



August 5, 2025

**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 letter dated August 4, 2025, and received via email at 5:59 p.m. on the same day, requesting confirmation of the information contained in the news article entitled "Meralco seeks approval for 20-year biogas deal". The subject news article was published in the Daily Tribune (tribune.net.ph) on the same day.

The article reported in part that:

*"Manila Electric Company (Meralco) is seeking regulatory approval for a 20-year power supply agreement (PSA) with First Quezon Biogas Corp. (FQBC) as the company taps farm waste to power homes.*

*The country's largest power distributor said Monday the deal covers 1.25 megawatts (MW) of renewable energy from FQBC's 1.4 MW biogas facility in Candelaria, Quezon, which uses anaerobic digestion to convert agricultural waste into clean energy.*

*Aside from generating clean power, the facility helps reduce greenhouse gas emissions by sustainably managing farm waste and manure.*

*"We hope that the signing of the PSA would encourage more investment in biogas to help local communities and to further develop this type of RE technology," Meralco senior vice president and head of Regulatory Management Jose Ronald V. Valles said.*

*"Per procedure, the PSA will now be submitted to the Energy Regulatory Commission for review and approval," he added.*

*The PSA is set to take effect on 26 June 2026 and supports the Department of Energy's Renewable Portfolio Standards (RPS), which requires power suppliers to gradually increase their renewable energy sourcing.*

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*Meralco has so far secured 1,535 MW of renewable capacity from various suppliers, exceeding its 1,500 MW target. The company expects renewables to make up 26 percent of its supply portfolio by 2030.*

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We confirm the information in the subject news article and the statements that were attributed to Atty. Jose Ronald V. Valles, Senior Vice President and Head of Regulatory Management of Manila Electric Company.

Very truly yours,

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



August 5, 2025

**ATTY. JOHANNE DANIEL M. NEGRE**

Officer-in-Charge, Disclosure Department  
Philippine Stock Exchange, Inc.  
6th Floor, PSE Tower  
5th Avenue corner 28th 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 the correspondence sent by the Disclosure Department of the Philippine Stock Exchange at 9:05 a.m today requesting confirmation of the information contained in the news article entitled “Meralco expands renewable portfolio with 20-year biogas deal”. The subject news article was published in Manila Bulletin, yesterday, August 4, 2025.

The article reported in part that:

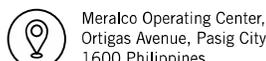
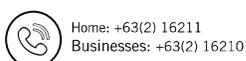
*“Manuel V. Pangilinan-led Manila Electric Co. (Meralco) will source part of its power supply from biogas over a 20-year period as part of its renewable energy (RE) integration.*

*In a statement on Monday, Aug. 4, Meralco said it has secured a power supply agreement (PSA) with First Quezon Biogas Corp. (FQBC) for 1.25 megawatts (MW) of capacity.*

*This deal is expected to commence on June 26, 2026, for a term of 20 years.*

*The 1.4-MW FQBC biogas power plant, located in Candelaria, Quezon, is designed to utilize an advanced anaerobic digestion technology to convert agricultural waste into RE.*

*Ronald Valles, Meralco senior vice president and head of regulatory management, said that the PSA is up for review by the Energy Regulatory Commission (ERC).*



*'We hope that the signing of the PSA would encourage more investment in biogas to help local communities and to further develop this type of RE technology,' he said.*

*This agreement aligns with Meralco's compliance with the renewable portfolio standards (RPS) of the Department of Energy (DOE), stating the need to source part of its power requirements from renewables.*

*The RPS requirement has been raised by 2.52 percent annually.*

*'Meralco has already secured a total of 1,535 MW of RE capacity from various suppliers—exceeding its initial target of 1,500 MW and, with strategic sourcing initiatives, RE is expected to account for 26 percent of the distribution utility's supply portfolio by 2030,' Meralco said.*

*Aside from supplying RE to Meralco, the biogas plant is also reducing greenhouse gas (GHG) emissions through a sustainable disposal solution to agricultural waste and manure of farms in Quezon province."*

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We confirm the information in the subject news article and the statements that were attributed to Atty. Jose Ronald V. Valles, Senior Vice President and Head of Regulatory Management of Manila Electric Company.

Very truly yours,

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