

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
APPLICATION FOR
APPROVAL OF THE
EMERGENCY POWER
SUPPLY AGREEMENT
BETWEEN CENTRAL
PANGASINAN ELECTRIC
COOPERATIVE, INC. AND
MASINLOC POWER CO. LTD.,
WITH MOTION FOR
CONFIDENTIAL
TREATMENT OF
INFORMATION**

ERC CASE NO. 2025-089 RC

**CENTRAL PANGASINAN
ELECTRIC COOPERATIVE,
INC. (CENPELCO) AND
MASINLOC POWER CO. LTD.
(MPCL),**

Promulgated:
May 26, 2025

Applicants.

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ORDER

On 22 April 2025, the Central Pangasinan Electric Cooperative, Inc. (CENPELCO) and Masinloc Power Co. Ltd. (MPCL) filed a *Joint Application* dated 17 March 2025, seeking the Commission’s approval of their Emergency Power Supply Agreement (EPSA), with motion for confidential treatment of information.

The pertinent allegations in the said *Joint Application* are hereunder quoted, as follows:

xxx

THE APPLICANTS

1. Applicant CENPELCO is a non-stock, non-profit electric cooperative, duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with

principal office address at Padilla Street, San Carlos City, Pangasinan, Philippines. Applicant CENPELCO serves the power requirements of the municipalities of Aguilar, Alcala, Basista, Bautista, Bayambang, Binmaley, Bugallon, Labrador, Lingayen, Malasiqui, Mangaldan, Mangatarem, Sual, Urbiztondo, and the City of San Carlos (collectively, the “Franchise Area”).

2. For purposes of this Joint Application, applicant CENPELCO is represented herein by General Manager, Engr. Rodrigo F. Corpuz, duly authorized by CENPELCO’s Board of Directors by virtue of Resolution No. 143, Series of 2024, to file the Joint Application.

3. Applicant MPCL is a limited partnership duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at 40 San Miguel Avenue, Wack-Wack Greenhills, City of Mandaluyong, represented in this instance by its Managing Partner and CEO, Elenita D. Go, who has been authorized by its Board of Directors to file the Joint Application.

4. CENPELCO and MPCL are jointly filing this Joint Application pursuant to the Honorable Commission’s Resolution No. 02, Series of 2015 requiring distribution utilities (“DUs”) and generation companies to jointly file applications for the approval of power supply agreements. CENPELCO and MPCL are referred hereinafter as Joint Applicants.

5. The Joint Applicants may be served with the orders, notices, and other processes of the Honorable Commission through their respective counsel at the addresses indicated herein.

NATURE AND TIMELINESS OF THE APPLICATION

6. This is a *Joint Application* for approval of the *Emergency Power Supply Agreement (“EPSA”)* entered into by and between CENPELCO and MPCL dated 23 December 2024. This EPSA is submitted to the Honorable Commission for its review and approval.

7. Section 24 of the ERC Resolution No. 16, Series of 2023 entitled “*Implementing Guidelines for the Procurement, Execution, and Evaluation of Power Supply Agreements Entered into by Distribution Utilities for the Supply of Electricity to Their Captive Market*” (“*2023 CSP Guidelines*”) mandates that “*For EPSAs, the application for approval of the EPSA shall be filed with the ERC within thirty (30) calendar days after the occurrence of the Force Majeure or Fortuitous Event.*”

8. Pursuant to the foregoing provisions on the exemption from conducting a Competitive Selection Process (“CSP”), Applicant CENPELCO is allowed to procure power

supply through direct negotiation due to the occurrence of force majeure or other circumstances beyond its control. As elaborated hereunder, it is essential for CENPELCO to pursue this approach to ensure the cost-effective delivery of electricity to its member-consumers owners (“MCOs”).

STATEMENT OF FACTS

9. In pursuit of its mandate to ensure a stable and reliable power supply for its MCOs, CENPELCO undertook a series of strategic steps to comply with the (“CSP”) requirements. On 08 February 2024, a coordination meeting was conducted with the National Electrification Administration - Regulatory Affairs Office (“NEA-RAO”) to discuss CENPELCO’s CSP timeline.

10. CENPELCO Power Supply Procurement Plan (PSPP) outlined the cooperative’s power requirements, dividing them into three categories, to wit:

- a. Ten megawatt (10MW) Renewable Portfolio Standards (RPS) compliance (to be referred to as (“CSP 1”);
- b. Fifty megawatt (50MW) baseload (to be referred to as (“CSP 2”); and
- c. Thirty-five to fifty megawatts (35-50MW) intermediate supply (to be referred to as (“CSP 3”).

