



August 2, 2021

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Gentlemen:

We reply to your letter dated August 2, 2021 (received thru EDGE Submission System at 08:24 a.m. today) requiring us to clarify and/or confirm the information contained in the news article entitled “Meralco allots P24 billion capex for next year” posted in philSTAR.com on August 2, 2021. The article reported in part that:

“MANILA, Philippines — Manila Electric Co. (Meralco) is allotting over P24 billion in capital expenditures (capex) next year.

Meralco has filed an application with the Energy Regulatory Commission (ERC) for the approval of its capex program amounting to P24.73 billion for regulatory year 2022, which starts on July 1, 2021 to June 30 next year.

‘Primarily, these capex projects for RY 2022 are necessary to avert the foreseen emergency situations and ensure the reliable operation of its distribution network and continuous distribution service and connection to meet the growing needs of its more than seven million customers,’ Meralco said in its filing.

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Under the capex proposal, Meralco is asking the ERC to allow it to build 32 major projects worth P7.95 billion.

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Meanwhile, Meralco is seeking clearance for 78 residual projects worth P16.77 billion. Residual projects are required to maintain existing assets, improve network performance and enhance customer service performance in the current regulatory period.

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With reference to the said news article, we would like to confirm that an application has been filed by MERALCO for the approval of its proposed CAPEX projects for Regulatory Year 2022 (July 1, 2021 to June 30, 2022), with the clarification that the said proposed CAPEX amounts are still subject to the approval of the Energy Regulatory Commission.

Very truly yours,
Thank you.



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