Power Supply Procurement Plan
2025

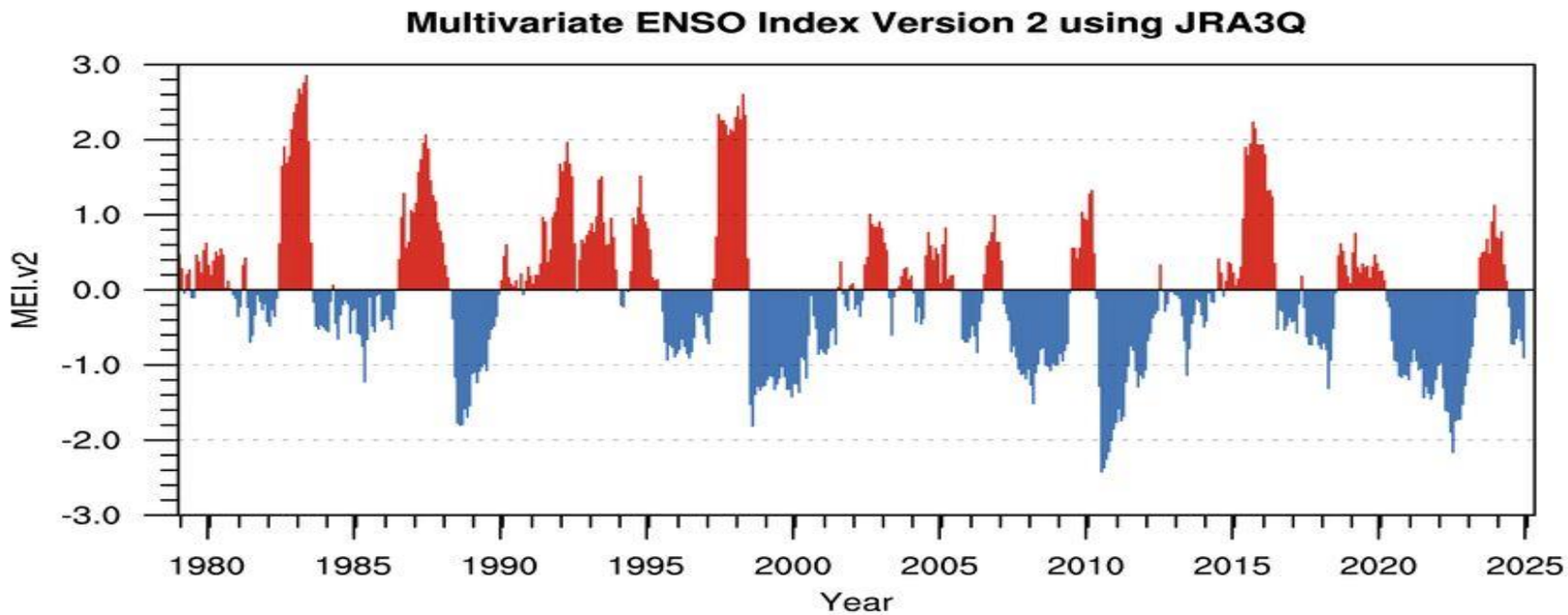
Pampanga II Electric Cooperative, Inc.
(PELCO II)

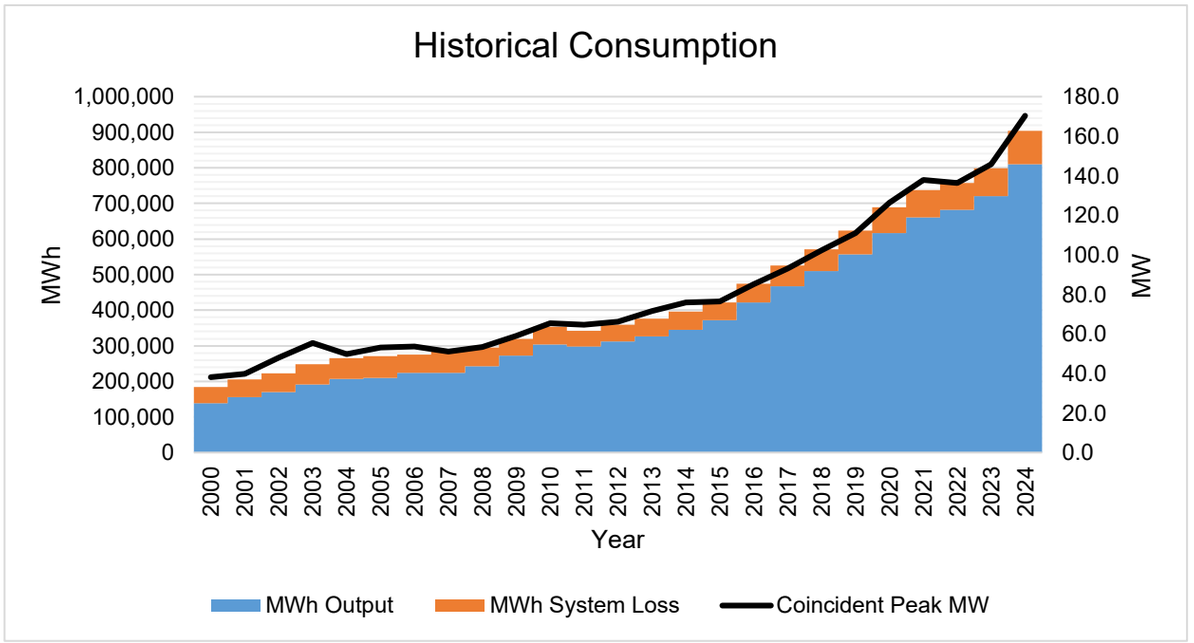
Historical Consumption Data

	Coincident Peak MW	MWh Offtake	WESM	MWh Input	MWh Output	MWh System Loss	Load Factor	Discrepancy	Transm'n Loss	System Loss
2000	38.13	183,921	0	183,921	138,710	45,210	55%	0.00%	0.00%	24.58%
2001	39.69	206,073	0	206,073	155,191	50,882	59%	0.00%	0.00%	24.69%
2002	47.95	222,216	0	222,216	169,587	52,629	53%	0.00%	0.00%	23.68%
2003	55.35	248,106	0	248,106	191,420	56,686	51%	0.00%	0.00%	22.85%
2004	49.68	265,179	0	265,179	207,063	58,116	61%	0.00%	0.00%	21.92%
2005	53.17	271,262	0	271,262	210,182	61,079	58%	0.00%	0.00%	22.52%
2006	53.56	275,500	0	275,500	223,631	51,869	59%	0.00%	0.00%	18.83%
2007	51.10	285,605	0	285,605	224,470	61,135	64%	0.00%	0.00%	21.41%
2008	53.50	295,834	0	295,834	241,867	53,968	63%	0.00%	0.00%	18.24%
2009	59.06	319,048	0	319,048	272,025	47,024	62%	0.00%	0.00%	14.74%
2010	65.54	352,882	0	352,882	303,686	49,196	61%	0.00%	0.00%	13.94%
2011	64.66	342,729	0	342,729	297,788	44,941	61%	0.00%	0.00%	13.11%
2012	66.19	359,129	0	359,129	311,925	47,204	62%	0.00%	0.00%	13.14%
2013	71.49	375,882	0	375,882	326,546	49,335	60%	0.00%	0.00%	13.13%
2014	75.86	396,134	0	396,134	344,644	51,490	60%	0.00%	0.00%	13.00%
2015	76.31	421,571	0	421,571	372,556	49,015	63%	0.00%	0.00%	11.63%
2016	85.23	474,770	0	474,770	421,727	53,042	64%	0.00%	0.00%	11.17%
2017	93.07	544,219	0	525,216	467,996	57,220	64%	0.00%	3.49%	10.89%
2018	102.41	591,728	216,002	571,507	510,440	61,067	64%	0.00%	3.42%	10.69%
2019	111.09	640,145	215,156	624,097	556,947	67,150	64%	0.00%	2.51%	10.76%
2020	126.34	712,120	329,173	689,892	616,679	73,214	62%	0.00%	3.12%	10.61%
2021	137.86	760,879	221,147	738,030	661,011	77,019	61%	0.00%	3.00%	10.44%
2022	136.29	765,706	152,716	757,596	682,276	75,320	63%	0.00%	1.06%	9.94%
2023	145.83	807,322	203,943	798,369	720,434	77,934	62%	0.00%	1.11%	9.76%
2024	170.33	900,543	260,869	903,987	809,540	94,447	61%	0.00%	-0.38%	10.45%

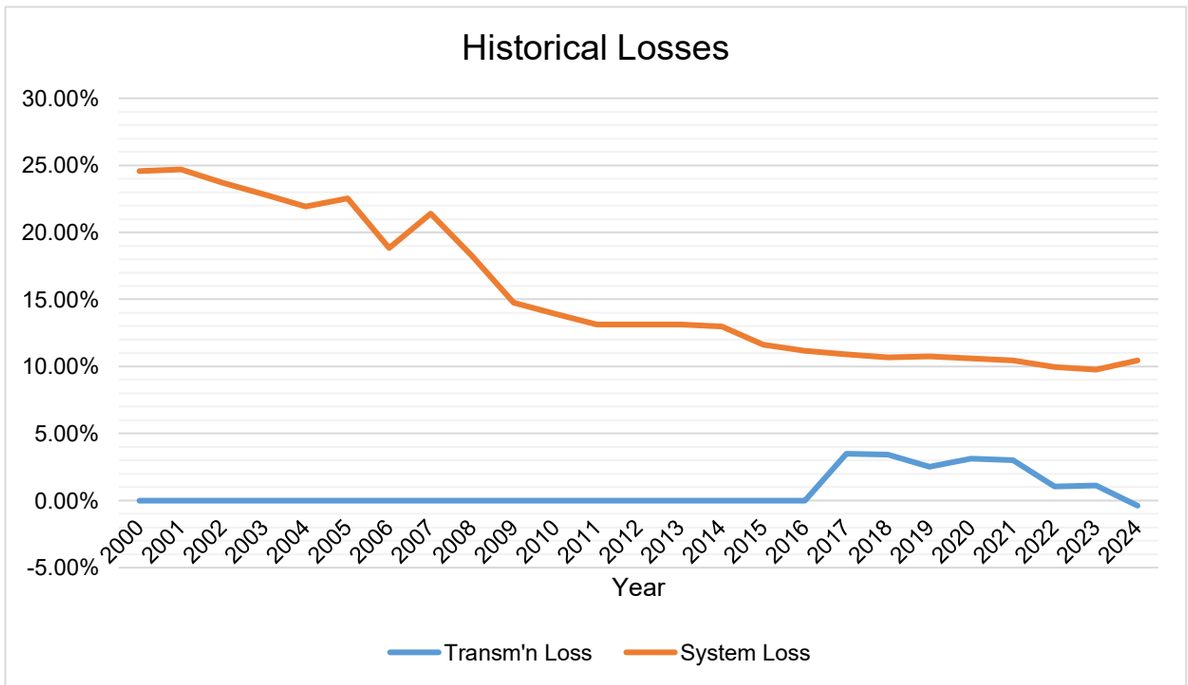
The Coincident Peak Demand grew from 38.13 MW in 2000 to 170.33 MW in 2024, reflecting a Compounded Annual Growth Rate (CAGR) of 6.32% over the 20-year period from 2005 to 2024, and 7.75% over the last 5-year period from 2020 to 2024. Similarly, MWh offtake increased from 183,921 MWh in 2000 to 900,543 MWh in 2024, with a CAGR of 6.52% over the 20-year period and 6.04% over the last 5 years. Detailed figures are provided in Annex “D”.

