



National Power Corporation

BAC RESOLUTION NO. 2025- 001

CANCELLATION OF PROCUREMENT OF PURCHASE REQUISITION NO. HO-TSD24-007 – SUPPLY OF TWO (2) YEARS SECURITY SERVICES FOR NATIONAL POWER CORPORATION HEAD OFFICE, DILIMAN, QUEZON CITY, AND RECORDS BUILDING AND TRAINING CENTER, MINUYAN, SAN JOSE DEL MONTE CITY, BULACAN

06 JANUARY 2025

WHEREAS, the Purchase Requisition below have the following procurement details;

Item No.	PR / PD REF. NUMBER	PROJECT TITLE	Approved Budget for the Contract (ABC)
1	HO-TSD24-007 / PB241119-NA00477	SUPPLY OF TWO (2) YEARS SECURITY SERVICES FOR NATIONAL POWER CORPORATION HEAD OFFICE, DILIMAN, QUEZON CITY, AND RECORDS BUILDING AND TRAINING CENTER, MINUYAN, SAN JOSE DEL MONTE CITY, BULACAN	Php 38,000,579.52

WHEREAS, the above-mentioned PR was advertised, remain active and is publicly accessible on both the NPC and PHILGEPS websites;

WHEREAS, during the pre-bid conference held on 06 November 2024, prospective bidders raised concerns about the applicability of **Section 9 of R.A. 11917**, "The Private Security Services Act," which mandates that the minimum administrative fee charged by Private Security Agencies (PSAs) to their clients shall not be less than twenty percent (20%) of the total contract cost;

WHEREAS, the above-mentioned provision of the law conflicts with **Section 31.1 of the IRR of R.A. 9184**, which states that "The ABC shall be the upper limit or ceiling for acceptable bid prices...xxx...There shall be no lower limit or floor on the amount of the award";

WHEREAS, NPC has been accepting bid offers with less than a 20% administrative fee to maintain the spirit of competition among the bidders;

WHEREAS, this concern was formally presented to the Bids and Awards Committee (BAC) by one of the prospective bidders, Fedstrong Security Services, Inc., through its letter dated 07 November 2024;

WHEREAS, beforehand, NPC in its letter dated 03 October 2024, sought the guidance and opinion of the Government Policy Procurement Board (GPPB) to address the issue and

confirm whether **Section 9 of R.A. 11917** indeed conflicts with **Section 31.1 of the IRR of R.A. 9184**;

WHEREAS, the GPPB, in its reply dated 30 October 2024, confirmed that Section 9 of R.A. 11917 indeed conflicts with **Section 31.1 of the IRR of R.A. 9184**, however, the GPPB also stated that the Procuring Entity should follow the provisions of **Section 9 of R.A. 11917**;

WHEREAS, NPC forwarded another letter to the GPPB dated 06 November 2024, clarifying the quandary of whether to comply with **Section 9 of R.A. 11917**;

WHEREAS, on 12 November 2024, the procurement of the above subject was postponed until further notice through the issuance of a supplemental/bid bulletin pending the formal response from the GPPB;

WHEREAS, the BAC, in its meeting held on 12 November 2024, instructed the General Services Department to coordinate with other government agencies and to develop and formulate a Terms of Reference (TOR) that will comply with the provisions of both **Section 9 of R.A. 11917** and **Section 31.1 of the revised IRR of R.A. 9184**;

WHEREAS, the Acting Manager of the General Services Department, in its memorandum dated 17 December 2024, requested the cancellation of the above-mentioned PR due to budgetary constraints since the ABC for the requirement was set only to twenty percent (20%) administrative fee and there are no other variable pay items;

WHEREAS, it is deemed appropriate that the ongoing procurement be cancelled and terminated to close the procurement transaction in accordance with **Section 35.6 (a)** and **Section 41.C (i)** of the 2016 Revised IRR of R.A. No. 9184;

WHEREAS, the End-User shall re-submit the Purchase Requisition with a revised ABC and TOR that will adhere to both provisions of the law;

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NOW, THEREFORE, in view of the foregoing, We, the Members of the Bids and Awards Committee, resolve, as it is hereby resolved, the cancellation/termination of the procurement activities of the above-mentioned Purchase Requisition (PR) in order to close the transactions at NPC and PHILGEPS websites pursuant to **Section 35.6 (a) and Section 41 (c) (i)** of the 2016 Revised IRR of Republic Act 9184.

RESOLVED this 6th day of January 2025.

**APPROVED BY:
THE BIDS AND AWARDS COMMITTEE**


LARRY I. SABELLINA
Chairman



ATTY. ROMERO P. PACILAN
Vice-Chairman


ROEL S. GUANIO
Member

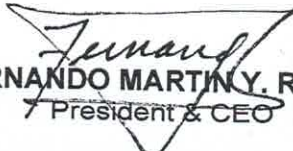

ARJAY B. MAÑIBO
Member


ATTY. RONALDO A. VIESCA, JR.
Member


ROMMEL U. MAMANGUN
Member


ALMARIO G. RETUTAL
Member, End-User

APPROVED BY:


FERNANDO MARTIN Y. ROXAS
President & CEO