

Power Sector Assets and Liabilities Management (PSALM) Corporation

	Component				GCG-approved 2021 Performance Scorecard <sup>1/</sup>	Accomplishments (as of 30 September 2021)	
	Strategic Objective (SO)/ Strategic Measure(SM)	Formula	Weight %	Rating System	Annual Target	Actual	
Perspective 1: Financial	<b>SO 1: Reduced financial obligations (FO)</b>						
	SM 1	Amount of Net Reduction in FO	$FO_{previous\ year} - FO_{current\ year}$	30.0	Actual over Target	<p><b>PHP24.630 Billion</b> (Reduction from PHP411.827 Billion to PHP387.197 Billion) Forex Used: 2019 Year-end rate (PHP50.744 = US\$1)</p> <hr/> <p><b>PHP23.004 Billion (Restated) <sup>2/</sup></b> (Reduction from PHP381.72 Billion to PHP358.72 Billion) Forex Used: 2020 Year-end rate (PHP48.036 = US\$1.00)</p>	<p><b>PHP 15.213 Billion <sup>3/</sup></b> (Reduction from PHP381.72 Billion to PHP366.51 Billion) Forex Used: 2020 Year-end rate (PHP48.036 = US\$1.00) Note: Net of bond discount and issue cost</p>
	SM 2	Refund of Dividend Income from Transco for Remittance of Dividends to NG/BTr	$\Sigma Actual\ Collection$	5.0	Actual over Target	<b>PHP1.8 Billion</b>	<ul style="list-style-type: none"> <li>- PSALM remitted to the National Government on 08 January 2021 TransCo's dividends for year 2016 to 2019 in the amount of PHP8.32 Billion;</li> <li>- The draft Supplemental Memorandum of Agreement (SMOA) covering the remittance of TransCo's dividend for its 2020 Net Earnings was submitted and presented to the PSALM Board in its meeting on 22 September 2021 for direction on certain provisions of SMOA; and</li> <li>- The draft SMOA will be submitted to the OGCC in October 2021 and to the PSALM Board for approval.</li> </ul>
	<b>SO 2: Ensured strong financial performance</b>						
	SM 3	Collection Efficiency for Current Power Sales	$\frac{Collections\ from\ Current\ Power\ Sales}{Current\ Power\ Sales}$	10.0	Actual over Target	<b>90%</b>	<b>91.74% <sup>3/</sup></b> PHP5.317 Billion PHP5.796 Billion
	SM 4	Amount of Delinquent/ Overdue Accounts Collected					
	SM 4a	Problematic Accounts	$\Sigma Actual\ Collection$	3.0	Not applicable	<b>Submission of Status Report on initiatives to reconcile and collected on problematic accounts</b>	On-going preparation of Status Reports to submitted in the 4th quarter PES
	SM 4b	Non-problematic/ Clean Accounts	$\Sigma Actual\ Collection$	5.0	Actual over Target	<b>PHP0.737 Billion</b>	<b>PHP0.441 Billion <sup>3/</sup></b>
	SM 5	Percentage Share of Overhead Expenses to Total Income	$\frac{(PS + MOOE) - Bad\ Debts}{Total\ Income}$	5.0	Actual over Target	<b>11.10%</b> PHP1.307 Billion PHP11.783 Billion	<b>4.40% <sup>3/</sup></b> PHP0.478 Billion PHP10.870 Billion
	SM 6	EBITDA Margin of Remaining Power Assets	$\frac{EBITDA\ of\ Remaining\ Power\ Assets}{Net\ Utility\ Revenue}$	5.0	Actual over Target	<b>-2.24%</b> PHP0.6449 Billion PHP28.725 Billion	<b>10.74% <sup>3/</sup></b> PHP1.803 Billion PHP16.782 Billion

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Perspective 1: Financial	SM 7	Universal Charge (UC) Remittance Efficiency of Collecting Entities (CEs)	$\frac{\Sigma UC \text{ Actual Remittance}}{\text{Total UC Collection} + \text{Maintaining balance}}$	7.0	Actual over Target	98%  98.37% PHP18.015 Billion PHP18.314 Billion
	SM 8	Percentage of UC-ME disbursed to NPC	$\frac{\Sigma UC \text{ Actual Disbursement}}{\text{Total UC Remittance} + \text{Maintaining balance}}$	5.0	Actual over Target	100%  NPC: PHP10.378 Billion <sup>4/</sup> PHP10.378 Billion
		Percentage of UC-ME-REDCI disbursed to RE Developers	$\frac{\text{Total Cash Incentive Disbursed}}{\sum_{i=1}^n G_i r_i}$ <small>Where: n = the number of REDs G<sub>i</sub> = Net Generation in KWH of the i<sup>th</sup> RED r<sub>i</sub> = ERC - approved Cash Incentive Rate for the i<sup>th</sup></small>			
<b>Sub-total:</b>			<b>75.0</b>			
Perspective 2: Customers/ Stakeholders	<b>SO 3: Implemented fair and transparent privatization program</b>					
	SM 9	No. of Power Assets Successfully Privatized	Actual accomplishments	5.0	All or Nothing	650 MW Malaya Thermal Power Plant  On 07 May 2021, Malaya TPP was finally bidded out through a negotiated sale to Fort Pilar Energy, Inc. (FPEI) with an offer of PHP3,123,500.00. Subsequently, after thorough evaluation of the bid offer and post qualification activities, Malaya TPP was turned over to FPEI's wholly-owned subsidiary, Belgrove Power Corporation (Belgrove)) on 25 August 2021.
Perspective 2: Customers/ Stakeholders	SM 10	No. of Lots Disposed under Strategic Plan	$\frac{\Sigma \text{ Number of lots disposed}}{\Sigma \text{ Target Number of lots for disposal}}$	5.0	Actual over Target <sup>5/</sup>	18 lots + Lots Not Disposed in 2020  <i>*Subject to specific conditions that may hamper disposal 6/</i>  8 lots - 3 lots located at Calaca, Batangas was transferred to Sem-Calaca Power Corporation (SCPC) through Optioned Assets under the Land Lease Agreement (LLA) on 30 June 2021; and - 5 lots underlying the Malaya TPP was transferred to Belgrove Power Corporation through Negotiated Sale on 25 August 2021.  <i>(Details of pre-disposal activities are summarized in the attached Annex A -Status Report on Lots for Disposal in CY 2021.)</i>
	<b>SO 4: Improved customers' relation and service delivery</b>					
Perspective 2: Customers/ Stakeholders	SM 11	Percentage of Satisfied Customers	$\frac{\text{Total number of Satisfied Respondents}}{\text{Total number of Respondents}}$	5.0	Actual over Target  0% = if less than 80%	90% Satisfied Customers  1. Conducted procurement activities which culminated in the Opening and Evaluation of Bids for 2021 Customer Satisfaction Survey (CSS) on 27 July 2021; 2. Conducted initial consultation meeting with new third-party service provider, People Dynamics Inc, to discuss CSS objectives, respondent groups and survey questionnaires on 16 September 2021; and 3. Commenced CSS with the final number of respondents and Inception Report on 27 September 2021.
	<b>Sub-total:</b>			<b>15.0</b>		

