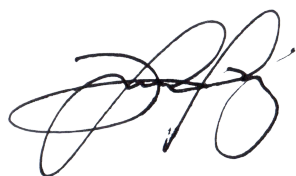


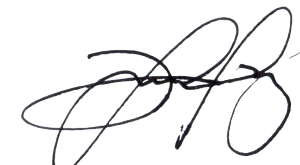
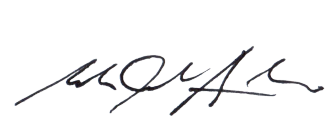
Power Supply Procurement Plan 2026

**Pampanga II Electric Cooperative, Inc.
(PELCO II)**



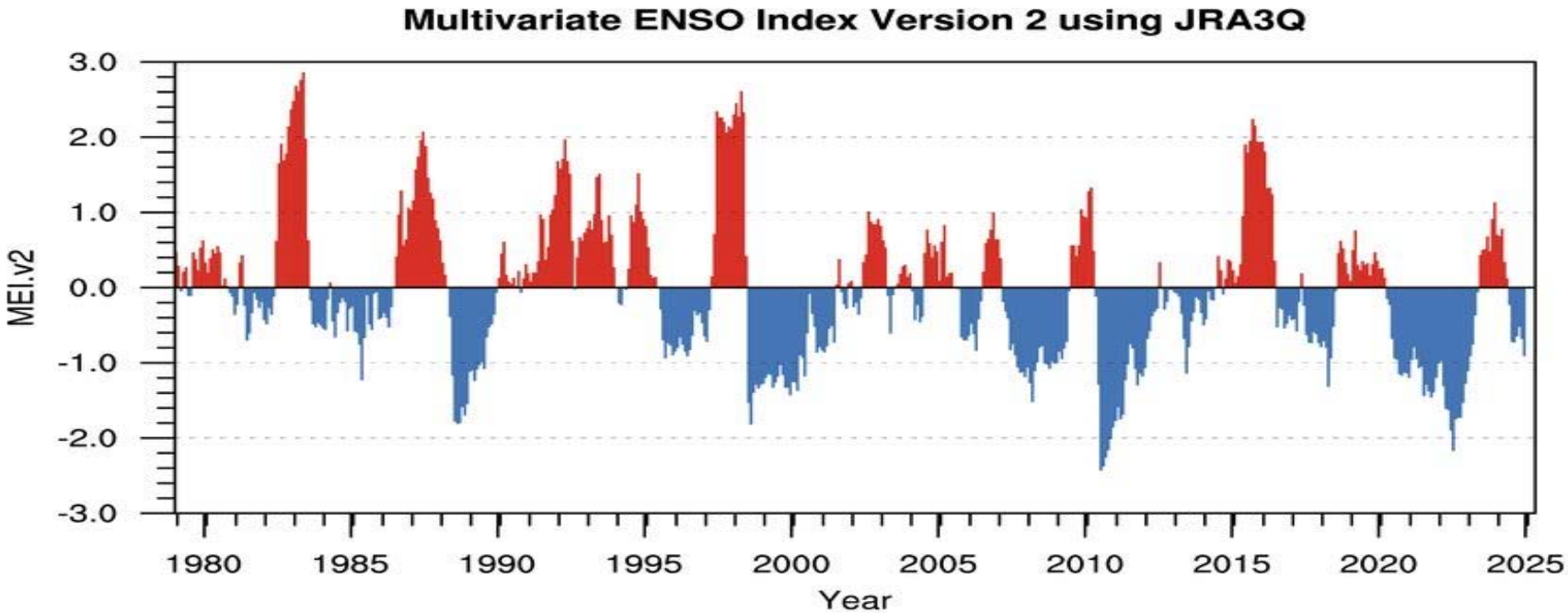
Historical Consumption Data

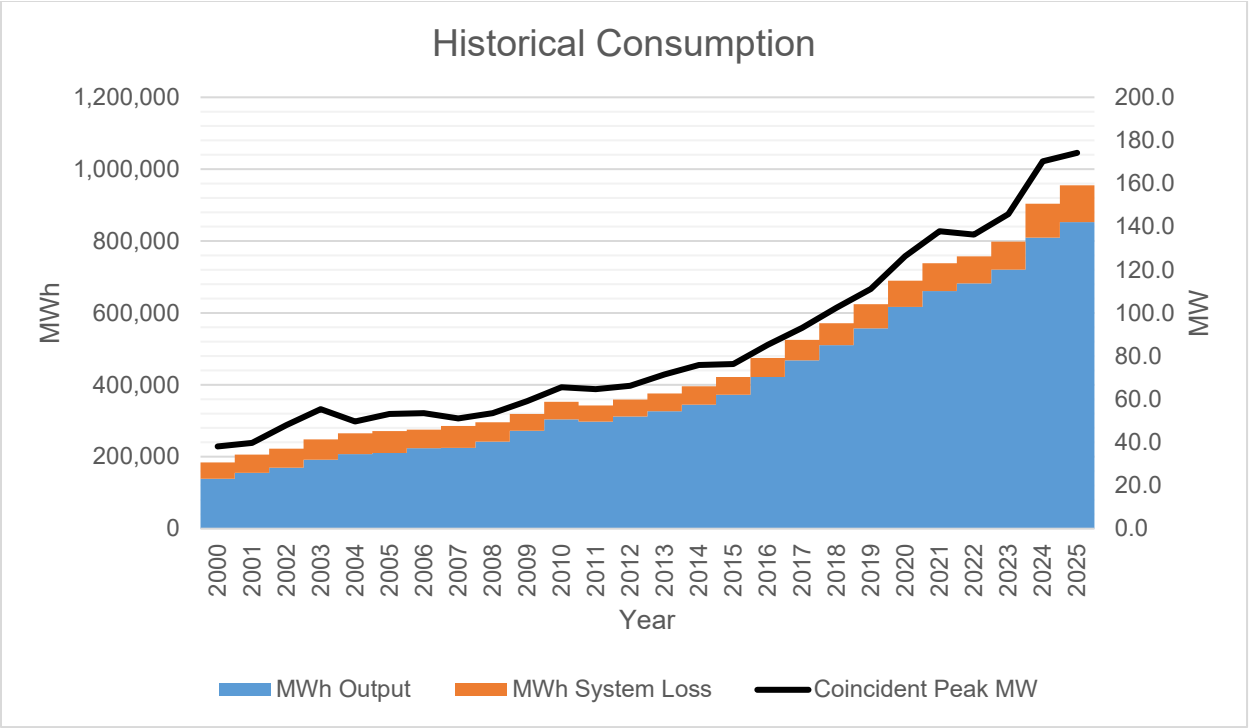
	Coincident Peak MW	MWh Offtake	WESM	MWh Input	MWh Output	MWh System Loss	Load Factor	Discrepancy	Transm'n Loss	System Loss
2000	38.13	183,921	0	183,921	138,710	45,210	55%	0.00%	0.00%	24.58%
2001	39.69	206,073	0	206,073	155,191	50,882	59%	0.00%	0.00%	24.69%
2002	47.95	222,216	0	222,216	169,587	52,629	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%
2025	174.27	952,135	243,906	954,879	852,852	102,028	63%	0.00%	-0.29%	10.68%

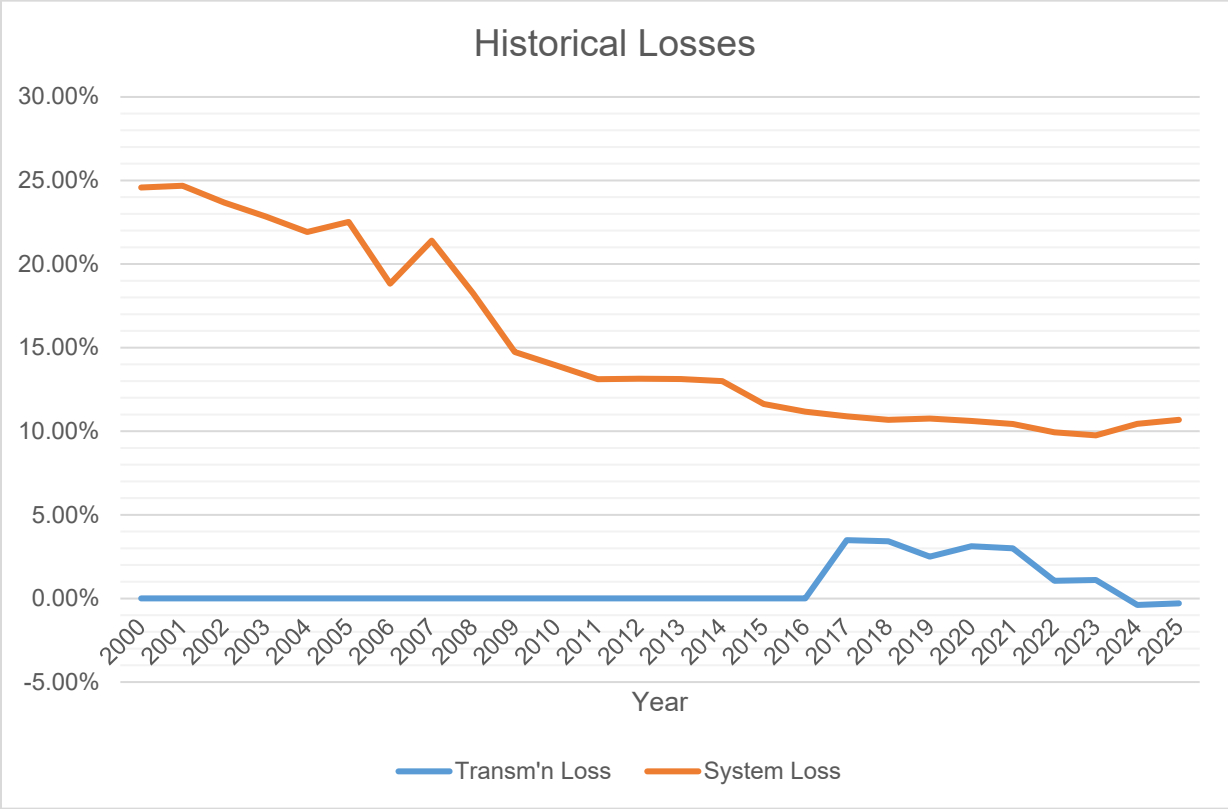
The Coincident Peak Demand grew from 38.13 MW in 2000 to 174.27 MW in 2025, reflecting a Compounded Annual Growth Rate (CAGR) of 6.41% over the 20-year period from 2006 to 2025, and 6.03% over the last 5-year period from 2021 to 2025. Similarly, MWh offtake increased from 183,921 MWh in 2000 to 952,135 MWh in 2025, with a CAGR of 6.74% over the 20-year period and 5.77% 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.





