

POWER SUPPLY PROCUREMENT PLAN

SUBIC ENERZONE CORPORATION **POWER SUPPLY PROCUREMENT PLAN**

In compliance with the Department of Energy's (DOE) Department Circular No. DC 2018-02-0003, "Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market" or the Competitive Selection process (CSP) Policy, the Power Supply Procurement Plan (PSPP) Report is hereby created, pursuant to the Section 4 of the said Circular.

The PSPP refers to the DUs' plan for the acquisition of a variety of demand-side and supply-side resources to cost-effectively meet the electricity needs of its customers. The PSPP is an integral part of the Distribution Utilities' Distribution Development Plan (DDP) and must be submitted to the Department of Energy with supported Board Resolution and/or notarized Secretary's Certificate.

The Third-Party Bids and Awards Committee (TPBAC), Joint TPBAC or Third Party Auctioneer (TPA) shall submit to the DOE and in the case of Electric Cooperatives (ECs), through the National Electrification Administration (NEA) the following:

- a. Power Supply Procurement Plan;
- b. Distribution Impact Study/ Load Flow Analysis conducted that served as the basis of the Terms of Reference; and
- c. Due diligence report of the existing generation plant

All Distribution Utilities' shall follow and submit the attached report to the Department of Energy for posting on the DOE CSP Portal. For ECs such reports shall be submitted to DOE and NEA. The NEA shall review the submitted report within ten (10) working days upon receipt prior to its submission to DOE for posting at the DOE CSP Portal.

The content of the PSPP shall be consistent with the DDP. The tables and graph format to be use on the PSPP report is provided on the following sheets. Further, the PSPP shall contain the following sections:

- I. Table of Contents
- II. Introduction
- III. Energy and Demand Forecast (10 year historical and forecast)
- IV. Energy Sales and Purchase
- V. Daily Load Profile and Load Duration Curve
- VI. Existing Contracts & Existing GenCos due diligence report
- VII. Currently approved SAGR for Off-Grid ECs to be passed-on to consumers;
- VIII. DU's Current Supply and Demand
- IX. Distribution Impact Study
- X. Schedule of Power Supply Procurement
- XI. Timeline of the CSP

For inquiries, you may send it at doe.csp@gmail.com or you may contact us through telephone numbers (02) 840-2173 and (02) 479-2900 local 202.

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INTRODUCTION

DISTRIBUTION UTILITIES PROFILE

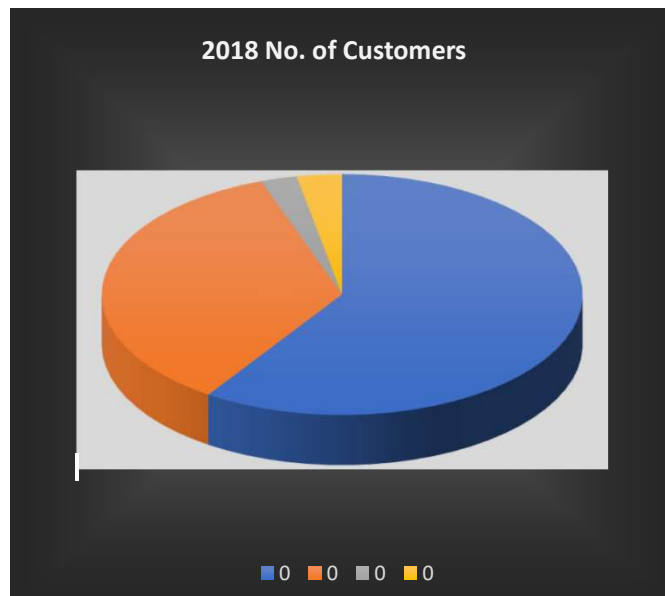
Subic Enerzone Corporation is a private utility company which supplies power to all customers of Subic Bay Freeport Zone. Subic Bay Freeport Zone has a franchise area of 675 square kilometers which was the former US Naval facility in Subic Bay. Republic Act 7227 creates the Subic Bay Metropolitan Authority to promote and develop the Subic Special Economic Zone into a self-sustaining, industrial, commercial, financial and investment center to generate employment opportunities in and around the zone, and to attract and promote productive foreign investments. SEZ has a total customer of 3,343 which compose of 1,973 residential, 1,168 commercial, 101 streetlight and 101 industrial. Out 101 industrial customers 20 are contestable customers.