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<b>Perspective 3: Internal Business Process</b>						
<b>SO 5: Adopted effective and efficient financial management system and operational standards</b>						
SM 12	Compliance to Quality Standards	Actual accomplishments	5.0	All or Nothing	Surveillance Audit Passed (2nd Phase)	PSALM maintained its international standards for Quality Management System (ISO 9001:2015) by passing the surveillance certification audit conducted by SOCOTEC Certification Philippines, Inc. (SCPI) on 28 September 2021. The Certificate of Attestation is yet to be issued by SCPI.
<b>Sub-total:</b>			<b>5.0</b>			
<b>SO 6: Enhanced competency and skills of employees</b>						
<b>Perspective 4: Learning and Growth</b>	SM 13	Percentage of Employees with Required Competencies Met	$\frac{\Sigma \text{ Employees with Required Competencies Met}}{\text{Total No. of Employees}}$	5.0	All or Nothing	Increase from 2020 actual competency level  1. Conducted simulation on the competency level of PSALM employees as of 15 September 2021 and garnered result of 96.97% competency baseline, which is 1.32% higher than CY2020 competency baseline.  2. Deployed 77 employees to various external training programs to develop/ enhance their organizational, leadership and technical competencies
<b>Sub-total</b>			<b>5.0</b>			
<b>Total Weight</b>			<b>100.0</b>			

Note: <sup>1/</sup> Officially received by PSALM on 25 October 2021.

<sup>2/</sup> Pursuant to the GCG-approved 2021 Performance Scorecard, the target should be updated using 2020 yearend FOREX Rate.

<sup>3/</sup> Data based on updated 2nd Quarter 2021 Accomplishments per our letter to GCG dated 09 September 2021. Accomplishment Reports for the period are not yet available; hence, PSALM will submit the said reports as soon as available.

<sup>4/</sup> Cumulative amount of UC-ME disbursed to NPC and RE Developers as of 30 September 2021.

<sup>5/</sup> Rating Methodology, as follows:

Graduated Scale	
100%	: Execution of Complete Transaction Documents ( <i>Deed of Absolute Sale (DOAS), Joint Venture (JV) Agreement, etc.</i> )
95%	: Issuance of Notice of Award or Receipt of Purchase Price from Lessee/Buyer
90%	: Declaration of Highest Bidder or Issuance of Option Existence Notice to Lessee
80%	: Conduct of Bidding or Negotiated Sale

<sup>6/</sup> Factors or conditions that may affect the disposal of lots under the Strategic Plan:

- Generally, the following conditions may adversely affect the successful disposal of real estate assets under the Strategic Plan:
  - If no or only 1 bidder submitted Bid Documents (Technical and Financial);
  - If no bidder met the Minimum Bid or Offer Price;
  - If bidder failed the Post-Qualification stage; and
  - If bidder refused to accept the NOA or NTP.
- Failure in bidding will also be declared if the Winning Bidder:
  - failed to remit the full payment of the Purchase Price;
  - failed to execute the Deed of Absolute Sale (DOAS)/Deed of Sale of Shares of Stock (DOSSS); or
  - turnover of the Property did not happen
- Specific conditions provided in the Indicative Privatization Schedule for Power and Real Estate Assets

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION  
Status Report on Lots for Disposal in CY2021

Assets for Disposal	Number of Lots	Status
<p>Paco-Manila Property (Isla de Provisor, Paco, Manila)</p> <p>[Land underlying the previous site of Manila Thermal Power Plant]</p>	<p>8</p>	<ul style="list-style-type: none"> <li>The MTPP land, located in Isla de Provisor, Paco Manila, is comprised of 8 lots with an aggregate area of 20,975.70 square meters. It is now called Paco-Manila property.</li> <li>PSALM has held four (4) rounds of bidding exercises for the asset starting 2018, all of which were declared a failure.</li> <li>On 07 January 2021, MERALCO informed PSALM of its intent to acquire the Paco-Manila Property with the purpose of extending and expanding the capacity of its Tegen Substation to ensure energy security and improve adequacy and reliability of electric service in Metro Manila including some of the vital installations in the City of Manila, i.e. Malacañang Palace, DOF, BoC, PGH and U.S. Embassy. Further, MERALCO also requested that it will be given an opportunity to negotiate with PSALM for the acquisition of the said property.</li> <li><b>PSALM, in a letter dated 26 January 2021, informed MERALCO that it is currently evaluating MERALCO's request to negotiate with PSALM for the acquisition of the said property.</b></li> <li>The property is subject to third-party appraisal in CY 2021.</li> <li>The Department of Transportation (DOTr) expressed its intention to acquire the Paco-Manila property through a letter dated 04 March 2021 which was received by PSALM through e-mail on 22 March 2021. The DOTr intends to develop the property as one of the resettlement sites for the Project Affected Peoples (PAPs) of the North-South Commuter Railway Project (NSCR) and PNR South Long Haul Project (SLH). A meeting between PSALM and DOTr was conducted on 25 March 2021.</li> <li>DOTr subsequently requested a meeting with MERALCO on 08 April 2021, through a letter dated 29 March 2021, to discuss the options for access through the MERALCO property in Isla de Provisor and other possible arrangements on the said matter.</li> <li>On 08 April 2021, a meeting among PSALM, DOTr and MERALCO representatives was held to discuss the plans of DOTr to acquire said property.</li> <li>On 16 June 2021, PSALM received a letter with the same date from Leighton Contractors (Asia) Limited (LCL), expressing its interest to lease the property as a construction staging area and <b>pre-cast yard for the DOTr's North-South Commuter Railway project</b>. PSALM, on 08 July 2021, sent a letter, dated 07 July 2021, informing LCL that the property will not be available for lease as it is scheduled for disposal in the second semester of 2021. In its letter, dated 21 June 2021 that PSALM received on 08 July 2021, LCL responded to PSALM, expressing its interest to acquire the property.</li> <li>PSALM submitted the Agency Appraisal Documents (AAD) to COA on 13 July 2021.</li> </ul>

