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whose life we touch



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**Securities & Exchange Commission**  
Secretariat Building, PICC Complex  
Roxas Blvd, Metro Manila

**Philippine Stock Exchange**  
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**Attention: Hon. Vicente Graciano P. Felizmenio, Jr.**  
Director, Market and Securities Regulation Department  
Securities & Exchange Commission

**Ms. Janet Encarnacion**  
Head - Disclosure Department  
Philippine Stock Exchange

**Atty. Marie Rose M. Magallen-Lirio**  
Head - Issuer Compliance and Disclosure Department (ICDD)

**Sir and Mesdames:**

We would like to submit the attached Press Release entitled "**Phoenix powers Balesin Island with LPG venture**".

Thank you and warm regards.

Very truly yours,

**Atty. Socorro Ermac Cabreros**  
Corporate Secretary

## **Phoenix powers Balesin Island with LPG venture**

Phoenix Pilipinas Gas and Power Inc. (PPGPI), in cooperation with U.S.-based Mesa Natural Gas Solutions LLC, started the pilot run of its gas-fired gensets in Balesin Island Club in Polillo, Quezon on August 31, providing baseload power for the exclusive resort. The gensets are powered using propane-rich LPG provided by Phoenix as part of its energy diversification campaign.

Master-planned by EcoPlan of Miami, Florida, USA, Balesin was designed with the environment in mind and to be in harmony with its natural surroundings. Sustainable initiatives such as water harvesting, 80% water recycling, on-site eco-friendly transportation, organic farming, and switching to glass bottled water and paper straws, as well as programs for community empowerment, have resulted in Balesin being the first and only Philippine resort awarded by the United Nations World Tourism Organization (UNWTO) for innovative tourism and sustainability.

“With Balesin’s gradual return to full operations from the current community quarantine measures, the pilot run will effectively provide cleaner power to the entire island resort. The aim is to ultimately replicate such solutions later on in industries that are generating and using their own power in the fields of manufacturing, hospitality & leisure, construction, telecommunications, and mining,” said Phoenix president Henry Bong Fadullon. “The gensets can run on LPG--not only a cleaner source, but also a viable component in the energy mix of the country, which we aim to help diversify,” he added.

Following the signing of the MOA between Phoenix and Mesa late last year, three U.S.-manufactured genset units arrived in the country in June, each with a maximum capacity of 350 kilowatts, and were subsequently transported to Balesin.

The introduction of the gas-powered gensets strengthens the thrust of Phoenix to expand the LPG market in the Philippines and contribute to a more diversified energy mix. Last year, the company established a conversion deal with GDR taxi, turning its fleet in Iloilo City into auto-LPG powered taxis.

The gensets can run on different types of fuel. Aside from propane-rich LPG, they can be powered using natural gas, LNG, compressed gas, and wellhead gas. With the use of such technology, LPG is positioned as a transition fuel to bring cleaner and more efficient fuel such as LNG, making this type of gensets a viable alternative to coal, diesel, and bunker fuel-fed power generation units.

When utilized in partnership with B2B customers, the genset units will not only bring down greenhouse gas emissions but will provide security and consistent supply of power to off-grid users, and will be made available to micro-grids in partnership with power generation companies. Compact and mobile, the units are custom-engineered for use in remote areas, and are expected to cater to the power-generation needs of more communities in the Philippines.

Once the country is ready to receive LNG, PPGPI sees a large market for the gensets among independent power producers and electric cooperatives seeking more viable onsite energy solutions.