DU's Franchise MAP



Number of Customer Connections	ACTUAL		FORECAST								
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Residential	1973	1988	2003	2018	2033	2048	2063	2078	2093	2108	2123
Commercial	1168	1183	1198	1213	1228	1243	1258	1273	1288	1303	1318
Industrial	81	80	80	80	80	80	81	81	81	81	81
Others	101	101	101	101	101	101	102	102	102	102	102
Contestable C	20	21	21	21	21	21	21	21	21	21	21
Total (Captive	3323	3352	3382	3412	3442	3472	3504	3534	3564	3594	3624

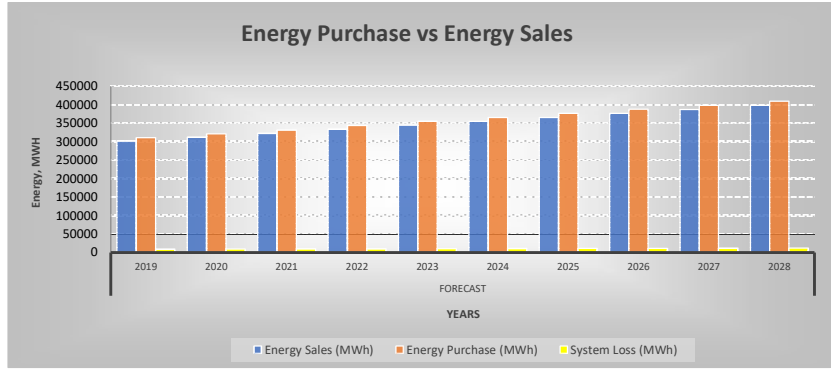
New Industrial Customers are expected to come in 2021 which is located in Tipo Plaza, the investors have already conduct meetings with SBMA. Existing locators in Subic Technopark such as Nicera Phils and Sanyo Denki Phils are constructing new facilities for their expansion. One additional Industrial customer. Subic Port Area is also increasing their load due to arrival of Ship containers in Subic Bay Freeport Zone.



ENERGY SALES AND PURCHASE

ENERGY SALES AND PURCHASE	HISTORICAL									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Energy Sales (MWh)	372,391	405,609	408,794	403,795	388,562	451,448	507,037	535,492	518,025	297,979
Energy Purchase (MWh)	377,006	412,277	416,836	413,586	398,808	460,660	514,748	542,574	528,508	306,293
System Loss (MWh)	4,615	6,668	8,042	9,791	10,246	9,212	7,711	7,082	10,483	8,314

ENERGY SALES AND PURCHASE	FORECAST									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Energy Sales (MWh)	301,508	311,856	322,205	333,532	344,319	354,420	365,190	376,266	386,946	397,733
Energy Purchase (MWh)	310,513	321,170	331,828	343,493	354,602	365,006	376,097	387,504	398,503	409,612
System Loss (MWh)	9,005	9,314	9,623	9,961	10,283	10,585	10,907	11,238	11,557	11,879

