

June 10, 2025

**ATTY. SUZY CLAIRE R. SELLEZA**

Head – Issuer Compliance and Disclosure Department  
Philippine Dealing & Exchange Corp.

Dear Atty. Selleza:

We write in compliance with the Exchange’s request for clarification with respect to the news article in the Business World on June 9, 2025, entitled “*EDC eyes to spend up to P30B to drill 40 geothermal wells through 2026*”. The article reported in part that:

*“GEOTHERMAL POWER PRODUCER Energy Development Corp. (EDC) plans to invest up to P30 billion to drill 40 new wells through 2026, its president said.*

*“Our total estimate for the 40 wells is around P30 billion,” EDC President and Chief Operating Officer Jerome H. Cainglet told reporters on May 29.*

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*Following the drilling campaign, EDC is currently commissioning 83 megawatts (MW) of new geothermal capacity and 40 megawatt-hours (MWh) of battery energy storage, which can provide backup power.*

*The capacities are sourced from the 29-MW Palayan Binary, 28-MW Mahanagdong Binary, 20-MW Tanawon, and 5.6-MW Bago Binary geothermal power projects.*

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*EDC, the renewable energy arm of Lopez-led First Gen Corp., has an installed capacity of 1,480.19 MW, representing around 20% of the country’s total installed renewable energy capacity.*

*First Gen has allocated a capital expenditure budget of \$601 million (P33.5 billion), with the majority of funds earmarked for EDC’s geothermal operations.*

*The Lopez-led company aims to expand its renewable energy portfolio to 13 gigawatts by 2030.*

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We confirm that EDC is drilling forty (40) wells with an estimated cost of Php30 billion. However, to clarify, this includes the twenty-four (24) wells that were drilled last year and at least six (6) more wells this year.

Very truly yours,



**Ryan Z. Velasco**

Vice President,

Corporate Information Officer,

Head of Corporate Strategy and Planning