

PRESS RELEASE

Business sector raises concerns over power supply

Philippine Chamber of Commerce and Industry (PCCI) Governor for Northern Mindanao Arsenio Sebastian III voiced concerns over the stability of power supply in the region amidst reports of increasing electricity demands in Mindanao vis-à-vis existing electricity generation capacity.

During the Regional Development Council (RDC-10) meeting held recently in Cagayan de Oro City, it was disclosed that electricity supplied by major hydro power plants in the region such as the Pulangi IV Hydro Electric Power Plant is generating only half of its installed capacity.

Sebastian, who is also Vice-Chairman of the RDC representing the private sector, voiced hopes that the 210MW (net) Mindanao Coal-Fired Power Plant Project now currently being put-up at the PHIVIDEC Industrial Estate in Villanueva, Misamis Oriental will be completed as scheduled within the year and help assure Mindanao of a new and reliable source of electrical power.

He believes that even though the coal-fired power plant will provide additional 200 megawatts, *"it will not be enough to cope with the increasing power demands of the island"*.

"We must remember that one of the important factors considered by investors to locate in the region is reliable supply of electricity" Sebastian added.

Data from the Department of Energy (DOE) indicate that by end of 2006, existing power producers in Mindanao will not be able to meet the electricity demand of the island. With the steady increase in demand for electricity each year, new sources of efficient and environmentally compatible power will become crucial in sustaining the economy and securing progress in the region.

Meanwhile, Cagayan de Oro City Mayor Vicente Emano voiced the same concern in a recent interview over *Bombo Radyo* citing that *"Mindanao cannot afford to be plunged once more into massive blackouts"* as experienced in the early 90s. The Mayor expressed optimism that the operation of the power plant will substantially contribute to stability in the supply of electricity in the whole islands of Mindanao. *(end)*