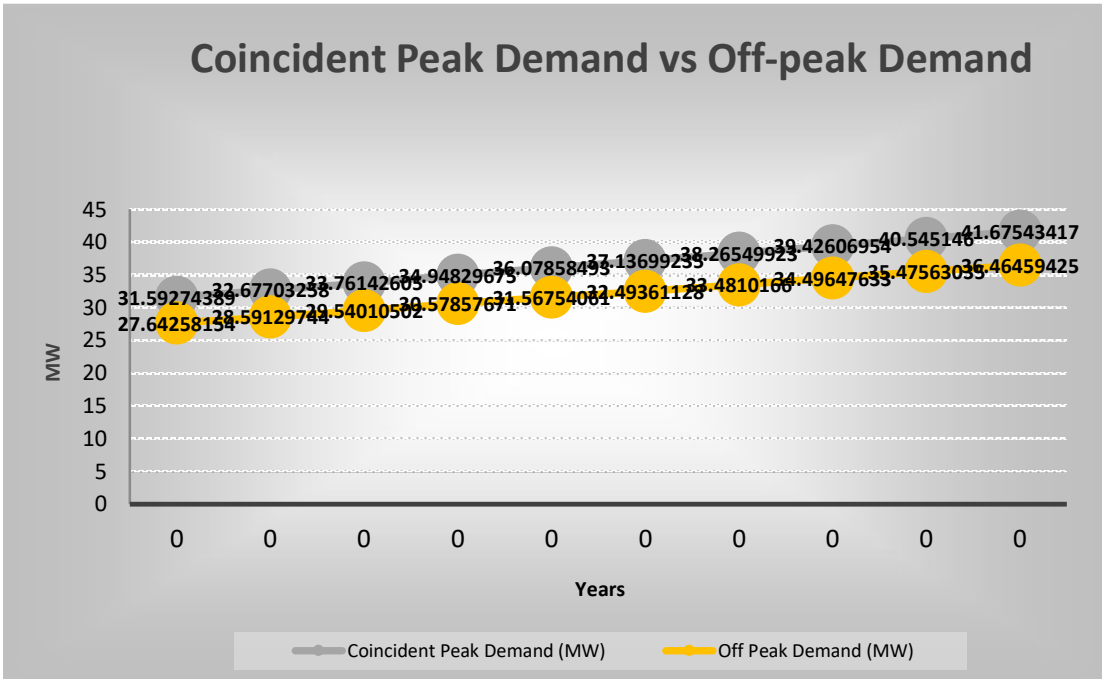


Subic Bay's strategic location has become its strongest link to world trade, being at the center of Asia's fastest growing commerce. Its strategic importance has become the most sought point for trading of goods, services and technology, especially for its Asian neighbors. Subic Bay Freeport Zone being an economic zone is the investment hub of the Philippines. The increase in load is due to expansion of existing facilities and operation of customers and due to in-coming new locators in the franchise area.

DEMAND

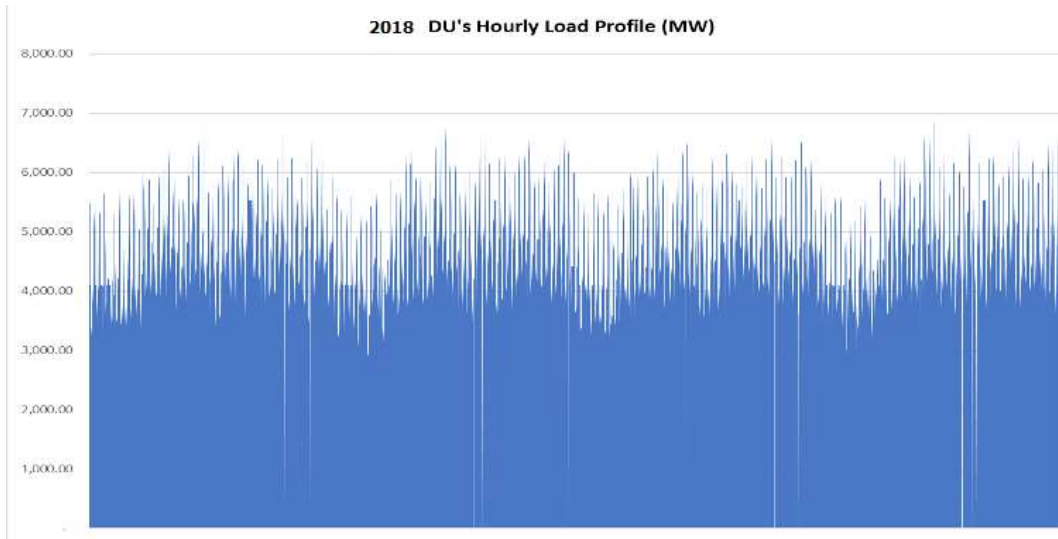
Demand	HISTORICAL									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Coincident Peak Demand (MW)	94	82	94	90	89	94	100	102	24	32
Off Peak Demand (MW)	87	78	87	84	75	91	96	97	23	27

Demand	HISTORICAL									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Coincident Peak Demand (MW)	31.59	32.68	33.76	34.95	36.08	37.14	38.27	39.43	40.55	41.68
Off Peak Demand (MW)	27.64	28.59	29.54	30.58	31.57	32.49	33.48	34.5	35.48	36.46

