

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 A PROVISIONAL  
AUTHORITY AND  
CONFIDENTIAL TREATMENT  
OF INFORMATION,**

**ERC CASE NO. 2024-085 RC**

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

*Applicants.*

X-----X

**Promulgated:**  
October 14, 2024

**ORDER**

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 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.
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 of bids, and other necessary information is attached as **Annex “F,”** proof of publication 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-4” to “F-15.”**
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 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**

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

Contracted Capacity	As stated in Schedule 1 of the PSA
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 Power	SELLER shall be obligated to provide 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
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 Charge and Minimum Charge	Calculated in accordance with Schedule 3
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

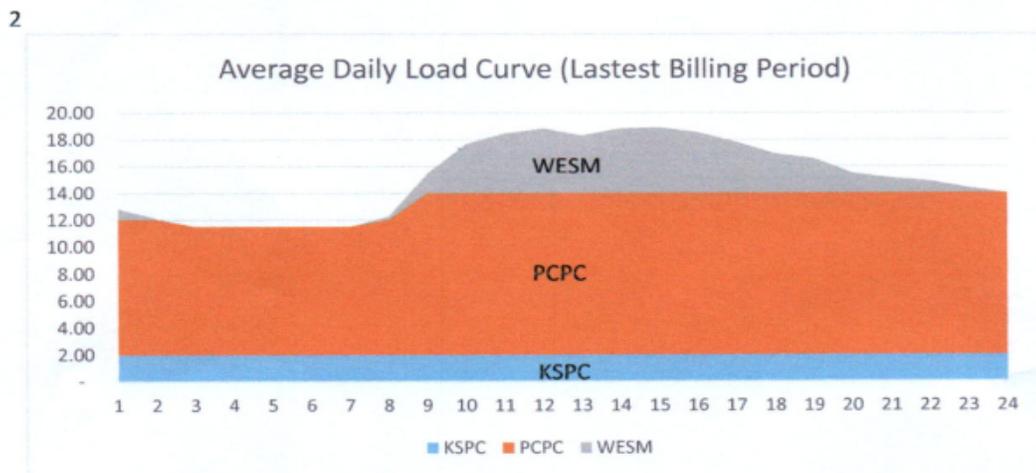
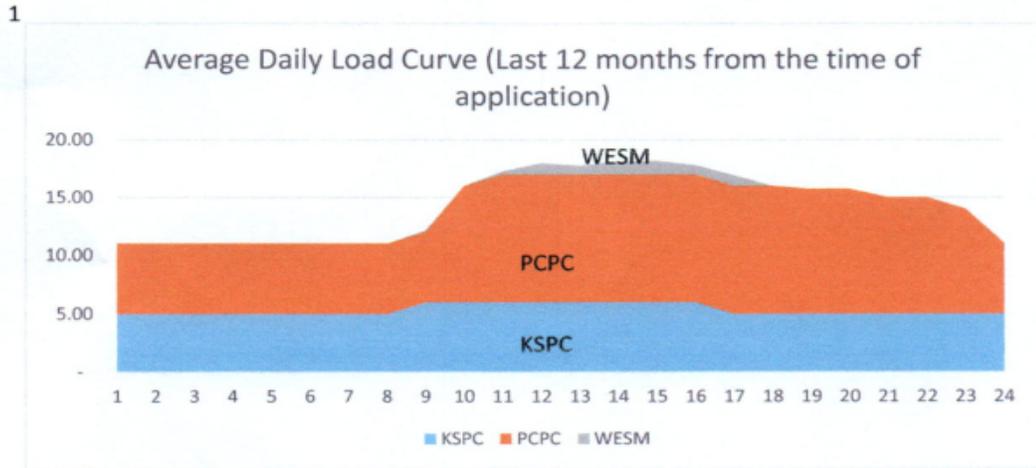
Table 1: Historical and Forecasted Supply-Demand Scenario from the year 2013 to 2033

	ERC Case No.	Historical Years											Current Year	Forecasted									
		2013	2014	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Peak Demand (MW)		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	49.4		
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	5.2		
Suppliers:																							
KSPC	2013-006 RC	5	5	5	7	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		