11. In line with this, the Board approved Resolution No. 029, Series of 2024, endorsing the CSP Bidding Documents to the National Electrification Administration (“NEA”) for review. These documents were subsequently emailed to NEA on 25 March 2024.

12. Another coordination meeting with NEA-RAO followed on 26 March 2024, reaffirming CENPELCO’s commitment to ensuring procedural compliance.

13. However, on 29 April 2024, CENPELCO received a letter from NEA informing the cooperative that it has been included in the CSP aggregation (to be referred to as the “LECA CSP”) for the Luzon Electric Cooperatives (the “Luzon ECs”) that have not yet commenced their respective CSPs within one (1) year before the expiration of their current and subsisting power supply agreements or projected increase in power demand based on their latest and posted PSPPs.

14. This NEA’s instruction inferred that for Luzon ECs, including CENPELCO, which have not commenced the conduct of their CSPs but whose existing power supply agreements are expiring within one year or there is a projected increase in the power demand under their latest PSPP, the power supply requirements are to be procured through an aggregated CSP.

15. Thereafter, NEA issued a notice that the proposed aggregated CSP will be deferred. Upon receipt of this notice of NEA, CENPELCO immediately held a meeting on 30 April 2024

to discuss the notice and review NEA Memorandum on the conduct of the CSP. Based on the discussions during the meeting and its review of the NEA Memorandum, particularly on the LECA CSP, CENPELCO has determined that there is a more urgent need to proceed with its own separate CSP for the procurement of the power supply requirements than to wait for the conduct of the LECA CSP. Accordingly, CENPELCO submitted the TORs, Instructions to Bidders (“IBs”), and Invitation to Bid (“ITB”) for its three (3) CSPs, including its baseload requirements to NEA for review.

16. Meanwhile, after said submission of TORs, IBs and ITBs to NEA, CENPELCO received a notification from the NEA that the LECA CSP will proceed. Thereafter, CENPELCO again held a meeting in May 2024 to discuss the conduct of its CSP and on 04 May 2024, the Board approved Resolution No. 050, Series of 2024, authorizing NEA to act on CENPELCO’s behalf for the Joint CSP pursuant to Department Circular DO2023-10-0022 and NEA Memorandum No. 2023-057 for the procurement the cooperative’s 50MW baseload requirement, while the procurement of CENPELCO’s Intermediate and RPS requirements were continued to be pursued through the cooperative’s own separate CSPs.

17. Additionally, Board Resolution No. 051, Series of 2024, authorized Engr. Rodrigo F. Corpuz and his representative, Engr. Randolph M. Merrera, to represent CENPELCO for the procurement of its baseload requirement in the Joint Body of Member ECs for the LECA CSP. Certified True Copies of these resolutions were also attached as supporting documents.

18. On 17 May 2024, revisions to the ITB, TOR, and draft Power Supply Agreement (“PSA”) for the conduct of CENPELCO’s own separate CSPs for its intermediate and RPS requirements (CSP 1 to 3) were made, aligning them with the NEA’s Joint CSP Aggregation. Said revised ITB, TOR and draft PSA were then submitted to NEA-RAO.

19. By 31 May 2024, CENPELCO’s 2024-2033 PSPP Narrative was officially approved and posted on the Department of Energy (“DOE”) CSP e-based portal. This was followed by an acknowledgment from the NEA, on 26 June 2024, of the receipt of CENPELCO’s revised bidding documents for the conduct of its own separate CSPs. CENPELCO was also then required to submit to NEA a CSP report, which CENPELCO duly complied with.

20. Throughout the process of CENPELCO’s own separate CSPs for its intermediate and RPS requirements, regular meetings were held to refine and align the cooperative’s PSPP with NEA and DOE guidelines. The Bids and Awards Committee (“BAC”) also drafted, updated, and resubmitted multiple versions of the TOR for NEA’s review, incorporating therein the feedback from the NEA-RAO and the DOE. Additionally, workshops were conducted to train the BAC, the

TWG, and the Secretariat members on the CSP procedures and other related DOE regulations. Additionally, from September to October 2024, further refinements were made in CENPELCO's bidding documents for its own separate CSPs.

21. In the interim, relative to CENPELCO's baseload requirement, which was included in the NEA's Joint CSP Aggregation, on 04 September 2024 and 05 September 2024, LECA Meetings were held to prepare for the aggregation, including a post-assessment of the Pre-Bid Conference.

22. Also in September 2024, the NEA-RAO approved the revised TORs of CENPELCO for its own separate CSPs, and directed the cooperative to issue the corresponding Board Resolutions, which the Board of Directors had immediately issued. However, with regard to the other bidding documents, further revisions were made in accordance with the NEA's recommendation.

23. As of October 16 and 18, 2024, these revised bidding documents were already submitted to NEA for their review. Still, a Notice to Commence ("NTC") from the NEA for CENPELCO's conduct of its own separate CSPs is yet to be issued.

