

aboitiz outlook



- **AP Renewables pay P12 bn for Tiwi-Makban geothermal facilities**

Aboitiz Power Corporation wholly-owned subsidiary, AP Renewables, Inc. (APRI) paid yesterday (Sept. 30, 2009) to the Power Sector Assets and Liabilities Management Corporation (PSALM) the sum of P12,127,533,197.18 as full payment for the Tiwi-Makban geothermal facilities, inclusive of accrued interest.

The complex is composed of the 289-MW Tiwi plants in Albay and the 458-MW Makban facilities in Laguna and Batangas collectively referred to as the 'Tiwi-Makban geothermal facilities.

The bid for both power facilities covers their generating assets, which were offered on an "as is, where is" basis, structures and improvements, spare parts, and general plant equipment.

APRI earlier paid PSALM in May of this year the sum of P8.29 billion representing the 40% downpayment to the purchase price stipulated in the Asset Purchase Agreement (APA) as a precondition to the turnover of the Tiwi-Makban geothermal facilities. The 60% balance in the purchase price was supposed to be paid over a period of seven years in fourteen equal semi-annual installments under the terms of the APA.

APRI won the competitive bid conducted by PSALM for the sale of the Tiwi-Makban geothermal facilities on July 30, 2008. The Tiwi-MakBan geothermal facilities have a sustainable capacity of approximately 462 megawatts.

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