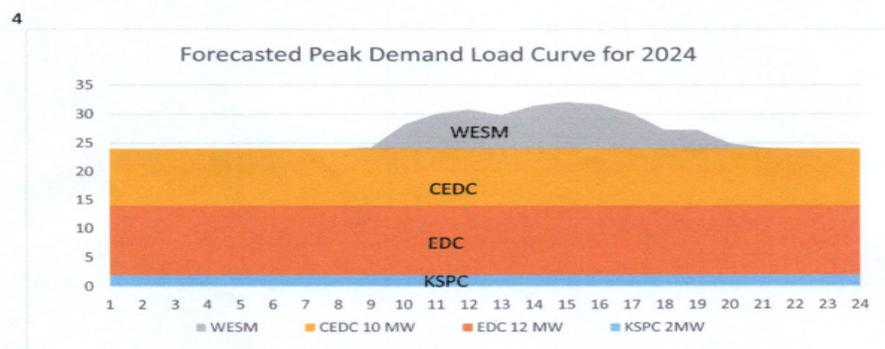
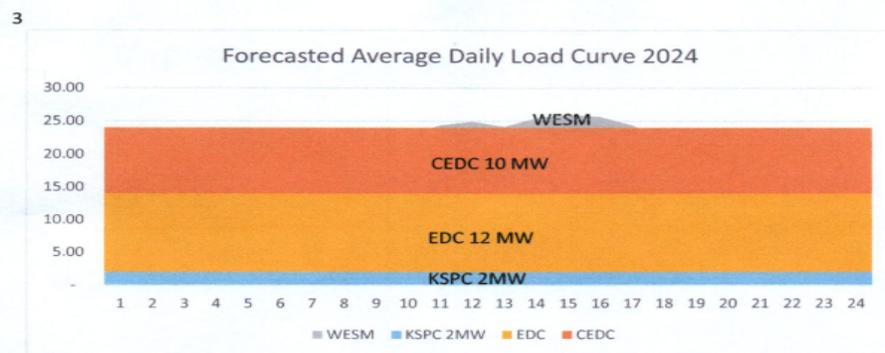
The Supply and Demand Profile is further expounded in **Annex “J.”**

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

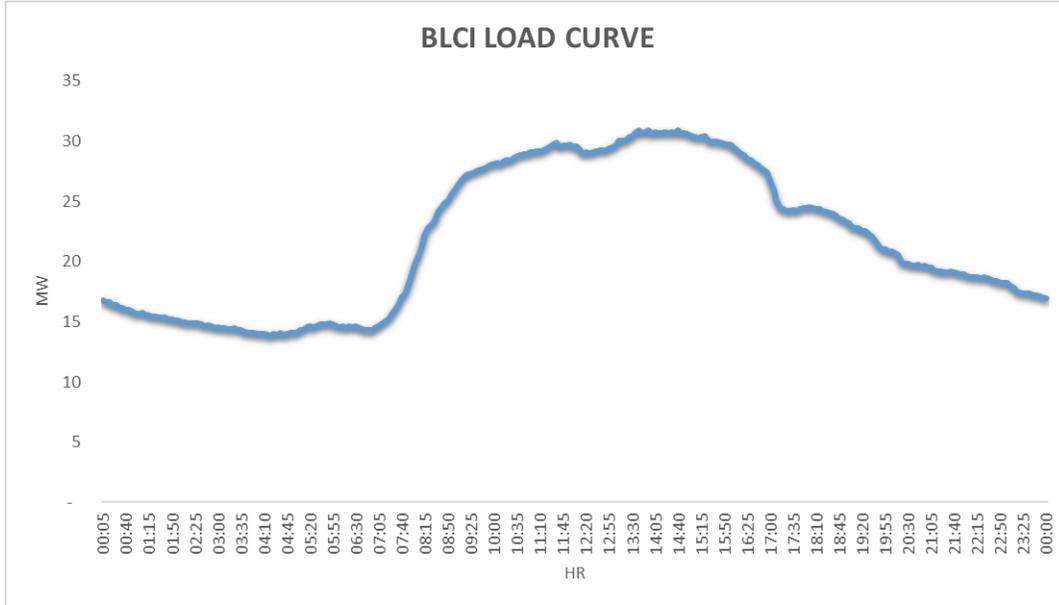
**BOHOL LIGHT COMPANY, INC.**  
**SAMPLE AVERAGE DAILY LOAD CURVE**



