

**YOUR WORLD
MADE BETTER**



**SAN MIGUEL
CORPORATION**



EPIRA 4x4



EPIRA
4 X 4

4 NEW INSTITUTIONS

x

4 SECTORS

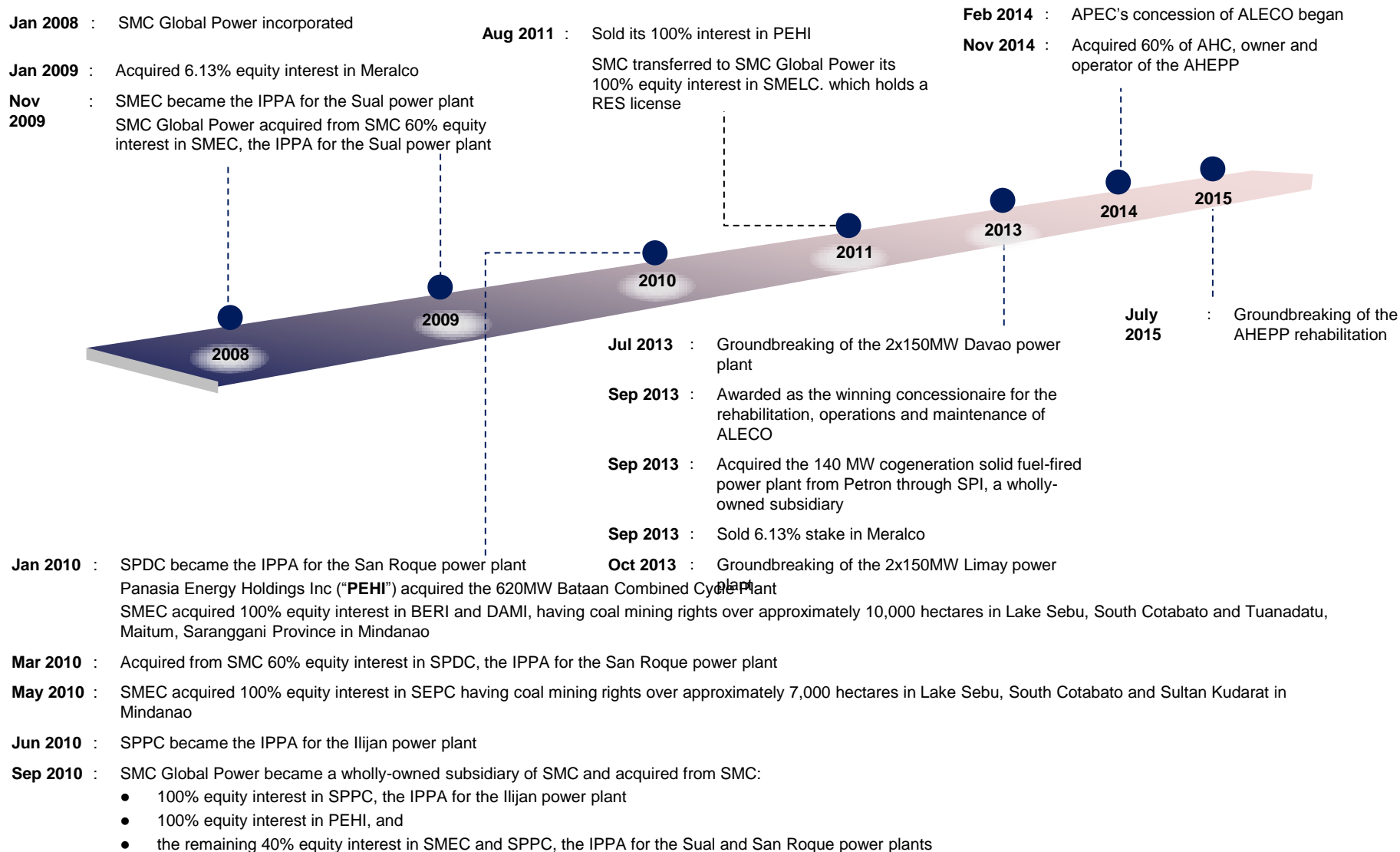
- PSALM
- WESM - PEMC
- ERC
- TRANSCO

- GENERATION
- TRANSMISSION
- DISTRIBUTION
- SUPPLY

**SECURED THE ENTRY OF PRIVATE SECTOR
INTO POWER BUSINESS**

- In 2001, the PH government conceded that private sector needed to actively participate in the power sector
- Privatization of generation and transmission assets of NPC through PSALM

SMC Global Power has become one of largest players in the power industry in just 6 years



SMC Global Power – Independent Power Producer Administrator (IPPA) Plants



Greenfield Power Plants

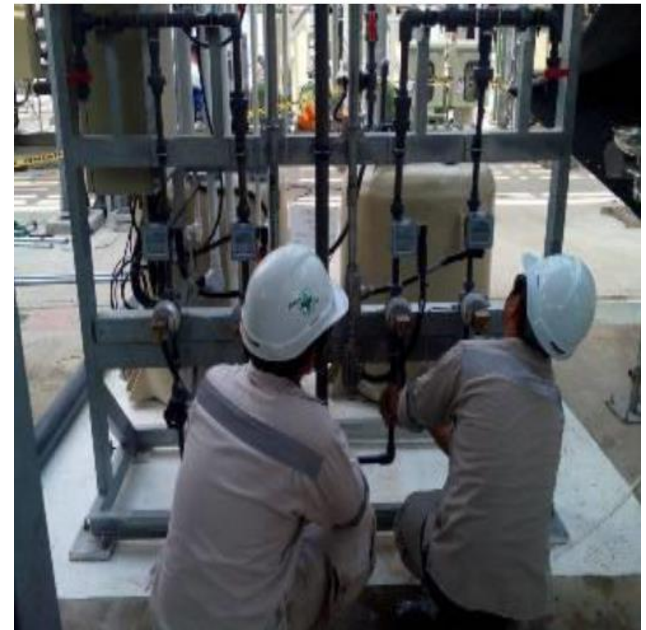


Item	Criteria
1	Water Resources
2	Power Transmission Networks
3	Geological Conditions of Site
4	Environmental Impact
5	Availability of Land
6	Skilled Labor
7	Acceptability of Community
8	Near Seafront
9	Accessibility
10	Security



Power Plant Training Program

- 10-month training program including power plant modules, CFB technology, line tracing, and OJT
- Conducted by experienced power plant operators



Retail Competition and Open Access; Mandatory Contestability & Threshold Reduction

Expansion by existing power generators

New power plant entrants to the market

Competitive Selection Process (CSP) & Aggregation

**INCREASED
COMPETITION**

<SMCGP CSR AVP>



SMC GLOBAL POWER

A SUBSIDIARY OF SAN MIGUEL CORPORATION