

August 5, 2025

ATTY. SUZY CLAIRE R. SELLEZA

Head, Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.
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8751 Paseo de Roxas
Makati City

Dear Atty. Selleza:

We reply to your letter dated August 4, 2025, and received via email at 5:59 p.m. on the same day, requesting confirmation of the information contained in the news article entitled "Meralco seeks approval for 20-year biogas deal". The subject news article was published in the Daily Tribune (tribune.net.ph) on the same day.

The article reported in part that:

"Manila Electric Company (Meralco) is seeking regulatory approval for a 20-year power supply agreement (PSA) with First Quezon Biogas Corp. (FQBC) as the company taps farm waste to power homes.

The country's largest power distributor said Monday the deal covers 1.25 megawatts (MW) of renewable energy from FQBC's 1.4 MW biogas facility in Candelaria, Quezon, which uses anaerobic digestion to convert agricultural waste into clean energy.

Aside from generating clean power, the facility helps reduce greenhouse gas emissions by sustainably managing farm waste and manure.

"We hope that the signing of the PSA would encourage more investment in biogas to help local communities and to further develop this type of RE technology," Meralco senior vice president and head of Regulatory Management Jose Ronald V. Valles said.

"Per procedure, the PSA will now be submitted to the Energy Regulatory Commission for review and approval," he added.

The PSA is set to take effect on 26 June 2026 and supports the Department of Energy's Renewable Portfolio Standards (RPS), which requires power suppliers to gradually increase their renewable energy sourcing.

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Meralco has so far secured 1,535 MW of renewable capacity from various suppliers, exceeding its 1,500 MW target. The company expects renewables to make up 26 percent of its supply portfolio by 2030.

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We confirm the information in the subject news article and the statements that were attributed to Atty. Jose Ronald V. Valles, Senior Vice President and Head of Regulatory Management of Manila Electric Company.

Very truly yours,



WILLIAM S. PAMINTUAN
Senior Vice President
Assistant Corporate Secretary and
Information Disclosure Officer