

## ► PUBLIC NOTICES

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

---

### **Invitation to Bid for the 600-MW Masinloc Coal-Fired Thermal Power Plant**

---

The Power Sector Assets and Liabilities Management Corporation ("PSALM") Privatization, Bids and Award Committee ("The Committee") invites interested parties to participate in and bid for the second round of bidding for the privatization of the

600 MW Masinloc Coal-Fired Thermal Power Plant located at Masinloc, Zambales

(the "Asset"). The Asset is being privatized on an "as is where is" basis and will include a power supply allocation.

Interested parties must submit a Letter of Interest ("LOI") to the PSALM Privatization Bids and Awards Committee (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 4th Floor Bankmer Building, 6756 Ayala Avenue, Makati City not later than 5:00 p.m. on 12 April 2007, (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 U.S. Dollars (U.S.\$2,000.00) (the "Participation Fee"). The Participation Fee shall either be 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 13 April 2007 to entitle an interested party any further participation in the privatization of the Asset.

The Bidding Package which includes the bidding procedures shall be issued during office hours (9:00 a.m. to 5:00 p.m.) from 29 March 2007 until 30 April 2007 (the "Deadline") at the PSALM Office. In accordance with the bidding procedures, only interested parties who have been issued the Bidding Package by the Deadline or a consortium which includes an interested party will be allowed to participate further in the privatization of the Asset.

The schedule of the bidding activities shall be as follows:

Due Diligence : 29 March - 19 July 2007

Pre-bid Conference : 8 May 2007, 2:00 PM at the PSALM Office

Bid Submission Deadline : 26 July 2007, 12:00 noon at the PSALM Office

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 will be adopted. Interested parties will be required to post a bid security equivalent to nine million U. S. Dollars (U.S.\$ 9,000,000.00) in the form of an irrevocable standby 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 guaranty 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 Award Committee, PSALM Corporation, 2nd Floor, SGV II Building, Ayala Avenue, Makati City, Philippines. Inquiries and clarifications shall be addressed to Mr. Froilan A. Tampinco at the PSALM Office or at telephone number (632) 892-6123 or (632)848-0263, fax number (632) 840-3896 or e-mail address fatampinco@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 most 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 will be notified subsequently of such modifications, supplements, or changes.

(Sgd.) RAPHAEL P. M. LOTILLA  
PSALM Privatization, Bids and Award Committee  
15, 16, 17, and 19 March 2007