

CANORECO

Camarines Norte Electric Cooperative, Inc.

Power Supply Procurement Plan

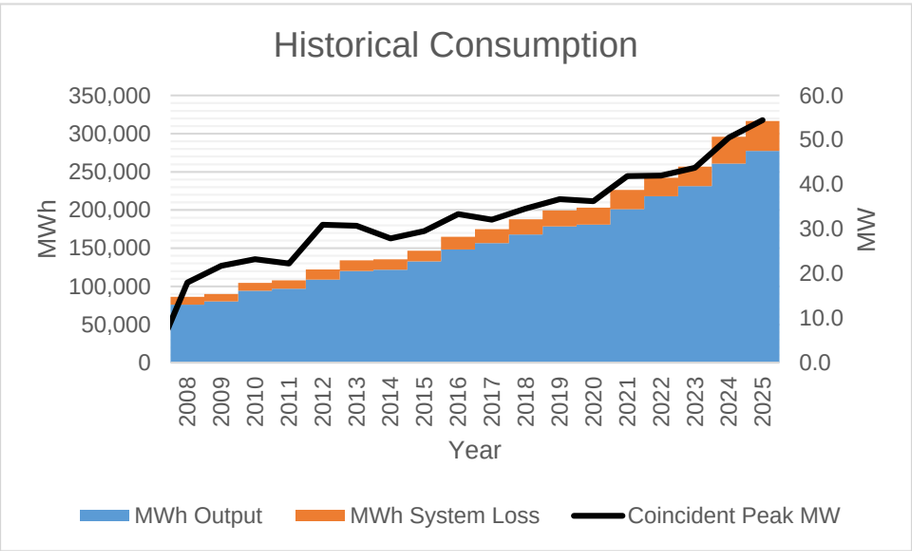
2026

Grid

Historical Consumption Data

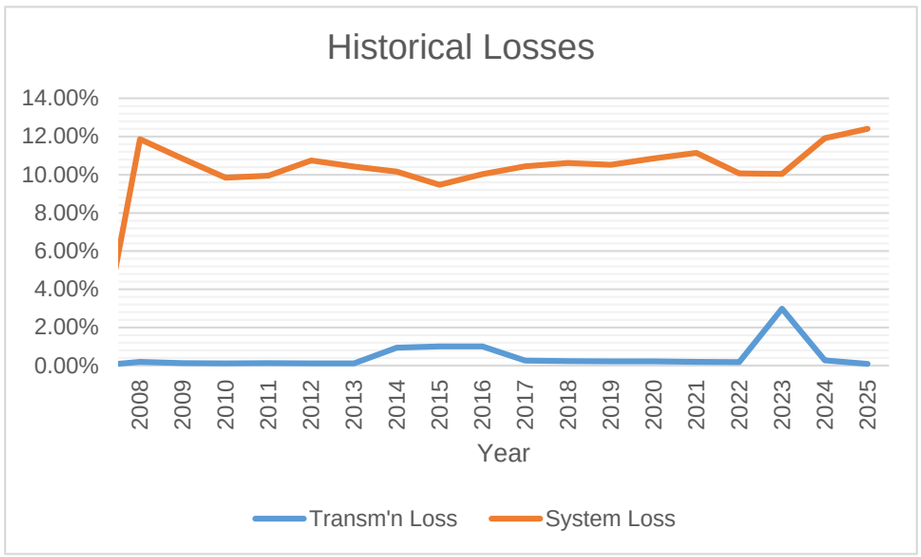
Year	Coincident Peak MW	MWh Offtake	WESM	MWh Input	MWh Output	MWh System Loss	Load Factor	Discrepancy	Transm'n Loss	System Loss
2008	18.00	86,552	0	86,375	76,132	10,243	55%	0.00%	0.20%	11.86%
2009	21.78	90,214	0	90,097	80,328	9,769	47%	0.00%	0.13%	10.84%
2010	23.23	104,822	0	104,703	94,400	10,303	51%	0.00%	0.11%	9.84%
2011	22.28	107,918	0	107,781	97,047	10,734	55%	0.00%	0.13%	9.96%
2012	30.97	122,332	28,816	122,189	109,053	13,136	45%	0.00%	0.12%	10.75%
2013	30.77	134,208	38,057	134,045	120,071	13,974	50%	0.00%	0.12%	10.43%
2014	27.92	136,883	37,217	135,600	121,816	13,784	55%	0.00%	0.94%	10.17%
2015	29.57	148,390	44,949	146,890	132,966	13,924	57%	0.00%	1.01%	9.48%
2016	33.36	166,706	60,658	165,016	148,453	16,563	56%	0.00%	1.01%	10.04%
2017	32.11	175,284	65,185	174,829	156,579	18,250	62%	0.00%	0.26%	10.44%
2018	34.62	188,507	74,895	188,051	168,079	19,972	62%	0.00%	0.24%	10.62%
2019	36.75	200,006	45,638	199,552	178,543	21,009	62%	0.00%	0.23%	10.53%
2020	36.27	203,503	16,182	203,051	181,017	22,034	64%	0.00%	0.22%	10.85%
2021	41.88	226,954	36,741	226,511	201,251	25,260	62%	0.00%	0.20%	11.15%
2022	42.04	242,785	26,579	242,329	217,917	24,412	66%	0.00%	0.19%	10.07%
2023	43.78	264,944	35,172	257,045	231,227	25,818	67%	0.00%	2.98%	10.04%
2024	50.57	296,916	60,858	296,075	260,781	35,294	67%	0.00%	0.28%	11.92%
2025	54.47	316,952	69,119	316,640	277,370	39,269	66%	0.00%	0.10%	12.40%

Peak Demand increased from 18.00 MW in 2008 to 54.47 MW in 2025 with an annual average growth rate of 7.27% due to uprising of several commercial, industrial, and business establishments within its franchise area. MWh Offtake increased from 86,552 MWh in 2008 to 316,952 MWh in 2025 with an annual average growth rate of 8.01% due to increasing number of captive customer connections and abruptly increasing energy demand. Within the same period, Load Factor ranged from 45% to 67%.

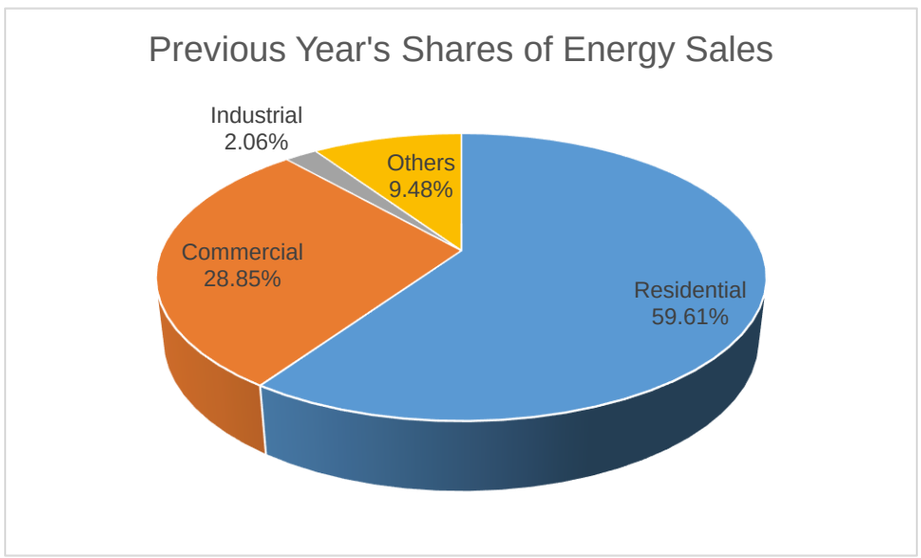


Historical purchase and sales data (2008-2025) showed an average annual load growth of 8.03% and 7.98% respectively. Commercial establishments, hotels, provincial and city development plans, and the tourism industry are prime indicators in the increased in energy.

