

- f. Statements of Financial Position by Company as of September 30, 2017.

9. Projected Consolidated Financial Statements as of and for the Year Ending December 31, 2017

Mr. Balisacan presented the following matters attached to the agenda folder:

a. Summary of Major Assumptions

1. Closing Forex Rate Used: January–September 2017 (average actual) = Php50.308/US\$; October–December 2017 (projected) = Php51.00/US\$.
2. Operating Costs and Expenses:
 - a. January to September 2017 is based on actual; October – December 2017 is projected.
 - b. Management to recommend to SGV to reverse the Asset Retirement Obligation (ARO) of Php11.8 Million and its treatment as income due to the purchase of all the lots underlying the Bohol Diesel Power Plant; No adjustments for other ARO.
 - c. No additional provision for doubtful accounts and probable inventory losses/obsolescence.
3. Cebu Diesel Power Plant (CDPP1): SPC continues to operate and maintain the CDPP1; income generated from CDPP1 accrues to SPC; and the Php1.143 Billion that was paid to PSALM for the acquisition of NPPC is assumed uncollected as of end-December 2017.
4. Long-Term Debt
 - a. Principal prepayment of Php505,555,556 on October 28, 2017.
 - b. Reversal of Php400,000,000 previously appropriated retained earnings in 2015 (for compliance with loan covenant) due to the prepayment of long-term debt.
5. Fuel Deliveries
 - a. Additional cash requirements of Php151,989,361 to stockpile fuel oil (last quarter).
6. PB 104
 - a. Provision for cash requirements in the last quarter of 2017 based on committed expenses as of September 30, 2017 and estimated remaining requirements for the year 2017 with a total amount of Php78,072,278.
7. Cash Dividends Received by SPC (Parent Company)
 - a. KSPC – Php552,743,821 actually declared in June 2017; Php428,400,000 projected for Dec. 2017
 - b. MECO – Php59,999,933 actually declared in July 2017; Php20 Million projected for Dec. 2017

- c. SIPC – Php499,999,900 projected; Php500 Million excess in 2016 to be declared to avoid IAET
 - d. SMPC – Php1,439,971 projected; Php3.6 Million excess in 2016 to be declared to avoid IAET
 - e. BLCI – Php5,984,999 partially declared in Aug. 2017; Php8,977,498 projected for Dec. 2017
 - f. SLCI – Php2 Million projected; Php5 Million excess in 2016 to be declared to avoid IAET
 - g. SECI – Php7,999,998 projected; Php20 Million excess in 2016 to be declared to avoid IAET
8. Cash Dividends Declared by SPC: Actual declaration in May 2017 was Php598.6 Million; Any additional declaration in 2017 is not yet considered.
9. Other major assumptions: Possible reclassification of balance sheet and income statement accounts after the audit of SGV is not yet considered; merit increases, year-end bonuses and directors' fees are assumed to be the same as last year's; and cash proceeds from disposal of excess/obsolete inventories and other non-performing assets are not yet considered.
- b. Projected Consolidated Statements of Comprehensive Income
 - c. Projected Consolidated Statements of Financial Position
 - d. Projected Consolidated Statements of Cash Flows
 - e. Projected Consolidated Statements of Changes in Stockholders' Equity
 - f. Projected Consolidated Statements of Comprehensive Income by Company
 - g. Projected Consolidated Statements of Financial Position by Company
- h. List of Items/Assumptions Requiring BOD Resolution/Approval:
- 1. Reversal of retained earnings appropriated in 2015 amounting to Php400 Million for compliance with loan covenant.
 - 2. Review of the following existing appropriation of retained earnings:
 - a. On December 3, 2014, the SPC Board approved an additional appropriation of Php50 Million out of the unappropriated retained earnings of SPC thereby increasing the total appropriation to Php850 Million as of December 31, 2015. The appropriation was for the construction of a new CFBC Coal-Fired Power Plant with a capacity of 2x100MW upon acquisition of the NPPC.
 - b. On March 30, 2016, the SPC Board approved the reversal of appropriation amounting to Php850 Million and the appropriation of retained earnings by the same amount for the construction of a CFBC Coal-Fired Power Plant of at least 300MW in the province of Cebu or in the Visayas region within the years 2016-2020.
 - 3. Disposition of projected excess earnings as of December 31, 2017 amounting to Php1.9 Billion.

10. Declaration of Cash Dividends

Mr. Balisacan presented the projected excess earnings of SPC as a Parent Company as of December 31, 2017 in the amount of Php1,945,521,250 which could be subjected to IAET.

He said that Management Committee recommended additional appropriation for new projects in the amount of Php500,000,000 and declaration of cash dividends in the amount of Php598,620,000, which would leave a projected balance of excess earnings of Php846,900,000, which could be cured until end of 2018.

He clarified that:

1. Per projected results of operations, the total balance of cash and cash equivalents as at end-2017 is estimated at Php1.309 Billion versus two-month working capital requirements of around Php95 Million only.
2. The projected cash balance as at end-2017 does not include collection of receivable from PSALM amounting to Php1.143 Billion, which is the amount paid for NPPC.

Mr. Alberto P. Fenix, Jr. moved to (a) reverse the November 24, 2015 appropriation of retained earnings amounting to Php400 Million; (b) appropriate Php500 Million for renewable energy projects; (c) declare cash dividends of Php0.40/share or the equivalent of Php598,620,000; and (d) maintain the Php850 Million appropriation for the construction of a new power plant in the province of Cebu or in the Visayas Region within the years 2016-2020.

Replying to Mr. Ahn, Soon-Chan's question, Mr. Henares said that the Corporation is considering a hydro power plant project in Palawan or an in-island power plant in Bohol.

Mr. Henares also said that in a resolution approved on March 30, 2016, the Board appropriated Php850 Million for a power plant to be constructed in Cebu or in the Visayas Region.

Mr. Ahn, Soon-Chan asked if the Php1.143 Billion refund from PSALM could also be declared as dividends this year. Mr. Henares commented that the Board could not consider for now what the Corporation has not yet received.

Upon motion duly made and seconded, without any objection, the Board approved the following resolutions:

RESOLVED that the Corporation authorize the reversal of retained earnings appropriated in 2015 amounting to Php400 Million for compliance with its loan covenant and the reinstatement of the same amount as unappropriated retained earnings.

RESOLVED further that the Corporation appropriate Php500 Million for the construction of two run-of-river hydro electric power plant projects in Palawan with a

capacity of 15.8 MW to commence within the years 2018-2019.

RESOLVED further that the Corporation be authorized to declare cash dividends in the amount of PhP0.40 per share with the following reckoning dates for the entitlement of and payment to the stockholders:

Record date - December 6, 2017

Payment date - December 14, 2017

RESOLVED finally that the Corporation maintain the amount of PhP850 Million as appropriation for the construction of a new CFBC-Fired power plant of at least 300 MW in the Province of Cebu or in the Visayas Region within the years 2018-2021.