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ANNEX A

Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>• The commencement for the 3rd round of negotiated sale for the property was approved by the PSALM Board on 29 July 2021.</li> <li>• To commence the negotiated sale, the Invitation to Negotiate and Submit Offers was published in a newspaper of general circulation and PSALM website on 30 July 2021.</li> <li>• As the property is subject to a third-party appraisal, an initial meeting with Asian Appraisal Company, Inc. and Value Metrics, Inc. was conducted on 21 July 2021 to discuss the technical specifications and other concerns for the appraisal and property profiling of the Paco-Manila property.</li> <li>• On 04 August 2021, PSALM sent a letter, dated 02 August 2021, to G.T.K. Trading informing them that PSALM cannot act on its unsolicited offer because the disposal activities for the Paco-Manila property are scheduled to be conducted in the second semester of CY 2021 through negotiated sale.</li> <li>• PSALM, on 08 August 2021, sent an invitation to Negotiate and Submit offer for the negotiated sale of Paco-Manila Property to the following prospective negotiating parties:                         <ol style="list-style-type: none"> <li>1. J&amp;M Properties and Construction Corp.;</li> <li>2. FP Trilogy Group, Inc.;</li> <li>3. G.T.K. Trading;</li> <li>4. City of Manila;</li> <li>5. MARUBENI Phils. Corp.;</li> <li>6. MEMA Holdings, Inc.;</li> <li>7. MERALCO;</li> <li>8. Panasia Energy, Inc.;</li> <li>9. Philippine Coast Guard (PCG);</li> <li>10. Philman Corporate Distribution Corp.;</li> <li>11. SPC Power Corp.;</li> <li>12. Wangly Trading, Inc.; and</li> <li>13. Department of Transportation.</li> </ol> </li> <li>• A letter was received from Meralco on 09 August 2021, requesting for clarification on the invitation to negotiate and submit offer that PSALM posted on 30 July 2021. This was answered by PSALM through a letter sent to Meralco on 31 August 2021.</li> <li>• The Pre-negotiation conference for the 3rd round of negotiated sale conducted on 10 August 2021, was attended by the following interested parties:                         <ol style="list-style-type: none"> <li>1. MERALCO;</li> <li>2. Philman Corporate Distribution Corp.;</li> <li>3. Toplis Solutions, Inc.; and</li> <li>4. Simon Agribusiness (SiA).</li> </ol> </li> </ul>

Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>• Toplis Solutions expressed its intent to participate in the negotiation through a letter dated 25 August 2021 which was received by PSALM on the same date. Subsequently, on 27 August, Toplis Solutions, Inc. submitted the duly accomplished and notarized Schedule 2- Form of Acceptance of the Negotiation Procedures dated 25 August 2021.</li> <li>• On 27 August 2021, PSALM transmitted Supplemental Negotiation Bulletin No. 1 to the negotiating parties. The SNB No. 1 amended the offer submission deadline for the negotiated sale from 31 August 2021 to 10 September 2021. It was also uploaded in the PSALM website.</li> <li>• Meralco submitted to PSALM on 31 August 2021 the duly accomplished and notarized Schedule 2 - Form of Acceptance of the Negotiation Procedures dated 25 August 2021.</li> <li>• On 10 September 2021, PSALM successfully privatized the Paco-Manila Property, via a negotiated sale process. Manila Electric Company (MERALCO) submitted the highest offer, amounting to PHP 632,162,185.00, thus declared as the winning party. This offer of MERALCO surpassed the PSALM Board-approved Minimum Offer Price of PHP527,087,552.00.</li> <li>• <b>On 14 September 2021, PSALM received a letter from Toplis Solutions (TSI) dated 13 September 2021, requesting PSALM BAC’s reconsideration of its decision to not accept TSI’s offer during the offer submission, opening and evaluation proceedings for the negotiated sale of Paco-Manila Property. It must be noted that TSI’s first envelop was rated failed during the bid opening as it did not contain the two (2) required eligibility documents.</b></li> <li>• <b>Further, PSALM ascertained MERALCO’s compliance with the “no conflict” rule as provided in the negotiation procedures for the sale of the Paco-Manila Property through the confirmation of its Finance and Legal Groups issued on 17 and 23 September 2021, respectively.</b></li> <li>• PSALM transmitted its letter to MERALCO, dated 13 September 2021, informing MERALCO that it is the negotiating party with the highest offer, and that the conduct of post-qualification evaluation of its offer will now be pursued.</li> <li>• The PBAC approved the post qualification report on 17 September 2021 and likewise endorsed the issuance of the NOA to MERALCO for PSALM Board Approval.</li> <li>• On 22 September 2021, the PSALM Board approved the issuance of the NOA to MERALCO. Subsequently, on 24 September 2021, PSALM transmitted the NOA and the DOAS for the sale of Paco-Manila Property to MERALCO. Payment instruction for the balance of the purchase price was also transmitted to MERALCO on the same date.</li> <li>• Further to the motion for reconsideration of TSI, PSALM denied said request for reconsideration, which was conveyed through its letter transmitted to the firm on 23 September 2021.</li> </ul>
Baguio Sewerage	10	<ul style="list-style-type: none"> <li>• Baguio City property is located in Barangay North Sanitary Camp, Old Lucban Road, Baguio City, Province of Benguet. It is comprised of ten (10) lots with a total area of 6,332 square meters.</li> </ul>

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 Status Report on Lots for Disposal in CY2021

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Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>• PSALM is currently in discussion with the Baguio City LGU on its offer to purchase the property.</li> <li>• On 12 November 2019, PSALM Board approved the authority of PSALM President and CEO to negotiate with LGU Baguio for the possible acquisition of the property. PSALM Management was also instructed to engage Land Bank of the Philippines (LBP) to conduct appraisal on the property. Several discussions from December 2019 to September 2020 between LGU Baguio and LBP were undertaken for this purpose.</li> <li>• On 23 December 2020, LBP submitted its appraisal to the LGU Baguio. However, LGU Baguio raised its concerns on the appraisal done by LBP which it deemed to be relatively high. LGU Baguio said that it will reassess its offer given the LBP appraisal.</li> <li>• PSALM was provided a copy of the LBP appraisal on 18 January 2021.</li> <li>• PSALM and LGU Baguio agreed to separately discuss their respective comments on the appraisal with LBP. PSALM and LGU Baguio further agreed to discuss their comments on the appraisal but the said meeting, that was scheduled on 11 February 2021, did not push through.</li> <li>• In its 05 May 2021 letter to TransCo, PSALM requested a structural survey plan for the affected areas along the transmission line right-of-way.</li> <li>• PSALM, on 27 May 2021, received a letter from the City Government of Baguio, informing PSALM of its final offer to purchase the lots located at Sanitary Camp with a total area of 6,332 sq.m.</li> <li>• <b>In a letter dated 14 June 2021, PSALM informed the City Government of Baguio that PSALM's final offer for the Property is no less than the LBP appraised value or PHP36,865,303.80. In the same letter, PSALM requested the LGU's conformity to the valuation of the property.</b></li> <li>• PSALM, on 24 June 2021, sent a letter to NPC, dated 23 June, requesting for the turnover of the original copies of Transfer Certificate of Title (TCT) of the Baguio Property.</li> <li>• In its letter dated 07 July 2021, received on 14 July 2021, NPC informed PSALM that the said property has a pending civil case before the RTC Branch 61, Baguio City. In view of this ongoing case, NPC deemed it proper to defer the turnover of the TCT of the property until the resolution of the case.</li> <li>• On 14 July 2021, PSALM received a letter dated 08 July 2021 from the Office of the City Mayor of Baguio (Baguio LGU), expressing its agreement with the proposed Memorandum of Agreement (MOA) and deed of transfer and conveyance indicating all the terms and conditions for the proposed sale. Moreover, Baguio LGU requested that NPC be likewise a signatory to the proposed MOA in order to settle the case between NPC and Baguio LGU covering the Baguio City Property.</li> </ul>

