QUEZON II ELECTRIC COOPERATIVE, INC.
(QUEZELCO II)
Brgy. Gumian, Infanta, Quezon
Tel. Nos. (0420) 536-3406 / 536-4302

QUEZELCO II is a non-stock non-profit electric distribution cooperative duly organized under Presidential decree No. 269, as amended, and incorporated on August 11, 1978, with principal office address at Barangay Gumian, Infanta, Quezon. Its journey began with the granting of its franchise covering eight (8) municipalities for the mainland areas of Infanta, Real, and General Nakar on February 8, 1984, set to expire in year 2034. The island areas of Polillo, Burdeos, and Panukulan followed on October 12, 1990, with their franchise expiring in 2040. The island areas of Jomalig and Patnanungan on October 5, 2005 also expiring on year 2034. Covering 129 barangays across 8 municipalities in Quezon Province, QUEZELCO II serves a population of 244,736 9 as per PSA 2020 data, over an area of 3,125.68 square kilometers. The cooperative's customer base is predominantly residential, accounting for 93.16% of its connections and 64.80% of its energy sales.

At present, QUEZELCO II's Power Supply Agreement with GNPower is set to end by 2026. Due to the growing economy of the service area, the annual power requirement of QUEZELCO II based on Distribution Development Plan and Power Supply Procurement Plan (PSPP) forecast, as stated below, has also increased.

YEAR	LOT 1	LOT 2
	BASELOAD	INTERMEDIATE
2027	11 MW	2 MW
2028	12 MW	3 MW
2029	13 MW	3 MW
2030	14 MW	3 MW
2031	15 MW	3 MW
2032	16 MW	4 MW
2033	18 MW	4 MW
2034	19 MW	4 MW
2035	20 MW	4 MW
2036	21 MW	5 MW
2037	22 MW	5 MW
2038	23 MW	5 MW
2039	24 MW	5 MW
2040	26 MW	6 MW
2041	27 MW	6 MW

As contained in Resolution No. 16, Series of 2023 issued by the ERC, the guidelines for the procurement, execution, and evaluation of power supply agreements for distribution utilities will be followed to ensure a smooth transition and continued reliable service to their captive market. QUEZELCO II must initiate the Competitive Selection Process (CSP) as mandated by DOE Circular #2023-06-0021, which requires the CSP to begin no later than two years before the

contract's termination. Additionally, the cooperative must inform the DOE five calendar days before the first publication, with all documents emailed to NEA and copied to DOE.

In compliance with the directives, QUEZELCO II has conducted Competitive Selection Process last year 2023, however a failure of bidding was declared due to non-participation of bidder.

To ensure that there will be an adequate power supply before end of year 2026 and in compliance with directives of the ERC, DOE and NEA, QUEZELCO II has submitted its final 2024-2033 Distribution Development Plan and Power Supply Procurement Plan (PSPP) for Grid Areas to the Department of Energy last 16 August 2024.

In which, the Department of Energy in its letter dated 29 August 2024 signed by Ms. Irma C. Exconde, Director IV, Electric Power Industry Management Bureau has approved the submitted 2024-2033 Distribution Development Plan and Power Supply Procurement Plan (PSPP) for Grid Areas. As advised in the letter QUEZELCO II must post the approved 2024-2033 Distribution Development Plan and Power Supply Procurement Plan (PSPP) including this Narrative report to the official website of the cooperative within fifteen (15) working days upon receipt of the letter.

VON ERWIN G. AZAGRA, PEE
General Manager