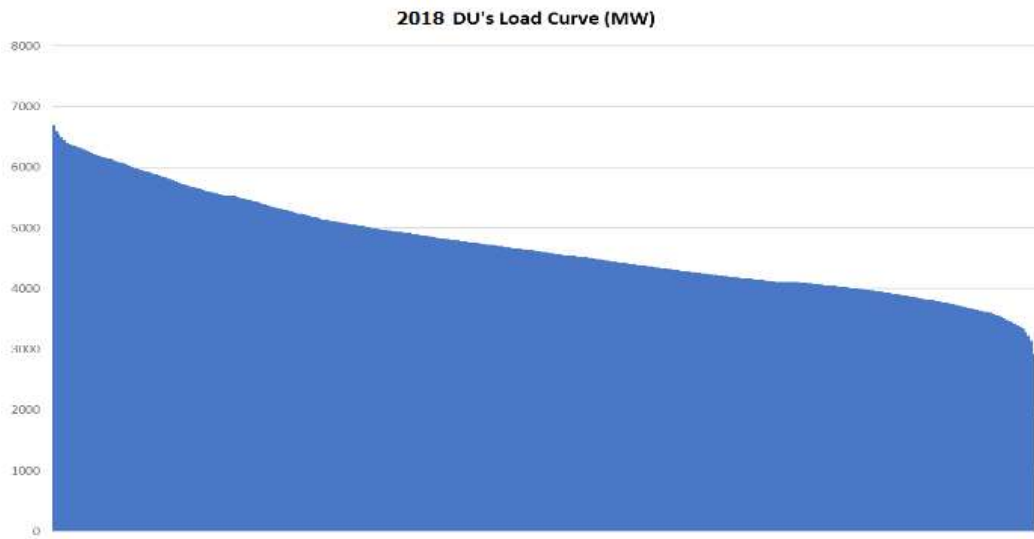


20 of SEZ Industrial Contestable Customers have already switched to RES, which compose of 80% of the total energy consumption of Subic Bay Freeport Zone. The total load of SEZ was reduce and the captive customers now compose of 20% (26-32MW).