The increase in load demand can be attributed to several factors, including the growing number of customers, changing weather patterns (such as the El Niño and La Niña phenomena), and the increasing dependence on electricity as an essential part of modern living. Over the same 20-year period, the annual load factor ranged between 58% and 64%. Notably, there were abnormal consumption spikes in 2010, 2011, 2022, and 2024, primarily due to El Niño and La Niña events, as illustrated in the figure below.

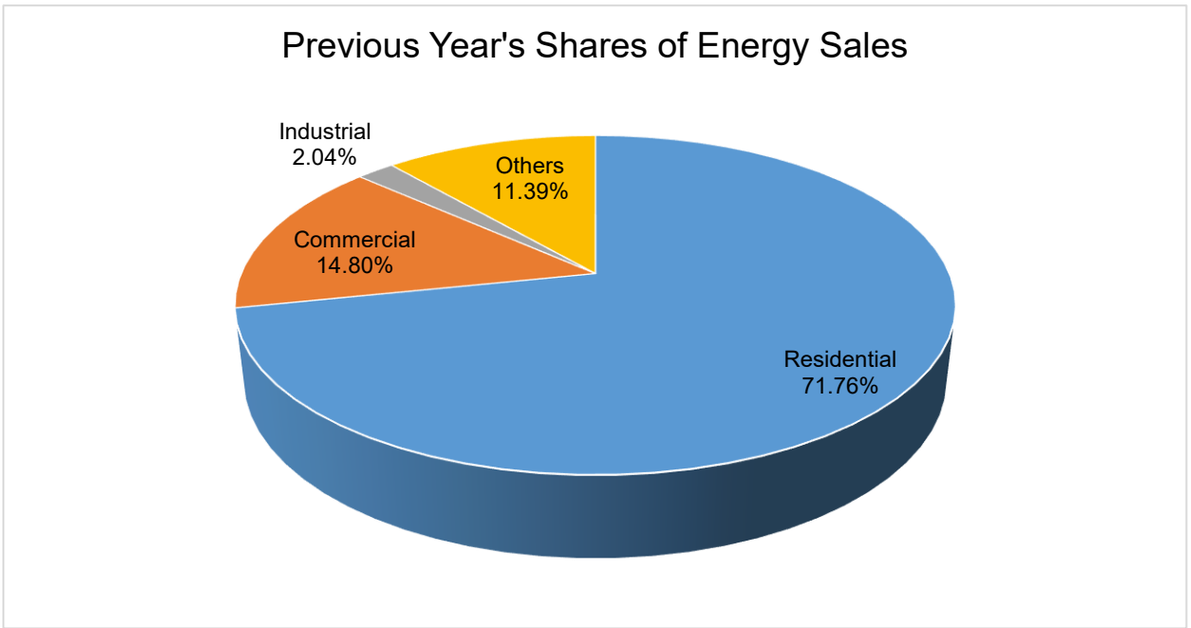




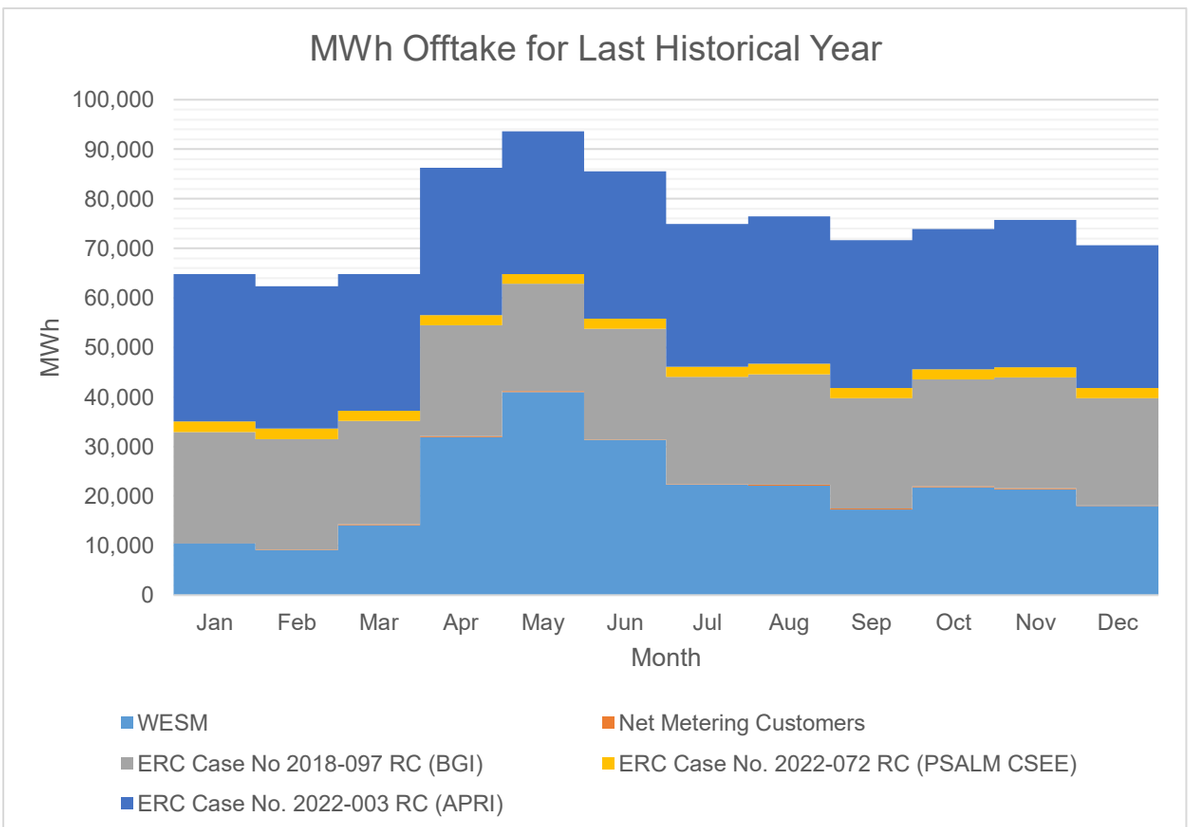
The Energy Output increased from 138,710 MWh in the year 2000 to 782,916 MWh in 2024, reflecting a Compounded Annual Growth Rate (CAGR) of 7.17% over the 20-year period and 6.58% over the last 5 years. Meanwhile, the Energy System Loss slightly increased from 9.76% in 2023 to 10.45% in 2024. This rise is attributed to the unprecedented surge in demand driven by the high heat index caused by the El Niño event (see Annex “D” for details).



Historically, transmission loss ranged from 3.49% in 2017 to -0.38% in 2024. The negative value is due to the actual metered consumption from NGCP being greater than the actual offtake energy from IEMOP. Meanwhile, distribution system loss ranged from 24.58% in 2000 to 10.45% in 2024. Based on historical data, transmission loss peaked at 3.49% in 2017 due to overloaded transmission lines operated by the National Grid Corporation of the Philippines (NGCP). Distribution system loss peaked at 24.69% in 2001, attributed to technical losses incurred from overloaded distribution lines and transformers, as well as high non-technical losses from pilferages in the system. (See Annex “D” for details.)

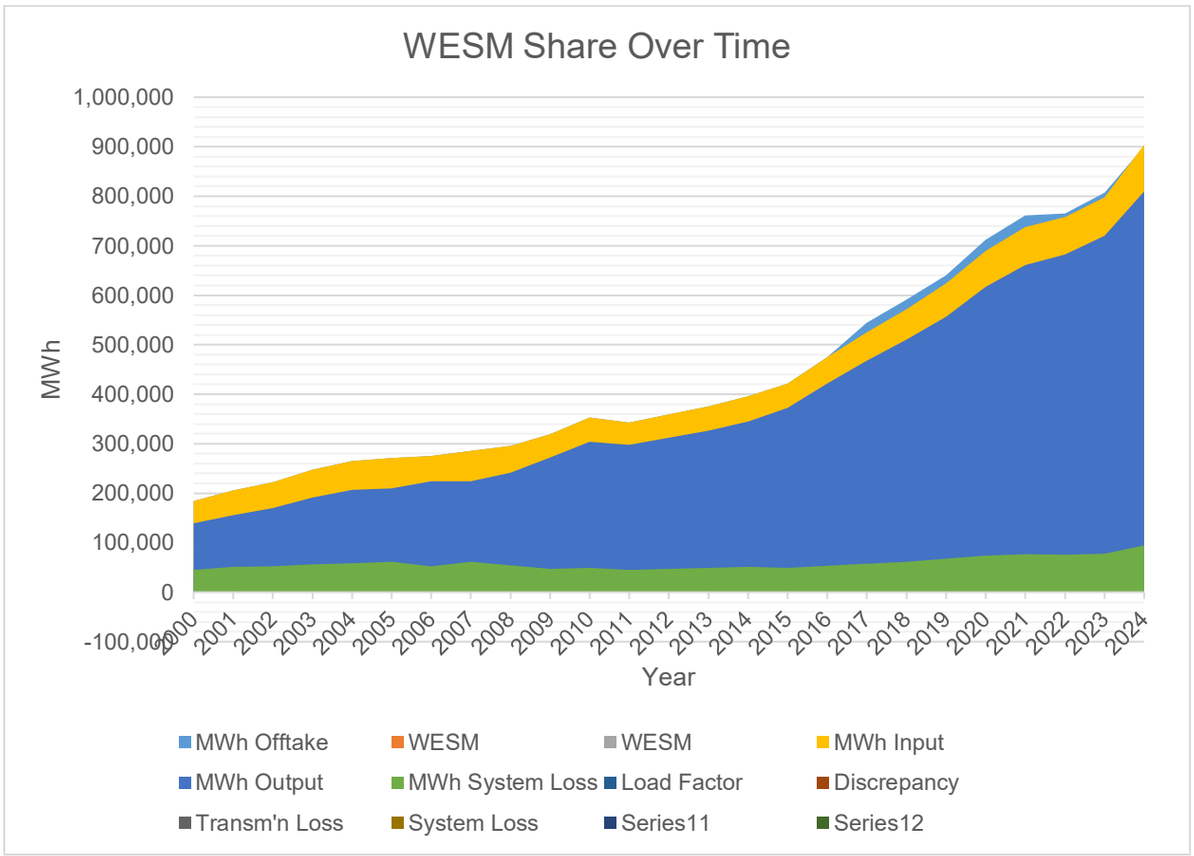


Residential customers account for the majority of energy sales, at 71.76%, due to the high number of connections, which make up 87.46% of the total number of connected captive customers. In contrast, commercial and industrial customers account for 14.80% and 2.04%, respectively, of the total captive customers. Other customers, which include irrigation, public buildings, streetlights, and potential contestable customers, account for only 11.39% of energy sales, coming from 8.41% of the number of connections (see Annex “C” for details).



