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Gentlemen:

We reply to your letter dated October 29, 2021 (received thru EDGE Submission System at 08:14 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled “Meralco Powergen to spend P6 billion for solar projects” posted in philSTAR.com on October 29, 2021. The article reported in part that:

“MANILA, Philippines — Meralco Powergen Corp. (MGen), the power generating arm of utility giant Manila Electric Co. (Meralco), plans to spend up to P6 billion for solar projects in the next two years, according to its top official.

The company is working on four solar farm developments this year until next year, MGen president and CEO Jaime Azurin said.

‘Construction work is ongoing for our 78-megawatt alternating current (MWac) plant in Baras, Rizal while engineering, procurement and construction (EPC) negotiations are in progress for the 54-MW in Cordon, Isabela, 19-MW Nueva Ecija, 50-MW Ilocos Norte,’ he said.

Azurin said the company has set aside P3 billion for capital expenditures this year and is looking to spend another P2 billion to P3 billion next year.

For 2022 and beyond, the company official said MGen is eyeing the construction of its first large-scale wind farm and development of solar storage that can compete in the mid-merit space.

. . . .

Meanwhile, MGen expects to complete the full integration of Global Business Power Corp. (GBP) in two to three years, Azurin said.

This follows the completion of the acquisition of GBP on March 31, and of the streamlining of operations under one functional organizational structure effective Sept. 16.

‘We have already started unifying our headquarters and business center which will be ready by early next year. While formal integration is underway, it may take two to three years to fully complete regulatory requirements. The goal is to consolidate the power generation business of Meralco into one organization to promote scale and efficiency,’ Azurin said.

With the combined capacity of GBP and MGen, the company now has a gross capacity of 2,446 MW.”

With reference to the said news article, we would like to confirm the statements attributed to Mr. Jaime T. Azurin, MGen’s President and CEO, that it plans to spend P6 billion for various solar projects in the next two years and the consolidation of its power generation business to promote scale and efficiency.

Thank you.



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