



January 13, 2004

**U.S. and Philippine Energy Secretaries
Showcase Countries' Energy Partnerships
Secretaries Abraham and Perez Approve Joint Development Efforts;
Turn "Lights On" on Mindanao**

WASHINGTON, DC -- U.S. Secretary of Energy Spencer Abraham today in Manila signed a memorandum of understanding with Philippine Secretary of Energy Vicente Perez to strengthen the Sustainable Energy Development Program between the two countries and to promote the use of cleaner-burning fuels in vehicles. Secretary Abraham's trip to the Philippines was the first by a U.S. Energy Secretary, as well as the first visit by a Cabinet member since President Bush's historic state visit last October.

While in the Philippines, Secretary Abraham also participated in a "Lights On" ceremony for the Alliance for Mindanao Off-Grid Renewable Energy (AMORE) Program, which aims to bring electricity to more than 5,000 homes of former rebel soldiers in 160 remote, conflicted communities by December 2004.

"The Philippines and the United States share a long tradition of close friendship and cooperation, which is exemplified in our agreement to pursue energy initiatives of mutual benefit to enhance each country's energy security," Secretary Abraham said. "I'm especially pleased to participate in the AMORE project, which stands as another example of U.S. companies acting as good corporate citizens in the Philippines and our countries' mutual commitment to democracy and human rights."

Through the Sustainable Energy Development Program -- a \$5 million project sponsored by the U.S. Department of Energy, the Philippines Department of Energy and the U.S. Agency for International Development (USAID) -- the United States provides advisors to strengthen and support the Philippine Department of Energy and the Energy Regulatory Commission as they implement the landmark 2001 Electric Power Industry Reform Act.

The program also helps promote power sector reform.

The AMORE program presently supplies electricity to more than 2,500 households in 84 communities through renewable energy-powered systems, and includes an innovative partnership with the private sector. Mirant Philippines, the largest U.S. energy firm investor in the Philippine power sector, is providing equipment worth approximately \$3.2 million, while USAID is strengthening the ability of local communities to operate, maintain and protect the renewable energy systems. USAID's share in the project comes to \$6.4 million.

"The provision of a clean, stable supply of electricity allows children to study in the evening, helps mothers take better care of their families, and supports the operation of micro-enterprises," Secretary Abraham said. "Dependable, affordable, and environmentally sound energy is fundamental to the smooth operation of modern society. The United States is committed to helping our friends in the Philippines enjoy the benefits of economic growth and improved standards of living that come with the widespread and growing availability of energy."

Secretary Abraham departed last week on travels to Tokyo and Osaka Japan; Beijing, China; Manila, the Republic of the Philippines; and Sydney and Melbourne, Australia, during which he will meet with his counterparts and U.S. industry representatives to promote Energy Department initiatives.

Secretary Abraham's visit to the Republic of the Philippines was initiated by President Bush who made the announcement during his earlier visit to Southeast Asia to attend the Asia Pacific Economic Cooperation meeting.

Media Contact(s):

Jeanne Lopatto, 202/586-4940

Drew Malcomb, 202/586-5806

Number: R-04-006