



GSIS INSURANCE BIDS AND AWARDS COMMITTEE (GIBAC)

POWER SECTOR ASSETS & LIABILITIES MANAGEMENT (PSALM) CORPORATION

Industrial All Risk with Sabotage & Terrorism and Marine Hull for Power Barge

Bid Bulletin No. 1

14 October 2015

This Bid Bulletin No. 1 is issued as an amendment and shall form as an integral part of the bidding documents.

Query: Clarification on how the values (Revalued Cost – New) for the following items were arrived at.

Under the “DETAILED SCHEDULE OF ASSETS “of the PROPOSED POLICY WORDINGS, the following nine (9) items are valued (Revalued Cost – New) at Php2,250,000,000.00 each, which is also equivalent to the Limit of Liability under The SCHEDULE OF LIMIT OF LIABILITY AND DEDUCTIBLE.

I.	Utility/Operating Assets	Revalued Cost – New
1 .	MINDANAO GENERATION	
	Agus HEPP 1&2	2,250,000,000.00
	Agus HEPP 4&5	2,250,000,000.00
	Agus HEPP 6&7	2,250,000,000.00
	Pulangi HEPP 4	2,250,000,000.00
3 .	IPP-SOUTH LUZON	
	Malaya TPP 1&2	2,250,000,000.00
5 .	DAMS	
	San Roque Dam	2,250,000,000.00
	Angat Dam	2,250,000,000.00
	Agus Dam	2,250,000,000.00
II.	NON-UTILITY/NON-OPERATING	
1.	Sucacat TPP 1-4	2,250,000,000.00
	TOTAL	20,250,000,000.00

Reply: Based on the letter of PSALM dated 19 August 2015, the Total Sum Insured (TSI) does not pertain to the net book values of the assets but to the gross/replacement values.

That the adjustment in the TSI was made to the replacement values of properties which exceeded the limit of liability i.e. the amount of Php2.25 Billion is adopted instead as the sum insured in lieu of the replacement cost, considering that the Php2.25 Billion is the maximum amount of indemnification that can be recovered in the IAR and not the TSI.

The decrease in the TSI from the existing policy was due to the recent sale of the PSALM's major assets which includes Naga Power Plant Complex, Angat Hydroelectric Power Plant and the Power Barges 101, 102 and 103.

All other terms and conditions remain unaltered.

For the information and guidance of all concerned.

(Sgd.) ATTY. ALEXEI P. CARDENAS

Vice Chairperson

GSIS Insurance Bids and Awards Committee