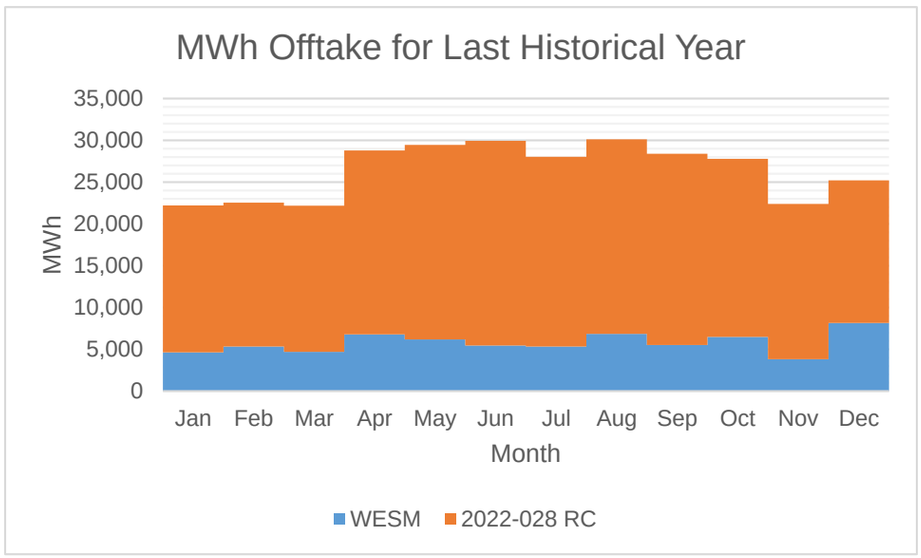
The Own Use MWh were incorporated on the Commercial Low-Voltage Sales per month based on CANORECO's Monthly Financial and Statistical Report (MFSR).



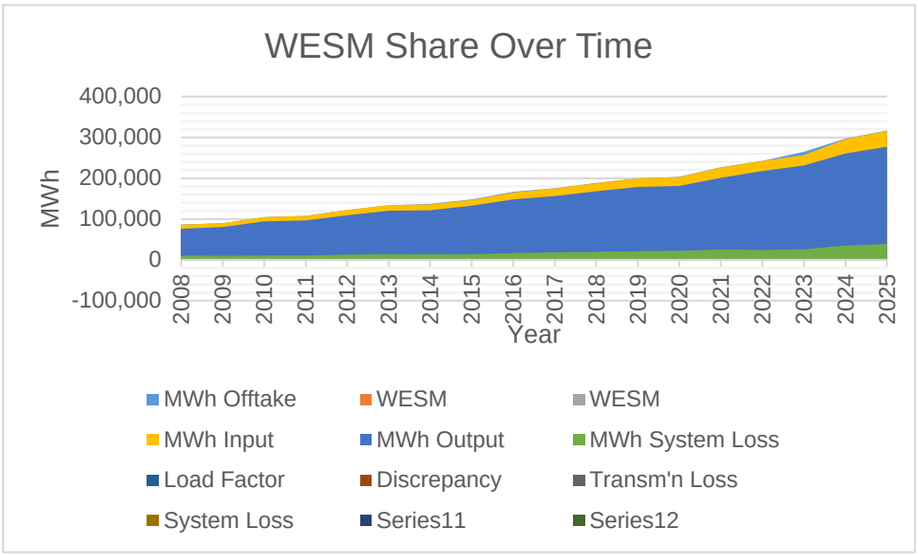
Historically, System Loss ranged from 9% to 12%. System Loss peaked at 12.40% on year 2025.



CANORECO's energy consumption per customer type shown in the figure indicates the equivalent shares in energy sales. Residential customers comprise 59.61% of the total sales. The remaining 40.39% constitute the high voltage and low voltage customer's energy consumption with the commercial customer's share of 28.85%, public building, streetlights and special lightings at 9.48%, and industrial customer at only 2.06%.



The total Offtake for the last historical year is higher than the quantity stipulated in the PSA. The PSA with TLI accounts for the bulk of MWh Offtake



WESM Offtake was erratic from 2012 to 2024, with a minimum energy of 16,182 MWh in 2020, maximum energy of 74,895 in 2018 at a rate of 17.13% due to increasing demand on the coverage area of CANORECO. The share of WESM in the total Offtake ranged from 8% to 40%.

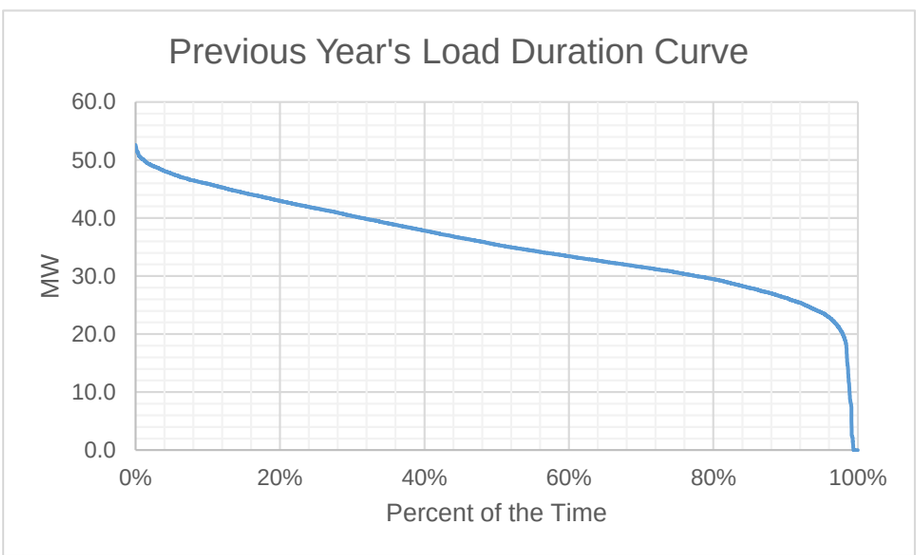
The 2025 historical/actual demand reported by CANORECO is based on the Billing Determinant Demand (BDD) reflected in the NGCP Bill, considering that CANORECO has totalizer meters at two metering points.

The difference between the BDD reflected in the NGCP Bill and the highest demand derived from CANORECO's 5-minute interval Actual Metered Quantity (AMQ) is attributable to the difference in the respective metering and data-recording methodology.

