

Alsons sets 3-year capex, eyes more RE investments

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Alsons Consolidated Resources Inc. (ACR), the publicly-listed company of the Alcantara Group, is setting aside P6 billion in capital expenditures (capex) for three years to finance various power projects.

“Estimated capex for the group is around P6 billion. As our previous strategy of funding these projects, we shall be funding them through a combination of project finance as well as internally generated funds,” said company chief financial officer Alexander Benhur Simon during the company’s annual stockholders’ meeting held Thursday afternoon.

ACR has a portfolio of four power facilities with an aggregate capacity of 468 megawatts (MW) serving over 8 million people in 14 cities and 11 provinces in Mindanao, the country’s second largest island.

In the next five years, ACR will undertake more renewable energy (RE) projects such as solar and hydro.

“We are planning to embark on a 21 MW hydro project in the Sindangan River in Zamboanga del Norte, 42 MW hydro along the Bago River in Negros Occidental. Both are at advance stages of project development. Those two projects form part of eight potential hydro projects we are developing.

Aside from these, we are also aggressively developing suitable sites to harness solar energy. There are promising sites with highest irradiance levels in the Philippines,” said ACR Deputy Chief Executive Officer Antonio Alcantara during the meeting.

Its 14.5 MW Siguil hydroelectric power plant in Sarangani Province, meanwhile, experienced delays in construction due to challenges brought about by the pandemic. However, the construction of the P4.5-billion hydro project is now in full swing.

“Expected commercial operations date has been updated and now projected for May 2023,” said ACR Executive Vice President Tirso Santillan.

Also, Alcantara added that ACR is considering opportunities in contestable markets; Green Energy Auction Program; Visayas-Mindanao interconnection project, which is expected by the end of 2022; and the upcoming launch of Wholesale Electricity Spot Market in Mindanao as possible new markets that will hasten the development of the planned hydro and solar projects.

In 2021, ACR reported a 24-percent jump in its net income to P405 million from P325 million in 2020.

ACR's 210MW Sarangani Energy Corp. (SEC) baseload power plant continued to be the key revenue and income driver for the company. ACR's revenues last year grew by 6 percent to P10.05 billion from P9.47 billion in the prior year. SEC currently provides power to key areas in Mindanao including Sarangani Province, General Santos, Cagayan de Oro, and Iligan.