



Public Notices

Asset Management & Electricity Trading Group
Tel. No. (632)892-6123 or (632)848-0263

INVITATION TO BID

The Power Sector Assets and Liabilities Management Corporation (“PSALM”) Privatization, Bids and Awards Committee (the “Committee”) invites interested parties to participate in and bid for the privatization of the following:

***The 246 MW Angat Hydroelectric Power Plant
located in Norzagaray, Bulacan***

(the “Asset”). The Asset is being privatized on an “as is where is” basis.

Interested parties must submit a Letter of Interest (“LOI”) to the Committee, which shall state the full name, address, telephone and fax numbers of the interested party, name of the principal contact, and signed by an authorized representative. All LOIs must be received by the Committee at the PSALM Office with address at the 7th Floor Bankmer Building, 6756 Ayala Avenue, Makati City, not later than 5:00 p.m. on 27 January 2010 (the “LOI Submission Deadline”). Only interested parties that submit an LOI by the LOI Submission Deadline shall be allowed to participate further in the privatization of the Asset.

As a prerequisite to the receipt of the Bidding Package, interested parties shall execute a Confidentiality Agreement and an Undertaking pursuant to Section 78 of RA 9136, both in the forms provided by PSALM, and pay a non-refundable fee in the amount of Two Thousand Five Hundred U.S. Dollars (U.S.\$ 2,500.00) (the “Participation Fee”). The Participation Fee shall be either in cash, manager’s check, or cashier’s check. All bank charges, if any, shall be for the account of the interested party. The Confidentiality Agreement, Undertaking, and Participation Fee must be received by the Committee on or before 5:00 p.m. on 29 January 2010, to entitle an interested party to further participation in the privatization of the Asset.

The Bidding Package, which includes the Bidding Procedures, shall be issued during office hours (8:00 a.m. to 5:00 p.m.) from 05 February to 12 February 2010 (the “Deadline”) at the PSALM Office. Only interested parties or consortium (as described below) who have been issued the Bidding Package by the Deadline will be allowed to participate further in the privatization of the Asset.

An interested party that submits the LOI must be the party that will participate in the privatization process, submit a bid, and enter into the pertinent agreements. Once an interested party submits the Confidentiality Agreement and Undertaking and pays the Participation Fee, such interested party may no longer be substituted in the privatization process, except through a consortium in accordance with the terms and conditions of the Bidding Procedures, among the requirements of which are: (i) such interested party must own at least a majority of the shares outstanding and entitled to vote in such consortium; (ii) the consortium must be a juridical entity; and (iii) a letter requesting to bid through consortium must be submitted to the Committee on or before the deadline set for the same in the Bidding Procedures.

The schedule of the bidding activities is as follows:

Due Diligence	:	12 January 2010 until one (1) week before the
Bid Submission Deadline	:	
Pre-Bid Conference	:	17 February 2010, 2:00 p.m. at the PSALM Office
Bid Submission Deadline	:	28 April 2010

References to the dates and times shall be based on Manila time. Should any of the above dates fall on a holiday, the deadline shall be extended to the same time of the immediately succeeding business day in Makati City.

A two-envelope bidding system shall be adopted. Interested Parties will be required to post a bid security equivalent to Four Million U.S. Dollars (U.S.\$ 4,000,000.00) in the form of an irrevocable letter of credit, which must be acceptable to the Committee. The bid security of the winning bidder shall be substituted by a performance security to guarantee prompt, faithful, and complete performance of its obligations under the transaction. The details of the privatization of the Asset are contained in the Bidding Package.

Letters of Interest, Confidentiality Agreements, and Undertakings shall be addressed and submitted to: The

Chairman, Privatization, Bids and Awards Committee, PSALM Corporation, 7th Floor, Bankmer Building, 6756 Ayala Avenue, Makati City, Philippines. Inquiries and clarifications shall be addressed to Atty. Conrad S. Tolentino at the PSALM Office, at telefax number (632) 892-6029 or e-mail address cstolentino@psalm.gov.ph.

The Committee reserves the right to accept or reject any interested party or bidder or proposals or bids therefrom, or any part thereof, and/or to waive any defects contained therein and accept the offer advantageous to the Government, without offering any reason whatsoever. It does not assume any obligation to compensate or indemnify parties for any expense or loss that they may incur as a result of their participation in the privatization process, nor does it guarantee that an award will be made. Finally, it reserves the right to modify, supplement, or change the Bidding Procedures and other aspects of the privatization process at any time, including the schedule and the venue provided herein, for any reason whatsoever and without giving prior notice. Interested parties and/or bidders shall be notified subsequently of such modifications, supplements, or changes.

**PSALM Privatization, Bids and Awards Committee
(11-13 January 2010)**