11. Approval of Directors' Fees

Mr. Fenix moved for the approval of Director's fee for CY2017 in the amount of PhP600,000, which is the same amount as last year's, and an additional PhP200,000 for the Chairman.

Upon motion duly made and seconded, without any objection, the Board approved the amount of PhP600,000 as Director's fee and an additional amount of PhP200,000 for the Chairman for CY 2017.

12. Proposed 2018 Budget of SPC (Parent Company)

Mr. Balisacan discussed the following:

- a. Summary of Major Assumptions which include operating costs and expenses, projected cash dividends from and budgets of subsidiaries/affiliates.
- b. Projected 2018 Operating Plan for SPC and SIPC Plants
- c. SPC Proposed CY2018 Budget – Proforma Income Statements
- d. 2018 CAPEX Budget

Mr. Dennis T. Villareal moved to approve the proposed budget.

Upon motion duly made and seconded, without any objection, the Board approved the proposed budget for CY2018 as recommended by management.

13. Election of Corporate Secretary and Designation of Compliance Officer

Ms. Caminero informed the Board that Mr. Reynante del Rosario, who already resigned, was the Compliance Officer of the Corporation, and that such position could only be occupied by an officer with a rank of a Senior Vice-President. Considering that she was being considered as the new Compliance Officer, she had to resign her position as Corporate Secretary because the rules would not allow her to hold both positions. She said that management recommended Atty. Remigio Michael A.

Ancheta II as the new Corporate Secretary and requested for her designation as the new Compliance Officer.

The Board accepted Ms. Caminero's resignation as Corporate Secretary.

Mr. Roberto F. De Ocampo nominated Mr. Ancheta as the new Corporate Secretary.

Upon motion duly made and seconded, without any objection, the Board appointed Mr. Remigio Michael A. Ancheta II as the new Corporate Secretary of the Corporation, and Ms. Ma. Luz L. Caminero as the new Compliance Officer of the Corporation.

14. Designation of Bank Signatories

Management requested the Board to designate a new bank signatory to replace Mr. Del Rosario who already resigned.

Upon motion duly made and seconded, without any objection, the Board designated Mr. Alberto P. Fenix, Jr. to replace Mr. Reynante Del Rosario as one of the authorized signatories of the bank accounts of the Corporation.

15. Other Matters

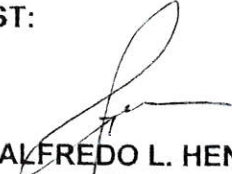
No other matter was discussed.

16. Adjournment

The meeting was adjourned at 4:30 p.m.

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ATTEST:


ALFREDO L. HENARES
Chairman


DENNIS T. VILLAREAL
Director


ALBERTO P. FENIX, JR.
Director

RAMON Y. SY
Director


ENRIQUE L. BENEDICTO
Director


ROBERTO F. DE OCAMPO
Director


SERGIO R. ORTIZ-LUIS, JR.
Director


GO, JAE-HAN
Director


AHN, SOON-CHAN
Director


GUILLERMO P. DABBAY, JR.
Director


REMIGIO MICHAEL A. ANCHETA II
Corporate Secretary

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF**

SPC POWER CORPORATION

Held at the SPC Conference Room, 7th Floor, Citibank Center
8741 Paseo de Roxas, Makati City
On November 20, 2017 (2:00 P.M.)

PRESENT:

ALFREDO L. HENARES
DENNIS T. VILLAREAL
ALBERTO P. FENIX, JR.
RAMON Y. SY
ENRIQUE L. BENEDICTO
ROBERTO F. DE OCAMPO
SERGIO R. ORTIZ-LUIS, JR.
GO, JAE-HAN
AHN, SOON-CHAN
GUILLERMO P. DABBAY, JR.

ALSO PRESENT:

JAIME M. BALISACAN
MA. LUZ L. CAMINERO
CORAZON L. GAMEZ
ANTONIO T. CORPUZ
CESAR O. VILLEGAS
REMIGIO MICHAEL A. ANCHETA II

1. Call to Order

The Chairman, Mr. Alfredo L. Henares, called the meeting to order at 2:10 p.m. The Corporate Secretary, Atty. Ma. Luz L. Caminero, recorded the proceedings of the meeting.

2. Quorum Certification

Ms. Caminero certified that with all ten (10) Directors present, there was a quorum to transact business.

3. Minutes of Previous (August 14, 2017) Meeting

The Board reviewed the draft of the minutes of its meeting of August 14, 2017 attached to the agenda folder.

Upon motion duly made and seconded, without any objection, the Board approved the minutes of its meeting on August 14, 2017.

4. Matters Arising from Previous Meeting

Ms. Caminero informed the Board that matters arising from the previous meeting were included in the agenda.

5. Operations Report

Mr. Cesar O. Villegas presented the respective performances of the four (4) power plants and informed the Board that (a) demand declined due to the July 6, 2017 Leyte earthquake, and it only started to recover in September, 2017; (b) the plant capacities decreased due to maintenance operations after the Leyte earthquake; and (c) revenue declined because of the Leyte earthquake with total revenue of 4 plants from January to October 2017 at Php781.5 Million (net of fuel).

6. Update on PB 104

Mr. Villegas informed the Board that PB 104 was temporarily moored at Ubay, Bohol and the proposed permanent mooring site was at Loon, Bohol. He said that PB 104 was undergoing rehabilitation to provide emergency power to Bohol island in case of "islanding operation," in addition to the capacity of Bohol Diesel Power Plant (BDPP).

Replying to the questions of Mr. Go, Jae-Han, Mr. Villegas said that PB 104 could serve the ASPA market and the WESM, and it could also supply the peaking power requirements of Bohol.

Ms. Caminero requested board approval for the filing of applications with the Energy Regulatory Commission (ERC) for the approval of the separate Interim Power Supply Agreements (IPSAs) of the Corporation with Bohol Light Company, Inc. (BLCI), Bohol I Electric Cooperative, Inc. (BOHECO I), and Bohol II Electric Cooperative, Inc. (BOHECO II).

Upon motion duly made and seconded, without any objection, the Board approved the following resolutions:

RESOLVED that the Corporation authorize the filing of (a) applications with the Energy Regulatory Commission (ERC) for the approval of its Interim Power Supply Agreements (IPSAs) with Bohol Light Company, Inc. (BLCI), Bohol I Electric Cooperative, Inc. (BOHECO I), and Bohol II Electric Cooperative, Inc. (BOHECO II), and (b) related actions and legal remedies.

RESOLVED further that the Corporation authorize the President, Mr. Dennis T. Villareal, or his authorized representative(s) to represent the Corporation in the ERC applications, related actions, and legal remedies.