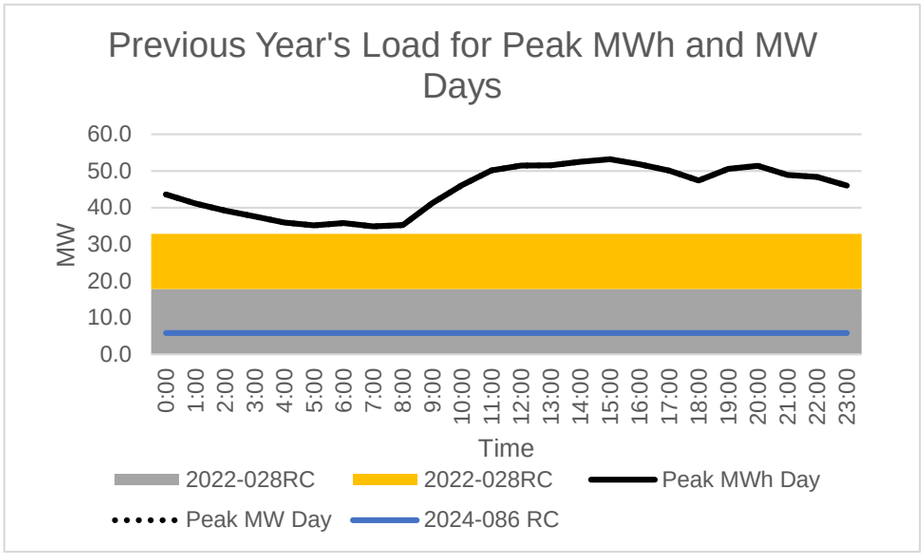
For reference, the BDD reflected in the NGCP Bill was 54.467 MW, while the highest demand derived from CANORECO's 5-minute interval AMQ was 53.19 MW. The difference may be attributed to the fact that the 5-minute interval AMQ may not capture the same peak demand value reflected in the NGCP billing data due to the difference in the applicable measurement and recording methodology.

Hence, CANORECO used the NGCP BDD as the basis for the 2025 historical/actual demand, while the 5-minute interval AMQ was utilized for the corresponding load profile analysis. The two values are relatively close and reflect the demand of the CANORECO system based on their respective metering and data-recording bases.

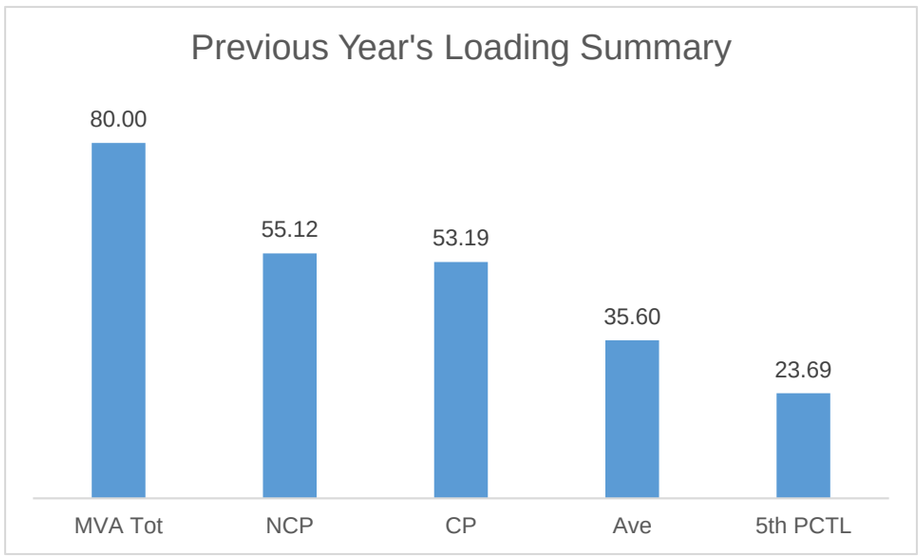
Previous Year's Load Profile



Based on the Load Duration Curve, the minimum load is 23.69 MW and the maximum load is 53.19 MW for the last historical year.



On year 2025, Peak MW occurred on HR 15 due to the increase of demand contributed mainly by residential customers and commercial establishments. Peak daily MWh occurred on HR 1100 to HR 1700. As shown in the Load Curves, the available supply is lower than the Peak Demand.



The Coincident Peak Demand is 53.19 MW, which is around 66% of the total substation capacity of 80.00 MVA. The load factor or the ratio between the Average Load of 35.60 MW and the Non-coincident Peak Demand is 65%. A safe estimate of the true minimum load is the fifth percentile load of 23.69 MW which is 43% of the Non-coincident Peak Demand.

Metering Point	Substation MVA	Substation Peak MW
CAN011 (Talobatib to Talisay/Daet SS)	65	42.56
CAN012 (Talobatib to Tawig/Sta. Rosa SS)	15	12.56

