COVER SHEET

S.E.C. Registration Number

ABOITIZ POWER CORPORATION

(Company's Full Name)

ABOITIZ CORPORATE CENTER

GOV. MANUEL A. CUENCO AVENUE

KASAMBAGAN CEBU CITY

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

M. JASMINE S. OPORTO (032) 411-1800

Contact Person Company Telephone Number

1 2 3 1

Month Day

1 7 - C

FORM TYPE

0 5 1 7

Month Day

Fiscal Year Annual Meeting

Secondary License Type, if Applicable

SEC

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

X

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
January 18, 2011
Date of Report (Date of earliest event reported)

ABOITIZ POWER CORPORATION
Exact name of registrant as specified in its charter

Cebu City, Philippines
Province, country or other jurisdiction of incorporation

Gov. Manuel A. Cuenco Ave., Kasambagan, Cebu City
Address of principal office

(032) 411–1800
Registrant’s telephone number, including area code

N.A.
Former name or former address, if changed since last report

Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of September 30, 2010)

Common Stock P1 Par Value 7,358,604,307

Amount of Debt Outstanding P74,812,188,000

Indicate the item numbers reported herein: 9

Item 9: Other Events

Aboitiz Power Corporation (AP) was informed by its wholly owned subsidiary Therma Luzon, Inc. (TLI) that the 700 MW Pagbilao Coal–Fired Thermal Power Plant (“Pagbilao Plant”) was subjected to a warrant of levy issued by the Office of the Municipal Treasurer of Pagbilao, Quezon last January 10, 2011 for non-payment of real property taxes on the Pagbilao Plant.

TLI is the Independent Power Producer (IPP) Administrator of the Pagbilao Plant under the IPP Administration Agreement with the Power Sector Assets and Liabilities Management Corporation (PSALM).
Team Energy Corporation ("Team Energy") is the owner and operator of the Pagbilao Plant under a build-operate-transfer (BOT) contract with the National Power Corporation (NPC). Under the BOT contract, NPC assumed all obligations to pay the real property taxes on the Pagbilao Plant. NPC claimed exemption from paying real property taxes under Section 234 (c) of the Local Government Code (LGC) which exempts machineries and equipments that are actually, directly and exclusive used by government-owned or controlled corporations engaged in the generation and/or transmission of electric power from payment of real property taxes. The Supreme Court, in the case of National Power Corporation vs. Province of Quezon and Municipality of Pagbilao (G.R. No. 171586, January 25, 2010), denied NPC’s claim and ordered Team Energy to pay the real property taxes on the Pagbilao Plant. Pursuant to the Supreme Court case, the Municipal Treasurer of Pagbilao levied on the Pagbilao Plant.

Team Energy informed TLI that the Office of the Municipal Treasurer of Pagbilao denied its request for the suspension of the auction scheduled on January 26, 2011.

As advised by TLI, Team Energy has one (1) year from the date of sale to redeem the Pagbilao Plant pursuant to Section 179 of the LGC. During this one-year period, Team Energy has the right to possess the Pagbilao Plant and is entitled to the income thereof until the expiration of the period for redemption.

AP is studying the situation and the options available to it.

SIGNATURE (S)

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

ABOITIZ POWER CORPORATION
By

M. JASMINE S. OPORTO
Corporate Secretary

Date: January 18, 2011