RESOLVED finally that the Corporation authorize Ancheta & Associates Attorneys-at-Law or any of its lawyers and/or Atty. Benjamin P. Lozada III to represent the Corporation in the ERC applications, related actions, and legal remedies with power to act on behalf of the Corporation in matters covered by pre-trial conferences and to enter into compromise agreements.

7. Update on Naga Power Plant

Ms. Caminero recalled that the Supreme Court decision in the *Osmeña v. PSALM, et al.* declared null and void SPC's right to top the bid of the highest bidder of the Naga Power Plant, and consequently annulled the Asset Purchase Agreement and the Land Lease Agreement between PSALM and SPC.

She informed the Board that (a) as of August 9, 2017, PSALM and SPC met to determine the timeline for the turnover of the Naga Power

Plant to PSALM and the return of the bid price of SPC; (b) on October 9, 2017, PSALM wrote SPC requesting documents to support its claim and SPC referred the matter to its counsel; and (c) on November 3, 2017, PSALM requested SPC access to the plant for the conduct of ocular inspection on November 17, 2017 by the representatives of PSALM and Therma Power Visayas, Inc. (TPVI), and that SPC granted such request.

The Board noted the report.

8. Interim Consolidated Financial Statements as of and for the Nine Months Ended September 30, 2017

Mr. Jaime M. Balisacan presented the financial statements attached to the agenda folder:

- a. Consolidated Statement of Comprehensive Income for the Nine Months Ended September 30, 2017 and 2016
 1. Net income for the period is Php1,202,603,038 or an 18.6 % decrease (equivalent to Php275,303,557) as compared to previous period mainly due to the Leyte earthquake.
 2. KEPCO SPC's income tax holiday ended in February 2017.
 3. MECO was directed to refund customers for over-recoveries from 2012 to 2015.
 4. SPC Island Power Corporation, BLCI, and SPC had decreases in revenues because of the Leyte earthquake.
- b. Consolidated Statements of Financial Position as of September 30, 2017 and December 31, 2016
 1. Total current assets for the period is Php3.04 Billion or 24.9% increase versus previous period.
 2. Total noncurrent assets for the period is Php8.34 Billion or 4.4% increase versus previous period.
 3. Total current liabilities for the period is Php1.078 Billion or 27.7% increase versus previous period.
 4. Total noncurrent liabilities for the period is Php794.46 Million or 19.5% increase versus previous period. Amount due to NPC/PSALM has substantially increased by 2109.7% because of delayed payments of fuel and building up of fuel stocks.
 5. Total liabilities increased by 24.1% mainly because of higher trade and other payables due to PSALM.
- c. Consolidated Statements of Cash Flows for Nine Months Ended September 30, 2017 and 2016
 1. Cash and cash equivalents at end of period is Php2.034 Billion versus Php2.266 Billion of previous period.
- d. Consolidated Statements of Changes in Stockholders' Equity for Nine Months Ended September 30, 2017 and 2016
- e. Statements of Comprehensive Income by Company for Nine Months Ended September 30, 2017 and 2016.

- f. Statements of Financial Position by Company as of September 30, 2017.

9. Projected Consolidated Financial Statements as of and for the Year Ending December 31, 2017

Mr. Balisacan presented the following matters attached to the agenda folder:

a. Summary of Major Assumptions

1. Closing Forex Rate Used: January–September 2017 (average actual) = Php50.308/US\$; October–December 2017 (projected) = Php51.00/US\$.
2. Operating Costs and Expenses:
 - a. January to September 2017 is based on actual; October – December 2017 is projected.
 - b. Management to recommend to SGV to reverse the Asset Retirement Obligation (ARO) of Php11.8 Million and its treatment as income due to the purchase of all the lots underlying the Bohol Diesel Power Plant; No adjustments for other ARO.
 - c. No additional provision for doubtful accounts and probable inventory losses/obsolescence.
3. Cebu Diesel Power Plant (CDPP1): SPC continues to operate and maintain the CDPP1; income generated from CDPP1 accrues to SPC; and the Php1.143 Billion that was paid to PSALM for the acquisition of NPPC is assumed uncollected as of end-December 2017.
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 - a. Provision for cash requirements in the last quarter of 2017 based on committed expenses as of September 30, 2017 and estimated remaining requirements for the year 2017 with a total amount of Php78,072,278.
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 - 3. Disposition of projected excess earnings as of December 31, 2017 amounting to Php1.9 Billion.

10. Declaration of Cash Dividends

Mr. Balisacan presented the projected excess earnings of SPC as a Parent Company as of December 31, 2017 in the amount of Php1,945,521,250 which could be subjected to IAET.

He said that Management Committee recommended additional appropriation for new projects in the amount of Php500,000,000 and declaration of cash dividends in the amount of Php598,620,000, which would leave a projected balance of excess earnings of Php846,900,000, which could be cured until end of 2018.

He clarified that:

1. Per projected results of operations, the total balance of cash and cash equivalents as at end-2017 is estimated at Php1.309 Billion versus two-month working capital requirements of around Php95 Million only.
2. The projected cash balance as at end-2017 does not include collection of receivable from PSALM amounting to Php1.143 Billion, which is the amount paid for NPPC.

Mr. Alberto P. Fenix, Jr. moved to (a) reverse the November 24, 2015 appropriation of retained earnings amounting to Php400 Million; (b) appropriate Php500 Million for renewable energy projects; (c) declare cash dividends of Php0.40/share or the equivalent of Php598,620,000; and (d) maintain the Php850 Million appropriation for the construction of a new power plant in the province of Cebu or in the Visayas Region within the years 2016-2020.

Replying to Mr. Ahn, Soon-Chan's question, Mr. Henares said that the Corporation is considering a hydro power plant project in Palawan or an in-island power plant in Bohol.

Mr. Henares also said that in a resolution approved on March 30, 2016, the Board appropriated Php850 Million for a power plant to be constructed in Cebu or in the Visayas Region.

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Upon motion duly made and seconded, without any objection, the Board approved the following resolutions:

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RESOLVED further that the Corporation appropriate Php500 Million for the construction of two run-of-river hydro electric power plant projects in Palawan with a

capacity of 15.8 MW to commence within the years 2018-2019.

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Record date - December 6, 2017
Payment date - December 14, 2017

RESOLVED finally that the Corporation maintain the amount of Php850 Million as appropriation for the construction of a new CFBC-Fired power plant of at least 300 MW in the Province of Cebu or in the Visayas Region within the years 2018-2021.

11. Approval of Directors' Fees

Mr. Fenix moved for the approval of Director's fee for CY2017 in the amount of Php600,000, which is the same amount as last year's, and an additional Php200,000 for the Chairman.

Upon motion duly made and seconded, without any objection, the Board approved the amount of Php600,000 as Director's fee and an additional amount of Php200,000 for the Chairman for CY 2017.

