Republic of the Philippines ENERGY REGULATORY COMMISSION Pasig City

IN THE MATTER OF THE JOINT APPLICATION FOR THE APPROVAL OF THE **POWER SUPPLY AGREEMENT** BETWEEN **BOHOL LIGHT** COMPANY, INC. AND CEBU ENERGY DEVELOPMENT CORPORATION, WITH **MOTION FOR THE ISSUANCE** OF **PROVISIONAL** Α **AUTHORITY** AND **CONFIDENTIAL TREATMENT OF INFORMATION**,

ERC CASE NO. 2024-085 RC

BOHOL LIGHT COMPANY, INC. (BLCI) AND CEBU ENERGY DEVELOPMENT CORPORATION (CEDC),

Applicants.

Promulgated: October 14, 2024

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 03 July 2024, Bohol Light Company Inc. (BLCI) and Cebu Energy Development Corporation (CEDC) filed their *Joint Application (With Prayer for the Issuance of a Provisional Authority and Confidential Treatment of Information)* dated 03 May 2024, seeking the Commission's approval of their Power Supply Agreement (PSA).

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

THE JOINT APPLICANTS

1. Applicant BLCI is a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal

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address at BLCI Building, R. Enerio St., Tagbilaran City, Bohol. It was granted with a Certificate of Public Convenience and Necessity by the Honorable Commission for the construction, installation, operation and maintenance of an electric service in the City of Tagbilaran, Province of Bohol.

1.1 BLCI is represented herein by its President, **MR. DENNIS T. VILLAREAL** and General Manager, **ENGR. PAULINO G. ALMEDILLA**, who have been authorized by its Board of Directors to initiate, file, and pursue the instant application through Board Resolution, as evidenced by the Secretary's Certificate dated 17 March 2023, a copy of which is attached and made as an integral part herein as **Annex "A."**

- 2. Applicant CEDC is a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at Brgy. Daanlungsod, Toledo City, Cebu, Philippines. It owns and operates the Cebu Coal-Fired Thermal Power Plant with an installed capacity of 3 x 83.7 MW and a dependable capacity of 3 x 82 MW located in Brgy. Daanlungsod, Toledo City, Cebu, Philippines.
 - 2.1 CEDC is represented herein by its President, **MR. JAIME T. AZURIN**, and Chief Finance Officer, **MR. ROCHEL DONATO R. GLORIA**, who have been authorized by its Board of Directors to initiate, file, and pursue the instant application as evidenced by the Secretary's Certificate dated 26 April 2024, a copy of which is attached and made as an integral part herein as **Annex "B.**"
- 3. Applicants BLCI and CEDC may be served with notices, orders and other processes of the Honorable Commission through their respective counsel at their addresses indicated below.

NATURE OF THE APPLICATION

4. This is an application for the approval of the Power Supply Agreement between BLCI and CEDC ("**PSA**"). A copy of the PSA is attached herein as *Confidential Annex "C"*.

NARRATION OF FACTS

- 5. Based on BLCI's power situation outlook as shown in its 2023 Power Supply Procurement Plan and Distribution Development Plan duly approved by the Department of Energy ("DOE"), there is a deficit of currently under-contracting by 10% in its power supply portfolio with the lowest deficit of 18.9 MW occurring in August 2023 due to PSALM's unilateral pre-termination of the 9MW Contract for the Supply of Electricity ("CSEE") commencing on 25 July 2023, that was supposed to end on 25 December 2023.
- 6. Thus, in order to ensure continuous and reliable electricity for BLCI's customers, there is a need to source additional baseload capacity through bilateral power supply contracts.

