

**US Northern Mariana Islands Electric Utility to be Sold to Private Buyer:  
"Pre-Qualification" Stage Begins**

(SAIPAN, USA, February 12, 2007)—The government-owned electric utility in the US Commonwealth of the Northern Mariana Islands (CNMI) today opened the first stage of its sale to the private sector. Located in the Pacific-Asia area, three hours flying time from Manila or Tokyo, the Commonwealth Utilities Corporation (CUC) generates and distributes electricity to over 70,000 customers on the islands of Saipan, Rota and Tinian.

With an annual budget of \$115 million, the CNMI utility looks to experienced energy firms worldwide to buy its power business and operate it under a 25-year franchise. "This plan is part of Governor Ben Fitial's initiative to revitalize our economy by providing stable electric services and securing lower rates through the strengths of the private sector," said Anthony C. Guerrero, executive director of the CUC.

An advertising notice was issued Friday for the "invitation to pre-qualify," and CUC invites interested parties to visit the website, [www.cuccnmi.com](http://www.cuccnmi.com) . The deadline for submittals is March 12th.

Guerrero noted that the winner of this competition will run a power utility regulated under American law and environmental standards, and he listed seven goals for the sale: to maintain low electric rates; deliver reliable, high-quality service, reduce dependence on expensive imported oil; ensure that CUC gets maximum value for the investment to date; minimize negative environmental impacts; maximize efficient employment of local citizens; and help enhance economic development of the CNMI.

Interested parties must first submit a "pre-qualification proposal" describing their business, their history and their capabilities. Fees for the privatization process have been established to cover the costs of evaluations and limit the field to serious participants.

The 42-page "invitation" fee is \$1,000. Those who proceed will pay \$25,000 to submit a "pre-qualification proposal." Those who pass the first screen and seek to file purchase plans will then pay a \$50,000 fee required for the "requests for proposals (RFP)." Saipan, population 65,000, is the capitol and the largest island. Rota and Tinian have approximate populations of 3,500 each. CUC also provides water and wastewater treatment services those are not part of the privatization effort.