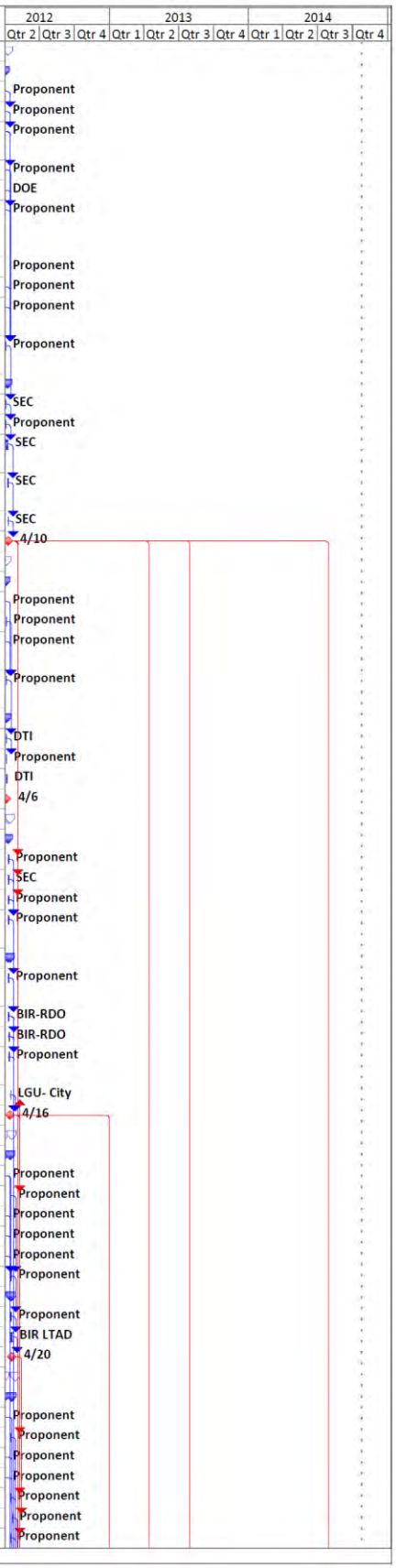
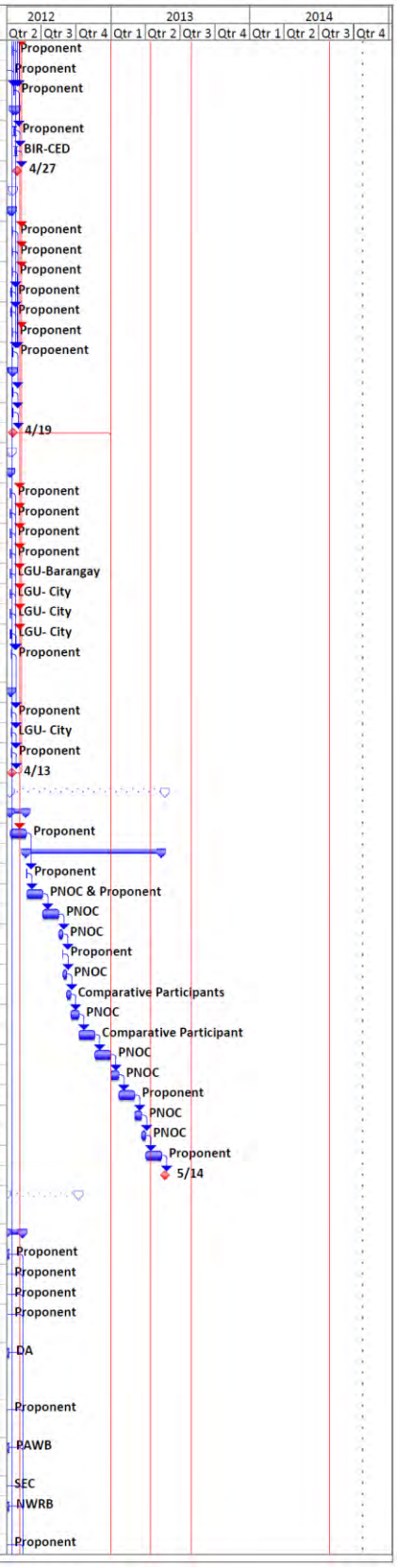
Annex

Annex ⅰ Procedure and Schedule for promotion of BatMan 1 Gas Pipeline

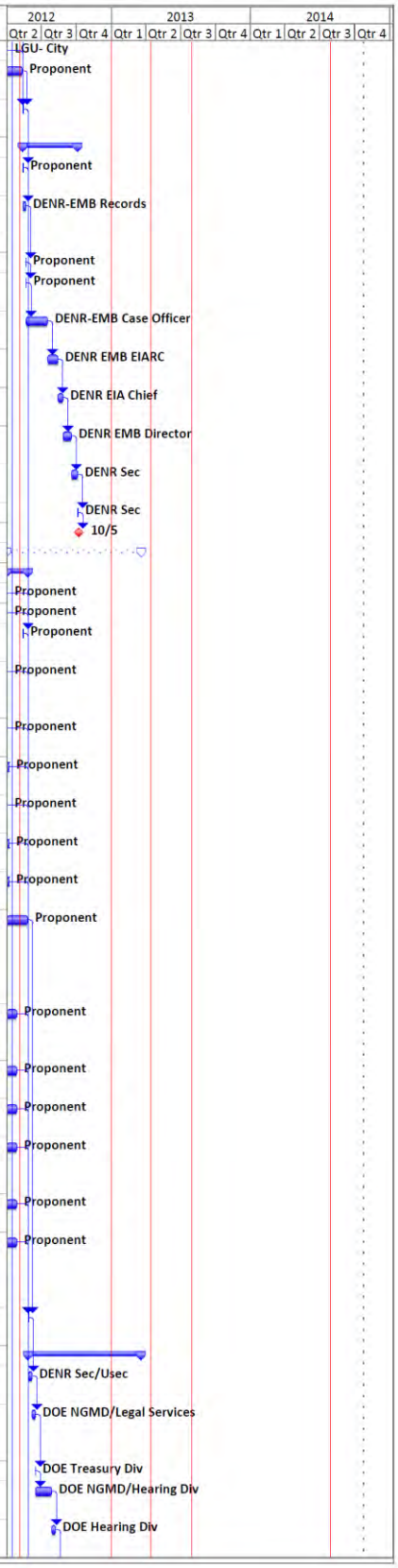
ID	Task Name	Duration	Start	Finish
1	**SEC Incorporation (April 2, 2012 set as example)**	**7 days**	**Mon 4/2/12**	**Wed 4/11/12**
2	**Preparation of requirements**	**1.4 days**	**Mon 4/2/12**	**Tue 4/3/12**
3	Verify corporate name	0.2 days	Mon 4/2/12	Mon 4/2/12
4	Secure name verification slip	0.2 days	Mon 4/2/12	Mon 4/2/12
5	Articles of Incorporation and By-laws	0.5 days	Mon 4/2/12	Mon 4/2/12
6	Treasurer's Affidavit	0.5 days	Mon 4/2/12	Tue 4/3/12
7	Endorsement clearance (TBC)	1 day	Mon 4/2/12	Mon 4/2/12
8	AAB Certificate of Inward Remittance/ Bank Certificate of Deposit	0.5 days	Mon 4/2/12	Tue 4/3/12
9	Registration Data Sheet	0.5 days	Mon 4/2/12	Mon 4/2/12
10	FIA application form	0.5 days	Mon 4/2/12	Mon 4/2/12
11	Undertaking to change corporate name	0.5 days	Mon 4/2/12	Mon 4/2/12
12	Complete preparation of requirements	1 min	Tue 4/3/12	Tue 4/3/12
13	**Processing of application**	**5.5 days**	**Tue 4/3/12**	**Tue 4/10/12**
14	Pre processing by SEC CRMD	0.4 days	Tue 4/3/12	Tue 4/3/12
15	Payment of SEC filing fees	0.1 days	Tue 4/3/12	Tue 4/3/12
16	SEC Review and preparation of Certificate of Incorporation	3.5 days	Tue 4/3/12	Mon 4/9/12
17	Approval and signature of CRMD Director	1 day	Mon 4/9/12	Tue 4/10/12
18	Encoding of documents	0.5 days	Tue 4/10/12	Tue 4/10/12
19	Release of COR and purchase of Stock and Transfer	0.1 days	Tue 4/10/12	Wed 4/11/12
20	**DTI Business Name Registration**	**4.8 days**	**Mon 4/2/12**	**Fri 4/6/12**
21	**Preparation of requirements**	**3.31 days**	**Mon 4/2/12**	**Thu 4/5/12**
22	Accomplished application form	1 day	Mon 4/2/12	Mon 4/2/12
23	SEC COR	1 min	Thu 4/5/12	Thu 4/5/12
24	Board resolution authorizing business name registration and signatory	1 day	Mon 4/2/12	Mon 4/2/12
25	Complete preparation of requirements	1 min	Thu 4/5/12	Thu 4/5/12
26	**Processing of application**	**1.49 days**	**Thu 4/5/12**	**Fri 4/6/12**
27	Business name verification	0.5 days	Thu 4/5/12	Thu 4/5/12
28	Payment of filing fees	0.5 days	Thu 4/5/12	Fri 4/6/12
29	Approval of registration	0.8 days	Fri 4/6/12	Fri 4/6/12
30	DTI COR	0.2 days	Fri 4/6/12	Fri 4/6/12
31	**BIR Registration and DST payment**	**3.1 days**	**Wed 4/11/12**	**Mon 4/16/12**
32	**Preparation of requirements**	**0.5 days**	**Wed 4/11/12**	**Wed 4/11/12**
33	BIR Application for Registration	0.5 days	Wed 4/11/12	Wed 4/11/12
34	SEC Certificate of Registration	1 min	Wed 4/11/12	Wed 4/11/12
35	DST Declaration/Return	0.5 days	Wed 4/11/12	Wed 4/11/12
36	Complete preparation of requirements	1 min	Wed 4/11/12	Wed 4/11/12
37	**Processing of application**	**2.5 days**	**Wed 4/11/12**	**Mon 4/16/12**
38	Submission to the Revenue District Office	0.25 days	Wed 4/11/12	Wed 4/11/12
39	Processing of application	0.25 days	Wed 4/11/12	Thu 4/12/12
40	Issuance of TIN	0.25 days	Thu 4/12/12	Thu 4/12/12
41	Payment of registration fees and DST on subscription	0.25 days	Thu 4/12/12	Thu 4/12/12
42	Mayor's Permit	1 min	Mon 4/16/12	Mon 4/16/12
43	Issuance of BIR COR	0.1 days	Mon 4/16/12	Mon 4/16/12
44	**BIR EFPS Registration**	**14.81 days**	**Mon 4/2/12**	**Fri 4/20/12**
45	**Preparation of requirements**	**11.11 days**	**Mon 4/2/12**	**Tue 4/17/12**
46	Letter of intent	0.2 days	Mon 4/2/12	Mon 4/2/12
47	ITS Registration	1 day	Mon 4/16/12	Tue 4/17/12
48	Certification to enroll	0.2 days	Mon 4/2/12	Mon 4/2/12
49	email account	10 mins	Mon 4/2/12	Mon 4/2/12
50	Internet access	10 mins	Mon 4/2/12	Mon 4/2/12
51	Complete preparation of requirements	1 min	Tue 4/17/12	Tue 4/17/12
52	**Processing of application**	**3.5 days**	**Tue 4/17/12**	**Fri 4/20/12**
53	EFPS registration through BIR website	0.5 days	Tue 4/17/12	Tue 4/17/12
54	BIR review of application	3 days	Tue 4/17/12	Fri 4/20/12
55	BIR notifies taxpayer of registration	0.2 days	Fri 4/20/12	Fri 4/20/12
56	**BIR Tax Clearance for Bidding**	**20.03 days**	**Mon 4/2/12**	**Mon 4/30/12**
57	**Preparation of requirements**	**14.83 days**	**Mon 4/2/12**	**Fri 4/20/12**
58	Letter request	0.2 days	Mon 4/2/12	Mon 4/2/12
59	Application for tax clearance	0.2 days	Mon 4/16/12	Mon 4/16/12
60	Articles of incorporation	10 mins	Mon 4/2/12	Mon 4/2/12
61	Special power of attorney	0.2 days	Mon 4/2/12	Mon 4/2/12
62	BIR Certificate of registration	10 mins	Mon 4/16/12	Mon 4/16/12
63	Proof of EFPS enrollment	10 mins	Fri 4/20/12	Fri 4/20/12
64	Payment form	10 mins	Mon 4/16/12	Mon 4/16/12



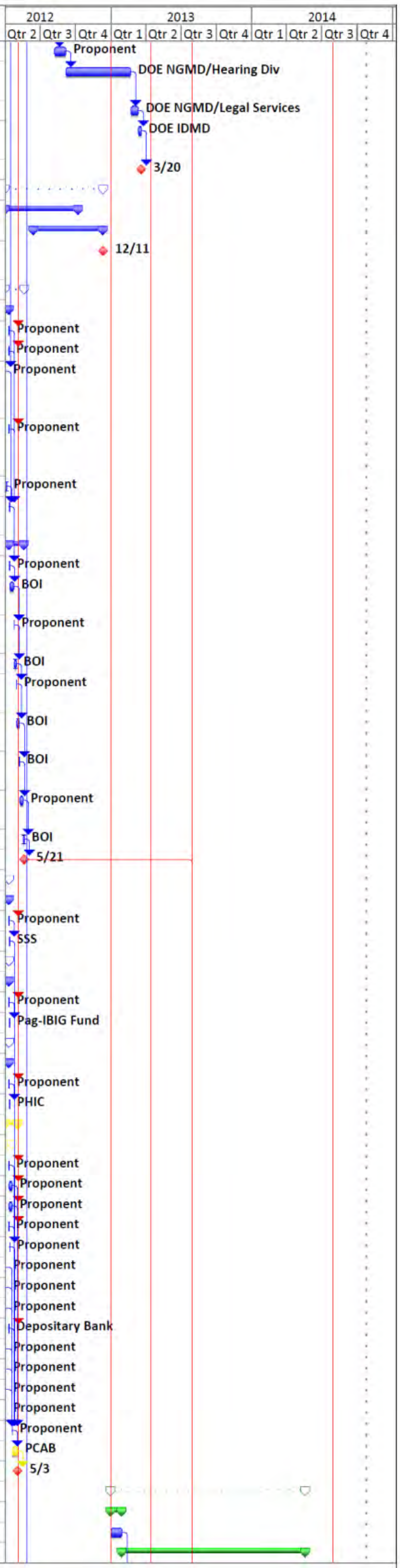
ID	Task Name	Duration	Start	Finish
65	Certification fee	0.2 days	Mon 4/16/12	Mon 4/16/12
66	Documentary stamps	0.2 days	Mon 4/2/12	Mon 4/2/12
67	Complete preparation of requirements	1 min	Fri 4/20/12	Fri 4/20/12
68	**Processing of application**	**5 days**	**Fri 4/20/12**	**Fri 4/27/12**
69	Submission of requirements to CED	0.2 days	Fri 4/20/12	Mon 4/23/12
70	CED processing of application	4.8 days	Mon 4/23/12	Fri 4/27/12
71	Issuance of tax clearance for bidding	0.2 days	Fri 4/27/12	Mon 4/30/12
72	**BIR Authority to Print Receipts**	**5.3 days**	**Thu 4/12/12**	**Thu 4/19/12**
73	**Preparation of requirements**	**3.1 days**	**Thu 4/12/12**	**Tue 4/17/12**
74	Job order	1 day	Mon 4/16/12	Tue 4/17/12
75	Final and clear samples	1 day	Mon 4/16/12	Tue 4/17/12
76	BIR Certificate of Registration	10 mins	Mon 4/16/12	Mon 4/16/12
77	Taxpayer identification number card	10 mins	Thu 4/12/12	Thu 4/12/12
78	BIR Registration Fee	10 mins	Thu 4/12/12	Thu 4/12/12
79	BIR Certificate of Registration	10 mins	Mon 4/16/12	Mon 4/16/12
80	Complete preparation of requirements	1 min	Tue 4/17/12	Tue 4/17/12
81	**Processing of application**	**2 days**	**Tue 4/17/12**	**Thu 4/19/12**
82	Submission of documents to the BIR	0.2 days	Tue 4/17/12	Tue 4/17/12
83	BIR processing of application	1.8 days	Tue 4/17/12	Thu 4/19/12
84	Issuance of authority to print receipts	0.2 days	Thu 4/19/12	Thu 4/19/12
85	**LGU Mayor's Permit**	**3 days**	**Wed 4/11/12**	**Mon 4/16/12**
86	**Preparation of requirements**	**2 days**	**Wed 4/11/12**	**Fri 4/13/12**
87	Application for Mayor's Permit	0.4 days	Wed 4/11/12	Wed 4/11/12
88	SEC Articles of Incorporation	1 min	Wed 4/11/12	Wed 4/11/12
89	Lease Contract	0.5 mins	Wed 4/11/12	Wed 4/11/12
90	Insurance on office space	0.5 days	Wed 4/11/12	Wed 4/11/12
91	Barangay clearance	0.2 days	Wed 4/11/12	Wed 4/11/12
92	Community tax certificate	0.2 days	Wed 4/11/12	Wed 4/11/12
93	Occupancy permit	1 day	Wed 4/11/12	Thu 4/12/12
94	Locational clearance	2 days	Wed 4/11/12	Fri 4/13/12
95	Complete preparation of requirements	1 min	Fri 4/13/12	Fri 4/13/12
96	**Processing of application**	**0.5 days**	**Fri 4/13/12**	**Fri 4/13/12**
97	Submission to the LGU BPLO	0.1 days	Fri 4/13/12	Fri 4/13/12
98	Assessment of local taxes and fees	0.2 days	Fri 4/13/12	Fri 4/13/12
99	Payment of local taxes and fees	0.2 days	Fri 4/13/12	Fri 4/13/12
100	Issuance of Mayor's Permit and other permits	0.5 days	Fri 4/13/12	Mon 4/16/12
101	**Formation of JV with PNOC (Competitive Challlenge)**	**291 days**	**Wed 4/11/12**	**Thu 5/23/13**
102	**Preparation of requirements**	**30 days**	**Wed 4/11/12**	**Wed 5/23/12**
103	Preparation of proposal	30 days	Wed 4/11/12	Wed 5/23/12
104	**Processing**	**254 days**	**Wed 5/23/12**	**Tue 5/14/13**
105	Submission of proposal	1 day	Wed 5/23/12	Thu 5/24/12
106	Negotiation	30 days	Thu 5/24/12	Thu 7/5/12
107	Evaluation of eligibility of proponent	30 days	Thu 7/5/12	Thu 8/16/12
108	Issuance of tender documents	7 days	Thu 8/16/12	Mon 8/27/12
109	Proponent posts proposal security	1 day	Mon 8/27/12	Tue 8/28/12
110	Invitation to apply for eligibility to bid	7 days	Tue 8/28/12	Thu 9/6/12
111	Submission of eligibility documents	7 days	Thu 9/6/12	Mon 9/17/12
112	Evaluation of eligibility of comparative participa	15 days	Mon 9/17/12	Mon 10/8/12
113	Bid submission	30 days	Mon 10/8/12	Mon 11/19/12
114	Evaluation of proposal	30 days	Mon 11/19/12	Mon 12/31/12
115	PNOC informs proponent of bid results	15 days	Mon 12/31/12	Mon 1/21/13
116	Propoponent matches bid	30 days	Mon 1/21/13	Mon 3/4/13
117	Approval of contract award	14 days	Mon 3/4/13	Fri 3/22/13
118	Issuance of notice of award	7 days	Fri 3/22/13	Tue 4/2/13
119	Proponent complies with conditions	30 days	Tue 4/2/13	Tue 5/14/13
120	Execution/approval of contract	7 days	Tue 5/14/13	Thu 5/23/13
121	**DENR Environmental Compliance Certificate (If Environmentally Critical Project)**	**135.2 days**	**Mon 4/2/12**	**Mon 10/8/12**
122	**Preparation of requirements**	**30 days**	**Mon 4/2/12**	**Mon 5/14/12**
123	Environmental Impact Statement	5 days	Mon 4/2/12	Fri 4/6/12
124	Project Description	1 day	Mon 4/2/12	Mon 4/2/12
125	Application form	1 day	Mon 4/2/12	Mon 4/2/12
126	Accountability statement from EIS consultant and Proponent	1 day	Mon 4/2/12	Mon 4/2/12
127	DA Certificate of Viability for Conversion (if in agricultural land and conversion is necessary	5 days	Mon 4/2/12	Fri 4/6/12
128	Land Title/Proof of Land Jurisdiction or Ownership	1 day	Mon 4/2/12	Mon 4/2/12
129	PAWB Endorsement (if within protected area)	5 days	Mon 4/2/12	Fri 4/6/12
130	SEC Registration	1 day	Mon 4/2/12	Mon 4/2/12
131	NWRB Water Use Permit/Certificate of Water Availability	5 days	Mon 4/2/12	Fri 4/6/12
132	Review Fund	1 day	Mon 4/2/12	Mon 4/2/12



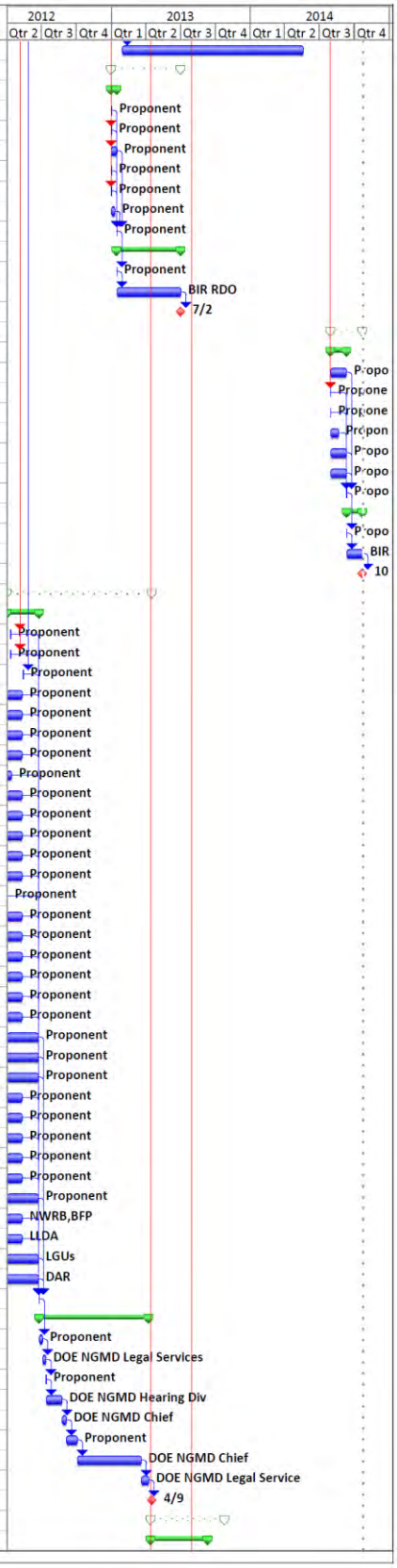
ID	Task Name	Duration	Start	Finish
133	Zoning/Certificate of Local Viability	1 day	Mon 4/2/12	Mon 4/2/12
134	Proof of consultations with LGUs/ LGU resolutions	30 days	Mon 4/2/12	Fri 5/11/12
135	Complete preparation of requirements	1 min	Mon 5/14/12	Mon 5/14/12
136	**Processing of application**	**104.2 days**	**Mon 5/14/12**	**Fri 10/5/12**
137	Submission of EIS for procedural screening	0.2 days	Mon 5/14/12	Mon 5/14/12
138	EMB Records forwards EIS to EIA Div to determine completeness of documents	5 days	Mon 5/14/12	Mon 5/21/12
139	Payment of fees	0.5 days	Mon 5/21/12	Mon 5/21/12
140	Submission of OR to screening officer an application to Receiving Division	0.5 days	Mon 5/21/12	Tue 5/22/12
141	Substantive review, site inspection, public hearing	2 mons	Tue 5/22/12	Tue 7/17/12
142	EIARC prepares report and submits toEIA Chief	19 days	Tue 7/17/12	Mon 8/13/12
143	EIA Chief reviews process documentation and report of EIARC	10 days	Mon 8/13/12	Mon 8/27/12
144	EMB Director reviews reports and recommendations	15 days	Mon 8/27/12	Mon 9/17/12
145	Forward to OSEC for review and final decision	13 days	Mon 9/17/12	Thu 10/4/12
146	Approval of ECC	1 day	Thu 10/4/12	Fri 10/5/12
147	Issuance of DENR ECC	1 day	Fri 10/5/12	Mon 10/8/12
148	**DOE Natural Gas Pipeline Permit**	**253.5 days**	**Mon 4/2/12**	**Thu 3/21/13**
149	**Preparation of requirements**	**40 days**	**Mon 4/2/12**	**Mon 5/28/12**
150	Articles of incorporation and by-laws	1 min	Mon 4/2/12	Mon 4/2/12
151	Detailed explanation of relationships	1 day	Mon 4/2/12	Mon 4/2/12
152	Certified true copy of ECC application and EIS	1 min	Mon 5/14/12	Mon 5/14/12
153	Certified true copy of Pipeline Concession or Franchise or charter if GOCC	1 day	Mon 4/2/12	Mon 4/2/12
154	Certified true copy of applicant's Service Contract	1 day	Mon 4/2/12	Mon 4/2/12
155	Detailed map of pipeline, compressor and facilities	5 days	Mon 4/2/12	Fri 4/6/12
156	Flow diagram showing daily design of proposed facilities	1 day	Mon 4/2/12	Mon 4/2/12
157	Description of engineering design data	5 days	Mon 4/2/12	Fri 4/6/12
158	Description of Service Contract areas accessible to the pipeline	5 days	Mon 4/2/12	Fri 4/6/12
159	Proposed route of pipeline with details on surface land-use, list of landowners and copy of the proposed access agreement or easements	2 mons	Mon 4/2/12	Fri 5/25/12
160	System-wide estimate of the quantity of natural gas and delivery rate per year of full operation	1 mon	Mon 4/2/12	Fri 4/27/12
161	Detailed estimate of total cost of the proposed development	1 mon	Mon 4/2/12	Fri 4/27/12
162	Plans for financing the proposed facilities	1 mon	Mon 4/2/12	Fri 4/27/12
163	Concise statement on contracts for supervision, management, accounting, legal and other services	1 mon	Mon 4/2/12	Fri 4/27/12
164	Indicative tariff and depreciation rates for ERC approval	1 mon	Mon 4/2/12	Fri 4/27/12
165	Pro-forma copies of transmission and distribution contracts, including any code of operations or transmission policy	1 mon	Mon 4/2/12	Fri 4/27/12
166	Complete preparation of requirements	1 min	Mon 5/28/12	Mon 5/28/12
167	**Processing of application**	**212.5 days**	**Mon 5/28/12**	**Wed 3/20/13**
168	Submission of complete set of application requirements	7 days	Mon 5/28/12	Wed 6/6/12
169	Check for completeness/compliance to requirements /issues order of payment of filing fee	7 days	Wed 6/6/12	Fri 6/15/12
170	Payment of processing fee	0.5 days	Fri 6/15/12	Fri 6/15/12
171	Evaluation of application (technical, financial, legal)	30 days	Fri 6/15/12	Fri 7/27/12
172	Order for publication and public hearing	7 days	Fri 7/27/12	Tue 8/7/12