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- 7. Section 23 of the EPIRA mandates that all distribution utilities shall supply electricity in the least cost manner to their captive market.
- 8. Section 25 of the EPIRA also provides that the retail rates charged by the DU for the supply of electricity in their captive market shall be subject to regulation by the ERC.
- 9. The Department of Energy issued the Department Circular No. DC2018-02-003, amended by Department Circular No. DC2021-09-0030 ("**DOE CSP Rules**"), prescribing that the power supply intended to meet the electricity demand of the DU's captive market shall be procured through a Competitive Selection Process ("CSP"), consistent with the latest and duly accepted DDP and posted PSPP.
- 10. Accordingly, BLCI established its Third-Party Bids and Awards Committee (TPBAC) to spearhead the conduct of the CSP, proof of which are attached as *Annex "D."*
- 11. Pursuant to the DOE CSP Rules, BLCI submitted to the DOE, and the latter, in a Certification dated 10 May 2023, approved the Terms of Reference ("**TOR**") for the CSP. A copy of the TOR is attached as *Annex "E"* and DOE's approval of the TOR as reflected in a Certification with reference no. DOE-EPIMB-CSP-COP-2023-04-009 is attached as *Annex "E-1*."
- 12. BLCI caused the publication in a newspaper of nationwide circulation on 17 May 2023 of an Invitation to Bid ("Invitation"), which contained the TOR, indicating a summary of the process and timelines of the CSP, and inviting power generation companies to submit a Letter of Intent on or before the deadline set out in said Invitation. A second publication was done on 24 May 2023. BLCI likewise sent letters to various generation companies inviting them to submit a bid proposal for the CSP. A copy of the Invitation to Bid containing the Terms of Reference, procurement activity schedule, place and time where Bidding documents may be secured, contact details of designated contact persons, deadline for submission or bids, and other necessary information is attached as *Annexes "F-1"* to "*F-3*," and proof of the letters-invitation sent to various generation companies is attached as *Annexes "F-1"* to "*F-3*,"
- 13. Supplemental Bid Bulletin Nos. 02-2023, and 06-2023 were thereafter issued to clarify some items in the TOR and Instruction to Bidders ("ITB)", copies are attached as *Annexes "F-16" to "F-17."* A pre-bid conference was held on 14 June 2023, a copy of the minutes of the pre-bid conference is attached as *Annex "F-18."* Thereafter, on 26 June 2023, a Final Instructions to Bidders was issued, a copy of which is attached as *Annex "F-19."*
- 14. During the bid submission and opening of bids on 14 July 2023, three (3) bidders submitted their respective bids and the same

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were opened by the TPBAC. Copies of the proposals submitted by the three (3) bidders are attached as **Confidential Annexes "G" to "G-2."** CEDC's bid was thereafter determined and declared as the lowest calculated bid. A copy of the Abstract of Bids is attached as **Confidential Annex "G-3,"** and the reports on the technical proposal evaluation and post-qualification of CEDC are attached as **Confidential Annexes "G-4" and "G-5."**

- 15. After confirming through conduct of a post-qualification evaluation that CEDC's proposed energy price was found to be the best bid, TPBAC resolved to declare CEDC as the winning bidder with the Lowest Levelized Rate and issue a Notice of Award in favor of CEDC. A copy of the TPBAC Resolution Nos. 12-2023 and 13-2023 is attached as *Annexes "H" and "H-1."* Thereafter, the BLCI Board of Directors ratified and approved the foregoing TPBAC Resolutions on 24 October 2023, as evidenced by a Secretary's Certificated dated 22 February 2024 attached herein as *Annex "H-2."* On 18 August 2023, a Notice of Award was issued to CEDC, a copy of which is attached as *Annex "H-3."*
- 16. A certification is likewise issued by BLCI's President as to the conduct of a CSP, a copy is attached as *Confidential Annex "I."*
- 17. Thereafter, the Parties finalized the terms and executed the Power Supply Agreement.