12. Proposed 2018 Budget of SPC (Parent Company)

Mr. Balisacan discussed the following:

- a. Summary of Major Assumptions which include operating costs and expenses, projected cash dividends from and budgets of subsidiaries/affiliates.
- b. Projected 2018 Operating Plan for SPC and SIPC Plants
- c. SPC Proposed CY2018 Budget – Proforma Income Statements
- d. 2018 CAPEX Budget

Mr. Dennis T. Villareal moved to approve the proposed budget.

Upon motion duly made and seconded, without any objection, the Board approved the proposed budget for CY2018 as recommended by management.

13. Election of Corporate Secretary and Designation of Compliance Officer

Ms. Caminero informed the Board that Mr. Reynante del Rosario, who already resigned, was the Compliance Officer of the Corporation, and that such position could only be occupied by an officer with a rank of a Senior Vice-President. Considering that she was being considered as the new Compliance Officer, she had to resign her position as Corporate Secretary because the rules would not allow her to hold both positions. She said that management recommended Atty. Remigio Michael A.

Ancheta II as the new Corporate Secretary and requested for her designation as the new Compliance Officer.

The Board accepted Ms. Caminero's resignation as Corporate Secretary.

Mr. Roberto F. De Ocampo nominated Mr. Ancheta as the new Corporate Secretary.

Upon motion duly made and seconded, without any objection, the Board appointed Mr. Remigio Michael A. Ancheta II as the new Corporate Secretary of the Corporation, and Ms. Ma. Luz L. Caminero as the new Compliance Officer of the Corporation.

14. Designation of Bank Signatories

Management requested the Board to designate a new bank signatory to replace Mr. Del Rosario who already resigned.

Upon motion duly made and seconded, without any objection, the Board designated Mr. Alberto P. Fenix, Jr. to replace Mr. Reynante Del Rosario as one of the authorized signatories of the bank accounts of the Corporation.

15. Other Matters

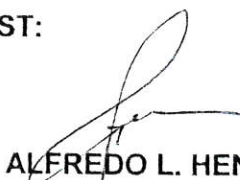
No other matter was discussed.

16. Adjournment

The meeting was adjourned at 4:30 p.m.

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ATTEST:


ALFREDO L. HENARES
Chairman


DENNIS T. VILLAREAL
Director


ALBERTO P. FENIX, JR.
Director

RAMON Y. SY
Director


ENRIQUE L. BENEDICTO
Director


ROBERTO F. DE OCAMPO
Director


SERGIO R. ORTIZ-LUIS, JR.
Director


GO, JAE-HAN
Director


AHN, SOON-CHAN
Director


GUILLERMO P. DABBAY, JR.
Director


REMIGIO MICHAEL A. ANCHETA II
Corporate Secretary



101222018000692

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

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Company Information

SEC Registration No. AS94002365

Company Name SPC POWER CORPORATION

Industry Classification Generation, Collection And Distribution Of Electricity

Company Type Stock Corporation

Document Information

Document ID 101222018000692

Document Type 17-C (FORM 11-C:CURRENT DISCL/RPT)

Document Code 17-C

Period Covered January 02, 2018

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Department CFD

Remarks

4 COPY

S.E.C. Registration Number

(Company's Full Name)

(Business Address: No. Street City/ Town / Province)

Contact Person

Company Telephone Number

Month

Day

Calendar Year

SEC FORM

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2 (c) THEREUNDER REVISED

1. January 2, 2018
Date of Report (Date of earliest event reported)
2. SEC Identification Number AS094-002365 3. BIR Tax Identification No. 003-868-048
4. SPC POWER CORPORATION
Exact name of issuer as specified in its charter
5. Cebu City, Philippines 6. (SEC Use Only)
Province, country or other jurisdiction of Industry Classification Code:
Incorporation
7. 7th Floor, Cebu Holdings Center, Cebu City, 6000 Philippines
Archbishop Reyes Avenue, Cebu Business
Park
Address of principal office Postal Code
8. (63 2) 810 44 74 to 77, 810 44 50, 810 44 65
Issuer's telephone number, including area code
9. N.A.
Former name of former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Section 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock
Outstanding and Amount of Debt
Outstanding

Common Shares: Issued

1,569,491,900 shares

Treasury Stock

72,940,097 shares

Outstanding

1,496,551,803 shares

11. Indicate the item numbers reported herein: Item No. 9

Item 1. Changes in Control of Issuer - N.A.

- Item 2. Acquisition or Disposition of Assets - N.A.
- Item 3. Changes in Issuer's Certifying Accountant - N.A.
- Item 4. Resignation, Removal or Election of Registrant's Directors or Officers - N.A.
- Item 5. Legal Proceedings - N.A.
- Item 6. Changes in Securities - N.A.
- Item 7. Defaults Upon Senior Securities - N.A.
- Item 8. Change in Fiscal Year - N.A.
- Item 9. Other Events

Pursuant to SEC's reportorial requirements, please see enclosed Certification of Record of Attendance of SPC Power Corporation's directors for Calendar Year 2017 (April 03, 2017, May 30 2017, August 14, 2017 and November 27, 2017) duly notarized.

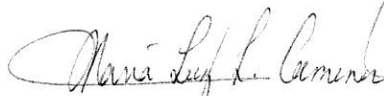
- Item 10. Financial Statements and Exhibits - N.A.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the Undersigned hereunto duly authorized.

Date : January 22, 2018

SPC Power Corporation
Issuer



Maria Luz L. Caminero
Compliance Officer
Signature and Title

CERTIFICATION

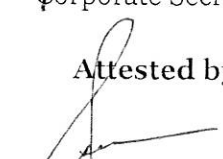
I, REMIGIO MICHAEL A. ANCHETA II, of legal age, the Corporate Secretary of SPC Power Corporation, a corporation organized and existing under Philippine laws, with principal office address at the 7th Floor, Cebu Holdings Center, Cebu Business Park, Archbishop Reyes Avenue, Cebu City, hereby certify that per records of the Corporation, the record of attendance of the eleven (11) directors of the Corporation at the four (4) board meetings held during the Calendar Year 2017 (i.e., April 3, May 30, August 14, and November 27) is as follows:

| | Name | No. of Meetings Attended For CY 2016 | Percentage |
|---|---------------------------|--|------------|
| 1. | Alfredo L. Henares | 4 out of 4 | 100% |
| 2. | Dennis T. Villareal | 4 out of 4 | 100% |
| 3. | Alberto P. Fenix, Jr. | 4 out of 4 | 100% |
| 4. | Ramon Y. Sy | 3 out of 4 | 75% |
| 5. | Roberto F. de Ocampo | 2 out of 4 | 50% |
| 6. | Enrique L. Benedicto | 4 out of 4 | 100% |
| 7. | Sergio R. Ortiz-Luis, Jr. | 3 out of 4 | 75% |
| 8. | Go, Jae-Han | 4 out of 4 | 100% |
| 9. | Ahn, Soon-Chan | 4 out of 4 | 100% |
| 10. | Choi, Bong-Joo | 0 out of 4 | 0% |
| 11. | Guillermo P. Dabbay, Jr. | 4 out of 4 | 100% |
| 12. | Shin, Dong-Woo* | 2 out of 4 | 50% |
| *Replaced Choi, Bong-Joo at the May 30, 2017 annual stockholders meeting. | | | |

IN WITNESS WHEREOF, I have hereunto affixed my signature this 19th day of January 2018.