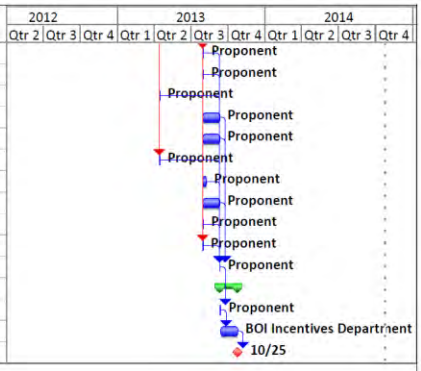
ID	Task Name	Duration	Start	Finish
173	Publication of DOE Order	21 days	Tue 8/7/12	Wed 9/5/12
174	Public hearings, submission of documents/exhibits	6 mons	Wed 9/5/12	Wed 2/20/13
175	Endorsement/approval of permit	14 days	Wed 2/20/13	Tue 3/12/13
176	Recording/transmittal of approved application	6 days	Tue 3/12/13	Wed 3/20/13
177	Issuance of DOE Permit	1 day	Wed 3/20/13	Thu 3/21/13
178	**NEDA-ICC Review of Project (18 mos max)**	**182.21 days**	**Mon 4/2/12**	**Wed 12/12/12**
179	**Preparation of requirements**	**135.21 days**	**Mon 4/2/12**	**Mon 10/8/12**
190	**Processing of application**	**128.2 days**	**Thu 6/14/12**	**Tue 12/11/12**
202	Endorsement of proposed project for funding and implementation	1 day	Tue 12/11/12	Wed 12/12/12
203	**BOI Registration**	**36 days**	**Mon 4/2/12**	**Tue 5/22/12**
204	**Preparation of requirements**	**8 days**	**Mon 4/2/12**	**Thu 4/12/12**
205	BOI Application for Registration	1 day	Wed 4/11/12	Thu 4/12/12
206	Articles of incorporation and by-laws	1 min	Wed 4/11/12	Wed 4/11/12
207	Copy of Audited Financial Statements and Income Tax Return/Proof of financial capacity for new projects	1 day	Mon 4/2/12	Tue 4/3/12
208	Board Resolution authorizing officer to sign in behalf of applicant enterprise	1 day	Wed 4/11/12	Thu 4/12/12
209	Project Report	3 days	Mon 4/2/12	Wed 4/4/12
210	Complete preparation of requirements	1 min	Thu 4/12/12	Thu 4/12/12
211	**Processing of application**	**27 days**	**Thu 4/12/12**	**Mon 5/21/12**
212	Filing of application	1 day	Thu 4/12/12	Fri 4/13/12
213	Evaluation of application and preparation of evaluation report	7 days	Fri 4/13/12	Tue 4/24/12
214	Publication of Notice of Filing of Application	1 day	Tue 4/24/12	Wed 4/25/12
215	Plant visit	3 days	Wed 4/25/12	Mon 4/30/12
216	Presentation to the BOI Management Committee	1 day	Mon 4/30/12	Tue 5/1/12
217	Confirmation by the BOI Executive Committee	5 days	Tue 5/1/12	Tue 5/8/12
218	Preparation of letter advising applicant of Board action	1 day	Tue 5/8/12	Wed 5/9/12
219	Applicant complies with pre-registration requirements	7 days	Wed 5/9/12	Fri 5/18/12
220	Preparation and issuance of COR	1 day	Fri 5/18/12	Mon 5/21/12
221	Release of COR	1 day	Mon 5/21/12	Tue 5/22/12
222	**SSS Registration**	**2 days**	**Wed 4/11/12**	**Fri 4/13/12**
223	**Preparation of requirements**	**1 day**	**Wed 4/11/12**	**Thu 4/12/12**
224	Registration forms	1 day	Wed 4/11/12	Thu 4/12/12
225	Processing of application	1 day	Thu 4/12/12	Fri 4/13/12
226	**Pag-IBIG Registration**	**2 days**	**Wed 4/11/12**	**Fri 4/13/12**
227	**Preparation of requirements**	**1 day**	**Wed 4/11/12**	**Thu 4/12/12**
228	Registration forms	1 day	Wed 4/11/12	Thu 4/12/12
229	Processing of application	1 day	Thu 4/12/12	Fri 4/13/12
230	**PHIC Registration**	**2 days**	**Wed 4/11/12**	**Fri 4/13/12**
231	**Preparation of requirements**	**1 day**	**Wed 4/11/12**	**Thu 4/12/12**
232	Registration forms	1 day	Wed 4/11/12	Thu 4/12/12
233	Processing of application	1 day	Thu 4/12/12	Fri 4/13/12
234	**PCAB Contractors License**	**24 days**	**Mon 4/2/12**	**Fri 5/4/12**
235	**Preparation of requirements**	**14 days**	**Mon 4/2/12**	**Fri 4/20/12**
236	Application for Regular License	0.5 days	Wed 4/11/12	Wed 4/11/12
237	List of directors and officers	7 days	Wed 4/11/12	Fri 4/20/12
238	List of stockholders etc	7 days	Wed 4/11/12	Fri 4/20/12
239	SEC Certificate of Registration, Articles of Incorp	10 mins	Wed 4/11/12	Wed 4/11/12
240	SSS Certificate of Membership	10 mins	Fri 4/13/12	Fri 4/13/12
241	Nomination of Authorized Managing Officer	0.2 days	Mon 4/2/12	Mon 4/2/12
242	CV of Authorized Managing Officer	0.2 days	Mon 4/2/12	Mon 4/2/12
243	Latest Audited Financial Statements	10 mins	Mon 4/2/12	Mon 4/2/12
244	Authorization to depositary bank	0.5 days	Wed 4/11/12	Wed 4/11/12
245	Last month bank statement	10 mins	Mon 4/2/12	Mon 4/2/12
246	Information on real property	0.5 days	Mon 4/2/12	Mon 4/2/12
247	List of technical personnel	1 day	Mon 4/2/12	Mon 4/2/12
248	Affidavit of Sustaining Technical Employee	1 day	Mon 4/2/12	Mon 4/2/12
249	Complete preparation of documents	1 min	Fri 4/20/12	Fri 4/20/12
250	Processing of application	9.8 days	Fri 4/20/12	Thu 5/3/12
251	Issuance of PCAB License	0.2 days	Thu 5/3/12	Fri 5/4/12
252	**ERC Rate-Setting (January 1, 2013 set as example)**	**360 days**	**Tue 1/1/13**	**Mon 5/19/14**
253	**Preparation of requirements**	**20 days**	**Tue 1/1/13**	**Mon 1/28/13**
254	Requirements as may be specified by ERC	1 mon	Tue 1/1/13	Mon 1/28/13
255	**Processing of application**	**340 days**	**Tue 1/29/13**	**Mon 5/19/14**



ID	Task Name	Duration	Start	Finish
256	Procecure as may be specified by ERC	17 mons	Tue 1/29/13	Mon 5/19/14
257	**BIR Permit to use CAS (January 1, 2013 set as example**	**130.6 days**	**Tue 1/1/13**	**Tue 7/2/13**
258	**Preparation of requirements**	**10 days**	**Tue 1/1/13**	**Tue 1/15/13**
259	Application for Authority to use CAS	0.2 days	Tue 1/1/13	Tue 1/1/13
260	BIR Certificate of Registration	10 mins	Tue 1/1/13	Tue 1/1/13
261	BIR Registration Fee Payment	10 days	Tue 1/1/13	Mon 1/14/13
262	Location map of business	0.5 days	Tue 1/1/13	Tue 1/1/13
263	Inventory of unused receipts	0.5 days	Tue 1/1/13	Tue 1/1/13
264	Technical requirements	7 days	Tue 1/1/13	Wed 1/9/13
265	Complete preparation of requirements	1 min	Tue 1/15/13	Tue 1/15/13
266	**Processing of application**	**120.5 days**	**Tue 1/15/13**	**Tue 7/2/13**
267	Submission of requirements	0.5 days	Tue 1/15/13	Tue 1/15/13
268	Evaluation of application including system dem	6 mons	Tue 1/15/13	Tue 7/2/13
269	Issuance of permit to use CAS	0.1 days	Tue 7/2/13	Tue 7/2/13
270	**BIR Tax Treaty Relief (July 31, 2014 set as example)**	**60.4 days**	**Thu 7/31/14**	**Thu 10/23/14**
271	**Preparation of requirements**	**30 days**	**Thu 7/31/14**	**Thu 9/11/14**
272	Proof of residency	30 days	Thu 7/31/14	Wed 9/10/14
273	Articles of Incorporation	10 mins	Thu 7/31/14	Thu 7/31/14
274	Special power of attorney	0.5 days	Thu 7/31/14	Thu 7/31/14
275	Certification of business presence	15 days	Thu 7/31/14	Wed 8/20/14
276	Certificate of no pending case	30 days	Thu 7/31/14	Wed 9/10/14
277	Additional requirements (July 31 set only as exa	30 days	Thu 7/31/14	Wed 9/10/14
278	Complete preparation of requirements	1 min	Thu 9/11/14	Thu 9/11/14
279	**Processing of application**	**30.2 days**	**Thu 9/11/14**	**Thu 10/23/14**
280	Submission of requirements	0.2 days	Thu 9/11/14	Thu 9/11/14
281	Review of application	30 days	Thu 9/11/14	Thu 10/23/14
282	Issuance of certificate	0.2 days	Thu 10/23/14	Thu 10/23/14
283	**DOE Permit for LNG Regasification Facility (July 2014 s**	**273.5 days**	**Mon 4/2/12**	**Thu 4/18/13**
284	**Preparation of requirements**	**60 days**	**Mon 4/2/12**	**Mon 6/25/12**
285	SEC Articles of Incorporation	10 mins	Wed 4/11/12	Wed 4/11/12
286	Information on officers and directors	0.5 days	Wed 4/11/12	Wed 4/11/12
287	DENR ECC Application	10 mins	Mon 5/14/12	Mon 5/14/12
288	Copy of LNG Contract	30 days	Mon 4/2/12	Fri 5/11/12
289	Map, plans, diagrams of facility	30 days	Mon 4/2/12	Fri 5/11/12
290	Flow diagram of operation	30 days	Mon 4/2/12	Fri 5/11/12
291	Engineering design data	30 days	Mon 4/2/12	Fri 5/11/12
292	Proposed location	10 days	Mon 4/2/12	Fri 4/13/12
293	LNG delivery requirements	30 days	Mon 4/2/12	Fri 5/11/12
294	Data on proposed customers	30 days	Mon 4/2/12	Fri 5/11/12
295	Plans for financing	30 days	Mon 4/2/12	Fri 5/11/12
296	Statement of services to be outsourced	30 days	Mon 4/2/12	Fri 5/11/12
297	Reference tariff, indicative tariff	30 days	Mon 4/2/12	Fri 5/11/12
298	Insurance coverage	1 day	Mon 4/2/12	Mon 4/2/12
299	Testing authorities, inspection services	30 days	Mon 4/2/12	Fri 5/11/12
300	International standards	30 days	Mon 4/2/12	Fri 5/11/12
301	Similar LNG facility	30 days	Mon 4/2/12	Fri 5/11/12
302	Profile of carriers, trucks, trailers	30 days	Mon 4/2/12	Fri 5/11/12
303	Pro-forma copies of contracts	30 days	Mon 4/2/12	Fri 5/11/12
304	Acceptance of all works of contractors	30 days	Mon 4/2/12	Fri 5/11/12
305	Certification by facility President	60 days	Mon 4/2/12	Fri 6/22/12
306	LOI,documents from customers	60 days	Mon 4/2/12	Fri 6/22/12
307	Feasibility study of the project	60 days	Mon 4/2/12	Fri 6/22/12
308	Geologic survey and study	30 days	Mon 4/2/12	Fri 5/11/12
309	Atmospheric survey	30 days	Mon 4/2/12	Fri 5/11/12
310	HSSE plan	30 days	Mon 4/2/12	Fri 5/11/12
311	Emergency response procedure	30 days	Mon 4/2/12	Fri 5/11/12
312	O&M manual	30 days	Mon 4/2/12	Fri 5/11/12
313	Certification of personnel training	60 days	Mon 4/2/12	Fri 6/22/12
314	NWRB permit, fire safety	30 days	Mon 4/2/12	Fri 5/11/12
315	LLDA clearance	30 days	Mon 4/2/12	Fri 5/11/12
316	LGU resolutions and permits	60 days	Mon 4/2/12	Fri 6/22/12
317	DAR conversion	60 days	Mon 4/2/12	Fri 6/22/12
318	Complete preparation of documents	1 min	Mon 6/25/12	Mon 6/25/12
319	**Processing of application**	**206.5 days**	**Mon 6/25/12**	**Tue 4/9/13**
320	Submission of application	7 days	Mon 6/25/12	Wed 7/4/12
321	Check for completeness	7 days	Wed 7/4/12	Fri 7/13/12
322	Payment of processing fee	0.5 days	Fri 7/13/12	Fri 7/13/12
323	Evaluation of application	30 days	Fri 7/13/12	Fri 8/24/12
324	Order for publication	7 days	Fri 8/24/12	Tue 9/4/12
325	Publication of DOE order	21 days	Tue 9/4/12	Wed 10/3/12
326	Conduct of public hearings	6 mons	Wed 10/3/12	Wed 3/20/13
327	Endorsement/approval of permit	14 days	Wed 3/20/13	Tue 4/9/13
328	Issuance of permit	7 days	Tue 4/9/13	Thu 4/18/13
329	**BOI Entitlement to ITH (July 31, 2012 set as example)**	**140 days**	**Mon 4/15/13**	**Fri 10/25/13**
330	**Preparation of requirements**	**108 days**	**Mon 4/15/13**	**Wed 9/11/13**



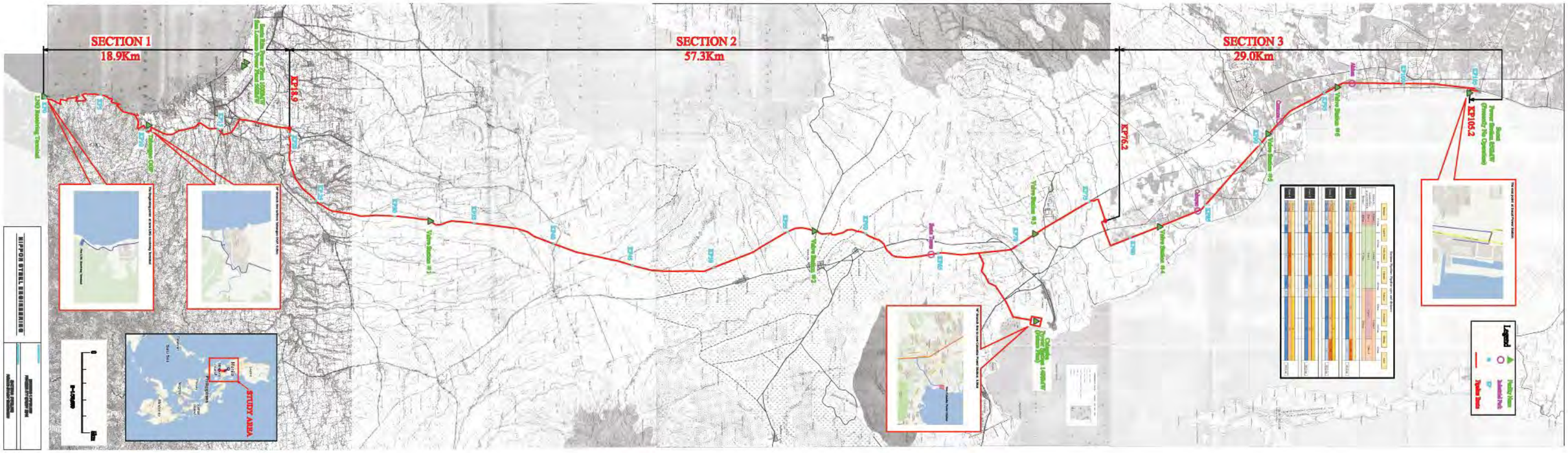
ID	Task Name	Duration	Start	Finish
331	Application form (July 31, 2013 set as example c	1 day	Wed 7/31/13	Wed 7/31/13
332	Secretary's certificate	1 day	Wed 7/31/13	Wed 7/31/13
333	Annual Income Tax Return (April 15, 2012 set as	10 mins	Mon 4/15/13	Mon 4/15/13
334	Cost Benefit Analysis Data	30 days	Wed 7/31/13	Tue 9/10/13
335	Sales summary	30 days	Wed 7/31/13	Tue 9/10/13
336	Statement of management responsibility	10 mins	Mon 4/15/13	Mon 4/15/13
337	SSS Certificate of good standing	7 days	Wed 7/31/13	Thu 8/8/13
338	Compliance with conditions for ITH availments	30 days	Wed 7/31/13	Tue 9/10/13
339	Sworn statementa as to start of commercial ope	1 day	Wed 7/31/13	Wed 7/31/13
340	BOI Certificate of Registration	10 mins	Wed 7/31/13	Wed 7/31/13
341	Complete preparation of requirements	1 day	Wed 9/11/13	Wed 9/11/13
342	**Processing of application**	**31 days**	**Thu 9/12/13**	**Thu 10/24/13**
343	Submission of documents	1 day	Thu 9/12/13	Thu 9/12/13
344	Evaluation of application	30 days	Fri 9/13/13	Thu 10/24/13
345	Approval of application	1 day	Fri 10/25/13	Fri 10/25/13



Project BatMan Timelines
Pre-Construction, Construction &

ãTask		Rolled Up Task		External Tasks	
Progress		Rolled Up Milestone		Project Summary	
Milestone		Rolled Up Progress		Group By Summary	
Summary		Split		Deadline	

Annex ii BatMan 1 Route Map



Annex ⅲ Pipeline Model

＜Pipeline: Model 0: Preconditions and Profit-Loss＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Project status	Case 4	Construction		Operation																																							
Initial Investment cost (USD million)	161																																										
Distribution of initial investment		43%	57%																																								
Concession loan amount																																											
Concessional loan: repayment peri	30																																										
Concessional loan: grace period (y	10																																										
Bonds amount (75%)	121																																										
Bonds: repayment period (yrs)	10																																										
Other debt: grace period (yrs)																																											
Equity amount	173																																										
Short-term borrowing interest rate																																											
Sales volume	million NM3			123	123	123	123	852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Years elapsed since operation		-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period				1st	1st	1st	1st	1st	2nd	2nd	2nd	2nd	2nd	3rd	3rd	3rd	3rd	3rd	4th	4th	4th	4th	4th	5th	5th	5th	5th	5th	6th	6th	6th	6th	6th	7th	7th	7th	7th	7th	8th	8th	8th	8th	8th
Gas transmission charge	USD/NM3			0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047	0.047
Income tax rate (first 8 yrs tax holida	30%			0	0	0	0	0	0	0	0	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue from gas transportation	USD million			5.8	5.8	5.8	5.8	40.1	75.8	78.7	81.6	117.3	121.4	125.5	129.6	133.7	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8	137.8
Other income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total revenue		**0**	**0**	**5.8**	**5.8**	**5.8**	**5.8**	**40.1**	**75.8**	**78.7**	**81.6**	**117.3**	**121.4**	**125.5**	**129.6**	**133.7**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**	**137.8**
Operating Expenses																																											
Pipeline leasing fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Franchise fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation cost	See asset book value table	0.00	0.00	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Operating expenses	4% of investment cost			-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46	-6.46
Corporate overhead	Assumed USD 0.5 M per yr			-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Total operating expenses		**0**	**0**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**	**-10.79**
Operating Income and EBIT																																											
Operating balance	Revenue - Operating Expense			-5.03	-5.03	-5.03	-5.03	29.26	64.97	67.91	70.84	106.5	110.6	114.7	118.8	122.9	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0
Non operating income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**-5.03**	**-5.03**	**-5.03**	**-5.03**	**29.26**	**64.97**	**67.91**	**70.84**	**106.5**	**110.6**	**114.7**	**118.8**	**122.9**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**	**127.0**
Return on Sales (ROS)	EBIT							**73%**	**86%**	**86%**	**87%**	**91%**	**91%**	**91%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**	**92%**
	Net Income							**16%**	**56%**	**58%**	**59%**	**54%**	**61%**	**62%**	**62%**	**62%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**63%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-28.65	-33.19	-34.42	-35.64	-36.87	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09	-38.09
Property tax	3% on 80% fair market value			-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-3.05	-2.96	-2.86	-2.77	-2.68	-2.59	-2.49	-2.40	-2.31	-2.22	-2.13	-2.03	-1.94	-1.85	-1.76	-1.67	-1.57	-1.48	-1.39	-1.30	-1.21	-1.11	-1.02	-0.93	-0.84	-0.75	-0.65	-0.56	-0.47	-0.38	-0.29	-0.19
Value added tax	12%																																										
Total tax payment		0	0	-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-31.70	-36.15	-37.28	-38.41	-39.55	-40.68	-40.59	-40.50	-40.40	-40.31	-40.22	-40.13	-40.04	-39.94	-39.85	-39.76	-39.67	-39.58	-39.48	-39.39	-39.30	-39.21	-39.12	-39.02	-38.93	-38.84	-38.75	-38.65	-38.56	-38.47	-38.38	-38.29
Net interests	See loan repayment table	-8.33	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-11.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	EBIT - taxes - interests	**-8.33**	**-19.38**	**-28.19**	**-28.10**	**-28.01**	**-27.92**	**6.47**	**42.27**	**45.30**	**48.32**	**63.80**	**74.49**	**77.44**	**80.39**	**83.35**	**86.30**	**86.39**	**86.48**	**86.57**	**86.67**	**86.76**	**86.85**	**86.94**	**87.03**	**87.13**	**87.22**	**87.31**	**87.40**	**87.49**	**87.59**	**87.68**	**87.77**	**87.86**	**87.95**	**88.05**	**88.14**	**88.23**	**88.32**	**88.41**	**88.51**	**88.60**	**88.69**