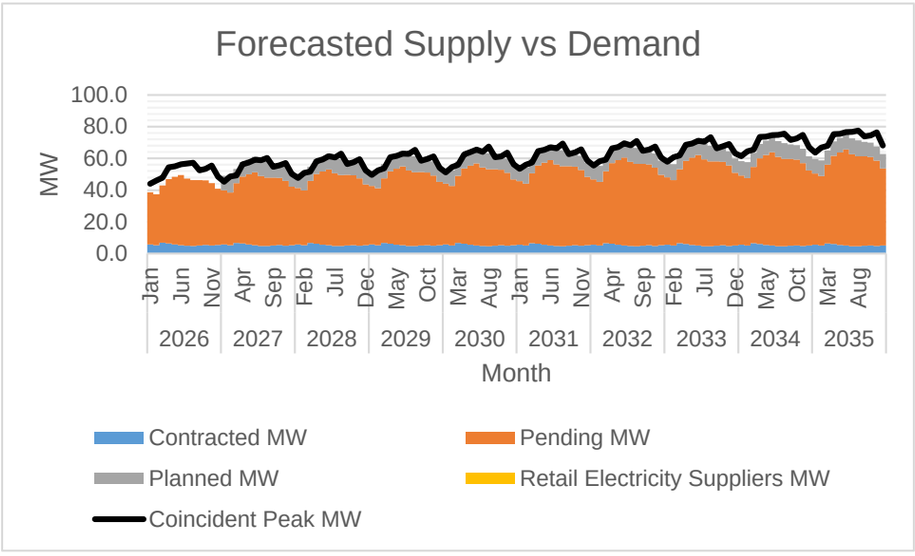
Forecasted Consumption Data

Year	Month	Coincident Peak MW	Contracted MW	Pending MW	Planned MW	Retail Electricity Suppliers MW	Existing Contracting Level	Target Contracting Level	MW Surplus / Deficit
2026	Jan	43.96	5.86	32.85	0.000		13%	88%	-5.25
	Feb	46.14	5.33	31.98	0.000		12%	81%	-8.82
	Mar	47.83	6.84	36.18	0.000		14%	90%	-4.81
	Apr	54.40	6.42	40.55	0.000		12%	86%	-7.43
	May	54.96	5.76	42.58	0.000		10%	88%	-6.62
	Jun	56.24	5.35	44.18	0.000		10%	88%	-6.71
	Jul	56.71	4.93	42.32	0.000		9%	83%	-9.46
	Aug	57.24	4.84	41.42	0.000		8%	81%	-10.98
	Sep	52.43	5.17	41.17	0.000		10%	88%	-6.09
	Oct	53.42	5.45	40.69	0.000		10%	86%	-7.27
	Nov	55.58	5.07	39.30	0.000		9%	80%	-11.21
	Dec	48.41	5.43	35.45	0.000		11%	84%	-7.52
2027	Jan	45.26	5.80	34.17	9.000		13%	108%	3.71
	Feb	48.65	5.28	33.26	10.000		11%	100%	-0.11
	Mar	49.34	6.77	37.63	9.000		14%	108%	4.05
	Apr	56.28	6.35	42.17	9.100		11%	102%	1.35
	May	57.37	5.71	44.28	9.200		10%	103%	1.82
	Jun	59.22	5.29	45.95	9.800		9%	103%	1.82
	Jul	58.86	4.88	44.02	10.000		8%	100%	0.04
	Aug	60.30	4.79	43.08	10.000		8%	96%	-2.43
	Sep	54.67	5.12	42.81	9.100		9%	104%	2.37
	Oct	55.70	5.40	42.32	9.000		10%	102%	1.02
	Nov	57.17	5.02	40.87	9.000		9%	96%	-2.28
	Dec	50.24	5.38	36.87	9.000		11%	102%	1.01
2028	Jan	47.73	5.77	35.53	9.000		12%	105%	2.58
	Feb	50.92	5.25	34.59	10.000		10%	98%	-1.08
	Mar	51.67	6.74	39.13	9.000		13%	106%	3.20
	Apr	58.21	6.32	43.86	9.100		11%	102%	1.07
	May	59.39	5.68	46.05	9.200		10%	103%	1.54
	Jun	61.34	5.27	47.79	9.800		9%	102%	1.51
	Jul	60.54	4.85	45.78	10.000		8%	100%	0.09
	Aug	63.04	4.77	44.80	10.000		8%	94%	-3.47
	Sep	56.52	5.10	44.53	9.100		9%	104%	2.20
	Oct	57.59	5.37	44.01	9.000		9%	101%	0.80
	Nov	59.42	4.99	42.51	9.000		8%	95%	-2.92
	Dec	52.55	5.35	38.34	9.000		10%	100%	0.14
2029	Jan	49.57	5.74	36.96	9.000		12%	104%	2.13
	Feb	52.46	5.22	35.98	10.000		10%	98%	-1.26
	Mar	53.72	6.70	40.70	9.000		12%	105%	2.68
	Apr	60.85	6.29	45.61	9.100		10%	100%	0.15
	May	61.54	5.65	47.89	9.200		9%	102%	1.20
	Jun	63.04	5.24	49.70	9.800		8%	103%	1.70
	Jul	62.84	4.83	47.61	10.000		8%	99%	-0.40
	Aug	65.43	4.74	46.59	10.000		7%	94%	-4.10
	Sep	58.51	5.07	46.31	9.100		9%	103%	1.96
	Oct	59.62	5.34	45.78	9.000		9%	101%	0.50
	Nov	61.28	4.97	44.21	9.000		8%	95%	-3.11
	Dec	54.10	5.33	39.87	9.000		10%	100%	0.09
2030	Jan	51.13	5.71	38.43	9.000		11%	104%	2.02
	Feb	54.61	5.20	37.42	10.000		10%	96%	-2.00

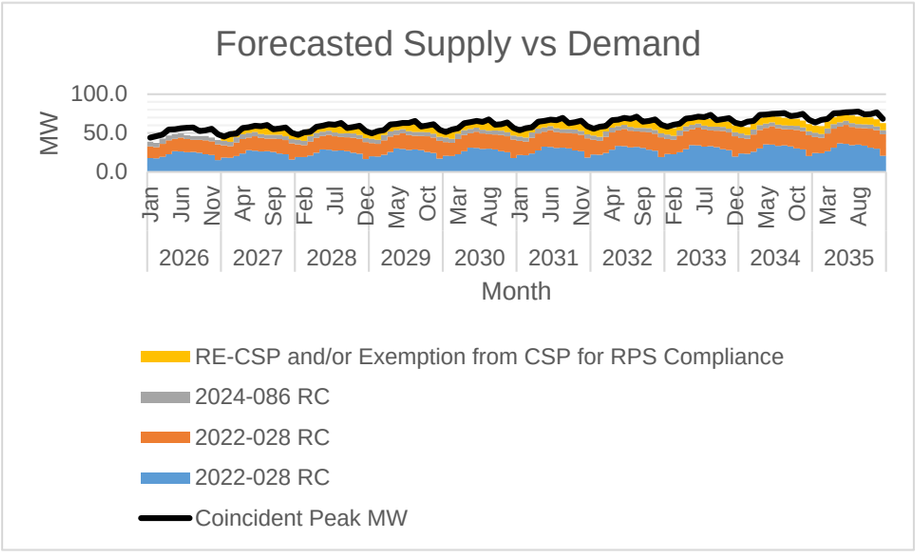
	Mar	55.96	6.67	42.32	9.000		12%	104%	2.03
	Apr	62.60	6.26	47.44	9.100		10%	100%	0.19
	May	63.94	5.62	49.81	9.200		9%	101%	0.69
	Jun	65.51	5.21	51.68	9.800		8%	102%	1.19
	Jul	64.19	4.80	49.51	10.000		7%	100%	0.13
	Aug	67.45	4.72	48.45	10.000		7%	94%	-4.28
	Sep	60.74	5.04	48.16	9.100		8%	103%	1.56
	Oct	61.29	5.32	47.61	9.000		9%	101%	0.63
	Nov	63.65	4.94	45.97	9.000		8%	94%	-3.74
	Dec	56.30	5.30	41.47	9.000		9%	99%	-0.53
2031	Jan	53.38	5.68	39.97	9.000		11%	102%	1.27
	Feb	56.02	5.17	38.91	10.000		9%	97%	-1.94
	Mar	57.45	6.63	44.02	9.000		12%	104%	2.20
	Apr	64.63	6.22	49.33	9.100		10%	100%	0.03
	May	65.40	5.59	51.80	9.200		9%	102%	1.19
	Jun	67.04	5.19	53.75	9.800		8%	103%	1.70
	Jul	66.36	4.78	51.49	10.000		7%	100%	-0.09
	Aug	69.36	4.69	50.39	10.000		7%	94%	-4.27
	Sep	62.69	5.02	50.09	9.100		8%	102%	1.51
	Oct	63.88	5.29	49.51	9.000		8%	100%	-0.08
	Nov	65.73	4.92	47.81	9.000		7%	94%	-4.00
	Dec	58.78	5.27	43.13	9.000		9%	98%	-1.38
2032	Jan	55.47	5.65	41.17	9.000		10%	101%	0.36
	Feb	58.21	5.14	40.08	10.000		9%	95%	-2.98
	Mar	59.19	6.60	45.34	9.000		11%	103%	1.75
	Apr	66.36	6.19	50.81	9.100		9%	100%	-0.26
	May	67.18	5.56	53.36	9.200		8%	101%	0.94
	Jun	69.57	5.16	55.36	9.800		7%	101%	0.75
	Jul	68.24	4.75	53.04	10.000		7%	99%	-0.45
	Aug	71.06	4.67	51.90	10.000		7%	94%	-4.48
	Sep	64.69	4.99	51.59	9.100		8%	102%	0.99
	Oct	65.57	5.26	51.00	9.000		8%	100%	-0.32
	Nov	67.52	4.89	49.25	9.000		7%	94%	-4.38
	Dec	60.51	5.24	44.42	9.000		9%	97%	-1.84
2033	Jan	57.93	5.63	42.41	9.000		10%	98%	-0.89
	Feb	60.79	5.12	41.28	10.000		8%	93%	-4.39
	Mar	61.82	6.57	46.70	9.000		11%	101%	0.44
	Apr	68.52	6.16	52.34	9.100		9%	99%	-0.93
	May	69.39	5.53	54.96	9.200		8%	100%	0.30
	Jun	71.15	5.13	57.03	9.800		7%	101%	0.80
	Jul	70.53	4.73	54.63	10.000		7%	98%	-1.18
	Aug	73.45	4.65	53.46	10.000		6%	93%	-5.34
	Sep	66.44	4.97	53.14	9.100		7%	101%	0.76
	Oct	67.69	5.23	52.53	9.000		8%	99%	-0.93
	Nov	69.02	4.87	50.72	9.000		7%	94%	-4.43
	Dec	63.18	5.22	45.75	9.000		8%	95%	-3.21
2034	Jan	61.41	5.60	43.68	9.000		9%	95%	-3.14
	Feb	64.45	5.09	42.52	10.000		8%	89%	-6.83
	Mar	65.53	6.53	48.10	9.000		10%	97%	-1.90
	Apr	73.48	6.13	53.91	9.100		8%	94%	-4.34
	May	73.63	5.50	56.61	9.200		7%	97%	-2.32
	Jun	74.74	5.11	58.74	9.800		7%	99%	-1.10
	Jul	74.82	4.70	56.27	10.000		6%	95%	-3.85
	Aug	75.62	4.62	55.07	10.000		6%	92%	-5.93
	Sep	71.62	4.94	54.73	9.100		7%	96%	-2.85