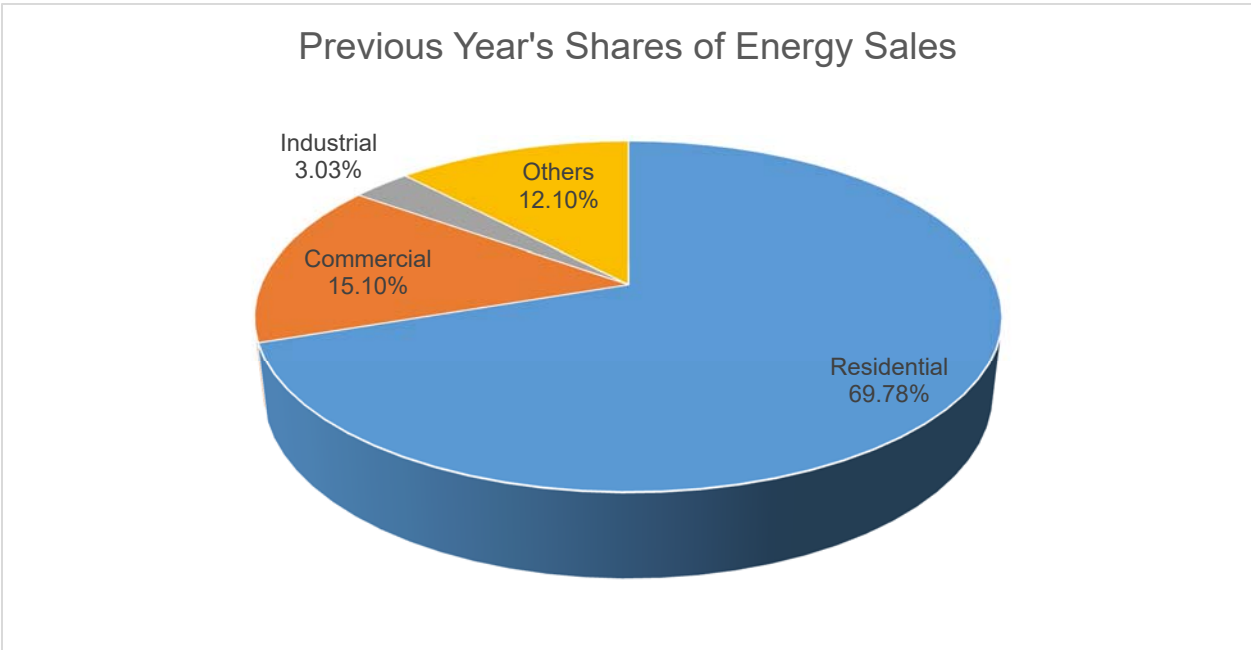
Energy Output increased from 223,631 MWh in the year 2006 to 823,844 MWh in 2025, reflecting a Compounded Annual Growth Rate (CAGR) of 7.10% over the 20-year period and 6.67% over the last 5 years. Meanwhile, the Energy System Loss slightly decreased from 10.71% in 2024 to 10.68% in 2025. While the change is minimal, the decrease suggests incremental progress in loss reduction efforts implemented by the Cooperative during the year (see Annex “D” for details).



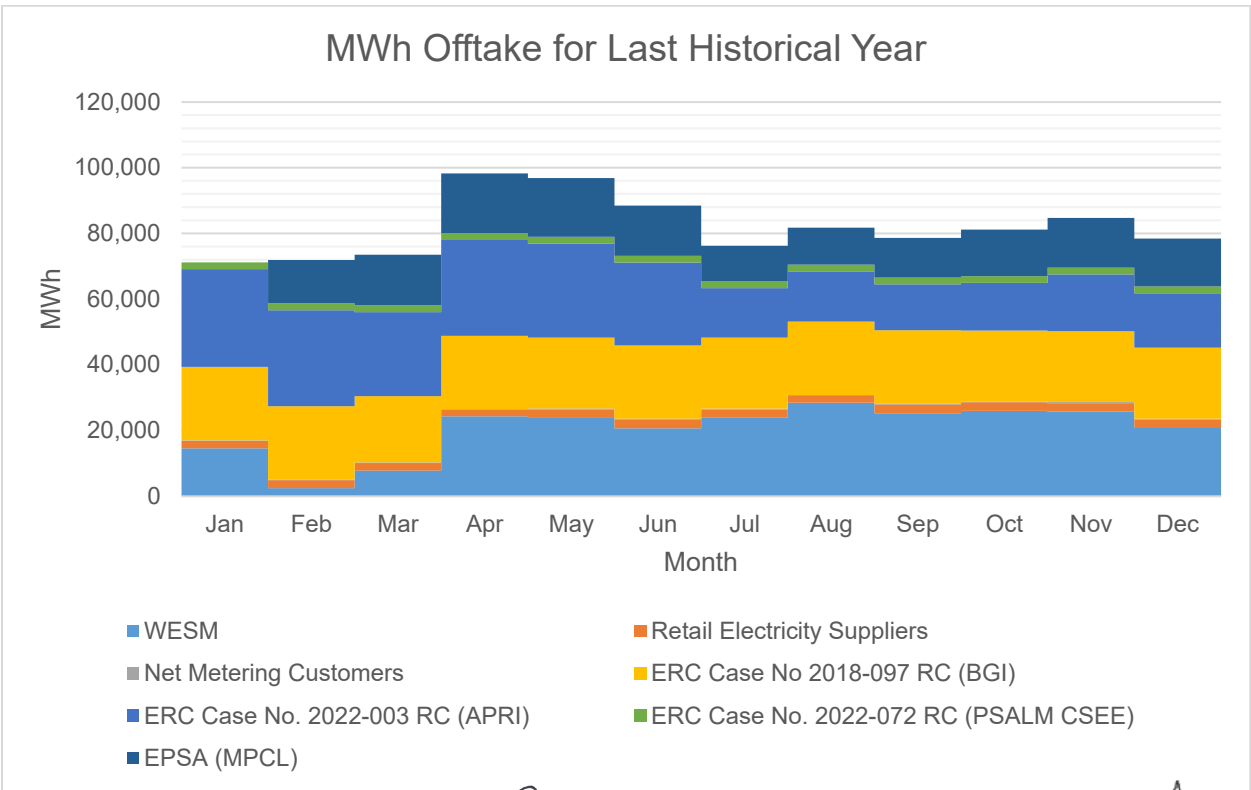
Historically, transmission loss ranged from 3.49% in 2017 to -0.29% in 2025. The negative value is due to the actual metered consumption from NGCP being greater than the actual offtake energy from IEMOP. Meanwhile, distribution system loss ranged from 24.58% in

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2000 to 10.68% in 2025. 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.)

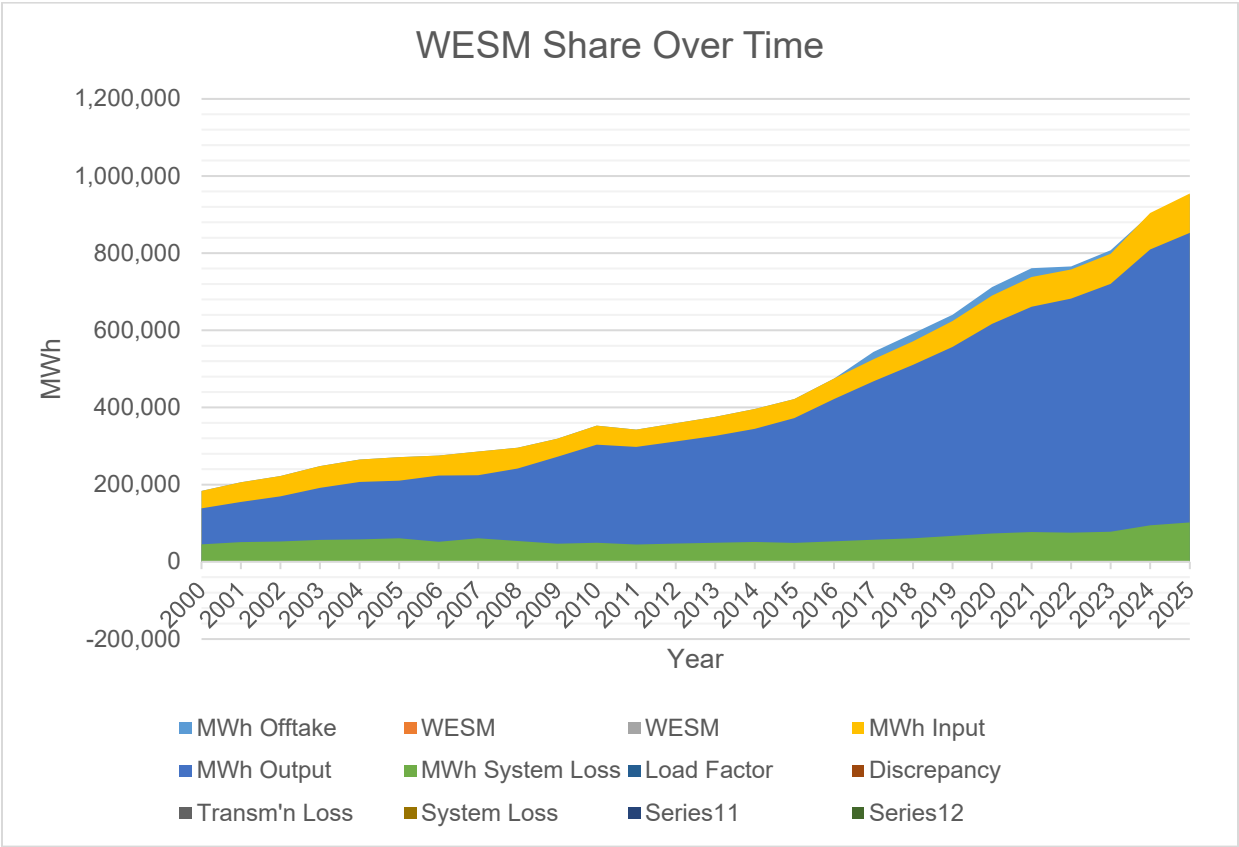


Residential customers account for the majority of energy sales, at 69.78%, due to the high number of connections, which make up 87.56% of the total number of connected captive customers. In contrast, commercial and industrial customers account for 15.10% and 3.03%, respectively, of the total captive customers. Other customers, which include irrigation, public buildings, streetlights, and potential contestable customers, account for only 12.10% of energy sales, coming from 8.25% of the number of connections (see Annex “C” for details).

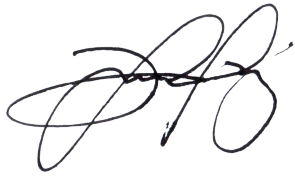


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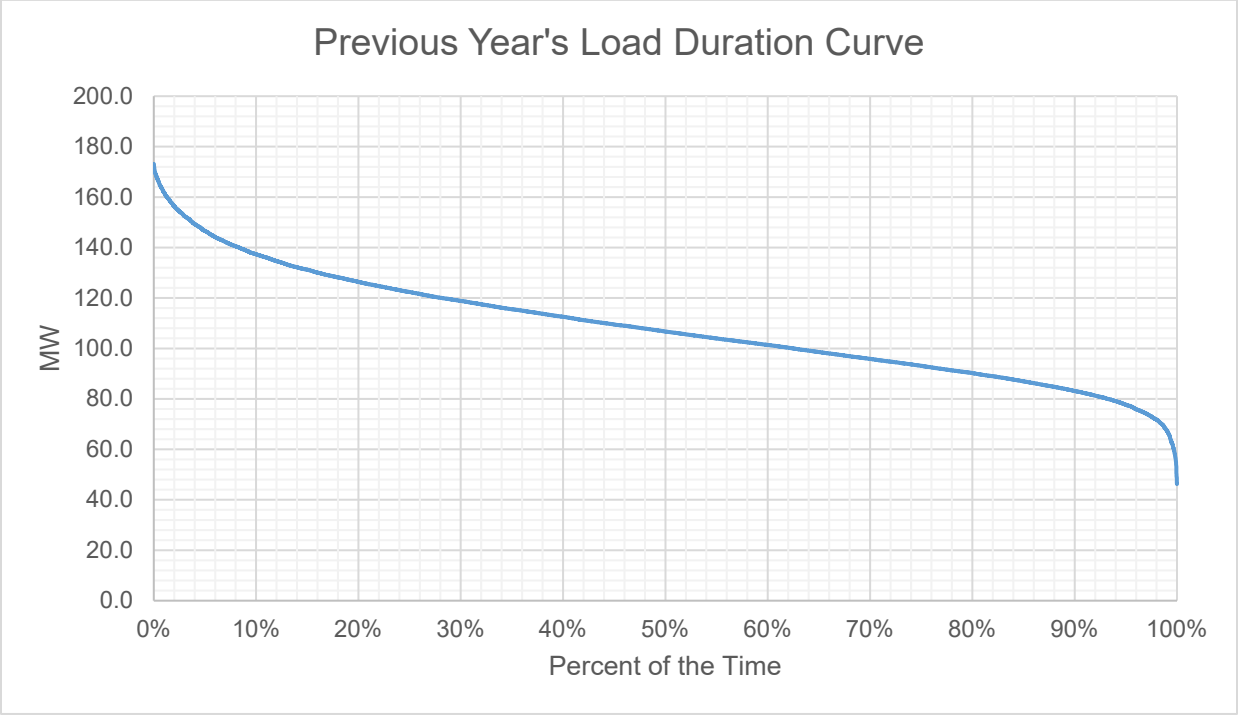
In 2025, PELCO II’s power supply offtake was primarily sourced through Power Supply Agreements (PSAs) with Bacman Geothermal, Inc. (BGI) for 30 MW under ERC Case No. 2018-097 RC and Aboitiz Power Renewables, Inc. (APRI) for 40 MW under ERC Case No. 2022-003 RC. Additionally, a Contract for the Supply of Electric Energy (CSEE) with the Power Sector Assets and Liabilities Management Corporation (PSALM) provided an additional 15 MW, while an Emergency Power Supply Agreement (EPSA) with Masinloc Power Corporation Ltd. (MPCL) supplied 25 MW on a mid-merit basis. Any energy requirements exceeding the contracted capacity were procured from the Wholesale Electricity Spot Market (WESM).