＜Pipeline: Model 0: Cash Flow＞

Cash Flow

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0.00	0.00	-5.03	-5.03	-5.03	-5.03	29.26	64.97	67.91	70.84	106.5	110.6	114.7	118.8	122.9	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0	127.0
plus : Depreciation		+0.00	+0.00	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84
EBITDA		0.00	0.00	-1.20	-1.20	-1.20	-1.20	33.10	68.81	71.74	74.67	110.4	114.5	118.6	122.6	126.7	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8	130.8
Minus : Tax		0.00	0.00	-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-31.70	-36.15	-37.28	-38.41	-39.55	-40.68	-40.59	-40.50	-40.40	-40.31	-40.22	-40.13	-40.04	-39.94	-39.85	-39.76	-39.67	-39.58	-39.48	-39.39	-39.30	-39.21	-39.12	-39.02	-38.93	-38.84	-38.75	-38.65	-38.56	-38.47	-38.38	-38.29
Operating cash flow		0.00	0.00	-4.98	-4.89	-4.79	-4.70	29.68	65.48	68.51	71.54	78.68	78.32	81.28	84.23	87.18	90.13	90.22	90.32	90.41	90.50	90.59	90.68	90.78	90.87	90.96	91.05	91.14	91.24	91.33	91.42	91.51	91.60	91.70	91.79	91.88	91.97	92.06	92.16	92.25	92.34	92.43	92.53
Cash Flow from Financing																																											
Concession loan: incoming	USD million	0.0	0.0																																								
Repayment of principal	USD million											0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Loan outstanding	USD million	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of interest	0.2%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total repayment	Fixed amount repyament	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds: incoming	USD million	52.08	69.03																																								
Repayment of principal	USD million											-52.08	-69.03									0.00	0.00									0.0	0.0										
Balance outstanding	USD million	52.08	121.11	121.1	121.1	121.1	121.1	121.1	121.1	121.1	121.1	69	0	0	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	16.0%	-8.33	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-11.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	-8.33	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-19.38	-63.12	-69.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Equity		26	43	26	26	26	26																																				
Short-term borrowing	USD million																																										
Repayment (1 yr)	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	16.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**69.74**	**92.16**	**6.62**	**6.62**	**6.62**	**6.62**	**-19.38**	**-19.38**	**-19.38**	**-19.38**	**-63.12**	**-69.03**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Cash Flow from Investments																																											
CAPEX		-69.44	-92.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**-69.44**	**-92.04**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for IRR Calculation																																											
Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-5.0	-4.9	-4.8	-4.7	29.7	65.5	68.5	71.5	78.7	78.3	81.3	84.2	87.2	90.1	90.2	90.3	90.4	90.5	90.6	90.7	90.8	90.9	91.0	91.1	91.1	91.2	91.3	91.4	91.5	91.6	91.7	91.8	91.9	92.0	92.1	92.2	92.2	92.3	92.4	92.5
Project IRR	**19%**																																										
Discounted Opr CF	19%	0.0	0.0	-3.5	-2.9	-2.4	-2.0	10.5	19.6	17.2	15.1	14.0	11.7	10.2	8.9	7.8	6.8	5.7	4.8	4.0	3.4	2.9	2.4	2.0	1.7	1.4	1.2	1.0	0.9	0.7	0.6	0.5	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1
Discounted Inv CF	19%	-69.4	-77.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free CF to Equity	Net + Depr + Debt + Inv	-51.69	-84.89	-50.36	-50.26	-50.17	-50.08	10.31	46.11	49.13	52.16	15.56	9.29	81.28	84.23	87.18	90.13	90.22	90.32	90.41	90.50	90.59	90.68	90.78	90.87	90.96	91.05	91.14	91.24	91.33	91.42	91.51	91.60	91.70	91.79	91.88	91.97	92.06	92.16	92.25	92.34	92.43	92.53
Equity IRR	**12%**																																										
Discounted Inv CF	12%	-51.69	-75.52	-39.85	-35.39	-31.42	-27.90	5.11	20.33	19.27	18.20	4.83	2.57	19.97	18.41	16.95	15.59	13.88	12.36	11.01	9.80	8.73	7.77	6.92	6.16	5.49	4.89	4.35	3.88	3.45	3.07	2.74	2.44	2.17	1.93	1.72	1.53	1.36	1.22	1.08	0.96	0.86	0.76
Free CF		0.31	0.11	1.64	1.74	1.83	1.92	10.31	46.11	49.13	52.16	15.56	9.29	81.28	84.23	87.18	90.13	90.22	90.32	90.41	90.50	90.59	90.68	90.78	90.87	90.96	91.05	91.14	91.24	91.33	91.42	91.51	91.60	91.70	91.79	91.88	91.97	92.06	92.16	92.25	92.34	92.43	92.53
Dividend																																											
Free CF after dividend payment		0.31	0.11	1.64	1.74	1.83	1.92	10.31	46.11	49.13	52.16	15.56	9.29	81.28	84.23	87.18	90.13	90.22	90.32	90.41	90.50	90.59	90.68	90.78	90.87	90.96	91.05	91.14	91.24	91.33	91.42	91.51	91.60	91.70	91.79	91.88	91.97	92.06	92.16	92.25	92.34	92.43	92.53
Accumulated cash		0	0	2	4	6	8	18	64	113	165	181	190	271	356	443	533	623	713	804	894	985	1,076	1,166	1,257	1,348	1,439	1,530	1,622	1,713	1,804	1,896	1,988	2,079	2,171	2,263	2,355	2,447	2,539	2,631	2,724	2,816	2,909

Weighted average interests rate	16.0%
WACC	**16%**

Debt Service Coverage Ratio (DSCR)								**1.5**	**3.4**	**3.5**	**3.7**	**1.2**	**1.1**																														

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Depreciation Condition																																											
Annual depreciation amount	40 years of straight line Salvage value = 5%			-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Book Value of Depletable Assets																																											
Opening book value				161.48	157.64	153.8	150	146.1	142.3	138.5	134.6	130.8	127	123.1	119.3	115.5	111.6	107.8	104.0	100.1	96.28	92.45	88.61	84.78	80.94	77.11	73.27	69.44	65.60	61.77	57.93	54.10	50.26	46.43	42.59	38.76	34.92	31.08	27.25	23.41	19.58	15.74	11.91
Depreciation cost		Construction Period		-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Year end book value				**157.64**	**153.81**	**150**	**146.1**	**142.3**	**138.5**	**134.6**	**130.8**	**127**	**123.1**	**119.3**	**115.5**	**111.6**	**107.8**	**104.0**	**100.1**	**96.28**	**92.45**	**88.61**	**84.78**	**80.94**	**77.11**	**73.27**	**69.44**	**65.60**	**61.77**	**57.93**	**54.10**	**50.26**	**46.43**	**42.59**	**38.76**	**34.92**	**31.08**	**27.25**	**23.41**	**19.58**	**15.74**	**11.91**	**8.07**

＜Pipeline: Model 1A: Preconditions and Profit-Loss＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Project status	Case 4	Construction	Operation																																								
Initial Investment cost (USD million)	161																																										
Distribution of initial investment		43%	57%																																								
Concession loan amount	145																																										
Concessional loan: repayment peri	30																																										
Concessional loan: grace period (y	10																																										
Bonds amount																																											
Bonds: repayment period (yrs)																																											
Other debt: grace period (yrs)																																											
Equity amount	61																																										
Short-term borrowing interest rate																																											
Sales volume	million NM3			123	123	123	123	852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Years elapsed since operation		-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period				1st	1st	1st	1st	1st	2nd	2nd	2nd	2nd	2nd	3rd	3rd	3rd	3rd	3rd	4th	4th	4th	4th	4th	5th	5th	5th	5th	5th	6th	6th	6th	6th	6th	7th	7th	7th	7th	7th	8th	8th	8th	8th	8th
Gas transmission charge	USD/NM3			0.018	0.018	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Income tax rate (first 8 yrs tax holida	30%			0	0	0	0	0	0	0	0	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue from gas transportation	USD million			2.2	2.2	2.2	2.2	15.3	29.0	30.1	31.3	44.9	46.5	48.1	49.6	51.2	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8	52.8
Other income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total revenue		**0**	**0**	**2.2**	**2.2**	**2.2**	**2.2**	**15.3**	**29.0**	**30.1**	**31.3**	**44.9**	**46.5**	**48.1**	**49.6**	**51.2**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**	**52.8**
Operating Expenses																																											
Pipeline leasing fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Franchise fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation cost	See asset book value table	0.00	0.00	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Operating expenses	5% of investment cost			-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07
Corporate overhead	Assumed USD 0.5 M per yr			-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Total operating expenses		**0**	**0**	**-12.41**	**-12.41**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**
Operating Income and EBIT																																											
Operating balance	Revenue - Operating Expense			-10.20	-10.20	-10.2	-10.2	2.93	16.61	17.73	18.85	32.53	34.10	35.66	37.22	38.79	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35
Non operating income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**-10.20**	**-10.20**	**-10.2**	**-10.2**	**2.93**	**16.61**	**17.73**	**18.85**	**32.53**	**34.10**	**35.66**	**37.22**	**38.79**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**	**40.35**
Return on Sales (ROS)	EBIT							**19%**	**57%**	**59%**	**60%**	**72%**	**73%**	**74%**	**75%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**	**76%**
	Net Income								**45%**	**47%**	**49%**	**43%**	**45%**	**46%**	**47%**	**47%**	**48%**	**49%**	**49%**	**49%**	**49%**	**49%**	**49%**	**50%**	**50%**	**50%**	**50%**	**50%**	**51%**	**51%**	**51%**	**51%**	**51%**	**52%**	**52%**	**52%**	**52%**	**52%**	**52%**	**53%**	**53%**	**53%**	**53%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-9.67	-10.1	-10.6	-11.1	-11.6	-12.0	-12.0	-12.0	-12.0	-12.0	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1	-12.1
Property tax	3% on 80% fair market value			-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-3.05	-2.96	-2.86	-2.77	-2.68	-2.59	-2.49	-2.40	-2.31	-2.22	-2.13	-2.03	-1.94	-1.85	-1.76	-1.67	-1.57	-1.48	-1.39	-1.30	-1.21	-1.11	-1.02	-0.93	-0.84	-0.75	-0.65	-0.56	-0.47	-0.38	-0.29	-0.19
Value added tax	12%																																										
Total tax payment		0	0	-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-12.7	-13.1	-13.5	-13.9	-14.2	-14.6	-14.5	-14.4	-14.4	-14.3	-14.2	-14.1	-14.0	-13.9	-13.8	-13.7	-13.6	-13.6	-13.5	-13.4	-13.3	-13.2	-13.1	-13.0	-12.9	-12.8	-12.8	-12.7	-12.6	-12.5	-12.4	-12.3
Net interests	See loan repayment table	-0.12	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.28	-0.27	-0.26	-0.25	-0.24	-0.23	-0.22	-0.21	-0.21	-0.20	-0.19	-0.18	-0.17	-0.16	-0.15	-0.14	-0.13	-0.12	-0.11	-0.10	-0.09	-0.08	-0.07	-0.06	-0.05	-0.04	-0.03	-0.02	-0.01	0.00	0.00	0.00
Net income	EBIT - taxes - interests	**-0.12**	**-0.29**	**-14.28**	**-14.18**	**-14.1**	**-14.0**	**-0.77**	**12.99**	**14.21**	**15.42**	**19.53**	**20.72**	**21.92**	**23.11**	**24.30**	**25.50**	**25.60**	**25.69**	**25.79**	**25.89**	**25.99**	**26.09**	**26.19**	**26.29**	**26.39**	**26.49**	**26.58**	**26.68**	**26.78**	**26.88**	**26.98**	**27.08**	**27.18**	**27.28**	**27.38**	**27.47**	**27.57**	**27.67**	**27.77**	**27.87**	**27.96**	**28.05**

＜Pipeline: Model 1A: Cash Flow＞

Cash Flow

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0.00	0.00	-10.20	-10.20	-10.2	-10.2	2.93	16.61	17.73	18.85	32.53	34.10	35.66	37.22	38.79	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35	40.35
plus : Depreciation		+0.00	+0.00	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84
EBITDA		0.00	0.00	-6.37	-6.37	-6.37	-6.37	6.77	20.44	21.57	22.69	36.37	37.93	39.50	41.06	42.62	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19	44.19
Minus : Tax		0.00	0.00	-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-12.7	-13.1	-13.5	-13.9	-14.2	-14.6	-14.5	-14.4	-14.4	-14.3	-14.2	-14.1	-14.0	-13.9	-13.8	-13.7	-13.6	-13.6	-13.5	-13.4	-13.3	-13.2	-13.1	-13.0	-12.9	-12.8	-12.8	-12.7	-12.6	-12.5	-12.4	-12.3
Operating cash flow		0.00	0.00	-10.15	-10.06	-9.97	-9.87	3.35	17.12	18.34	19.55	23.64	24.83	26.01	27.20	28.38	29.57	29.66	29.74	29.83	29.92	30.01	30.10	30.19	30.28	30.37	30.46	30.55	30.64	30.73	30.81	30.90	30.99	31.08	31.17	31.26	31.35	31.44	31.53	31.62	31.71	31.80	31.89
Cash Flow from Financing																																											
Concession loan: incoming	USD million	62.5	82.8																																								
Repayment of principal	USD million											-4.7	-4.7	-4.7	-4.7	-4.7	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.8	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-5.0	-5.0	-5.0	-5.0		
Loan outstanding	USD million	62.5	145.3	145.3	145.3	145.3	145.3	145.3	145.3	145.3	145.3	140.6	135.9	131.2	126.5	121.7	117.0	112.2	107.4	102.6	97.9	93.1	88.2	83.4	78.6	73.8	68.9	64.0	59.2	54.3	49.4	44.5	39.6	34.7	29.8	24.8	19.9	14.9	10.0	5.0	-0.0	-0.0	-0.0
Repayment of interest	0.2%	-0.1	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0
Total repayment	Fixed amount repyament	-0.1	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	0.0	0.0
Bonds: incoming	USD million	0.00	0.00																																								
Repayment of principal	USD million											0.00	0.00									0.00	0.00									0.0	0.0										
Balance outstanding	USD million	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	6.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Equity		7	10	11	11	11	11		0	0	0																																
Short-term borrowing	USD million																																										
Repayment (1 yr)	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**69.47**	**92.05**	**10.71**	**10.71**	**10.71**	**10.71**	**-0.29**	**-0.29**	**-0.29**	**-0.29**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**0.00**	**0.00**
Cash Flow from Investments																																											
CAPEX		-69.44	-92.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**-69.44**	**-92.04**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for IRR Calculation																																											
Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-10.1	-10.1	-10.0	-9.9	3.4	17.1	18.3	19.6	23.6	24.8	26.0	27.2	28.4	29.6	29.7	29.7	29.8	29.9	30.0	30.1	30.2	30.3	30.4	30.5	30.5	30.6	30.7	30.8	30.9	31.0	31.1	31.2	31.3	31.3	31.4	31.5	31.6	31.7	31.8	31.9
Project IRR	**8.4%**																																										
Discounted Opr CF	8.4%	0.0	0.0	-8.6	-7.9	-7.2	-6.6	2.1	9.8	9.6	9.5	10.6	10.3	9.9	9.6	9.2	8.9	8.2	7.6	7.0	6.5	6.0	5.6	5.2	4.8	4.4	4.1	3.8	3.5	3.2	3.0	2.8	2.6	2.4	2.2	2.0	1.9	1.7	1.6	1.5	1.4	1.3	1.2
Discounted Inv CF	8.4%	-69.4	-84.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free CF to Equity	Net + Depr + Debt + Inv	-14.17	-19.00	-21.44	-21.35	-21.3	-21.2	3.06	16.83	18.04	19.26	18.66	19.84	21.03	22.21	23.40	24.58	24.67	24.76	24.85	24.94	25.03	25.12	25.20	25.29	25.38	25.47	25.56	25.65	25.74	25.83	25.92	26.01	26.10	26.18	26.27	26.36	26.45	26.54	26.63	26.72	31.80	31.89
Equity IRR	**12%**																																										
Discounted Inv CF	12%	-14.17	-16.92	-17.02	-15.10	-13.4	-11.9	1.53	7.50	7.16	6.81	5.88	5.57	5.26	4.95	4.65	4.35	3.89	3.48	3.11	2.78	2.49	2.22	1.99	1.78	1.59	1.42	1.27	1.14	1.02	0.91	0.81	0.73	0.65	0.58	0.52	0.46	0.41	0.37	0.33	0.30	0.31	0.28
Free CF		0.03	0.00	0.56	0.65	0.74	0.84	3.06	16.83	18.04	19.26	18.66	19.84	21.03	22.21	23.40	24.58	24.67	24.76	24.85	24.94	25.03	25.12	25.20	25.29	25.38	25.47	25.56	25.65	25.74	25.83	25.92	26.01	26.10	26.18	26.27	26.36	26.45	26.54	26.63	26.72	31.80	31.89
Dividend																																											
Free CF after dividend payment		0.03	0.00	0.56	0.65	0.74	0.84	3.06	16.83	18.04	19.26	18.66	19.84	21.03	22.21	23.40	24.58	24.67	24.76	24.85	24.94	25.03	25.12	25.20	25.29	25.38	25.47	25.56	25.65	25.74	25.83	25.92	26.01	26.10	26.18	26.27	26.36	26.45	26.54	26.63	26.72	31.80	31.89
Accumulated cash		0	0	1	1	2	3	6	23	41	60	79	99	120	142	165	190	214	239	264	289	314	339	364	390	415	440	466	492	517	543	569	595	621	647	674	700	727	753	780	806	838	870

Weighted average interests rate	0.2%
WACC	**6.0%**

Debt Service Coverage Ratio (DSCR)								**11.5**	**58.9**	**63.1**	**67.3**	**4.7**	**5.0**	**5.2**	**5.5**	**5.7**	**5.9**	**5.9**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**	**6.1**	**6.1**	**6.1**	**6.1**	**6.1**	**6.1**	**6.2**	**6.2**	**6.2**	**6.2**	**6.2**	**6.3**	**6.3**	**6.3**	**6.3**	**6.3**	**6.3**	**6.4**		

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Depreciation Condition																																											
Annual depreciation amount	40 years of straight line Salvage value = 5%			-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Book Value of Depletable Assets																																											
Opening book value		Construction Period		161.48	157.64	153.8	150.0	146.1	142.3	138.5	134.6	130.8	127.0	123.1	119.3	115.5	111.6	107.8	104.0	100.1	96.28	92.45	88.61	84.78	80.94	77.11	73.27	69.44	65.60	61.77	57.93	54.10	50.26	46.43	42.59	38.76	34.92	31.08	27.25	23.41	19.58	15.74	11.91
Depreciation cost				-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Year end book value				**157.64**	**153.81**	**150.0**	**146.1**	**142.3**	**138.5**	**134.6**	**130.8**	**127.0**	**123.1**	**119.3**	**115.5**	**111.6**	**107.8**	**104.0**	**100.1**	**96.28**	**92.45**	**88.61**	**84.78**	**80.94**	**77.11**	**73.27**	**69.44**	**65.60**	**61.77**	**57.93**	**54.10**	**50.26**	**46.43**	**42.59**	**38.76**	**34.92**	**31.08**	**27.25**	**23.41**	**19.58**	**15.74**	**11.91**	**8.07**

＜Pipeline: Model 1B: Preconditions and Profit-Loss＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Project status	Case 4	Construction	Operation																																								
Initial Investment cost (USD million)	161																																										
Distribution of initial investment		43%	57%																																								
Concession loan amount																																											
Concessional loan: repayment peri	30																																										
Concessional loan: grace period (y	10																																										
Bonds amount	145																																										
Bonds: repayment period (yrs)	10																																										
Other debt: grace period (yrs)																																											
Equity amount	100																																										
Short-term borrowing interest rate																																											
Sales volume	million NM3			123	123	123	123	852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Years elapsed since operation		-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period				1st	1st	1st	1st	1st	2nd	2nd	2nd	2nd	2nd	3rd	3rd	3rd	3rd	3rd	4th	4th	4th	4th	4th	5th	5th	5th	5th	5th	6th	6th	6th	6th	6th	7th	7th	7th	7th	7th	8th	8th	8th	8th	8th
Gas transmission charge	USD/NM3			0.029	0.029	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Income tax rate (first 8 yrs tax holida	30%			0	0	0	0	0	0	0	0	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue from gas transportation	USD million			3.6	3.6	3.6	3.6	24.7	46.7	48.6	50.4	72.4	74.9	77.4	80.0	82.5	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
Other income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total revenue		**0**	**0**	**3.6**	**3.6**	**3.6**	**3.6**	**24.7**	**46.7**	**48.6**	**50.4**	**72.4**	**74.9**	**77.4**	**80.0**	**82.5**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**	**85.0**
Operating Expenses																																											
Pipeline leasing fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Franchise fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation cost	See asset book value table	0.00	0.00	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Operating expenses	5% of investment cost			-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07	-8.07
Corporate overhead	Assumed USD 0.5 M per yr			-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Total operating expenses		**0**	**0**	**-12.41**	**-12.41**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**	**-12.4**
Operating Income and EBIT																																											
Operating balance	Revenue - Operating Expense			-8.85	-8.85	-8.85	-8.85	12.31	34.34	36.15	37.96	59.99	62.51	65.04	67.56	70.08	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60
Non operating income				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**-8.85**	**-8.85**	**-8.85**	**-8.85**	**12.31**	**34.34**	**36.15**	**37.96**	**59.99**	**62.51**	**65.04**	**67.56**	**70.08**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**	**72.60**
Return on Sales (ROS)	EBIT							**50%**	**73%**	**74%**	**75%**	**83%**	**83%**	**84%**	**84%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**	**85%**
	Net Income							**1%**	**48%**	**50%**	**52%**	**47%**	**50%**	**51%**	**52%**	**53%**	**53%**	**53%**	**53%**	**54%**	**54%**	**55%**	**57%**	**57%**	**58%**	**58%**	**58%**	**58%**	**58%**	**58%**	**58%**	**58%**	**58%**	**59%**	**59%**	**59%**	**59%**	**59%**	**59%**	**59%**	**59%**	**59%**	**60%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-16.0	-17.5	-18.2	-19.0	-19.7	-20.5	-20.5	-20.5	-20.5	-20.5	-21.0	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8	-21.8
Property tax	3% on 80% fair market value			-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-3.05	-2.96	-2.86	-2.77	-2.68	-2.59	-2.49	-2.40	-2.31	-2.22	-2.13	-2.03	-1.94	-1.85	-1.76	-1.67	-1.57	-1.48	-1.39	-1.30	-1.21	-1.11	-1.02	-0.93	-0.84	-0.75	-0.65	-0.56	-0.47	-0.38	-0.29	-0.19
Value added tax	12%																																										
Total tax payment		0	0	-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-19.1	-20.4	-21.1	-21.8	-22.4	-23.1	-23.0	-22.9	-22.8	-22.7	-23.1	-23.8	-23.7	-23.6	-23.5	-23.4	-23.4	-23.3	-23.2	-23.1	-23.0	-22.9	-22.8	-22.7	-22.6	-22.5	-22.4	-22.3	-22.2	-22.2	-22.1	-22.0
Net interests	See loan repayment table	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-6.59	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-2.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	EBIT - taxes - interests	**-3.75**	**-8.72**	**-21.36**	**-21.26**	**-21.2**	**-21.1**	**0.17**	**22.30**	**24.20**	**26.10**	**34.33**	**37.82**	**39.68**	**41.54**	**43.39**	**45.25**	**45.34**	**45.43**	**45.53**	**45.62**	**46.84**	**48.78**	**48.88**	**48.97**	**49.06**	**49.15**	**49.24**	**49.34**	**49.43**	**49.52**	**49.61**	**49.70**	**49.80**	**49.89**	**49.98**	**50.07**	**50.17**	**50.26**	**50.35**	**50.44**	**50.53**	**50.63**