	Oct	72.60	5.21	54.10	9.000		7%	94%	-4.29
	Nov	74.76	4.84	52.25	9.000		6%	88%	-8.67
	Dec	66.99	5.19	47.13	9.000		8%	92%	-5.67
2035	Jan	63.70	5.57	44.99	9.000		9%	93%	-4.15
	Feb	66.85	5.06	43.80	10.000		8%	88%	-7.99
	Mar	67.99	6.50	49.54	9.000		10%	96%	-2.95
	Apr	75.36	6.10	55.53	9.100		8%	94%	-4.64
	May	75.52	5.48	58.30	9.200		7%	97%	-2.54
	Jun	76.65	5.08	60.50	9.800		7%	98%	-1.28
	Jul	76.80	4.68	57.96	10.000		6%	95%	-4.17
	Aug	77.57	4.60	56.72	10.000		6%	92%	-6.26
	Sep	73.84	4.91	56.37	9.100		7%	95%	-3.45
	Oct	74.45	5.18	55.72	9.000		7%	94%	-4.54
	Nov	76.49	4.82	53.81	9.000		6%	88%	-8.86
	Dec	68.17	5.16	48.54	9.000		8%	92%	-5.47

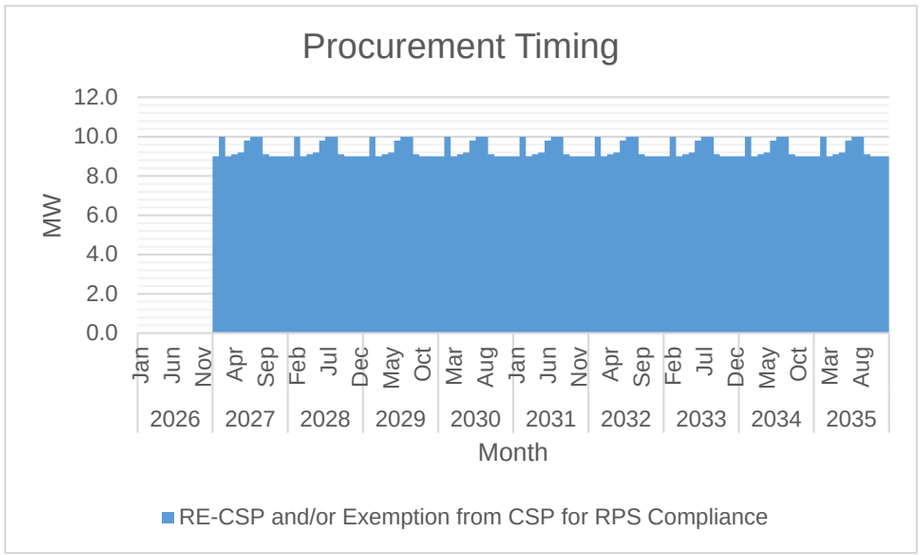
The Peak Demand was forecasted using Quadratic Logarithmic with Smoothing and Horizon and was assumed to occur on the months of June – August due to hot weather during summer that caused high demand on energy. Monthly Peak Demand is at its lowest on the month of January – February due to cold weather and resulted to low demand on energy. In general, Peak Demand is expected to grow at an average rate of 4.99% annually for the first three years.



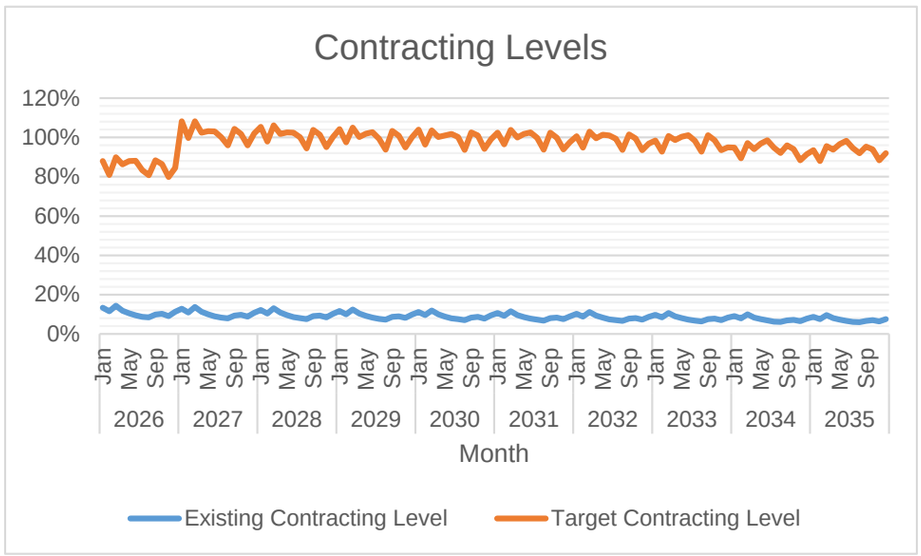
The available supply is generally below the Peak Demand. This is because of the abruptly increasing demand and the bulk of captive customer connections on the coverage area of CANORECO.



