

## INVITATION TO BID

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

*Plant Equipment, Structures, Auxiliaries, and Accessories of the  
850 MW Sucat Thermal Power Plant  
located in Sucat, Muntinlupa City, Metro Manila*

The Asset is being disposed on an "as is, where is" basis.

Interested parties must submit a Letter of Interest (LOI) stating their full name, address, telephone and fax number, name of the principal contact, and signed by an authorized representative. All LOIs must be received by the PBAC at the PSALM Office with address at the 7<sup>th</sup> Floor Bankmer Building, 6756 Ayala Avenue, Makati City, not later than 5:00 p.m. on 19 December 2013 (the LOI Submission Deadline). Only interested parties that submit an LOI by the LOI Submission Deadline shall be allowed to participate further in the disposal 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 One Hundred Thousand Pesos (PhP 100,000.00) (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 PBAC on or before 5:00 p.m. on 20 December 2013 to entitle an interested party further participation in the disposal 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 6 to 20 December 2013 (the Deadline) at the PSALM Office. Only interested parties who have been issued the Bidding Package by the Deadline will be allowed to participate further in the disposal of the Asset.

An interested party that submits the LOI must be the party that will participate in the disposal 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 disposal 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 a consortium must be submitted to the PBAC on or before the deadline set for the same in the Bidding Procedures.

The schedule of the bidding activities shall be as follows:

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|-------------------------|---|
| Due Diligence           | : 6 December 2013 to 10 March 2014              |
| Pre-Bid Conference      | : 7 January 2014, 2:00 p.m. at the PSALM Office |
| Bid Submission Deadline | : 12 March 2014, 12:00 noon at the PSALM Office |

References to the dates and times shall be based on Philippine Standard 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 One Hundred Five Thousand U.S. Dollars (U.S.\$ 105,000.00) in the form of an irrevocable stand-by letter of credit (SBLC) or through wire/telegraphic transfer in lieu of SBLC which must be acceptable to the PBAC. All bank charges, if any, shall be for the account of the interested party. The bid security of the winning bidder shall be substituted by a performance security as guaranty for the prompt, faithful and complete performance of its obligations under the transaction. The details of the disposal 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, 7<sup>th</sup> Floor, Bankmer Building, 6756 Ayala Avenue, Makati City, Philippines. Inquiries and clarifications shall be addressed to Mr. Lorenzo L. Jacinto II at the PSALM Office or at telefax number (632) 739-5221 or e-mail address [lljacinto@psalm.gov.ph](mailto:lljacinto@psalm.gov.ph).

The PBAC 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 in the proposal or bid and accept the offer advantageous to the Government, without offering any reason whatsoever. The PBAC 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 disposal process, nor does it guarantee that an award will be made. Finally, the PBAC reserves the right to modify, supplement or change the Bidding Procedures and other aspects of the disposal process at any time, including the schedule and the venue provided herein, for any reason whatsoever and without giving prior notice. Interested parties or bidders will be notified subsequently of such modifications, supplements or changes.

**EMMANUEL R. LEDESMA, JR.**  
Chairman  
PSALM Privatization, Bids and Awards Committee  
(5, 6, and 7 December 2013)