SALIENT FEATURES OF THE PSA

Contracted	As stated in Schedule 1 of the PSA
Capacity	
Contracted Energy	As stated in Schedule 1 of the PSA
Term	The PSA shall take effect immediately from
	Effective Date and shall remain in force and
	effect until December 25, 2033, unless sooner
	terminated in accordance with the PSA.
Supply	SELLER shall make available, sell and deliver,
	or cause to be delivered to the BUYER the
	Contracted Capacity and Associated Energy at
	the Point of Delivery, whether sourced from the
	Plant or from other electricity generators,
	including the WESM
Delivery Point	BUYER's metering nodes as enumerated in
	Schedule 7.
Replacement	SELLER shall be obligated to provide
Power	Replacement Power to ensure availability of
	energy under any of the following
	circumstances: (a) if there is delay on the
	availability of supply from the Plant on Delivery
	Date; (b) the Plant is on Planned or Forced
	Outage; or (c) during Bohol Islanding
	Condition

18. The salient features of the PSA are as follows:

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Outage Allowance	CEDC shall not be entitled to any outage allowance. The Contracted Capacity shall be available at all times, except for interruption and/or reduction due to Events of Force Majeure
Basic Energy	Calculated in accordance with Schedule 3
Charge and	
Minimum Charge	
Other Charges	As stipulated in Section 6. Each Party shall bear its own costs and expenses necessary,
	incidental to, or in connection with, this
	Agreement, including legal and professional fees, if any.

19. The tariff is further discussed in the **Executive Summary** attached as *Confidential Annex "Q."*

SUPPLY-DEMAND SCENARIO

20.Below is the Supply-Demand Scenario for BLCI for the period 2013-2033:

Supply-Demand Scenario (yearly) with CEDC

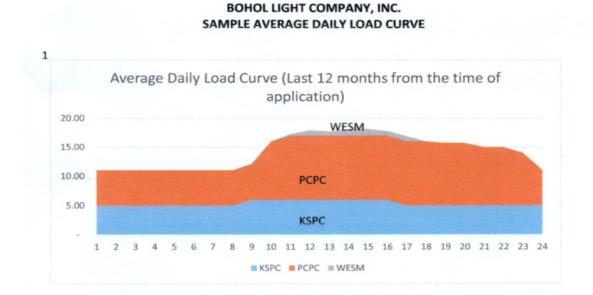
Table 1: Historical and Forecasted Supply-Demand Scenario from the year 2013 to 2033

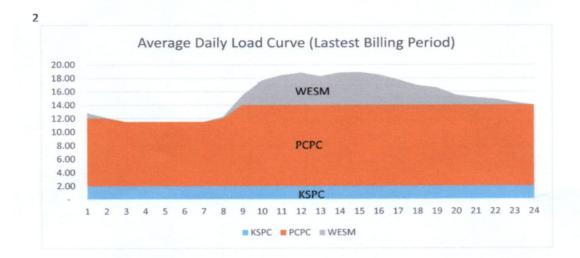
					,	Historical	Years					Current Year				F	orecaste	d			
	ERC Case No.	2013	2014	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Peak Demand (MW)	6	21.7	22.5	22.4	25.2	27.9	29.3	28.4	27.2	28.8	31.2	32.1	34.0	35.9	37.7	39.8	41.7	43.7	45.5	47.5	49.
RCOA					3.2	3.5	3.9	3.1	3.2	3.5	3.9	4.4	4.4	4.5	4.6	4.7	4.8	4.9	5.0	5.1	5.3
SupplierS:															1						
KSPC	2013-006 RC	5	5	5	7	7	7	7	7	7	7	2									
ULGEI	2015-190 RC			11	8.6	8.6	8.6	8.6	8.6											-	
KSPC	2021-078 RC									6	6										
PSALM		18.5	19	19.3						-											
PSALM	2021-078 RC								9	9	10										
BASELOAD (EDC NEW)							-					12.00	12.00	12.00	13.00	13.00	13.00	14.00	14.00	14.00	15.00
BASELOAD (CSP)	-											10.00	10.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Total Supply (MW)		23.50	24.00	35.30	15.60	15.60	15.60	15.60	24.60	22.00	23.00	24.00	22.00	24.00	25.00	25.00	25.00	26.00	26.00	26.00	27.00
Deficit/Surplus		(1.80)	(1.50)	(12.90)	6.40	8.80	9.81	9.70	(0.58)	3.28	4.30	3.72	7.56	7.38	8.12	10.06	11.91	12.75	14.46	16.41	17.18

The Supply and Demand Profile is further expounded in *Annex* "*J*."

