

September 14, 2021

The Philippine Stock Exchange, Inc.
6th Floor PSE Tower
5th Avenue cor. 28th St.
Bonifacio Global City
Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

This is with reference to your letter directing First Gen Corporation (“First Gen”) to clarify the following portion of a news article entitled “*Malampaya field stops supplying gas to First Gen plants; rate hikes feared*” posted in Manila Bulletin on September 13, 2021:

“The depleting Malampaya field has stopped supplying gas to the three gas-fired power plants of First Gen Corporation starting Saturday, September 11, compelling the shift of the electric power generating facilities to more expensive liquid fuels.

Sources from First Gen confirmed that the 1,000-megawatt Santa Rita gas plant already ceased receiving gas supply from the Malampaya field on September 11 (Saturday) while its San Lorenzo plant was no longer supplied with gas since September 12 (Sunday).

The other gas-fed generating facility of the Lopez group – the 414MW San Gabriel plant cannot shift its usage to liquid fuel, forcing the plant to temporarily shutdown.

It was conveyed by Manila Electric Company (Meralco), off-taker or capacity-buyer of the generated electricity of the First Gen plants, that ‘about 1,900MW of its gas-fueled contracted capacity are no longer supplied with gas by the Malampaya field.’

....

As gathered from Malampaya operator Shell Philippines Exploration B.V. (SPEX), ‘the offshore platform conducted some maintenance over the weekend, which impacted on gas supply delivery to First Gen.’

....”

First Gen confirms that SC38 fully interrupted Malampaya gas supply to the First Gen Clean Energy Complex (FGCEC) in Batangas this weekend and, as a result, the Santa Rita and San Lorenzo plants have been operating using condensate as fuel while Avion has been using diesel. San Gabriel does not have dual-fuel capability and had to shut down because of the absence of natural gas supply from Malampaya.

First Gen received advice this morning from SC38 that they expect to slowly start supplying gas from Malampaya to the FGCEC today, and we are hopeful that our plants can all return to gas-fired operation soon.

We trust that we have clarified these matters to the satisfaction of the Exchange. Thank you.

Very truly yours,


RACHEL R. HERNANDEZ
Corporate Secretary