LOAD PROFILE AND LOAD DURATION CURVE



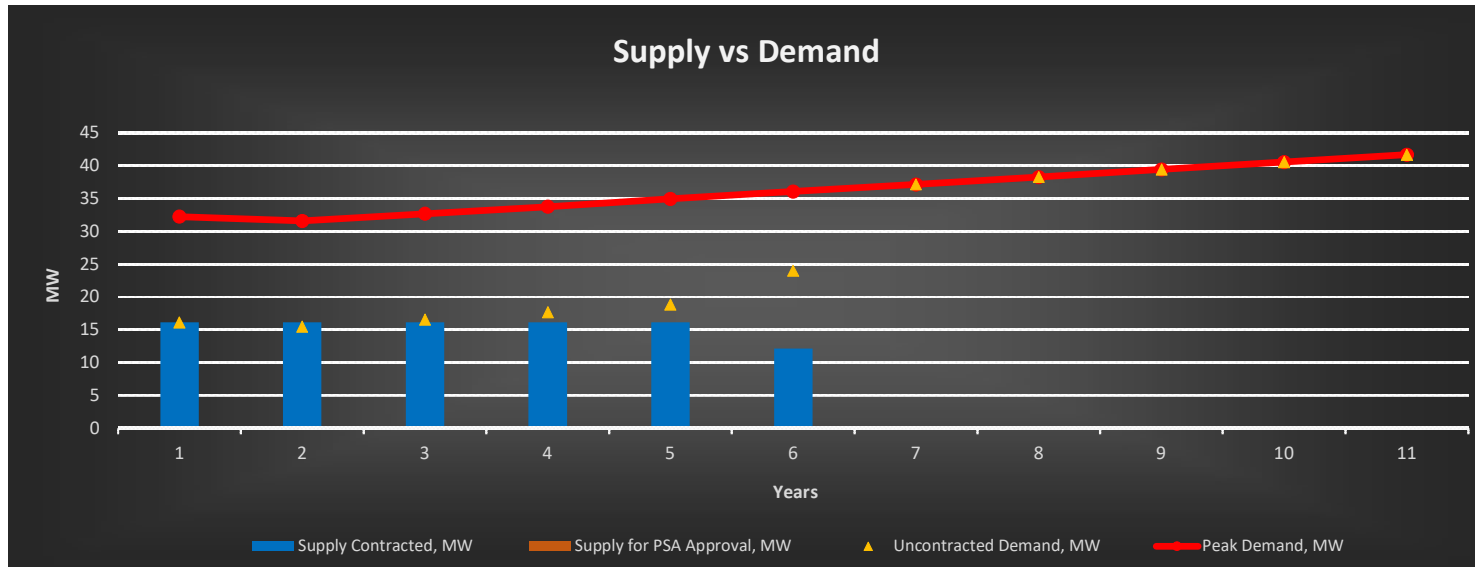
GRAPH PROVIDED HERE IS SAMPLE



The Load profile of SEZ shows the total demand which also includes the contestable customers served by RES.

MIXSUPPLY VS DEMAND AND THE OPTIMAL SUPPLY

Supply Demand	ACTUAL	FORECAST									
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Peak Demand, MW	32.21	31.59	32.68	33.76	34.95	36.08	37.14	38.27	39.43	40.55	41.68
Supply Contracted, MW	16.11	16.11	16.11	16.11	16.11	12.09	0	0	0	0	0
San Miguel Energy Corp.	4.02	4.02	4.02	4.02	4.02						
Therma Luzon Inc.	12.09	12.09	12.09	12.09	12.09	12.09					
Generation Plant Name 3											
Supply for PSA Approval, MW	0	0	0	0	0	0	0	0	0	0	0
Generation Plant Name 1											
Generation Plant Name 2											
Generation Plant Name 3											
Uncontracted Demand, MW	16.1016	15.48274	16.56703	17.65143	18.8383	23.98858	37.13699	38.2655	39.42607	40.54515	41.67543



POWER SUPPLY PROCUREMENT PLAN

List of Existing Contracts and Details

Supply Contracted	Plant Owner/ Operator	Capacity Factor	PSA Effectivity (MM/YR)	PSA Expiration (MM/YR)	Contracted Capacity, MW	Contracted Energy, MWH	Base / Mid-merit / Peaking	Embedded/ Grid Connected	Utility-owned/ NPC/ IPP/ NPC-IPP	Status	Fuel Type	Installed Capacity (MW)	Net Dependable Capacity (MW)
Sual Power	SMEC	70-60%	07/2013	12/2022	10	87,600	Mid-merit	Grid	IPP	Active	Coal Fired	1000	1000
Pagbilao Coal	TLI- Aboitiz	70-60%	06/2013	05/2023	30	262,800	Base	Grid	IPP	Active	Coal Fired	600	600
GenCo 3													
GenCo 4													
GenCo 5													

Subic Enerzone Corporation has two power suppliers SMEC and TLI which owns the Sual Power and Pagbilao Coal respectively. SEZ has a PSA Contract of 30MW with TLI with effectivity date of 06/2013 to 05/2023 and 10MW with SMEC with effectivity date of 07/2013 to 12/2022. Both PSA contracts has a provision for curve out for contestable customers that will participant in WESM. Currently 23.89 MW has already been carve out due to the switching of contestable customers to RES, the remaining 16.11MW is intended for the captive customers. SEZ plans to procure the uncontracted demand in WESM. SEZ has a trading team that ensures the most reasonable and affordable price for the generation mix for its customers.

SEZ original supply contract with TLI and SMEC is 30MW and 10MW respectively, however due to the curve out provision of the contract for switching contestable customers the remaining contracted capacity for SEZ captive customers for TLI and SMEC is now 12.09MW and 4.02MW respectively. SEZ will source out the remaining uncontracted demand requirement in WESM.