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Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>• Pending receipt of TransCo’s reply to PSALM’s letter dated 05 May 2021, PSALM, in its letter dated 27 July 2021, reiterated its request for structural survey plan for the affected areas along the transmission line right of way in its Baguio City property. In response to this request, TransCo, on 23 August 2021 transmitted to PSALM the sketch plans, narrative technical descriptions and index map.</li> <li>• On 17 August 2021, PSALM sent a reply letter dated 12 August 2021 to Mayor Magalong, City Mayor of Baguio, acknowledging receipt of Mayor Magalong’s letter dated 26 July 2021 and informing him of PSALM’s position to sell the Baguio property without prejudice to the pending claim of NPC for back rentals which pertain to years prior to PSALM’s decision to sell.</li> <li>• PSALM, in its letter transmitted to NPC on 01 September 2021, reiterated its request for NPC to turnover the original owner’s duplicates of the TCTs. In response, NPC transmitted, on 08 September 2021, the original owner’s duplicates of the TCTs of Baguio property.</li> <li>• PSALM, on 22 September 2021, informed NPC through a letter dated 14 September 2021 that the intended sale of the Baguio property does not include settlement of the back rentals, and shall be without prejudice to Civil Case No. 6801-R. Thus NPC should continue to litigate the Civil Case No. 6801-R even after the sale of the property.</li> </ul>
Land-Based Gas Turbine (LBGT) Land inside the Naga Power Plant Complex, Naga Cebu		<ul style="list-style-type: none"> <li>• 23 December 2021 - PSALM received Therma Power-Visayas Inc. (TPVI) letter requesting guidance on the steps to be undertaken regarding TPVI’s intent to extend it leased premises to the adjacent 5,504-sq.m Naga LBGT land.</li> <li>• 12 January 2021 - PSALM informed TPVI that while the Land Lease Agreement (LLA) with SPC Power Corporation (SPC) expired in January 2020, the Naga LBGT (NLBGT) land has not yet been turned over to PSALM because SPC has yet to secure and submit a Department of Environment and Natural Resources (DENR) certificate of environmental compliance with respect to its clean up and remediation activities. <i>*The delay is caused by the restrictions and various measures implemented in the area to mitigate the effects of the COVID-19 pandemic.</i></li> <li>• 26 January 2021 - PSALM conducted a coordination meeting with TPVI regarding planned DENR inspection of the NLBGT clean-up.</li> <li>• 28 May 2021 - PSALM sent reply letter dated 12 May 2021 via email to SPC accepting the return of the NLBGT Leased Premises and informing SPC that it may pick-up its Performance Security in the form of Irrevocable Domestic Standby Letter of Credit.</li> </ul>
Naga, Cebu Property		<ul style="list-style-type: none"> <li>• 22 March 2021 - City Government of Naga expressing its intent to purchase lots 751, 868 and 869 for purposes of future development of the city government.</li> <li>• 30 March 2021 - Conducted meeting with Mayor Kristine Vanessa Chiong of Naga, Cebu. PSALM informed Mayor Chiong that:</li> </ul>



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		<ol style="list-style-type: none"> <li>1. <b>it is PSALM’s policy to dispose of its real estate assets at a price not lower than the fair market value (FMV);</b></li> <li>2. the proposed acquisition is similar to previous transactions by PSALM with Local Government Units (LGUs) wherein the LGU engaged the services of the Landbank of the Philippines (LBP) to appraisal the property and determine its FMV; and</li> <li>3. the 3 lots are covered by PSALM Land Lease Agreements with TPVI and KEPCO SPC Power Corporation (KSPC), therefore, it may be necessary to secure their non-objection to the potential acquisition of the 3 lots by the City Government of Naga, Cebu.</li> </ol> <p>Transfer to Another Government Agency</p> <ul style="list-style-type: none"> <li>• <b>12 April 2021</b> - PSALM sent letters to TPVI and KSPC dated 05 April 2021, seeking their non-objection to the City <b>Government of Naga, Cebu’s potential purchase of Lot Nos. 751, 868 and 869 at Barangay Colon, City of Naga, Cebu</b></li> </ul> <p>Lease Agreement</p> <ul style="list-style-type: none"> <li>• <b>04 June 2021</b> - PSALM sent letter dated 01 June 2021 to OGCC, requesting review of the draft letter agreement between <b>PSALM and TPVI for the issuance of PSALM’s written consent to the Sublease of a portion of the leased premises under the Naga PPC Land Lease Agreement between PSALM and TPVI.</b></li> <li>• <b>30 June 2021</b> - PSALM <b>received OGCC Contract Review No. 872, series of 2021, dated 28 June 2021, providing OGCC’s review of, and recommendations to, the letter agreement between PSALM and TPVI re: written consent to the sublease.</b></li> </ul> <p>Deed of Donation</p> <ul style="list-style-type: none"> <li>• <b>23 June 2021</b> - PSALM received letter dated 14 June 2021 from DepEd Region VII, requesting for a copy of a Deed of Donation for the new school site in Colon Elementary School to complete the conveyance of the said property to DepEd Region VII.</li> <li>• <b>23 June 2021</b> - PSALM received letter dated 14 June 2021 from KSPC, informing PSALM of its position and conditions in the potential sale of Lot No. 751, located in Colon, Naga, Cebu, to the City Government of Naga.</li> <li>• <b>29 June 2021</b> - PSALM received letter dated 24 June 2021 from NPC, informing PSALM that there is no conveyance of <b>School Site in Colon, Naga, Cebu was made between NPC and DepEd Region VII. Further, in view of PSALM’s ownership of the subject lands pursuant to EPIRA, NPC defer to PSALM’s decision on the manner of conveyance of the properties to the DepEd.</b></li> </ul>