**FORECASTED AVERAGE DAILY LOAD CURVE**



**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 **Po.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.

**RATE IMPACT SIMULATION**

**Simulation on Generation Mix Rate without CEDC**

SUPPLIERS	AVERAGE MONTHLY 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%	6.1763
EDC	8,928,000	68.44%	3.9612	100.0%	
WESM	2,629,600	20.16%	12.8295		
Total	13,045,600	100.00%			

**Simulation for Generation Mix Rate with CEDC**

SUPPLIERS	AVERAGE MONTHLY 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%	5.9028
EDC	6,249,600	47.91%	4.9687	70.0%	
CEDC	5,208,000	39.92%	6.3745	70.0%	
WESM	100,000	0.77%	12.8295		
Total	13,045,600	100.00%			

Generation Rate Impact **-0.2735**

**Assumption**

- Simulation is based on Average Monthly 2024 forecast.
- WESM prices are based on the Average 2023 data, the outliers are replaced by average rate for a particular hour and day.
- KSPC price is based on average 1st Qtr of 2024 billing
- EDC under ERC Case No. 2023-110 RC, price is based on the agreed price per PSA at 70%-100% CUF.
- CEDC Price is based on the agreed price per PSA at 70%-100% CUF.

**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 **concluded prior to the effectivity** 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:

<b>Description of Document</b>	<b>Annex</b>
<b>Supply and Demand Scenario of BLCI</b>	
BLCI’s write up on Demand Side Management Program.	L and series
BLCI’s 2023 to 2032 Power Supply Procurement Plan and Distribution Development Plan.	
<b>BLCI’s Corporate Documents and Information</b>	
BLCI’s Certificate of Registration, Articles of Incorporation, By-Laws, amended Articles of Incorporation, and latest General Information Sheet	M and series
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	
<b>Other information</b>	
Explanation on Transition Supply Contract (TSC) capacity from the National Power Corporation	N and series

<b>Description of Document</b>	<b>Annex</b>
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	
<b>CEDC's Corporate Documents</b>	
Certificate of Registration, Articles of Incorporation, By-Laws, latest amended Articles of Incorporation and By-Laws, and latest General Information Sheet	O and series
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	
<b>CEDC Permits</b>	
ERC Provisional Authority to Operate, Environmental Compliance Certificate, Board of Investment Certificate of Registration, Application for Point-to-Point Facility	P and series
<b>CEDC Financial Information and Generation Rate</b>	
Executive Summary which shows the tariff, Sources of Funds/ Financial Plans, Debt/Equity Rati, Project 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 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 <b>*(Confidential)</b>	Q and series <b>(Confidential)</b>
<i>Bank Certification of Long-Term Loans*</i> <b>(Confidential)</b>	
<b>CEDC Contracts / Other Information</b>	

<b>Description of Document</b>	<b>Annex</b>
Transmission Service Agreement; Proof of WESM registration	R and series
<b>CEDC Plant-Related Information</b>	
Simulation of the no. of operating units necessary to meet the Minimum Energy Off Take (MEOT) and Performance Test Reports* <b>(Confidential)</b>	S and S-1 and series <b>(Confidential)</b>
Technical and economic characteristics of the plant* <b>(Confidential)</b>  Summary of Outages* <b>(Confidential)</b>  Single-line Diagram Connection (including parameters) – Genco	S-2 to S-4
CEDC’s Explanation on non-applicability of some items in the PSA Checklist	T
<b>Generation Company’s Fuel-Related Documents</b>	
Fuel Procurement Process and Fuel Supply Contracts* <b>(Confidential)</b>	U and series <b>(Confidential)</b>

**\*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.”**

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 non-confidential 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 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.*,<sup>1</sup> 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 is indubitable that trade secrets 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.<sup>2</sup>

36. Further, in the recently issued ADVISORY dated 13 November 2023, these documents are listed as confidential documents. It is respectfully submitted therefore that **Annexes “Q” and series, and “U” and series,** fall within the bounds of proprietary “trade secrets” which are entitled to protection under the

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<sup>1</sup> G.R. No. 172835, December 13, 2007.

<sup>2</sup> 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.

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.*”**<sup>3</sup>
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 ANNEXES “C,” “G and Series,” “I,” “Q and Series,” “S” and “S-1” and Series, “U and Series,”** 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 conditions thereunder, including the Basic Energy Charge and if applicable, the Minimum Charge, in accordance with Schedule 3, among others.

