

May 29, 2025

ATTY. SUZY CLAIRE R. SELLEZA

Head, Issuer Compliance and Disclosure Department
Philippine Dealing & Exchange Corp.
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Makati City

Dear Atty. Selleza:

We reply to your correspondence dated May 28, 2025 and received via email at 11:30 am requesting confirmation of the information contained in the news article entitled “Meralco awaits DOE nod for 800 MW power supply auctions” that was published in Manila Bulletin on May 27, 2025.

The article reported in part that:

“MANILA, Philippines — Manila Electric Co. (Meralco) is awaiting the release of a certificate from the Department of Energy (DOE) to push for the auction for 800 megawatts (MW) of power supply capacity.

Following the group's annual stockholders' meeting in Ortigas City on Tuesday, Ronnie Apercho, Meralco executive vice-president and chief operating officer, said the company was preparing for new rounds of the competitive selection process (CSP) to boost its supply for next year and 2028.

According to another official, the two proposed bids were already up for the DOE's approval.

“[Based on] the DOE's CSP policy, a Certificate of Conformity (CoC) should be issued by the DOE before a CSP can commence,” Lawrence Fernandez, Meralco's chair for bids and awards committee for power supply agreements, said in a message to reporters.

Fernandez said Meralco would seek proposals for a 200-MW renewable energy baseload, which would be tapped beginning January 26, 2026, and the 600-MW baseload supply starting February 26, 2028,” he said.



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Baseload power plants are designed to run continuously, providing a steady, reliable supply of electricity to meet the minimum demand on the grid. In contrast, mid-merit plants are utilized when electricity demand fluctuates, typically operating during moderate demands to provide grid flexibility.

These CSPs were initially scheduled for April and May this year. However, due to the delays, Meralco hopes to obtain the certification to begin the selective bidding.

This development follows Meralco's announcement of plans to begin the CSP that would secure more than 2,100 MW of capacity under its long-term supply procurement plan from 2026 to 2046.

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We would like to confirm the statements in the subject news article that were attributed to Mr. Ronnie L. Aperocho and Mr. Lawrence S. Fernandez, Executive Vice President and Chief Operating Officer, and Vice President and Head of Utility Economics, respectively.

Furthermore, we would like to clarify that mid-merit plants are utilized when electricity demand ramps up and typically operates during periods where there is moderate demand.

Finally, we would like to clarify that several CSPs will be conducted to secure a total of 2,100 MW of capacity under Meralco's long-term supply procurement plan from 2026 to 2046.

We trust that you find the foregoing clarification in order.

Very truly yours,



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