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Magdalena Property	20	<ul style="list-style-type: none"> <li>• The AAR for the sale of Magdalena Property was submitted to COA on 07 August 2020.</li> <li>• The updated bidding procedures and the posting of the ITB for Magdalena property was approved by PSALM Bids and Awards Committee on 28 August 2020.</li> <li>• The disposal of the property commenced with the publication of the ITB on 04 September 2020. Afterwhich, a pre-bidding conference was conducted virtually on 15 September 2020.</li> <li>• As part of the bidding process, the final Agency Appraisal documents for the sale of the property was submitted to PSALM resident COA on 25 September 2020. Further, an invitation letter was sent to COA and the National Power Corporation to observe the bid submission, opening of bids as well as evaluation of the proceedings for the disposal of the Magdalena property.</li> <li>• Furthermore, an invitation letter to participate in the bidding process was also sent to the Municipal Mayor of Magdalena, Laguna as well as the posting of ITB in the Municipal Hall for the sale of the property.</li> <li>• However, the bid submission scheduled on 30 September 2020, was declared a failure after non-receipt of bids for the said property.</li> <li>• PSALM requested NPC for a joint inspection and technical survey of the Magdalena property through a letter sent on 17 December 2020. NPC, in a letter dated 29 January 2021 received by PSALM on the same day, confirmed the schedule for the joint inspection and technical survey of the property to be conducted on 11 February 2021. NPC also invited representatives from DENR-CENRO and <b>Municipal Assessor's office to join the said inspection and survey.</b></li> <li>• The property is subject to Third-Party Appraisal in 2021.</li> <li>• A joint technical survey of the subject property was conducted by PSALM, NPC, CENRO IV-A and LGU Magdalena, Laguna on 05-09 and 26-30 July 2021.</li> </ul>
Sudipen Property	3	<ul style="list-style-type: none"> <li>• The Sudipen Property, comprised of 2 lots with an aggregate area of 1,649 square meters was lined-up for disposal through public bidding in 2020.</li> <li>• After the declaration of failure of bidding due to non-receipt of bids on 28 October 2020, the PSALM Board directed that the issue concerning the occupants in the Sudipen Property be resolved first before another round of public auction be conducted. PSALM is required to prepare all the necessary documents to support the revocation of NP Board Resolution No. 91-272 dated 24 May 1991 with respect to the portion approving the proposed sale of 960 sq. m. of land in Amburayan Mini-Hydro Plant and Campsite, Sudipen La Union to identified NPC employees and further issuance of a Notice to Vacate to be prepared by the PSALM Legal Group.</li> <li>• The property is subject to third-party appraisal in CY 2021.</li> </ul>

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		<ul style="list-style-type: none"> <li>PSALM, in a letter dated 12 April 2021, requested for the revocation of NP Board Resolution No. 91-272, relative to the portion approving the proposed sale of 960 sq. m. of land in Amburayan Mini-Hydro Plant and Campsite. The said Board Resolution purports to grant certain former NPC employees the right to own and occupy portions of the Sudipen property, to the prejudice of PSALM who is mandated to privatize the entire asset to liquidate the financial obligations of NPC.</li> <li>On 10 May 2021, PSALM received a letter dated 06 May 2021 from the heirs of former NPC employees, appealing that they be allowed to acquire the Sudipen property located in Brgy. Turod, Sudipen, La Union. In the said letter they claimed that the NPC granted them such right based on NPC Board Resolution No. 91-272.</li> <li>On 08 June 2021, PSALM sent a letter dated 01 June 2021 to the heirs of former NPC employees, informing them that PSALM is constrained to dispose all of its assumed assets from NPC, including the Sudipen Property, through a public bidding in accordance with the Commission on Audit (COA) rules in the disposal of government assets.</li> <li>Having clarified the mandatory disposal of assumed assets through public bidding to the heirs of former NPC employees, PSALM maintains its stance to subject the property to third-party appraisal within 2021.</li> </ul>
Parañaque Properties	4	<ul style="list-style-type: none"> <li>The PSALM Board authorized PSALM to negotiate with the National Housing Authority (NHA) on the disposal of the 4.1-hectare lots with aggregate area of 40,963 square meters, in line with the implementation of E.O. 68, S. 2002. It also instructed PSALM that the subject property is for third party valuation. As such, procurement of the third-party appraiser was undertaken in November 2019. Final report of the appraiser was received by PSALM in December 2019 which became the basis of the MBP for the said property.</li> <li>However, PSALM opines that due to its nature and specific characteristics, the disposal of the property through any approved mode may be costly on the part of the government. Hence, PSALM is considering to transfer the property to another government agency. PSALM has coordinated with the Social Housing Finance Corporation (SHFC) for feasible community development programs which can be applied to Parañaque Property.</li> <li>SHFC informed PSALM through a meeting on 08 July 2020 that it will evaluate the Parañaque property by conducting due diligence to determine if it is a potential subject of any applicable program under SHFC.</li> <li>In December 2020, PSALM met with SHFC, LGU-Parañaque, Urban Mission Areas Development Office (UMADO), LGU Local Housing and Chairman of Barangay BF Homes to discuss the project.</li> <li>On 23 February 2021, PSALM sent <b>a letter to the City Mayor of Parañaque, requesting confirmation of the LGU's intention to acquire the property and its final offer price for the said lots.</b></li> </ul>