24. Accordingly, in view of the then impending expiry of its Emergency Power Supply Agreement ("EPSA") with Sual Power, Inc. ("SPI") on 25 December 2024, and considering the prolonged conduct of CENPELCO's own separate CSPs and LECA CSP, CENPELCO was constrained to seek NEA's guidance and assistance concerning the prolonged CSP process and its expiring EPSA through a formal letter dated 17 October 2024.

25. Subsequently, on 29 October 2024, the NEA RAO responded to said request, advising CENPELCO to exert best effort to conduct or complete its own separate CSP. Likewise, CENPELCO was advised that it may opt to enter into another EPSA provided that valid justifications for its execution are existing, and that it is to terminate upon the availability of power supply procured through the conduct of its own separate CSP.

26. As comprehensively discussed above, despite CENPELCO's diligent and consistent efforts to comply with the CSP requirements to ensure a seamless power supply for its franchise area, with the procedural complexities, stringent technical prerequisites, and regulatory challenges of the CSP, which have caused delays beyond its control, and made it impossible for CENPELCO to complete the CSP Process in time for the expiration of its EPSA with SPI on 25 December 2024.

27. As such, to safeguard its MCOs from potential outages and to ensure a reliable, uninterrupted power supply, the cooperative had been compelled to pursue another EPSA for a

period of one (1) year or until the power supply procured from its regular CSP is already available, whichever is earlier.

28. As provided for in the DOE Department Circular No. DC2023-06-0021, DUs are allowed to conduct a negotiated procurement for an EPSA on account of a Force Majeure or Fortuitous Event (FM/FE) without the need to conduct a CSP. Under the same circular, FM/FE has been defined as “*any extraordinary event not foreseeable or avoidable, or to an event that could not be foreseen, or **which, though foreseen, is inevitable and independent of human will or the DU’s participation, whether by active intervention, neglect or failure to act.***”

29. While the EPSA of CENPELCO with SPI will expire on 25 December 2024 and which at that said date of expiration, CENPELCO’s own separate CSP and the LECA CSP are not expected to be completed for reasons and circumstances all beyond the control of CENPELCO, whether by its action, neglect, or inaction, these set of circumstances shall qualify as a FM/FE that will allow CENPELCO to pursue the execution of an Emergency Power Supply Agreement (EPSA) for a period of one (1) year through negotiated procurement.

30. Thus, on 20 November 2024, the DOE, NEA, and the Energy Regulatory Commission (ERC) were notified of CENPELCO’s intention to conduct a negotiated procurement for another emergency power supply. After said agencies acknowledged the notification of CENPELCO, the cooperative proceeded with the conduct of a negotiated procurement for its emergency power requirements for a period of one (1) year, from 26 December 2024 to 25 December 2025.

31. Consequently, on 23 December 2024, CENPELCO and MPCL executed, in counterparts, the EPSA subject of this Joint Application.

32. The EPSA ensures a stable, secure, and reliable electricity supply for CENPELCO’s MCOs while mitigating the exposure to the volatility of the prices in the Wholesale Electricity Spot Market (WESM).

INDICATIVE RATE IMPACT

33. CENPELCO prepared a rate impact analysis with and without the implementation of its EPSA with MPCL subject of this instant Joint Application. Based on said analysis, the indicative rate impact on CENPELCO’s overall generation rate with the implementation of the EPSA with MPCL shows a decrease in generation cost of about PhP 2.4243/kWh. The rate impact analysis prepared by CENPELCO is shown below, as follows:

2025	Generation Rate without MPCL	Generation Rate with MPCL	Difference
Generation Rate Peak Month	8.2828	5.8585	2.4243
Purchased Energy Peak Month	72,365,961		
SUMMARY	Generation Rate	Purchased Energy for the Month of May 2024	Generation Cost(Php)
Generation Rate without MPCL	8.2828	72,365,961	599,391,648
Generation Rate with MPCL	5.8585	72,365,961	423,953,277
Difference(Savings)			-175,438,371

**ABSTRACT OF THE POWER SUPPLY AGREEMENT
AND RELATED INFORMATION**

34. Under the EPSA, MPCL shall supply power to CENPELCO for the entire Term of the contract, from 26 December 2024 to 25 December 2025, for a Contracted Capacity of 95,000 kW.

34. The power supply to be delivered to CENPELCO will be sourced from MPCL’s Masinloc Coal-Fired Power Plant in Barangay Bani, Masinloc, Zambales. MPCL shall supply power to CENPELCO under the terms stipulated in their *EPSA*, which salient features are as follows:

**ARTICLE 6
OUTAGES**

During the term of this Agreement, the SELLER shall guarantee the supply of Contract Capacity and Monthly Contract Energy to the BUYER, even during Scheduled and Unscheduled Outages of the Plant. For avoidance of doubt, an Event of Force Majeure as defined in Article 11 shall not be considered as an Outage.

