

Republic of the Philippines  
**ENERGY REGULATORY COMMISSION**  
San Miguel Avenue, Pasig City



**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE POWER  
SUPPLY AGREEMENT (PSA)  
BETWEEN MANILA  
ELECTRIC COMPANY  
(MERALCO) AND ST.  
RAPHAEL POWER  
GENERATION  
CORPORATION (SRPGC),  
WITH MOTION FOR  
CONFIDENTIAL  
TREATMENT OF  
INFORMATION**

**ERC CASE NO. 2016 - 093 RC**

**MANILA ELECTRIC  
COMPANY (MERALCO) AND  
ST. RAPHAEL POWER  
GENERATION CORPORATION  
(SRPGC)**

**Applicants.**

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**D O C U M E N T E D**  
Date: NOV 08 2016  
By: *W*

**NOTICE OF PUBLIC HEARING**

**TO ALL INTERESTED PARTIES:**

Notice is hereby given that on 29 April 2016, Applicants Manila Electric Company (MERALCO) and St. Raphael Power Generation Corporation (SRPGC), filed a *Joint Application with Motion for Confidential Treatment* for approval of their Power Supply Agreement (PSA) dated 26 April 2016.

MERALCO and SRPGC alleged the following in their *Joint Application*:

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1. Applicant MERALCO is a private corporation existing under the laws of the Republic of the Philippines, with principal office located at Ortigas Avenue, Barangay Ugong, Pasig City. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.
2. MERALCO has a legislative franchise to operate and maintain a distribution system in the cities/municipalities of Metro Manila, Bulacan, Cavite and Rizal and certain cities, municipalities and barangays in Batangas, Laguna, Quezon and Pampanga, pursuant to Republic Act No. 9209, and is authorized to charge all its customers for their electric consumption at the rates approved by this Honorable Commission.
3. Applicant SRPGC is a corporation duly organized and existing under the laws of the Republic of the Philippines, with its principal office address at Brgy. Baclaran, Balayan, Batangas. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.
4. SRPGC shall construct, own, operate, manage and maintain a 2 x 350 MW (rated) coal-fired power generating facility in Calaca, Batangas (the "**Plant**"), on the island of Luzon in the Philippines.
5. Based on MERALCO's Distribution Development Plan, "from 2015 to 2024, energy sales is forecasted to grow by a compounded average growth rate of 3.7%."
6. In order to ensure continuous and reliable electricity for MERALCO's customers with the expected continuous increase in demand and load growth, and mitigate exposure to the Wholesale Electricity Spot Market ("**WESM**"), there is a need for MERALCO to source additional capacity through bilateral power supply contracts.
7. Under Section 45(b) of Republic Act No. 9136 ("**EPIRA**"), it is provided that "*Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC xxx*".
8. Accordingly, following extensive negotiations, on 26 April 2016, MERALCO executed a Power Supply

Agreement (“PSA”) with SRPGC, for the purchase of up to 400 MW Contract Capacity<sup>1</sup> and Associated Energy from the Plant that SRPGC shall construct, own, operate, manage and maintain.

9. The PSA, a copy of which is attached as **ANNEX “A”** and made an integral part hereof, contains the following salient features:

**“2.1 Purpose**

The purpose of this Agreement is to set out the rights and obligations of each Party with regard to the sale and purchase of Contract Capacity and Associated Energy of the Plant.

**2.2 Term of Agreement**

2.2.1 Subject to Article 3, this Agreement shall become effective on the Effective Date.

2.2.2 The term of this Agreement (the “**Term**”) shall commence on the Operations Effective Date (Unit 1) and shall expire on the date falling twenty (20) years and four (4) months thereafter xxx

xxx xxx xxx

**3.2 Commencement Date**

3.2.1 The “Commencement Date” shall occur upon the satisfaction of the conditions below:

- (a) The conditions set out in Section 3.1 have been fulfilled;
- (b) Each Party has delivered to the other Party a certification dated no earlier than two (2) Days prior to the proposed Commencement Date to the effect that its representations and warranties contained herein shall be true and correct in all material respects on and as of the Commencement Date;

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<sup>1</sup> Initially set at 200MW to be increased to 400MW upon Operations Effective Date (Unit 2)

- (c) On or before the Longstop Date, the ERC shall have approved in the ERC Final Approval, this Agreement, including the pricing structure as set out herein (or as otherwise acceptable to Power Supplier); and
- (d) The Acceptance Date has occurred.

Within seven (7) Days after the satisfaction of the conditions referred to in this Section 3.2, Meralco and Power Supplier shall issue a joint certification confirming that the Commencement Date has occurred.

### **3.3 Operations Effective Date**

- 3.3.1 The Operations Effective Date shall occur on the twenty-sixth (26<sup>th</sup>) Day of the fifty-second (52<sup>nd</sup>) month from the Commencement Date for Unit 1 (the **“Operations Effective Date (Unit 1)”**) and four (4) months thereafter for Unit 2 (the **“Operations Effective Date (Unit 2)”**) (or collectively, **“Operations Effective Date”**).