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		<ul style="list-style-type: none"> <li>Following the instruction of the PSALM Board, on 26 March 2021, PSALM continued its coordination through a letter dated 23 February 2021 with the SHFC and reiterated its request to be provided with specific programs applicable to the Paranaque Property and the necessary documents to be executed between these agencies for the implementation of E.O. 68.</li> </ul>
Tiwi Geothermal Power Plant Land (Putsan Property)	3	<ul style="list-style-type: none"> <li>On 18 January 2021, PSALM requested AP Renewables, Inc. (APRI) for assistance in the conduct of Third-Party Appraisal for the Putsan Property on 18 January 2021.</li> <li>On 15 February 2021, Value Metrics, Inc. submitted its initial appraisal report.</li> <li>PSALM, in its 23 February 2021 letter to LGU Tiwi that the latter received on 03 March 2021, requested confirmation of the <b>LGU of its intention to acquire PSALM's lots in Putsan, Tiwi, Albay and the LGU's indicative timeline for its acquisition plan.</b></li> <li>On 09 July 2021, PSALM received a letter dated 05 July 2021 from Municipality of Tiwi, expressing its intention to purchase and utilize various lots declared in the name of NPC-PSALM which are under LLA with APRI for the construction of the proposed Municipality of Tiwi Level II, Potable Water System Project. try to</li> <li>PSALM, on 16 July 2021, sent a letter to Mayor of Tiwi, Albay, informing the LGU that PSALM will secure approval from the PSALM Board of Directors whether it will allow selling the asset less than the fair market value but not less than the BIR zonal value of the property.</li> <li></li> </ul>
General Santos City Property - Reconveyance to Previous Owner	3	<ul style="list-style-type: none"> <li>The Gensan Property located in Calumpang, General Santos City for reconveyance is comprised of 3 lots with an aggregate area of 20,031 square meters. The disposal through reconveyance is in compliance with the provisions of the deed of sale when the property was acquired by the government.</li> <li>The heirs of Mr. Honorio Allado still need to establish their relationship with the deceased owner and to execute an Extra-Judicial Settlement and Deed of Quitclaim or Undertaking, among others, to acquire the estate from PSALM.</li> <li><b>In a letter dated 04 January 2021, PSALM requested OGCC's legal opinion on the following:</b></li> <li>Propriety of granting heirs of Mr. Allado, the vendor in the Deed of Absolute Sale (DOAS), the right to repurchase the property since there was no clear provision on whether or not the heirs should be considered as Vendors; and</li> <li>The most feasible action to apply to protect the interest of PSALM considering the huge difference between purchase price in the DOAS and the current value of the property.</li> <li>On 15 February 2021, PSALM received OGCC opinion dated 10 February 2021, recommending that the heirs of Honorario T. Allado, Sr. cannot exercise the right to repurchase PSALM's General Santos property.</li> </ul>

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		<ul style="list-style-type: none"> <li>On 14 April 2021, PSALM sent a letter dated 07 April 2021 through electronic mail to Mr. Arturo Ramon Allado, one of the heirs of <b>Mr. Honorario T. Allado, Sr., informing him of PSALM’s constraint in implementing the reconveyance of the property</b> stemming from the unfavorable legal opinion from the Office of the General Counsel.</li> <li>Further to the OGCC opinion dated 10 February 2021, PSALM sent another letter, dated 11 May 2021, requesting it to further study the legality and validity of the claim of the heirs of Mr. Allado on the reconveyance of the property.</li> <li>On 28 July 2021, PSALM received OGCC opinion No. 267 dated 27 July 2021, reiterating OGCC opinion No. 049, Series of 2021, rendering Section 3 of the 1978 DOAS as repugnant to public policy and contravenes the COA rules.</li> </ul>
Bagac Property (Lease Agreement with PCG)		<ul style="list-style-type: none"> <li>The Bagac Property is comprised of 19 lots with an aggregate area of 439,727 square meters. The property has been initially considered for conceptual design and master planning. However, DOE expressed concerns on the privatization of the Bagac Property in view of its potential uses for the nuclear power program that DOE seeks to pursue. Thus, in a letter dated 12 March 2019, PSALM informed DOE that it is suspending the design contest for the master planning of Bagac property.</li> <li>A portion of the said property is currently under lease with the Philippine Coast Guard (PCG), while the hotel and training center facilities are being operated and maintained by PSALM. The execution of a new Contract of Lease of the property between PSALM and PCG was approved by the PSALM Board on 27 January 2021. The new contract of lease is being reviewed by the OGCC.</li> <li><b>PSALM received OGCC’s review on the Contract of Lease on 15 February 2021. Subsequently, PSALM transmitted two (2) copies</b> of the signed and notarized Contract of Lease to PCG, including other pertinent annexes through a letter dated 18 February 2021.</li> <li>The property is subject to third-party appraisal.</li> </ul>
Puerto Azul Condominium Units and Puerto Azul Golf and Country Club (PAGCC) Share		<ul style="list-style-type: none"> <li>The Puerto Azul Property, comprised of two (2) condominium units and club share, is for disposal through public bidding.</li> <li>The bidding preparation started with the appraisal by AVISO and Asian Appraisal of the property which serves as the guide in setting the MBP for the disposal of said assets.</li> <li>PSALM used the results of the valuation of third-party appraisers in updating the profile of the assets and proceeded with the drafting of the AAR and the bidding documents.</li> <li>However, the bid submission deadline, scheduled on 20 January 2021, was declared a failure after non-receipt of bids.</li> <li>Subsequently, on 02 February 2021, the PBAC declared a failure of bidding and recommended the commencement of third-round of bidding for the property. Procurement of a third-party appraisal (TPA) was also recommended by the PBAC.</li> <li>PSALM met with the resident PSALM CoA on 10 February 2021 to clarify the guidelines for downward adjustment of the MBP due to failed biddings.</li> </ul>

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		<ul style="list-style-type: none"> <li>• The procurement of TPA for Puerto Azul Property and other REAs commenced on 08 February 2021. The pre-bidding conference was conducted on 19 February 2021.</li> <li>• PSALM requested technical guidance from COA-TSA through a letter dated 10 March 2021. The said letter requested for specific guidelines that can be adopted by PSALM in adjusting the MBP to make it responsive to the actual condition of the assets and feedback from prospective bidders.</li> <li>• The commencement of 3rd round of bidding shall be scheduled upon the completion of the 3rd party appraisal of the asset. Note that the 1st round of bidding for the procurement of the TPA was declared a failure on 04 March. Subsequently, the second round of bidding for TPA which commenced on 24 March 2021 was also declared a failure on 19 April 2021. PSALM is now preparing for the commencement of the 3rd round of bidding for TPA.</li> <li>• On 10 May 2021, PSALM received an offer from a private individual to purchase the property at PHP4,000,000.00 in total for both units. PSALM then informed the private individual through letters dated 07 April and 19 May 2021, that the properties will be disposed through public bidding after the results of the third-party appraisal on the same.</li> <li>• On 29 June 2021, through a letter, PSALM conveyed to PAGCC the eligibility requirements and sale process.</li> <li>• PSALM is in the process of drafting the Offer to Sell (OTS) pursuant to Master of Deed of Declaration and PAGCC by laws, in preparation for the sale of of the properties to the member/club.</li> <li>• The bidding schedule for the Puerto Azul Property will be subject to the results of the 3rd party appraisal.</li> <li>• To commence the 3rd round of bidding for the TPA, ITB was published on 15 May 2021. The pre-bidding conference that ensued on 25 May 2021 was attended by Asian Appraisal, Inc. and Valuometrics, Inc.</li> <li>• The bid-opening for the 3rd party appraiser was conducted on 08 June 2021. The Asian Appraisal Company, Inc. (AACI) (for lot 1) and Valuometrics, Inc. (VMI) (for lot 2) were declared as the winning appraisers. Subsequently, the NOA were issued to Asian Appraisal and Valuometrics, Inc. on 25 June 2021 and 30 June 2021, respectively.</li> <li>• On 21 July 2021, the Notice to Proceed (NTP) and Contract were issued to AACI and VMI. A coordination meeting between PSALM, AACI and VMI was also conducted on the same date to discuss the details of the requirements and conduct of appraisal.</li> <li>• On 26-28 July 2021, PSALM assisted AACI and VMI in the conduct of inventory and inspection of the property.</li> <li>• The final appraisal reports of VMI and AACI were received on 16 August 2021.</li> </ul>