REMIGIO MICHAEL A. ANCHETA II
Corporate Secretary


Attested by:


ALFREDO L. HENARES
Chairman of the Board

SUBSCRIBED AND SWORN TO before me this January 19, 2018 by the affiant who is personally known to me and who exhibited his IBP card (Roll of Attorneys No. 45304 and IBP Lifetime No. 05578) valid until March 8, 2018.

Doc. No. 197;
Page No. 41;
Book No. I;
Series of 2018.




MISHELLE ANNE R. RUBIO-AGUINALDO
Notary Public for Muntinlupa City
Appointment No. NC 17-027
Valid Until 31 December 2018
Suite 2404 Entrata Urban Complex
2609 Civic Drive, Fillinvest City
Alabang, Muntinlupa 1781
Roll of Attorneys No. 65873
PTR No. MCF 2801990; 01.05.18; Muntinlupa City
IBP Lifetime Roll No. 014910; PPI: A

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF**

SPC POWER CORPORATION

Held at the SPC Conference Room, 7th Floor, Citibank Center
8741 Paseo de Roxas, Makati City
On November 20, 2017 (2:00 P.M.)

PRESENT:

ALFREDO L. HENARES
DENNIS T. VILLAREAL
ALBERTO P. FENIX, JR.
RAMON Y. SY
ENRIQUE L. BENEDICTO
ROBERTO F. DE OCAMPO
SERGIO R. ORTIZ-LUIS, JR.
GO, JAE-HAN
AHN, SOON-CHAN
GUILLERMO P. DABBAY, JR.

ALSO PRESENT:

JAIME M. BALISACAN
MA. LUZ L. CAMINERO
CORAZON L. GAMEZ
ANTONIO T. CORPUZ
CESAR O. VILLEGAS
REMIGIO MICHAEL A. ANCHETA II

1. Call to Order

The Chairman, Mr. Alfredo L. Henares, called the meeting to order at 2:10 p.m. The Corporate Secretary, Atty. Ma. Luz L. Caminero, recorded the proceedings of the meeting.

2. Quorum Certification

Ms. Caminero certified that with all ten (10) Directors present, there was a quorum to transact business.

3. Minutes of Previous (August 14, 2017) Meeting

The Board reviewed the draft of the minutes of its meeting of August 14, 2017 attached to the agenda folder.

Upon motion duly made and seconded, without any objection, the Board approved the minutes of its meeting on August 14, 2017.

4. Matters Arising from Previous Meeting

Ms. Caminero informed the Board that matters arising from the previous meeting were included in the agenda.

5. Operations Report

Mr. Cesar O. Villegas presented the respective performances of the four (4) power plants and informed the Board that (a) demand declined due to the July 6, 2017 Leyte earthquake, and it only started to recover in September, 2017; (b) the plant capacities decreased due to maintenance operations after the Leyte earthquake; and (c) revenue declined because of the Leyte earthquake with total revenue of 4 plants from January to October 2017 at Php781.5 Million (net of fuel).

6. Update on PB 104

Mr. Villegas informed the Board that PB 104 was temporarily moored at Ubay, Bohol and the proposed permanent mooring site was at Loon, Bohol. He said that PB 104 was undergoing rehabilitation to provide emergency power to Bohol island in case of "islanding operation," in addition to the capacity of Bohol Diesel Power Plant (BDPP).

Replying to the questions of Mr. Go, Jae-Han, Mr. Villegas said that PB 104 could serve the ASPA market and the WESM, and it could also supply the peaking power requirements of Bohol.

Ms. Caminero requested board approval for the filing of applications with the Energy Regulatory Commission (ERC) for the approval of the separate Interim Power Supply Agreements (IPSAs) of the Corporation with Bohol Light Company, Inc. (BLCI), Bohol I Electric Cooperative, Inc. (BOHECO I), and Bohol II Electric Cooperative, Inc. (BOHECO II).

Upon motion duly made and seconded, without any objection, the Board approved the following resolutions:

RESOLVED that the Corporation authorize the filing of (a) applications with the Energy Regulatory Commission (ERC) for the approval of its Interim Power Supply Agreements (IPSAs) with Bohol Light Company, Inc. (BLCI), Bohol I Electric Cooperative, Inc. (BOHECO I), and Bohol II Electric Cooperative, Inc. (BOHECO II), and (b) related actions and legal remedies.

RESOLVED further that the Corporation authorize the President, Mr. Dennis T. Villareal, or his authorized representative(s) to represent the Corporation in the ERC applications, related actions, and legal remedies.

RESOLVED finally that the Corporation authorize Ancheta & Associates Attorneys-at-Law or any of its lawyers and/or Atty. Benjamin P. Lozada III to represent the Corporation in the ERC applications, related actions, and legal remedies with power to act on behalf of the Corporation in matters covered by pre-trial conferences and to enter into compromise agreements.

7. Update on Naga Power Plant

Ms. Caminero recalled that the Supreme Court decision in the *Osmeña v. PSALM, et al.* declared null and void SPC's right to top the bid of the highest bidder of the Naga Power Plant, and consequently annulled the Asset Purchase Agreement and the Land Lease Agreement between PSALM and SPC.

She informed the Board that (a) as of August 9, 2017, PSALM and SPC met to determine the timeline for the turnover of the Naga Power

Plant to PSALM and the return of the bid price of SPC; (b) on October 9, 2017, PSALM wrote SPC requesting documents to support its claim and SPC referred the matter to its counsel; and (c) on November 3, 2017, PSALM requested SPC access to the plant for the conduct of ocular inspection on November 17, 2017 by the representatives of PSALM and Therma Power Visayas, Inc. (TPVI), and that SPC granted such request.

The Board noted the report.