**ARTICLE 7
ADJUSTMENTS IN CONTRACT CAPACITY**

7.1. Reduction in Contract Capacity (Buy-Out)

- 7.1.1 The BUYER shall be allowed a reduction in its Contract Capacity and the corresponding portion of the Monthly Contract Energy only upon prior written consent of the SELLER, which consent shall not be unreasonably withheld, and the payment of the corresponding Buy-out Fee, subject to Section 7.2.1.
- 7.1.2 The BUYER shall apply in writing to the SELLER for a reduction of the Contract

Capacity (“Notice in Reduction in Contract Capacity”) at least thirty (30) Days before intended effectivity, and the SELLER shall, within fifteen (15) Days from receipt of the BUYER’s application, inform the BUYER of its decision.

- 7.1.3 The BUYER shall pay the corresponding Buy-Out Fee equivalent to PhP1,679.00 per kW of reduction in Contract Capacity multiplied by the number of Billing Periods remaining in the Agreement.

7.2. Exemption from Buy-out Fee Requirement.

- 7.2.1 The BUYER may be allowed to reduce its Contract Capacity without the payment of the corresponding Buy-Out Fee if the reduction of the Contract Capacity is: (i) the result of the approval/implementation of the Power Supply Agreements (“PSAs”) of the BUYER with the winning Bidders in the LECA’s 601MW Competitive Selection Process conducted by the National Electrification Administration; (ii) the result of Retail Competition and Open Access (“RCOA”), (iii) compliance with Renewable Portfolio Standards (“RPS”) requirements, and/or (iv) availment of Green Energy Option Program (GEOP) (collectively known as “Buy-Out Fee Exemptions”), provided that, a corresponding reduction of BCQs is made proportionately among all of the BUYER’s power suppliers. If the BUYER cannot make a proportionate reduction of its BCQs, the BUYER shall pay the Buy-out Fee as provided in Section 7.1. The BUYER shall have thirty (30) Days (or such other periods as provided by applicable laws) from the occurrence of (i), (ii), (iii) or (iv) within which to submit a written request, together with proof of reduction of Contract Capacity due to the Buy-Out Fee Exemptions, to the SELLER for a reduction of the Contract Capacity. The reduction of Contract Capacity shall take effect on the 26th Day of the calendar month after the date of approval by the SELLER in writing, which approval shall not be unreasonably withheld.

7.2.2 For grounds other than those mentioned under Section 7.2.1 the BUYER shall remain obligated to pay the Buy-Out Fee for any reduction of Contract Capacity. Such grounds shall include but not be limited to, the reduction of Contract Capacity caused by a) the BUYER's self-generation; b) the BUYER sourcing a portion of its requirement from another power supplier; or c) any failure or refusal of the BUYER to receive electricity.

ARTICLE 8

CONTRACT CHARGES AND ADJUSTMENTS

Beginning SED and subject to the terms and conditions of this Agreement, the Buyer shall pay the following Contract Charges for the supply by the SELLER of the Contract Capacity and Associated Energy.

8.1 Generation Charges. The BUYER shall pay Generation Charges comprising of the following:

8.1.1 Flat Generation Rate ("FGR"). The FGR, expressed in PhP/kWh, shall comprise of the components as provided in Annex II. The SELLER shall bill the BUYER's Contract Capacity and Associated Energy at the prevailing FGR with the Fuel Fee subject to the monthly price adjustment based on the Monthly Billing Formula provided in Annex III.

8.1.2. Throughout the duration of the Agreement, except during Events of Force Majeure, the SELLER shall guarantee the supply of Contract Capacity and Monthly Contract Energy to the BUYER, even during Scheduled and/or Unscheduled Outages of the Plant, to be paid by the BUYER at Contract Charges.

8.1.3. The BUYER agrees that it will pay the adjusted FGR as stated in Annex II for the Contract Capacity and Monthly Contract Energy and that at any time during the implementation of this Agreement prior to the Parties' receipt of the ERC Approval, should the BUYER refuse and/or make payments for power supply lower than the adjusted FGR pursuant to whatever government regulatory issuance of whatever nature, the BUYER knowingly acknowledges the SELLER's right to immediately suspend the supply thereof. If within the period of ten (10) Days after the suspension of the supply to the BUYER and the Parties still fail to arrive at an amicable solution, the BUYER conclusively acknowledges the SELLER's right to terminate the

Agreement without prejudice to all the available remedies it has such as but not limited to the collection of all outstanding accounts that accrued prior to the termination of the Agreement.