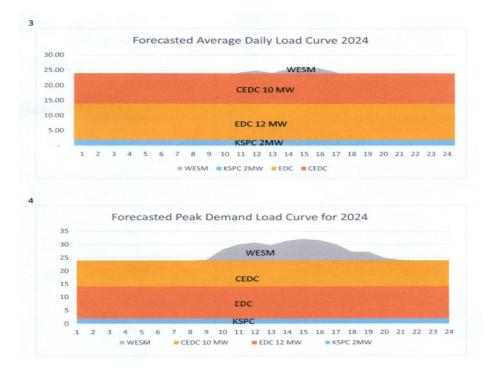
21. The current and forecast daily load curve is presented below:

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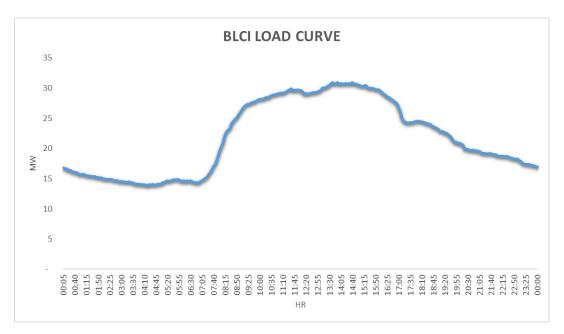


FORECASTED AVERAGE DAILY LOAD CURVE



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FORECASTED LOAD CURVE FOR THE PEAK DAY



The Average and Forecast Daily Load Curve is further shown in *Annex "J."*

RATE IMPACT ANALYSIS

22. Applicant BLCI projects that the immediate implementation of the PSA with CEDC would potentially result into a reduction of **P0.2735/kWh** in its generation rate for its captive customers. The table in *Annex "K"* (Rate Impact Analysis) shows in greater detail the actual rate impact of CEDC's supply of energy to BLCI under the PSA.

		NATE INT	ACT SINIOLATION			
Simulation or	Generation Mix Ra	te without CED	oc			
SUPPLIERS	AVERAGE MONHTLY QUANTITY (kWh)	PERCENT SHARE (%)	AVERAGE RATE (P/kWh)	CAPACITY UTILIZATION LOAD FACTOR	COMBINED RATE (P/kWh)	
KSPC	1,488,000	11.41%	7.7095	100.0%		
EDC	8,928,000	68.44%	3.9612	100.0%	6 1767	
WESM	2,629,600	20.16%	12.8295	States and the second second	6.1763	
Total	13,045,600	100.00%	and the second second			

PATE IMPACT SIMULATION

Simulation for Generation Mix Rate with CEDC

SUPPLIERS	AVERAGE MONHTLY QUANTITY (kWh)	PERCENT SHARE (%)	RATE (P/kWh)	CAPACITY UTILIZATION LOAD FACTOR	COMBINED RATE (P/kWh)
KSPC	1,488,000	11.41%	7.7095	100.0%	
EDC	6,249,600	47.91%	4.9687	70.0%	1
CEDC	5,208,000	39.92%	6.3745	70.0%	5.9028
WESM	100,000	0.77%	12.8295	Contraction of the second	1
Total	13,045,600	100.00%			1

Generation Rate Impact

-0.2735

Assumption

2. WESM prices are based on the Average 2023 data, the oultiers are replaced by average rate for a particular hour and day.

3. KSPC price is base on average 1st Qtr of 2024 billing

4. EDC under ERC Case No. 2023-110 RC, price is based on the agreed price per PSA at 70%-100% CUF.

5. CEDC Price is based on the agreed price per PSA at 70%-100% CUF.

^{1.} Simulation is based on Average Monthly 2024 forecast.