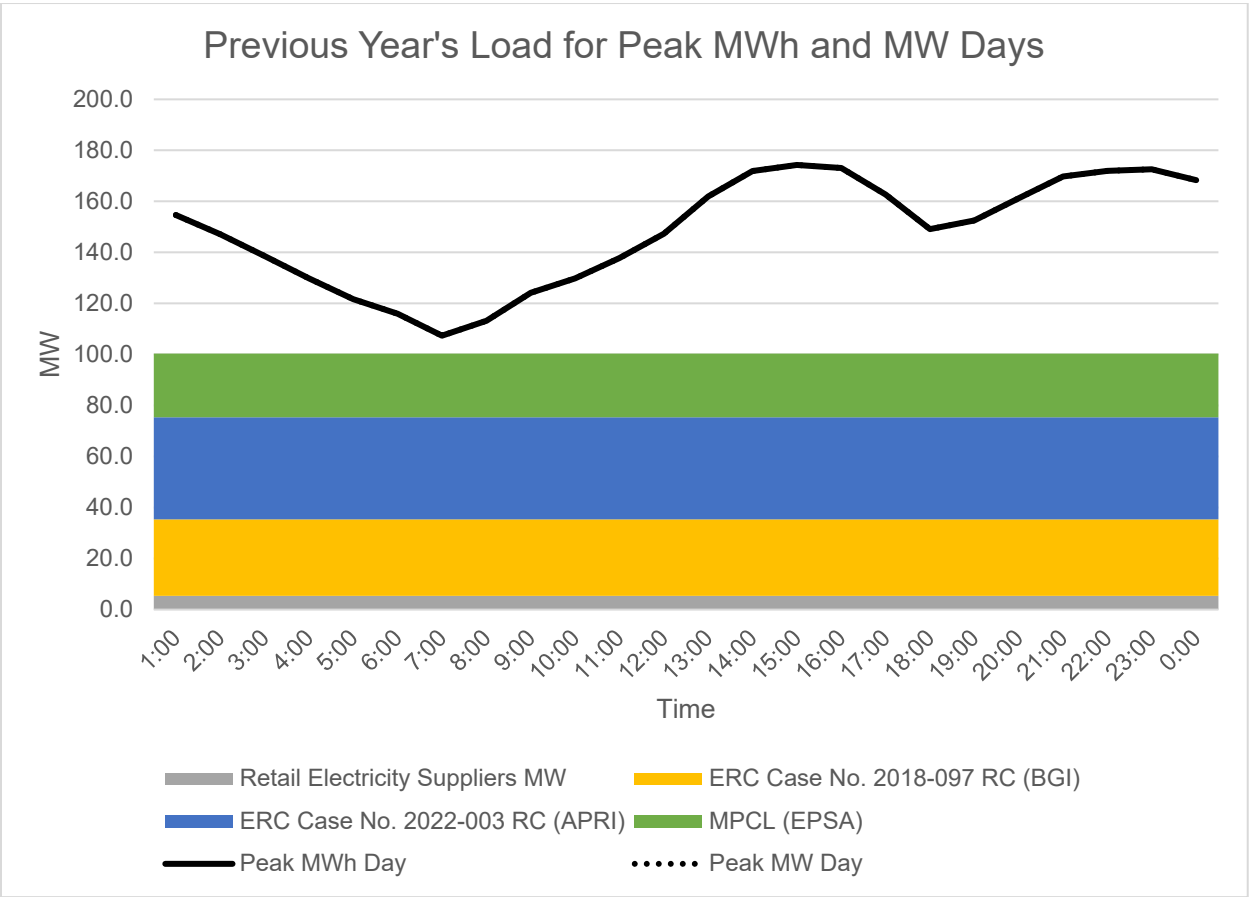
WESM offtake decreased by 6.50%, from 260,869 MWh in 2024 to 243,906 MWh in 2025. Correspondingly, WESM’s share in total energy offtake declined from 28.97% in 2024 to 25.62% in 2025. This reduction is primarily attributable to the implementation of the Emergency Power Supply Agreement (EPSA) with Masinloc Power Corporation Ltd. (MPCL), which supplied a significant portion of PELCO II’s energy requirements during the year (see Annex “E” for details).

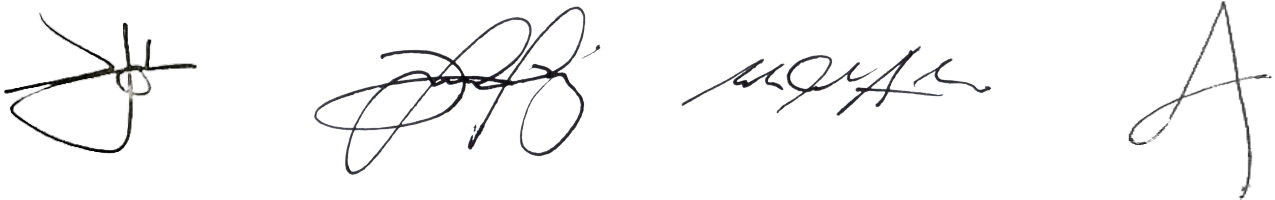
Previous Year's Load Profile

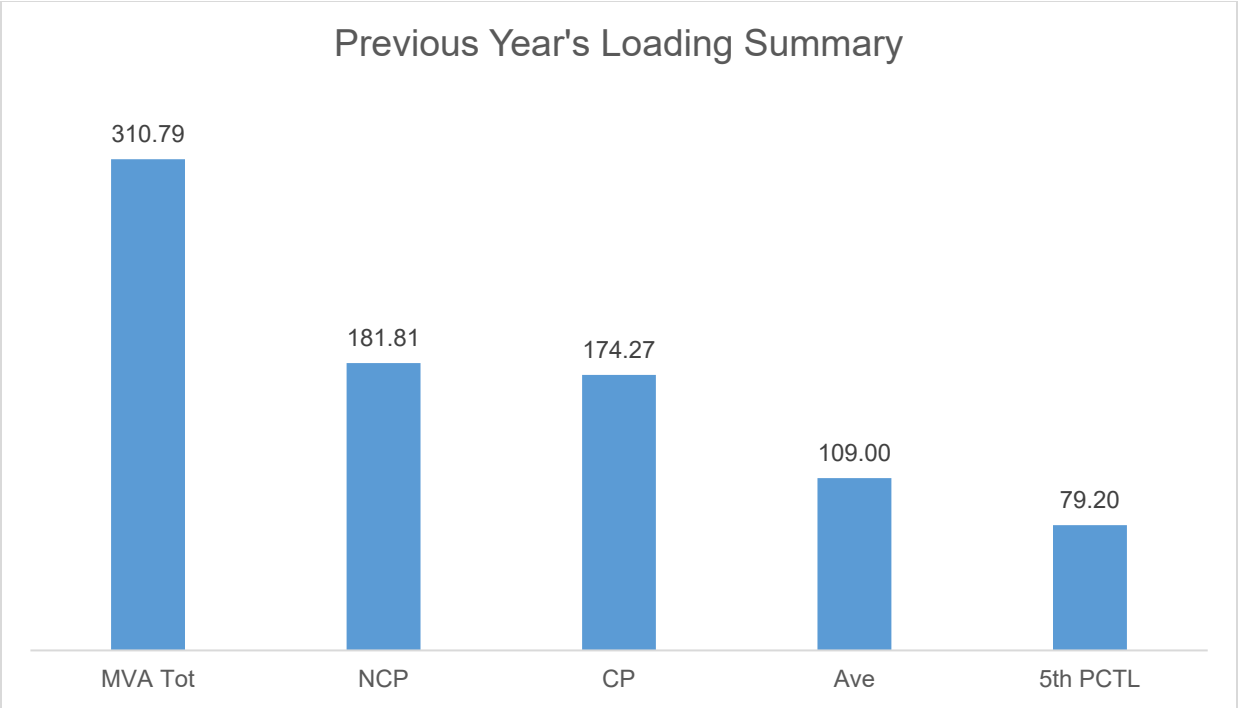


Based on the Load Duration Curve, the minimum coincident load is 58.81 MW, and the maximum coincident load is 174.27 MW for the last historical year. Please refer to Annex “F” for details.



The Peak MW and MWh occurred on April 23, 2025 at 02:35 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” for details.





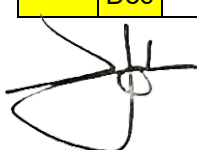
The Non-Coincident Peak Demand is 181.81 MW, which represents approximately 58.50% of the total substation capacity of 310.79 MVA at a power factor of 98.06%. The load factor, defined as the ratio between the Average Load of 109.00 MW and the Non-Coincident Peak Demand, is 59.96%. A reasonable estimate of the true minimum load is the fifth percentile load of 79.20 MW, which accounts for 43.56% of the Non-Coincident Peak Demand. Please refer to Annex “F” for further details.

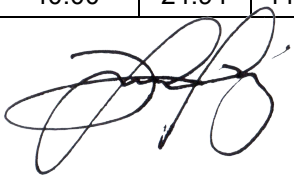
Metering Point	Substation MVA	Substation Peak MW	Location
San Matias Substation (MF3MHERPEL201)	48.3	34.73	San Matias, Guagua, Pampanga
Mabiga and Sta. Maria Substation (MF3MMEXPEL202)	129.16	67.48	Mabiga, and Sta. Maria Mabalacat City, Pampanga
Pio Substation (MF3MHERPEL204)	31.25	20.13	Pio, Porac, Pampanga
Remedios and Sta. Barbara Substation (MF3MHERPEL205)	45.83	23.44	Remedios, Lubao, Pampanga and Sta. Barbara, Bacolor, Pampanga
Sta. Cruz Substation (MF3MHERPEL206)	25	15.57	Santa Cruz, Lubao, Pampanga
Manibaug Substation (MF3MHERPEL207)	31.25	20.47	Manibaug, Porac, Pampanga

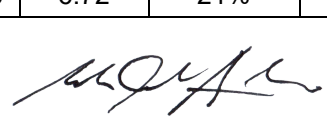
The substation with load at above 70% is MF3MHERPEL201 (see Annex “F” for details). This loading problem will be solved by uprating and additional substation projects as indicated in the CAPEX program.