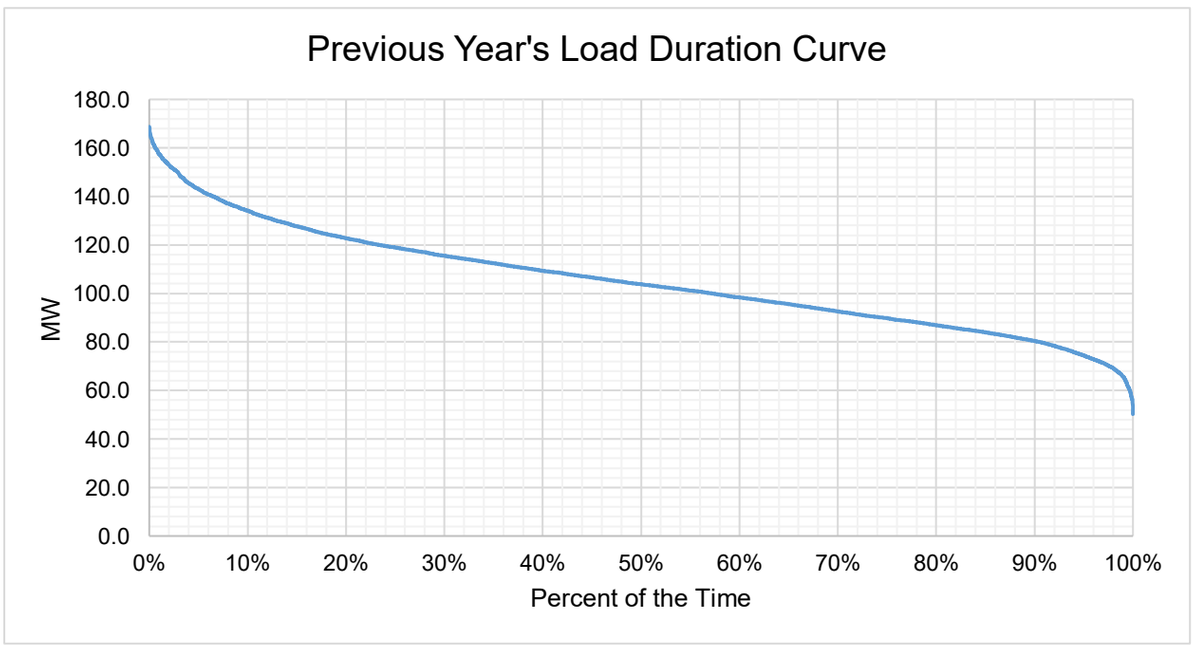
In 2024, PELCO II’s power supply offtake was primarily sourced through Power Supply Agreements (PSAs) with Bacman Geothermal, Inc. (BGI) for 30 MW under ERC Case No. 2018-097 RC and Aboitiz Power Renewables, Inc. (APRI) for 40 MW under ERC

Case No. 2022-003 RC. Additionally, a Contract for the Supply of Electric Energy (CSEE) with the Power Sector Assets and Liabilities Management Corporation (PSALM) provided an additional 15 MW. Any energy requirements exceeding the contracted capacity were procured from the Wholesale Electricity Spot Market (WESM).

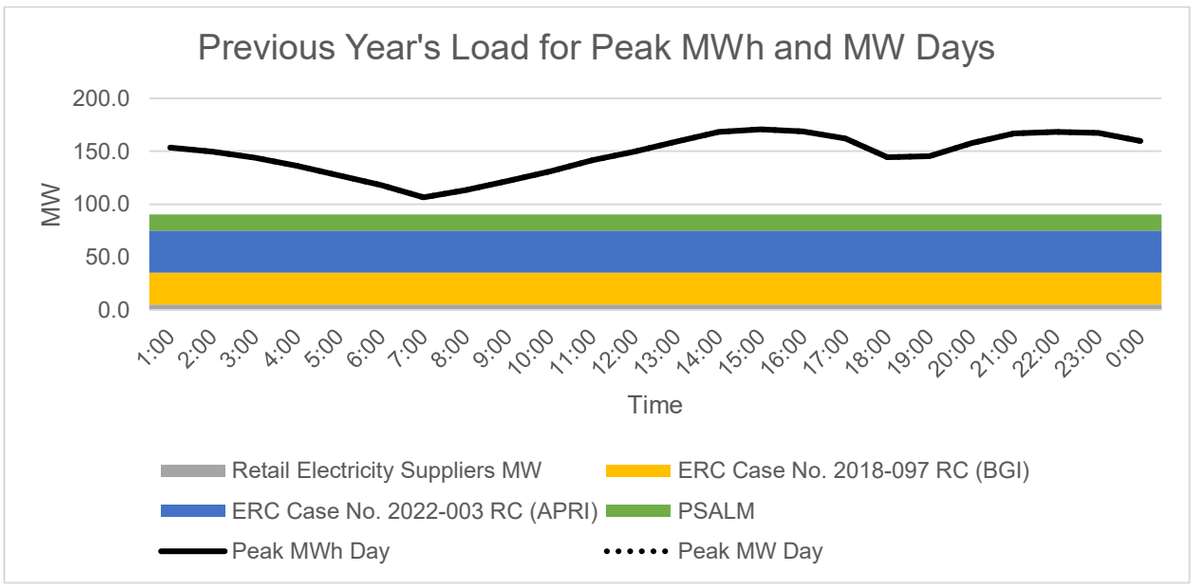


WESM offtake increased by 27.91%, rising from 203,943 MWh in 2023 to 260,869 MWh in 2024. The share of WESM in the total energy offtake grew from 25.26% in 2023 to 28.97% in 2024. (See Annex “E” for details).

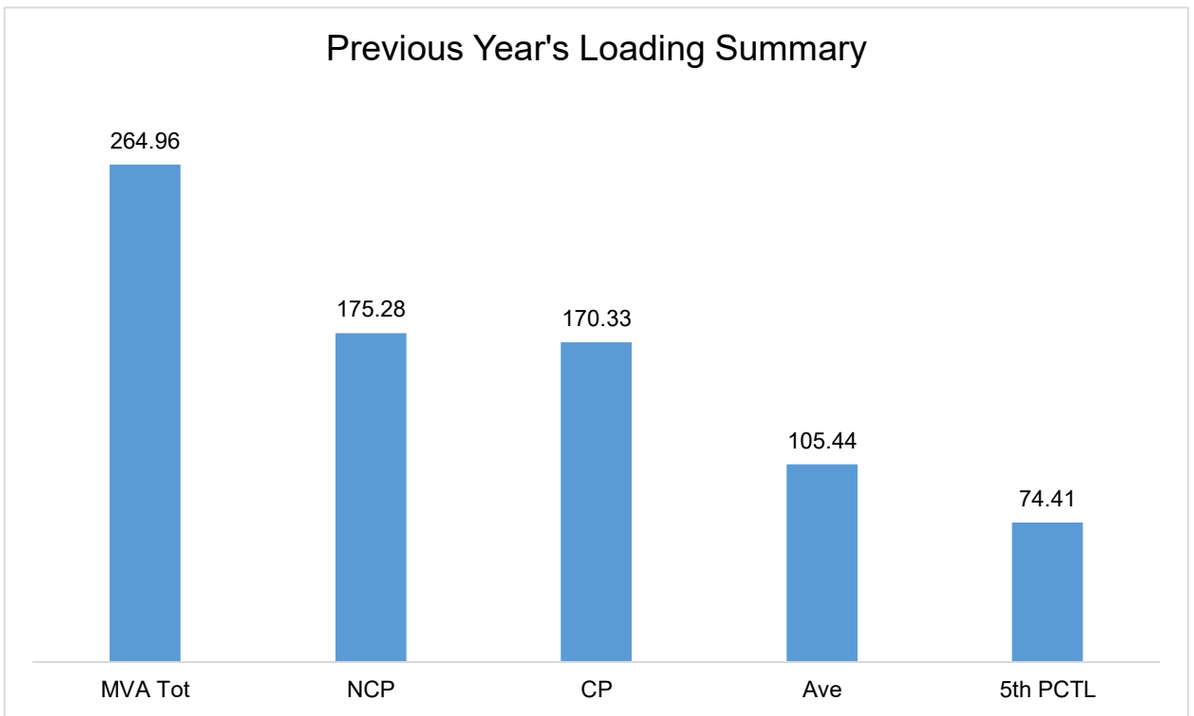
Previous Year's Load Profile



Based on the Load Duration Curve, the minimum coincident load is 57.01 MW, and the maximum coincident load is 170.33 MW for the last historical year. Please refer to Annex “F” and Annex “F-1” for details.



The Peak MW and MWh occurred on April 29, 2024 at 02:15 P.M. due to high electricity consumption brought by the hot weather condition in the franchise area of PELCO II. Please refer to Annex “F” and Annex “F-1” for details.



The Non-Coincident Peak Demand is 175.28 MW, which represents approximately 66.27% of the total substation capacity of 264.96 MVA at a power factor of 97.81%. The load factor, defined as the ratio between the Average Load of 105.44 MW and the Non-Coincident Peak Demand, is 60.06%. A reasonable estimate of the true minimum load is the fifth percentile load of 74.41 MW, which accounts for 42.38% of the Non-Coincident Peak Demand. Please refer to Annex “F” and Annex “F-1” for further details.

Metering Point	Substation MVA	Substation Peak MW	Location
San Matias Substation (MF3MHERPEL201)	48.3	39.87	San Matias, Guagua, Pampanga
Mabiga Substation (MF3MMEXPEL202)	83.33	65.82	Mabiga, Mabalacat City, Pampanga
Pio Substation (MF3MHERPEL204)	31.25	19.85	Pio, Porac, Pampanga
Remedios and Sta. Barbara Substation (MF3MHERPEL205)	45.83	17.99	Remedios, Lubao, Pampanga and Sta. Barbara, Bacolor, Pampanga
Sta. Cruz Substation (MF3MHERPEL206)	25	14.84	Santa Cruz, Lubao, Pampanga
Manibaug Substation (MF3MHERPEL207)	31.25	17.35	Manibaug, Porac, Pampanga

The substations with load at above 70% are MF3MHERPEL201 and MF3MMEXPEL202 (see Annex “F” and Annex “F-1” for details). This loading problem will be solved by uprating and additional substation projects as indicated in the CAPEX program.

