



JUL 20 2019

## NOTICE OF AWARD

MR. FERNANDO S. MAGNAYON/  
MR. LEON G. PAUSING II  
Authorized Representatives  
PETRON CORPORATION  
SMC Head Office Complex  
40 San Miguel Avenue  
Mandaluyong City

Dear Mr. Magnayon/Mr. Pausing:

This is to inform you that the proposal of PETRON CORPORATION for the Supply and Delivery of DND-Wide Petroleum, Oil and Lubricants (POL) Requirements for CY 2019 (Lot 1 – DND-Wide Petroleum Requirements for CY 2019) Project, with a corresponding contract price in the amount of **THREE BILLION SIX HUNDRED THIRTY TWO MILLION NINE HUNDRED THIRTY NINE THOUSAND FOUR HUNDRED TWENTY EIGHT and 71/100 PESOS (Php3,632,939,428.71)**, is hereby **ACCEPTED**.

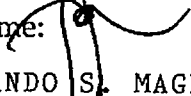
You are hereby directed to provide, within ten (10) calendar days, the Performance Security in the form and amount stipulated in the Bidding Documents. Failure to provide the said performance security shall constitute sufficient ground for the cancellation of the award.

Be guided accordingly.

Truly yours,

A handwritten signature in black ink, appearing to read 'Delfin N. Lorenzana', written over a horizontal line.

**DELFIN N. LORENZANA**  
Secretary

Conforme:   
FERNANDO S. MAGNAYON

Date: 02 August 2019



Republika ng Pilipinas  
Republic of the Philippines  
Kagawaran ng Tanggulang Pambansa  
Department of National Defense

**DND BIDS AND AWARDS COMMITTEE 1**  
**RESOLUTION NO. DNDWIDE-POL-L1-19-04**

***“A Resolution Declaring Petron Corporation as the Lowest Calculated and Responsive Bidder (LCRB) for the DND-Wide POL Requirements for CY 2019 (Lot 1 – DND-Wide Petroleum Requirements for CY 2019) Project and Recommending the Issuance of a Notice of Award in its Favor”***

**WHEREAS**, on 21 January 2019, the Secretary of National Defense approved and issued amended Acquisition Decision Memoranda (ADM) No. 2018-050-A directing the acquisition through public bidding of the Supply and Delivery of DND-Wide Petroleum, Oil and Lubricants (POL) Requirements for CY 2019 Project with a total Approved Budget for the Contract (ABC) in the amount of Php5,658,898,052.24, broken down as follows:

LOT	PARTICULARS	ABC (PhP)
1	DND-Wide Petroleum Requirements for CY 2019	4,180,512,135.33
2	DND-Wide Oil and Lubricant Requirements for CY 2019	112,809,420.98
3	DND-Wide e-POL Card Requirements for CY 2019	1,365,576,495.93
	<b>TOTAL</b>	<b>5,658,898,052.24</b>

**WHEREAS**, after the conduct of necessary bidding procedures, the Committee conducted the Submission and Opening of Bid Envelopes (SOBE) for Lot 1 – DND-Wide Petroleum Requirements for CY 2019 project on 25 April 2019, which was participated by two (2) bidders, namely: Petron Corporation and Phoenix Petroleum Philippines, Inc.;

**WHEREAS**, on 2 May 2019, after the conduct of a detailed bid evaluation, the TWG recommended to declare Petron Corporation as the Lowest Calculated Bidder (LCB) and Phoenix Petroleum Philippines, Inc. as the 2<sup>nd</sup> LCB with bid prices in the amount of Php3,632,939,428.7100 and Php4,117,644,403.5667, respectively, which was subsequently approved by the Committee through Resolution No. DNDWIDE-POL-L1-19-02;

**WHEREAS**, on 7 May 2019, the Committee further issued Resolution No. DNDWIDE-POL-L1-19-03 approving the composition of the PQ Team and PQ Plan for the aforesated project;

**WHEREAS**, the PQ Team conducted the post-qualification on Petron Corporation at SMC Head Office Complex, 40 San Miguel Avenue, 1550,

*Jim*  
*[Signature]*

Mandaluyong City, its terminals in Rosario, Cavite, Bacolod, Ilo-ilo, Roxas, Jimenez, Iligan and Tagoloan, and depots in strategic locations nationwide to verify, validate and ascertain all the submitted documents of Petron;

**WHEREAS**, on 25 June 2019, the PQ Team presented its PQ Report to the Committee and the basis of its evaluation and validation, and having found Petron as technically, legally, and financially compliant and responsive to the requirements of the project, it recommended the declaration of Petron as post-qualified and as the Lowest Calculated and Responsive Bidder (LCRB) and the issuance of a Notice of Award (NOA) in its favor;

**WHEREAS**, the Committee acting on the recommendations of the PQ Team, resolved to affirm and declare Petron Corporation as post-qualified and as the LCRB and to recommend to the Secretary of National Defense the issuance of a NOA in its favor;

**NOW, THEREFORE**, we, the members of the DND Bids and Award Committee 1, resolve, as it is hereby **RESOLVED**, to approve and adopt the recommendations of the PQ Team, as follows:

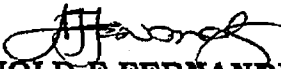
- a) to declare Petron Corporation as post-qualified;
- b) to declare Petron Corporation as the Lowest Calculated and Responsive Bidder (LCRB) for the DND-Wide Petroleum, Oil and Lubricants (POL) Requirements for CY 2019 Project (Lot 1 – DND-Wide Petroleum Requirements for CY 2019); and
- c) to recommend to the Secretary of National Defense, as the Head of Procuring Entity the issuance of a Notice of Award in favor of Petron Corporation for offering a bid price in the amount of Php3,632,939,428.7100.

**ISSUED**, this 25<sup>th</sup> day of June 2019 at the DND Bids and Awards Committee Conference Room, Basement Left Wing, DND Building, Camp General Emilio Aguinaldo, Quezon City.

  
**ASEC MANUEL FELINO V. RAMOS**  
Chairperson

  
**DIR DINNA ANNA LEE L. CARTUJANO**  
Member

  
**ATTY JUDITO ANGELO C. TADEO**  
Member

  
**BGEN ARNOLD F. FERNANDEZ AFP**  
Member

**BGEN ADRIAN D. SANCHEZ JR. AFP**  
Alternate Regular Member