

Philippine Stock Exchange index (PSEi)

6,593.39

▼4.99 PTS.

▼0.07%

TUESDAY, APRIL 25, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P648.00 +P5.00 +0.78%	ACEN ACEN Corp. P6.10 ---	AEV Aboitiz Equity Ventures, Inc. P53.20 +P0.20 +0.38%	AGI Alliance Global Group, Inc. P12.22 +P0.02 +0.16%	ALI Ayala Land, Inc. P26.35 -P0.30 -1.13%	AP Aboitiz Power Corp. P37.30 +P0.25 +0.67%	BDO BDO Unibank, Inc. P139.70 +P0.20 +0.14%	BPI Bank of the Philippine Islands P109.50 ---	CNVRG Converge ICT Solutions, Inc. P11.90 -P0.48 -3.88%	DMC DMCI Holdings, Inc. P10.02 -P0.18 -1.76%
EMI Emperador, Inc. P20.85 -P0.05 -0.24%	GLO Globe Telecom, Inc. P1,723.00 +P1.00 +0.06%	GTCAP GT Capital Holdings, Inc. P481.80 -P0.20 -0.04%	ICT International Container Terminal Services, Inc. P218.00 +P1.00 +0.46%	JFC Jollibee Foods Corp. P220.00 -P1.00 -0.45%	JGS JG Summit Holdings, Inc. P49.90 -P0.40 -0.8%	LTG LT Group, Inc. P10.12 +P0.10 +1%	MBT Metropolitan Bank & Trust Co. P60.00 ---	MER Manila Electric Co. P323.20 +P1.80 +0.56%	MONDE Monde Nissin Corp. P9.60 +P0.25 +2.67%
MPI Metro Pacific Investments Corp. P4.08 +P0.12 +3.03%	PGOLD Puregold Price Club, Inc. P32.60 +P0.05 +0.15%	SCC Semirara Mining and Power Corp. P27.30 -P0.40 -1.44%	SM SM Investments Corp. P900.00 ---	SMC San Miguel Corp. P105.00 ---	SMPH SM Prime Holdings, Inc. P33.70 -P0.25 -0.74%	TEL PLDT Inc. P1,230.00 -P4.00 -0.32%	UBP Union Bank of the Philippines P84.85 ---	URC Universal Robina Corp. P146.00 ---	WLCON Wilcon Depot, Inc. P28.85 -P1.15 -3.83%

Meralco secures 1-year power supply deal with AboitizPower

MANILA Electric Co. (Meralco) has secured another emergency power supply agreement (EPSA) for one year with a unit of Aboitiz Power Corp., an official of the electricity distributor said.

"This EPSA [is] intended to mitigate Meralco's WESM (Wholesale Electricity Spot Market) exposure," said Jose Ronald V. Valles, Meralco's first vice-president and head of its regulatory management, in a virtual press briefing on Monday.

Meralco forged the power supply deal with AboitizPower's Therma Luzon, Inc. for a 370-megawatt capacity at P8.14 per kilowatt-hour (kWh), Mr. Valles said.

He added that the company had requested for a certificate of exemption from the Department of Energy (DoE) to allow the immediate implementation of the EPSA.

The exemption from the competitive selection process was granted by the DoE and covers 670-MW for the period March 26, 2023 to March 25, 2024. The capacity includes Therma Luzon's 370 MW and another EPSA being supplied by South Premiere Power Corp. (SPPC) at 300 MW.

Last month, Meralco announced that it had forged an EPSA for one year with SPPC.

Meralco's EPSA will cover the 670-MW capacity it lost from SPPC, a unit of San Miguel Global Power Holdings Corp. The contract with SPPC was forged in 2019 at P4.2455 per kWh. It was subjected to a writ of preliminary injunction by the Court of Appeals, indefinitely suspending the power supply agreement.

Mr. Valles said Meralco's EPSA with both parties will end earlier if the court injunction is lifted.

However, in a resolution promulgated on April 3, the appellate court upheld its decision granting an injunction in favor of SPPC, denying the motion for reconsideration filed by Meralco and the Energy Regulatory Commission.

This is not the first time that Meralco forged an EPSA with AboitizPower. Meralco previously signed an EPSA with the company's GNPower Dingin Ltd. Co. through a deal forged on Dec. 15, 2022 until Jan. 25, 2023 at a rate of P5.96 per kWh.

The contracting parties agreed on a second EPSA, which was secured on Feb. 3 to last until Feb. 25. The second deal has a full fuel pass-through structure with an implemented rate of P8.53 per kWh.

In 2022, San Miguel Global Power sought a temporary rate increase, jointly filed with

Meralco, saying that SPPC and another unit San Miguel Energy Corp. incurred a combined loss of P15 billion. The rate increase was meant to recover part or P5 billion of the units' losses.

The company cited a "change in circumstance" when surging fuel costs breached the price range contemplated during the execution of the contracts with Meralco. But the ERC denied the petition, saying this had no basis as the PSA is a fixed-rate contract.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary Media-Quest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

Ovialand launches P990-M housing project in Bulacan

RESIDENTIAL property developer Ovialand, Inc. has launched a P990-million housing development in Baliwag, Bulacan to mark its foray outside South Luzon, the company said on Tuesday.