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

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

Finding the said *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 platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020<sup>4</sup> and Resolution No. 01, Series of 2021<sup>5</sup> (ERC Revised Rules of Practice and Procedure):

<b>Date</b>	<b>Platform</b>	<b>Activity</b>
<b>29 November 2024</b> (Friday) at ten o'clock in the morning (10:00 AM)	<b>Microsoft Teams</b>	Determination of compliance with the jurisdictional requirements and expository presentation
<b>06 December 2024</b> (Friday) at ten o'clock in the morning (10:00 AM)		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.

**RELATIVE THERETO**, BLCI and CEDC 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;

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

<sup>5</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governors, the Mayors and the Local Government Unit (LGU) legislative bodies, where BLCI and CEDC principally operate;
- 3) Inform the consumers within the affected area, by any other means available and appropriate, of the filing of the *Application*, their 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 *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, Applicants must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto: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 Governors, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by BLCI and CEDC to inform the consumers affected by the filing of the

*Application*, their 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 *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, BLCI and CEDC 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 concerned Offices of the Governors, Mayors, and Local Legislative Bodies, and to submit proof of posting thereof.

BLCI and CEDC, and all interested parties are also required to submit via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto: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.

BLCI and CEDC 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 BLCI and CEDC to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings, and the resetting of which shall be six (6) months from the said date of cancellation.

Joint applicants BLCI and CEDC must also be prepared to make an expository presentation of the instant *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 *Application*. Relevant information and pertinent details substantiating the reasons and justifications for the *Application* must be cited in support thereof.

Joint applicants BLCI and CEDC are hereby directed to file a copy of their Expository Presentation via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** prior to the scheduled virtual hearing. Joint 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.

Joint applicants BLCI and CEDC are 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 the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

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Finally, BLCI and CEDC, including their authorized representatives and witnesses, are hereby directed to provide the Commission, through [legal.virtualhearings@erc.ph](mailto: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, 14 October 2024.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**ATTY. KRISHIA MARIE T. BUELA**  
*Director III, Legal Service*

**ERC CASE NO. 2024-085 RC**  
**ORDER/ 14 October 2024**  
**PAGE 19 OF 20**

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**Copy Furnished:**

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BLCI Building, Ramon Enerio Street, Poblacion 3, Tagbilaran City, Bohol  
Email addresses: [support@bohollight.com](mailto:support@bohollight.com), [emsigne@yahoo.com.ph](mailto:emsigne@yahoo.com.ph)
2. Cebu Energy Development Corporation (CEDC)  
*Applicant*  
8<sup>th</sup> Floor, Tower 1, Rockwell Business Center,  
Ortigas Avenue, Brgy. Ugong, Pasig City  
Email address: [MGPREgulatory@globalpower.com.ph](mailto:MGPREgulatory@globalpower.com.ph)
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Ayala Alabang, Muntinlupa City  
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4. Atty. Jacqueline Kate Saliente-Tamayo and Mark Francis R. Recierdo of Global Business  
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5. Office of the Solicitor General (OSG)  
134 Amorsolo Street, Legaspi Village, Makati City  
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6. Commission on Audit (COA)  
Commonwealth Avenue, Quezon City  
Email address: [citizensdesk@coa.gov.ph](mailto:citizensdesk@coa.gov.ph)
7. Senate Committee on Energy  
GSIS Building, Roxas Boulevard, Pasay City  
Email address: [senateenergycommittee@gmail.com](mailto:senateenergycommittee@gmail.com)
8. House Committee on Energy  
Batasan Hills, Quezon City  
Email address: [committee.energy@house.gov.ph](mailto:committee.energy@house.gov.ph)
9. Office of the Governor  
Province of Bohol
10. Office of the Sangguniang Panlalawigan  
Province of Bohol
11. Office of the City Mayor  
Tagbilaran City, Bohol
12. Office of the Sangguniang Panlungsod  
Tagbilaran City, Bohol
13. Office of the Governor  
Province of Cebu
14. Office of the Sangguniang Panlalawigan  
Province of Cebu
15. Office of the City Mayor  
Toledo City, Cebu
16. Office of the Sangguniang Panlungsod

Toledo City, Cebu

17. Regulatory Operations Service (ROS)  
Energy Regulatory Commission  
14<sup>th</sup> Floor, Exquadra Tower, 1 Jade Drive,  
Ortigas Center San Antonio, Pasig City  
Email: [ros@erc.ph](mailto:ros@erc.ph)