



June 29, 2021

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street cor. 5th Avenue,
Bonifacio Global City, Taguig City

ATTENTION : **MS. JANET A. ENCARNACION**
Head, Disclosure Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.
Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head – Issuer Compliance and Disclosures Department

Gentlemen:

Please see attached Press Release.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:

A handwritten signature in blue ink, appearing to read "Mailene", written over a white rectangular stamp area.

MAILENE M. DE LA TORRE
Assistant Corporate Secretary

PRESS RELEASE
29 June 2021

Hedcor advised to continue operating Bakun hydros

In a letter dated June 25, the Department of Energy (DOE) advised Hedcor to continue operating its FLS Hydro, Lon-oy Hydro, and Lower Labay Hydro Plants.

In the said letter, DOE underscored its mandate pursuant to the Electric Power Industry Reform Act of 2001 “to ensure the quality, reliability, security, and affordability of the supply of electric power especially during this period of health pandemic.”

As such, DOE advised Hedcor to continue operating the Lower Labay, Lon-oy, and FLS hydropower plants given the “shortage of available capacity from the grid caused by the unavailability of large power plants as well as derated operation of operating power plants aside from the high system peak demand due to high ambient temperature.”

The DOE likewise reiterated its advisory dated 02 March 2021 entitled, “Ensuring Reliable and Stable Electric Power Supply during the Government’s COVID-19 Vaccine Rollout Program” enjoining all Generation Companies, including Government-owned and Controlled Corporations and private sector-operated and/or owned generation facilities to ensure availability of power supply at the maximum dependable capacities of respective generation facilities and provide the necessary support for COVID-19 vaccine cold storage and healthcare facilities, as well as installing backup power supply, as needed.

Furthermore, DOE pointed out that as the Energy Regulation 1-94 (ER 1-94) funds are dependent on the kWh generated by power plants, stoppage of operation of power facilities will affect the mobilization of the said funds for COVID-19 response.

“We recognize the concerns of our Bakun IP community and our doors remain open for dialogue. We believe that the *tongtongan* is crucial to the resolution of this issue, not only to protect the welfare of our IPs/ICCs, but also to fulfill our contribution to ensuring the availability and reliability of power supply for the country,” said Noreen Vicencio, Hedcor’s Vice President for Corporate Services.

Hedcor is ready and willing to sit in a *tongtongan* with the Bakun IPs at the soonest possible time to address issues and concerns and to realize a way forward that sustains the gains and strengthens the relationship carefully built over the past three decades. ##

About AboitizPower

AboitizPower is the holding company for the Aboitiz Group’s investments in power generation, distribution, and retail electricity services. It advances business and communities by providing reliable and ample power supply

at a reasonable and competitive price, and with the least adverse effects on the environment and host communities.

The company is one of the largest power producers in the Philippines with a balanced portfolio of assets located across the country. It is a major producer of Cleanergy, its brand for clean and renewable energy with several hydroelectric, geothermal, and solar power generation facilities. It also has thermal power plants in its generation portfolio to support the baseload and peak energy demands of the country.

The company also owns distribution utilities that operate in high-growth areas in Luzon, Visayas, and Mindanao, including the second and third largest private utilities in the country.

Currently, AboitizPower, together with its partners, is the Philippines' largest owner and operator of renewable energy based on installed capacity. In the next 10 years, the company will significantly expand its Cleanergy portfolio, in support of the government's efforts to promote renewable energy in the country and as the company's contribution to the global renewable energy targets. AboitizPower is aiming for an almost 50:50 Cleanergy and thermal capacity mix by 2030.

For further queries on this Press Release, please contact:

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