"We have received very strong interest from residents in Baliwag regarding our developments. In addition, we are seeing potential clients for Seriya from people working and living in Northern Metro Manila," Ovialand President and Chief Executive Officer Marie Leonore Fatima Olivares-Vital said in a statement.

"These give us more motivation to provide the Premier Family Living experience to our clients as they aspire to provide a better quality of life for themselves and their families," Ms. Olivares-Vital added.

Ovialand plans to build a total of 536 house-and-lot units from duplexes to townhouses. Turnover of housing units will begin by September this year. The sale of units at the Seriya residential development is

expected to generate about P2 billion in revenues, the company said.

Residential units will be built within an 8.9-hectare estate, which is planned for future expansion to 15 hectares. The project's amenities include an air-conditioned clubhouse, a swimming pool, and a community chapel.

"In 2021, Ovialand embarked on its 10-year growth plans to have a nationwide presence by 2030," Ms. Olivares-Vital said.

"We will do this by implementing a disciplined regional growth strategy, replicating our success and efficiency in South Luzon into new areas where Filipinos are seeking for the best value that their hard-earned money can buy," she added.

The housing development in Baliwag is along the Candaba highway. It is 10 minutes away from the Pulilan exit of the North Luzon Expressway, which the company said makes it accessible to potential clients from Metro Manila and nearby provinces. — **Adrian H. Halli**

Chevron, Global Business Power renew fuel supply agreement

CHEVRON Philippines, Inc. has renewed its fuel supply deal with Global Business Power Corp. (GBP) to supply the latter's seven plant facilities in Cebu and Iloilo.

"Today we cement and renew our partnership that we have been nurturing as early as 2008. We have progressed as a company and we're thankful to be able to continue working with people who share the same values of prioritizing quality, reliability and consistency," said Chevron Fuel and Lubricants B2B Manager Jaime Zuluaga in a statement on Tuesday.

GBP is wholly owned by Meralco PowerGen Corp. (MGen), the power generation arm of listed electric distribution utility Manila Electric Co. (Meralco).

Chevron currently supplies fuel to GBP's seven plant facilities, the company said.

"With this extended partnership, Chevron will continue to supply the power company's

fuel needs for another year to continue servicing GBP's customers," Chevron said.

Chevron said the partnership with GBP will bring solutions to address the emerging power crisis in the Philippines.

"As we aim to provide quality yet cost-competitive service to our customers, we partner with like-minded organizations such as Chevron to carry out our commitment to our customers. With Chevron's reputation as one of the largest oil companies in the world, we are certain that we'll be able to efficiently serve the growing power needs of Filipino households and businesses," Jaime T. Azurin, president of GBP.

GBP is an independent power producer in the Visayas region. Its subsidiaries include Panay Energy Development Corp., Panay Power Corp., Cebu Energy Development Corp. and Toledo Power Co. — **Ashley Erika O. Jose**

Offshore wind farms seen to support country's power needs

ABOITIZ Power Corp. said offshore wind resources will eventually support the country's power needs as the technology becomes more competitive, its top official said.

"Eventually, as technology becomes more competitive, offshore wind is really going to be a viable option with a higher capacity factor than onshore wind and, of course obviously, than solar," said Emmanuel V. Rubio, president and chief executive officer of AboitizPower, in a virtual press briefing.

Mr. Rubio said offshore wind is still quite expensive in the Philippines. He added that to date, a lot of questions remain regarding the technology, especially with pricing.

"On offshore, there's still a lot of questions regarding the LCOEs (levelized cost of energy) and we have yet to see the numbers from DoE (Department of Energy) and the volume that DoE is allocating for offshore wind," Mr. Rubio said.

He said that as of now, AboitizPower does not have any "material announcement" for future wind projects.

"First of all, we announced our plan, our 90-MW (megawatts) Libmanan wind project in Camarines Sur — that is onshore. This will be the first project of a long-term greenfield wind program that we have in [AboitizPower]," he said.

Last year, Aboitiz Power, through its subsidiary Aboitiz Renewables, Inc., signed a joint venture agreement with Mainstream Renewable Power for the development of the wind project in Camarines Sur.

On Sunday, the Energy department said that the issuance of Executive Order 21 would ramp up offshore wind projects in the country by providing clarity and harmonizing the permitting processes.

The order has directed the department to issue a policy and administrative framework for the optimal development of offshore wind resources. — **Ashley Erika O. Jose**

Countdown begins to Philippine Subcon and Manufacturers Exhibition 2023, back-to-back with International Machinery Tools & Accessories Philippines 2023

The countdown begins to the much awaited event of the year!

Well supported by the icons of the metal and its allied industries, the 2nd Philippine Subcon and Manufacturers Exhibition 2023 or PSMEX 2023 themed as "Make it in the Philippines," back-to-back with International Machinery Tools & Accessories Philippines or I-MTAP 2023, will be held from April 26-29, 2023, Hall B & C of World Trade Center Metro Manila. Entrance is free to the public.

PSMEX 2023 caters to the needs of the Aerospace, Automotive, Electronics and

Motorcycle manufacturing industries, while I-MTAP 2023 will showcase state-of-the-art products from the metal and its allied industries from leading manufacturers, subcontracting companies, services, local distributors as well as foreign suppliers.

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