8. Interim Consolidated Financial Statements as of and for the Nine Months Ended September 30, 2017

Mr. Jaime M. Balisacan presented the financial statements attached to the agenda folder:

- a. Consolidated Statement of Comprehensive Income for the Nine Months Ended September 30, 2017 and 2016
 1. Net income for the period is Php1,202,603,038 or an 18.6 % decrease (equivalent to Php275,303,557) as compared to previous period mainly due to the Leyte earthquake.
 2. KEPCO SPC's income tax holiday ended in February 2017.
 3. MECO was directed to refund customers for over-recoveries from 2012 to 2015.
 4. SPC Island Power Corporation, BLCI, and SPC had decreases in revenues because of the Leyte earthquake.
- b. Consolidated Statements of Financial Position as of September 30, 2017 and December 31, 2016
 1. Total current assets for the period is Php3.04 Billion or 24.9% increase versus previous period.
 2. Total noncurrent assets for the period is Php8.34 Billion or 4.4% increase versus previous period.
 3. Total current liabilities for the period is Php1.078 Billion or 27.7% increase versus previous period.
 4. Total noncurrent liabilities for the period is Php794.46 Million or 19.5% increase versus previous period. Amount due to NPC/PSALM has substantially increased by 2109.7% because of delayed payments of fuel and building up of fuel stocks.
 5. Total liabilities increased by 24.1% mainly because of higher trade and other payables due to PSALM.
- c. Consolidated Statements of Cash Flows for Nine Months Ended September 30, 2017 and 2016
 1. Cash and cash equivalents at end of period is Php2.034 Billion versus Php2.266 Billion of previous period.
- d. Consolidated Statements of Changes in Stockholders' Equity for Nine Months Ended September 30, 2017 and 2016
- e. Statements of Comprehensive Income by Company for Nine Months Ended September 30, 2017 and 2016.

- f. Statements of Financial Position by Company as of September 30, 2017.

9. Projected Consolidated Financial Statements as of and for the Year Ending December 31, 2017

Mr. Balisacan presented the following matters attached to the agenda folder:

a. Summary of Major Assumptions

1. Closing Forex Rate Used: January–September 2017 (average actual) = Php50.308/US\$; October–December 2017 (projected) = Php51.00/US\$.
2. Operating Costs and Expenses:
 - a. January to September 2017 is based on actual; October – December 2017 is projected.
 - b. Management to recommend to SGV to reverse the Asset Retirement Obligation (ARO) of Php11.8 Million and its treatment as income due to the purchase of all the lots underlying the Bohol Diesel Power Plant; No adjustments for other ARO.
 - c. No additional provision for doubtful accounts and probable inventory losses/obsolescence.
3. Cebu Diesel Power Plant (CDPP1): SPC continues to operate and maintain the CDPP1; income generated from CDPP1 accrues to SPC; and the Php1.143 Billion that was paid to PSALM for the acquisition of NPPC is assumed uncollected as of end-December 2017.
4. Long-Term Debt
 - a. Principal prepayment of Php505,555,556 on October 28, 2017.
 - b. Reversal of Php400,000,000 previously appropriated retained earnings in 2015 (for compliance with loan covenant) due to the prepayment of long-term debt.
5. Fuel Deliveries
 - a. Additional cash requirements of Php151,989,361 to stockpile fuel oil (last quarter).
6. PB 104
 - a. Provision for cash requirements in the last quarter of 2017 based on committed expenses as of September 30, 2017 and estimated remaining requirements for the year 2017 with a total amount of Php78,072,278.
7. Cash Dividends Received by SPC (Parent Company)
 - a. KSPC – Php552,743,821 actually declared in June 2017; Php428,400,000 projected for Dec. 2017
 - b. MECO – Php59,999,933 actually declared in July 2017; Php20 Million projected for Dec. 2017

- c. SIPC – Php499,999,900 projected; Php500 Million excess in 2016 to be declared to avoid IAET
 - d. SMPC – Php1,439,971 projected; Php3.6 Million excess in 2016 to be declared to avoid IAET
 - e. BLCI – Php5,984,999 partially declared in Aug. 2017; Php8,977,498 projected for Dec. 2017
 - f. SLCI – Php2 Million projected; Php5 Million excess in 2016 to be declared to avoid IAET
 - g. SECI – Php7,999,998 projected; Php20 Million excess in 2016 to be declared to avoid IAET
8. Cash Dividends Declared by SPC: Actual declaration in May 2017 was Php598.6 Million; Any additional declaration in 2017 is not yet considered.
9. Other major assumptions: Possible reclassification of balance sheet and income statement accounts after the audit of SGV is not yet considered; merit increases, year-end bonuses and directors' fees are assumed to be the same as last year's; and cash proceeds from disposal of excess/obsolete inventories and other non-performing assets are not yet considered.
- b. Projected Consolidated Statements of Comprehensive Income
 - c. Projected Consolidated Statements of Financial Position
 - d. Projected Consolidated Statements of Cash Flows
 - e. Projected Consolidated Statements of Changes in Stockholders' Equity
 - f. Projected Consolidated Statements of Comprehensive Income by Company
 - g. Projected Consolidated Statements of Financial Position by Company
- h. List of Items/Assumptions Requiring BOD Resolution/Approval:
- 1. Reversal of retained earnings appropriated in 2015 amounting to Php400 Million for compliance with loan covenant.
 - 2. Review of the following existing appropriation of retained earnings:
 - a. On December 3, 2014, the SPC Board approved an additional appropriation of Php50 Million out of the unappropriated retained earnings of SPC thereby increasing the total appropriation to Php850 Million as of December 31, 2015. The appropriation was for the construction of a new CFBC Coal-Fired Power Plant with a capacity of 2x100MW upon acquisition of the NPPC.
 - b. On March 30, 2016, the SPC Board approved the reversal of appropriation amounting to Php850 Million and the appropriation of retained earnings by the same amount for the construction of a CFBC Coal-Fired Power Plant of at least 300MW in the province of Cebu or in the Visayas region within the years 2016-2020.
 - 3. Disposition of projected excess earnings as of December 31, 2017 amounting to Php1.9 Billion.

10. Declaration of Cash Dividends

Mr. Balisacan presented the projected excess earnings of SPC as a Parent Company as of December 31, 2017 in the amount of Php1,945,521,250 which could be subjected to IAET.

He said that Management Committee recommended additional appropriation for new projects in the amount of Php500,000,000 and declaration of cash dividends in the amount of Php598,620,000, which would leave a projected balance of excess earnings of Php846,900,000, which could be cured until end of 2018.

He clarified that:

1. Per projected results of operations, the total balance of cash and cash equivalents as at end-2017 is estimated at Php1.309 Billion versus two-month working capital requirements of around Php95 Million only.
2. The projected cash balance as at end-2017 does not include collection of receivable from PSALM amounting to Php1.143 Billion, which is the amount paid for NPPC.

Mr. Alberto P. Fenix, Jr. moved to (a) reverse the November 24, 2015 appropriation of retained earnings amounting to Php400 Million; (b) appropriate Php500 Million for renewable energy projects; (c) declare cash dividends of Php0.40/share or the equivalent of Php598,620,000; and (d) maintain the Php850 Million appropriation for the construction of a new power plant in the province of Cebu or in the Visayas Region within the years 2016-2020.

Replying to Mr. Ahn, Soon-Chan's question, Mr. Henares said that the Corporation is considering a hydro power plant project in Palawan or an in-island power plant in Bohol.

Mr. Henares also said that in a resolution approved on March 30, 2016, the Board appropriated Php850 Million for a power plant to be constructed in Cebu or in the Visayas Region.

