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January 10, 2011

**JANET A. ENCARNACION**  
HEAD, Disclosures Department  
The Philippine Stock Exchange, Inc.  
Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

Dear Ms. Encarnacion:

In compliance with the disclosure requirements of the PSE, we submit the attached press release entitled "EDC unit seals 7 new power supply deals with Visayas electric cooperatives".

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Erudito S. Recio". The signature is stylized and somewhat cursive, with a prominent vertical stroke on the right side.

**Erudito S. Recio**  
Investor Relations Manager &  
Corporate Information Officer



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## **Press Release**

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### **EDC unit seals 7 new power supply deals with Visayas electric cooperatives**

Green Core Geothermal, Inc. (GCGI), a subsidiary of geothermal leader Energy Development Corporation (EDC), sealed seven new long-term power supply contracts with electric cooperatives in Leyte and Negros islands to supply 58 MW of power.

GCGI signed a 10-year power supply contract with the Negros Oriental II Electric Cooperative, Inc. (NORECO II) for 25 MW. The geothermal firm also inked a separate power supply contract with six members of the Association of Visayas Electric Cooperatives (AVEC), namely Negros Oriental I Electric Cooperative, Inc. (NORECO I), Negros Occidental Electric Cooperative (NOCECO) and VMC Rural Electric Service Cooperative, Inc. (VRESCO) in Negros island; and the Don Orestes Romualdez Electric Cooperative, Inc. (DORELCO), Leyte II Electric Cooperative, Inc. (LEYECO II) and Leyte V Electric Cooperative, Inc. (LEYECO V) in Leyte. GCGI allocated a total of 33 MW for the six electric cooperatives.

The contracts of the Visayas electric cooperatives which expired in December last year were previously with the National Power Corporation (NPC) before the privatization of the Tongonan 1 and Palinpinon geothermal plants in Leyte and Negros Oriental, respectively. GCGI which acquired the power plants in 2009, began negotiating with the electric cooperatives with expiring contracts as early as January 2010.

“From the start, we have always prioritized the electric cooperatives in our host areas as we want them to be the first to enjoy the benefits of having clean, reliable and affordable power. We’re happy that our cooperatives have partnered with us. We offer the most competitive price in the market and we’re investing heavily to improve the reliability of our plants so that power interruptions will be significantly reduced and eventually eliminated,” EDC President and COO Richard Tantoco said.

GCGI earlier signed long-term power supply contracts with the Iloilo I Electric Cooperative, Inc. (ILECO I), Iloilo II Electric Cooperative, Inc. (ILECO II), Aklan Electric Cooperative, Inc. (AKELCO), Capiz Electric Cooperative, Inc. (CAPELCO), and Dumaguete Coconut Mills, Inc. (DUCOMI).