8.2 Taxes. All applicable existing taxes including Value Added Tax ("VAT"), as well as all other future taxes (except Corporate Income Tax), that may be imposed by the government and which may be legally passed on by the SELLER to the BUYER in connection with the SELLER's performance of its obligation under this Agreement, including any increase or adjustments thereon, shall be for the account of the BUYER.

8.3 Associated Charges. The BUYER shall bear all other costs and charges incurred after the Delivery Point, such as WESM Charges including Line Rental, transmission line losses, any interconnection charges and site-specific loss adjustments, among others.

ARTICLE 9 DISCOUNT

9.1 Prompt Payment Discount ("PPD"). The BUYER may avail of the PPD equivalent to three percent (3.0%) applied to the CRF, FOM and VOM components of the power bill invoice (excluding Associated Charges, Replacement Power, if any, and Taxes) provided that:

1. The BUYER has no arrears from previous power billings including the Security Deposit or any unpaid charges or penalties including VAT;
2. The BUYER has submitted all necessary BIR Tax Certificates for all taxes withheld as well as for all zero-rated VAT end-consumers and;
3. The BUYER pays the power bill invoice in full on or before the tenth (10th) Day of the calendar month following the current Billing Period.

9.2 The PPD shall take effect upon SED, provided that, the BUYER complies with the conditions set forth in Section 9.1.

9.3 The BUYER shall not automatically deduct the PPD from the payment of its current power bill invoice. The PPD for the current power bill invoice will be made available to the BUYER in the succeeding power bill invoice. The BUYER with an expiring Agreement who is qualified to avail the PPD under its power bill invoice, shall receive its discount

upon final settlement and clearance of its Agreement with the SELLER.

ARTICLE 11
FORCE MAJEURE

- 11.4 **Effect of Force Majeure.** Force Majeure shall excuse a Party from its obligations under the Agreement (except its obligation to pay the amounts already due under this Agreement within the Billing Period prior to as well as after the happening of an Event of Force Majeure) for the duration of the Force Majeure; provided that any actual electricity supplied by the SELLER and received by BUYER shall be billed as provided for in its Agreement.
- 11.5 The Party affected by an Event of Force Majeure shall notify the other in writing of the happening thereof together with reasonable explanation on the effect on the affected Party's performance of its obligations under this Agreement. The other Party shall have sixty (60) Days from receipt of such notice to contest the claim. If the other Party contests the happening of such Event of Force Majeure, that Party shall inform the affected Party of the same within the period specified above. In case of a disagreement on whether the affected Party should be excused from performing its obligations under this Agreement due to an Event of Force Majeure, the matter shall be resolved under Article 13 (Settlement of Disputes).
- 11.6 An uncontested happening of an Event of Force Majeure, which prevents a Party from supplying or taking electricity for at least sixty (60) consecutive Days shall entitle either of the Parties to terminate this Agreement. However, before resorting to termination, SELLER shall endeavor to assign this Agreement to its Affiliates or to a third-party entity willing to assume SELLER's obligations under the same terms and conditions of this Agreement in order to avoid any interruption of power supply to BUYER, upon prior written approval of the BUYER.

ARTICLE 12
TERMINATION

- 12.1 **Termination by Default or Breach.** Unless otherwise provided herein, either Party shall have the right to terminate this Agreement by reason of the default or breach by the other Party of any of its obligations under this Agreement by written notice of termination served on the defaulting Party within thirty (30) Days prior to the effective date of termination; provided that prior notice of the default

or breach with a demand for rectification or compliance has been previously served but the breach or default is not remedied within thirty (30) Days from the other Party's receipt of the notice of default.

12.1.1 SELLER Events of Default. The following shall constitute an Event of Default that shall entitle the BUYER to terminate this Agreement:

- a. The appointment of a receiver or liquidator or trustee of any material property of the SELLER, and such receivership, liquidation or trust is not discharged within a period of sixty (60) Days.
- b. When the SELLER's Board of Directors enacts or issues a resolution for filing petition for bankruptcy, corporate rehabilitation, winding up and/liquidation of the business, and the resolution is not rescinded or dissolved within sixty (60) Days from its enactment.
- c. Non- compliance with or failure to perform any of the material obligations under this Agreement, and such non-compliance or failure to perform is not remedied within a period of thirty (30) Days, unless such non-compliance or failure to perform is excused by an Event of Force Majeure.