Mr. Ahn, Soon-Chan asked if the Php1.143 Billion refund from PSALM could also be declared as dividends this year. Mr. Henares commented that the Board could not consider for now what the Corporation has not yet received.

Upon motion duly made and seconded, without any objection, the Board approved the following resolutions:

RESOLVED that the Corporation authorize the reversal of retained earnings appropriated in 2015 amounting to Php400 Million for compliance with its loan covenant and the reinstatement of the same amount as unappropriated retained earnings.

RESOLVED further that the Corporation appropriate Php500 Million for the construction of two run-of-river hydro electric power plant projects in Palawan with a

capacity of 15.8 MW to commence within the years 2018-2019.

RESOLVED further that the Corporation be authorized to declare cash dividends in the amount of PhP0.40 per share with the following reckoning dates for the entitlement of and payment to the stockholders:

Record date - December 6, 2017
Payment date - December 14, 2017

RESOLVED finally that the Corporation maintain the amount of PhP850 Million as appropriation for the construction of a new CFBC-Fired power plant of at least 300 MW in the Province of Cebu or in the Visayas Region within the years 2018-2021.

11. Approval of Directors' Fees

Mr. Fenix moved for the approval of Director's fee for CY2017 in the amount of PhP600,000, which is the same amount as last year's, and an additional PhP200,000 for the Chairman.

Upon motion duly made and seconded, without any objection, the Board approved the amount of PhP600,000 as Director's fee and an additional amount of PhP200,000 for the Chairman for CY 2017.

12. Proposed 2018 Budget of SPC (Parent Company)

Mr. Balisacan discussed the following:

- a. Summary of Major Assumptions which include operating costs and expenses, projected cash dividends from and budgets of subsidiaries/affiliates.
- b. Projected 2018 Operating Plan for SPC and SIPC Plants
- c. SPC Proposed CY2018 Budget – Proforma Income Statements
- d. 2018 CAPEX Budget

Mr. Dennis T. Villareal moved to approve the proposed budget.

Upon motion duly made and seconded, without any objection, the Board approved the proposed budget for CY2018 as recommended by management.

13. Election of Corporate Secretary and Designation of Compliance Officer

Ms. Caminero informed the Board that Mr. Reynante del Rosario, who already resigned, was the Compliance Officer of the Corporation, and that such position could only be occupied by an officer with a rank of a Senior Vice-President. Considering that she was being considered as the new Compliance Officer, she had to resign her position as Corporate Secretary because the rules would not allow her to hold both positions. She said that management recommended Atty. Remigio Michael A.

Ancheta II as the new Corporate Secretary and requested for her designation as the new Compliance Officer.

The Board accepted Ms. Caminero's resignation as Corporate Secretary.

Mr. Roberto F. De Ocampo nominated Mr. Ancheta as the new Corporate Secretary.

Upon motion duly made and seconded, without any objection, the Board appointed Mr. Remigio Michael A. Ancheta II as the new Corporate Secretary of the Corporation, and Ms. Ma. Luz L. Caminero as the new Compliance Officer of the Corporation.

14. Designation of Bank Signatories

Management requested the Board to designate a new bank signatory to replace Mr. Del Rosario who already resigned.

Upon motion duly made and seconded, without any objection, the Board designated Mr. Alberto P. Fenix, Jr. to replace Mr. Reynante Del Rosario as one of the authorized signatories of the bank accounts of the Corporation.

15. Other Matters


No other matter was discussed.

16. Adjournment

The meeting was adjourned at 4:30 p.m.

[This portion was intentionally left blank.]

ATTEST:


ALFREDO L. HENARES
Chairman


DENNIS T. VILLAREAL
Director


ALBERTO P. FENIX, JR.
Director

RAMON Y. SY
Director


ENRIQUE L. BENEDICTO
Director


ROBERTO F. DE OCAMPO
Director


SERGIO R. ORTIZ-LUIS, JR.
Director


GO, JAE-HAN
Director


AHN, SOON-CHAN
Director


GUILLERMO P. DABBAY, JR.
Director


REMIGIO MICHAEL A. ANCHETA II
Corporate Secretary

Board of Directors Self-Evaluation

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|--|----------------------------|-------------------|-------------------|-------------------|-------------------|
| 1 | board has full and common understanding of the roles and responsibilities of a board | | | | | |
| 2 | board members understand the Company's mission- vision and put to practice its stated values | | | | | |
| 3 | structural pattern (board, officers, committees, executive and staff) is clear | | | | | |
| 4 | board has clear goals and actions resulting from relevant and realistic strategic planning | | | | | |
| 5 | board attends to policy-related decisions which effectively guide operational activities of staff | | | | | |
| 6 | board receives regular reports on finances/budgets, products/program performance and other important matters | | | | | |
| 7 | board effectively represents the Company to its customers, other stakeholders like the government, community in which its operations are located | | | | | |
| 8 | board meetings facilitate focus and progress on important organizational matters | | | | | |
| 9 | board regularly monitors and evaluates progress toward strategic goals and product/ program performance | | | | | |
| 10 | board regularly evaluates the chief executive | | | | | |
| 11 | board has approved comprehensive personnel policies which have been reviewed by a qualified professional | | | | | |
| 12 | each member of the board feels involved and interested in the board's | | | | | |

| | | | | | | |
|----|---|--|--|--|--|--|
| | work | | | | | |
| 13 | all necessary skills, stakeholders and diversity are represented on the board | | | | | |

Please list the three to five points on which you believe the board should focus its attention in the next year. Be as specific as possible in identifying these points.

1.

2.

3.

4.

5.

SELF- ASSESSMENT

BY: The CHAIRMAN

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|--|-------------------|-----------|-----------|-----------|-----------|
| 1. | Provided leadership and governance of the Board so as to create the conditions for overall Board's and individual Director's effectiveness, and ensured that all key and appropriate issues were discussed by the Board in a timely manner | | | | | |
| 2. | Promoted effective relationships and open communication, and created an environment that allowed constructive debates and challenges, both inside and outside the boardroom, between Non-executive Directors and the management | | | | | |
| 3. | Ensured that the Board as a whole plays a full and constructive part in the development and determination of the Company's strategies and policies, and that Board decisions taken are in the Company's best interests and fairly reflect Board's consensus | | | | | |
| 4. | Ensured that the strategies and policies agreed by the Board are effectively implemented by the Chief Executive and the management | | | | | |
| 5. | Set, in consultation with the Chief Executive and Company Secretary, the Board meeting schedule and agenda to take full account of the important issues facing the Company and the concerns of all Directors, and ensured that adequate time is available for thorough discussion of critical and strategic issues | | | | | |
| 6. | Ensured that the Board is properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfill its duties, such as reports on the Company's performance, the issues, challenges and opportunities facing the Company, and matters reserved for it to make decision | | | | | |