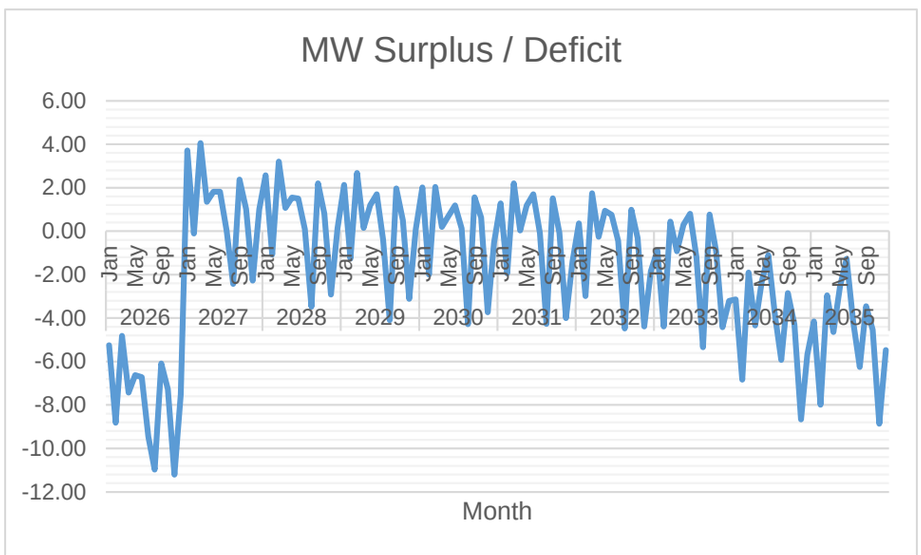
Of the available supply, the maximum contracted capacity for the year 2026 is 49.53 MW.



The maximum demand for the first wave of supply procurement is 10.00 MW for RE-CSP and/or Exemption from CSP for RPS Compliance planned to be available by February 2027.



The maximum target contracting level, based on projected demand, is 108%, which is expected to be reached as early as January 2027. However, CANORECO prefers an energy-based contracting arrangement, wherein the volume of energy to be procured through the RE-CSP and/or CSP Exemption for RPS compliance shall not exceed the projected kWh purchase reflected in the Forecasted Data Sheet. The lowest target contracting level is 80% which is expected to occur on November 2026.

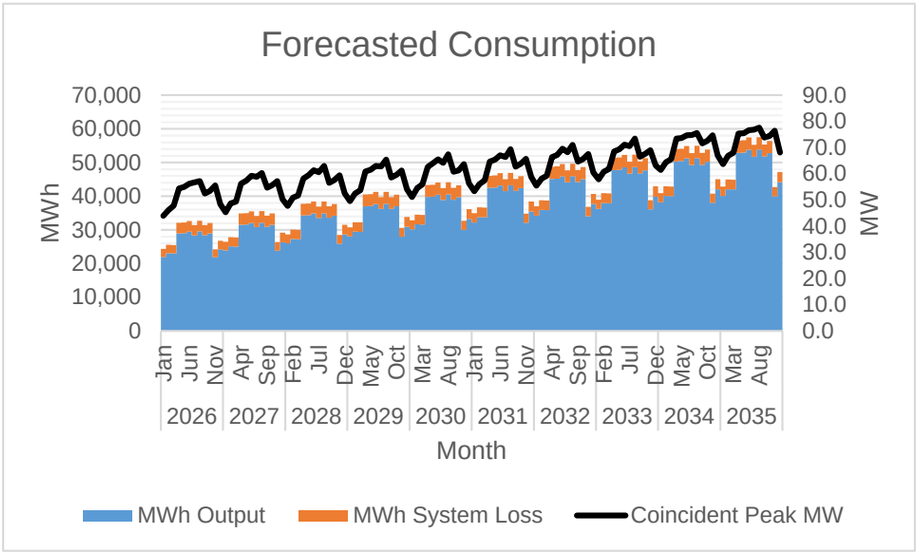


Year	Month	MWh Offtake	MWh Output	MWh System Loss	Transm'n Loss	System Loss
2026	Jan	24,393	21,979	2,370	0.18%	9.73%
	Feb	25,598	23,065	2,487	0.18%	9.73%
	Mar	25,555	23,027	2,483	0.18%	9.73%
	Apr	32,162	28,980	3,125	0.18%	9.73%
	May	32,231	29,041	3,131	0.18%	9.73%
	Jun	32,715	29,477	3,178	0.18%	9.73%
	Jul	31,467	28,353	3,057	0.18%	9.73%
	Aug	32,765	29,523	3,183	0.18%	9.73%
	Sep	31,512	28,394	3,062	0.18%	9.73%
	Oct	32,107	28,930	3,119	0.18%	9.73%
	Nov	24,295	21,891	2,360	0.18%	9.73%
	Dec	26,857	24,200	2,609	0.18%	9.73%
2027	Jan	26,558	23,913	2,580	0.25%	9.74%
	Feb	27,872	25,094	2,707	0.25%	9.74%
	Mar	27,827	25,053	2,703	0.26%	9.74%
	Apr	35,018	31,530	3,402	0.25%	9.74%
	May	35,089	31,597	3,409	0.24%	9.74%
	Jun	35,615	32,071	3,460	0.24%	9.74%
	Jul	34,255	30,848	3,328	0.23%	9.74%
	Aug	35,667	32,121	3,465	0.23%	9.74%
	Sep	34,306	30,893	3,333	0.23%	9.74%
	Oct	34,950	31,476	3,396	0.22%	9.74%
	Nov	26,430	23,817	2,569	0.17%	9.74%
	Dec	29,239	26,329	2,840	0.24%	9.74%
2028	Jan	28,697	26,002	2,635	0.21%	9.20%
	Feb	30,116	27,287	2,765	0.21%	9.20%
	Mar	30,066	27,241	2,761	0.21%	9.20%
	Apr	37,838	34,284	3,474	0.21%	9.20%
	May	37,917	34,357	3,482	0.21%	9.20%
	Jun	38,486	34,873	3,534	0.21%	9.20%
	Jul	37,017	33,543	3,399	0.20%	9.20%
	Aug	38,544	34,927	3,539	0.20%	9.20%
	Sep	37,071	33,591	3,404	0.21%	9.20%
	Oct	37,769	34,225	3,468	0.20%	9.20%
	Nov	28,566	25,897	2,624	0.16%	9.20%
	Dec	31,595	28,629	2,901	0.21%	9.20%
2029	Jan	30,821	28,088	2,677	0.18%	8.70%
	Feb	32,344	29,476	2,810	0.18%	8.70%
	Mar	32,290	29,427	2,805	0.18%	8.70%
	Apr	40,638	37,035	3,530	0.18%	8.70%
	May	40,724	37,114	3,538	0.18%	8.70%
	Jun	41,336	37,671	3,591	0.18%	8.70%
	Jul	39,759	36,234	3,454	0.18%	8.70%
	Aug	41,400	37,729	3,596	0.18%	8.70%
	Sep	39,817	36,287	3,459	0.18%	8.70%
	Oct	40,568	36,971	3,524	0.18%	8.70%
	Nov	30,697	27,975	2,667	0.18%	8.70%
	Dec	33,935	30,926	2,948	0.18%	8.70%
2030	Jan	32,928	30,159	2,709	0.18%	8.24%

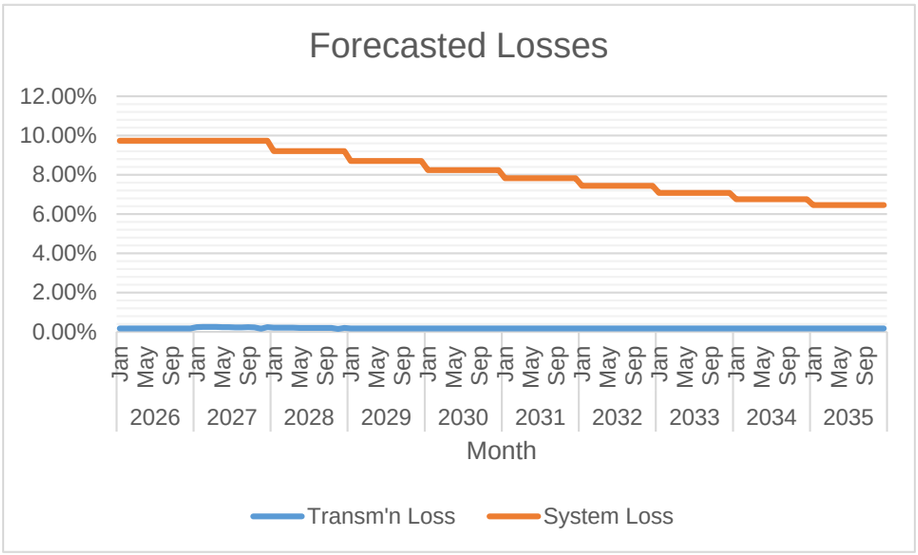
	Feb	34,555	31,649	2,843	0.18%	8.24%
	Mar	34,497	31,597	2,838	0.18%	8.24%
	Apr	43,416	39,766	3,572	0.18%	8.24%
	May	43,508	39,850	3,580	0.18%	8.24%
	Jun	44,162	40,449	3,634	0.18%	8.24%
	Jul	42,477	38,906	3,495	0.18%	8.24%
	Aug	44,230	40,511	3,639	0.18%	8.24%
	Sep	42,539	38,962	3,500	0.18%	8.24%
	Oct	43,342	39,698	3,566	0.18%	8.24%
	Nov	32,795	30,038	2,698	0.18%	8.24%
	Dec	36,255	33,207	2,983	0.18%	8.24%
2031	Jan	35,003	32,208	2,733	0.18%	7.82%
	Feb	36,733	33,799	2,868	0.18%	7.82%
	Mar	36,672	33,743	2,863	0.18%	7.82%
	Apr	46,153	42,467	3,603	0.18%	7.82%
	May	46,251	42,557	3,611	0.18%	7.82%
	Jun	46,945	43,196	3,665	0.18%	7.82%
	Jul	45,155	41,548	3,525	0.18%	7.82%
	Aug	47,018	43,263	3,671	0.18%	7.82%
	Sep	45,220	41,609	3,531	0.18%	7.82%
	Oct	46,074	42,394	3,597	0.18%	7.82%
	Nov	34,863	32,078	2,722	0.18%	7.82%
	Dec	38,540	35,462	3,009	0.18%	7.82%
2032	Jan	37,044	34,228	2,750	0.18%	7.44%
	Feb	38,875	35,919	2,885	0.18%	7.44%
	Mar	38,810	35,860	2,881	0.18%	7.44%
	Apr	48,844	45,131	3,625	0.18%	7.44%
	May	48,948	45,227	3,633	0.18%	7.44%
	Jun	49,683	45,906	3,688	0.18%	7.44%
	Jul	47,788	44,155	3,547	0.18%	7.44%
	Aug	49,759	45,977	3,693	0.18%	7.44%
	Sep	47,857	44,219	3,552	0.18%	7.44%
	Oct	48,760	45,053	3,619	0.18%	7.44%
	Nov	36,895	34,091	2,738	0.18%	7.44%
	Dec	40,788	37,687	3,027	0.18%	7.44%
2033	Jan	39,048	36,218	2,760	0.18%	7.08%
	Feb	40,978	38,007	2,897	0.18%	7.08%
	Mar	40,910	37,944	2,892	0.18%	7.08%
	Apr	51,486	47,754	3,640	0.18%	7.08%
	May	51,596	47,856	3,647	0.18%	7.08%
	Jun	52,370	48,574	3,702	0.18%	7.08%
	Jul	50,373	46,721	3,561	0.18%	7.08%
	Aug	52,451	48,649	3,708	0.18%	7.08%
	Sep	50,446	46,789	3,566	0.18%	7.08%
	Oct	51,398	47,672	3,633	0.18%	7.08%
	Nov	38,891	36,072	2,749	0.18%	7.08%
	Dec	42,994	39,877	3,039	0.18%	7.08%
2034	Jan	41,015	38,174	2,766	0.18%	6.76%
	Feb	43,041	40,061	2,903	0.18%	6.76%
	Mar	42,970	39,994	2,898	0.18%	6.76%
	Apr	54,079	50,334	3,648	0.18%	6.76%
	May	54,194	50,441	3,655	0.18%	6.76%
	Jun	55,008	51,199	3,710	0.18%	6.76%
	Jul	52,910	49,246	3,569	0.18%	6.76%
	Aug	55,093	51,278	3,716	0.18%	6.76%

	Sep	52,986	49,317	3,574	0.18%	6.76%
	Oct	53,986	50,248	3,641	0.18%	6.76%
	Nov	40,850	38,021	2,755	0.18%	6.76%
	Dec	45,159	42,032	3,046	0.18%	6.76%
2035	Jan	42,943	40,098	2,768	0.18%	6.46%
	Feb	45,065	42,079	2,905	0.18%	6.46%
	Mar	44,990	42,009	2,900	0.18%	6.46%
	Apr	56,622	52,870	3,650	0.18%	6.46%
	May	56,742	52,983	3,658	0.18%	6.46%
	Jun	57,594	53,778	3,713	0.18%	6.46%
	Jul	55,398	51,727	3,571	0.18%	6.46%
	Aug	57,683	53,861	3,719	0.18%	6.46%
	Sep	55,478	51,802	3,576	0.18%	6.46%
	Oct	56,525	52,780	3,644	0.18%	6.46%
	Nov	42,771	39,937	2,757	0.18%	6.46%
	Dec	47,283	44,150	3,048	0.18%	6.46%

MWh Offtake was forecasted using Cubic Logarithmic with Smoothing and Horizon regression model.



MWh Output was expected to grow at a rate of 8.43% annually for the first five years forecast.



Transmission Loss is expected to range from 0.16% to 0.26%.while System Loss is expected to range from 6% to 10%.

Power Supply

Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
2024-086 RC	Peaking	YH Green Energy, Inc.	4.62	6.84	13,656	15,173	12/26/2025	12/25/2045

Pursuant to Section 2.3.4 of DOE Circular No. DC 2023-06-0021, CANORECO negotiated with YH Green for the procurement of power supply from the 10 MWp YH Camarines Norte Solar Power Plant-EGF. CANORECO and YH Green filed a Joint Application dated June 6, 2024, seeking for ERC's approval of the PSA with prayer for provisional authority and/ or interim relief. The PSA will be for a period of 20 years from Delivery Date. The ERC issued the final authority for the said PSA on December 10, 2025.

During 2019, when we formulated the terms of reference (TOR) during the conduct of our CSP for our base & intermediate load requirements, the DC 2017-12-0015 requires only 1% annual increment of the total demand for RPS compliance. However, after the issuance of ERC's provisional authority (PA) for our PSA, the DC 2022-09-0030 requires 2.52% increment per year, which we find difficult to fully comply.

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Case No.	Type	GenCo	Minimum MW	Maximum MW	Minimum MWh/yr	Maximum MWh/yr	PSA Start	PSA End
2022-028 RC	Base	Therma Luzon, Inc.	12.12	37.78	151,849	271,041	12/26/2021	12/25/2036
2022-028 RC	Intermediate	Therma Luzon, Inc.	11.38	28.42	58,456	104,371	12/26/2021	12/25/2036

After going through the process of the CSP, CANORECO entered into a Power Supply Agreement (PSA) with Therma Luzon, Inc. (TLI) for the base and intermediate load requirements with a contract duration of 15 years from December 26, 2021 to December 25, 2036. The provisional authority (PA) was promulgated by ERC on June 16, 2022. The supply deficit will be procured through Wholesale Electricity Spot Market (WESM).

	RE-CSP and/or Exemption from CSP for RPS Compliance***
Type	Peaking
Minimum MW* **	9.00
Maximum MW** **	10.00
Minimum MWh/yr* **	21,477
Maximum MWh/yr* **	22,760
PSA Start	12/26/2026******
PSA End	12/25/2046*****
Publication**	6/1/2026
Pre-bid	6/22/2026
Opening	8/21/2026
Awarding	9/20/2026
PSA Signing	10/20/2026
Joint Filing	10/29/2026

**The discrepancy of the monthly demand from the 2025 PSPP was due to the increase of CANORECO's actual load growth and the changes in trend for the monthly demand. It was adjusted in 2026 PSPP to avoid over-contracting of supply.*

***In case where procurement is from RE-CSP Exemption, the Publication, Pre-bid and Opening are not applicable. Awarding, PSA Signing and Joint Filing dates may be different dates for each applicable PSA*

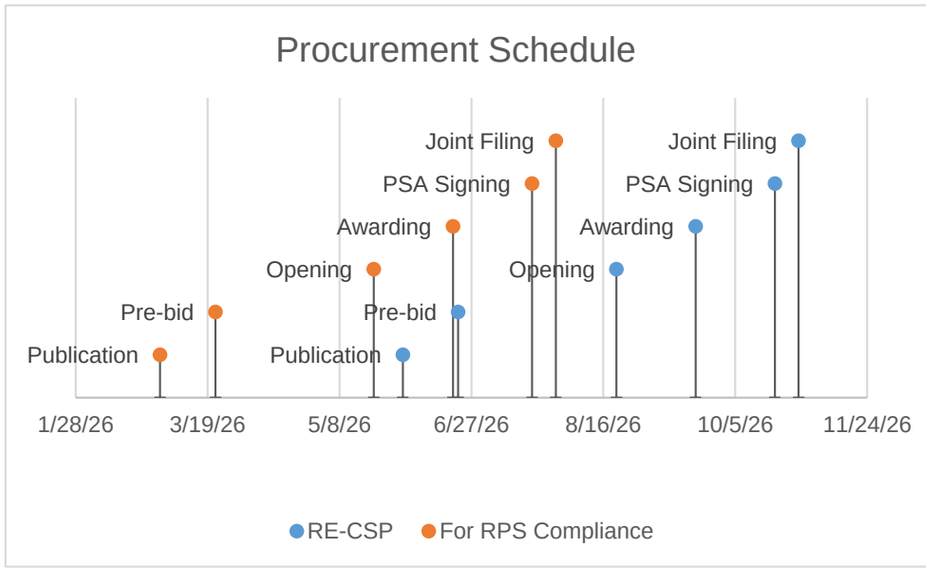
and shall be in accordance to DOE DC2023-06-0021, as amended and supplemented by DOE DC2025-10-0022 and the ERC Resolution No. 07, Series of 2026.

****This RPS compliance procurement may be covered by one or more PSA. Note that the maximum energy shall not be exceeded and each applicable PSA may be different Awarding, PSA Signing and Joint Filing dates. Any deficit not contracted out may be* procure through the Renewable Energy Market (REM).

*****This requirement is for RPS compliance, the calculation is based on Energy. Hence, the Power Supply Agreement (PSA) shall also be an Energy-based contract.*

******In accordance to Annex A, Article V, Section 15 of ERC Resolution No. 7 series of 2026, for Physical PSAs where the nominated plants are renewable energy power plants, they may have a maximum term of twenty (20) years.*

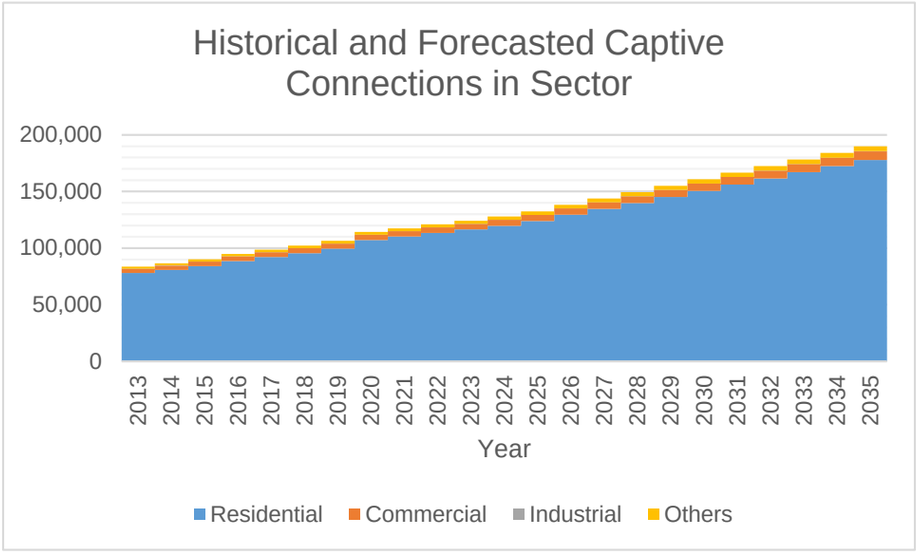
*******This estimated PSA Start date is subject to change based on the actual result of the concluded RE-CSP/CSP-Exemption.*



CANORECO has a plan to procure a power supply from Renewable Energy through RE-CSP and/or Exemption from CSP for RPS Compliance or to procure through the Renewable Energy Market (REM). This procurement may be covered by one or more PSA.

Our cooperative is committed to sustainability and fully acknowledges the importance of transitioning to renewable energy sources. CANORECO plans to conduct another CSP for RPS compliance. However, we find ourselves in a predicament where fully complying with the RPS requirements through RE-CSP would result in us being over-contracted for our energy needs because we have an existing Power Supply Agreement (PSA) for our base & intermediate load requirements that was concluded last December 2021.

Captive Customer Connections



The number of captive customer connections in the franchise area of CANORECO is expected to grow at a rate of 3.80% annually on the first five years due to the increasing population, economic growth, developments of commercial and industrial establishments, increasing job opportunities, and uprising tourism industry.