OTHER SUPPORTING DOCUMENTS

- 23. As alleged in the above Paragraphs 11 to 15, the CSP for the instant application spanned commencing from the DOE's approval of the TOR on **10 May 2023 up to 18 August 2023** when BLCI issued the Notice of Award in favor of CEDC as the winning bidder.
- 24. Further, Section 47, Article XI of the Honorable Commission's *Resolution No. 16, Series of 2023 (the "ERC Resolution")*, provides thus:

"Section 47. **Transitory Period**. - All DUs with ongoing CSP activities and have been issued with Certificates of Posting (COP), prior to the effectivity of the DOE CSP Policy, shall continue to observe the CSP policy in accordance with DC No. DC2018-02-0003, as amended and supplemented by DC No. DC2021-09-0030.

xxx"

- 25. According to the Honorable Commission's official website, the ERC Resolution was published on **8 October 2023**. Moreover, Section 53, Article XII thereof provides that the Resolution shall take effect fifteen (15) days from publication, hence, on **23 October 2023**.
- 26. Considering that the herein CSP <u>concluded prior to the</u> <u>effectivity</u> of the ERC Resolution, Joint Applicants respectfully submitted the supporting documents for the instant Application in accordance with the CSP policy observed in accordance with the DOE's DC No. DC2018-02-0003, as amended and supplemented by DC No. DC2021-09-0030, which underwent the pre-filing conference and pre-filing marking of annexes with this Honorable Commission, to wit:

Description of Document	Annex					
Supply and Demand Scenario of BLCI						
BLCI's write up on Demand Side Management	L and series					
Program.						
BLCI's 2023 to 2032 Power Supply Procurement Plan						
and Distribution Development Plan.						
BLCI's Corporate Documents and Information						
BLCI's Certificate of Registration, Articles of	M and series					
Incorporation, By-Laws, amended Articles of						
Incorporation, and latest General Information Sheet						
BLCI's Secretary's Certificate containing a list of						
Current Members of BLCI's Board of Directors and						
Board Members of the ultimate parent company, its						
subsidiaries, and all its affiliates						
Latest Audited Financial Statements						
Other information						
Explanation on Transition Supply	N and series					
Contract (TSC) capacity from the National Power						
Corporation						

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Description of Document	Annex
Single Line Diagram of BLCI	
Performance Assessment of the System:	
a. SAIDI and SAIFI.	
b. Historical, CY 2019 to 2023	
An estimation of the potential for a reduction in load	
supplied by the DU due to	
retail competition, GEOP, etc.	
BLCI's Certificates on the non-applicability of some	
items in the PSA Checklist	
WESM Registration	
CEDC's Corporate Documents	
Certificate of Registration, Articles of Incorporation,	O and series
By-Laws, latest amended Articles of Incorporation and	
By-Laws, and latest General Information Sheet	
List of Current Members of Board of Directors and	
Board Members of the ultimate parent company, its	
subsidiaries, and all its affiliates	
Latest audited financial statements	
CEDC Permits	
ERC Provisional Authority to Operate,	P and series
Environmental Compliance Certificate, Board of	
Investment Certificate of Registration, Application	
for Point-to-Point Facility	
CEDC Financial Information and Generation Ra	ate
Executive Summary which shows the tariff, Sources of	Q and series
Funds/ Financial Plans, Debt/Equity Rati, Project	(Confidential)
Cost, Computation of Return on Investment/ WACC,	
Life of Asset versus Term of Loan (Computation of	
levelized cost), Generation Rate and Derivation,	
Financial model containing the derivation of rates,	
Breakdown of the base prices; Capital Recovery Fee,	
Fixed and Variable O&M, and Fuel Fee; Breakdown of	
Project Cost and Operations and Maintenance (O&M)	
Cost including the description and	
justification/supporting of each component; Sample	
Computation of Power Rates with the supporting	
documents on the assumptions taken; Rate impact	
simulation on the overall rates of the applicant-utility	
once the contract is approved including an	
explanation on assumptions and input parameters	
used in the derivation thereof; Basis/rationale of indexation including the sources reference date and	
indexation including the sources, reference date and	
weight of indexation; Basis/rationale/derivation of Other Charges such as replacement, start-up, pre	
commercial, and ancillary costs; Equivalent PhP/kWh	
with assumptions for foreign denominated rates; Cash	
Flow specifying the following: Initial Costs;	
Breakdown of Operating and Maintenance expenses	
*(Confidential)	
Bank Certification of Long-Term Loans*	
(Confidential)	
CEDC Contracts / Other Information	