＜Pipeline: Model 1B: Cash Flow＞

Cash Flow

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0.00	0.00	-8.85	-8.85	-8.85	-8.85	12.31	34.34	36.15	37.96	59.99	62.51	65.04	67.56	70.08	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60	72.60
plus : Depreciation		+0.00	+0.00	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84
EBITDA		0.00	0.00	-5.02	-5.02	-5.02	-5.02	16.14	38.18	39.99	41.80	63.83	66.35	68.87	71.39	73.91	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43	76.43
Minus : Tax		0.00	0.00	-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-19.1	-20.4	-21.1	-21.8	-22.4	-23.1	-23.0	-22.9	-22.8	-22.7	-23.1	-23.8	-23.7	-23.6	-23.5	-23.4	-23.4	-23.3	-23.2	-23.1	-23.0	-22.9	-22.8	-22.7	-22.6	-22.5	-22.4	-22.3	-22.2	-22.2	-22.1	-22.0
Operating cash flow		0.00	0.00	-8.80	-8.71	-8.62	-8.52	12.73	34.85	36.75	38.66	44.76	45.92	47.78	49.63	51.49	53.35	53.44	53.53	53.62	53.71	53.32	52.62	52.71	52.80	52.90	52.99	53.08	53.17	53.26	53.36	53.45	53.54	53.63	53.72	53.82	53.91	54.00	54.09	54.18	54.28	54.37	54.46
Cash Flow from Financing																																											
Concession loan: incoming	USD million	0	0																																								
Repayment of principal	USD million											0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Loan outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonds: incoming	USD million	62.49	82.84									27.00	44.00																														
Repayment of principal	USD million											-62.5	-82.8									-27.0	-44.0									0.0	0.0									0.0	0
Balance outstanding	USD million	62.49	145.33	145.3	145.3	145	145	145	145	145	145	110	71	71	71	71	71	71	71	71	71	44	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	6.0%	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-6.59	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-2.64	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-69.1	-87.1	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-4.26	-29.6	-44.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Equity		11	18	18	18	18	18																																				
Short-term borrowing	USD million																																										
Repayment (1 yr)	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**69.44**	**92.12**	**9.28**	**9.28**	**9.28**	**8.78**	**-8.72**	**-8.72**	**-8.72**	**-8.72**	**-42.1**	**-43.1**	**-4.26**	**-4.26**	**-4.26**	**-4.26**	**-4.26**	**-4.26**	**-4.26**	**-4.26**	**-29.6**	**-44.0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Cash Flow from Investments																																											
CAPEX		-69.44	-92.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**-69.44**	**-92.04**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for IRR Calculation																																											
Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-8.8	-8.7	-8.6	-8.5	12.7	34.9	36.8	38.7	44.8	45.9	47.8	49.6	51.5	53.3	53.4	53.5	53.6	53.7	53.3	52.6	52.7	52.8	52.9	53.0	53.1	53.2	53.3	53.4	53.4	53.5	53.6	53.7	53.8	53.9	54.0	54.1	54.2	54.3	54.4	54.5
Project IRR	**13%**																																										
Discounted Opr CF	13%	0.0	0.0	-6.9	-6.0	-5.3	-4.6	6.1	14.8	13.8	12.8	13.1	11.9	11.0	10.1	9.3	8.5	7.5	6.7	5.9	5.2	4.6	4.0	3.6	3.1	2.8	2.5	2.2	1.9	1.7	1.5	1.4	1.2	1.1	0.9	0.8	0.7	0.7	0.6	0.5	0.5	0.4	0.4
Discounted Inv CF	13%	-69.4	-81.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free CF to Equity	Net + Depr + Debt + Inv	-21.39	-35.92	-35.52	-35.43	-35.3	-34.7	4.01	26.13	28.03	29.94	2.68	2.82	43.52	45.37	47.23	49.09	49.18	49.27	49.36	49.45	23.68	8.62	52.71	52.80	52.90	52.99	53.08	53.17	53.26	53.36	53.45	53.54	53.63	53.72	53.82	53.91	54.00	54.09	54.18	54.28	54.37	54.46
Equity IRR	**12%**																																										
Discounted Inv CF	12%	-21.39	-32.13	-28.42	-25.36	-22.6	-19.9	2.05	11.97	11.49	10.98	0.88	0.83	11.42	10.65	9.92	9.22	8.26	7.41	6.64	5.95	2.55	0.83	4.54	4.07	3.64	3.26	2.93	2.62	2.35	2.10	1.89	1.69	1.51	1.36	1.22	1.09	0.98	0.87	0.78	0.70	0.63	0.56
Free CF		0.01	0.08	0.48	0.57	0.66	0.26	4.01	26.13	28.03	29.94	2.68	2.82	43.52	45.37	47.23	49.09	49.18	49.27	49.36	49.45	23.68	8.62	52.71	52.80	52.90	52.99	53.08	53.17	53.26	53.36	53.45	53.54	53.63	53.72	53.82	53.91	54.00	54.09	54.18	54.28	54.37	54.46
Dividend																																											
Free CF after dividend payment		0.01	0.08	0.48	0.57	0.66	0.26	4.01	26.13	28.03	29.94	2.68	2.82	43.52	45.37	47.23	49.09	49.18	49.27	49.36	49.45	23.68	8.62	52.71	52.80	52.90	52.99	53.08	53.17	53.26	53.36	53.45	53.54	53.63	53.72	53.82	53.91	54.00	54.09	54.18	54.28	54.37	54.46
Accumulated cash		0	0	1	1	2	2	6	32	60	90	93	96	139	185	232	281	330	379	429	478	502	510	563	616	669	722	775	828	881	935	988	1,042	1,095	1,149	1,203	1,257	1,311	1,365	1,419	1,473	1,528	1,582

Weighted average interests rate	6.0%
WACC	**11%**

Debt Service Coverage Ratio (DSCR)	**1.5**	**4.0**	**4.2**	**4.4**	**1.1**	**1.1**	**11.2**	**11.7**	**12.1**	**12.5**	**12.5**	**12.6**	**12.6**	**12.6**	**1.8**	**1.2**									

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Depreciation Condition																																											
Annual depreciation amount	40 years of straight line Salvage value = 5%			-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Book Value of Depletable Assets																																											
Opening book value		Construction Period		161.48	157.64	153.8	150.0	146.1	142.3	138.5	134.6	130.8	127.0	123.1	119.3	115.5	111.6	107.8	104.0	100.1	96.28	92.45	88.61	84.78	80.94	77.11	73.27	69.44	65.60	61.77	57.93	54.10	50.26	46.43	42.59	38.76	34.92	31.08	27.25	23.41	19.58	15.74	11.91
Depreciation cost				-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Year end book value				**157.64**	**153.81**	**150.0**	**146.1**	**142.3**	**138.5**	**134.6**	**130.8**	**127.0**	**123.1**	**119.3**	**115.5**	**111.6**	**107.8**	**104.0**	**100.1**	**96.28**	**92.45**	**88.61**	**84.78**	**80.94**	**77.11**	**73.27**	**69.44**	**65.60**	**61.77**	**57.93**	**54.10**	**50.26**	**46.43**	**42.59**	**38.76**	**34.92**	**31.08**	**27.25**	**23.41**	**19.58**	**15.74**	**11.91**	**8.07**

＜Pipeline: Model 2A: Preconditions and Profit-Loss of Asset Owner Company＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Project status	Case 4	Construction		Operation																																							
Initial Investment cost (USD million)	161																																										
Distribution of initial investment		43%	57%																																								
Concession loan amount	145																																										
Concessional loan: repayment peri	30																																										
Concessional loan: grace period (y	10																																										
Bonds amount																																											
Bonds: repayment period (yrs)	10																																										
Other debt: grace period (yrs)																																											
Equity amount	53																																										
Short-term borrowing interest rate																																											
Sales volume	million NM3			123	123	123	123	852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Years elapsed since operation		-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period				1st	1st	1st	1st	1st	2nd	2nd	2nd	2nd	2nd	3rd	3rd	3rd	3rd	3rd	4th	4th	4th	4th	4th	5th	5th	5th	5th	5th	6th	6th	6th	6th	6th	7th	7th	7th	7th	7th	8th	8th	8th	8th	8th
Gas transmission charge	USD/NM3			0.017	0.017	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Income tax rate (first 8 yrs tax holida	30%			30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss (Asset Holding Company)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue Lease fee	USD million			34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
Other income																																											
Total revenue		**0**	**0**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**	**34.00**
Operating Expenses																																											
Pipeline leasing fee																																											
Franchise fee																																											
Depreciation cost	See asset book value table	0.00	0.00	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Operating expenses																																											
Corporate overhead	Assumed USD 0.2 M per yr			-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20
Other expenditures	Rebate to O&M company			-39	-39	-39	-39	-27	-15	-14	-13																																
Total operating expenses		**0**	**0**	**-42.74**	**-42.74**	**-42.7**	**-42.7**	**-31.0**	**-19.0**	**-17.6**	**-17.0**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**
Operating Income and EBIT																																											
Operating balance	Revenue - Operating Expense			-8.74	-8.74	-8.74	-8.74	2.96	14.96	16.36	16.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96
Non operating income																																											
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**-8.74**	**-8.74**	**-8.74**	**-8.74**	**2.96**	**14.96**	**16.36**	**16.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**	**29.96**
Return on Sales (ROS)	EBIT			**-26%**	**-26%**	**-26%**	**-26%**	**9%**	**44%**	**48%**	**50%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**	**88%**
	Net Income			**-38%**	**-37%**	**-37%**	**-37%**	**-2%**	**33%**	**38%**	**40%**	**52%**	**52%**	**53%**	**53%**	**53%**	**54%**	**54%**	**54%**	**54%**	**55%**	**55%**	**55%**	**56%**	**56%**	**56%**	**57%**	**57%**	**57%**	**57%**	**58%**	**58%**	**58%**	**59%**	**59%**	**59%**	**59%**	**60%**	**60%**	**60%**	**61%**	**61%**	**61%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-8.91	-8.91	-8.91	-8.91	-8.92	-8.92	-8.92	-8.93	-8.93	-8.93	-8.93	-8.94	-8.94	-8.94	-8.95	-8.95	-8.95	-8.95	-8.96	-8.96	-8.96	-8.97	-8.97	-8.97	-8.97	-8.98	-8.98	-8.98	-8.99	-8.99	-8.99	-8.99
Property tax	3% on 80% fair market value			-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-3.05	-2.96	-2.86	-2.77	-2.68	-2.59	-2.49	-2.40	-2.31	-2.22	-2.13	-2.03	-1.94	-1.85	-1.76	-1.67	-1.57	-1.48	-1.39	-1.30	-1.21	-1.11	-1.02	-0.93	-0.84	-0.75	-0.65	-0.56	-0.47	-0.38	-0.29	-0.19
Value added tax	12%																																										
Total tax payment		0	0	-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-12.0	-11.9	-11.8	-11.7	-11.6	-11.5	-11.4	-11.3	-11.2	-11.1	-11.1	-11.0	-10.9	-10.8	-10.7	-10.6	-10.5	-10.4	-10.3	-10.3	-10.2	-10.1	-10.0	-9.9	-9.8	-9.7	-9.6	-9.5	-9.5	-9.4	-9.3	-9.2
Net interests	See loan repayment table	-0.12	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.28	-0.27	-0.26	-0.25	-0.24	-0.23	-0.22	-0.21	-0.21	-0.20	-0.19	-0.18	-0.17	-0.16	-0.15	-0.14	-0.13	-0.12	-0.11	-0.10	-0.09	-0.08	-0.07	-0.06	-0.05	-0.04	-0.03	-0.02	-0.01	0.00	0.00	0.00
Net income	EBIT - taxes - interests	**-0.12**	**-0.29**	**-12.81**	**-12.72**	**-12.6**	**-12.5**	**-0.74**	**11.35**	**12.84**	**13.54**	**17.73**	**17.83**	**17.93**	**18.03**	**18.13**	**18.22**	**18.32**	**18.42**	**18.52**	**18.62**	**18.72**	**18.82**	**18.92**	**19.01**	**19.11**	**19.21**	**19.31**	**19.41**	**19.51**	**19.61**	**19.71**	**19.81**	**19.90**	**20.00**	**20.10**	**20.20**	**20.30**	**20.40**	**20.50**	**20.60**	**20.69**	**20.78**

＜Pipeline: Model 2A: Cash Flow of Asset Owner Company＞

Cash Flow (Asset Holding Company)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0.00	0.00	-8.74	-8.74	-8.74	-8.74	2.96	14.96	16.36	16.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96	29.96
plus : Depreciation		+0.00	+0.00	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84
EBITDA		0.00	0.00	-4.90	-4.90	-4.90	-4.90	6.80	18.80	20.20	20.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80	33.80
Minus : Tax		0.00	0.00	-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-12.0	-11.9	-11.8	-11.7	-11.6	-11.5	-11.4	-11.3	-11.2	-11.1	-11.1	-11.0	-10.9	-10.8	-10.7	-10.6	-10.5	-10.4	-10.3	-10.3	-10.2	-10.1	-9.99	-9.90	-9.81	-9.72	-9.63	-9.55	-9.46	-9.37	-9.28	-9.18
Operating cash flow		0.00	0.00	-8.68	-8.59	-8.50	-8.41	3.38	15.48	16.97	17.66	21.85	21.94	22.03	22.12	22.20	22.29	22.38	22.47	22.56	22.65	22.74	22.83	22.92	23.01	23.10	23.19	23.27	23.36	23.45	23.54	23.63	23.72	23.81	23.90	23.99	24.08	24.17	24.25	24.34	24.43	24.52	24.62
Cash Flow from Financing																																											
Concession loan: incoming	USD million	62.49	82.84																																								
Repayment of principal	USD million											-4.71	-4.71	-4.72	-4.73	-4.74	-4.75	-4.76	-4.77	-4.78	-4.79	-4.80	-4.81	-4.82	-4.83	-4.84	-4.85	-4.86	-4.87	-4.88	-4.89	-4.90	-4.91	-4.92	-4.93	-4.94	-4.95	-4.96	-4.97	-4.98	-4.99		
Loan outstanding	USD million	62.49	145.33	145.33	145.33	145.3	145.3	145.3	145.3	145.3	145.3	140.6	135.9	131.2	126.5	121.7	117.0	112.2	107.4	102.6	97.85	93.05	88.24	83.42	78.59	73.75	68.91	64.05	59.18	54.30	49.42	44.52	39.61	34.69	29.77	24.83	19.88	14.93	9.96	4.99	-0.00	-0.00	-0.00
Repayment of interest	0.2%	-0.12	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.28	-0.27	-0.26	-0.25	-0.24	-0.23	-0.22	-0.21	-0.21	-0.20	-0.19	-0.18	-0.17	-0.16	-0.15	-0.14	-0.13	-0.12	-0.11	-0.10	-0.09	-0.08	-0.07	-0.06	-0.05	-0.04	-0.03	-0.02	-0.01	0.00	0.00	0.00
Total repayment	Fixed amount repyament	-0.12	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-0.29	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	-4.99	0.00	0.00
Bonds: incoming	USD million	0.00	0.00																																								
Repayment of principal	USD million											0.00	0.00									0.00	0.00									0.0	0.0									0.0	0
Balance outstanding	USD million	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	6.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0
Equity		7	10	9	9	9	9																																				
Short-term borrowing	USD million																																										
Repayment (1 yr)	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**69.47**	**92.15**	**8.71**	**8.71**	**8.71**	**8.71**	**-0.29**	**-0.29**	**-0.29**	**-0.29**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**-4.99**	**0.00**	**0.00**
Cash Flow from Investments																																											
CAPEX		-69.44	-92.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**-69.44**	**-92.04**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for IRR Calculation																																											
Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-8.7	-8.6	-8.5	-8.4	3.4	15.5	17.0	17.7	21.8	21.9	22.0	22.1	22.2	22.3	22.4	22.5	22.6	22.7	22.7	22.8	22.9	23.0	23.1	23.2	23.3	23.4	23.5	23.5	23.6	23.7	23.8	23.9	24.0	24.1	24.2	24.3	24.3	24.4	24.5	24.6
Project IRR	**7.2%**																																										
Discounted Opr CF	7.2%	0.0	0.0	-7.6	-7.0	-6.4	-5.9	2.2	9.5	9.7	9.5	10.9	10.2	9.6	9.0	8.4	7.9	7.4	6.9	6.5	6.1	5.7	5.3	5.0	4.7	4.4	4.1	3.8	3.6	3.4	3.2	3.0	2.8	2.6	2.4	2.3	2.1	2.0	1.9	1.7	1.6	1.5	1.4
Discounted Inv CF	7.2%	-69.4	-85.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free CF to Equity	Net + Depr + Debt + Inv	-14.17	-19.10	-17.97	-17.88	-17.8	-17.7	3.09	15.19	16.68	17.37	16.86	16.95	17.04	17.13	17.22	17.31	17.40	17.49	17.57	17.66	17.75	17.84	17.93	18.02	18.11	18.20	18.29	18.38	18.47	18.56	18.64	18.73	18.82	18.91	19.00	19.09	19.18	19.27	19.36	19.45	24.52	24.62
Equity IRR	**11%**																																										
Discounted Inv CF	11%	-14.17	-17.17	-14.53	-13.00	-11.6	-10.4	1.63	7.21	7.12	6.67	5.82	5.26	4.76	4.30	3.89	3.51	3.17	2.87	2.59	2.34	2.12	1.91	1.73	1.56	1.41	1.28	1.15	1.04	0.94	0.85	0.77	0.69	0.63	0.57	0.51	0.46	0.42	0.38	0.34	0.31	0.35	0.31
Free CF		0.03	0.10	0.03	0.12	0.21	0.30	3.09	15.19	16.68	17.37	16.86	16.95	17.04	17.13	17.22	17.31	17.40	17.49	17.57	17.66	17.75	17.84	17.93	18.02	18.11	18.20	18.29	18.38	18.47	18.56	18.64	18.73	18.82	18.91	19.00	19.09	19.18	19.27	19.36	19.45	24.52	24.62
Dividend																																											
Free CF after dividend payment		0.03	0.10	0.03	0.12	0.21	0.30	3.09	15.19	16.68	17.37	16.86	16.95	17.04	17.13	17.22	17.31	17.40	17.49	17.57	17.66	17.75	17.84	17.93	18.02	18.11	18.20	18.29	18.38	18.47	18.56	18.64	18.73	18.82	18.91	19.00	19.09	19.18	19.27	19.36	19.45	24.52	24.62
Accumulated cash		0	0	0	0	0	1	4	19	36	53	70	87	104	121	138	156	173	191	208	226	244	261	279	297	315	334	352	370	389	407	426	445	463	482	501	520	540	559	578	598	622	647

Weighted average interests rate	0.2%
WACC	**5.4%**

Debt Service Coverage Ratio (DSCR)								**11.6**	**53.2**	**58.4**	**60.8**	**4.4**	**4.4**	**4.4**	**4.4**	**4.5**	**4.5**	**4.5**	**4.5**	**4.5**	**4.5**	**4.6**	**4.6**	**4.6**	**4.6**	**4.6**	**4.6**	**4.7**	**4.7**	**4.7**	**4.7**	**4.7**	**4.8**	**4.8**	**4.8**	**4.8**	**4.8**	**4.8**	**4.9**	**4.9**	**4.9**		

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Depreciation Condition																																											
Annual depreciation amount	40 years of straight line Salvage value = 5%			-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Book Value of Depletable Assets																																											
Opening book value		Construction Period		161.48	157.64	153.8	150.0	146.1	142.3	138.5	134.6	130.8	127.0	123.1	119.3	115.5	111.6	107.8	104.0	100.1	96.28	92.45	88.61	84.78	80.94	77.11	73.27	69.44	65.60	61.77	57.93	54.10	50.26	46.43	42.59	38.76	34.92	31.08	27.25	23.41	19.58	15.74	11.91
Depreciation cost				-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Year end book value				**157.64**	**153.81**	**150.0**	**146.1**	**142.3**	**138.5**	**134.6**	**130.8**	**127.0**	**123.1**	**119.3**	**115.5**	**111.6**	**107.8**	**104.0**	**100.1**	**96.28**	**92.45**	**88.61**	**84.78**	**80.94**	**77.11**	**73.27**	**69.44**	**65.60**	**61.77**	**57.93**	**54.10**	**50.26**	**46.43**	**42.59**	**38.76**	**34.92**	**31.08**	**27.25**	**23.41**	**19.58**	**15.74**	**11.91**	**8.07**

＜Pipeline: Model 2A: Profit-Loss and Cash Flow of O&M Company＞

Profit and Loss (Operation & MaintenanceCompany)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue from gas transportation				2.08	2.08	2.08	2.08	14.49	27.40	28.47	29.53	42.44	43.92	45.40	46.88	48.35	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83	49.83
Other income				38.70	38.70	38.70	38.70	27.00	15.00	13.60	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total revenue		**0**	**0**	**40.78**	**40.78**	**40.78**	**40.78**	**41.49**	**42.40**	**42.07**	**42.53**	**42.44**	**43.92**	**45.40**	**46.88**	**48.35**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**	**49.83**
Operating Expenses																																											
Pipeline leasing fee	See owner company table			-34.00	-34.00	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0	-34.0
Franchise fee																																											
Depreciation cost	No depreciation																																										
Operating expenses	4% of investment cost			-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5
Corporate overhead	Assume USD 0.2 M per year			-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Total operating expenses		**0.0**	**0.0**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**	**-40.7**
Operating Income and EBIT																																											
Operating income	Revenue - OE			0.13	0.13	0.13	0.13	0.83	1.75	1.41	1.87	1.78	3.26	4.74	6.22	7.70	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17
Non operating income																																											
EBIT (Earnings before Interest and Taxes)		**0.00**	**0.00**	**0.13**	**0.13**	**0.13**	**0.13**	**0.83**	**1.75**	**1.41**	**1.87**	**1.78**	**3.26**	**4.74**	**6.22**	**7.70**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**	**9.17**
Return on Sales (ROS)	EBIT			**6%**	**6%**	**6%**	**6%**	**6%**	**6%**	**5%**	**6%**	**4%**	**7%**	**10%**	**13%**	**16%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**	**18%**
	Net Income			**4%**	**4%**	**4%**	**4%**	**4%**	**4%**	**3%**	**4%**	**3%**	**5%**	**7%**	**9%**	**11%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**	**13%**
Net Income																																											
Corporate tax	30%			-0.04	-0.04	-0.04	-0.04	-0.25	-0.52	-0.42	-0.56	-0.54	-0.98	-1.42	-1.87	-2.31	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75
Property tax																																											
Value added tax	12%																																										
Total tax payment		0.00	0.00	-0.04	-0.04	-0.04	-0.04	-0.25	-0.52	-0.42	-0.56	-0.54	-0.98	-1.42	-1.87	-2.31	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75
Net interests	Paid by owner company																																										
Net income	EBIT - taxes - interests	**0**	**0**	**0.09**	**0.09**	**0.09**	**0.09**	**0.58**	**1.22**	**0.98**	**1.31**	**1.25**	**2.28**	**3.32**	**4.35**	**5.39**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**	**6.42**

Cash Flow (Operating & Maintenance Company)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0	0	0.13	0.126	0.13	0.13	0.83	1.75	1.41	1.87	1.78	3.26	4.74	6.22	7.7	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17
plus : Depreciation																																											
less : taxes		0.00	0.00	-0.04	-0.04	-0.04	-0.04	-0.25	-0.52	-0.42	-0.56	-0.54	-0.98	-1.42	-1.87	-2.31	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75	-2.75
Operating cash flow		0.00	0.00	0.09	0.09	0.09	0.09	0.58	1.22	0.98	1.31	1.25	2.28	3.32	4.35	5.39	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42	6.42

Overall PIRR

Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-8.6	-8.5	-8.4	-8.3	4.0	16.7	18.0	19.0	23.1	24.2	25.3	26.5	27.6	28.7	28.8	28.9	29.0	29.1	29.2	29.2	29.3	29.4	29.5	29.6	29.7	29.8	29.9	30.0	30.1	30.1	30.2	30.3	30.4	30.5	30.6	30.7	30.8	30.9	30.9	31.0
Project IRR	**8.4%**																																										
Discounted Opr CF	8.4%	0.0	0.0	-7.3	-6.7	-6.1	-5.6	2.4	9.5	9.4	9.2	10.3	10.0	9.7	9.3	9.0	8.6	8.0	7.4	6.8	6.3	5.8	5.4	5.0	4.6	4.3	4.0	3.7	3.4	3.1	2.9	2.7	2.5	2.3	2.1	2.0	1.8	1.7	1.6	1.4	1.3	1.2	1.1
Discounted Inv CF	8.4%	-69.4	-84.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

＜Pipeline: Model 2B: Preconditions and Profit-Loss of Asset Owner Company＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Project status	Case 4	Construction		Operation																																							
Initial Investment cost (USD million)	161																																										
Distribution of initial investment		43%	57%																																								
Concession loan amount																																											
Concessional loan: repayment peri	30																																										
Concessional loan: grace period (y	10																																										
Bonds amount	145																																										
Bonds: repayment period (yrs)	10																																										
Other debt: grace period (yrs)																																											
Equity amount	93																																										
Short-term borrowing interest rate																																											
Sales volume	million NM3			123	123	123	123	852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Years elapsed since operation		-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period				1st	1st	1st	1st	1st	2nd	2nd	2nd	2nd	2nd	3rd	3rd	3rd	3rd	3rd	4th	4th	4th	4th	4th	5th	5th	5th	5th	5th	6th	6th	6th	6th	6th	7th	7th	7th	7th	7th	8th	8th	8th	8th	8th
Gas transmission charge	USD/NM3			0.028	0.028	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Income tax rate (first 8 yrs tax holida	30%			30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss (Asset Holding Company)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue Lease fee	USD million			62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62	62
Other income																																											
Total revenue		**0**	**0**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**	**62.00**
Operating Expenses																																											
Pipeline leasing fee																																											
Franchise fee																																											
Depreciation cost	See asset book value table	0.00	0.00	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Operating expenses																																											
Corporate overhead	Assumed USD 0.2 M per yr			-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20	-0.20
Other expenditures	Rebate to O&M company			-65	-65	-65	-65	-46	-25	-23	-22	-2																															
Total operating expenses		**0**	**0**	**-69.34**	**-69.34**	**-69.3**	**-69.3**	**-49.5**	**-28.5**	**-27.0**	**-26.0**	**-6.0**	**-4.0**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**	**-4.04**
Operating Income and EBIT																																											
Operating balance	Revenue - Operating Expense			-7.34	-7.34	-7.34	-7.34	12.46	33.46	34.96	35.96	55.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96
Non operating income																																											
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**-7.34**	**-7.34**	**-7.34**	**-7.34**	**12.46**	**33.46**	**34.96**	**35.96**	**55.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**	**57.96**
Return on Sales (ROS)	EBIT			**-12%**	**-12%**	**-12%**	**-12%**	**20%**	**54%**	**56%**	**58%**	**90%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**	**93%**
	Net Income			**-32%**	**-32%**	**-32%**	**-32%**	**1%**	**35%**	**37%**	**39%**	**50%**	**54%**	**54%**	**54%**	**54%**	**54%**	**55%**	**55%**	**55%**	**55%**	**57%**	**59%**	**59%**	**59%**	**59%**	**59%**	**60%**	**60%**	**60%**	**60%**	**61%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**65%**	**65%**	**65%**	**65%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-14.5	-15.6	-15.6	-15.6	-15.6	-15.6	-15.6	-15.6	-15.6	-15.6	-16.0	-16.5	-16.5	-16.5	-16.5	-16.5	-16.5	-16.5	-16.5	-16.5	-16.8	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4	-17.4
Property tax	3% on 80% fair market value			-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-3.05	-2.96	-2.86	-2.77	-2.68	-2.59	-2.49	-2.40	-2.31	-2.22	-2.13	-2.03	-1.94	-1.85	-1.76	-1.67	-1.57	-1.48	-1.39	-1.30	-1.21	-1.11	-1.02	-0.93	-0.84	-0.75	-0.65	-0.56	-0.47	-0.38	-0.29	-0.19
Value added tax	12%																																										
Total tax payment		0	0	-3.783	-3.691	-3.6	-3.51	-3.42	-3.32	-3.23	-3.14	-17.6	-18.5	-18.4	-18.3	-18.3	-18.2	-18.1	-18.0	-17.9	-17.8	-18.1	-18.5	-18.4	-18.3	-18.2	-18.2	-18.1	-18.0	-17.9	-17.8	-18.0	-18.5	-18.4	-18.3	-18.2	-18.1	-18.0	-17.9	-17.8	-17.7	-17.6	-17.6
Net interests	See loan repayment table	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-7.55	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-4.56	-3.00	-3.00	-3.00	-3.00	-3.00	-3.00	-3.00	-3.00	-3.00	-1.92	-0.12	-0.12	-0.12	-0.12	-0.12	-0.12	-0.12	-0.12	-0.12	-0.12	0.00
Net income	EBIT - taxes - interests	**-3.75**	**-8.72**	**-19.84**	**-19.75**	**-19.7**	**-19.6**	**0.33**	**21.42**	**23.01**	**24.11**	**30.84**	**33.38**	**33.47**	**33.56**	**33.65**	**33.75**	**33.84**	**33.93**	**34.02**	**34.11**	**35.26**	**36.44**	**36.53**	**36.62**	**36.72**	**36.81**	**36.90**	**36.99**	**37.09**	**37.18**	**38.03**	**39.38**	**39.47**	**39.56**	**39.65**	**39.75**	**39.84**	**39.93**	**40.02**	**40.11**	**40.21**	**40.38**