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
2026	Jan	143.95	70.00	25.00	0.000	5.34	50%	69%	-43.62
	Feb	155.06	70.00	0.00	40.000	5.38	47%	73%	-39.68
	Mar	176.14	70.00	0.00	40.000	5.43	41%	64%	-60.72
	Apr	192.31	70.00	0.00	40.000	4.56	37%	59%	-77.75
	May	193.79	70.00	0.00	40.000	5.61	37%	58%	-78.19
	Jun	178.27	70.00	0.00	40.000	5.89	41%	64%	-62.38
	Jul	171.72	70.00	0.00	40.000	5.84	42%	66%	-55.88
	Aug	167.92	70.00	0.00	40.000	4.81	43%	67%	-53.11
	Sep	164.76	70.00	0.00	40.000	6.04	44%	69%	-48.72
	Oct	159.26	70.00	0.00	40.000	5.77	46%	72%	-43.49
	Nov	165.69	70.00	0.00	40.000	6.01	44%	69%	-49.67
	Dec	164.66	70.00	0.00	40.000	5.84	44%	69%	-48.82
2027	Jan	152.84	70.00	9.94	40.000	5.58	48%	81%	-27.32
	Feb	164.60	70.00	9.94	40.000	5.63	44%	75%	-39.03
	Mar	187.00	70.00	9.94	40.000	5.68	39%	66%	-61.38
	Apr	204.31	70.00	9.94	40.000	4.77	35%	60%	-79.60
	May	205.82	70.00	9.94	40.000	5.86	35%	60%	-80.01
	Jun	189.35	70.00	9.94	40.000	6.16	38%	65%	-63.24
	Jul	182.36	70.00	9.94	40.000	6.11	40%	68%	-56.31
	Aug	178.34	70.00	9.94	40.000	5.03	40%	69%	-53.37
	Sep	174.94	70.00	9.94	40.000	6.32	42%	71%	-48.68
	Oct	169.11	70.00	9.94	40.000	6.04	43%	74%	-43.14
	Nov	175.95	70.00	9.94	40.000	6.29	41%	71%	-49.72
	Dec	174.89	70.00	9.94	40.000	6.11	41%	71%	-48.84
2028	Jan	161.82	40.00	24.94	85.000	5.85	26%	96%	-6.03
	Feb	174.23	40.00	24.94	85.000	5.89	24%	89%	-18.40
	Mar	197.96	40.00	24.94	85.000	5.95	21%	78%	-42.08
	Apr	216.43	40.00	24.94	85.000	5.00	19%	71%	-61.49
	May	217.95	40.00	24.94	85.000	6.14	19%	71%	-61.87
	Jun	200.53	40.00	24.94	85.000	6.46	21%	77%	-44.14
	Jul	193.10	40.00	24.94	85.000	6.40	21%	80%	-36.76
	Aug	188.86	40.00	24.94	85.000	5.27	22%	82%	-33.64
	Sep	185.22	40.00	24.94	85.000	6.62	22%	84%	-28.66
	Oct	179.07	40.00	24.94	85.000	6.32	23%	87%	-22.81
	Nov	186.32	40.00	24.94	85.000	6.59	22%	83%	-29.80
	Dec	185.22	40.00	24.94	85.000	6.40	22%	84%	-28.88
2029	Jan	170.73	40.00	24.94	110.000	6.14	24%	106%	10.35
	Feb	183.78	40.00	24.94	110.000	6.19	23%	99%	-2.66
	Mar	208.83	40.00	24.94	110.000	6.24	20%	86%	-27.65
	Apr	228.44	40.00	24.94	110.000	5.25	18%	78%	-48.25
	May	229.99	40.00	24.94	110.000	6.45	18%	78%	-48.60
	Jun	211.63	40.00	24.94	110.000	6.78	20%	85%	-29.92
	Jul	203.76	40.00	24.94	110.000	6.72	20%	89%	-22.10
	Aug	199.28	40.00	24.94	110.000	5.53	21%	90%	-18.81
	Sep	195.42	40.00	24.94	110.000	6.95	21%	93%	-13.53
	Oct	188.95	40.00	24.94	110.000	6.64	22%	96%	-7.37
	Nov	196.61	40.00	24.94	110.000	6.92	21%	92%	-14.76
	Dec	195.47	40.00	24.94	110.000	6.72	21%	93%	-13.82

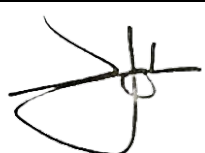








		Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
2030	Jan	179.46	40.00	24.94	110.000	6.45	23%	101%	1.93
	Feb	193.15	40.00	24.94	110.000	6.51	21%	94%	-11.70
	Mar	219.48	40.00	24.94	110.000	6.56	19%	82%	-37.98
	Apr	240.20	40.00	24.94	110.000	5.52	17%	75%	-59.75
	May	241.78	40.00	24.94	110.000	6.78	17%	74%	-60.06
	Jun	222.51	40.00	24.94	110.000	7.13	19%	81%	-40.45
	Jul	214.21	40.00	24.94	110.000	7.06	19%	84%	-32.20
	Aug	209.50	40.00	24.94	110.000	5.82	20%	86%	-28.74
	Sep	205.42	40.00	24.94	110.000	7.30	20%	88%	-23.17
	Oct	198.63	40.00	24.94	110.000	6.98	21%	91%	-16.71
	Nov	206.70	40.00	24.94	110.000	7.27	20%	88%	-24.49
	Dec	205.53	40.00	24.94	110.000	7.06	20%	88%	-23.53
2031	Jan	188.01	0.00	24.94	155.000	6.79	0%	99%	-1.28
	Feb	202.31	0.00	24.94	155.000	6.85	0%	92%	-15.53
	Mar	229.90	0.00	24.94	155.000	6.91	0%	81%	-43.05
	Apr	251.71	0.00	24.94	155.000	5.81	0%	73%	-65.96
	May	253.31	0.00	24.94	155.000	7.14	0%	73%	-66.23
	Jun	233.16	0.00	24.94	155.000	7.50	0%	80%	-45.72
	Jul	224.43	0.00	24.94	155.000	7.43	0%	83%	-37.06
	Aug	219.49	0.00	24.94	155.000	6.13	0%	84%	-33.43
	Sep	215.20	0.00	24.94	155.000	7.69	0%	87%	-27.57
	Oct	208.11	0.00	24.94	155.000	7.35	0%	90%	-20.83
	Nov	216.57	0.00	24.94	155.000	7.66	0%	86%	-28.97
	Dec	215.37	0.00	24.94	155.000	7.44	0%	87%	-28.00
2032	Jan	196.38	0.00	24.94	155.000	7.16	0%	95%	-9.28
	Feb	211.27	0.00	24.94	155.000	7.22	0%	88%	-24.12
	Mar	240.08	0.00	24.94	155.000	7.28	0%	77%	-52.86
	Apr	262.95	0.00	24.94	155.000	6.12	0%	70%	-76.88
	May	264.58	0.00	24.94	155.000	7.53	0%	70%	-77.12
	Jun	243.57	0.00	24.94	155.000	7.91	0%	76%	-55.72
	Jul	234.43	0.00	24.94	155.000	7.84	0%	79%	-46.66
	Aug	229.26	0.00	24.94	155.000	6.46	0%	81%	-42.86
	Sep	224.77	0.00	24.94	155.000	8.11	0%	83%	-36.73
	Oct	217.39	0.00	24.94	155.000	7.75	0%	86%	-29.70
	Nov	226.22	0.00	24.94	155.000	8.07	0%	82%	-38.21
	Dec	225.00	0.00	24.94	155.000	7.84	0%	83%	-37.22
2033	Jan	204.56	0.00	24.94	170.000	7.55	0%	99%	-2.06
	Feb	220.03	0.00	24.94	170.000	7.61	0%	92%	-17.48
	Mar	250.03	0.00	24.94	170.000	7.68	0%	80%	-47.41
	Apr	273.92	0.00	24.94	170.000	6.46	0%	73%	-72.52
	May	275.59	0.00	24.94	170.000	7.94	0%	73%	-72.71
	Jun	253.74	0.00	24.94	170.000	8.34	0%	79%	-50.46
	Jul	244.20	0.00	24.94	170.000	8.26	0%	83%	-41.00
	Aug	238.79	0.00	24.94	170.000	6.81	0%	84%	-37.04
	Sep	234.13	0.00	24.94	170.000	8.55	0%	86%	-30.64
	Oct	226.45	0.00	24.94	170.000	8.17	0%	89%	-23.34
	Nov	235.65	0.00	24.94	170.000	8.51	0%	86%	-32.20
	Dec	234.41	0.00	24.94	170.000	8.27	0%	86%	-31.20
2034	Jan	212.55	0.00	24.94	170.000	7.97	0%	95%	-9.64

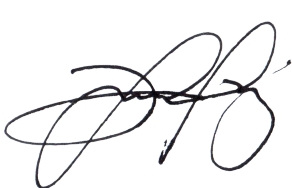
		Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
	Feb	228.59	0.00	24.94	170.000	8.04	0%	88%	-25.61
	Mar	259.75	0.00	24.94	170.000	8.11	0%	77%	-56.70
	Apr	284.62	0.00	24.94	170.000	6.82	0%	70%	-82.86
	May	286.34	0.00	24.94	170.000	8.38	0%	70%	-83.02
	Jun	263.67	0.00	24.94	170.000	8.80	0%	76%	-59.93
	Jul	253.75	0.00	24.94	170.000	8.72	0%	80%	-50.09
	Aug	248.10	0.00	24.94	170.000	7.19	0%	81%	-45.97
	Sep	243.27	0.00	24.94	170.000	9.02	0%	83%	-39.30
	Oct	235.30	0.00	24.94	170.000	8.62	0%	86%	-31.74
	Nov	244.87	0.00	24.94	170.000	8.98	0%	83%	-40.95
	Dec	243.60	0.00	24.94	170.000	8.73	0%	83%	-39.94
2035	Jan	220.36	0.00	24.94	170.000	8.42	0%	92%	-17.00
	Feb	236.95	0.00	24.94	170.000	8.49	0%	85%	-33.52
	Mar	269.24	0.00	24.94	170.000	8.56	0%	75%	-65.74
	Apr	295.06	0.00	24.94	170.000	7.20	0%	68%	-92.93
	May	296.83	0.00	24.94	170.000	8.85	0%	68%	-93.04
	Jun	273.37	0.00	24.94	170.000	9.30	0%	74%	-69.14
	Jul	263.07	0.00	24.94	170.000	9.21	0%	77%	-58.92
	Aug	257.19	0.00	24.94	170.000	7.59	0%	78%	-54.66
	Sep	252.19	0.00	24.94	170.000	9.53	0%	80%	-47.73
	Oct	243.96	0.00	24.94	170.000	9.10	0%	83%	-39.91
	Nov	253.87	0.00	24.94	170.000	9.48	0%	80%	-49.45
	Dec	252.58	0.00	24.94	170.000	9.21	0%	80%	-48.43

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 2025, the trend followed a similar pattern, with the Coincident Peak Demand reaching its highest level in April, 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".

