



02 December 2024

**Philippine Stock Exchange**

5th Avenue cor. 28th Street, Bonifacio Global City,  
Taguig City, Metro Manila, Philippines

Attention: **Ms. Charisse Joy B. Ang**  
Specialist, Disclosure Department

*Gentlemen:*

In response to your letter dated 02 December 2024 to ACEN Corporation, we confirm the accuracy of the information cited in the news article quoted below. However, we would like to note that these management plans are still subject to final Board and relevant regulatory approvals.

**“ACEN set to replace coal plant with \$1.-5-B solar facility**

Ayala-backed ACEN Corp. is keeping its aggressive renewable buildup with a planned \$1.5-billion investment targeted to finance a massive solar farm and energy storage system.

According to ACEN senior vice president and head of corporate communications and sustainability Irene Maranan, the mid merit integrated renewables and energy storage system (Iress) would replace the 246-megawatt (MW) South Luzon Thermal Energy Corp. (SLTEC) coal plant in Batangas, which the group hopes to shut down by 2030.

“We’re looking at \$1.5 billion as capex (capital expenditures) for the Iress,” she told the Inquirer on the sidelines of Hybrid Energy: Bridging the Transition to Renewables last Friday.

A portion of the budget would come from revenues to be generated from selling transition credits. Additional funds are expected from its partnership with investment firm Temasek and Singapore’s Keppel Ltd.

Transition credits are a financing approach used to fund the phaseout of coal plant assets while pursuing replacement facilities that use renewable energy. ACEN earlier teamed up with the Rockefeller Foundation and Monetary Authority of Singapore to pilot the use of transition credits.

Maranan said the Iress would feature a 1,400-megawatt peak (MWp) solar plant to be integrated with a 1,600-megawatt-hour (MWh) battery energy storage system.

**‘Reliable Power**

She said the planned development was “oversized” and meant to provide “reliable and dispatchable power” to meet the grid’s needs.

“The foregone coal plant output is matched 100 percent. The impact on the grid is negligible given that the renewables’ intermittency is mitigated by the energy storage system,” the official said in her speech.



Since the group wants to retire the SLTEC by 2030—10 years earlier than scheduled—the executive said construction works for Iress must start by 2027 or 2028.

“Before 2030, we should be able to have about one phase or two phase[s] ready, completed and already supplying to the grid,” she said.

ACEN, however, has yet to decide on the location of the project.

Maranan also said ACEN has been in close coordination with the Department of Energy for the Iress plan, but noted it has yet to secure a notice to proceed from the agency.

Currently, ACEN has expanded its renewable capacity to 6.8 gigawatts (GW). It hopes to scale this up to 20 GW by 2030.”

Furthermore, we would like to emphasize that the plan to retire SLTEC by 2030 is contingent upon the feasibility and availability of transition credits.

We hope we have sufficiently responded to the Exchange’s letter.

Very truly yours,

DocuSigned by:  
  
**DODJIE D. LAGAZO**  
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Group General Counsel, Group Compliance Officer  
and Assistant Corporate Secretary