＜Pipeline: Model 2B: Cash Flow of Asset Owner Company＞

Cash Flow (Asset Holding Company)

	Formula	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Cash Flow from Operations																																											
EBIT		0.00	0.00	-7.34	-7.34	-7.34	-7.34	12.46	33.46	34.96	35.96	55.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96	57.96
plus : Depreciation		+0.00	+0.00	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84	+3.84
EBITDA		0.00	0.00	-3.50	-3.50	-3.50	-3.50	16.30	37.30	38.80	39.80	59.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80	61.80
Minus : Tax		0.00	0.00	-3.78	-3.69	-3.60	-3.51	-3.42	-3.32	-3.23	-3.14	-17.6	-18.5	-18.4	-18.3	-18.3	-18.2	-18.1	-18.0	-17.9	-17.8	-18.1	-18.5	-18.4	-18.3	-18.2	-18.2	-18.1	-18.0	-17.9	-17.8	-18.0	-18.5	-18.4	-18.3	-18.2	-18.1	-18.0	-17.9	-17.8	-17.7	-17.6	-17.6
Operating cash flow		0.00	0.00	-7.28	-7.19	-7.10	-7.01	12.88	33.98	35.57	36.66	42.23	43.27	43.37	43.46	43.55	43.64	43.73	43.83	43.92	44.01	43.65	43.28	43.37	43.46	43.55	43.64	43.74	43.83	43.92	44.01	43.78	43.33	43.42	43.52	43.61	43.70	43.79	43.88	43.98	44.07	44.16	44.22
Cash Flow from Financing																																											
Concession loan: incoming	USD million	0	0																																								
Repayment of principal	USD million											0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Loan outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonds: incoming	USD million	62.49	82.84									43.00	58.00									18.00	32.00										2										
Repayment of principal	USD million											-62.5	-82.8									-43.0	-58.0									-18.0	-32.0										0.0	-2
Balance outstanding	USD million	62.49	145.33	145.3	145.3	145	145	145	145	145	145	126	101	101	101	101	101	101	101	101	101	76	50	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	32.0	2.0	2	2	2	2	2	2	2	2	2	0
Repayment of interest	6.0%	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-7.55	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-4.56	-3.00	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-1.9	-0.1	-0	-0	-0	-0	-0	-0	-0	-0	-0	0
Total repayment	Fixed amount repyament	-3.75	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-8.72	-70.0	-88.9	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-6.06	-47.6	-61.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-19.9	-32.1	-0	-0	-0	-0	-0	-0	-0	-0	-0	-2
Equity		11	18	16	16	16	16	0	0	0	0																																
Short-term borrowing	USD million																																										
Repayment (1 yr)	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**69.44**	**92.12**	**7.38**	**7.28**	**7.18**	**7.08**	**-8.72**	**-8.72**	**-8.72**	**-8.72**	**-27.0**	**-30.9**	**-6.06**	**-6.06**	**-6.06**	**-6.06**	**-6.06**	**-6.06**	**-6.06**	**-6.06**	**-29.6**	**-29.0**	**-3.00**	**-3.00**	**-3.00**	**-3.00**	**-3.00**	**-3.00**	**-3.00**	**-3.00**	**-19.9**	**-30.1**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-0.12**	**-2.00**
Cash Flow from Investments																																											
CAPEX		-69.44	-92.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**-69.44**	**-92.04**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for IRR Calculation																																											
Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-7.3	-7.2	-7.1	-7.0	12.9	34.0	35.6	36.7	42.2	43.3	43.4	43.5	43.5	43.6	43.7	43.8	43.9	44.0	43.7	43.3	43.4	43.5	43.6	43.6	43.7	43.8	43.9	44.0	43.8	43.3	43.4	43.5	43.6	43.7	43.8	43.9	44.0	44.1	44.2	44.2
Project IRR	**12%**																																										
Discounted Opr CF	12%	0.0	0.0	-5.8	-5.1	-4.5	-3.9	6.4	15.1	14.1	13.0	13.3	12.1	10.8	9.7	8.6	7.7	6.9	6.1	5.5	4.9	4.3	3.8	3.4	3.0	2.7	2.4	2.2	1.9	1.7	1.5	1.4	1.2	1.1	1.0	0.9	0.8	0.7	0.6	0.5	0.5	0.4	0.4
Discounted Inv CF	12%	-69.4	-82.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free CF to Equity	Net + Depr + Debt + Inv	-21.39	-35.92	-32.10	-31.91	-31.7	-31.5	4.16	25.26	26.85	27.94	15.19	12.37	37.31	37.40	37.49	37.58	37.67	37.77	37.86	37.95	14.09	14.28	40.37	40.46	40.55	40.64	40.74	40.83	40.92	41.01	23.86	13.21	43.30	43.40	43.49	43.58	43.67	43.76	43.86	43.95	44.04	42.22
Equity IRR	**11%**																																										
Discounted Inv CF	11.2%	-21.39	-32.31	-25.97	-23.22	-20.8	-18.6	2.21	12.03	11.50	10.77	5.26	3.86	10.46	9.43	8.50	7.67	6.91	6.23	5.62	5.07	1.69	1.54	3.92	3.54	3.19	2.87	2.59	2.34	2.11	1.90	0.99	0.49	1.46	1.31	1.18	1.07	0.96	0.87	0.78	0.70	0.64	0.55
Free CF		0.01	0.08	0.10	0.09	0.08	0.07	4.16	25.26	26.85	27.94	15.19	12.37	37.31	37.40	37.49	37.58	37.67	37.77	37.86	37.95	14.09	14.28	40.37	40.46	40.55	40.64	40.74	40.83	40.92	41.01	23.86	13.21	43.30	43.40	43.49	43.58	43.67	43.76	43.86	43.95	44.04	42.22
Dividend																																											
Free CF after dividend payment		0.01	0.08	0.10	0.09	0.08	0.07	4.16	25.26	26.85	27.94	15.19	12.37	37.31	37.40	37.49	37.58	37.67	37.77	37.86	37.95	14.09	14.28	40.37	40.46	40.55	40.64	40.74	40.83	40.92	41.01	23.86	13.21	43.30	43.40	43.49	43.58	43.67	43.76	43.86	43.95	44.04	42.22
Accumulated cash		0	0	0	0	0	0	5	30	57	85	100	112	149	187	224	262	300	337	375	413	427	442	482	522	563	604	644	685	726	767	791	804	847	891	934	978	1,022	1,065	1,109	1,153	1,197	1,239

Weighted average interests rate	6.0%
WACC	10%

Debt Service Coverage Ratio (DSCR)								**1.5**	**3.9**	**4.1**	**4.2**	**1.6**	**1.4**	**7.2**	**7.2**	**7.2**	**7.2**	**7.2**	**7.2**	**7.2**	**7.3**	**1.5**	**1.5**	**14.5**	**14.5**	**14.5**	**14.5**	**14.6**	**14.6**	**14.6**	**14.7**	**2.2**	**1.4**	**361.9**	**362.6**	**363.4**	**364.2**	**364.9**	**365.7**	**366.5**	**367.2**	**368.0**	**22.1**

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Depreciation Condition																																											
Annual depreciation amount	40 years of straight line Salvage value = 5%			-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Book Value of Depletable Assets																																											
Opening book value				161.48	157.64	153.8	150.0	146.1	142.3	138.5	134.6	130.8	127.0	123.1	119.3	115.5	111.6	107.8	104.0	100.1	96.28	92.45	88.61	84.78	80.94	77.11	73.27	69.44	65.60	61.77	57.93	54.10	50.26	46.43	42.59	38.76	34.92	31.08	27.25	23.41	19.58	15.74	11.91
Depreciation cost		Construction Period		-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84	-3.84
Year end book value				**157.64**	**153.81**	**150.0**	**146.1**	**142.3**	**138.5**	**134.6**	**130.8**	**127.0**	**123.1**	**119.3**	**115.5**	**111.6**	**107.8**	**104.0**	**100.1**	**96.28**	**92.45**	**88.61**	**84.78**	**80.94**	**77.11**	**73.27**	**69.44**	**65.60**	**61.77**	**57.93**	**54.10**	**50.26**	**46.43**	**42.59**	**38.76**	**34.92**	**31.08**	**27.25**	**23.41**	**19.58**	**15.74**	**11.91**	**8.07**

＜Pipeline: Model 2B: Profit-Loss and Cash Flow of O&M Company＞

Profit and Loss (Operation & MaintenanceCompany)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Revenue																																											
Revenue from gas transportation				3.43	3.43	3.43	3.43	23.86	45.14	46.88	48.63	69.91	72.34	74.77	77.21	79.64	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08	82.08
Other income				65.30	65.30	65.30	65.30	45.50	24.50	23.00	22.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total revenue		**0**	**0**	**68.73**	**68.73**	**68.73**	**68.73**	**69.36**	**69.64**	**69.88**	**70.63**	**71.91**	**72.34**	**74.77**	**77.21**	**79.64**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**	**82.08**
Operating Expenses																																											
Pipeline leasing fee	See owner company table			-62.00	-62.00	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0	-62.0
Franchise fee																																											
Depreciation cost	No depreciation																																										
Operating expenses	4% of investment cost			-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5	-6.5
Corporate overhead	Assume USD 0.2 M per year			-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Total operating expenses		**0.0**	**0.0**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**	**-68.7**
Operating Income and EBIT																																											
Operating income	Revenue - OE			0.07	0.07	0.07	0.07	0.71	0.98	1.23	1.97	3.25	3.68	6.12	8.55	10.98	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42	13.42
Non operating income																																											
EBIT (Earnings before Interest and Taxes)		**0.00**	**0.00**	**0.07**	**0.07**	**0.07**	**0.07**	**0.71**	**0.98**	**1.23**	**1.97**	**3.25**	**3.68**	**6.12**	**8.55**	**10.98**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**	**13.42**
Return on Sales (ROS)	EBIT			**2%**	**2%**	**2%**	**2%**	**3%**	**2%**	**3%**	**4%**	**5%**	**5%**	**8%**	**11%**	**14%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**	**16%**
	Net Income			**2%**	**2%**	**2%**	**2%**	**3%**	**2%**	**3%**	**4%**	**3%**	**4%**	**6%**	**8%**	**10%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**	**11%**
Net Income																																											
Corporate tax	30% with 8 y tax holiday			0	0	0	0	0	0	0	0	-0.97	-1.10	-1.83	-2.56	-3.30	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03
Property tax																																											
Value added tax	12%																																										
Total tax payment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.97	-1.10	-1.83	-2.56	-3.30	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03
Net interests	Paid by owner company																																										
Net income	EBIT - taxes - interests	**0**	**0**	**0.07**	**0.07**	**0.07**	**0.07**	**0.71**	**0.98**	**1.23**	**1.97**	**2.27**	**2.58**	**4.28**	**5.98**	**7.69**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**	**9.39**

Cash Flow (Operating & Maintenance Company)

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Cash Flow from Operations																																											
EBIT		0	0	0.07	0.075	0.07	0.07	0.71	0.98	1.23	1.97	3.25	3.68	6.12	8.55	11	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4
plus : Depreciation																																											
less : taxes		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.97	-1.10	-1.83	-2.56	-3.30	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03	-4.03
Operating cash flow		0.00	0.00	0.07	0.07	0.07	0.07	0.71	0.98	1.23	1.97	2.27	2.58	4.28	5.98	7.69	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39	9.39

Overall PIRR

Project Cash Flow	Opr CF + Inv CF	-69.4	-92.0	-7.2	-7.1	-7.0	-6.9	13.6	35.0	36.8	38.6	44.5	45.8	47.6	49.4	51.2	53.0	53.1	53.2	53.3	53.4	53.0	52.7	52.8	52.9	52.9	53.0	53.1	53.2	53.3	53.4	53.2	52.7	52.8	52.9	53.0	53.1	53.2	53.3	53.4	53.5	53.6	53.6
Project IRR	**13%**																																										
Discounted Opr CF	13.2%	0.0	0.0	-5.6	-4.9	-4.3	-3.7	6.4	14.6	13.6	12.6	12.8	11.7	10.7	9.8	9.0	8.2	7.3	6.4	5.7	5.0	4.4	3.9	3.4	3.0	2.7	2.4	2.1	1.9	1.6	1.5	1.3	1.1	1.0	0.9	0.8	0.7	0.6	0.5	0.5	0.4	0.4	0.3
Discounted Inv CF	13.2%	-69.4	-81.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

＜LNG Terminal: Preconditions and Profit-Loss＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Project status	Case 4	Construction						Operation																																							
Initial Investment cost (USD million)	640																																														
Distribution of initial investment		0%	55%	25%	0%	10%	10%																																								
Concession loan amount																																															
Concessional loan: repayment period (yrs)																																															
Concessional loan: grace period (yrs)																																															
Other debt amount (90%)	576																																														
Other Debt: repayment period (yrs)	10																																														
Other debt: grace period (yrs)																																															
Equity amount	204																																														
Regasification volume	million NM3							852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Project life		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Years elapsed since operation		-5	-4	-3	-2	-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Price regulation period								1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st
Regasification price	USD/NM3							0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Income tax rate	first 8 years tax holiday							0	0	0	0	0	0	0	0	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

Profit and Loss

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Revenue																																															
Revenue from regasification	USD million	0	0	0	0	0	0	59.66	112.8	117	122	175	181	187	193	199	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205
Other income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total revenue		**0**	**0**	**0**	**0**	**0**	**0**	**59.66**	**112.8**	**117**	**122**	**175**	**181**	**187**	**193**	**199**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**	**205**
Operating Expenses																																															
Lease fee																																															
Franchise fee																																															
Depreciation cost	See asset book value table	0	0	0	0	0	0	-15.20	-15.20	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2
Operating expenses (JPY1,000/ton)	-0.0096	0	0	0	0	0	0	-8.18	-15.48	-16.1	-16.7	-24.0	-24.8	-25.6	-26.5	-27.3	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1	-28.1
Corporate overhead	Assumed USD 0.5 M per year							-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
Total operating expenses		**0**	**0**	**0**	**0**	**0**	**0**	**-23.88**	**-31.18**	**-31.8**	**-32.4**	**-39.7**	**-40.5**	**-41.3**	**-42.2**	**-43.0**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**	**-43.8**
Operating Income and EBIT																																															
Operating balance	Revenue - Operating Expens	0	0	0	0	0	0	35.8	81.7	85.4	89.2	135.1	140.3	145.6	150.8	156.1	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4
Non operating income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Earnings before Interest and Taxes)		**0**	**0**	**0**	**0**	**0**	**0**	**35.8**	**81.7**	**85.4**	**89.2**	**135.1**	**140.3**	**145.6**	**150.8**	**156.1**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**	**161.4**
Return on Sales (ROS)	EBIT/Sales							**60%**	**72%**	**73%**	**73%**	**77%**	**78%**	**78%**	**78%**	**78%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**	**79%**
	Net Income/Sales							**2%**	**42%**	**43%**	**45%**	**58%**	**68%**	**73%**	**74%**	**46%**	**49%**	**49%**	**49%**	**49%**	**49%**	**49%**	**50%**	**51%**	**51%**	**51%**	**51%**	**51%**	**51%**	**52%**	**52%**	**52%**	**52%**	**52%**	**53%**	**53%**	**53%**	**53%**	**53%**	**53%**	**54%**	**54%**	**54%**	**54%**	**54%**	**54%**	**55%**
Net Income																																															
Corporate tax	30% with 8 y tax holiday							0	0	0	0	0	0	0	0	-47	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48	-48
Property tax	3% on 80% fair market value															-12.1	-11.7	-11.3	-11.0	-10.6	-10.3	-9.9	-9.5	-9.2	-8.8	-8.4	-8.1	-7.7	-7.3	-7.0	-6.6	-6.2	-5.9	-5.5	-5.1	-4.8	-4.4	-4.1	-3.7	-3.3	-3.0	-2.6	-2.2	-1.9	-1.5	-1.1	-0.8
Value added tax	12%																																														
Total tax payment		0	0	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	-59	-60	-60	-59	-59	-59	-58	-58	-58	-57	-57	-56	-56	-56	-55	-55	-55	-54	-54	-54	-53	-53	-52	-52	-52	-51	-51	-51	-50	-50	-50	-49
Net interests	See loan repayment table	0.0	-19.0	-27.6	-27.6	-31.1	-34.6	-34.6	-34.6	-34.6	-34.6	-34.6	-17.2	-8.6	-8.6	-5.1	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	EBIT-taxes-interests	**0.0**	**-19.0**	**-27.6**	**-27.6**	**-31.1**	**-34.6**	**1.2**	**47.1**	**50.9**	**54.6**	**100.5**	**123.1**	**137.0**	**142.3**	**92.1**	**99.6**	**99.9**	**100.3**	**100.6**	**101.0**	**101.4**	**103.4**	**103.8**	**104.2**	**104.5**	**104.9**	**105.2**	**105.6**	**106.0**	**106.3**	**106.7**	**107.1**	**107.4**	**107.8**	**108.2**	**108.5**	**108.9**	**109.3**	**109.6**	**110.0**	**110.4**	**110.7**	**111.1**	**111.4**	**111.8**	**112.2**
Disposal																																															
Dividends	20%							-16	-62	-66	-70	-116	150	-8	-157	-50	-57	-115	-115	-116	-116	-117	-91	-119	-119	-120	-120	-120	-121	-121	-122	-122	-122	-123	-123	-123	-124	-124	-124	-125	-125	-126	-126	-126	-127	-127	-127

＜LNG Terminal: Debt : Cash Flow＞

Cash Flow

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Cash Flow from Operations																																															
EBIT		0	0	0	0	0	0	35.8	81.7	85.4	89.2	135.1	140.3	145.6	150.8	156.1	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4
plus : Depreciation		0	0	0	0	0	0	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2
EBITDA		0	0	0	0	0	0	51.0	96.9	100.6	104.4	150.3	155.5	160.8	166.0	171.3	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6	176.6
Minus : Tax		0	0	0	0	0	0	-15.0	-14.6	-14.3	-13.9	-13.5	-13.2	-12.8	-12.4	-57	-60	-59	-59	-59	-58	-58	-58	-58	-57	-57	-56	-56	-56	-55	-55	-55	-54	-54	-54	-53	-53	-52	-52	-52	-51	-51	-51	-50	-50	-50	-49
Operating cash flow	EBITDA -taxes	0	0	0	0	0	0	36.0	82.2	86.4	90.5	136.8	142.4	148.0	153.6	113.9	116.9	117.3	117.7	118.0	118.4	118.8	118.6	119.0	119.4	119.7	120.1	120.4	120.8	121.2	121.5	121.9	122.3	122.6	123.0	123.4	123.7	124.1	124.5	124.8	125.2	125.6	125.9	126.3	126.6	127.0	127.4
Cash Flow from Financing																																															
Concession loan: incoming	USD million																																														
Repayment of principal	USD million																																														
Loan outstanding	USD million	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	0.2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonds: incoming	USD million	0	317	144	0	58	58						28																																		
Repayment of principal	USD million											0	-317	-144	0	-58	-58						-28																							
Loan outstanding	USD million	0	316.8	460.8	460.8	518.4	576	576	576	576	576	576	287	143	143	86	28	28	28	28	28	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of interest	6%	0.00	-19.01	-27.65	-27.65	-31.10	-34.56	-34.56	-34.56	-34.6	-34.6	-34.6	-17.2	-8.6	-8.6	-5.14	-1.68	-1.68	-1.68	-1.68	-1.68	-1.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
Total repayment	Fixed amount repyament	0.00	-19.01	-27.65	-27.65	-31.10	-34.56	-34.56	-34.56	-34.6	-34.6	-34.6	-334	-153	-8.6	-62.7	-59.3	-1.68	-1.68	-1.68	-1.68	-1.68	-28.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
Equity incoming	USD million		54	44	28	38	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing cash flow		**0.00**	**352.00**	**160.00**	**0.00**	**64.00**	**64.00**	**-34.56**	**-34.56**	**-34.6**	**-34.6**	**-34.6**	**-306**	**-153**	**-8.6**	**-62.7**	**-59.3**	**-1.68**	**-1.68**	**-1.68**	**-1.68**	**-1.68**	**-28.0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Cash Flow from Investments																																															
CAPEX		0	-352	-160	0	-64	-64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments cash flow		**0**	**-352**	**-160**	**0**	**-64**	**-64**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash Flow for FIRR Calculation																																															
Project Cash Flow	Opr CF + Inv CF	0.0	-352.0	-160.0	0.0	-64.0	-64.0	36.0	82.2	86.4	90.5	136.8	142.4	148.0	153.6	113.9	116.9	117.3	117.7	118.0	118.4	118.8	118.6	119.0	119.4	119.7	120.1	120.4	120.8	121.2	121.5	121.9	122.3	122.6	123.0	123.4	123.7	124.1	124.5	124.8	125.2	125.6	125.9	126.3	126.6	127.0	127.4
Project IRR	**12%**																																														
Discounted Opr CF	12%	0.0	0.0	0.0	0.0	0.0	0.0	18.5	37.9	35.6	33.4	45.1	42.1	39.1	36.4	24.1	22.2	19.9	17.9	16.1	14.4	12.9	11.6	10.4	9.3	8.4	7.5	6.7	6.1	5.4	4.9	4.4	3.9	3.5	3.2	2.8	2.6	2.3	2.1	1.8	1.7	1.5	1.3	1.2	1.1	1.0	0.9
Discounted Inv CF	12%	0.0	-315.1	-128.2	0.0	-41.1	-36.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash flow to Equity	Net - Depr + Debts	0.0	-54.2	-43.6	-27.6	-37.5	-41.0	1.4	47.7	51.8	55.9	102.2	-164	-4.6	145.0	51.2	57.7	115.6	116.0	116.4	116.7	117.1	90.6	119.0	119.4	119.7	120.1	120.4	120.8	121.2	121.5	121.9	122.3	122.6	123.0	123.4	123.7	124.1	124.5	124.8	125.2	125.6	125.9	126.3	126.6	127.0	127.4
Equity IRR	**17%**																																														
Discounted FC to Equity	17%	0.0	-46.4	-32.0	-17.4	-20.2	-18.9	0.6	16.1	15.0	13.9	21.7	-29.8	-0.7	19.3	5.8	5.6	9.7	8.3	7.2	6.1	5.3	3.5	3.9	3.4	2.9	2.5	2.1	1.8	1.6	1.4	1.2	1.0	0.9	0.7	0.6	0.5	0.5	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1
Free Cash Flow	Opr CF + Fin CF + Inv CF	0.0	0.0	0.0	0.0	0.0	0.0	1.4	47.7	51.8	55.9	102.2	-164	-4.6	145.0	51.2	57.7	115.6	116.0	116.4	116.7	117.1	90.6	119.0	119.4	119.7	120.1	120.4	120.8	121.2	121.5	121.9	122.3	122.6	123.0	123.4	123.7	124.1	124.5	124.8	125.2	125.6	125.9	126.3	126.6	127.0	127.4
FC after disposal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Weighted average interests rate	6%
WACC	9.7%