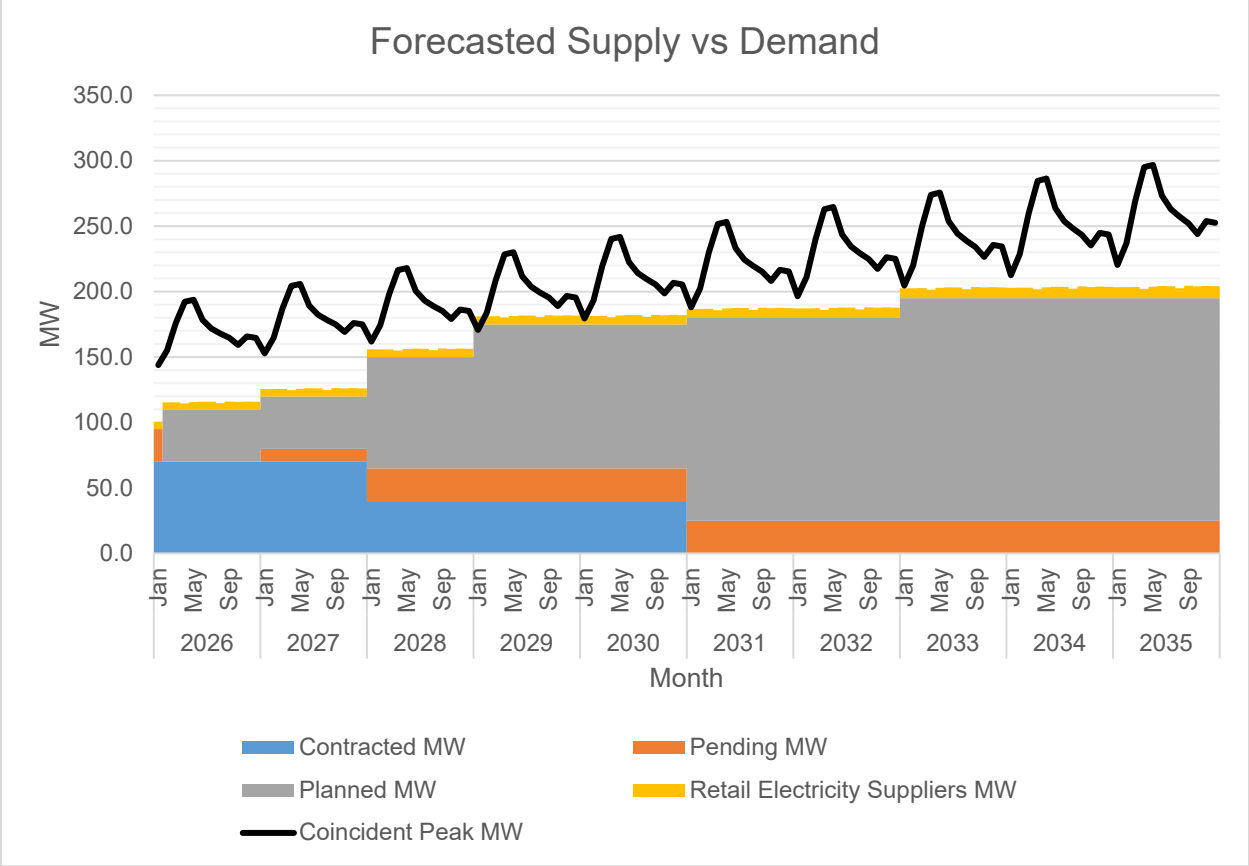
Furthermore, a review of historical data over the past five years, from 2021 to 2025, reveals a steady upward trend in Coincident Peak Demand, with a compounded annual growth rate of 6.03%, please refer to Annex "D". This consistent growth highlights the increasing energy requirements driven by various factors such as population growth, economic expansion, and evolving consumption patterns.



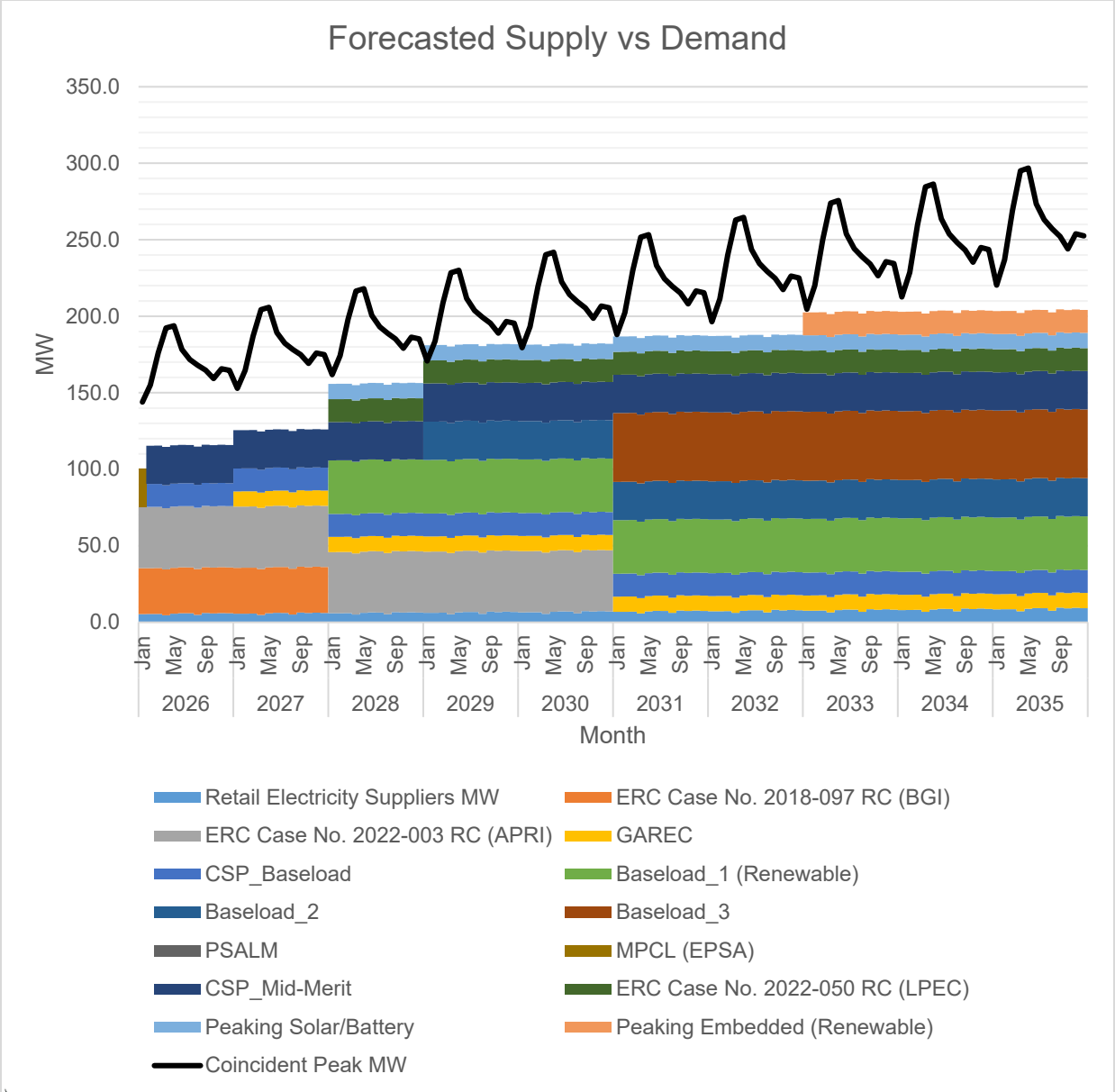








The available supply is generally below the Peak Demand. This is because other supply is still under the bidding process.

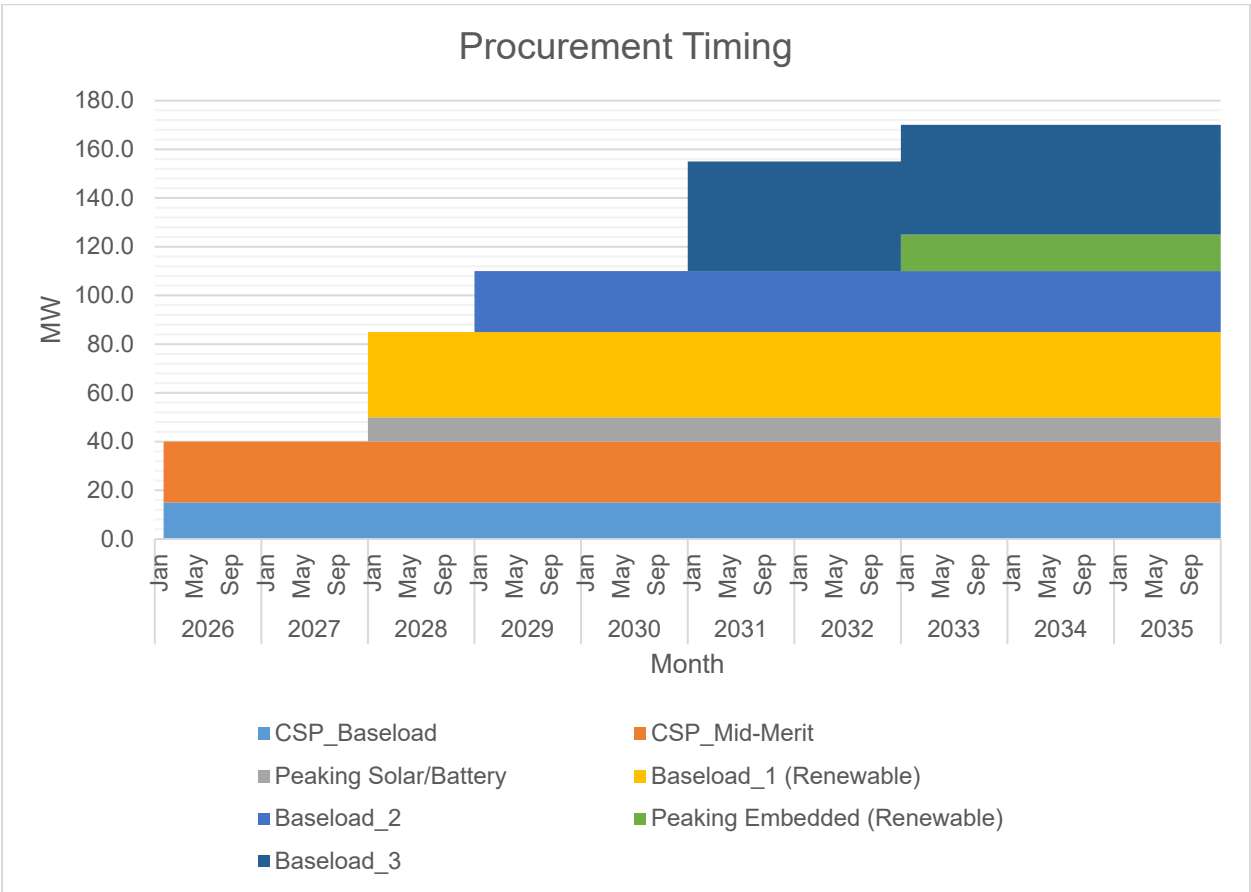


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For the year 2026, the total available power supply amounts to 110 MW, with the largest portion coming from AP Renewable, Inc. (APRI). APRI provides a contracted capacity of 40 MW under a ten (10)-year agreement, spanning from December 26, 2020, to 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 requirement is covered by two additional power supply agreements procured through the Competitive Selection Process (CSP): a 15-MW baseload supply and a 25-MW mid-merit supply, both sourced from Sual Power Inc. These capacities were secured through the CSP and are currently in the final stages of Power Supply Agreement (PSA) negotiation prior to the filing of the application for approval with the Honorable Commission. The agreements are intended to bridge the identified supply gap while ensuring long-term energy reliability and supply 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.

