

DOE ASSURES STABLE POWER SUPPLY IN 2009

MEDIA RELEASE
March 5, 2007

The government has assured that the country's plan for ensuring adequate power supply is in place and that private sector has responded well to invest in new capacity for future needs.

Energy Secretary Raphael Lotilla said that current projections show that Mindanao will have adequate power supply until mid-2009 and that together with the private sector the government will see to it that the capacity needed beyond 2009 will be there as well as the transmission lines are in place.

In fact, the government as well as the private investors has already committed to put additional capacity to meet the growing demand in Mindanao. For instance, the repair of the Balo-i Flood Control Project of the National Power Corporation which is expected to generate 60 MW will optimize the capacity of Agus II hydro electric plant in 2008.

A 60 MW hydro power plant will also be put up by the Aboitiz group in Southern Mindanao and expected to come on stream by 2009 while a consortium led by Alsons Consolidated Resources, Inc. and the Electricity Generating Public Company of Thailand has recently announced that they will build a 200 megawatt (MW) coal-fired power plant in Mindanao before the end of the year.

"I wish to ally any misapprehensions that power shortage is happening soon in Mindanao. Together with the private sector, we are putting in place the needed capacity requirements", Secretary Lotilla stressed.

The 230kV Kirahon-Maramag transmission line project of the National Transmission Corporation in Bukidnon, Davao and Cotabo is expected to come on stream by June 2008.

As an option, the Secretary has also encouraged distribution utilities and big users in Mindanao to enter into supply agreements with the Northern Mindanao plant of STEAG as it can easily expand by another 100MW. Expansion of existing capacity are faster alternatives as expansion will take less than the 3-5 years required for entirely new baseload plants to come on stream.