12.1.2 BUYER Events of Default. The following shall constitute an Event of Default that shall entitle the SELLER to terminate this Agreement:

- a. The appointment of a receiver or liquidator or trustee of any material property of the BUYER, and such receivership, liquidation or trust is not discharged within a period of sixty (60) Days;
- b. When the BUYER's Board of Directors enacts or issues a resolution for filing petition for bankruptcy, corporate rehabilitation, winding up and/liquidation of the business, and the resolution is not rescinded or dissolved within sixty (60) Days from its enactment.
- c. Non-compliance with or failure to perform any of the material obligations under this Agreement, and such non-compliance or failure to perform is not remedied within a period of thirty (30) Days, unless such non-compliance or failure to perform is excused by an Event of Force Majeure.

12.2 Default by the SELLER.

12.2.1 In case of an Event of Default by the SELLER, the BUYER shall have the right to terminate this Agreement. SELLER shall immediately refund the Security Deposit and its corresponding interest, if

posted in cash, pursuant to Article 4, if any. This is without prejudice to all other legal remedies available to the BUYER.

12.3. **Default by the BUYER.**

- 12.3.1 If (a) the BUYER’s non-compliance with the provisions of this Agreement consists of its failure to pay its power bill invoices within the applicable cure period and (b) the Security Deposit was not posted as required pursuant to Section 4.4 of this Agreement or was not replenished or is no longer available, and (c) such failure to pay is continuing, the SELLER shall have the right to terminate this Agreement.
- 12.3.2 In the event of pre-termination of this Agreement due to default or breach of Agreement by the BUYER, the BUYER shall pay the Termination Fee equivalent to the average Generation Charges for the Billing Periods that the Agreement has been effective and multiplied by the number of Billing Period/s remaining in the Agreement.
- 12.3.3 In addition, the SELLER may pursue all other remedies available at law or in equity.
- 12.4 The Parties hereby agree that the termination or expiration of this Agreement shall not abrogate, impair, release or extinguish any debt, obligation or liability of either Party incurred or arising prior to the effective date of termination or expiration of this Agreement.
- 12.5 **Termination by Mutual Agreement.** This Agreement may be terminated at any time upon the mutual written agreement of the Parties without need of legal action.”

**PRE-FILING REQUIREMENTS AND OTHER
RELATED DOCUMENTS**

35. In compliance with the Prefiling Requirements of the ERC and in further support of the instant Joint Application, CENPELCO and MPCL most respectfully submit to the Honorable Commission the following documents:

ANNEXES	DOCUMENTS
“A”	CENPELCO Board Resolution No. 142 S. 2024, Resolution for the Approval of Emergency Power Supply Agreement (EPSA) with Masinloc Power Co. Ltd. (MPCL) for December 26, 2024 to December 25, 2025

“A-1”	CENPELCO’s Board Resolution No. 143 S. 2024, Resolution Authorizing the Filing of the Joint Application for Approval of the EPSA made and entered into by and between CENPELCO and MPCL; thereby Authorizing the General Manager, Engr. Rodrigo F. Corpuz to file the same and Execute Verification and Certification against Forum Shopping
“A-2”	CENPELCO Board Resolution No.144 S. 2024, Resolution Engaging the Service of Dechavez Lerios-Amboy and Evangelista Law Offices to represent CENPELCO in the Proceedings before the ERC for the Approval of the EPSA between CENPELCO and MPCL
“B”	MPCL Board Resolution or Secretary’s Certificate (authorizing the signing of EPSA)
“B-1”	MPCL Board Resolution or Secretary’s Certificate (authorizing the Authorized Representative to sign the verification and certification, and authority of counsel)
“C”	Emergency Power Supply Agreement signed by CENPELCO
“C-1”	Emergency Power Supply Agreement signed by MPCL
“D”	Notice of Fortuitous Event/Force Majeure to ERC
“E”	Notice of Fortuitous Event/Force Majeure to DOE
“F”	Notice of Fortuitous Event/Force Majeure to NEA
“G” and Series	CENPELCO Supply-Demand Scenario in accordance with Annex “I” of the Pre-Filing Checklist
“H” and Series	CENPELCO Load Curves in accordance with Annex “2” of the Pre-filing Checklist
“I” “I-1” “I-2”	CENPELCO Power Supply Procurement Plan CENPELCO Distribution Development Plan CENPELCO Single Line Diagram Connection
“J”	CENPELCO Explanation on the lack of letters/invitation requesting proposal for emergency supply from other GenCos
“K”	CENPELCO Affidavit of Force Majeure (RE Timeline of the Conduct of CSPs)
“L”	Executive Summary of EPSA
“M”	CENPELCO Certificate of Registration
“N”	MPCL Certification on Previously Submitted Documents – ERC Case No. 2024-044 RC
“O”	Sample Power Bill
“P”	MPCL Outages
“Q”	MPCL Certificate of Registration
“R”	Rate Impact Analysis