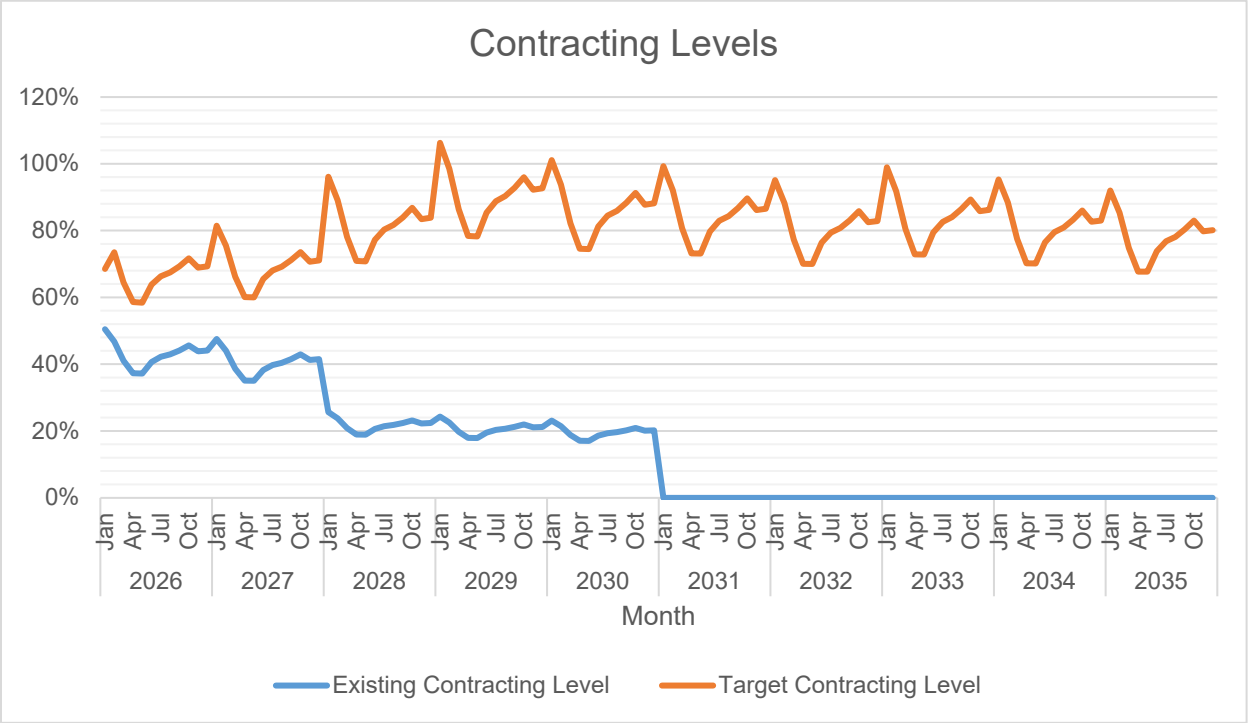


The first wave of supply procurement will address a 15 MW baseload requirement and a 25 MW mid-merit power requirement, both planned to be available by January 2026. The mid-merit supply is intended to replace the Power Supply Agreement (PPSA) with GN Power Dinginin Ltd. Co. (GNPD), which was impacted 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).

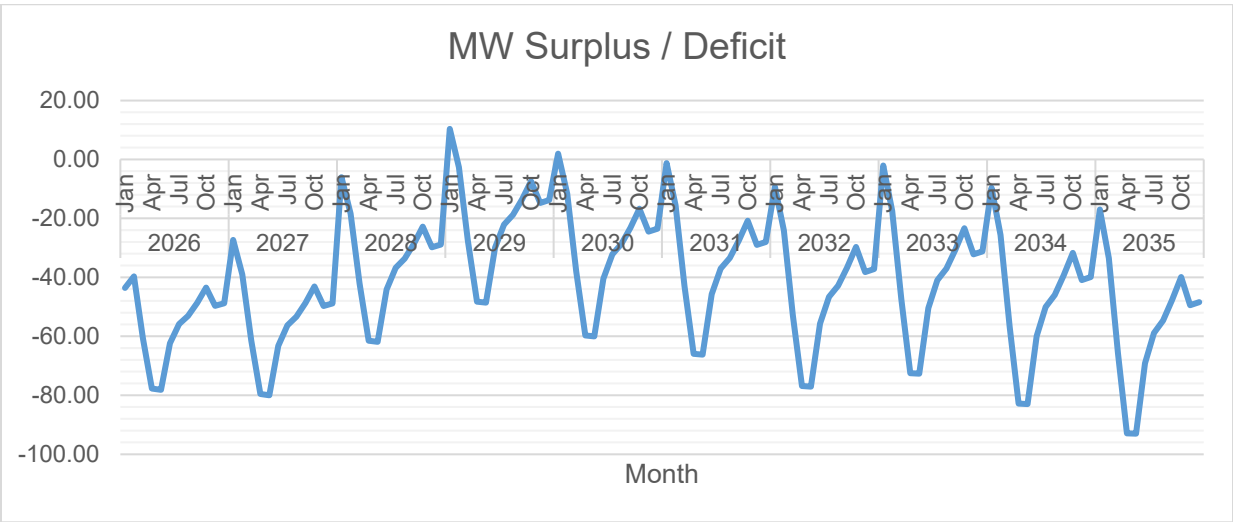
Following this, a 10 MW embedded solar peaking plant is planned to be operational by January 2028. Subsequently, three (3) additional baseload power supplies will be

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 25 MW baseload power supply aimed at addressing the continued growth in PELCO II's demand, which is scheduled to be available by January 2029. The third 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 2026 stands at 31%. The highest target contracting level of 106% is projected to be achieved in 2029, ensuring a more secure power supply during that period. Conversely, the lowest target contracting level of 58% is expected to occur in May 2026. For further details, please refer to Annexes “G” to “G3”.

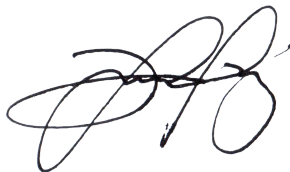


Currently, the under-contracted capacity for the year 2026 averages 51 MW. The highest supply deficit, projected at 73.83 MW, is expected to occur in April 2026. However, assuming the timely implementation of the planned power supply acquisitions, the

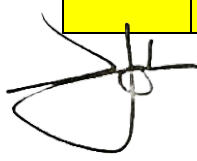
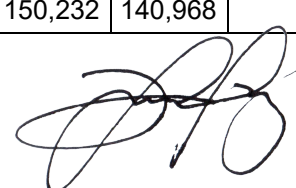
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projected deficit is expected to decline, reaching a negative 16.11 MW in January 2029. For more details, please refer to Annexes “G-2”.

		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
2026	Jan	69,279	62,463	6,702	0.16%	9.69%
	Feb	74,623	67,282	7,219	0.16%	9.69%
	Mar	76,568	69,035	7,407	0.16%	9.69%
	Apr	101,510	91,521	9,820	0.17%	9.69%
	May	98,991	89,251	9,576	0.17%	9.69%
	Jun	94,097	84,839	9,103	0.16%	9.69%
	Jul	84,603	76,279	8,185	0.16%	9.69%
		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
	Aug	85,487	77,075	8,270	0.17%	9.69%
	Sep	83,879	75,627	8,115	0.16%	9.69%
	Oct	82,336	74,235	7,965	0.16%	9.69%
	Nov	88,512	79,804	8,563	0.16%	9.69%
	Dec	85,128	76,753	8,235	0.16%	9.69%
2027	Jan	73,555	66,774	6,661	0.16%	9.07%
	Feb	79,214	71,911	7,173	0.16%	9.07%
	Mar	81,287	73,793	7,361	0.16%	9.07%
	Apr	107,844	97,900	9,765	0.17%	9.07%
	May	105,131	95,437	9,520	0.17%	9.07%
	Jun	99,942	90,728	9,050	0.16%	9.07%
	Jul	89,841	81,558	8,135	0.16%	9.07%
	Aug	90,790	82,419	8,221	0.17%	9.07%
	Sep	89,059	80,849	8,064	0.16%	9.07%
	Oct	87,430	79,369	7,917	0.16%	9.07%
	Nov	93,997	85,330	8,511	0.16%	9.07%
	Dec	90,414	82,078	8,187	0.16%	9.07%
2028	Jan	77,876	71,070	6,679	0.16%	8.59%
	Feb	83,850	76,522	7,191	0.16%	8.59%
	Mar	86,052	78,531	7,380	0.16%	8.59%
	Apr	114,239	104,252	9,797	0.17%	8.59%
	May	111,331	101,599	9,548	0.17%	8.59%
	Jun	105,848	96,596	9,077	0.16%	8.59%
	Jul	95,134	86,819	8,159	0.16%	8.59%
	Aug	96,145	87,740	8,245	0.17%	8.59%
	Sep	94,293	86,052	8,086	0.16%	8.59%
	Oct	92,577	84,485	7,939	0.16%	8.59%
	Nov	99,537	90,837	8,536	0.16%	8.59%
	Dec	95,756	87,387	8,212	0.16%	8.59%
2029	Jan	82,164	75,335	6,694	0.16%	8.16%
	Feb	88,449	81,098	7,206	0.16%	8.16%
	Mar	90,777	83,232	7,395	0.16%	8.16%
	Apr	120,578	110,555	9,823	0.17%	8.16%
	May	117,478	107,713	9,570	0.17%	8.16%
	Jun	111,705	102,421	9,100	0.17%	8.16%
	Jul	100,384	92,041	8,178	0.16%	8.16%
	Aug	101,453	93,020	8,265	0.17%	8.16%
	Sep	99,485	91,217	8,105	0.16%	8.16%
	Oct	97,684	89,565	7,958	0.16%	8.16%
	Nov	105,034	96,304	8,557	0.16%	8.16%