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|---|-------------------|-----------|-----------|-----------|-----------|
| 7. | Arranged informal meetings of the Directors at least annually, including meetings of the Non-executive Directors at which the Chief Executive is not present, and ensured that sufficient time and consideration is given to complex, contentious or sensitive issues | | | | | |
| 8. | Ensured that there is effective communication with shareholders, and that each Director develops and maintains an understanding of the stakeholders' views | | | | | |
| 9. | Established good corporate governance practices and procedures and promotes the highest standards of integrity, probity and corporate governance throughout the Company and particularly at Board level | | | | | |

SELF- ASSESSMENT

BY: INDIVIDUAL BOARD OF DIRECTOR

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|--|-------------------|-----------|-----------|-----------|-----------|
| 1. | Conducted fair business transactions with the Corporation and ensured that personal interest did not affect Board decisions and did not conflict with the interests of the Corporation | | | | | |
| 2. | Devoted time and attention necessary to properly discharge one's duties and responsibilities | | | | | |
| 3. | Acted judiciously on matters brought before the Board, thoroughly evaluating the issues involved before making any decision | | | | | |
| 4. | Exercised independent judgment | | | | | |
| 5. | Have a working knowledge of the statutory and regulatory requirements affecting the Corporation, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Commission and, where applicable, the requirements of other regulatory agencies having jurisdiction over the corporation, and keep abreast with industry developments and business trends. | | | | | |
| 6. | Observed and safeguarded confidentiality on non-public information acquired by reason of one's position as a director | | | | | |
| 7. | Ensured the continuing soundness, effectiveness and adequacy of the Corporation's control environment. | | | | | |

SELF- ASSESSMENT

BY: CORPORATE GOVERNANCE COMMITTEE

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|--|-------------------|-----------|-----------|-----------|-----------|
| 1. | Oversaw the implementation of the corporate governance framework and periodically reviewed the said framework to ensure that it remained appropriate in light of material changes to the Corporation's size, complexity and business strategy, as well as its business and regulatory environments | | | | | |
| 2. | Oversaw the periodic performance evaluation of the Board and its committees as well as executive management, and conducted an annual self-evaluation of its performance | | | | | |
| 3. | Ensured that the results of the Board evaluation are shared, discussed, and that concrete actions plans are developed and implemented to address the identified areas for improvement | | | | | |
| 4. | Recommended continuing education/training programs for directors, assignment of tasks/projects to board members and senior officers, and remuneration packages for corporate and individual performance | | | | | |
| 5. | Adopted corporate governance policies and ensured that these are reviewed and updated regularly, and consistently implemented in form and substance | | | | | |
| 6. | Observed and safeguarded confidentiality on non-public information acquired by reason of one's position as a director | | | | | |
| 7. | Proposed and planned relevant trainings for the members of the Board | | | | | |
| 8. | Performed the functions of a Nomination and Remuneration Committee | | | | | |

SELF- ASSESSMENT

BY: EXECUTIVE COMMITTEE

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|---|-------------------|-----------|-----------|-----------|-----------|
| 1. | Reviewed major issues that the Board as a whole delegated to it and made decisions or preliminary decisions for discussion and voting at the next full board meeting | | | | | |
| 2. | Acted with timeliness on behalf of the Board in an emergency situation or with regard to matters delegated to it by the Board | | | | | |
| 3. | Assisted the Board Chair, President and CEO in establishing agenda for Board Meetings | | | | | |
| 4. | Provided organizational direction on behalf of the Board and advised the Board on decisions and business matters ranging from strategy planning, policy, investment and risk | | | | | |
| 5. | Acted within the limits of authority prescribed by Section 35 of the Corporation Code, the By-Laws and the Board and observed the requirements on quorum and voting to carry out corporate transactions | | | | | |

SELF- ASSESSMENT

BY: AUDIT COMMITTEE

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|----|--|-------------------|-----------|-----------|-----------|-----------|
| 1. | Checked all financial reports against its compliance with the pertinent accounting standards, including requirements, laws, rules and regulations | | | | | |
| 2. | Assisted the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations | | | | | |
| 3. | Performed oversight financial management functions, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management. This function included regular receipt from Management of information on risk exposures and risk management activities | | | | | |
| 4. | Pre-approved all audit plans | | | | | |
| 5. | Performed direct interface functions with the internal and external auditors. Performed oversight functions over the Corporation's internal and external auditors. Ensured that the internal and external auditors act independent from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions | | | | | |

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|-----|---|----------------------------|-------------------|-------------------|-------------------|-------------------|
| 7. | Developed a transparent financial management system that will ensure the integrity of internal control activities throughout the Corporation | | | | | |
| 8. | Met with the External Auditor and the Internal Auditor without the presence of the Corporation's management at least annually | | | | | |
| 9. | Ensured that a review of the effectiveness of the Corporation's material internal controls, including financial, operational and compliance controls, and risk management, is conducted at least annually. Such review can be carried out by the internal and/or external auditors | | | | | |
| 10. | <p>Reviewed the annual financial statements before their submission to the Board, with particular focus on the following matters:</p> <ul style="list-style-type: none"> a. Any change/s in accounting policies and practices b. Major judgmental areas c. Significant adjustments resulting from the audit d. Going concern assumptions e. Compliance with accounting standards f. Compliance with tax, legal, and regulatory requirements | | | | | |

| | Considerations | 5 Very Good | 4 Good | 3 Ave. | 2 Fair | 1 Poor |
|-----|---|-------------------|-----------|-----------|-----------|-----------|
| 11. | Reviewed the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan included the audit scope, resources and budget necessary to implement it | | | | | |
| 12. | Prior to the commencement of the audit, discussed with the external auditor the nature, scope and expenses of the audit | | | | | |
| 13. | Organized an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal | | | | | |
| 14. | Reviewed the reports submitted by the internal and external auditors | | | | | |
| 15. | Evaluated and determined the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to the Corporation's overall consultancy expenses. The committee disallowed any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, was disclosed in the Corporation's annual report | | | | | |
| 16. | Established and identified the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. He reported directly to the Audit Committee. | | | | | |
| 17. | Performed the functions of a Board Risk Oversight Committee and Related Party Transactions Committee as defined in the Code of Corporate Governance for Publicly Listed companies. | | | | | |

COVER SHEET

ANNEX 16

A S 0 9 4 0 0 2 3 6 5

S.E.C. Registration Number

S P C P O W E R C O R P O R A T I O N
(f o r m e r l y S A L C O N P O W E R C O R P .)

(Company's Full Name)

7 t h F l o o r C e b u H o l d i n g s C e n t e r
A r c h b i s h o p R e y e s A v e n u e ,
C e b u B u s i n e s s P a r k , C e b u C i t y

(Business Address: No. Street City/ Town / Province)

Mr. Reynante C. Del Rosario

Contact Person

810 44 74 to 77

Company Telephone Number

1 2 3 1
Month Day
Calendar Year

SEC FORM
1 7 - C
FORM TYPE

0 5 3 0
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes