



**National Association of Electricity Consumers for Reforms**  
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May 13, 2010

**ATTY. MA. LUZ L. CAMINERO**  
Acting President and CEO, PSALM  
7<sup>th</sup> Floor Bankmer Building  
Ayala Avenue, Makati City

Dear Madame Caminero,

Greetings!

This refers to the ongoing privatization of NPC assets in Luzon and Visayas by PSALM in accordance with Section 51 of the Electric Power Industry Reform Act (EPIRA).

We note from PSALM's website that the last plant in Luzon that was privatized was the 218 MW Angat Hydro Electric Power Plant (HEPP) and this was successfully sold to the Korea Water Resources Development Corporation, which had the highest bid of US\$440.88 million.

We understand that the proceeds from the privatization of NPC assets will be used to meet the NPC loans and contract liabilities, which were assumed by PSALM.

In this regard, may we be furnished with the amount of NPC's stranded debts and stranded contract costs as calculated by PSALM in accordance with the provision of the law from December 2004 to December 2009?

Further, may we also be furnished the list of privatized NPC power plants in Luzon and Visayas, their respective dates of privatization, names of successful bidders, and the amount of the proceeds from each of the privatized plant, including the proceeds from the National Transmission Company concession agreement? In addition, may we be furnished the net book value of each plant immediately prior to its privatization so that we may know if the privatization was implemented in accordance with the privatization objective?

Lastly, may we know to what agency were the proceeds of these privatization submitted and may we request a copy of the transmittal letter, please?

In the spirit of transparency and accountability, we hope PSALM will immediately grant our request.

Thank you and God bless.

Very truly yours,

**PETE L. ILAGAN**  
President

Cc: **Hon. Juan Ponce Enrile, Senate President**  
**Hon. Prospero Nograles, Speaker- House of Representatives**  
**Hon. Leandro R. Mendoza, Executive Secretary**  
**Hon. Gregorio B. Honasan, Chair, Senate Committee on Energy**  
**Hon. Mikey M. Arroyo, Chair House Committee on Energy**  
**Hon. Jose C. Ibazeta, Acting DOE Secretary**  
**Ms. Elzadia Washington, Mission Director-USAID**  
**Mr. Bert Hofman, Country Director-World Bank**  
**Mr. Neeraj Jain, Country Director- Asian Development Bank**  
**Mr. Francis C. Chua, Philippine Chamber of Commerce**  
**Mr. Austen Chamberlain, American Chamber of Commerce**  
**Mr. Hubert D' Aboville, European Chamber of Commerce**