



**THE MINISTRY OF ENERGY AND MINING APPROVED THE BIDDING DOCUMENTS OF THE NATIONAL AND INTERNATIONAL PUBLIC TENDER FOR WHICH THE NATIONAL STATE WILL RELEASE THE ENSENADA DE BARRAGÁN THERMOELECTRIC POWER PLANTS, LOCATED IN BUENOS AIRES, AND BRIGADIER LÓPEZ, OF SANTA FE, FOR WHICH IT IS FORESEEN RAISE ABOUT US \$ 1,000 MILLION.**

The Ministry of Energy and Mining approved the bidding documents of the national and international public tender for which the national State will adjudicate the Ensenada de Barragán thermoelectric power plants, located in Buenos Aires, and Brigadier López, of Santa Fe, for which it is foreseen raise about US \$ 1,000 million.

Resolution 289 issued by the Ministry of Energy and Mining on June 19 and published in the Official Gazette, recalls that the decision to transfer the plants was formalized by means of a presidential decree at the end of October 2017.

The company responsible for the process will be the company Integración Energética Argentina (Ieasa), successor to Enarsa, and as reported officially some twenty local and foreign companies made comments on the pre-publication documents published at the beginning of May.

The companies that acquire the specifications -which in the case of Brigadier López will cost US \$ 10,000, while in the case of Ensenada del Barragan will have a price of US \$ 20,000- will have 90 days to submit their bids.

A period of analysis will then be opened at the end of which the result will be published towards the end of September, while the signing of the transfer contract will take place between the end of October and the beginning of November, according to the official schedule.

The launch of the bidding process is carried out despite the fact that the valuation of the National Appraisal Tribunal is still not available, a fact that will be announced to the interested parties shortly.

The power station of Ensenada de Barragán has an installed capacity of 560 Mw, while Brigadier López, located in the industrial park of Sauce Viejo, has 280 Mw. Those who will be awarded the plants will have the obligation to complete the cycle closure works, already in advanced execution, which will raise those powers to 840 and 420 Mw, respectively.

The work to complete the turbovapor equipment (already completed by 90% in both cases) must be completed within 24 months after the transfer to Ensenada de Barragán, and in 14 months for Brigadier López.

In Ieasa, all the necessary components for such works are located in the same plants (generator, turbine, condenser, etc.), but civil works are pending as well as the supply and assembly of mechanical equipment, both in the power plants and in the water intakes and aqueducts (in Barragán the corresponding environmental permit is also awaited).

The purchasers of each plant operation will be responsible for the debt contracted at the time by Enarsa for the purpose of financing the construction of the plants, for which it is estimated that the net to be received by Ieasa will be between US \$350 and US \$ 400 million. .

These commitments are structured by means of two financial trusts whose balance at December 31 was US \$ 401 million for Ensenada Barragán, and US \$210 million for Brigadier López.

Partners Sebastian Rodrigo ([srodrigo@alfarolaw.com](mailto:srodrigo@alfarolaw.com)) and Pedro Mazer ([pmazer@alfarolaw.com](mailto:pmazer@alfarolaw.com)) would be available to expand on this subject and provide further advice on this bid opportunity.

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