Forecasted Consumption Data

		Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
2025	Jan	136.77	70.00	15.00	0.000	5.07	53%	65%	-46.70
	Feb	137.54	70.00	40.00	0.000	4.91	53%	83%	-22.64
	Mar	159.48	70.00	40.00	0.000	5.21	45%	71%	-44.27
	Apr	169.77	70.00	40.00	0.000	5.23	43%	67%	-54.55
	May	193.74	70.00	40.00	0.000	5.22	37%	58%	-78.52
	Jun	173.45	70.00	40.00	0.000	5.19	42%	65%	-58.27
	Jul	175.46	70.00	40.00	0.000	5.06	41%	65%	-60.40
	Aug	156.77	70.00	40.00	0.000	5.69	46%	73%	-41.08
	Sep	153.09	70.00	40.00	0.000	5.40	47%	74%	-37.69
	Oct	158.35	70.00	40.00	0.000	5.24	46%	72%	-43.11
	Nov	151.17	70.00	40.00	0.000	5.40	48%	75%	-35.77
	Dec	155.79	70.00	40.00	0.000	5.41	47%	73%	-40.38
2026	Jan	144.72	70.00	0.00	40.000	5.27	50%	79%	-29.46
	Feb	145.54	70.00	0.00	40.000	5.09	50%	78%	-30.44
	Mar	168.76	70.00	0.00	40.000	5.41	43%	67%	-53.34
	Apr	179.79	70.00	0.00	40.000	5.43	40%	63%	-64.36
	May	205.16	70.00	15.00	40.000	5.42	35%	63%	-74.74
	Jun	183.70	70.00	0.00	40.000	5.39	39%	62%	-68.31
	Jul	185.77	70.00	0.00	40.000	5.25	39%	61%	-70.51
	Aug	165.92	70.00	0.00	40.000	5.91	44%	69%	-50.01
	Sep	162.02	70.00	0.00	40.000	5.61	45%	70%	-46.42
	Oct	167.61	70.00	0.00	40.000	5.44	43%	68%	-52.17
	Nov	159.98	70.00	0.00	40.000	5.61	45%	71%	-44.37
	Dec	164.90	70.00	0.00	40.000	5.62	44%	69%	-49.28

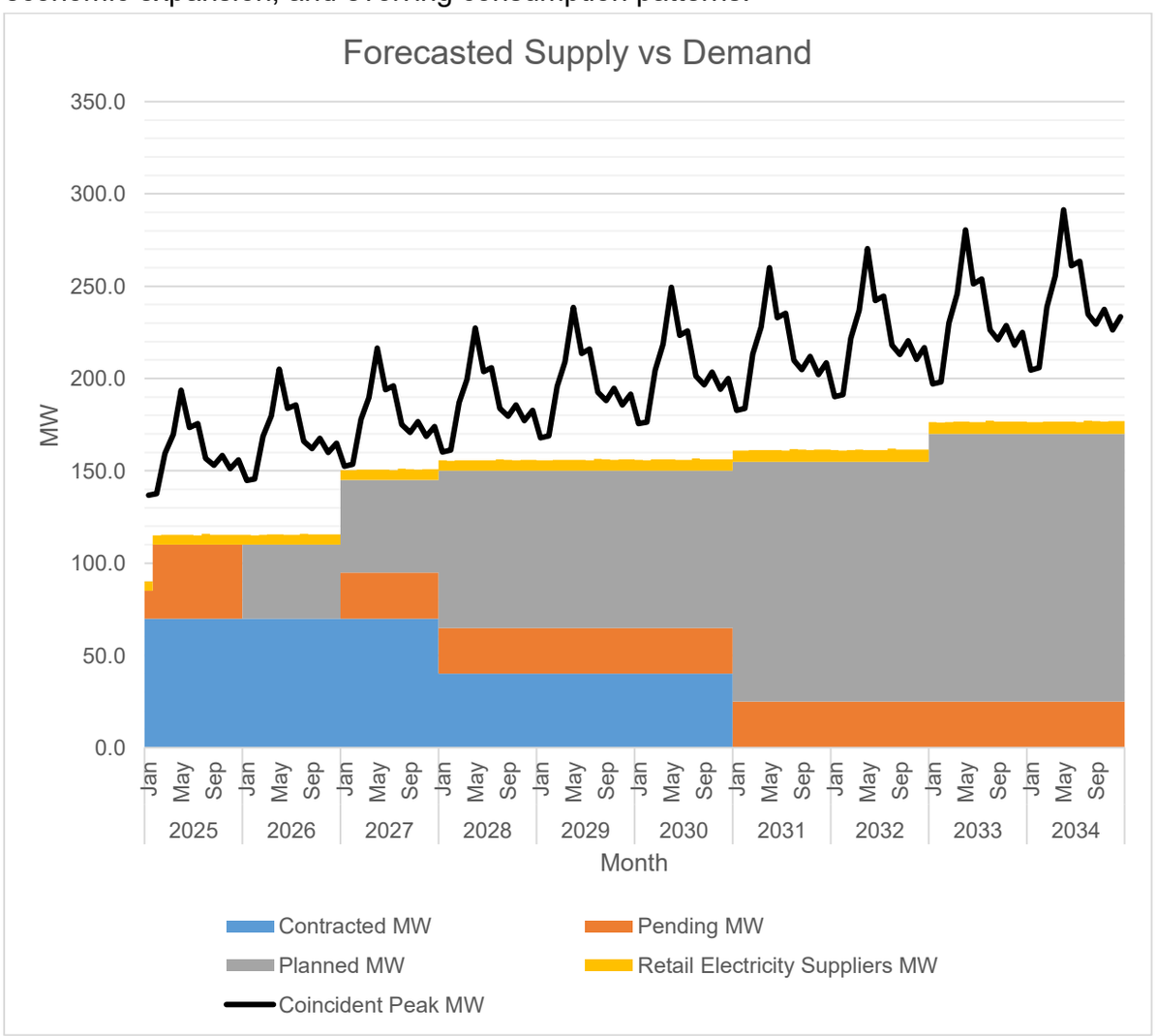
		Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
2027	Jan	152.55	70.00	24.94	50.000	5.45	48%	99%	-2.16
	Feb	153.41	70.00	24.94	50.000	5.27	47%	98%	-3.20
	Mar	177.90	70.00	24.94	50.000	5.60	41%	84%	-27.35
	Apr	189.66	70.00	24.94	50.000	5.62	38%	79%	-39.10
	May	216.41	70.00	24.94	50.000	5.61	33%	69%	-65.86
	Jun	193.80	70.00	24.94	50.000	5.57	37%	77%	-43.28
	Jul	195.92	70.00	24.94	50.000	5.44	37%	76%	-45.55
	Aug	174.93	70.00	24.94	50.000	6.11	41%	86%	-23.87
	Sep	170.82	70.00	24.94	50.000	5.80	42%	88%	-20.08
	Oct	176.73	70.00	24.94	50.000	5.63	41%	85%	-26.16
	Nov	168.66	70.00	24.94	50.000	5.81	43%	89%	-17.92
	Dec	173.86	70.00	24.94	50.000	5.82	42%	86%	-23.11
2028	Jan	160.24	40.00	24.94	85.000	5.62	26%	97%	-4.68
	Feb	161.14	40.00	24.94	85.000	5.44	26%	96%	-5.76
	Mar	186.86	40.00	24.94	85.000	5.78	22%	83%	-31.14
	Apr	199.35	40.00	24.94	85.000	5.80	21%	77%	-43.62
	May	227.46	40.00	24.94	85.000	5.79	18%	68%	-71.73
	Jun	203.71	40.00	24.94	85.000	5.75	20%	76%	-48.02
	Jul	205.89	40.00	24.94	85.000	5.61	20%	75%	-50.35
	Aug	183.77	40.00	24.94	85.000	6.31	23%	84%	-27.52
	Sep	179.46	40.00	24.94	85.000	5.99	23%	86%	-23.53
	Oct	185.69	40.00	24.94	85.000	5.81	22%	83%	-29.94
	Nov	177.18	40.00	24.94	85.000	5.99	23%	88%	-21.25
	Dec	182.66	40.00	24.94	85.000	6.00	23%	85%	-26.72
2029	Jan	167.93	40.00	24.94	85.000	5.79	25%	92%	-12.20
	Feb	168.87	40.00	24.94	85.000	5.60	24%	92%	-13.33
	Mar	195.83	40.00	24.94	85.000	5.95	21%	79%	-39.94
	Apr	209.06	40.00	24.94	85.000	5.97	20%	74%	-53.15
	May	238.52	40.00	24.94	85.000	5.95	17%	64%	-82.62
	Jun	213.64	40.00	24.94	85.000	5.92	19%	72%	-57.78
	Jul	215.87	40.00	24.94	85.000	5.77	19%	71%	-60.16
	Aug	192.62	40.00	24.94	85.000	6.49	21%	81%	-36.19
	Sep	188.10	40.00	24.94	85.000	6.16	22%	82%	-32.00
	Oct	194.65	40.00	24.94	85.000	5.98	21%	79%	-38.73
	Nov	185.70	40.00	24.94	85.000	6.17	22%	84%	-29.60
	Dec	191.47	40.00	24.94	85.000	6.18	22%	81%	-35.36
2030	Jan	175.47	40.00	24.94	85.000	5.94	24%	88%	-19.58
	Feb	176.44	40.00	24.94	85.000	5.75	23%	88%	-20.75
	Mar	204.62	40.00	24.94	85.000	6.11	20%	76%	-48.57
	Apr	218.57	40.00	24.94	85.000	6.13	19%	71%	-62.50
	May	249.36	40.00	24.94	85.000	6.12	16%	62%	-93.30
	Jun	223.37	40.00	24.94	85.000	6.08	18%	69%	-67.35
	Jul	225.66	40.00	24.94	85.000	5.93	18%	68%	-69.79
	Aug	201.29	40.00	24.94	85.000	6.67	21%	77%	-44.68
	Sep	196.57	40.00	24.94	85.000	6.33	21%	79%	-40.30
	Oct	203.43	40.00	24.94	85.000	6.15	20%	76%	-47.35
	Nov	194.06	40.00	24.94	85.000	6.33	21%	80%	-37.78
	Dec	200.10	40.00	24.94	85.000	6.34	21%	77%	-43.82

		Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
2031	Jan	182.84	0.00	24.94	130.000	6.09	0%	88%	-21.81
	Feb	183.85	0.00	24.94	130.000	5.90	0%	87%	-23.02
	Mar	213.23	0.00	24.94	130.000	6.26	0%	75%	-52.03
	Apr	227.89	0.00	24.94	130.000	6.28	0%	70%	-66.66
	May	259.98	0.00	24.94	130.000	6.27	0%	61%	-98.77
	Jun	232.90	0.00	24.94	130.000	6.23	0%	68%	-71.73
	Jul	235.24	0.00	24.94	130.000	6.08	0%	68%	-74.22
	Aug	209.78	0.00	24.94	130.000	6.84	0%	76%	-48.01
	Sep	204.86	0.00	24.94	130.000	6.49	0%	78%	-43.43
	Oct	212.03	0.00	24.94	130.000	6.30	0%	75%	-50.79
	Nov	202.23	0.00	24.94	130.000	6.49	0%	79%	-40.80
	Dec	208.56	0.00	24.94	130.000	6.50	0%	77%	-47.11
2032	Jan	190.06	0.00	24.94	130.000	6.24	0%	84%	-28.88
	Feb	191.11	0.00	24.94	130.000	6.03	0%	84%	-30.13
	Mar	221.65	0.00	24.94	130.000	6.41	0%	72%	-60.30
	Apr	237.01	0.00	24.94	130.000	6.43	0%	67%	-75.64
	May	270.37	0.00	24.94	130.000	6.42	0%	59%	-109.02
	Jun	242.23	0.00	24.94	130.000	6.38	0%	66%	-80.91
	Jul	244.61	0.00	24.94	130.000	6.22	0%	65%	-83.45
	Aug	218.09	0.00	24.94	130.000	7.00	0%	73%	-56.15
	Sep	212.97	0.00	24.94	130.000	6.64	0%	75%	-51.39
	Oct	220.45	0.00	24.94	130.000	6.45	0%	72%	-59.06
	Nov	210.23	0.00	24.94	130.000	6.65	0%	76%	-48.65
	Dec	216.83	0.00	24.94	130.000	6.66	0%	74%	-55.23
2033	Jan	197.12	0.00	24.94	145.000	6.37	0%	89%	-20.80
	Feb	198.20	0.00	24.94	145.000	6.17	0%	88%	-22.09
	Mar	229.88	0.00	24.94	145.000	6.55	0%	76%	-53.39
	Apr	245.93	0.00	24.94	145.000	6.57	0%	71%	-69.42
	May	280.54	0.00	24.94	145.000	6.56	0%	62%	-104.04
	Jun	251.36	0.00	24.94	145.000	6.52	0%	69%	-74.90
	Jul	253.79	0.00	24.94	145.000	6.36	0%	69%	-77.49
	Aug	226.21	0.00	24.94	145.000	7.15	0%	78%	-49.13
	Sep	220.90	0.00	24.94	145.000	6.79	0%	79%	-44.18
	Oct	228.68	0.00	24.94	145.000	6.59	0%	77%	-52.15
	Nov	218.06	0.00	24.94	145.000	6.79	0%	80%	-41.33
	Dec	224.91	0.00	24.94	145.000	6.80	0%	78%	-48.17
2034	Jan	204.63	0.00	24.94	145.000	6.51	0%	86%	-28.19
	Feb	205.76	0.00	24.94	145.000	6.29	0%	85%	-29.52
	Mar	238.65	0.00	24.94	145.000	6.69	0%	73%	-62.03
	Apr	255.42	0.00	24.94	145.000	6.71	0%	68%	-78.78
	May	291.36	0.00	24.94	145.000	6.69	0%	60%	-114.73
	Jun	261.08	0.00	24.94	145.000	6.65	0%	67%	-84.48
	Jul	263.55	0.00	24.94	145.000	6.49	0%	66%	-87.12
	Aug	234.87	0.00	24.94	145.000	7.30	0%	75%	-57.63
	Sep	229.35	0.00	24.94	145.000	6.93	0%	76%	-52.49
	Oct	237.44	0.00	24.94	145.000	6.73	0%	74%	-60.78
	Nov	226.39	0.00	24.94	145.000	6.93	0%	77%	-49.52
	Dec	233.53	0.00	24.94	145.000	6.94	0%	75%	-56.64

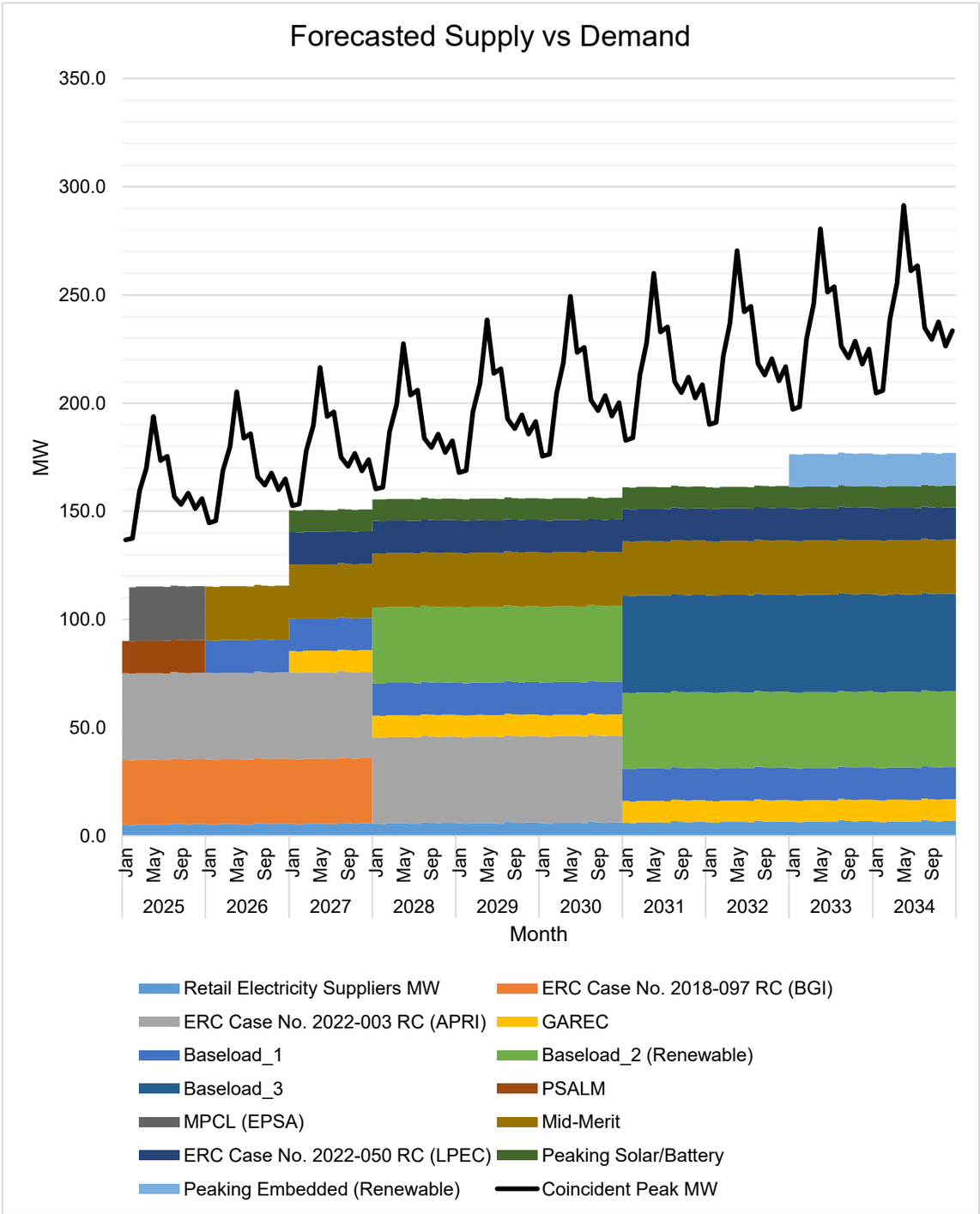
The forecast for Coincident Peak Demand was developed based on an analysis of historical data, which consistently shows that the highest electricity demand typically occurs between the months of April and July. This increase in demand is primarily attributed to the hot weather conditions experienced during the summer season, leading to a higher usage of cooling appliances and other energy-intensive equipment. On the other hand, the lowest demand is generally recorded between January and March, a period characterized by cooler temperatures due to the influence of the Northeast Monsoon, commonly known as Amihan. The colder weather during this time results in reduced energy consumption, particularly for cooling purposes.

In 2024, the trend followed a similar pattern, with the Coincident Peak Demand reaching its highest level in May, coinciding with the peak of the summer season, while the lowest demand was observed in February, when temperatures were at their coolest. For a more detailed breakdown of the monthly demand fluctuations, please refer to Annex "F" and Annex "F-1."

Furthermore, a review of historical data over the past five years, from 2019 to 2023, reveals a steady upward trend in Coincident Peak Demand, with an average annual growth rate of 7.75%, please refer to Annex "D". This consistent growth highlights the increasing energy requirements driven by various factors such as population growth, economic expansion, and evolving consumption patterns.



The available supply is generally below the Peak Demand. This is because other supply is still under the bidding process.

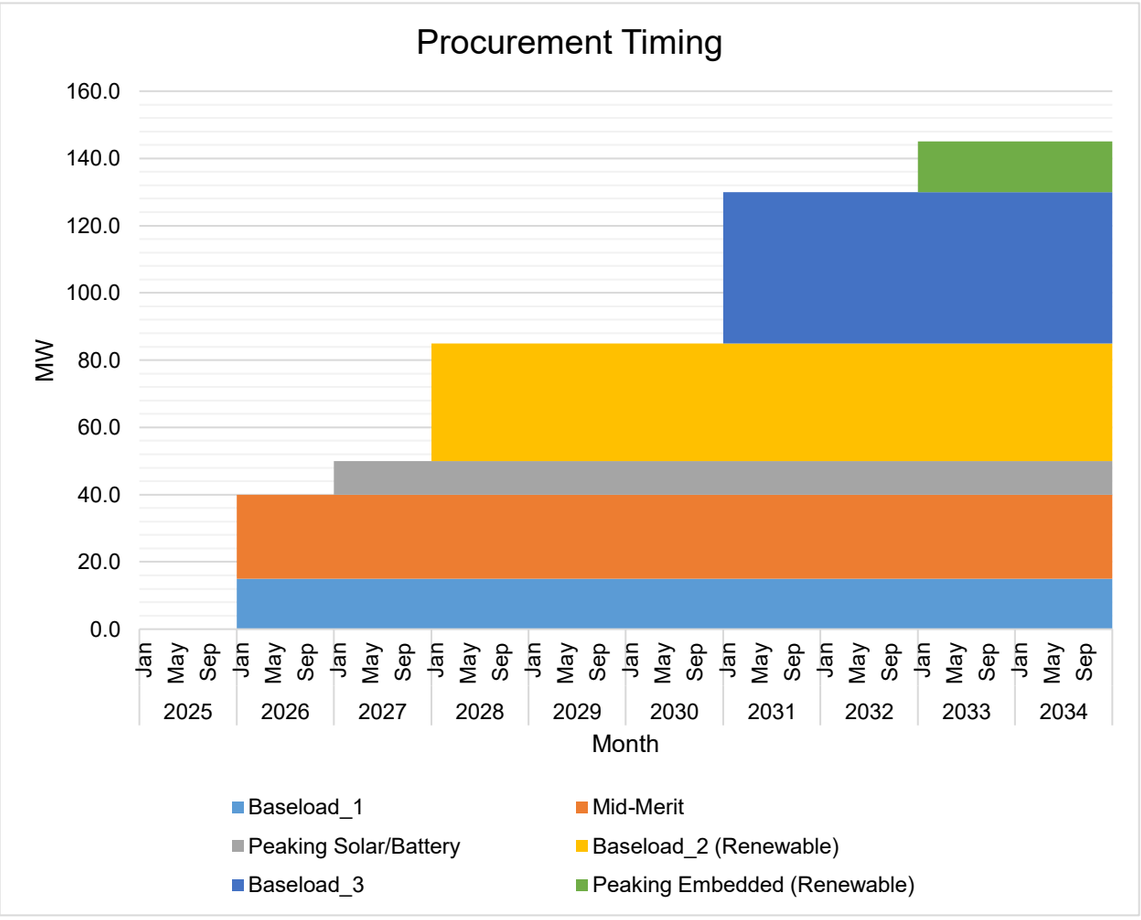


For the year 2025, the total available power supply amounts to 110 MW, with the largest portion coming from AP Renewable, Inc. (APRI). APRI provides a contracted capacity of 40 MW under a ten (10)-year agreement, spanning from December 26, 2020, to December 25, 2030 (ERC Case No. 2022-003 RC). The second-largest contract is with Bacman Geothermal Inc. (BGI), supplying 30 MW under a similar ten (10)-year term, effective from December 26, 2017, to December 25, 2027 (ERC Case No. 2018-097 RC).