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Description of Document	Annex					
Transmission Service Agreement; Proof of WESM	R and series					
registration						
CEDC Plant-Related Information						
Simulation of the no. of operating units necessary to meet the Minimum Energy Off Take (MEOT) and Performance Test Reports* <i>(Confidential)</i>	S and S-1 and series (Confidential)					
Technical and economic characteristics of the plant* <i>(Confidential)</i>						
Summary of Outages* (Confidential)	S-2 to S-4					
Single-line Diagram Connection (including						
parameters) – Genco						
CEDC's Explanation on non-applicability of some items in the PSA Checklist	Т					
Generation Company's Fuel-Related Documents						
Fuel Procurement Process and Fuel Supply Contracts*	U and series					
(Confidential)	(Confidential)					
*Subject to the Motion for Confidential Treatment of Information						

*Subject to the Motion for Confidential Treatment of Information

ALLEGATIONS IN SUPPORT OF THE MOTION FOR PROVISIONAL AUTHORITY

- 27. As disclosed above, the power situation outlook for 2023 to 2032 of BLCI shows an under-contracting by 10% in its power supply portfolio with the lowest deficit of 18.9 MW occurring in August 2023 due to PSALM's unilateral pre-termination of the 9MW CSEE commencing on 25 July 2023, that was supposed to end on 25 December 2023. Further, as stated above, BLCI projects that there will be a reduction in its generation rate for its captive market with the immediate implementation of the PSA with CEDC as compared to sourcing the contracted energy therein from the spot market. Thus, without the immediate implementation of the subject PSA, BLCI customers may be exposed to volatile prices of the Wholesale Electricity Spot Market, hence, it is important that the PSA with CEDC is immediately implemented.
- 28.Under Section 4(e), Rule 3 of the EPIRA IRR, this Honorable Commission may grant a provisional authority as follows:

"The ERC may grant provisionally or deny the relief prayed for not later than seventy five (75) calendar days from the filing of the application or petition, based on the same and the supporting documents attached thereto and such comments or pleadings the consumers or the LGU concerned may have filed within thirty (30) calendar days from receipt of a copy of the application or petition or from the publication thereof as the case may be."

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29. In view of the urgency above-mentioned, CEDC and BLCI respectfully move for the issuance of a provisional authority ("PA") in this instant case to immediately proceed in implementing the PSA, and for the lower rate and benefits derived therein to be immediately enjoyed by its customers. In support of the Motion for Issuance of Provisional Authority, BLCI prepared an Affidavit in Support of the Prayer for Issuance of Provisional Authority, a copy is attached as Annex "V."

Allegations Relative to the Prayer for Confidential Treatment of Information

- 30. Under *Rule 4 of the ERC Revised Rules of Practice and Procedure*, a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential, by describing with particularity the information to be treated as confidential, specifying the ground for the claim of confidential treatment of the information and, if applicable, specifying the period during which the information must not be disclosed.
- 31. With respect to the documents marked and attached as ANNEXES "C," "Q" and series, "S" and "S-1" and series, and "U" and series, Parties respectfully move that these be treated as confidential and not be disclosed to any party. On the part of CEDC, the confidentiality of these documents is paramount because these contain non-public, proprietary information, data and calculations involving the investments, financial calculations, and business operations of CEDC. The data and information contained therein are part of the overall formula and process in arriving at the competitive rates of CEDC. These formulae and process are specifically developed for the use of CEDC and are treated as trade secrets. If the information contained in these documents are unduly disclosed, it will seriously prejudice the competitiveness of CEDC. These documents are neither generally available to the public nor already in the possession of the Honorable Commission on a nonconfidential basis.
- 32. In addition to the foregoing, pursuant to CEDC's agreement with its counterparties, documents marked as *Annex "Q" and series, and "U" and series* (information relative to bank loan and fuel supply agreements) likewise contain certain non-public information involving its lenders' and counterparties' financial trade secrets. Hence, the confidentiality of those documents should be maintained.
- 33. In its Instructions to Bidders, BLCI bound itself to keep all bids submitted by the qualified bidders as confidential. In compliance with this undertaking, the Bid Proposals received by BLCI (*Annexes "G" to "G-2"*), the TPBAC Evaluation of Bids with the Abstract of Bids (*Annex "G-3"*), the reports on the technical proposal evaluation and post-qualification (*Annexes "G-4" and "G-5"*) and the Certification from BLCI President on the conduct of the CSP (*Annex "I"*), which are all submitted herein