“S” and series	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Panlungsod of San Carlos City, as well as the Governor and Sangguniang Panlalawigan of Pangasinan
“T” and Series	Proof of furnishing copies of the Application to the Offices of the Mayor and Sangguniang Bayan of Masinloc, as well as the Governor and Sangguniang Panlalawigan of Zambales where MPCL operates
“U” and series	Proof of publication of the undocketed Application in a newspaper of general circulation covering the Franchise Area and/or the area of the principal operation of the Applicants
“V” and series	MPCL Rate Generation Calculation and Derivation (<i>Confidential</i>)

ALLEGATIONS IN SUPPORT OF THE MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

36. Under the Revised Rules of Practice and Procedure of this Honorable Commission, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential.¹ Pursuant to this, Applicant MPCL prays for the confidential treatment of the information contained in the following annexes:

ANNEXES	DOCUMENTS
“N”	MPCL Certification on Previously Submitted Documents – ERC Case No. 2024-044 RC (Annex KK and series – Documents related to Fuel)
“V” and series	MPCL Rate Generation Calculation and Derivation (<i>Confidential</i>)

37. Joint Applicants treat the above-mentioned documents, such as related agreements, sources of funds/financial plans, certifications from bank/lending institutions, generation rate and derivation, cash flow, description of power plant, and steam sales agreement, as not generally available to the public on a non-confidential basis, as the same involve trade secrets reflecting investment and business calculations and the Parties are similarly bound to third parties to keep the information and documents confidential.

38. Also, the Confidential Documents were prepared and developed for the exclusive use of MPCL, and are designed for the specific use of the company in its power generation business.

¹ Section 1, Rule 4, Rules of Practice and Procedure of the Energy Regulatory Commission.

Consequently, should the same be disclosed to the public, they could easily be copied or used by MPCL's competitors or other entities engaged in the power business for their own benefit, and to the prejudice of MPCL.

39. This request is likewise being made by virtue of Section 1 (b), Rule 4 of the ERC Rules of Practice and Procedure under which the Honorable Commission may, upon request of a party and a determination of the existence of conditions which would warrant such remedy, treat certain information submitted to it as confidential.

40. Accordingly, Joint Applicants hereby submit one (1) copy of the confidential documents in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential".²

PRAYER

WHEREFORE, premises considered, Applicants **CENPELCO and MPCL**, most respectfully pray that the Honorable Commission:

1. **ISSUE AN ORDER** declaring the Confidential Documents attached hereto as Annexes "**N**" and "**V**" **and series** as confidential information as well as directing that the same be treated with confidentiality and be protected from public disclosure, thereby issuing the corresponding **PROTECTIVE ORDER** in accordance with Section 2, Rule 4 of the *ERC Revised Rules of Practice and Procedure*; and
2. After due notice and hearing, **ISSUE A DECISION** (i) approving the instant *Joint Application in toto* and the EPSA, thereby confirming the authority of CENPELCO to charge and collect the fees from its MCOs from the commencement of the supply to CENPELCO by MPCL; and (ii) directing that the rates, terms, and conditions of the EPSA be retroactively applied for the entire term of the EPSA.

Other kinds of relief, just and equitable under the premises, are likewise being prayed for.

Finding the said *Joint Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-Trial Conference, and presentation of evidence on the following dates and online platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020³

² Soft copies of the same to be provided to this Honorable Commission are password protected.

³ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

and Resolution No. 01, Series of 2021 (ERC Revised Rules of Practice and Procedure):⁴

Date	Platform	Activity
17 July 2025 (Thursday) at two o'clock in the afternoon (2:00 PM)	Microsoft Teams Application	Determination of compliance with the jurisdictional requirements and expository presentation
24 July 2025 (Thursday) at two o'clock in the afternoon (2:00 PM)		Pre-Trial Conference and presentation of evidence

Accordingly, CENPELCO and MPCL are hereby directed to mirror the virtual hearings to be hosted by the Commission at **CENPELCO’s principal office located at Padilla Street, San Carlos City, Pangasinan**, as the designated venue for the conduct thereof, and ensure that the same is open to the public. Moreover, CENPELCO and MPCL shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

RELATIVE THERETO, CENPELCO and MPCL are hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* in two (2) newspapers of nationwide circulation in the Philippines at their own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors, and the Local Government Unit (LGU) legislative bodies within CENPELCO’s franchise area for the appropriate posting thereof on their respective bulletin boards;

⁴ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

- 3) Inform the consumers within CENPELCO's franchise area, by any other means available and appropriate, of the filing of the *Joint Application*, the reasons therefor, and of the scheduled virtual hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and
- 5) Furnish with copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within **five (5) calendar days** before the date of the initial virtual hearing, CENPELCO and MPCL must submit to the Commission via electronic mail (e-mail) at docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph, the scanned copies of their written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of affidavits of the Editors or Business Managers of the newspapers where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by CENPELCO and MPCL to inform the consumers within CENPELCO's franchise area of the filing of the *Joint Application*, the reasons therefor, and of the scheduled hearings thereon;

- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, by all those making requests therefor, if any; and
- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, CENPELCO and MPCL are hereby required to post on their bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publications and certifications issued by the concerned Offices of the Governor, Mayors, and Local Legislative Bodies, and to submit proof of posting thereof.