The remaining capacity is covered by two additional agreements: a 25 MW supply from Masinloc Power Co. Ltd. (MPCL) and a 15 MW supply from the Power Sector Assets and Liabilities Management (PSALM) Corporation. These capacities are secured through an Emergency Power Supply Agreement and an extension of the Contract for the Supply of Electric Energy (CSEE) via a Letter of Amendment (LOA). These agreements serve as interim measures to bridge the supply gap while PELCO II undergoes the Competitive

Selection Process (CSP). Once the CSP is completed, a power supplier (winning bidder) will be awarded the Power Supply Agreements (PSAs), ensuring long-term energy stability.

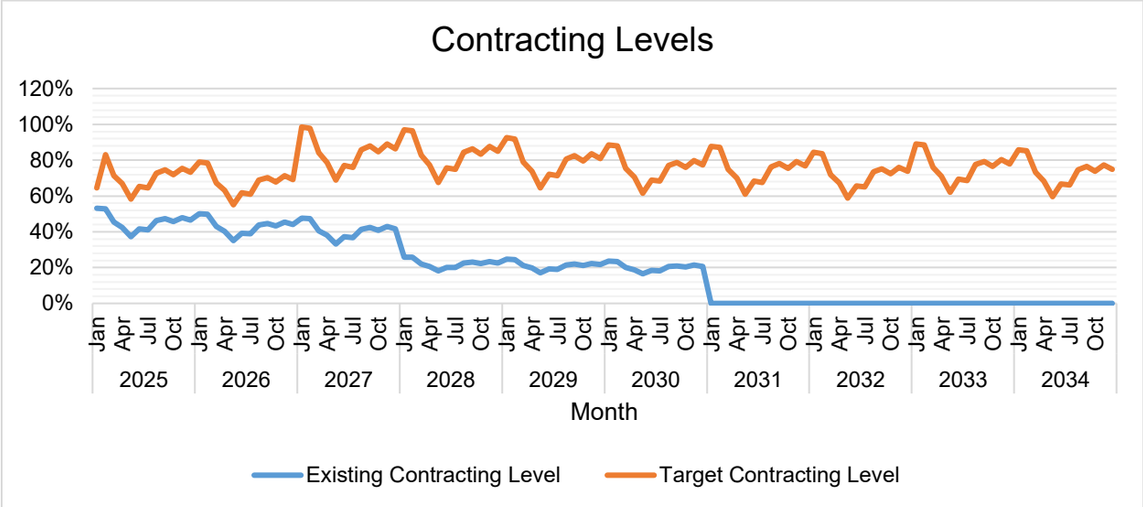
Any additional power requirements beyond these contracted capacities will be sourced from the Wholesale Electricity Spot Market (WESM), providing flexibility to meet unexpected demand fluctuations.



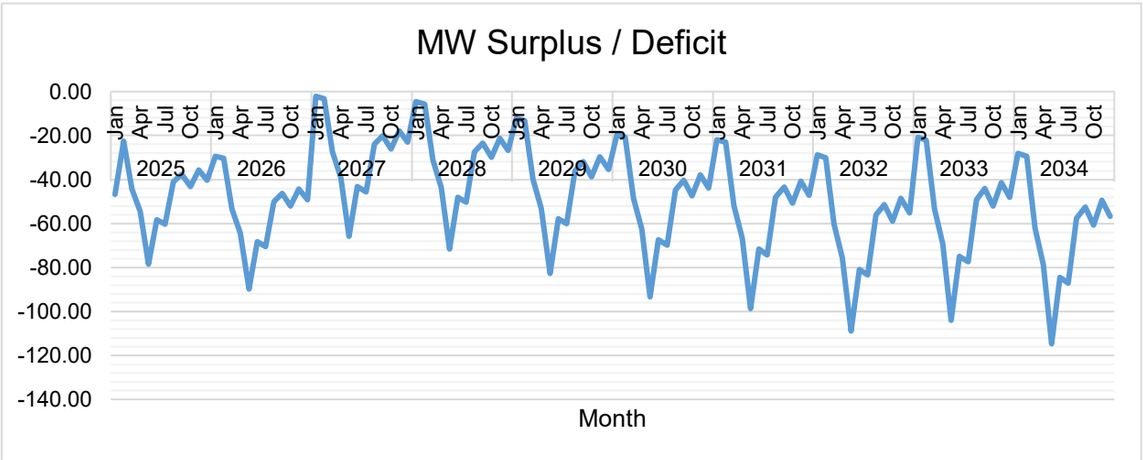
The first wave of supply procurement will address a 15 MW baseload requirement and a 25 MW mid-merit power requirement, both planned to be available by January 2026. The mid-merit supply is intended to replace the Power Supply Agreement (PPSA) with GN Power Dinginin Ltd. Co. (GNPD), which was impacted by the Supreme Court's decision in the case of Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy Regulatory Commission, et al. (G.R. No. 227670, May 3, 2019).

Following this, a 10 MW embedded solar peaking plant is planned to be operational by January 2027. Subsequently, two additional baseload power supplies will be procured. The first is a 35 MW renewable baseload power supply, intended to replace the expiring 30 MW contract with Bacman Geothermal Inc. (BGI) (ERC Case No. 2018-097 RC), which is scheduled to be available by January 2028. The second is a 45 MW baseload power supply, planned to replace the expiring 40 MW contract with AP Renewable, Inc. (APRI) (ERC Case No. 2022-003 RC), with an expected availability date of January 2031.

Finally, a 15 MW renewable embedded peaking plant is planned for availability by January 2033, completing this strategic series of power procurement initiatives aimed at ensuring reliable and sustainable energy supply for the future.



As of now, the average under-contracted capacity for the year 2025 stands at 29%. The highest target contracting level of 97% is projected to be achieved in 2027, ensuring a more secure power supply during that period. Conversely, the lowest target contracting level of 54% is expected to occur in May 2026. For further details, please refer to Annexes “G” to “G3”.



Currently, the under-contracted capacity for the year 2025 averages 46 MW. The highest supply deficit, projected at 107.65 MW, is expected to occur in May 2034. However, if the planned power supply acquisitions proceed as scheduled, the deficit is expected to be minimized to just 1.16 MW in January 2027. For more details, please refer to Annexes “G” to “G3”.

		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
2025	Jan	66,493	59,240	6,560	1.04%	9.97%
	Feb	51,989	59,576	6,597	-27.28%	9.97%
	Mar	55,753	62,393	6,909	-24.30%	9.97%
	Apr	73,358	79,435	8,797	-20.28%	9.97%
	May	83,175	87,725	9,715	-17.15%	9.97%
	Jun	75,292	81,158	8,987	-19.73%	9.97%
	Jul	72,219	77,966	8,634	-19.91%	9.97%
	Aug	64,987	71,982	7,971	-23.03%	9.97%
	Sep	63,092	70,294	7,784	-23.75%	9.97%
	Oct	66,637	72,996	8,084	-21.67%	9.97%
	Nov	65,018	72,009	7,974	-23.02%	9.97%
	Dec	65,312	71,817	7,953	-22.14%	9.97%

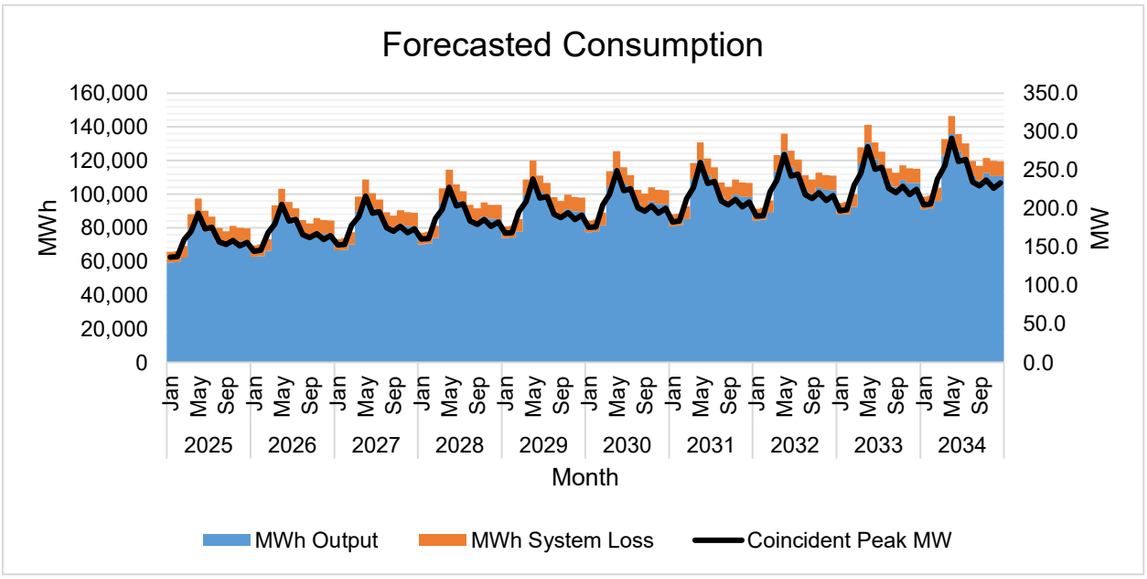
		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
2026	Jan	70,361	62,944	6,684	1.04%	9.60%
	Feb	70,758	63,299	6,722	1.04%	9.60%
	Mar	74,109	66,295	7,040	1.04%	9.60%
	Apr	94,429	84,467	8,970	1.05%	9.60%
	May	104,279	93,276	9,905	1.05%	9.60%
	Jun	96,483	86,304	9,165	1.05%	9.60%
	Jul	92,661	82,886	8,802	1.05%	9.60%
	Aug	85,514	76,497	8,124	1.04%	9.60%
	Sep	83,507	74,702	7,933	1.04%	9.60%
	Oct	86,730	77,583	8,239	1.05%	9.60%
	Nov	85,541	76,520	8,126	1.05%	9.60%
	Dec	85,324	76,326	8,105	1.05%	9.60%
2027	Jan	74,170	66,622	6,775	1.04%	9.23%
	Feb	74,586	66,996	6,813	1.04%	9.23%
	Mar	78,122	70,171	7,135	1.04%	9.23%
	Apr	99,614	89,469	9,098	1.05%	9.23%
	May	109,999	98,794	10,046	1.05%	9.23%
	Jun	101,787	91,420	9,296	1.05%	9.23%
	Jul	97,728	87,775	8,925	1.05%	9.23%
	Aug	90,158	80,981	8,235	1.05%	9.23%
	Sep	88,043	79,081	8,041	1.05%	9.23%
	Oct	91,451	82,141	8,353	1.05%	9.23%
	Nov	90,183	81,002	8,237	1.05%	9.23%
	Dec	89,965	80,806	8,217	1.05%	9.23%
2028	Jan	77,907	70,264	6,831	1.04%	8.86%
	Feb	78,343	70,657	6,869	1.04%	8.86%
	Mar	82,060	74,008	7,195	1.05%	8.86%
	Apr	104,706	94,425	9,179	1.05%	8.86%
	May	115,615	104,262	10,136	1.05%	8.86%
	Jun	106,995	96,490	9,380	1.05%	8.86%
	Jul	102,702	92,619	9,004	1.05%	8.86%
	Aug	94,717	85,422	8,304	1.05%	8.86%
	Sep	92,494	83,417	8,109	1.05%	8.86%
	Oct	96,085	86,654	8,424	1.05%	8.86%
	Nov	94,738	85,439	8,306	1.05%	8.86%
	Dec	94,519	85,243	8,287	1.05%	8.86%
2029	Jan	81,647	73,862	6,932	1.04%	8.58%
	Feb	82,101	74,274	6,971	1.04%	8.58%
	Mar	86,000	77,799	7,302	1.05%	8.58%
	Apr	109,803	99,326	9,322	1.05%	8.58%
	May	121,238	109,667	10,293	1.05%	8.58%
	Jun	112,210	101,503	9,526	1.05%	8.58%
	Jul	107,681	97,407	9,142	1.05%	8.58%
	Aug	99,278	89,811	8,429	1.05%	8.58%
	Sep	96,948	87,702	8,231	1.05%	8.58%
	Oct	100,723	91,115	8,551	1.05%	8.58%
	Nov	99,296	89,825	8,430	1.05%	8.58%
	Dec	99,078	89,628	8,412	1.05%	8.58%
2030	Jan	85,311	77,413	7,007	1.04%	8.30%
	Feb	85,784	77,843	7,046	1.04%	8.30%
	Mar	89,862	81,541	7,380	1.05%	8.30%
	Apr	114,800	104,163	9,428	1.05%	8.30%
	May	126,750	115,004	10,409	1.05%	8.30%