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as part of the CSP documents, are hereby requested to be considered confidential as these documents contain information about the bids received by BLCI from the other qualified bidders during the conduct of the CSP which constitute trade secrets of such bidders.

34. In the case *Air Philippines Corporation vs. Pennswell, Inc.,*¹ the Supreme Court defined "trade secret" as follows:

"A trade secret is defined as a plan or process, tool, mechanism, or compound known only to its owner and those of his employees to whom it is necessary to confide it. The definition also extends to a secret formula or process not patented, but known only to certain individuals using it in compounding some article of trade having commercial value. A trade secret may consist of any formula, pattern, device, or compilation of information that (1) is used in one's business; and (2) gives the employer an opportunity to obtain advantage over competitors who do not possess the information. Generally, a trade secret is a process or device intended for continuous operation of the business, for example, a machine or formula, but can be a price list or catalogue or specialized customer list. It indubitable that trade secrets is constitute proprietary rights." (Emphasis ours.)

35. The protection of trade secrets is likewise recognized by the Honorable Commission in its Decision in ERC Case No. 2015-111 RC.

"In the case of PNOC RC, the documents sought to be protected from disclosure contains formula and pricing structures used in arriving at their proposed tariff. The prices cited in the documents were components of the proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. In electric power industry [where] prices is a major consideration in selecting one's supplier, it is apparent that the assumption used in arriving at one's proposed tariff is considered a competitive leverage by one player against its competitors.

Thus, the Commission resolved to treat the said documents confidential and may not be publicly disclosed.²

36. Further, in the recently issued ADVISORY dated 13 November 2023, these documents are listed as confidential documents. It is

¹ G.R. No. 172835, December 13, 2007.

² In the Matter of the Application for the Approval of the Power Supply Agreement Between Nueva Ecija II Electric Cooperative, Inc. – Area 2 (NEECO II – Area 2) and PNOC Renewables Corporation (PNOC RC) with Prayer for Provisional Authority, ERC Case No. 2015-111 RC, Decision dated 30 May 2017, p. 26.

respectfully submitted therefore that <u>Annexes "Q" and series</u>, <u>and "U" and series</u>," fall within the bounds of proprietary "trade secrets" which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

- 37. Thus, Applicants hereby submit one (1) copy of each of the foregoing confidential documents in sealed envelopes, with the envelopes and each page of the documents marked **"Confidential**."
- 38. The interest of the consumers of BLCI is sufficiently protected by the review and evaluation of the rates under the PSA by the Honorable Commission, without the need to disclose the contents of the confidential information. The reasonableness and transparency of the prices of electricity is to be assured by the Honorable Commission through its own review and verification of the foregoing documents sought to be afforded confidential treatment in the evaluation and handling thereof.
- 39. Lastly and corollary to the foregoing, Applicants would like to implore the discerning wisdom of the Honorable Commission to include in its issuance for this purpose the "procedures for the handling or returning the confidential information, as appropriate, upon the close of the proceedings or at the end of the period for which the information is to be treated as confidential."³
- 40. This is guided by the fact that Applicants will seek for the return of these sought to be declared confidential annexes after its utilization as evidence in this case and/or at the close of the proceedings hereof, so as to relieve the Honorable Commission of the burden of safekeeping the trade secrets of Applicants enclosed in the subject annexes.