Debt Service Coverage Ratio (DSCR)								**1.0**	**2.4**	**2.5**	**2.6**	**4.0**	**0.5**	**1.0**	**17.9**	**1.8**	**2.0**	**69.8**	**70.0**	**70.3**	**70.5**	**70.7**	**4.2**																								

Asset Book Value

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Depreciation Condition																																															
Annual depreciation amount	40 years of straight line Salvage value = 5%							15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2
Book Value of Depletable Assets																																															
Opening book value								640.0	624.8	609.6	594.4	579.2	564.0	548.8	533.6	518.4	503.2	488.0	472.8	457.6	442.4	427.2	412.0	396.8	381.6	366.4	351.2	336.0	320.8	305.6	290.4	275.2	260.0	244.8	229.6	214.4	199.2	184.0	168.8	153.6	138.4	123.2	108.0	92.8	77.6	62.4	47.2
Depreciation cost					Construction Period			-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2	-15.2
Year end book value								**624.8**	**609.6**	**594.4**	**579.2**	**564.0**	**548.8**	**533.6**	**518.4**	**503.2**	**488.0**	**472.8**	**457.6**	**442.4**	**427.2**	**412.0**	**396.8**	**381.6**	**366.4**	**351.2**	**336.0**	**320.8**	**305.6**	**290.4**	**275.2**	**260.0**	**244.8**	**229.6**	**214.4**	**199.2**	**184.0**	**168.8**	**153.6**	**138.4**	**123.2**	**108.0**	**92.8**	**77.6**	**62.4**	**47.2**	**32.0**

＜Economic Analysis＞

Operation Status / Parameters

	Remarks	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Project status	Case 4 Pipeline Model 2A + LNGregas90	Construction						Operation																																							
		Construction		Operation																																											
Regasification volume	million NM3							852	1,612	1,674	1,737	2,497	2,584	2,671	2,757	2,844	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931	2,931
Regasification price	USD/NM3							0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Pipeline distribution volume	million NM3	0	0	123	123	123	123	852	1612	1674	1737	2497	2584	2671	2757	2844	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	2931	*2931*	*2931*	*2931*	*2931*
Pipeline distribution tariff	USD/NM3							0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	*0.017*	*0.017*	*0.017*	*0.02*

Benefits & Costs

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Benefits																																															
Oil fuel unit retail price	USD/Nm3			0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Gas unit retail price	USD/Nm3			0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Sales LNG regasification	USD million							60	113	117	122	175	181	187	193	199	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205
Sales Pipeline asset holding	USD million																																														
Sales Pipeline O&M	USD million			2	2	2	2	14	27	28	30	42	44	45	47	48	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	*50*	*50*	*50*	*50*
Commercial revenue				2	2	2	2	74	140	146	151	217	225	232	240	247	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255	255
Saved value	USD million			54.33	54.33	54.33	54.33	241.2	456.2	474	492	707	731	756	780	805	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830	830
Total benefit		**0**	**0**	**56.41**	**56.41**	**56.41**	**56.41**	**315.4**	**596.5**	**620**	**643**	**924**	**956**	**988**	**1020**	**1052**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**	**1085**
Costs																																															
LNG opex + deprec+ capex	USD million	0	-352	-160	0	-64	-64	-9	-16	-17	-17	-24	-25	-26	-27	-28	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29
Local portion (for SCF)	0.95	0	-58	-26	0	-11	-11	-9	-16	-17	-17	-24	-25	-26	-27	-28	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29
International procurement (material+engineering+management		0	-294	-134	0	-54	-54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pipeline opex + dep + capex	USD million	-69	-92	-39	-39	-39	-39	-27	-15	-14	-13	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Local portion (for SCF)	0.95	-48	-63	-39	-39	-39	-39	-27	-15	-14	-13	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
International procurement (material+engineering+management		-22	-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pipeline O&M CF (local)	0.95	0	0	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	*-41*	*-41*	*-41*	*-41*
Total cost		**-67**	**-438**	**-234**	**-76**	**-139**	**-139**	**-73**	**-68**	**-67**	**-67**	**-62**	**-63**	**-64**	**-64**	**-65**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**	**-66**

Cash Flow

	Formula	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Cash Flow for EIRR Calculation																																															
Project Cash Flow	Opr CF + Inv CF	-67	-438	-177.9	-19.17	-82.64	-82.64	242.6	528.2	552	575	862	893	924	956	987	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019	1019
Economic IRR	**31%**																																														
Discounted Opr CF	31%	0.0	0.0	32.7	24.9	19.0	14.4	61.4	88.4	69.9	55.2	60.4	47.6	37.5	29.5	23.1	18.1	13.8	10.5	8.0	6.1	4.6	3.5	2.7	2.0	1.6	1.2	0.9	0.7	0.5	0.4	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discounted Inv CF	31%	-67.0	-333.5	-135.8	-33.4	-46.7	-35.6	-14.2	-10.1	-7.6	-5.8	-4.1	-3.1	-2.4	-1.9	-1.4	-1.1	-0.8	-0.6	-0.5	-0.4	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
Cash balance																																															

NPV &CBR @ SDR

NPV	**1,576**																																														
CBR	**2.7**																																														
Discounted Opr CF	16%	0	0	41.93	36.14	31.16	26.86	129.4	211	189	169	209	187	166	148	132	117	101	87	75	64.6	55.7	48	41.4	35.7	30.8	26.5	22.9	19.7	17	14.7	12.6	10.9	9.39	8.09	6.98	6.01	5.19	4.47	3.85	3.32	2.86	2.47	2.13	1.83	1.58	1.36
Discounted Inv CF	16%	-67.05	-377.6	-174.1	-48.42	-76.8	-66.21	-29.84	-24.15	-20.6	-17.7	-14.1	-12.3	-10.7	-9.36	-8.17	-7.13	-6.14	-5.3	-4.57	-3.94	-3.39	-2.92	-2.52	-2.17	-1.87	-1.62	-1.39	-1.2	-1.03	-0.89	-0.77	-0.66	-0.57	-0.49	-0.42	-0.37	-0.32	-0.27	-0.23	-0.2	-0.17	-0.15	-0.13	-0.11	-0.1	-0.08

The Philippine BOT Law

REPUBLIC OF THE PHILIPPINES

Congress of the Philippines

Metro Manila

Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-sixth

day of July, nineteen hundred and ninety-three

[REPUBLIC ACT NO. 7718]

AN ACT AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NO. 6957, ENTITLED "AN ACT AUTHORIZING THE FINANCING, CONSTRUCTION, OPERATION AND MAINTENANCE OF INFRASTRUCTURE PROJECTS BY THE PRIVATE SECTOR, AND FOR OTHER PURPOSES"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SEC. 1. Section 1 of Republic Act no. 6957 is hereby amended to read as follows:

"SEC. 1. Declaration of Policy. - It is the declared policy of the State to recognize the indispensable role of the private sector as the main engine for national growth and development and provide the most appropriate incentives to mobilize private resources for the purpose of financing the construction, operation and maintenance of infrastructure and development projects normally financed and undertaken by the Government. Such incentives, aside from financial incentives as provided by law, shall include providing a climate of minimum government regulations and procedures and specific government undertakings in support of the private sector."

SEC. 2. Section 2 of the same Act is hereby amended to read as follows:

"SEC. 2. Definition of Terms. - The following terms used in this Act shall have the meanings stated below:

"(a) Private sector infrastructure or development projects - The general description of infrastructure or development projects normally financed and operated by the public sector but which will now be wholly or partly implemented by the private sector, including but not limited to, power plants, highways, ports, airports, canals, dams, hydropower projects, water supply, irrigation, telecommunications, railroads and railways, transport systems, land reclamation projects, industrial estates or townships, housing, government buildings, tourism projects, markets, slaughterhouses, warehouses, solid waste management, information technology networks and database infrastructure, education and health facilities, sewerage, drainage, dredging, and other infrastructure and development projects as may be authorized by the appropriate agency/LGU pursuant to this Act. Such projects shall be undertaken through contractual arrangements as defined hereunder and such other variations as may be approved by the President of the Philippines.

"For the construction stage of these infrastructure projects, the project proponent may obtain financing from foreign and/or domestic sources and/or engage the services of a foreign and/or Filipino contractor: Provided, That, in case an infrastructure or a development facility's operation requires a public utility franchise, the facility operator must be a Filipino or if a corporation, it must be duly registered with the Securities and Exchange Commission and owned up to at least sixty percent (60%) by Filipinos: Provided, further, That in the case of foreign contractors, Filipino labor shall be employed or hired in the different phases of construction where Filipino skills are available: Provided, finally, That projects which would have difficulty in sourcing funds may be financed partly from direct government appropriations and/or from Official Development Assistance (ODA) of foreign governments or institutions not exceeding fifty percent (50%) of the project cost, and the balance to be provided by the project proponent.

"(b) Build-operate-and-transfer - A contractual arrangement whereby the project proponent undertakes the construction, including financing, of a given infrastructure facility, and the operation maintenance thereof. The project proponent operates the facility over a fixed term during which it is allowed to charge facility users appropriate tolls, fees, rentals, and charges not exceeding those proposed in its bid or as negotiated and incorporated in the contract to enable the project proponent to recover its investment, and operating and maintenance expenses in the project. The project proponent transfers the facility to the government agency or local government unit concerned at the end of the fixed term which shall not exceed fifty (50) years: Provided, That in case of an infrastructure or development facility whose operation requires a public utility franchise, the proponent must be Filipino or, if a corporation, must be duly registered with the Securities and Exchange Commission and owned up to at least sixty percent (60%) by Filipinos.

"The build-operate-and-transfer shall include a supply-and-operate situation which is a contractual arrangement whereby the supplier of equipment and machinery for a given infrastructure facility, if the interest of the Government so requires, operates the facility providing in the process technology transfer and training to Filipino nationals.

"(c) Build-and-transfer - A contractual arrangement whereby the project proponent undertakes the financing and construction of a given infrastructure or development facility and after its completion turns it over to the government agency or local government unit concerned, which shall pay the proponent on an agreed schedule its total investments expended on the project, plus a reasonable rate of return thereon. This arrangement may be employed in the construction of any infrastructure or development project, including critical facilities which, for security or strategic reasons, must be operated directly by the Government.

"(d) Build-own-and-operate - A contractual arrangement whereby a project proponent is authorized to finance, construct, own, operate and maintain an infrastructure or development facility from which the proponent is allowed to recover its total investment, operating and

maintenance costs plus a reasonable return thereon by collecting tolls, fees, rentals or other charges from facility users: Provided, That all such projects, upon recommendation of the Investment Coordination Committee (ICC) of the National Economic and Development Authority (NEDA), shall be approved by the President of the Philippines. Under this project, the proponent which owns the assets of the facility may assign its operation and maintenance to a facility operator.

"(e) Build-lease-and-transfer - A contractual arrangement whereby a project proponent is authorized to finance and construct an infrastructure or development facility and upon its completion turns it over to the government agency or local government unit concerned on a lease arrangement for a fixed period after which ownership of the facility is automatically transferred to the government agency or local government unit concerned.

"(f) Build-transfer-and-operate - A contractual arrangement whereby the public sector contracts out the building of an infrastructure facility to a private entity such that the contractor builds the facility on a turn-key basis, assuming cost overrun, delay and specified performance risks.

"Once the facility is commissioned satisfactorily, title is transferred to the implementing agency/LGU. The private entity, however, operates the facility on behalf of the implementing agency/LGU under an agreement.

"(g) Contract-add-and-operate - A contractual arrangement whereby the project proponent adds to an existing infrastructure facility which it is renting from the government. It operates the expanded project over an agreed franchise period. There may, or may not be, a transfer arrangement in regard to the facility.

"(h) Develop-operate-and-transfer - A contractual arrangement whereby favorable conditions external to a new infrastructure project which is to be built by a private project proponent are integrated into the arrangement by giving that entity the right to develop adjoining property, and thus, enjoy some of the benefits the investment creates such as higher property or rent values.

"(i) Rehabilitate-operate-and-transfer - A contractual arrangement whereby an existing facility is turned over to the private sector to refurbish, operate and maintain for a franchise period, at the expiry of which the legal title to the facility is turned over to the government. The term is also used to describe the purchase of an existing facility from abroad, importing, refurbishing, erecting and consuming it within the host country.

"(j) Rehabilitate-own-and-operate - A contractual arrangement whereby an existing facility is turned over to the private sector to refurbish and operate with no time limitation imposed on ownership. As long as the operator is not in violation of its franchise, it can continue to operate the facility in perpetuity.

"(k) Project proponent - The private sector entity which shall have contractual responsibility for the project and which shall have an adequate financial base to implement said project consisting of equity and firm commitments from reputable financial institutions to provide, upon award, sufficient credit lines to cover the total estimated cost of the project.

"(l) Contractor - Any entity accredited under the Philippine laws which may or may not be the project proponent and which shall undertake the actual construction and/or supply of equipment for the project.

"(m) Facility operator - A company registered with the Securities and Exchange Commission, which may or may not be the project proponent, and which is responsible for all aspects of operation and maintenance of the infrastructure or development facility, including but not limited to the collection of tolls, fees, rentals or charges from facility users: Provided, That in case the

facility requires a public utility franchise, the facility operator shall be Filipino or at least sixty per centum (60%) owned by Filipino.

"(n) Direct government guarantee - An agreement whereby the government or any of its agencies or local government units assume responsibility for the repayment of debt directly incurred by the project proponent in implementing the project in case of a loan default.

"(o) Reasonable rate of return on investments and operating and maintenance cost - The rate of return that reflects the prevailing cost of capital in the domestic and international markets: Provided, That in case of negotiated contracts, such rate of return shall be determined by ICC of NEDA prior to the negotiation and/or call for proposals: Provided, further, That for negotiated contracts for public utility projects which are monopolies, the rate of return on rate base shall be determined by existing laws, which in no case shall exceed twelve per centum (12%).

"(p) Construction - Refers to new construction, rehabilitation, improvement, expansion, alteration and related works and activities including the necessary supply of equipment, materials, labor and services and related items."

SEC. 3. Section 3 of the same Act is hereby amended to read as follows:

"SEC. 3. Private Initiative in Infrastructure. - All government infrastructure agencies, including government-owned and-controlled corporations (GOCC) and local government units (LGUs) are hereby authorized to enter into contract with any duly pre-qualified project proponent for the financing, construction, operation and maintenance of any financially viable infrastructure or development facility through any of the projects authorized in this Act. Said agencies, when entering into such contracts, are enjoined to solicit the expertise of individuals, groups, or corporations in the private sector who have extensive experience in undertaking infrastructure or development projects."

SEC. 4. Section 4 of the same act is hereby amended to read as follows:

"SEC. 4. Priority Projects. - All concerned government agencies, including government-owned and-controlled corporations and local government units, shall include in their development programs those priority projects that may be financed, constructed, operated and maintained by the private sector under the provisions of this Act. It shall be the duty of all concerned government agencies to give wide publicity to all projects eligible for financing under this Act, including publication in national and, where applicable, international newspapers of general circulation once every six (6) months and official notification of project proponents registered with them.

"The list of all such national projects must be part of the development programs of the agencies concerned. The list of projects costing up to Three hundred million pesos (P300,000,000) shall be submitted to ICC of NEDA for its approval and to the NEDA Board for projects costing more than Three hundred million pesos (P300,000,000). The list of projects submitted to ICC of the NEDA Board shall be acted upon within thirty (30) working days.

"The list of local projects to be implemented by the local government units concerned shall be submitted, for confirmation, to the municipal development council for projects costing up to Twenty million pesos; those costing above Twenty up to Fifty million pesos, to the provincial development council; those costing up to Fifty million, to the city development council; above Fifty million up to Two hundred million pesos, to the regional development councils; and those above Two hundred million pesos, to ICC of NEDA.

SEC. 5. A new section is hereby added after Section 4 of the same Act and numbered as Section 4-A, to read as follows:

"SEC. 4-A. Unsolicited Proposals. - Unsolicited proposals for projects may be accepted by any government agency or local government unit on a negotiated basis: Provided, That, all the following conditions are met: (1) such projects involve a new concept or technology and/or are not part of the list of priority projects, (2) no direct government guarantee, subsidy or equity is required, and (3) the government agency or local government unit has invited by publication, for three (3) consecutive weeks, in a newspaper of general circulation, comparative or competitive proposals and no other proposal is received for a period of sixty (60) working days: Provided, further, That in the event another proponent submits a lower price proposal, the original proponent shall have the right to match that price within thirty (30) working days."

SEC. 6. Section 5 of the same Act is hereby amended to read as follows:

"SEC. 5. Public Bidding of Projects. - Upon approval of the projects mentioned in Section 4 of this Act, the head of the infrastructure agency or local government unit concerned shall forthwith cause to be published, once every week for three (3) consecutive weeks, in at least two (2) newspapers of general circulation and in at least one (1) local newspaper which is circulated in the region, province, city or municipality in which the project is to be constructed, a notice inviting all prospective infrastructure or development project proponents to participate in a competitive public bidding for the projects so approved.

"In the case of a build-operate-and-transfer arrangement, the contract shall be awarded to the bidder who, having satisfied the minimum financial, technical, organizational and legal standards required by this Act, has submitted the lowest bid and most favorable terms for the project, based on the present value of its proposed tolls, fees, rentals and charges over a fixed term for the facility to be constructed, rehabilitated, operated and maintained according to the prescribed minimum design and performance standards, plans and specifications. For this purpose, the winning project proponent shall be automatically granted by the appropriate agency the franchise to operate and maintain the facility, including the collection of tolls, fees, rentals, and charges in accordance with Section 5 hereof.

"In the case of build-and-transfer or build-lease-and-transfer arrangement, the contract shall be awarded to the lowest complying bidder based on the present value of its proposed schedule of amortization payments for the facility to be constructed according to the prescribed minimum design and performance standards, plans, and specifications: Provided, however, That a Filipino contractor who submits an equally advantageous bid with exactly the same price and technical specifications as those of a foreign contractor shall be given preference.

"In all cases, a consortium that participates in a bid must present proof that the members of the consortium have bound themselves jointly and severally to assume responsibility for any project. The withdrawal of any member of the consortium prior to the implementation of the project could be a ground for the cancellation of the contract.

"The public bidding must be conducted under a two-envelope/two-stage system: the first envelope to contain the technical proposal and the second envelope to contain the financial proposal. The procedures for this system shall be outlined in the implementing rules and regulations of this Act.

"A copy of each contract involving a project entered into under this Act shall forthwith be submitted to Congress for its information."

SEC. 7. A new section is hereby added after Section 5 of the same Act and numbered as section 5-A, to read as follows:

"SEC. 5-A. Direct Negotiation of Contracts. - Direct negotiation shall be resorted to when there

is only one complying bidder left as defined hereunder:

"(a) If, after advertisement, only one contractor applies for pre-qualification and it meets the pre-qualification requirements, after which it is required to submit a bid/proposal which is subsequently found by the agency/local government unit (LGU) to be complying.

"(b) If, after advertisement, more than one contractor applied for pre-qualification but only one meets the pre-qualification requirements, after which it submits bid/proposal which is found by the agency/LGU to be complying.

"(c) If, after pre-qualification of more than one contractor, only one submits a bid which is found by the agency/LGU to be complying.

"(d) If, after pre-qualification, more than one contractor submit bids but only one is found by the agency/LGU to be complying: Provided, That any of the disqualified prospective bidder may appeal the decision of the implementing agency's/LGU's Pre-qualification Bids and Awards Committee within fifteen (15) working days to the head of the agency, in case of national projects; to the Department of the Interior and Local Government (DILG), in case of local projects from the date the disqualification was made known to the disqualified bidder: Provided, furthermore, That the implementing agency concerned or DILG should act on the appeal within forty-five (45) working days from receipt thereof."

SEC. 8. Section 6 of the same Act is hereby amended to read as follows:

"SEC. 6. Repayment Scheme. - For the financing, construction, operation and maintenance of any infrastructure project undertaken through the Build-Operate-and-Transfer arrangement or any of its variations pursuant to the provisions of this Act, the project proponent shall be repaid by authorizing it to charge and collect reasonable tolls, fees, and rentals for the use of the project facility not exceeding those incorporated in the contract and, where applicable, the proponent may likewise be repaid in the form of a share in the revenue of the project or other non-monetary payments, such as, but not limited to, the grant of a portion or percentage of the reclaimed land, subject to the constitutional requirements with respect to the ownership of land: Provided, That for negotiated contracts, and for projects which have been granted a natural monopoly or where the public has no access to alternative facilities, the appropriate government regulatory bodies, shall approve the tolls, fees, rentals, and charges based on a reasonable rate of return: Provided, further, That the imposition and collection of tolls, fees, rentals, and charges shall be for a fixed term as proposed in the bid and incorporated in the contract but in no case shall this term exceed fifty (50) years: Provided, furthermore, That the tolls, fees, rentals, and charges may be subject to adjustment during the life of the contract, based on a predetermined formula using official price indices and included in the instructions to bidders and in the contract: Provided, also, That all tolls, fees, rentals, and charges and adjustments thereof shall take into account the reasonableness of said rates to the end-users of private sector-built infrastructure: Provided, finally, That during the lifetime of the franchise, the project proponent shall undertake the necessary maintenance and repair of the facility in accordance with standards prescribed in the bidding documents and in the contract. In the case of a Build-and-Transfer arrangement, the repayment scheme is to be effected through amortization payments by the government agency or local government unit concerned to the project proponent according to the scheme proposed in the bid and incorporated in the contract."

SEC. 9. Section 7 of the same Act is hereby amended to read as follows:

"SEC. 7. Contract Termination. - In the event that a project is revoked, cancelled or terminated by the Government through no fault of the project proponent or by mutual agreement, the Government shall compensate the said project proponent for its actual expenses incurred in the project plus a reasonable rate of return thereon not exceeding that stated in the contract as of

the date of such revocation, cancellation or termination: Provided, That the interest of the Government in these instances shall be duly insured with the Government Service Insurance System (GSIS) or any other insurance entity duly accredited by the Office of the Insurance Commissioner: Provided, finally, That the cost of the insurance coverage shall be included in the terms and conditions of the bidding referred to above.

"In the event that the government defaults on certain major obligations in the contract and such failure is not remediable or if remediable shall remain unremedied for an unreasonable length of time, the project proponent/contractor may, by prior notice to the concerned national government agency or local government unit specifying the turn-over date, terminate the contract. The project proponent/contractor shall be reasonably compensated by the Government of equivalent or proportionate contract cost as defined in the contract."

SEC. 10. Section 8 of the same Act is hereby amended to read as follows:

"SEC. 8. Regulatory Boards. - The Toll Regulatory Board which was created by Presidential Decree No. 1112 is hereby attached to the Department of Public Works and Highways with the Secretary of Public Works and Highways as Chairman."

SEC. 11. Section 9 of the same Act is hereby amended to read as follows:

"SEC. 9. Project Supervision. - Every infrastructure project undertaken under the provisions of this Act shall be in accordance with the plans, specifications, standards, and costs approved by the concerned government agency and shall be under the supervision of the said agency or local government unit in the case of local projects."

SEC. 12. A new section to be numbered as Section 10 is hereby added to read as follows:

"SEC. 10. Investment Incentives. - Among other incentives, projects in excess of One billion pesos (P1,000,000,000) shall be entitled to incentives as provided by the Omnibus Investment Code, upon registration with the Board of Investments."

SEC. 13. Section 10 of the same Act is hereby renumbered as Section 11 to read as follows:

"SEC. 11. Implementing Rules and Regulations. - A committee composed of one (1) representative from the Department of Public Works and Highways (DPWH), the Department of Transportation and Communications (DOTC), the Department of Energy (DOE), the Department of Environment and National Resources (DENR), the Department of Agriculture (DA), the Department of Trade and Industry (DTI), the Department of Finance (DOF), the Department of Interior and Local Government (DILG), the National Economic and Development Authority (NEDA), the Coordinating Council of the Philippine Assistance Program (CCPAP), and other concerned government agencies shall, within sixty (60) days from the effectivity of this Act, formulate and prescribe, after public hearing and publication as required by law, the implementing rules and regulations including, among others, the criteria and guidelines for evaluation of bid proposals, list of financial incentives and arrangements that the Government may provide for the project, in order to carry out the provisions of this Act in the most expeditious manner.

"The Chairman of this committee shall be appointed by the President of the Philippines from its members.

"From time to time the Committee may conduct, formulate and prescribe after due public hearing and publication, amendments to the implementing rules and regulations, consistent with the provisions of this Act."

SEC. 14. A new section to be numbered as Section 12 is hereby added to read as follows:

"SEC. 12. Coordination and Monitoring of Projects. - The Coordinating Council of the Philippine Assistance Program (CCPAP) shall be responsible for the coordination and monitoring of projects implemented under this Act.

"Regional development councils and local government units shall periodically submit to CCPAP information on the status of said projects.

"At the end of every calendar year, the CCPAP shall report to the President and to Congress on the progress of all projects implemented under this Act."