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		<ul style="list-style-type: none"> <li>• The commencement of next round of sale was approved by the PSALM Board in its meeting on 25 August 2021. The sale shall be composed of three (3) stages as follows:                             <ul style="list-style-type: none"> <li>i. Issuance of Offer to Sell (OTS) to qualified PAGCC members for the Club Share</li> <li>ii. Issuance of OTS to qualified PAGCC members for the Condo Units and Club Share (if Stage 1 fails)</li> <li>iii. Conduct of Public Auction (if stage 2 fails)</li> </ul> </li> <li>• On 27 August 2021, PSALM submitted the Agency Appraisal Documents (AAD) to COA.</li> <li>• On 17 September 2021, PSALM issued the OTS to the Ocean Villas Condominium Corporation (OVCC) and PAGCC members.</li> </ul>
Limay Housing and Land underlying the Bataan Thermal Power Plant (BTTP)	32	<ul style="list-style-type: none"> <li>• Several discussions with the Provincial Government of Bataan (PGB) and Municipal Government of Limay (MGL) on their interest to purchase the Limay and Bataan Properties had been undertaken but did not reach successful negotiation due to lower offers by both governmental bodies and other issues with the lots.</li> <li>• On 07 September 2021, PSALM submitted the Agency Appraisal Documents to COA for the commencement of Sale of the 14 Lots of Bataan Properties through public bidding.</li> <li>• On 22 September 2021 meeting, the PSALM Board approved the disposal of the properties as one package through a public bidding.</li> <li>• <b>On 28 September 2021, PSALM through a letter dated 27 September 2021, declined PGB’s revised offer price and invited it, instead, to participate in the competitive bidding for the Bataan Properties.</b></li> <li>• On the same date, PSALM also transmitted letter to MGL dated 27 September 2021, declining its offer price which is below the MBP and likewise invited it to participate in the competitive bidding for the Bataan Properties.</li> <li>• To commence with the public bidding, the ITB was published on 29 September 2021 in three (3) leading newspapers three (3) consecutive days. The ITB was also posted on the PSALM website together with the Bidding Package consisting of Bidding Procedures, and Asset Profile and its Annexes.</li> <li>• On 30 September 2021, PSALM sent a letter to NGCP dated 23 September 2021, requesting for confirmation of data and sketch plan of expropriated land.</li> <li>• The bid submission deadline is on 05 November 2021.</li> </ul>
Mexico Property	1	<ul style="list-style-type: none"> <li>• Mexico property is a 50,447 square metered property located in Barangay Lagundi, Mexico, Pampanga.</li> <li>• In 2020, PSALM conducted one (1) bidding for the property and was declared a failure as there were no bid offers received.</li> </ul>

Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>• <b>PSALM secured the Board’s</b> approval of the declaration of failure of bidding and the commencement of the 2nd round of bidding on 25 November 2020.</li> <li>• <b>The 2nd round of bidding for the property commenced with the publication of an ITB which was also posted on PSALM’s website</b> on 05 January 2021.</li> <li>• To attract more participants to the bidding process, PSALM has undertaken the following:                         <ul style="list-style-type: none"> <li>i. <b>Requested Philippine Economic Zone Authority’s assistance in the promotion/marketing of the sale of the said</b> property;</li> <li>ii. Press releases for the sale of the property posted in PSALM social media account;</li> <li>iii. Installed tarpaulin at the site for the sale of the property;</li> <li>iv. Letter of invitations (dated 21 January 2021) were sent to all prospective bidders to participate in the bidding process; and</li> <li>v. Invited the LGUs of Pampanga to participate in the bidding process as well as posting of the ITB in their respective municipal hall.</li> </ul> </li> <li>• The pre-bidding conference was held last 10 February 2021. Further, amendments to the bidding activities were issued through SBB No. 1 on 16 February 2021.</li> <li>• The bidding activities to follow, including the setting of the Minimum Bid Price by the PSALM Board, shall be scheduled upon the completion of the 3rd party appraisal of the asset. Note that the 1st round of bidding for the procurement of TPA was declared a failure on 04 March. Subsequently, the second round of bidding for TPA commenced which commenced on 24 March 2021 was also declared a failure. PSALM is now preparing for the commencement of the 3rd round of bidding for TPA.</li> <li>• SBB No. 3, amending IB-3 of the bidding schedule, was published in the PSALM website on 03 May 2021.</li> <li>• To commence the 3rd round of bidding, an ITB was published on 15 May 2021. A pre-bidding conference conducted on 25 May 2021 and was attended by Asian Appraisal, Inc. (AACI) and Valuemetrics, Inc. (VMI)</li> <li>• The bid-opening for the 3rd party appraiser was conducted on 08 June 2021. AACI (for lot 1) and VNI (for lot 2) were declared as the winning appraisers. Subsequently, the NOA were issued to Asian Appraisal and Valuemetrics, Inc. on 25 June 2021 and 30 June 2021, respectively.</li> <li>• On 21 July 2021, PSALM discussed the technical specifications and other concerns on the appraisal with AACI and VMI. Subsequently, the appraiser conducted a site visit on 30 July 2021.</li> <li>• The final appraisal reports of VMI and ACCI were received on 16 August 2021.</li> </ul>



