

October 18, 2024

## ATTY. SUZY CLAIRE R. SELLEZA

Head, Issuer Compliance and Disclosure Department Philippine Dealing & Exchange Corp. 29<sup>TH</sup> Floor, BDO Equitable Tower 8751 Paseo de Roxas Makati City

Dear Atty. Selleza:

We reply to your correspondence (received via email on October 17, 2024 at 11:50 am) requesting confirmation of the information contained in the news article entitled "Meralco sees P11.8-B savings from new deals" published in the Philippine Daily Inquirer (online edition) yesterday.

The article reported in part that:

"Manila Electric Co. (Meralco) is seeking the Energy Regulatory Commission's (ERC) go signal for its power supply deals with units of Aboitiz Group and San Miguel Corp., as these can result in more than P11.75 billion in consumer savings, shielding customers from volatile electricity spot prices.

In filings posted on the ERC's website, Meralco formally sought the ERC's approval for agreements with Aboitiz's GNPower Dinginin Ltd. Co. and San Miguel Global Power Holdings Corp.'s Masinloc Power Co. Ltd.

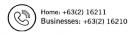
The deal with GNPower Dinginin involves 100 megawatts (MW) while that with Masinloc Power is for 500 MW. The Manuel Pangilinan-led group earlier said it needed to procure additional capacity for next year as it projects a 600-MW deficit in its portfolio.

In the applications, Meralco said its franchise areas could get a relief of about P9.951 billion as Masinloc Power's committed rate of P5.0107 per kilowatt hour (kWh) was cheaper by P2.2719 per kWh if the supply were to be sourced from the Wholesale Electricity Spot Market (WESM).

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We confirm the accuracy of the information in the subject news article.

Very truly yours,

ATTY. JOCELYN C. VILLAR-ALTAMIRA
Vice President and Head

Corporate Governance and Compliance