SEC. 15. Sections 11, 12 and 13 of the same Act are hereby renumbered as Sections 13, 14 and 15respectively.

SEC. 16. Repealing Clause. - All laws or parts of any law inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 17. Separability Clause. - If any provision of this Act is held invalid, the other provisions not affected thereby shall continue in operation.

SEC. 18. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,

EDGARDO J. ANGARA
President of the Senate

JOSE DE VENECIA JR.
Speaker of the House of Representative

This Act which is a consolidation of House Bill No. 10943 and Senate Bill No. 1586 was finally passed by the House of Representatives and the Senate on April 12, 1994 and April 27, 1994, respectively.

EDGARDO E. TUMANGAN
Secretary of the Senate

ROBERTO P. NAZARENO
Acting Secretary General
House of Representative

FIDEL V. RAMOS
President of the Philippines

Approved: 5 MAY 1994

GUIDELINES AND PROCEDURES FOR ENTERING INTO JOINT VENTURE (JV) AGREEMENTS BETWEEN GOVERNMENT AND PRIVATE ENTITIES

1.0 Legal Basis. These Guidelines are being issued pursuant to Section 8 (Joint Venture Agreements) of Executive Order (EO) No. 423 dated 30 April 2005, which mandates the National Economic and Development Authority (NEDA), in consultation with the Government Procurement Policy Board (GPPB), to issue the necessary guidelines on Joint Ventures (JVs). The Office of the Government Corporate Counsel (OGCC), Department of Justice (DOJ), GOCCs and the private sector have also been consulted in the formulation of the Guidelines.

2.0 Principles. The Government shall enter into a JV arrangement consistent with the following principles:

2.1 The creation of the JV should not prevent potential players from profitably entering into business venture/market.

2.2 The cost of producing the particular product, activity, or service should be efficient or potentially efficient towards earning potential profits for government and the market player/private sector partner.

2.3 There should be no barriers for the government's withdrawal of its contribution to the JV investment.

2.4 The role of government as regulator of the business of the JV should be clearly and explicitly delineated from its role as implementer of the business to avoid conflicts of interest.

2.5 As differentiated from projects procured under Official Development Assistance (ODA), Build Operate and Transfer Law (BOT) and Government Procurement Reform Act (GPRA) where ownership of the asset/business will stay with the government, JV Agreements allow the private sector to take over the undertaking of the projects in its entirety after the government divests itself of any interest in the JV.

2.6 Accountability for the JV project ultimately devolves on the Head of the Government Entity involved in the JV Agreements and the implementation of the JV project. The private parties dealing with the Government are similarly held accountable for all their actions relative thereto.

3.0 Purpose. These Guidelines are being formulated to meet the following objectives:

3.1 To prescribe the rules, guidelines and procedures forging JV Agreements between government corporations as defined under section 4.0 below, and private entities;

3.2 To encourage pooling of resources and expertise between government and private sector entities through JVs as a viable, efficient, and practical alternative in pursuing development goals of the government; and

3.3 To ensure that all JV Agreements are entered into under the policy that all government contracts shall be awarded through a transparent process.

4.0 Coverage.

4.1 These guidelines shall apply to all government-owned and/or controlled corporations (GOCCs), government corporate entities (GCEs), government instrumentalities with corporate powers (GICPs), government financial institutions (GFIs), state universities and colleges (SUCs), as defined under Section 5.0 and which are expressly authorized by law or their respective charters to enter into JV Agreements. Local Government Units (LGUs) are not covered by these Guidelines.

4.2 Transactions of GFIs in the ordinary course of business as part of their normal and ordinary banking, financial or portfolio management operations shall not be covered by the provisions of these Guidelines.

5.0 Definition of Terms.

5.1 *Government Entity*. Refers to GOCCs, GCEs, GICPs, SUCs, and GFIs, created by law, executive issuances and by the Corporation Code, among others.

5.2 *Government Corporate Entity (GCE) and Government Instrumentality with Corporate Powers (GICP)*. Refer to entities exercising both government and corporate powers, but which do not fall under the definition of a GOCC under the Administrative Code.

5.3 *Head of Government Entity*. Refers to the governing board or its duly authorized official, for GOCCs, GCEs, GICPs, SUCs, and GFIs.

5.4 *Joint Venture (JV)*. A contractual arrangement whereby a private sector entity or a group of private sector entities on one hand, and a Government Entity or a group of Government Entities on the other hand, contribute money/capital, services, assets (including equipment, land or intellectual property), or a combination of any or all of the foregoing. Parties to a JV share risks to jointly undertake an investment activity in order to accomplish a specific, limited or special goal or purpose with the end view of facilitating private sector initiative in a particular industry or sector, and eventually transferring ownership of the investment activity to the private sector under competitive market conditions. It involves a community or pooling of interests in the performance of the service, function, business or activity, with each party having a right to direct and govern the policy in connection therewith, and with a view of sharing both profits and losses, subject to agreement by the parties. A JV may be a contractual JV, or a corporate JV.

5.5 *JV Company*. An entity registered with the Securities and Exchange Commission (SEC) by the JV partners that shall perform the primary functions and obligations of the JV as stipulated under the JV Agreement. The JV Company shall possess the characteristics stipulated under these Guidelines.

5.6 *Contractual JV.* A legal and binding agreement under which the JV partners shall perform the primary functions and obligations under the JV Agreement without forming a JV Company.

5.7 *Competitive Selection.* Refers to a process of selection by a Government Entity of a JV partner(s), based on transparent criteria, which should not constrain or limit competition, and is open to participation by any interested and qualified private entity.

5.8 *Competitive Challenge.* An alternative selection process wherein third parties shall be invited to submit comparative proposals to an unsolicited proposal. Accordingly, the private sector entity that submitted the unsolicited proposal is accorded the right to match any superior offers given by a comparative private sector participant.

5.9 *Negotiated Projects.* Refers to instances where the desired project is the result of an unsolicited proposal from a private sector proponent or, if the government has failed to identify an eligible private sector partner for a desired activity after subjecting the same to a competitive selection.

5.10 *Unsolicited Proposal.* Refer to project proposals submitted by the private sector to undertake Infrastructure or Development Projects without a formal solicitation issued by a Government Entity. These projects may be entered into by the Government Entity on a negotiated basis, provided, however, that there shall be no direct government guarantees for JVs resulting from an unsolicited proposal.

6.0 General Guidelines.

6.1 JV Agreements entered into shall consider the following parameters:

a. Investments or JV Agreements must be made only in activities directly and immediately related to and in furtherance of the primary corporate purpose, mandate, or charter of the investing Government Entity;

b. The JV should be clear in its intent to undertake a specific activity that is responsive to national development goals and objectives; and

c. The JV should not tend to crowd out private sector initiative in a particular industry or sector. The DTI, BOI and NEDA shall issue a negative list of industries or sectors on a periodic basis where the formation of a JV is likely to crowd out private sector initiative.

6.2 The preferred mode of implementing a JV Agreement shall be through a JV Company to be formed by the Government Entity and the private sector entity, under the following parameters:

a. The JV Company shall be registered as a stock corporation in accordance with the provisions of the Corporation Code, as amended, and the prevailing and applicable rules and regulations promulgated by the SEC;

b. Ownership and nationality requirements under the Constitution and other pertinent laws should be complied with; provided, that the Government Entity's equity contribution in the JV Company shall only be less than fifty percent (50%) of the outstanding capital stock of the latter. Government's contribution may be through assets (including money, equipment, land, intellectual property or any thing of value) which shall be subject to a 3rd party independent valuation. For as long as the Government Entity is involved in the JV undertaking, the private sector party shall not sell/transfer its interest in the JV Company without the express written consent of the Government Entity;

c. The Government Entity shall be represented in the Board of the JV Company in proportion to its investment;

d. The JV Company shall be permitted to derive income from the activities authorized under the JV Agreement thereof during the term thereof. The Government Entity and the private sector partner shall be entitled to receive dividends and/or any other form of share from net profits earned by the JV Company in accordance with the JV Agreement. The determination of net profits shall be subject to a verification process for allowable operations and management expenses specified therein;

e. The JV Company is encouraged to stipulate a fixed period for the participation of the Government Entity. This period shall be determined by the attainment of the Government Entity's objective in pursuing the investment, or when the private sector partner is projected to be able to proceed with the JV activity without further need of government support. Further, the withdrawal of the Government Entity's capital contribution before the expiration of the said period is likewise encouraged; provided, that the divestment is made through competitive selection, initial public offering (IPO), or any other means that promote competition, fairness and transparency. The foregoing factors shall be accorded greater importance than the financial impact or financial benefit of the proposed investment to the Government Entity concerned.

f. In drafting the incorporation documents of the JV Company and other contracts governing the relationship between the Government Entity and the private sector participant, the parties should consider the following guidelines: (1) clearly defined business objectives; (2) specified degree of participation and the management roles of each party in the JV Activity; (3) defined contribution of capital and ownership rights to property; (4) specified division of the profits and losses; (5) identified dispute mechanism to avoid management impasses that may produce deadlock or litigation; (6) specified termination/liquidation of the JV Company and indicate buy-out provisions; (7) specified confidentiality terms; and (8) stipulated indemnification mechanisms.

6.3 If the formation of a JV Company is not the best mode to implement a JV Activity as determined by the Government Entity, it may opt to implement the JV project through a contractual agreement. Prior to entering into a Contractual JV, the

parameters similar to those governing JV Companies under Section 6.2 (f) herein are to be observed.

7.0 Process for Entering into JV Agreements. Prior to entering into a JV Agreement, the proposed JV activity shall be approved in principle, in accordance with the procedure stipulated below:

7.1 Approval in Principle by the Head of a Government Entity. For JV Agreements regardless of cost, the Head of the Government Entity concerned shall have the authority to approve the proposed JV Agreement in principle, subject to the compliance to the conditions listed hereunder:

a. Justification that the JV activity is within the mandate and charter of the Government Entity concerned as certified and notarized by the head of the Government Entity;

b. Clear description of the proposed investment, including its activities, objectives, source(s) of funding, extent and nature of the proposed participation of the investing Government Entity, period of participation of the Government Entity, and the relevant terms and conditions of the undertaking under the proposed JV Agreement, among others;

c. Justification as to the responsiveness and relative priority of the proposed JV activity in meeting national or specific development goals and objectives; and

d. All other components of the JV Agreement, including the technical, financial, legal and other aspects in determining the over-all feasibility of the proposed JV activity, among others, shall be established.

7.2 For JV activity that will require national government undertakings, subsidies or guarantees, clearance/approval of the Department of Finance (DOF) and/or the Department of Budget and Management (DBM), as the case may be, shall be secured.

7.3 Modes of Selecting a JV Partner

a. Competitive Selection – The process for the conduct of Competitive Selection, contract award and final approval shall be stipulated under Annex A of these guidelines. In the conduct of the Competitive Selection process, the Government Entity shall ensure the following:

i. all activities during the competitive selection, award, and final approval are conducted in a transparent and competitive process that promotes accountability and efficiency; and

ii. the competitive selection parameters are clearly defined and shall include the parameters as approved by the Head of the Government Entity.

b. Negotiated Agreements – Negotiated agreements may be entered under the following circumstances:

i. When a Government Entity receives an unsolicited proposal;

ii. When there is failure of competition when no proposals are received or no private sector participant is found qualified and the Government Entity decides to seek out a JV partner; and

iii. When there is failure of competition, i.e., there is only a single interested party remaining as defined under VIII(6) of Annex A.

In the case of subsection b(iii) above, the procedures outlined in Annex B (Limited Negotiation Procedures in case of Failed Competitive Selection under Section 6 of Annex "A" of the Guidelines) shall apply. Subsections b(i) and b(ii) shall be governed by the rules under Annex C (Detailed Guidelines for Competitive Challenge Type Procedure Public-Private Joint Ventures).

7.4 Deviations and Amendments to the JV Agreement. The concerned Government Entity shall not proceed with the award and signing of the contract if there are material deviations from the parameters and terms and conditions set forth in the proposal/tender documents that tend to increase the financial exposure, liabilities, and risks of government or any other factors that would cause disadvantage to government and any deviation that will cause prejudice to losing private sector participants. Said material deviations and amendments shall be subjected to the approval requirements under Sections 7.1 and 7.2 hereof. The Head of the Government Entity concerned shall be responsible for compliance with this policy. Violation of this provision shall render the award and/or the signed JV Agreement invalid.

Any amendment to a JV Agreement after award and signing of contract, which does not materially affect the substance of the competitive selection, shall be subjected to the requirements stipulated under Sections 7.1 and 7.2 hereof. Non-compliance with the corresponding approval process stated shall render the amendment null and void.

8.0 Reporting Requirement. During the course of implementation of the JV Agreement, the concerned Government Entity shall submit an annual report on the status of its implementation during a current year to the Department of Finance, for monitoring purposes. The annual report shall be submitted within the first quarter of the succeeding year. The report shall use current standards in the production of corporate annual reports and shall include the audited financial statements of the JV. In addition, the report shall also contain the JV's work program for a period of three (3) years starting from the year the annual report is issued.

Pursuant to Section 10 of EO No. 423, the heads of government entities as defined in Section 5 of these Guidelines, shall submit to NEDA the salient features and a copy of JV Agreements amounting to at least Three Hundred Million Pesos (P300 Million) together with all documents required thereto for monitoring of compliance with relevant policies, procedures and conditions for approval of the JV undertaking.

9.0 Amendments. These Guidelines may be amended and/or modified from time to time by NEDA through its Director-General, in consultation with the GPPB and the OGCC.

10.0 Separability. If any provision of these Guidelines is held or declared void or unenforceable by final judgment of a court of competent jurisdiction, the other provisions unaffected thereby shall remain in full force and effect.

11.0 Effectivity. These Guidelines and any subsequent amendment or modification shall take effect fifteen (15) calendar days from the date of its publication in a newspaper of general circulation or the Official Gazette or other modes legally acceptable, and a copy of it shall be submitted to the Office of the National Administrative Registry (ONAR) and the UP Law Center.

ANNEX A

DETAILED GUIDELINES AND PROCEDURES FOR COMPETITIVE SELECTION FOR PUBLIC-PRIVATE JOINT VENTURES

I. The Joint Venture Selection Committee (JV-SC)

1. Composition. The Head of the Government Entity shall create a JV-SC for purposes of selecting a private partner for a proposed JV. The JV-SC shall be composed of the following:

   Regular Members (voting):

   a. Chairman – At least a third ranking officer of the Government Entity;
   b. Secretary – representative from the Government Entity's statutory counsel (OGCC or the OSG) or any legal officer of the concerned Government Entity;
   c. One (1) officer knowledgeable in finance;
   d. One (1) officer knowledgeable in management/operation of the JV;
   e. One (1) officer knowledgeable with the technical aspects or requirements of the project, duly designated by the Head of the Government Entity concerned on a project-to-project basis, and
   f. One (1) representative from the National Economic and Development Authority.

   Provisional Members (non-voting):

   g. One (1) technical officer from a concerned regulatory body, when applicable, knowledgeable with the project at hand, to be invited by the Government Entity concerned on a project-to-project basis; and

   h. Three (3) Observers –
      I. Two (2) representatives from the private sector – one (1) representative from a duly recognized association related to the project at hand, and one (1) representative from either the facility users, if applicable, or duly recognized accounting associations; and
      II. Observer – One (1) representative from the Commission on Audit (COA).

   Observers will be notified at least two (2) calendar days before the following stages: pre-selection conference, opening of technical and financial proposals, evaluation of technical and financial proposals, contract award, and special meetings of the JV-SC. The absence of observers will not nullify the JV-SC proceedings, provided that they have been duly invited in writing.

2. Responsibilities. The JV-SC shall be responsible for all aspects of the pre-selection and selection process, including, among others, the preparation of the selection/tender documents, publication of the invitation to apply for eligibility and submit proposal, pre-qualification of prospective private sector participants, conduct of pre-selection conferences and issuance of supplemental notices, interpretation of the rules regarding the selection process, the conduct of the selection process, evaluation of the financial and technical proposals, resolution of disputes between private sector participants, and

recommendation for the acceptance of the proposal and/or for the award of the contract.

3. Quorum. A quorum of the JV-SC shall be composed of a simple majority of all voting members. The Chairman shall vote only in case of a tie.

II. Selection/Tender Documents

1. Selection/Tender Documents. The Government Entity concerned shall prepare the selection/tender documents, which shall include the following:

   a. Instructions to Private Sector Participants;
   b. Minimum Design, Performance Standards/Specifications, and other Financial and Economic Parameters, where applicable, among others;
   c. Feasibility Study or a Business Case/Pre-feasibility Study of the Project;
   d. Draft Contract reflecting the terms and conditions in undertaking the JV activity, including, among others, the contractual obligations of the contracting parties;
   e. Selection Form reflecting the required information to properly evaluate the technical and financial proposal;
   f. Forms of technical and financial proposals and performance securities;
   g. Current applicable rules and regulations of the BSP, as applicable;
   h. Other documents as may be required by the Government Entity concerned.

   The documents enumerated above are just for guidance/reference. The Government Entity concerned is given full discretion to select the appropriate provisions as they assess suitable for a particular contract/project.

2. Instructions to Private Sector Participants. The instructions to private sector participants, which establish the rules of the selection process, shall be clear, comprehensive and fair to all private sector participants and shall, as far as necessary and practicable, include the following information:

   a. General description and objectives of the JV activity;
   b. Proposal submission procedures and requirements, which shall include information on the manner of proposal submission, the number of copies of the technical and financial proposal to be submitted, where the proposals are to be submitted, the deadline for the submission of proposals, permissible mode of transmission of technical and financial proposals, etc.;
   c. Amount and form of proposal security and proposal security validity period;
   d. Milestones;
   e. Method, parameters and criteria for the evaluation of the proposals;
   f. Minimum amount of equity of the prospective JV partner;
   g. Requirements of concerned regulatory bodies;
   h. Current rules and regulations of the BSP;
   i. Revenue sharing arrangement, if any; and
   j. Nationality and ownership requirements as, required by law.

3. Minimum Designs, Performance Standards/Specifications and Economic Parameters. Minimum design and performance standards/specifications, including appropriate environmental standards by the DENR, shall be clearly defined and shall refer more to

the desired quantity and quality of the outputs of the JV activity and should state that non-conformity with any of these minimum requirements shall render the proposals as non-responsive. Likewise, for the purpose of evaluating proposals, the following economic parameters, among others and where applicable, shall be prescribed:

a. discount rate, foreign exchange rate and inflation factor;
b. maximum period of project construction;
c. fixed term and price indices to be used in the adjustments of tolls/fees/rentals/charges, if applicable; and
d. minimum period of repayment, if applicable.

4. Draft Contract. The draft contract should clearly define the basic and legal relationship between the parties and their rights and responsibilities including specific Government Undertakings to be provided by the Government Entity relative to the JV activity, if any. Specifically, the draft contract shall also contain provisions on the following matters, as far as practicable:

i. the date on which the agreement is established, executed, and considered effective;
ii. the names, addresses and identification of the parties, including the type of business of each member of the JV;
iii. the name under which the JV will do business;
iv. the principal place of business of the JV;
v. purpose, term and scope of the JV;
vi. project specifications and features;
vii. a statement that the parties are actually co-venturers for the project, whether or not the contract is in the name of all members;
viii. the establishment of a fund by the parties to finance the work, together with the amounts to be contributed by each party, with the fund being deposited in a special bank account under dual control, and all progress payments and other revenues being deposited in such account;
ix. procedure for additional capital infusions, if required;
x. a declaration of the participation of the parties and percentage in which profits and losses are shared, in proportion to the contributions of the party to the working fund. The amount of contribution of funds by parties can be increased or decreased, depending on the contributions of equipment or expertise;
xi. if equity other than cash is to be contributed, a statement as to how the property will be valuated, and the ownership of the property during and after the effectivity of the JV Agreement;
xii. designation of one of the parties as general manager of the project, with authority to bind the JV Company/Partnership/Parties; or, in the alternative, the constitution of a management committee, with a provision for remuneration. Management duties, other duties of the co-venturers and procedures to be followed in dealing with unusual situations or problems that may develop, should be specified;
xiii. implementation milestones, regular meeting schedules, financial and periodic JV and progress reporting procedure;
xiv. establishment of a JV bank account, and the appointment of a chartered accountant and lawyer;

xv. provide for the acquisition of licenses in the name of the JV or each co-venturer, as required;
xvi. type of insurance carried by the JV and clearly defined liabilities to be insured against by each participant;
xvii. definition of items which are to be considered as costs to the JV for the purpose of determining profit or loss, and a description of items which are not reimbursable to members of the JV;
xviii. confidentiality of trade information passed between the co-venturers;
xix. ownership or retention of patents, technology, and consultant reports;
xx. performance security requirements of the project and the bonding obligations of the co-venturers;
xxi. undivided pro-rata interests held by the co-venturers on all assets of the JV;
xxii. restriction regarding assignment of private sector participant's undivided pro-rata interests in assets of the JV;
xxiii. cost recovery scheme;
xxiv. indemnification and liquidated damages;
xxv. performance and warranty bonds;
xxvi. minimum insurance coverage;
xxvii. acceptance tests and procedures;
xxviii. warranty period and procedures;
xxix. grounds for and effects of contract termination including modes for settling disputes and procedure for handling guarantees, defects, and insurance after termination;
xxx. the manner and procedures for the resolution of warranty against corruption;
xxxi. compliance with all other laws, rules and regulations;
xxxii. procedure for exit of the Government Entity and Substitution or addition of parties;
xxxiii. payout of funds; and
xxxiv. disputes arbitration clause.

III. Publication of Invitation to Apply for Eligibility and to Submit a Proposal (IAESP)

1. The IAESPs shall be advertised once in a newspaper of general nationwide circulation, and posted continuously for a period of seven (7) calendar days, starting on date of advertisement, at the following:

   i. Website of the Government Entity concerned, if available;
   ii. Website of the Government Entity's service provider, if any; and
   iii. Any conspicuous place within the premises of the procuring entity.

2. Private sector participants shall be given at least thirty (30) calendar days from the last date of publication of the IAESP to apply for eligibility and to submit a proposal. Notwithstanding, the Government Entity concerned may adjust said period as may be appropriate for the nature, scope, size, and complexity of the proposed JV activity. Provided, that the principles of transparency, competition and accountability are observed

IV. Qualification of Private Sector Participants

1. Who may Participate. Any individual, partnership, corporation or firm, or consortium, whether local or foreign, subject to the limits set herein.

2. Eligibility Requirements

   a. Legal Requirements. If the JV activity requires a public utility franchise, the private sector participant must be duly registered with the SEC and be at least 60% Filipino-owned. For projects other than these, prospective private sector participant shall comply with nationality and ownership requirements under the Constitution and other applicable laws and issuances.

      For JV activities to be operated by the prospective JV Partner or a facility operator where operation of the facility does not require a public utility franchise, the JV partner or facility operator or concessionaire may be Filipino or foreign-owned, as maybe allowed under applicable laws, rules, and regulations.

   b. Technical Requirements. The prospective JV Partner must have completed a similar or related project costing at least 50% of the JV activity subject of the selection process within the relevant period as determined by the Government Entity. The prospective JV Partner shall submit a statement of all its ongoing and completed government and private contracts similar or related to the JV activity subject of the selection process, including contracts awarded but not yet started, if any.

   c. Financial Capability. The Government Entity shall determine before evaluation of eligibility, the minimum amount of equity needed for the JV activity.

      The following documents shall be submitted by the prospective JV Partner:

      i. Audited financial statements for the past three calendar years. If the prospective JV Partner is Filipino, the audited financial statements to be submitted must be stamped "received" by the BIR or its duly accredited and authorized institutions; and
      ii. Latest tax returns, if the JV Partner is Filipino.

   d. In case of consortia, all member entities of the prospective JV Partner shall also submit the above legal, technical and financial eligibility requirements to determine the overall capability of the consortia for the JV undertaking.

   e. Acceptance of Criteria and Waiver of Rights to Enjoin JV Activity. In addition to the above, all prospective private sector participants shall be required to submit, as part of their qualification documents, a statement stipulating that the private sector participant (i) has accepted the qualification criteria established by the JV-SC of the Government Entity concerned; and (ii) waives any right it may have to seek and obtain a writ of injunction or prohibition or restraining order against the concerned Government Entity or its JV-SC to prevent or restrain the qualification proceedings related thereto, the award of the contract to a successful private sector participant, and the carrying out of the awarded contract. Such waiver shall,

however be, without prejudice to the right of a disqualified or losing private sector participant to question the lawfulness of its disqualification or the rejection of its proposal by appropriate administrative or judicial processes not involving the issuance of a writ of injunction or prohibition or restraining order.
Financial capability shall be measured in terms of: i) proof of ability of the prospective JV Partner to provide a minimum amount of equity to the JV activity, measured in terms of the net worth of the company, or a deposit equivalent to the minimum equity required set aside or ear-marked for the proposed JV Activity; and ii) a letter from a domestic universal/commercial bank, or an international bank with a subsidiary/branch in the Philippines, or any international bank recognized by the BSP, attesting that the prospective JV Partner is one of its current clients, and is in good financial standing.