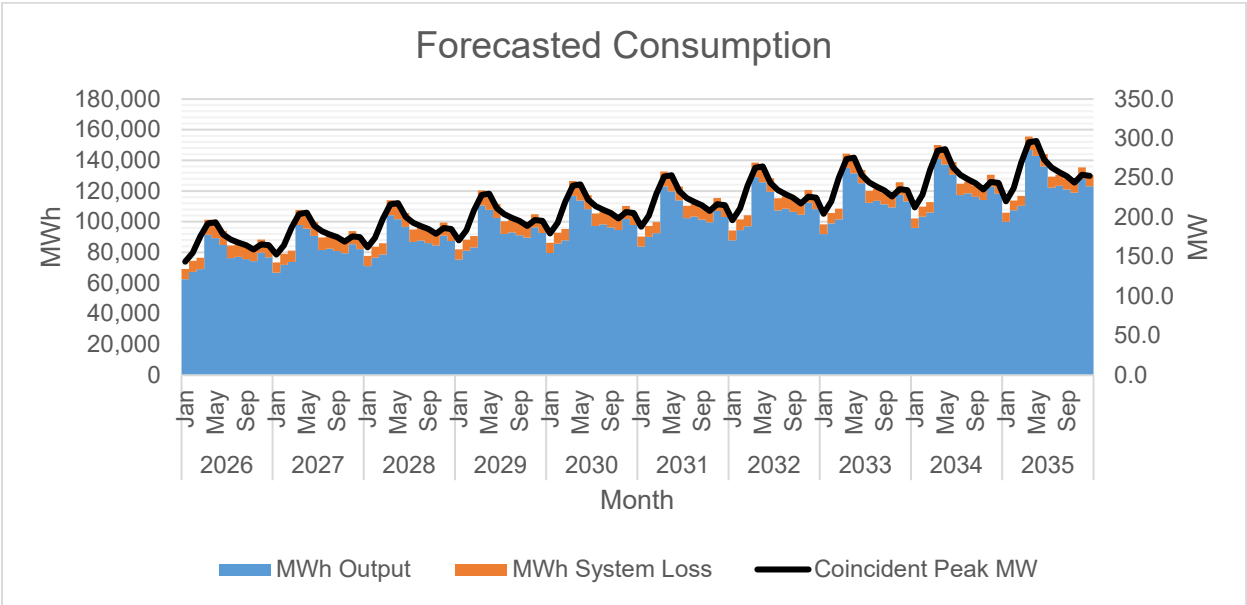
	Dec	101,058	92,658	8,233	0.16%	8.16%
2030	Jan	86,368	79,561	6,665	0.16%	7.73%
	Feb	92,955	85,629	7,174	0.16%	7.73%
	Mar	95,406	87,886	7,363	0.16%	7.73%
	Apr	126,788	116,793	9,784	0.17%	7.73%
	May	123,501	113,766	9,531	0.17%	7.73%
	Jun	117,448	108,190	9,064	0.17%	7.73%
	Jul	105,531	97,214	8,144	0.16%	7.73%
	Aug	106,654	98,247	8,231	0.17%	7.73%
	Sep	104,575	96,333	8,070	0.16%	7.73%
	Oct	102,691	94,597	7,925	0.16%	7.73%
	Nov	110,422	101,719	8,522	0.16%	7.73%
	Dec	106,256	97,881	8,200	0.16%	7.73%
		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
2031	Jan	90,484	83,741	6,594	0.16%	7.30%
	Feb	97,366	90,110	7,096	0.16%	7.30%
	Mar	99,935	92,487	7,283	0.16%	7.30%
	Apr	132,860	122,956	9,683	0.17%	7.30%
	May	129,392	119,748	9,430	0.17%	7.30%
	Jun	123,068	113,895	8,969	0.16%	7.30%
	Jul	110,569	102,329	8,058	0.16%	7.30%
	Aug	111,742	103,413	8,144	0.17%	7.30%
	Sep	109,557	101,393	7,985	0.16%	7.30%
	Oct	107,592	99,574	7,841	0.16%	7.30%
	Nov	115,696	107,073	8,432	0.16%	7.30%
	Dec	111,344	103,046	8,115	0.16%	7.30%
2032	Jan	94,509	87,872	6,482	0.16%	6.87%
	Feb	101,678	94,538	6,974	0.16%	6.87%
	Mar	104,362	97,033	7,158	0.16%	6.87%
	Apr	138,792	129,042	9,519	0.17%	6.87%
	May	135,149	125,656	9,269	0.17%	6.87%
	Jun	128,562	119,532	8,818	0.16%	6.87%
	Jul	115,496	107,384	7,921	0.16%	6.87%
	Aug	116,713	108,515	8,005	0.17%	6.87%
	Sep	114,429	106,393	7,848	0.16%	6.87%
	Oct	112,385	104,493	7,708	0.16%	6.87%
	Nov	120,852	112,364	8,289	0.16%	6.87%
	Dec	116,321	108,152	7,978	0.16%	6.87%
2033	Jan	98,444	91,954	6,329	0.16%	6.44%
	Feb	105,893	98,911	6,808	0.16%	6.44%
	Mar	108,687	101,520	6,988	0.16%	6.44%
	Apr	144,582	135,046	9,296	0.17%	6.44%
	May	140,772	131,488	9,051	0.17%	6.44%
	Jun	133,930	125,098	8,611	0.16%	6.44%
	Jul	120,310	112,377	7,735	0.16%	6.44%
	Aug	121,567	113,550	7,816	0.17%	6.44%
	Sep	119,190	111,331	7,663	0.16%	6.44%
	Oct	117,070	109,351	7,527	0.16%	6.44%
	Nov	125,891	117,590	8,094	0.16%	6.44%
	Dec	121,185	113,194	7,791	0.16%	6.44%
2034	Jan	102,290	95,985	6,138	0.16%	6.01%
	Feb	110,010	103,229	6,601	0.16%	6.01%
	Mar	112,911	105,950	6,775	0.16%	6.01%
	Apr	150,232	140,968	9,014	0.17%	6.01%

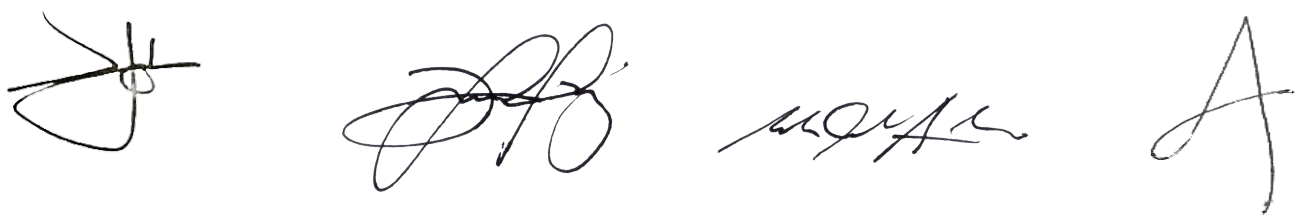
	May	146,261	137,244	8,776	0.17%	6.01%
	Jun	139,173	130,594	8,351	0.16%	6.01%
	Jul	125,013	117,306	7,501	0.16%	6.01%
	Aug	126,306	118,519	7,578	0.17%	6.01%
	Sep	123,843	116,209	7,431	0.16%	6.01%
	Oct	121,648	114,149	7,299	0.16%	6.01%
	Nov	130,813	122,749	7,849	0.16%	6.01%
	Dec	125,938	118,174	7,556	0.16%	6.01%
2035	Jan	106,049	99,967	5,908	0.16%	5.58%
	Feb	114,032	107,493	6,353	0.16%	5.58%
	Mar	117,035	110,323	6,520	0.16%	5.58%
	Apr	155,745	146,810	8,676	0.17%	5.58%
	May	151,620	142,923	8,446	0.17%	5.58%
		MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
	Jun	144,294	136,018	8,038	0.16%	5.58%
	Jul	129,607	122,174	7,220	0.16%	5.58%
	Aug	130,932	123,422	7,294	0.17%	5.58%
	Sep	128,388	121,025	7,152	0.16%	5.58%
	Oct	126,120	118,888	7,026	0.16%	5.58%
	Nov	135,622	127,844	7,555	0.16%	5.58%
	Dec	130,581	123,092	7,274	0.16%	5.58%

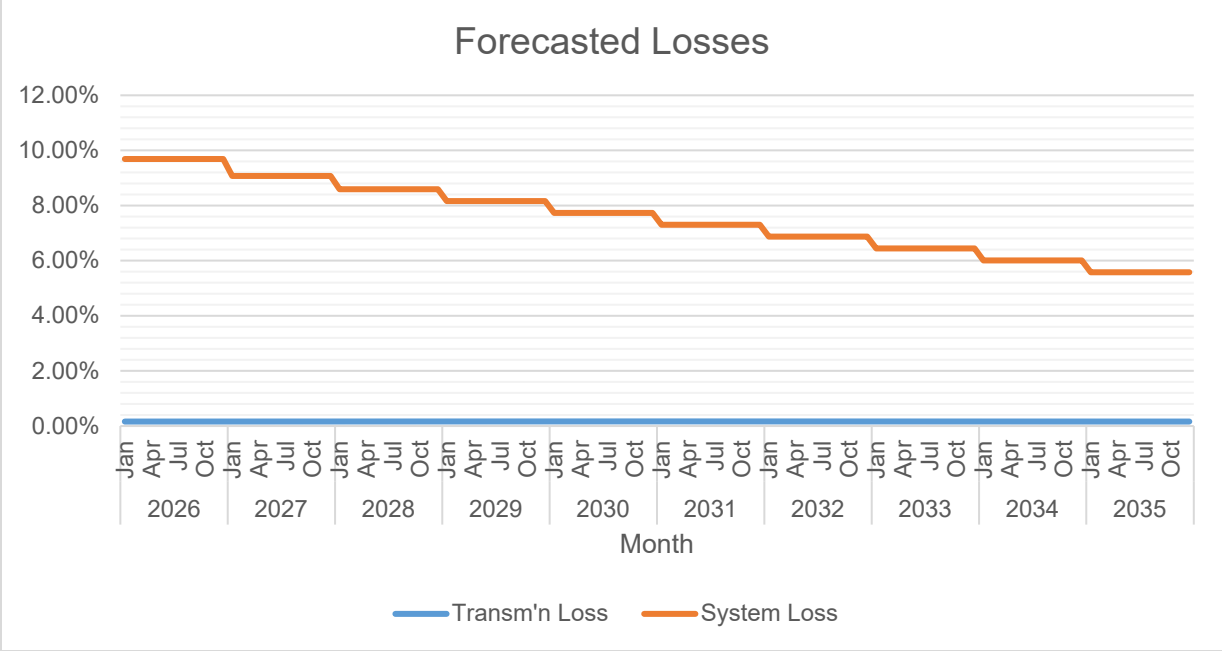
The MWh offtake was forecasted by first projecting the MWh sales for each customer type and then adding the projected MWh system loss (see Annexes “H” to “H-5” for details). The MW demand was estimated using the average monthly load factor from the years 2021 to 2025.

System loss was calculated through a Load Flow Study conducted in 2025 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.

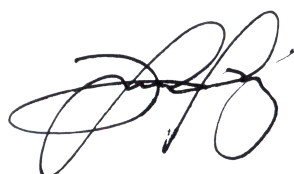


Energy Output was expected to grow at a rate of 6.67% annually for the next five (5) years (see Annex “I” for details).





Transmission Loss is assumed to be at average of 0.17% while Distribution System Loss is expected to reach 9.69% by end Year 2026 and target to be reduced to 5.58% by Year 2035 (see Annex “I” for details).

Power Supply

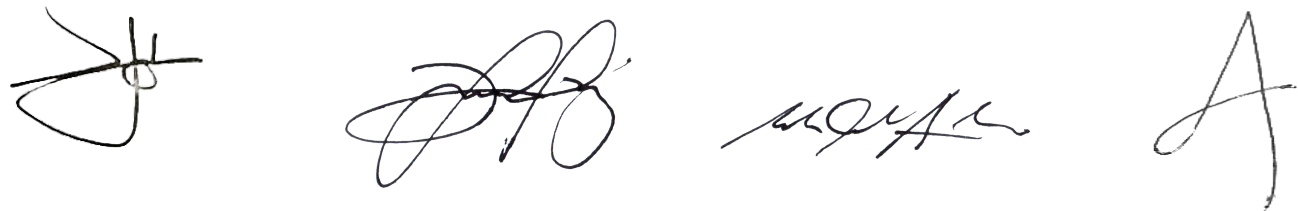
Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
ERC Case No. 2018-097 RC (BGI)	Base	Bac-Man Geothermal, Inc.	30.00	30.00	223,380	262,800	9/26/2019	12/25/2027
ERC Case No. 2022-003 RC (APRI)	Base	AP Renewables, Inc.	40.00	40.00	297,840	350,400	10/26/2021	12/25/2030

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.

