

December 2, 2024

**ATTY. STEFANIE ANN B. GO**

OIC, Disclosure Department  
Philippine Stock Exchange, Inc.  
6/F PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City,  
Taguig City

**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

Gentlemen:

We reply to your correspondence dated today (received via email at 10:01 am) requesting confirmation of the information contained in the news article entitled “MGen plans to convert 2 stranded assets into gas-fired power plants” published in ManilaStandard.net (Online Edition) yesterday.

The article reported in part that:

*“Meralco PowerGen Corp. (MGen) plans to convert its two stranded coal plants in Zambales and La Union into gas-fired facilities, according to an executive.*

*MGen Gas Energy Holdings Inc. president and chief executive Yari Miralao said these assets include Redondo Peninsula (RP) Energy Inc. in Subic, Zambales and Global Luzon Energy Development Corp. (GLEDC) in La Union.*

*‘If you are MGen, you’re sitting on two-stranded assets that are incurring running costs that are designed as coal plants that you know will never be coal plants anymore. So, the most prudent thing to do is not necessarily to double down, but sprinkle it with a little more love to just convert these things into gas plants, for your pipeline,’ said Miralao.*

....



customercare@meralco.com.ph



www.meralco.com.ph



Home: +63(2) 16211  
Businesses: +63(2) 16210



Meralco Operating Center,  
Ortigas Avenue, Pasig City  
1600 Philippines



*'Both are subject to the coal moratorium and can no longer be coal plants...So I think the natural progression on these things is to convert these into gas plants,' Miralao said.*

*He said gas investments require economies of scale, which means consolidation of market participants to mitigate investment risk.*

*'If we have established Batangas, the next thing to do is to move north and to move south and start replacing coal or replacing the diesel with gas,' Miralao said, referring to the company's investment in gas plants in Batangas province.*

*MGen, the power arm of the country's biggest power retailer Manila Electric Co., announced it is acquiring a 60-percent interest in Chromite Gas Holdings (CGHI).*

*...."*

**XXX      XXX      XXX**

With reference to the subject news article, we would like to clarify that MGEN is actively exploring opportunities to support the Philippines' growing energy demands. As part of this effort, MGEN is evaluating the potential to repurpose its coal assets for alternative uses. Currently, this initiative is in the exploratory phase, and any decision will be made with proper coordination with our partners in RPE and GLEDC and after careful evaluation of feasibility and alignment with national energy goals.

We also would like to correct the statement attributed to Mr. Miralao that "both (RPE and GLEDC coal plant projects) are subject to the coal moratorium and can no longer be coal plants". RPE and GLEDC are not covered by the moratorium as it was in the DOE's list of committed and indicative projects, respectively, even before the moratorium on coal.

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