DISTRIBUTION IMPACT STUDY

Subic Enerzone Corporation main power transformer rated at 230kV/69kV/13.8kV which is located at Subic Substation has a total capacity of 100 MVA, it is currently load by 55MW (55%). All four distribution substation of SEZ are connected to Subic Substation via 69kV lines. Remy Field Substation has a total capacity 33MVA with a current load of only 49%, Maritan Substation has a total capacity of 25 MVA with a current load of 68%, Cubi Substation has a total capacity of 25 MVA with a current load of 47% and SBIP Substation has a total capacity of 25 MVA with a current load of 67%. Based on the current loading of each substation SEZ has enough capacity to cater the load growth in the franchise area.



NOTE: All substations are currently loaded at SEZ 100MVA Ss



10 Year Monthly Data

Year	Forecast			Contracted and For PSA Approval Demand and Energy		Uncontracted Demand and Energy		Committed for CSP	
	Coincident Peak Demand (MW)	Off Peak Demand (MW)	Energy Requirement (MWh)	Demand (MW)	Energy (MWh)	Uncontracted Demand (MW)	Uncontracted Energy (MWh)	Demand (MW)	Energy (MWh)
2019									
Jan	31.59	26.47	13,139.80	16.11	12,521.52	15.48	618.28	-	-
Feb	31.00	25.97	12,743.17	16.11	11,309.76	14.89	1,433.41	-	-
Mar	28.74	24.08	12,703.12	16.11	12,521.52	12.63	181.60	-	-
Apr	30.46	25.52	13,992.64	16.11	12,117.60	14.35	1,875.04	-	-
May	28.73	24.07	14,608.63	16.11	12,521.52	12.62	2,087.11	-	-
Jun	29.25	24.51	13,345.75	16.11	12,117.60	13.14	1,228.15	-	-
Jul	25.94	23.21	11,936.12	16.11	12,521.52	9.83	(585.40)	-	-
Aug	26.21	25.68	12,233.47	16.11	12,521.52	10.10	(288.05)	-	-
Sep	27.60	26.60	12,069.57	16.11	12,117.60	11.49	(48.03)	-	-
Oct	27.99	27.64	12,463.04	16.11	12,521.52	11.88	(58.48)	-	-
Nov	23.82	23.14	11,369.70	16.11	12,117.60	7.71	(747.90)	-	-
Dec	23.92	20.89	10,232.36	16.11	12,521.52	7.81	(2,289.16)	-	-
2020									
Jan	32.68	27.38	13,590.77	16.11	12,521.52	16.57	1,069.25	-	-
Feb	32.06	26.86	13,180.52	16.11	11,309.76	15.95	1,870.76	-	-
Mar	29.73	24.91	13,139.10	16.11	12,521.52	13.62	617.58	-	-
Apr	31.51	26.40	14,472.87	16.11	12,117.60	15.40	2,355.27	-	-
May	29.72	24.90	15,110.01	16.11	12,521.52	13.61	2,588.49	-	-
Jun	30.26	25.35	13,803.78	16.11	12,117.60	14.15	1,686.18	-	-
Jul	26.83	24.01	12,345.78	16.11	12,521.52	10.72	(175.74)	-	-
Aug	27.11	26.56	12,653.33	16.11	12,521.52	11.00	131.81	-	-
Sep	28.55	27.51	12,483.80	16.11	12,117.60	12.44	366.20	-	-
Oct	28.95	28.59	12,890.78	16.11	12,521.52	12.84	369.26	-	-
Nov	24.64	23.94	11,759.92	16.11	12,117.60	8.53	(357.68)	-	-
Dec	24.74	21.60	10,583.54	16.11	12,521.52	8.63	(1,937.98)	-	-
2021									
Jan	33.76	28.29	14,041.79	16.11	12,521.52	17.65	1,520.27	-	-
Feb	33.12	27.75	13,617.92	16.11	11,309.76	17.01	2,308.16	-	-
Mar	30.72	25.74	13,575.12	16.11	12,521.52	14.61	1,053.60	-	-
Apr	32.55	27.28	14,953.16	16.11	12,117.60	16.44	2,835.56	-	-
May	30.70	25.73	15,611.44	16.11	12,521.52	14.59	3,089.92	-	-
Jun	31.26	26.19	14,261.86	16.11	12,117.60	15.15	2,144.26	-	-
Jul	27.72	24.80	12,755.48	16.11	12,521.52	11.61	233.96	-	-
Aug	28.01	27.44	13,073.23	16.11	12,521.52	11.90	551.71	-	-
Sep	29.49	28.43	12,898.08	16.11	12,117.60	13.38	780.48	-	-
Oct	29.91	29.54	13,318.56	16.11	12,521.52	13.80	797.04	-	-
Nov	25.46	24.73	12,150.17	16.11	12,117.60	9.35	32.57	-	-
Dec	25.56	22.32	10,934.76	16.11	12,521.52	9.45	(1,586.76)	-	-
2022									
Jan	34.95	29.28	14,535.42	16.11	12,521.52	18.84	2,013.90	-	-
Feb	34.29	28.73	14,096.65	16.11	11,309.76	18.18	2,786.89	-	-
Mar	31.80	26.64	14,052.35	16.11	12,521.52	15.69	1,530.83	-	-
Apr	33.70	28.23	15,478.83	16.11	12,117.60	17.59	3,361.23	-	-
May	31.78	26.63	16,160.26	16.11	12,521.52	15.67	3,638.74	-	-
Jun	32.36	27.11	14,763.23	16.11	12,117.60	16.25	2,645.63	-	-
Jul	28.70	25.68	13,203.89	16.11	12,521.52	12.59	682.37	-	-
Aug	29.00	28.41	13,532.82	16.11	12,521.52	12.89	1,011.30	-	-
Sep	30.53	29.43	13,351.51	16.11	12,117.60	14.42	1,233.91	-	-