		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
	Jun	117,322	106,452	9,635	1.05%	8.30%
	Jul	112,562	102,133	9,244	1.05%	8.30%
	Aug	103,749	94,141	8,521	1.05%	8.30%
	Sep	101,313	91,931	8,321	1.05%	8.30%
	Oct	105,268	95,518	8,646	1.05%	8.30%
	Nov	103,762	94,152	8,522	1.05%	8.30%
	Dec	103,545	93,955	8,504	1.05%	8.30%
2031	Jan	88,898	80,914	7,055	1.04%	8.02%
	Feb	89,389	81,361	7,094	1.04%	8.02%
	Mar	93,641	85,230	7,431	1.05%	8.02%
	Apr	119,694	108,935	9,498	1.05%	8.02%
	May	132,148	120,267	10,486	1.05%	8.02%
	Jun	122,329	111,333	9,707	1.05%	8.02%
	Jul	117,341	106,794	9,312	1.05%	8.02%
	Aug	108,125	98,412	8,581	1.05%	8.02%
	Sep	105,587	96,101	8,379	1.05%	8.02%
	Oct	109,718	99,860	8,707	1.05%	8.02%
	Nov	108,135	98,419	8,581	1.05%	8.02%
	Dec	107,919	98,223	8,564	1.05%	8.02%
2032	Jan	92,407	84,363	7,078	1.05%	7.74%
	Feb	92,916	84,828	7,117	1.05%	7.74%
	Mar	97,339	88,865	7,455	1.05%	7.74%
	Apr	124,484	113,639	9,534	1.05%	7.74%
	May	137,431	125,456	10,525	1.06%	7.74%
	Jun	127,230	116,146	9,744	1.05%	7.74%
	Jul	122,019	111,389	9,345	1.05%	7.74%
	Aug	112,408	102,620	8,609	1.05%	7.74%
	Sep	109,769	100,211	8,407	1.05%	7.74%
	Oct	114,073	104,139	8,737	1.05%	7.74%
	Nov	112,414	102,624	8,610	1.05%	7.74%
	Dec	112,198	102,428	8,593	1.05%	7.74%
2033	Jan	95,839	87,762	7,075	1.05%	7.46%
	Feb	96,365	88,244	7,114	1.05%	7.46%
	Mar	100,956	92,445	7,452	1.05%	7.46%
	Apr	129,170	118,274	9,535	1.05%	7.46%
	May	142,600	130,569	10,526	1.06%	7.46%
	Jun	132,025	120,888	9,745	1.05%	7.46%
	Jul	126,594	115,916	9,344	1.05%	7.46%
	Aug	116,596	106,767	8,607	1.05%	7.46%
	Sep	113,858	104,259	8,405	1.05%	7.46%
	Oct	118,332	108,354	8,735	1.05%	7.46%
	Nov	116,598	106,767	8,607	1.05%	7.46%
	Dec	116,384	106,571	8,591	1.05%	7.46%
2034	Jan	99,494	91,109	7,345	1.05%	7.46%
	Feb	100,040	91,608	7,385	1.05%	7.46%
	Mar	104,808	95,973	7,737	1.05%	7.46%
	Apr	134,159	122,842	9,903	1.05%	7.46%
	May	148,103	135,607	10,932	1.06%	7.46%
	Jun	137,129	125,561	10,122	1.05%	7.46%
	Jul	131,466	120,376	9,704	1.05%	7.46%
	Aug	121,057	110,851	8,936	1.05%	7.46%
	Sep	118,214	108,248	8,726	1.05%	7.46%
	Oct	122,868	112,507	9,070	1.05%	7.46%

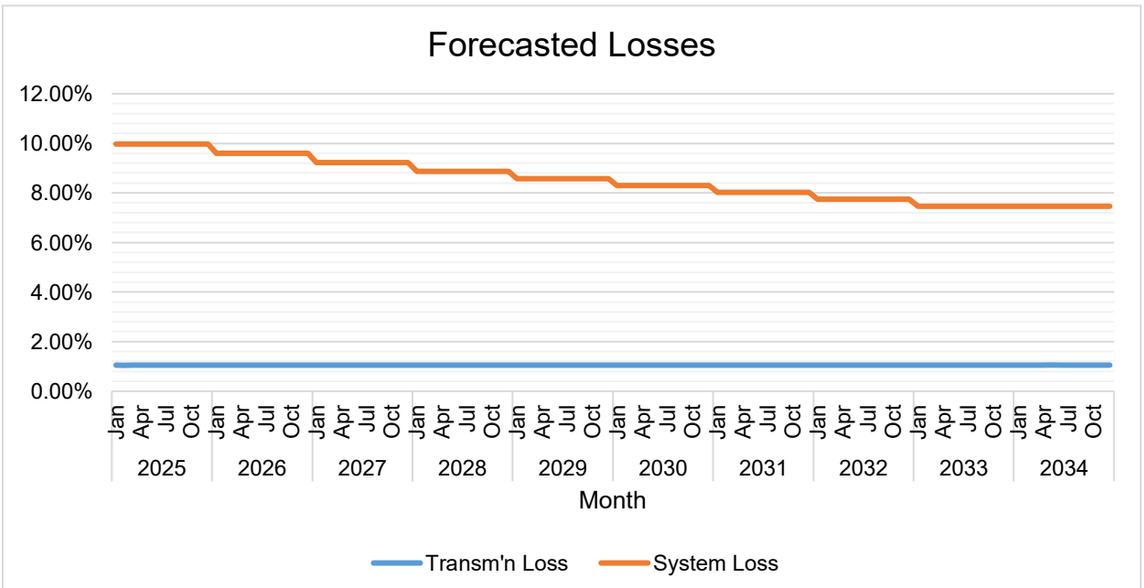
		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
	Nov	121,055	110,848	8,936	1.05%	7.46%
	Dec	120,842	110,653	8,920	1.05%	7.46%

The MWh offtake was forecasted by first projecting the MWh sales for each customer type and then adding the projected MWh system loss (see Annexes “H” to “H-5” for details). The MW demand was estimated using the average monthly load factor from the years 2020 to 2024.

System loss was calculated through a Load Flow Study conducted in 2024 by the System Planning team of PELCO II, utilizing the Distribution System Application Software (DSAS). The results of this study confirmed that the distribution system can efficiently convey electricity to customers.



Energy Output was expected to grow at a rate of 5.98% annually for the next five (5) years (see Annex “I” for details).



Transmission Loss is assumed to be at average of 1.08% while Distribution System Loss is expected to reach 9.97% by end Year 2025 and target to be reduced to 7.46% by Year 2034 (see Annex “I” for details).

Power Supply

Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
ERC Case No. 2018-097 RC (BGI)	Base	Bac-Man Geothermal, Inc.	30.00	30.00	223,380	262,800	9/26/2019	12/25/2027
ERC Case No. 2022-003 RC (APRI)	Base	AP Renewables, Inc.	40.00	40.00	297,840	350,400	10/26/2021	12/25/2030

The PSAs with Bacman Geothermal, Inc. (BGI) and AP Renewables, Inc. (APRI) filed to ERC for their approval under ERC Case No. 2018-097 RC and ERC Case No. 2022-003 RC, respectively, were procured through CSP pursuant to government regulations.

Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
PSALM Mid-Merit	Intermediate	Power Sector Assets and Liabilities Management Corporation	15.00	15.00	24,840	24,840	3/26/2022	12/25/2025
GAREC	Base	Other	9.94	9.94	74,013	87,074	12/26/2026	12/25/2046
ERC Case No. 2022-050 RC (LPEC)	Base	Other	15.00	15.00	13,140	39,420	12/26/2026	12/25/2041
MPCL (EPSA)	Intermediate	Other	25.00	25.00	131,400	186,150	01/26/2025	12/25/2025

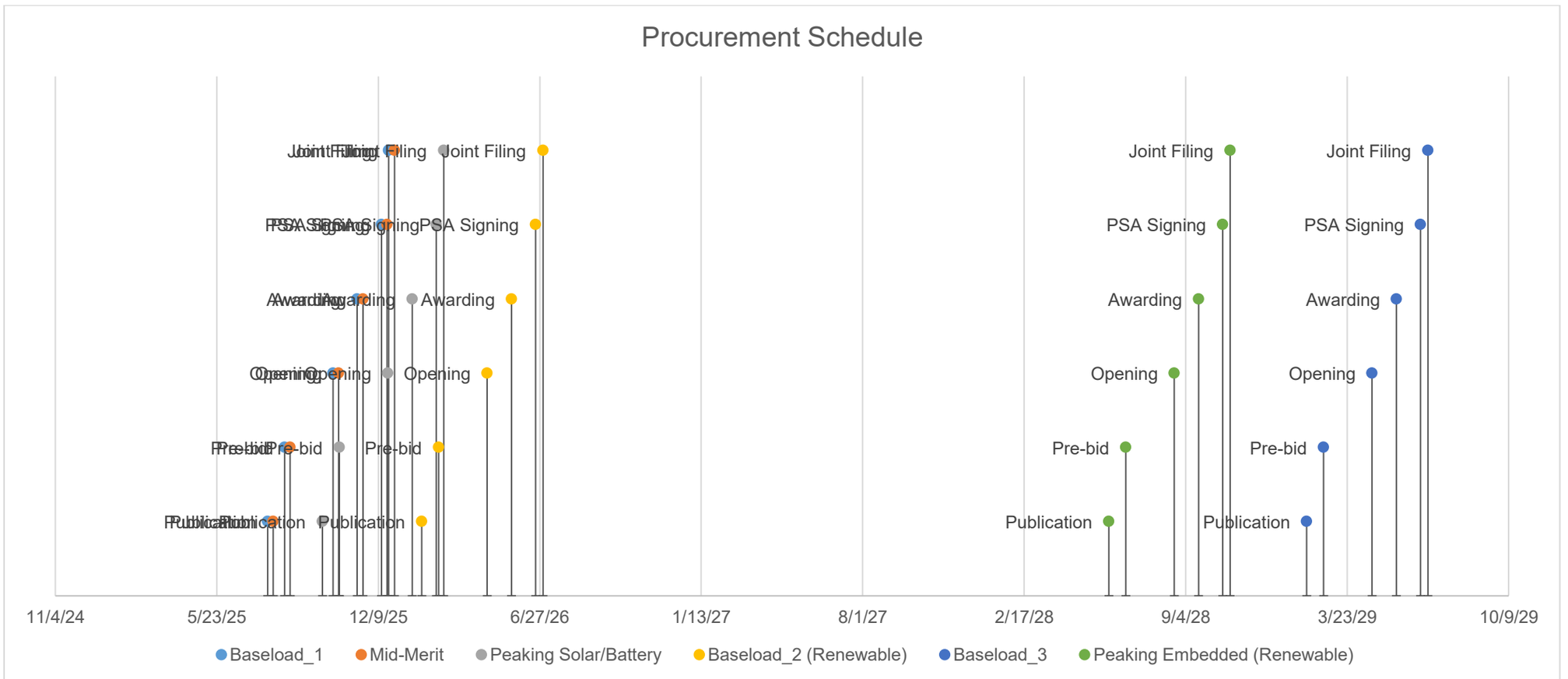
The Contract for the Supply of Electric Energy (CSEE) with the Power Sector Assets and Liabilities Management Corporation (PSALM) was initially extended through a Letter of Agreement (LOA) for the period of December 26, 2022, to June 25, 2023 (January to June 2023), and further extended from June 26, 2023, to December 25, 2023 (July to December 2023).

A subsequent extension was granted, covering multiple periods: December 26, 2023, to June 25, 2024 (January to June 2024), June 26, 2024, to December 25, 2024 (July to December 2024), and December 26, 2024, to June 25, 2025 (January to June 2025). These CSEE extensions are currently being prepared for filing with the Energy Regulatory Commission (ERC). Management has also decided to maximize the extension period, ensuring continuity of supply until December 2025.

In PELCO 2's submission of the 2023-2032 Distribution Development Plan (DDP) and Power Supply Procurement Plan (PSPP) on July 14, 2023, the Power Supply Agreement (PSA) with GN Power Dinginin, Ltd. was included as part of PELCO 2's contracted power supply portfolio. However, this

agreement was impacted by the Supreme Court's decision in the case of Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy Regulatory Commission, et al. (G.R. No. 227670, May 3, 2019). Consequently, both parties have mutually agreed to terminate the agreement.

Meanwhile, the PSA with Green Atom Renewable Energy Corporation (GAREC) is currently being prepared for the filing of a joint application with the Energy Regulatory Commission (ERC). On the other hand, the PSA with La Pampanga Energy Corporation (LPEC) has already been filed with the ERC, undergone public hearings, and is currently awaiting resolution.

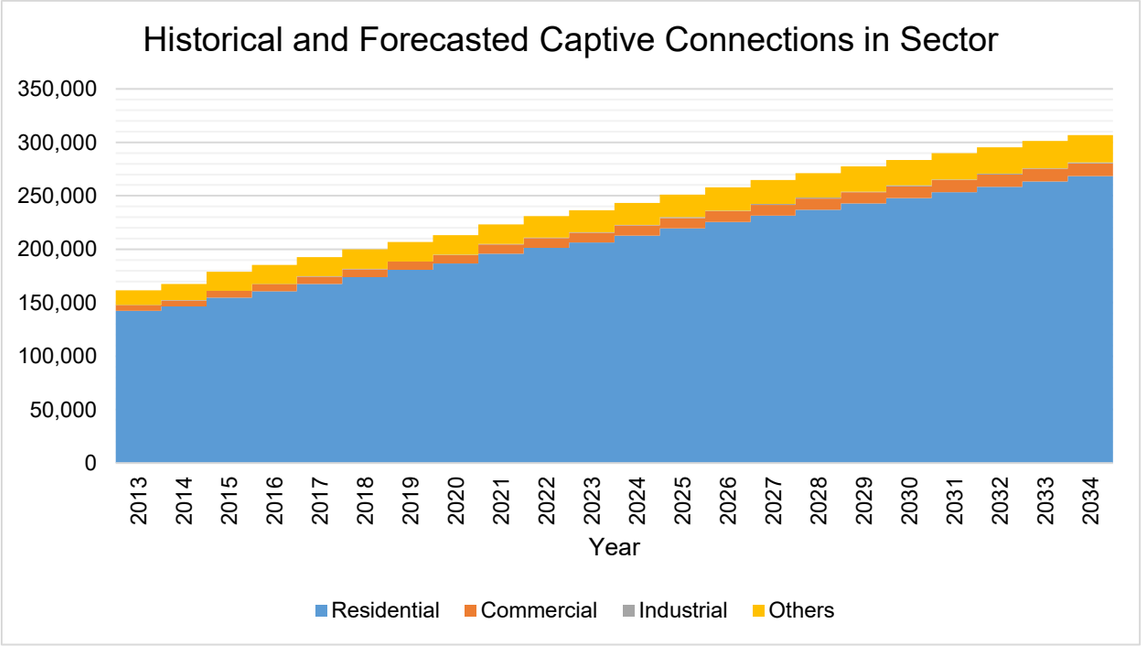


	Baseload_1	Mid-Merit	Peaking Solar/Battery	Baseload_2 (Renewable)	Baseload_3	Peaking Embedded (Renewable)
Type	Base	Intermediate	Peaking	Base	Base	Peaking
Minimum MW	15.00	25.00	10.00	35.00	45.00	15.00
Minimum MWh/yr	105,120	109,500	8,760	260,610	354,780	39,420
Maximum MWh/yr	131,400	186,150	26,280	306,600	394,200	39,420
PSA Start	12/26/2025	12/26/2025	12/26/2026	12/26/2027	12/26/2030	12/26/2032
PSA End	12/25/2035	12/25/2035	12/25/2041	12/25/2037	12/25/2040	12/25/2052
Publication	7/25/2025	8/1/2025	10/1/2025	2/1/2026	2/1/2029	6/1/2028
Pre-bid	8/15/2025	8/22/2025	10/22/2025	2/22/2026	2/22/2029	6/22/2028
Opening	10/14/2025	10/21/2025	12/21/2025	4/23/2026	4/23/2029	8/21/2028
Awarding	11/13/2025	11/20/2025	1/20/2026	5/23/2026	5/23/2029	9/20/2028
PSA Signing	12/13/2025	12/20/2025	2/19/2026	6/22/2026	6/22/2029	10/20/2028
Joint Filing	12/22/2025	12/29/2025	2/28/2026	7/1/2026	7/1/2029	10/29/2028

Procurement Schedule

1. The procurement of a 15 MW baseload supply with projected contracted energy between 105,120 MWh/yr at 80% load factor to 131,400 MWh/yr at 100% load factor, initially scheduled for availability in January 2025 with the first CSP publication planned for March 2024, has been rescheduled to January 2026. Under the revised timeline, the first publication is now set for July 2025, with joint filing anticipated by the end of December 2025, in compliance with the DOE's 2023 CSP Policy.
2. The procurement of a 25 MW mid-merit supply with projected contracted energy between 109,500 MWh/yr at 50% load factor to 186,150 MWh/yr at 85% load factor, originally planned for availability in January 2025 with the first CSP publication set for April 2024, has been moved to January 2026. The updated timeline sets the first publication for August 2025, with joint filing expected by the end of December 2025, in accordance with the DOE's 2023 CSP Policy.
3. The procurement of a 10 MW renewable peaking supply with projected contracted energy between 8,760 MWh/yr at 10% load factor to 26,280 MWh/yr at 30% load factor is scheduled for availability in January 2027. The first publication is now planned for October 2025, with joint filing anticipated by the end of February 2026, aligning with the DOE's 2023 CSP Policy.
4. The procurement of a 35 MW renewable baseload supply with projected contracted energy between 260,610 MWh/yr at 85% load factor to 306,600 MWh/yr at 100% load factor is targeted for availability by January 2028. The first publication or launch of the CSP is planned for February 2026, with joint filing expected in July 2026, in compliance with the DOE's 2023 CSP Policy.
5. The procurement of a 45 MW baseload supply with projected contracted energy between 354,780 MWh/yr at 90% load factor to 394,200 MWh/yr at 100% load factor is planned for availability by January 2031. The first CSP publication is scheduled for February 2029, with joint filing anticipated in July 2029, in accordance with the DOE's 2023 CSP Policy.
6. The procurement of a 15 MW renewable embedded peaking supply with projected contracted energy of 39,420 MWh/yr at 30% load factor is targeted for availability by January 2033. The first CSP publication is planned for June 2028, with joint filing expected by October 2028, in compliance with the DOE's 2023 CSP Policy.

Captive Customer Connections



The number of residential connections is projected to grow at a compound annual growth rate of 2.66% for the next five (5) years, accounting for 87.46% of the total captive customers. This projection is based on the latest 2024 customer mix data.

The number of commercial connections is also expected to grow at a compound annual growth rate of 2.66% in the next five (5) years, representing 3.87% of the total captive customers. The number of industrial connections is projected to increase at a slightly higher compound annual growth rate of 2.68%, making up 0.22% of the total captive customers.

Connections under the "other" category, which include irrigation, public buildings, street lighting, and Potential Contestable and GEOP Customers (PCGC), are expected to grow at compound annual growth rates of 2.66% and 1.37%, respectively in the next five (5) years. The irrigation, public buildings, and street lighting category is anticipated to account for 8.41% of total consumption, while the PCGC category is expected to represent 0.03% of the total captive customers. (See Annex “I” for further details.)

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