
*The Federal Electricity Commission
published the bidding terms for the
First Direct Current Transmission Line.*

Dear clients and friends,

On February 8th, 2018, the Federal Electricity Commission (“CFE”) published the terms of bid number CFE-0036-CASOA-0001-2018 (the “**Bid**”) for the design, construction, equipping, installation, operation and maintenance of the first direct current transmission line in Mexico (the “**Project**”).

Below you will find the most relevant aspects of the Project and the Bid:

- 1.- The Project consists of the design, construction, equipping, installation, operation and maintenance of a high voltage direct current transmission line (HVDC) of approximately 1,200 circuit kilometers from Ixtepec, Oaxaca to Yautepec, Morelos and it will have a capacity to transmit up to 3,000 MW at a voltage of 500 Kv. In addition, the transmission line contemplates several works including 2 converter stations, 4 direct current feeders and 7 substations.
- 2.- Any entity, individually or as a consortium, may participate in the Bid.
- 3.- Participants in the Bid must submit both a technical proposal and a financial proposal in a closed envelop.
- 4.- In order to ensure the seriousness of the proposal, the participants that have submitted a technical and financial proposal must grant a guarantee for \$5,000,000.00 dollars (Five Million U.S. Dollars 00/100) with a duration of 180 days which will be counted from the date of submission of the proposals. This guarantee must be granted to CFE in an irrevocable standby letter of credit.
- 5.- The national content of the Bid is 35% which requires the winning bidder to incorporate goods of Mexican origin up to that percentage.

6.- The most relevant events on the calendar are the following:

Event	Date
Publication of List of Requirements	Thursday, February 8 th , 2018
Site Visits	Monday, February 19 th , 2018 to Saturday, February 24 th , 2018
Initiation of First Explanation Session	Friday, March 2 nd , 2018
Closure of First Explanation Session	Thursday, March 15 th , 2018
Initiation of Second Explanation Session	Tuesday, April 3 rd , 2018
Closure of Second Explanation Session	Thursday, April 19 th , 2018
Presentation of Both Proposals and Opening of Technical Proposal	Thursday, June 21 st , 2018
Opening of Economic Proposals	Thursday, June 28 th , 2018
Issuance of Contract Award	Wednesday, July 4 th , 2018
Signing of Contract	Wednesday, July 25 th , 2018

To obtain additional information contact our experts:

Edmond Grieger, Partner:
+ 52 (55) 5258-1048, egrieger@vwys.com.mx

Ariel Garfio, Senior Associate:
+ 52 (55) 5258-1048, agarfio@vwys.com.mx

Sincerely,

Von Wobeser & Sierra, S.C.

Mexico City, March 6th, 2018