3. Eligible and Ineligible. The Government Entity, through its JV-SC, shall within a period of fifteen (15) calendar days after the deadline set for the submission of the eligibility documents, complete the evaluation of the eligibility documents of the prospective JV Partners, and determine which among them are "eligible" and "ineligible". Accordingly, the JV-SC shall duly inform the eligible JV Partners within seven (7) calendar days after approval thereof. Ineligible private sector participants shall be similarly given notice of such ineligibility, stating therein the grounds for ineligibility within the same period.

   Those ineligible may appeal their ineligibility to the Head of the Government Entity or his authorized representative, within seven (7) calendar days from receipt of the notice of ineligibility. The selection process will be suspended for a maximum period of thirty (30) calendar days while the appeal is being evaluated. The Head of the Government Entity or his authorized representative shall act on the appeal within the thirty (30) calendar day period of suspension of the selection process. The decision of the Head of the Government Entity, or his authorized representative, on the appeal shall be final and immediately executory. If the appeal is not resolved within said period, the appeal is deemed denied, and the selection process will proceed.

4. Issuance of Tender Documents. The Government Entity concerned shall make available the related competitive selection documents to all eligible private sector participants as soon as practicable to provide respective private sector participants ample time to examine the same and to prepare their respective proposals prior to the date of opening of the proposals. The time period from the last day of the issuance of tender documents to the date of opening of the proposal shall not exceed sixty (60) calendar days for JV Agreements costing more than Php 500 Million, and thirty (30) calendar days for JVAs costing less than Php 500 Million.

   The proposal parameters for the proposed JV activity should be transparent and fair. It should not, in any way, be tailor-made for or meant to favor or give advantage to a particular private sector participant.

V. Supplemental Competitive Selection Bulletins and Pre-Selection Conferences

1. Responsibility of the Private Sector Participant. The prospective private sector participant shall be solely responsible for having taken all the necessary steps to carefully examine and acquaint himself with the requirements and terms and conditions of the selection documents with respect to the cost, duration, and execution/operation of the project as it affects the preparation and submission of its proposal. The Government Entity concerned shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective private sector participant out of data furnished or indicated in the competitive selection documents.

2. Supplemental Notices. A prospective private sector participant may submit a written request to the Government Entity concerned on or before the Pre-Selection Conference as to the meaning of any data or requirements or any part of the selection documents. Any substantive interpretation given by the concerned Government Entity shall be issued in the form of a Supplemental Notice, and furnished to all prospective private sector participants. The Government Entity concerned may also issue Supplemental Notices to all prospective private sector participants at any time for purposes of clarifying any provisions of the selection documents, provided that the same is issued within a reasonable period to allow all private sector participants to consider the same in the preparation of their proposals. Receipt of all Supplemental Notices shall be duly acknowledged by each private sector participants prior to the submission of his proposal and shall be so indicated in the proposal.

3. Pre-Selection Conference. For JV activities involving government exposure of less than Php 500 million, pre-selection conference shall be conducted by the Government Entity at least fifteen (15) calendar days before the deadline for the submission of proposals. For JV activities involving government exposure of at least Php 500 million, the pre-selection conference shall be conducted at least thirty (30) calendar days before the submission of proposals. Notwithstanding, the Government Entity concerned may adjust said period as may be appropriate for the nature, scope, size, and complexity of the proposed JV activity. Provided, that the principles of transparency, competition and accountability are observed.

VI. Submission and Receipt of Proposals

1. Requirements for Submission of Proposals. Private sector participants shall be required to submit their proposals on or before the deadline stipulated in the "Instructions to Participants". For eligible participants, proposals shall be submitted in two (2) separate sealed envelopes, the first being the technical proposal and the second the financial proposal.

   a. The technical proposal shall contain the following, as applicable:
      1) compliance statements with regard to the technical parameters as stated in the tender documents;
      2) operational feasibility;
      3) technical soundness, including proposed project timeline;
      4) preliminary environmental assessment;
      5) cost and financing plan of the JV activity; and
      6) proposal security in accordance with the following schedule:

Cost of JV activity as estimated by the government entity	Required Proposal Security
Less than PhP 5.0 billion	2.0% of the cost of the JV activity
less than PhP 5.0 billion to less than PhP 10.0 billion	1.5% of the cost of the JV activity or PhP 100 million, whichever is higher
PhP 10.0 billion and more	1.0% of the cost of the JV activity or PhP 150 million, whichever is higher

7) other documents to support the private sector participant's technical proposal, as may be required by the concerned Government Entity.

b. The financial proposal shall contain the following, as the case may be:
   1) compliance statements with regard to the financial parameters stated in the tender documents
   2) proposed cost of the JV activity, operation and maintenance cost, the amount of equity to be infused and debt to be obtained for the project, sources of financing, and all other related costs
   3) financial proposal corresponding to the parameters set by the concerned Government Entity

   Fifty percent (50%) of the equity to be provided by the private sector entity should as much as possible come from its own resources and not borrowed.

The government entity concerned is not precluded from specifying other requirements for the technical and financial proposals that are best suited for the specific JV activity.

2. Submission of late proposals. Proposals submitted after the deadline for submission prescribed in the "Instructions to Private Sector Participants" shall be considered late and shall be returned unopened.

VII. Opening and Evaluation of Proposals

1. Opening of the envelope for the technical proposal. At the date and time of the proposal opening stipulated in the "Instructions to Private Sector Participants", the JV-SC shall open only the first envelope containing technical proposal and ascertain (a) whether the same is complete in terms of the data/information required under Section VI.1 (a) above; and (b) whether the same is accompanied by the required proposal security in the prescribed form, amount, and period of validity. All private sector participants, or their representatives, present at the opening of the envelopes containing the technical proposal shall sign a register of the proposal opening.

2. Evaluation of the technical proposal. The evaluation of the first envelope containing the technical proposal shall involve the assessment of the technical, operational, environmental, and financing viability of the proposal, vis-à-vis the prescribed

requirements and criteria/minimum standards, and basic parameters prescribed in the competitive selection documents.

The JV-SC of the Government Entity concerned shall complete the evaluation of the technical proposal within fifteen (15) calendar days from the date the proposals are opened. Only those proposals that have been determined to have positively passed the evaluation of the technical proposal shall be qualified and considered for the evaluation of the financial proposal.

3. Opening of the envelope for the financial/technical proposal. Only the financial proposals of private sector participants who passed the evaluation described under Section VII.2 hereof, shall be opened for further evaluation. The financial proposals tendered by private sector participants who failed the technical proposal evaluation under Section VII.2 hereof, shall not be considered further, and shall be returned, unopened, together with a notice stating the reasons for disqualification from further consideration.

   The JV-SC shall notify the private sector participants qualifying for the second stage of evaluation of the date, time and place of the opening of the envelopes for the financial proposal. The opening thereof shall follow the same procedure prescribed for the opening of the envelopes containing technical proposals.

4. Evaluation of the financial proposal. The evaluation of the financial proposal shall involve the assessment and comparison of the financial proposals against the financial parameters stated in the tender documents and proposal parameters set by the Government Entity concerned. The proposed financing plan must show that the same adequately meets the costs relative to the JV activity. The ~~*second stage*~~ evaluation of financial proposals shall be completed by the JV-SC of the concerned Government Entity within fifteen (15) calendar days.

5. Simultaneous evaluation of the technical and financial proposals. Subject to the determination of the Head of the Government Entity wherein the nature of the JV activity shall warrant the appreciation of both the technical and financial proposals as a whole in order to determine the best proposal, simultaneous evaluation of the technical and financial proposals may be resorted to. Provided, that, said evaluation procedure shall be explicitly stated in the proposal documents. Simultaneous evaluation of the technical and financial proposals shall be completed within thirty (30) calendar days from the date the proposals are opened.

6. Prescriptive periods. The periods stated for the evaluation of the technical and financial proposals are prescriptive. The Government Entity concerned may adjust said periods as may be appropriate for the nature, scope, size, and complexity of the proposed JV activity. Provided, that the principles of transparency, competition and accountability are observed.

7. Rejection of proposals. Non-compliance to the information required on either the first or second envelope shall be grounds for rejection of proposals.

8. Withdrawal and/or modification of proposals. Withdrawal and/or modification of proposals may be allowed upon written notice by the private sector participant

concerned, to the Government Entity prior to the time and date set for the opening of the envelope containing the technical proposal as specified in the "Instructions to Private Sector Participants". No proposals shall thereafter be modified or withdrawn. Proposal modifications received after said period shall be considered late and will be returned unopened. Withdrawal of proposals after the proposal opening date shall cause the forfeiture of the private sector participant's proposal security.

9. Right to Reject All Proposals. The Government Entity concerned reserves the right to reject any or all proposals, waive any minor defects therein and accept the offer it deems most advantageous to the government.

VIII. Award and Approval of Contract

1. Recommendation to Award. Within seven (7) calendar days from the date the evaluation procedure adopted is completed, the JV-SC shall submit the recommendation of award to the Head of the Government Entity concerned. The JV-SC shall include as part of its recommendation, a detailed evaluation/assessment report on its decision regarding the evaluation of the proposals, and explain in clear terms the basis of its recommendations.

2. Decision to Award. Within seven (7) calendar days from the submission by JV-SC of the recommendation to award, the Head of the Government Entity shall approve or reject the same. The approval shall be manifested by signing and issuing the "Notice of Award" to the winning private sector participant within seven (7) calendar days from approval thereof.

   All participating private sector participants shall be informed of the award in writing. Such decision shall be made available to the public upon request.

3. Notice of Award. The "Notice of Award" to be issued by the Head of Government Entity concerned, shall contain among others, an instruction to the winning private sector participant to comply with conditions precedent for the execution of the JV Agreement and to submit compliance statements with regard thereto, within fifteen (15) calendar days from receipt of the "Notice of Award".

   Failure to comply with the conditions precedent for the execution of the contract within the prescribed fifteen (15)-calendar day period will result in confiscation of the proposal security. Within seven (7)-calendar days from receipt of the compliance statements from the winning private sector participant, the Head of the Government Entity shall determine the sufficiency of the same, and notify the winning private sector participant accordingly.

4. Validity of Proposals/Return of Proposal Security. The execution of the JV Agreement shall be made within the period of the validity of the proposal security. The required proposal security shall be valid for a reasonable period, but in no case beyond one hundred eighty (180) calendar days following the opening of the proposals. Proposal securities shall be returned to the unsuccessful private sector participants upon signing of the JV Agreement by the winning private sector participant.

5. Extension of Validity of Proposals. When an extension of validity of proposals is considered necessary, those who submitted proposals shall be requested in writing, to extend the validity of their proposals before the expiration date of the same. However, private sector participants shall not be allowed to modify or revise the price or other substantial aspect of their proposals.

   Private sector participants shall have the right to refuse such an extension without forfeiting their proposal security. As a condition of the extension of the validity of their proposals, participating private sector participants must correspondingly extend the validity of their proposal security.

6. Failure of Competitive Selection. There shall be a failure of competitive selection in any of the following instances:

   a) If there is only a single party who submits eligibility documents within the deadline stipulated in Invitation to Apply for Eligibility and to Submit a Proposal;
   b) If at anytime prior to the issuance of the notice of eligibility, should interested parties withdraw from the competitive selection process outlined in Annex "A", with the effect that there is only a single interested party remaining;
   c) If there is only a single interested party who is determined to be eligible to submit a proposal;
   d) If at anytime after the issuance of the notice of eligibility until deadline for submission of proposals, should eligible private sector participants withdraw from the competitive selection process outlined in Annex "A" with the effect that there is only a single eligible private sector participant remaining and eligible to submit a proposal;
   e) If there is only a single eligible private sector participant that submits a proposal;
   f) Should no Technical Proposal be rated "passed";
   g) If there is be only a single eligible private sector participant whose Technical Proposal is rated "passed," but whose Financial Proposal does not meet the financial parameters set for in the Tender Documents: and
   h) Should no Financial Proposal of any eligible private sector participant whose Technical Proposal is rated "passed", meets the financial parameters set forth in the Tender Documents.
   i) No proposals were received or no private sector entity is found qualified for the JV undertaking.

   In the event of a failed competitive selection brought about by instances stipulated under items a., b., c., d., e, g. and h. above, the JV Activity, at the sole decision of the Head of the Government Entity concerned, may be subjected to a competitive selection once more, or, may be the subject of limited negotiations in accordance with Annex "B" hereof. In the event of a failed competitive selection brought about by an instance stipulated under item f. above, a competitive selection shall be conducted again by the Government Entity. In the event of a failed competition brought about by item (i) above, the Head of Agency concerned may seek private sector entities for the JV undertaking subject to Annex "C" hereof.

7. Execution/Approval of the JV Agreement. The authorized signatory(ies) of the winning private sector participant and the Government Entity concerned, shall

execute and sign the JV Agreement, within seven (7) calendar days from receipt by the winning private sector participant of the notice referred to in VIII.3 above.

Consistent with Article 1159 of the New Civil Code, said JV Agreement is considered the law between the parties, and the parties shall perform their respective prestations, obligations, and undertakings thereunder with utmost good faith, with a view to attaining the objective thereof. An original signed copy of the contract shall be submitted to:

1. The Office of the President;
2. NEDA;
3. Statutory Counsel;
4. GPPB; and
5. DOF in case of GOCCs and GFIs, and DBM in case of other entities;

In the event of refusal, inability or failure of the winning private sector participant to enter into contract with the Government Entity concerned, within the time provided therefore, said Government Entity shall forfeit its proposal security. In such event, the Government Entity concerned shall consider the private sector participant with the next ranked complying proposal as the winning private sector participant, and notify said private sector participant accordingly. If the next ranked complying private sector participant shall likewise refuse or fail to enter into contract with the Government, its proposal security shall likewise be forfeited and the Government Entity concerned shall consider the next ranked complying proposal, and so on, until a contract shall have been entered into. In the event that the concerned Government Entity is unable to execute the contract with any of the complying private sector participants, a failure of competitive selection will be declared and the JV may be subjected to a competitive selection again.

8. Other Approvals for Contract. The entity tasked under the JV Agreement shall, as may be required under existing laws, rules and regulations, secure any and all other approvals for the contract, or the implementation thereof, from government agencies or bodies including the Regulator, in the case of Public Utility Projects. This includes securing the necessary and appropriate environmental clearances from the DENR prior to actual project implementation. The DENR shall act on the environmental clearance of the JV activity within the time frame prescribed and following the guidelines of the DENR Administrative Order No. 96-37 and subsequent guidelines as may be issued from time to time. The Government Entity may provide the necessary assistance to its JV partner in securing all the required clearances. The contract shall provide milestones in securing such other approvals required for the implementation of the contract.

   Prior to the execution of the JV Agreement, the OGCC, OSG or other entity prescribed by law/issuances as the statutory counsel of GOCCs, GCEs and GICPs, shall issue the corresponding Counsel's Opinion.

9. Contract Effectivity. The contract shall be effective upon signing thereof by the Head of Government Entity and unless another date is stipulated therein.

IX. Appeals Mechanism

1. Decisions of the JV-SC with respect to conduct of the competitive selection process may be appealed in writing to the Head of the Government Entity concerned: Provided, however, that a prior motion for reconsideration should have been filed by the party concerned, and the same has been resolved JV-SC. The appeal must be filed within seven (7) calendar days from receipt by the party concerned of the resolution of the JV-SC denying its motion for reconsideration. An appeal may be made by filing a verified position paper with the Head of the Government Entity concerned, accompanied by the payment of a non-refundable appeal fee. The non-refundable appeal fee shall be in an amount equivalent to no less than one-half (1/2) of one percent (1%) of the project cost.

X. Final Approval

1. Contract Award and Final Approval. Subject to the charter of the Government Entity concerned, no further and higher approval is necessary, unless the same is required by Law to be acted upon by the President. In which case, the procedure stipulated under Section 6 (Government Contracts Requiring Presidential Action and/or Approval) of EO No. 423, as amended by EO No. 645, shall be followed. Upon approval of the JV Agreement, the Government Entity concerned shall adhere to the requirements of Section 10 (Submission of Government Contracts) of the same EO, as deemed applicable.

ANNEX B

DETAILED GUIDELINES FOR LIMITED NEGOTIATION PROCEDURES IN CASE OF FAILED COMPETITIVE SELECTION UNDER SECTION 6 OF ANNEX "A" OF THE GUIDELINES

Upon the declaration of a failed competitive selection under Section VIII.6 of Annex A of the Guidelines, the Government Entity concerned shall enter into limited negotiations.

The Government Entity concerned shall set the timetable of the various activities for the limited negotiations. The Government Entity concerned may terminate the limited negotiations should the party it is negotiating with fail to observe the said timetable.

The negotiations shall be in accordance with the following procedures:

I. Should there be a failure of competitive selection brought about by instances stipulated under Section VIII.6.a and 6.b as outlined in Annex "A", with the effect that there is only one (1) interested party remaining, the following procedure shall be observed:

   (a) The Government Entity concerned shall proceed with the determination of the eligibility of the sole private sector entity;
   (b) The sole private sector entity's eligibility documents shall be evaluated in accordance with the rules set forth in Annex "A" of the Guidelines;
   (c) If the eligibility documents are found to be insufficient and rated "failed", the Government Entity concerned shall terminate the negotiations. In the event the negotiations are terminated, the Head of the Government Entity, at its sole option, may conduct again a competitive selection or decide to pursue the proposed activity through alternative routes other than JV;
   (d) If the eligibility documents are found sufficient and rated "passed", the Government Entity concerned shall give the sole private sector entity the draft tender documents in accordance with Annex "A" of the Guidelines;
   (e) The sole private sector entity shall submit a proposal in accordance and compliance with Annex "A" of the Guidelines;
   (f) The Government Entity concerned shall simultaneously evaluate the technical and financial proposals of the sole private sector entity in accordance with Annex "A" of the Guidelines;
   (g) If the proposal of the sole private sector entity is rated "failed", the Government Entity concerned shall terminate the negotiations and, the Head of the Government Entity, at its sole option, may conduct again a competitive selection or decide to pursue the proposed activity through alternative routes other than JV.
   (h) Should the proposal of the sole private sector entity meet the parameters set forth in the tender documents, the Government Entity concerned shall enter into the JV Agreement with the sole private sector entity concerned. In the event that an agreement is not reached, negotiations shall be terminated.

II. Should there be a failure of competitive selection brought about by instances stipulated under Section VIII.6.c and 6.d as outlined in Annex "A" with the effect that there is only one (1) interested party remaining and eligible to submit a proposal the following procedure shall be observed:

(a) The sole eligible party shall be instructed to submit a proposal.
(b) The process outlined in I(d) to (h) above shall then be observed and followed.

III. Should there be a failure of competitive selection brought about by Section VIII.6.e as outlined in Annex "A" such that only one (1) proposal is received by the Government Entity, the process outlined in I(f) to (h) above shall then be observed and followed.

IV. Should there be a failure of competitive selection brought about by Section VIII.6.g and 6.h as outlined in Annex "A", the following procedure shall be observed:

(a) The negotiation shall be on a "Financial Proposal" only basis. The Technical Proposal shall remain valid and binding.
(b) The eligible private sector participant/s whose Technical Proposal/s was/were rated "passed" but whose Financial Proposal/s is/are non-compliant with the Financial Parameters outlined in the Tender Documents, shall be asked to submit a revised Financial Proposal.
(c) Should there be more than one revised Financial Proposal, the revised Financial Proposal/s shall be evaluated in accordance with Annex "A" of the Guidelines.
(d) Should the revised Financial Proposal meet the Financial Parameters outlined in the Tender Documents, the Government Entity concerned shall enter into the JV Agreement with the eligible Private sector participant (if there is only one remaining) or with the eligible private sector participant submitting the most advantageous Financial Proposal, in accordance with Annex "A" of the Guidelines. Should the eligible private sector participant still fail to meet the Financial Parameters outlined in the Tender Documents, the Government Entity concerned shall terminate the negotiations with the said eligible private sector participant/s, and, the Head of the Government Entity, at its sole option, may conduct another round of competitive selection, or decide to pursue the proposed activity through alternative routes other than JV.

ANNEX C

DETAILED GUIDELINES FOR COMPETITIVE CHALLENGE PROCEDURE FOR PUBLIC-PRIVATE JOINT VENTURES

I. *Negotiated JVs* – Any Government Entity may directly negotiate a JV activity with a private sector entity whenever allowed under the Guidelines issued by the NEDA.

II. Competitive Challenge Procedure – In all cases where the Government Entity directly negotiates with a private sector participant for a proposed JV undertaking, the negotiated terms shall be subjected to a competitive challenge wherein other private sector entities shall be invited to submit comparative proposals, to ensure that JV Agreements are entered into under a transparent and competitive process that promotes accountability in government transactions.

III. Three-Stage Framework – Negotiated JV Agreements shall be subjected to a three-stage process, summarized as follows:

Stage One – A private sector entity submits an unsolicited proposal to the Government Entity, or the Government Entity seeks out a JV partner after failed competition for a JV activity deemed manifestly advantageous to Government. The private sector entity submits a proposal to the Government Entity for a projected JV activity/undertaking. The Government Entity, through its JV-SC, is tasked with the initial evaluation of the proposal. Upon completion of the initial evaluation, the Head of the Government Entity, upon recommendation of the JV-SC, shall either issue an acceptance or non-acceptance of the proposal. The Government Entity concerned shall act on the proposal within ten (10) working days upon submission of complete documents by the private sector entity. An acceptance shall not bind the Government Entity to enter into the JV activity, but, shall mean that authorization is given to proceed with detailed negotiations on the terms and conditions of the JV activity. In case of non-acceptance, the private sector entity shall be informed of the reasons/grounds for non-acceptance.

Stage Two – The parties negotiate and agree on the terms and conditions of the JV activity. The following rules shall be adhered to in the conduct of detailed negotiations and the preparation of the proposal documents in case of a successful negotiations:

1. Both parties shall negotiate on, among others, the purpose, terms and conditions, scope, as well as all legal, technical, and financial aspects of the JV activity

2. The JV-SC shall determine the eligibility of the private sector entity to enter into the JV activity in accordance with Sec. IV.2 (Eligibility Requirements) under Annex A hereof.

3. Negotiations shall comply with the process, requirements and conditions as stipulated under Sections 6 (General Guidelines) and 7 (Process for Entering into JV Agreements) of the Guidelines. Once negotiations are successful, the Head of the Government Entity and the authorized representative of the private sector entity shall issue a signed certification that an agreement has been reached by both parties. Said certification shall also state that the Government Entity has found the

private sector participant eligible to enter into the proposed JV activity and shall commence the activities for the solicitation for comparative proposals. However, should negotiations not result to an agreement acceptable to both parties, the Government Entity shall have the option to reject the proposal by informing the private sector participant in writing stating the grounds for rejection and thereafter may accept a new proposal from private sector participants, or decide to pursue the proposed activity through alternative routes other than JV. The parties shall complete the Stage Two process within thirty (30) calendar days upon acceptance of the proposal under Stage One above

4. After an agreement is reached, the contract documents, including the selection documents for the competitive challenge are prepared.

Stage Three – Once the negotiations have been successfully completed, the JV activity shall be subjected to a competitive challenge, as follows:

1. The Government Entity shall prepare the tender documents pursuant to Section II (Selection/Tender Documents) of Annex A hereof. The eligibility criteria used in determining the eligibility of the private sector entity shall be the same as those stated in the tender documents. Proprietary information shall, however, be respected and protected, and treated with confidentiality. As such, it shall not form part of the tender and related documents. The Head of the Government Entity shall approve all tender documents including the draft contract before the publication of the invitation for comparative proposals.

2. Within seven (7) calendar days from the issuance of the Certification of a successful negotiation referred to in Stage Two above, the JV-SC shall publish the invitation for comparative proposals in accordance with Section III.2. (Publication of Invitation to Apply for Eligibility and to Submit Proposal) under Annex A hereof.

3. The private sector entity shall post the proposal security at the date of the first day of the publication of the invitation for comparative proposals in the amount and form stated in the tender documents.

4. The procedure for the determination of eligibility of comparative proponents/private sector participants, issuance of supplemental competitive selection bulletins and pre-selection conferences, submission and receipt of proposals, opening and evaluation of proposals shall follow the procedure stipulated under Annex A hereof. In the evaluation of proposals, the best offer shall be determined to include the original proposal of the private sector entity. If the Government Entity determines that an offer made by a comparative private sector participant other than the original proponent is superior or more advantageous to the government than the original proposal, the private sector entity who submitted the original proposal shall be given the right to match such superior or more advantageous offer within thirty (30) calendar days from receipt of notification from the Government Entity of the results of the competitive selection. Should no matching offer be received within the stated period, the JV activity shall be awarded to the comparative private sector participant submitting the most advantageous proposal. If a matching offer is received within the

prescribed period, the JV activity shall be awarded to the original proponent. If no comparative proposal is received by the Government Entity, the JV activity shall be immediately awarded to the original private sector proponent.

5. Within seven (7) calendar days from the date of completion of the Competitive Challenge, the JV-SC shall submit the recommendation of award to the Head of the Government Entity. Succeeding activities shall be in accordance with Sections VIII. (Award and Approval of Contract) and X (Final Approval) of Annex A hereof.