Assets for Disposal	Number of Lots	Status
		<ul style="list-style-type: none"> <li>Supplemental Bid Bulletin No. 3 was issued and posted on the PSALM website, amending the bid submission deadline from 08 September 2021 to 20 October 2021.</li> <li>On 25 August 2021, PSALM Board approved the Minimum Bid Price (MBP) for the 2nd round of Public Bidding of the Mexico Property.</li> <li>On 02 September 2021, Supplemental Bid Bulletin No. 4 relative to the MBP was issued and was posted on the PSALM website.</li> <li>The pre-bid conference was conducted on 15 September 2021.</li> </ul>
Sucat Property	3	<ul style="list-style-type: none"> <li>The Sucat Property is located in TM Road, Barangay Sucat, Muntinlupa City and is the site of the former 850MW Decommissioned Sucat Thermal Power Plant. It has a total land area of about 198,466 square meters or 19.8466 hectares. It is comprised of three (3) lots, two (2) of which are under the name of the Republic of the Philippines (RoP), while the other lot is a reclaimed land which is still unregistered.</li> <li>On 04 February 2021, PSALM met with the Department of Transportation (DOTr) to discuss the intention of DOTr to acquire the Sucat property. DOTr has expressed its plans to use the site for its North-South Commuter Railway Project (NSCR) and PNR South Long-Haul Project (SLH).</li> <li>The NSCR is a 147km mass transportation railway system linking Region 3, the NCR and Region IV-A, while the SLH is a 639km railway system linking the NCR, Region IV-A and Region V. Both projects were approved by the National Economic and Development Authority (NEDA) Board on 15 November 2018 and 12 September 2017, respectively.</li> <li>In order for the proposal by the DOTr to commence, PSALM Board, on its 24 February 2021 meeting, granted the authority to the PSALM PCEO to negotiate for Sucat Property with the DOTr.</li> <li>PSALM provided DOTr with brief profile of the Sucat property and other relevant information/data necessary in the conduct of appraisal by DBP/LBP. PSALM also commented on the proposed terms of reference and quotation of DBP for the appraisal of Sucat Property.</li> <li><b>On 06 April 2021, PSALM transmitted its comments on DBP's feedback on PSALM's proposed revisions to the Appraisal Contract to the DOTr.</b> Meanwhile, to discuss the appraisal of the structures in Sucat Property, PSALM requested a meeting with DBP Team through DOTr.</li> <li><b>As of 31 May 2021, PSALM is awaiting the finalization of the DOTr's plan to engage a Government Financial Institution as a third-party consultant for the appraisal of the Sucat property.</b></li> <li><b>PSALM requested updates on the status of DBP's appraisal of the Sucat property from DOTr through e-mail dated 01 June 2021.</b></li> </ul>

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		<ul style="list-style-type: none"> <li>On 23 July 2021, PSALM requested DOTr, through a letter dated_15 July 2021, to submit an official offer price not lower than the 3rd party valuation by DBP or any GFI within thirty (30) days from receipt of the letter. DOTr responded, informing PSALM that DOTr will sign the appraisal contract with DBP and likewise informed PSALM that the appraisal will commence immediately.</li> <li>The negotiation process is pending as the DOTr still has to engage a GFI to conduct a valuation on the property.</li> <li>Further, DOTr has reiterated its keen interest to purchase the property in its letter dated 12 August 2021 and requested land-related documents to be able to proceed with the engagement of DBP as 3rd party appraiser.</li> <li>The requested documents were provided to DoTR through a letter dated 26 August 2021. PSALM also informed DoTr that PSALM targets to complete and execute the MOA within the year.</li> <li>On 02 September 2021, PSALM sent a letter dated 26 August 2021 to DOTr, providing documents relative to Sucat reclaimed property, Sucat property profile and indicative timeline for the negotiated sale.</li> </ul>
Master Planning of Diliman Property		<ul style="list-style-type: none"> <li>The Master Planning of Diliman Property requires the conduct of a Feasibility Study to determine the highest and best use of the property. This is the next step after the successful conduct of Architechtural Design Contest in July 2019.</li> <li>PSALM contracted the consultancy services of PwC Philippines/Isla Lipana &amp; Co. (PwC) through a competitive selection process. As part of its consultancy services, PwC was required to submit its initial assessment and preliminary reports which were discussed in depth between PSALM and PwC. PwC submitted its final report (Phase 3) to PSALM in May 2020.</li> <li>PSALM requested OGCC to assign a lawyer to assist in the Feasibility Study and also requested for a meeting to discuss the propriety of PSALM crafting its own Joint Venture (JV) guidelines or adopting the NEDA JV guidelines which was discussed in <b>detail in a coordination meeting between PSALM and OGCC in March 2020. PSALM, likewise, requested for the OGCC’s opinion</b> on whether PSALM is exempted from the coverage of the 2013 Revised NEDA JV Guidelines.</li> <li>PSALM received the OGCC opinion on 09 June 2020 which conveys that PSALM is exempted from the 2013 NEDA JV Guidelines, thus, PSALM can craft its own JV guidelines.</li> <li>On 19 November 2020, PWC submitted the updated (from the June 2020) report with the inclusion of long-term lease in the privatization structures and updating of some computations based on validation done by PSALM.</li> <li>PSALM, on 10 December 2020 Board Review Committee meeting, presented the results of the FS, privatization updates and policy concerns on the Diliman Property. A meeting with DOF Secretary was also held on the same date wherein PSALM presented updates on the results of the FS and discussed the privatization options, particularly, the long-term lease structure as well as the plan to develop the property into a prime mixed-use development.</li> </ul>

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		<ul style="list-style-type: none"> <li>• On 03 March 2021, PSALM received the comments/inputs of BCDA to the FS.</li> <li>• PSALM in a letter dated 15 March 2021, informed PwC of the following instructions and comments from Sec. C. G. Domiguez:                         <ul style="list-style-type: none"> <li>i. Pursue the long-term lease where PSALM retains ownership of the property at the end of the term.</li> <li>ii. Revisit the assumptions for occupancy and lease rates to reflect the effect of the pandemic and actual market conditions in Quezon City. The Secretary noted that the assumed occupancy and lease rates are too high</li> <li>iii. Adopt the base case scenario of construction period of seven (7) years.</li> </ul> </li> <li>• A meeting between PSALM and PwC was conducted on 29 March 2021 to discuss the comments and inputs of Sec. Dominguez and BCDA.</li> <li>• A benchmarking activity was conducted with the BCDA on 27 April 2021 to determine the best practices on the disposal of properties similar to the Diliman Property.</li> <li>• PSALM, through a letter dated 04 May 2021, informed PwC that it is amenable to the recommended date for submission of presentation materials and updated final report.</li> <li>• The updated report of the PwC was presented to the PSALM Board on 28 July 2021. Same report was presented to the Chairman of the Board on 13 August 2021. Subsequently, the Chairman provided his instructions as follows:                         <ul style="list-style-type: none"> <li>i. Proceed with the privatization under long term lease; and</li> <li>ii. Delist the Locsin Buildings from NCAA list and include in the scope of site development</li> </ul> </li> <li>• The bidding is scheduled in 2022 and the financial closing is in 2023.</li> <li>• PWC, on 08 September 2021, conducted a seminar/training on the results of its Feasibility Study (FS) on the Diliman property.</li> <li>• PSALM, on 20 September 2021, transmitted a letter to OGCC, requesting clearance to proceed with the privatization of Diliman property through a long-term operating lease structure.</li> <li>• The final report on the FS was received by PSALM on 21 September 2021.</li> </ul>