PRAYER

WHEREFORE, premises considered, Applicants respectfully pray that the Honorable Commission:

- a) Issue an Order **TREATING** <u>ANNEXES "C," "G and Series,"</u> "I," "Q and Series," "S" and "S-1" and Series, "U and <u>Series,"</u> and all other information contained therein as **CONFIDENTIAL**, directing their non-disclosure to persons other than officers and staff of this Honorable Commission, continuously protecting the said information from public disclosure by maintaining the same separate and apart from the records of the case, and ensuring that these are not divulged to unauthorized persons, pursuant to Rule 4 of the ERC Revised Rules of Practice and Procedure;
- b) After hearing on the merits, render a Decision **APPROVING THE PSA** between CEDC and BLCI and the terms and

³ Letter (d), Section 4, of the ERC Rules and Practice and Procedure.

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conditions thereunder, including the Basic Energy Charge and if applicable, the Minimum Charge, in accordance with Schedule 3, among others.

Other relief just and equitable under the circumstances are likewise prayed for.

The Commission hereby sets the instant *Joint Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020⁴ and Resolution No. 01, Series of 2021⁵ (ERC Revised Rules of Practice and Procedure):

Date	Platform	Activity
29 November 2024 (Friday) at ten o'clock in the morning (10:00 AM)	Microsoft Teams	Determination of compliance with the jurisdictional requirements and Expository Presentation
06 December 2024 (Friday) at ten o'clock in the morning (10:00 AM)	Application	Pre-Trial Conference and Presentation of Evidence

Accordingly, BLCI and CEDC are hereby directed to host the virtual hearings at **BLCI Building**, **R. Enerio St., Tagbilaran City, Bohol, Philippines**, as the designated venue for the conduct thereof, and ensure that the same is open to the public. Moreover, BLCI and CEDC shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

Any interested stakeholder may submit its comments and/or clarifications at **least one (1) calendar day** prior to the scheduled initial virtual hearing, via electronic mail (e-mail) at <u>docket@erc.ph</u>, and copy furnish the Legal Service through <u>legal@erc.ph</u>. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

⁴ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

⁵ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

Moreover, all persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission via e-mail at <u>docket@erc.ph</u>, and copy furnishing the Legal Service through <u>legal@erc.ph</u>, a verified Petition to Intervene at **least five (5) calendar days** prior to the date of the initial virtual hearing. The verified Petition to Intervene must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicate therein the docket number and title of the case, and state the following:

- 1) The petitioner's name, mailing address, and e-mail address;
- 2) The nature of petitioner's interest in the subject matter of the proceeding and the way and manner in which such interest is affected by the issues involved in the proceeding; and
- 3) A statement of the relief desired.

Likewise, all other persons who may want their views known to the Commission with respect to the subject matter of the case may file through e-mail at <u>docket@erc.ph</u>, and copy furnish the Legal Service through <u>legal@erc.ph</u>, their Opposition or Comment thereon at **least five (5) calendar days** prior to the initial virtual hearing. Rule 9 of the ERC Revised Rules of Practice and Procedure shall govern. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

- 1) The name, mailing address, and e-mail address of such person;
- 2) A concise statement of the Opposition or Comment; and
- 3) The grounds relied upon.

All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, **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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Any of the persons mentioned in the preceding paragraphs may access the copy of the *Joint Application* on the Commission's official website at <u>www.erc.gov.ph</u>.

Finally, all interested persons may be allowed to join the scheduled initial virtual hearings by providing the Commission, thru <u>legal.virtualhearings@erc.ph</u>, their respective e-mail addresses and indicating therein the case number of the instant *Joint Application*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearings.

WITNESS, the Honorable Officer-In-Charge Chairperson JESSE HERMOGENES T. ANDRES and the Honorable Commissioners ALEXIS M. LUMBATAN, CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL, and MARKO ROMEO L. FUENTES, Energy Regulatory Commission, this 14th day of October 2024 in Pasig City.

> FOR AND BY AUTHORITY OF THE COMMISSION:

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

LS: JPM