



Market Sounding for the New Centennial Water Source Project (NCWP)

The Metropolitan Waterworks & Sewerage System (MWSS) is currently formulating plans to realize the New Centennial Water Source (NCWS) project. The project involves the realization of one or two greenfield dam developments and associated infrastructure to further expand the Metro Manila's water sources. Such an additional water source is warranted to reduce Metro Manila's dependence on the Angat Dam and to accommodate future water demand increases. The NCWS project is envisaged to involve the development of a dam at the Kaliwa River (Laiban Dam), and/or a smaller dam downstream (Kaliwa Low Dam) to maximize water supply, ensure short- and long-term redundancy, and optimize power generation capacities. At full completion, the project is targeted to add a capacity of at least 1,800 million liters per day, but this will be achieved in stages as the supply deficit warrants. The project is likely to comprise the following components: a) Laiban Dam and/or Kaliwa Low Dam; b) Head works and its appurtenant facilities; c) Conveyance structure from the diversion point to the water treatment facility(s); d) Water treatment facility(s); e) Hydropower facility(s).

MWSS is currently researching the viability of the NCWS project. It is considering different contracting modalities, among which PPP. To support MWSS on this endeavor, the Public-Private Partnership Center of the Philippines has appointed RebelGroup in consortium with Allen & Overy, Crisil, PJS Law and Royal Haskoning DHV as the Transaction Advisor for the NCWS Project. The Transaction Advisor will also prepare the tender documents and provide support up to Financial Close, should the Philippine Government decide that the Project will be undertaken as a PPP project.

The Transaction Advisor is keen to have a preliminary interaction with interested parties to enhance the effectiveness of the PPP process in the first week of March 2013. The objective of the interaction will be to better understand potential commercial and technical concerns in the market based on the publicly available information. No new information will be shared by MWSS, PPP Center and/or the Transaction Advisor during the market sounding meetings.

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