Applicants CENPELCO and MPCL, and all interested parties are also required to submit via e-mail at doCKET@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-Trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-Trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-Trial Brief.

Applicants CENPELCO and MPCL must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-Trial Conference, pursuant to the preceding paragraph.

Failure of Applicants to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings.

Applicants CENPELCO and MPCL must also be prepared to make an expository presentation of the instant *Joint Application*, aided by whatever communication medium that they may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Joint Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Joint Application* must be cited in support thereof.

Applicants CENPELCO and MPCL are hereby directed to file a copy of their Expository Presentation via e-mail at docket@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** prior to the scheduled virtual hearing. The Applicants shall also be required, upon the request of any stakeholder, to provide an advance copy of their expository presentation, **at least five (5) calendar days** prior to the scheduled virtual hearing.

Applicants CENPELCO and MPCL are further directed to submit, through personal service, registered mail or ordinary mail/private courier, one (1) set of the original or certified true hard copies of their Jurisdictional Compliance, Expository Presentation, Pre-Trial Brief, and Judicial Affidavits of witnesses, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

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Finally, CENPELCO and MPCL, including their authorized representatives and witnesses, are hereby directed to provide the Commission, through legal.virtualhearings@erc.ph, their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

SO ORDERED.

Pasig City, 26 May 2025.

FOR AND BY AUTHORITY
OF THE COMMISSION:


ATTY. KRISHA MARIE T. BUELA
Director III, Legal Service


LS: MND/ARG

ERC CASE NO. 2025-089 RC
ORDER/ 26 May 2025
PAGE 22 OF 24

Copy Furnished:

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Applicant
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2. Masinloc Power Co. Ltd. (MPCL)
Applicant
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6. Commission on Audit (COA)
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7. Senate Committee on Energy
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8. House Committee on Energy
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9. Office of the City Mayor
Pasig City
10. Office of the Sangguaniang Panlungsod
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11. Office of the Provincial Governor
Province of Pangasinan
12. Office of the Sangguniang Panlalawigan
Province of Pangasinan
13. Office of the City Mayor
San Carlos, Pangasinan
14. Office of the Sangguniang Panlungsod
San Carlos, Pangasinan
15. Office of the Municipal Mayor
Aguilar, Pangasinan
16. Office of the Sangguniang Panlungsod
Aguilar, Pangasinan

- 17. Office of the Municipal Mayor
Alcala, Pangasinan
- 18. Office of the Sangguniang Bayan
Alcala, Pangasinan
- 19. Office of the Municipal Mayor
Basista, Pangasinan
- 20. Office of the Sangguniang Bayan
Basista, Pangasinan
- 21. Office of the Municipal Mayor
Bautista, Pangasinan
- 22. Office of the Sangguniang Bayan
Bautista, Pangasinan
- 23. Office of the Municipal Mayor
Bayambang, Pangasinan
- 24. Office of the Sangguniang Bayan
Bayambang, Pangasinan
- 25. Office of the Municipal Mayor
Binmaley, Pangasinan
- 26. Office of the Sangguniang Bayan
Binmaley, Pangasinan
- 27. Office of the Municipal Mayor
Bugallon, Pangasinan
- 28. Office of the Sangguniang Bayan
Bugallon, Pangasinan
- 29. Office of the Municipal Mayor
Labrador, Pangasinan
- 30. Office of the Sangguniang Bayan
Labrador, Pangasinan
- 31. Office of the Municipal Mayor
Lingayen, Pangasinan
- 32. Office of the Sangguniang Bayan
Lingayen, Pangasinan
- 33. Office of the Municipal Mayor
Malasiqui, Pangasinan
- 34. Office of the Sangguniang Bayan
Malasiqui, Pangasinan
- 35. Office of the Municipal Mayor
Mangaldan, Pangasinan
- 36. Office of the Sangguniang Bayan
Mangaldan, Pangasinan
- 37. Office of the Municipal Mayor
Mangatarem, Pangasinan
- 38. Office of the Sangguniang Bayan
Mangatarem, Pangasinan

- 39. Office of the Municipal Mayor
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- 40. Office of the Sangguniang Bayan
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- 41. Office of the Municipal Mayor
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