

Alsons secures P3.3 billion DBP loan

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Business

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MANILA, Philippines — The Alsons Power Group, the power platform of Alsons Consolidated Resources Inc., has secured a P3.3-billion loan from the Development Bank of the Philippines (DBP) to complete the company's first renewable energy project.

In a statement yesterday, Alsons said it signed a P3.3-billion omnibus loan and security agreement (OLSA) with the state-run bank for its 14.5-megawatt (MW) Siguil Hydro run of river hydroelectric power plant currently under construction in Maasim, Sarangani Province.

The Siguil Hydro power plant, Alsons Power's first renewable energy project, is expected to begin commercial operations in the second quarter of 2023.

Once operational, the Siguil Hydro plant will be a source of renewable power to key areas of Mindanao such as the provinces of Sarangani and South Cotabato, General Santos City.

Siguil Hydro and ACR chairman and president Nicasio lauded the partnership with the bank, saying that they "share a common mission of bridging development gaps to improve the well-being of the people in the communities we are active in, doing so in a sustainable manner, and protecting the environment."

The company hopes to partner with DBP for its other renewable energy projects in the pipeline.

"The Siguil Hydro project is our first foray into renewable energy. Eventually, renewable energy sources will comprise at least half of ACR's long-term energy mix. We hope DBP will be involved in those future projects as well," Alcantara said.

In the pipeline, ACR has eight hydropower facilities in Mindanao and other parts of the Southern Philippines.

Apart from the Siguil hydropower project, ACR is working on the 22-MW Siayan (Sindangan) Hydro plant in Zamboanga del Norte and the 42-MW Bago Hydro plant in Negros Occidental, marking the company's expansion outside Mindanao.

The next two hydropower developments are both at advance stages of project development, the company said.

For these three hydropower projects, ACR has estimated a capital expenditure of P6 billion, which will be funded through a combination of project finance and internally generated funds.

The company is also pursuing solar power development to expand its renewables portfolio as part of its transition to clean power.

ACR is Mindanao's first private sector power generator providing electricity to over eight million people in 14 cities and 11 provinces in the country's second largest island.

The company currently has a portfolio of four power plants in Mindanao with a total capacity of 468-MW powered by coal and diesel.

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