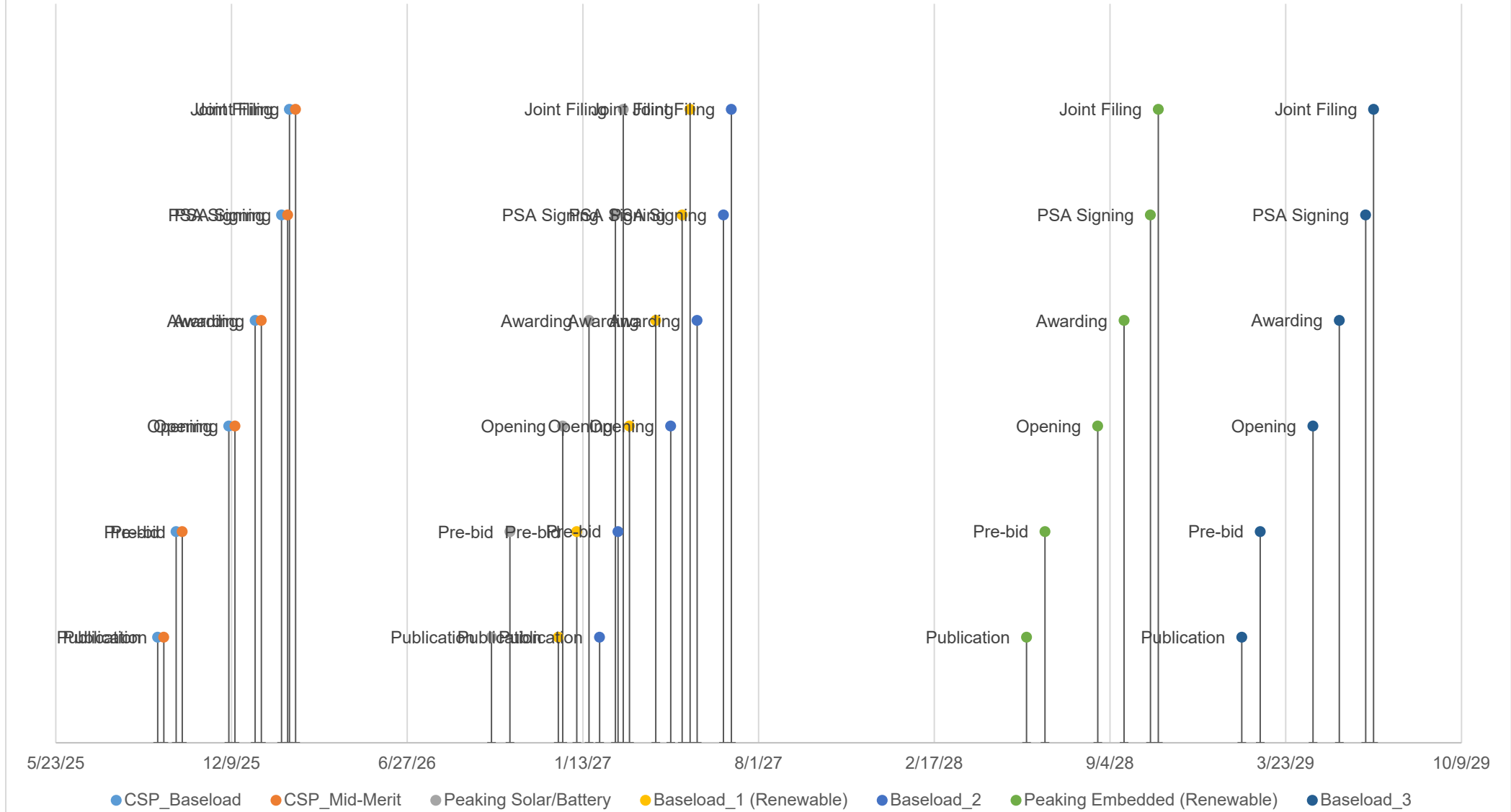
Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
GAREC	Base	Other	9.94	9.94	74,884	87,074	12/26/2026	12/25/2046
ERC Case No. 2022-050 RC (LPEC)	Peaking	Other	15.00	15.00	13,140	131,400	12/26/2026	12/25/2041
MPCL (EPSA)	Intermediate	Other	25.00	25.00	67,890	219,000	01/26/2025	01/25/2026

In PELCO II’s submission of the 2023–2032 Distribution Development Plan (DDP) and Power Supply Procurement Plan (PSPP) on 14 July 2023, the Power Supply Agreement (PSA) with GN Power Dinginin, Ltd. (GNPD) was included as part of the cooperative’s contracted power supply portfolio. However, the implementation of this agreement was affected by the Supreme Court ruling in Alyansa Para sa Bagong Pilipinas, Inc. vs. Energy Regulatory Commission, et al. (G.R. No. 227670, 3 May 2019). While PELCO II was not a direct party to the case, the ruling had indirect implications on the approval and enforceability of PSAs, including the GNPD contract. Consequently, both parties mutually agreed to terminate the agreement. The termination of the GNPD PSA, together with PELCO II’s increased exposure to the Wholesale Electricity Spot Market (WESM), necessitated the execution of an Emergency Power Supply Agreement (EPSA) with Masinloc Power Corporation Ltd. (MPCL) to ensure supply adequacy and mitigate price volatility risks.

Meanwhile, the PSA with Green Atom Renewable Energy Corporation (GAREC) has been filed with the Energy Regulatory Commission (ERC) and has undergone public hearings, resulting in the issuance of a Provisional Authority (PA). In line with this, PELCO II has already issued the Notice to Proceed (NTP), allowing the commencement of construction of the embedded Waste-to-Energy (WTE) facility. On the other hand, the PSA with La Pampanga Energy Corporation (LPEC) has been filed with the ERC, has completed public hearings, and is currently awaiting resolution



Procurement Schedule



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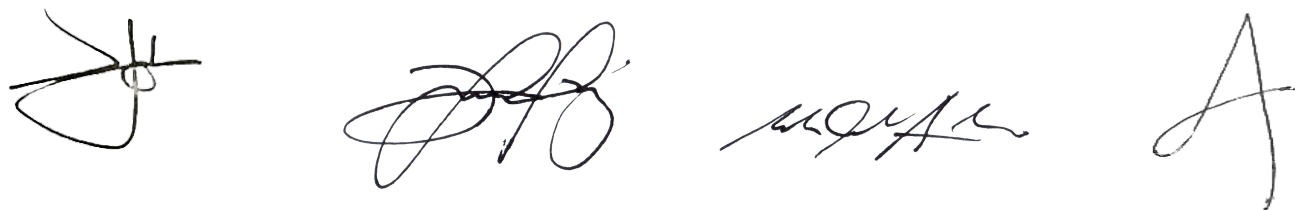
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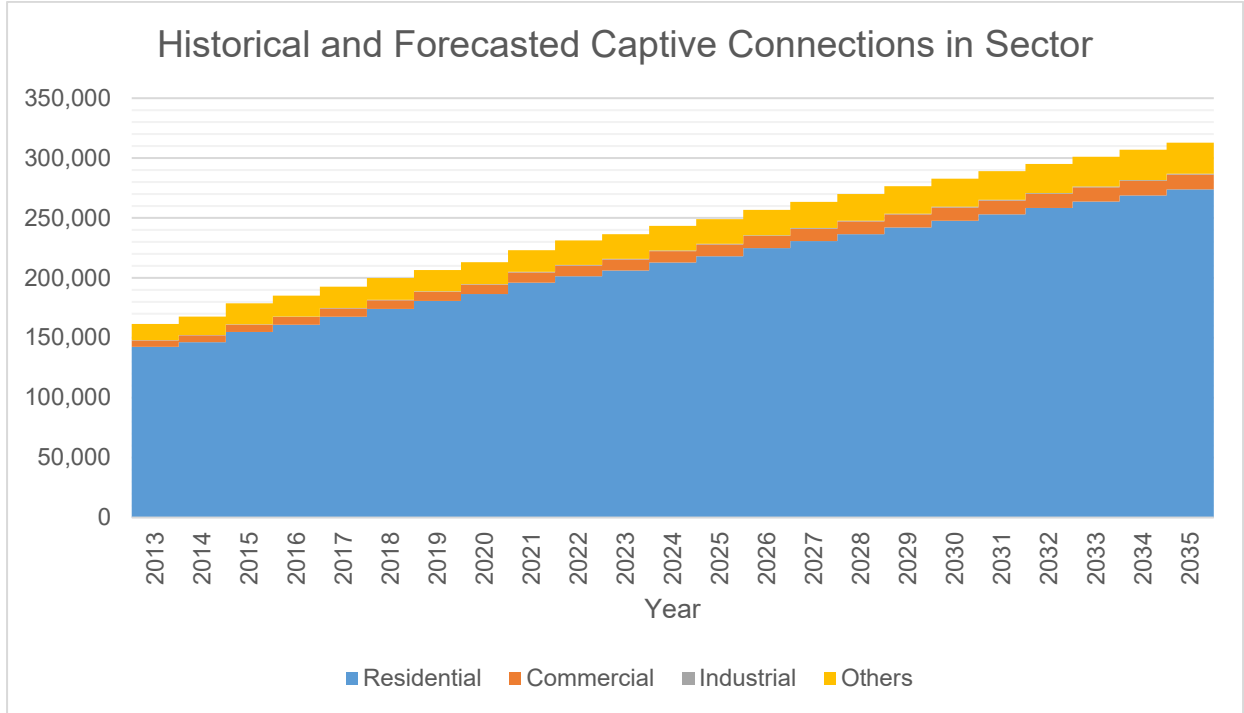
	CSP_Baseload	CSP_Mid-Merit	Peaking Solar/Battery	Baseload_1 (Renewable)	Baseload_2	Peaking Embedded (Renewable)	Baseload_3
Type	Base	Intermediate	Peaking	Base	Base	Peaking	Base
Minimum MW	15.00	25.00	10.00	35.00	25.00	15.00	45.00
Minimum MWh/yr	106,434	67,890	8,760	263,676	188,340	13,140	339,012
PSA Start	1/26/2026	1/26/2026	12/26/2027	12/26/2027	12/26/2028	12/26/2032	12/26/2030
PSA End	12/25/2036	12/25/2036	12/25/2042	12/25/2037	12/25/2038	12/25/2052	12/25/2040
Publication	9/16/2025	9/23/2025	10/1/2026	12/16/2026	2/1/2027	6/1/2028	2/1/2029
Pre-bid	10/7/2025	10/14/2025	10/22/2026	1/6/2027	2/22/2027	6/22/2028	2/22/2029
Opening	11/13/2025	11/20/2025	12/21/2026	3/7/2027	4/23/2027	8/21/2028	4/23/2029
Awarding	1/19/2026	1/19/2026	1/20/2027	4/6/2027	5/23/2027	9/20/2028	5/23/2029
PSA Signing	2/6/2026	2/6/2026	2/19/2027	5/6/2027	6/22/2027	10/20/2028	6/22/2029
Joint Filing	2/20/2026	2/20/2026	2/28/2027	5/15/2027	7/1/2027	10/29/2028	7/1/2029

Procurement Schedule

1. The procurement of the 15 MW baseload supply, originally scheduled for availability in January 2025, was successfully completed and awarded on 19 January 2026 in accordance with the Department of Energy (DOE) 2023 Competitive Selection Process (CSP) Policy. The awarded contract is expected to commence delivery in February 2026.
2. Similarly, the procurement of the 25 MW mid-merit supply, initially planned for availability in January 2025, was successfully procured and awarded on 19 January 2026, consistent with the DOE 2023 CSP Policy. The supply is likewise expected to begin commercial delivery in February 2026.
3. The procurement of a 10 MW renewable peaking supply is scheduled for availability in January 2028. The first publication is now planned for October 2026, with joint filing anticipated by the end of February 2027, aligning with the DOE's 2023 CSP Policy.
4. The procurement of a 35 MW renewable baseload supply is targeted for availability by January 2028. The first publication or launch of the CSP is planned for December 2026, with joint filing expected in May 2027, in compliance with the DOE's 2023 CSP Policy.
5. The procurement of a 25 MW baseload supply is targeted for availability by January 2029. The first publication or launch of the CSP is planned for February 2027, with joint filing expected in July 2027, in compliance with the DOE's 2023 CSP Policy.
6. The procurement of a 15 MW renewable embedded peaking supply 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.
7. The procurement of a 45 MW baseload supply 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



Captive Customer Connections



The number of residential connections is projected to grow at a compound annual growth rate of 2.58% for the next five (5) years, accounting for 87.56% of the total captive customers. This projection is based on the latest 2025 customer mix data.

The number of commercial connections is also expected to grow at a compound annual growth rate of 2.58% in the next five (5) years, representing 3.95% of the total captive customers. The number of industrial connections is projected to increase at a slightly higher compound annual growth rate of 2.60%, 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 2.58% and 2.07%, respectively in the next five (5) years. The irrigation, public buildings, and street lighting category is anticipated to account for 8.24% 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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