-2" of DC2024-06-0018; and
 - b) Board Resolution authorizing the affiant to execute the instrument on behalf of the RE Applicant.

c. **Supporting Documents to the acceptable proof of ownership or possessory rights**

- i. Board Resolution or Secretary's Certificate of the RE Applicant and:
 - a. if the registered owner of the real property is a corporation, Board Resolution or Secretary's Certificate issued by such corporation; or
 - b. if the registered owner is acting through a representative, a Special Power of Attorney in favor of the registered owner's representative,

each authorizing the parties to enter into the contracts, deeds, agreements, and the like;

- ii. Proof of identity of the registered owner and the signatories to the contracts, deeds, agreements, and the like; and
- iii. Three (3) specimen signature of the said signatories (with exceptions under Sections 9.10.5.3 and 27.10.5.3 of DC2024-06-0018).

d. **Scanned copy of the sworn statement of RE Applicant's authorized representative, detailing the proof of ownership or possessory rights, including:**

- a) Denomination of the contracts, deeds, agreements, etc., the date/s of execution and the term thereof, with inclusive dates;
- b) Names and addresses of the parties to the contracts, deeds, agreements, etc., indicating their relation, e.g., seller and buyer, lessor and lessee, and the like;
- c) Specific section/clause in the contract, deed, agreement, etc. by which the ownership or possession of the real property is conveyed, with the said provision quoted in full;
- d) Affirmation that the conveyance is effective, or a summary of the limitations, conditions and other terms that must be complied with before the conveyance becomes effective;
- e) Notarization date of the above documents; and
- f) Read-only Excel file attached to the sworn statement where the details below are presented:
 - i. RE Applicant's authority to acquire ownership/possession and that its counterparty in the contracts, deeds, agreements, etc. has the right and/or authority to dispose of the same in favor the RE Applicant; and
 - ii. Confirmation that the contract, deed, agreement, etc., was executed by persons with the right to dispose of the ownership or possession of the real properties.

Note:

Contracts, deeds, agreements, powers of attorney, or any other document executed outside the Philippines must be submitted with the corresponding apostille or notarization, as applicable.

B. Technical Requirements

1. Work Program in Gantt Chart following the applicable template
2. Proposed RE Project Site/Area Location Map and Technical Description as verified by ITMS

3. If Solar Energy Operating Contract Applicant opts not to avail of COA, a valid System Impact Study (SIS)
4. For Biomass & Solar

For Biomass Energy Only - Feasibility Study which shall include:

- a. Mass Energy Balance Diagram
- b. Site Development Plan
- c. Fuel Supply and Logistic Study
- d. Waste Analysis and Characterization Study (additional if MSW)

For Solar Energy Only – Feasibility Study which shall include:

- a. ***Market Aspect*** – Identify its available target market and its projected electricity rate (e.g. as a merchant plant under the spot market or as generating plant covered by Bilateral Agreement with Distribution Utilities, Suppliers, or End-Users in accordance with the RPS, GEOP, or any applicable market covered by current rules and guidelines).
- b. ***Technical Aspect*** – Technical study affirming that the Available solar resource in the Contract area is in commercial quantity including discussions and attachments on the source of solar resource data, result of simulation using industry standard software (e.g., Pvsyst, Solnrg, etc.), engineering designs (e.g., PV layout, single line diagram for AC and DC, and general specifications of equipment), Annual Energy Production Estimates of the Project; and Performance Ratio.
- c. ***Financial Aspect*** – Preliminary runs on the financial Feasibility of the available solar resource within the Contract Area vis-a-vis the identified market/s. Attachment shall include financial models at different markets stipulating the financial measures such as IRR, NPV, LCOE, among others.
- d. ***Management Aspect*** – Detailing the strategies on the construction and commercial operation of the project (e.g. EPC Contractor, Owner's Engineer and O & M Contractor).
- e. Proof or application to secure right of way, applicable social and environmental permits/clearances (e.g. EPC Contractor, Owner's Engineer and O & M Contractor) (Certified True Copy or Original and Notarized Undertaking)

C. Financial Requirements

1. Audited Financial Statement (FS) for the last two (2) years and, if the filing date is three (3) months beyond the date of the submitted Audited FS, Unaudited FS is required, where the following financial analysis may be derived:

- a. Available Working Capital (AWC) = Liquid Assets Less Current Liabilities, where Liquid Assets is the Residual Current Assets less Non-Quick Assets (e.g. Inventories, Prepayments, etc.) and other financial commitment of the applicant for existing projects with the DOE.
- b. Debt-to-Equity Ratio = Total Liabilities/Total Stockholders Equity where the ratio should not exceed:
 - i. For RE Developers that will serve as micro grid service provider, the Debt-to-Equity ratio shall not exceed 2.5:1.0
 - ii. For Small to Medium Size RE Project, the Debt-to-Equity ratio shall not exceed 2.0:1.0

RE Resource	Potential Capacity
Biomass	up to 20.000MW
Waste-to-Energy	up to 12.000MW
Solar	up to 10.000MW
Hydropower	up to 49.999MW
Wind (Offshore/Onshore)	up to 0.999MW

- iii. For Large Size RE Project, the Debt-to-Equity ratio shall not exceed 1.5:1.0
- iv. For Geothermal and Ocean Projects, the Debt-to-Equity ratio shall not exceed 2.0:1.0
- c. Loans convertible to equity or convertible loans, typically used for preconstruction project funding, shall be regarded as part of equity for purposes of the calculation of the Debt-to-Equity Ratio: Provided, that the following conditions are present:
 - i. The Authorized Capital Stock is sufficient to absorb the equity converted; and
 - ii. Submission of loan agreement or arrangement with the current or prospective shareholder(s), and the corresponding notes on the FS

- d. Authorized Capital Stock – Amount should be enough to sustain its operation for the 1st year of the Work Program, if not sufficient and additional Capital is required, a Board Resolution should be submitted to support the increase in capitalization with a duly stamped received by the Securities & Exchange Commission (SEC).
- e. For an Unaudited FS - Original Bank Certification to support the Cash in Bank balance as reflected in the financial statements.

For Newly Organized Corporation, operating less than a year; or Subsidiary Corporation, newly organized or not; with insufficient funds to finance the proposed work program with guarantee from parent company, the RE Applicant shall submit on top of its financial requirements the following:

- a. Parent Company's financial documents per item 1 above
- b. Duly notarized Letter of Undertaking/Support from the Parent Company to fund the work program.

Criteria for Financial Evaluation

- 1. The minimum working capital (Liquid Assets less Current Liabilities) is 100% of the financial commitment for the initial year of the proposed Work Program/Plan.
- 2. Liquid Assets shall consist only of cash, trade accounts receivables and short-term investments/placements. Credit line is not a Liquid Asset.
- 3. The applicant's available working capital for each RE application should be net of the fund requirements from other RE applied areas/existing service contracts and conventional energy contract applications/existing service/operating contracts.

D. Other Requirements

- 1. Proof of Participation in Mandatory RE Application Orientation