POWER SUPPLY PROCUREMENT PLAN

Oct	30.97	30.58	13,786.77	16.11	12,521.52	14.86	1,265.25	-	-
Nov	26.35	25.60	12,577.31	16.11	12,117.60	10.24	459.71	-	-
Dec	26.46	23.11	11,319.17	16.11	12,521.52	10.35	(1,202.35)	-	-
2023									
Jan	36.08	30.23	15,005.52	12.09	12,521.52	23.99	2,484.00	-	-
Feb	35.40	29.66	14,552.56	12.09	11,309.76	23.31	3,242.80	-	-
Mar	32.82	27.50	14,506.83	12.09	12,521.52	20.73	1,985.31	-	-
Apr	34.79	29.15	15,979.44	12.09	12,117.60	22.70	3,861.84	-	-
May	32.81	27.49	16,682.91	12.09	12,521.52	20.72	4,161.39	-	-
Jun	33.41	27.99	15,240.70	-	-	33.41	15,240.70	-	-
Jul	29.63	26.51	13,630.93	-	-	29.63	13,630.93	-	-
Aug	29.94	29.33	13,970.49	-	-	29.94	13,970.49	-	-
Sep	31.52	30.38	13,783.32	-	-	31.52	13,783.32	-	-
Oct	31.97	31.57	14,232.66	-	-	31.97	14,232.66	-	-
Nov	27.21	26.43	12,984.08	-	-	27.21	12,984.08	-	-
Dec	27.31	23.85	11,685.25	-	-	27.31	11,685.25	-	-
2024									
Jan	37.14	31.12	15,445.73	-	-	37.14	15,445.73	-	-
Feb	36.43	30.53	14,979.48	-	-	36.43	14,979.48	-	-
Mar	33.79	28.31	14,932.40	-	-	33.79	14,932.40	-	-
Apr	35.81	30.00	16,448.22	-	-	35.81	16,448.22	-	-
May	33.77	28.30	17,172.32	-	-	33.77	17,172.32	-	-
Jun	34.39	28.81	15,687.81	-	-	34.39	15,687.81	-	-
Jul	30.50	27.28	14,030.81	-	-	30.50	14,030.81	-	-
Aug	30.81	30.19	14,380.33	-	-	30.81	14,380.33	-	-
Sep	32.44	31.27	14,187.67	-	-	32.44	14,187.67	-	-
Oct	32.91	32.49	14,650.19	-	-	32.91	14,650.19	-	-
Nov	28.00	27.20	13,364.98	-	-	28.00	13,364.98	-	-
Dec	28.11	24.55	12,028.05	-	-	28.11	12,028.05	-	-
2025									
Jan	38.27	32.06	15,915.08	-	-	38.27	15,915.08	-	-
Feb	37.54	31.45	15,434.67	-	-	37.54	15,434.67	-	-
Mar	34.81	29.17	15,386.16	-	-	34.81	15,386.16	-	-
Apr	36.90	30.91	16,948.04	-	-	36.90	16,948.04	-	-
May	34.80	29.16	17,694.15	-	-	34.80	17,694.15	-	-
Jun	35.43	29.69	16,164.52	-	-	35.43	16,164.52	-	-
Jul	31.42	28.11	14,457.17	-	-	31.42	14,457.17	-	-
Aug	31.75	31.10	14,817.32	-	-	31.75	14,817.32	-	-
Sep	33.43	32.22	14,618.80	-	-	33.43	14,618.80	-	-
Oct	33.91	33.48	15,095.38	-	-	33.91	15,095.38	-	-
Nov	28.85	28.03	13,771.11	-	-	28.85	13,771.11	-	-
Dec	28.97	25.30	12,393.55	-	-	28.97	12,393.55	-	-
2026									
Jan	39.43	33.03	16,397.78	-	-	39.43	16,397.78	-	-
Feb	38.68	32.41	15,902.80	-	-	38.68	15,902.80	-	-
Mar	35.87	30.05	15,852.81	-	-	35.87	15,852.81	-	-
Apr	38.02	31.85	17,462.07	-	-	38.02	17,462.07	-	-
May	35.86	30.04	18,230.80	-	-	35.86	18,230.80	-	-
Jun	36.51	30.59	16,654.78	-	-	36.51	16,654.78	-	-
Jul	32.38	28.97	14,895.65	-	-	32.38	14,895.65	-	-
Aug	32.71	32.05	15,266.72	-	-	32.71	15,266.72	-	-
Sep	34.44	33.20	15,062.18	-	-	34.44	15,062.18	-	-
Oct	34.93	34.50	15,553.21	-	-	34.93	15,553.21	-	-
Nov	29.73	28.88	14,188.78	-	-	29.73	14,188.78	-	-
Dec	29.85	26.07	12,769.44	-	-	29.85	12,769.44	-	-
2027									
Jan	40.55	33.97	16,863.22	-	-	40.55	16,863.22	-	-
Feb	39.78	33.33	16,354.18	-	-	39.78	16,354.18	-	-
Mar	36.89	30.91	16,302.78	-	-	36.89	16,302.78	-	-

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Apr	39.09	32.76	17,957.71	-	-	39.09	17,957.71	-	-
May	36.87	30.90	18,748.27	-	-	36.87	18,748.27	-	-
Jun	37.54	31.45	17,127.52	-	-	37.54	17,127.52	-	-
Jul	33.29	29.79	15,318.45	-	-	33.29	15,318.45	-	-
Aug	33.64	32.96	15,700.05	-	-	33.64	15,700.05	-	-
Sep	35.42	34.14	15,489.71	-	-	35.42	15,489.71	-	-
Oct	35.93	35.48	15,994.68	-	-	35.93	15,994.68	-	-
Nov	30.57	29.70	14,591.52	-	-	30.57	14,591.52	-	-
Dec	30.69	26.81	13,131.89	-	-	30.69	13,131.89	-	-
2028									
Jan	41.68	34.92	17,333.32	-	-	41.68	17,333.32	-	-
Feb	40.89	34.26	16,810.09	-	-	40.89	16,810.09	-	-
Mar	37.92	31.77	16,757.26	-	-	37.92	16,757.26	-	-
Apr	40.18	33.67	18,458.33	-	-	40.18	18,458.33	-	-
May	37.90	31.76	19,270.92	-	-	37.90	19,270.92	-	-
Jun	38.59	32.33	17,604.98	-	-	38.59	17,604.98	-	-
Jul	34.22	30.62	15,745.49	-	-	34.22	15,745.49	-	-
Aug	34.58	33.88	16,137.72	-	-	34.58	16,137.72	-	-
Sep	36.41	35.09	15,921.52	-	-	36.41	15,921.52	-	-
Oct	36.93	36.46	16,440.56	-	-	36.93	16,440.56	-	-
Nov	31.43	30.53	14,998.29	-	-	31.43	14,998.29	-	-
Dec	31.55	27.55	13,497.97	-	-	31.55	13,497.97	-	-