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### **3.4 Commercial Operations Date**

- 3.4.1 The Plant shall achieve Commercial Operations Date upon delivery by Power Supplier of the documents enumerated below, in form and substance satisfactory to Meralco:<sup>2</sup>

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<sup>2</sup> With respect to Commercial Operations Date of each of Unit 1 and Unit 2:

- (a) Capacity Test Certificate;
- (b) a Net Plant Heat Rate Test Certificate;
- (c) all permits, licenses, authorizations and other approvals from all Government Instrumentalities and third parties needed for the operation of the Plant and the supply of electricity by Power Supplier to Meralco;
- (d) a Commercial Operations Date Certificate; and
- (e) Power Supplier certification that the insurances required under this Agreement relevant for at least the first Contract Year have been obtained.

**3.5. Early Occurrence of the Commercial Operations Date**

3.5.1 In the event that Power Supplier achieves Commercial Operations Date prior to the occurrence of the Operations Effective Date, Power Supplier shall promptly deliver to Meralco written notice thereof on or before the Commercial Operations Date, which may contain a request for early occurrence of the Operations Effective Date and the intended Operations Effective Date.

3.5.2 Within ten (10) Days from receipt of such written notice, Meralco shall, by written notice:

(a) Inform Power Supplier that it agrees to the early occurrence of Operations Effective Date and the revised Operations Effective Date; or

(b) Elect to have Power Supplier deliver, on a non-firm basis until the occurrence of the Operations Effective Date, such portion of the Contract Capacity and Associated Energy required by Meralco, for which it shall pay the Non-Firm Price.

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**Article 5 Sale and Purchase of Contract Capacity and Associated Energy**

**5.1 Supply of Power**

Subject to the terms and conditions of this Agreement:

5.1.1 From the Operations Effective Date until the expiration or earlier termination of this Agreement, Power Supplier shall:

(a) make available to Meralco, and Meralco shall purchase from Power Supplier, at the Price

determined in accordance with Appendix E, the Contract Capacity of the Plant; and

- (b) sell to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Associated Energy, to the extent of Meralco's relevant day-ahead nominations.

5.1.2 Unless otherwise expressly permitted by this Agreement, Power Supplier shall not, without Meralco's prior written consent:

- (a) sell, divert, grant, transfer, dedicate, reserve or assign all or any portion of the Contract Capacity and Associated Energy to any Person other than Meralco; or
- (b) provide Meralco with capacity and/or electrical energy from any source other than the Plant.

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## **Article 8 Outages**

### **8.1 Outage Allowances**

8.1.1 Power Supplier is allowed Scheduled and Forced Outages not to exceed an aggregate of forty-five (45) Full Load Equivalent Days for each Contract Year ("Full Load Equivalent Outage Allowance Days") during the Term, during which times reduced or no supply of Contract Capacity or Associated Energy will be available to Meralco. Unutilized Full Load Equivalent Outage Allowance Days shall not be carried forward to any subsequent Contract Year.

8.1.2 During the conduct of the Major Maintenance of each Unit of the Plant which occurs once every five (5) years

reckoned from Commercial Operations Date of each Unit, the Full Load Equivalent Outage Allowance Days shall be increased by an additional fifteen (15) Full Load Equivalent Outage Days; provided that Power Supplier may only undertake Major Maintenance for a total of three (3) times during the Term; provided further that the first Major Maintenance shall occur no earlier than the fifth (5th) year after the occurrence of the Commercial Operations Date.

8.1.3 In case an Event of Force Majeure coincides with a Scheduled Outage, any downtime shall be credited against the Full Load Equivalent Outage Allowance Days.

**8.2 Replacement Electrical Output During Outages**

8.2.1 During Outages within the Full Load Equivalent Outage Allowance Days, Power Supplier shall not be required to supply Meralco with Replacement Energy. In such circumstances, Meralco, at its own cost, shall source the Replacement Energy from the WESM. Power Supplier shall not invoice Meralco for such portion of Contract Capacity and Associated Energy that is not made available or supplied for the duration of Scheduled Outages within the Full Load Equivalent Outage Allowance Days. If during any Contract Year, the Outages exceed the Full Load Equivalent Outage Allowance Days, Power Supplier shall procure at Power Supplier's own cost, such Replacement Energy and electrical output from third parties (including the WESM) to satisfy the relevant day-ahead nominations of Meralco. During such period, Meralco shall pay Power Supplier the Price. In the event Power Supplier fails to procure such quantities of electrical energy for Meralco, Power Supplier shall indemnify and hold Meralco harmless from any loss, cost, expense or penalty incurred or paid by Meralco.

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**Article 9 Assignment or Transfer of Contract Capacity**

9.1 Meralco shall be entitled to assign, transfer, designate, delegate or allocate (collectively in this context, "Transfer") its rights and obligations to purchase a portion of Contract Capacity and Associated Energy that is no longer required by Meralco to any of its business segments or wholly-owned Affiliates without the prior consent of the Power Supplier.

Meralco shall also be entitled to Transfer its rights and obligations to purchase a portion of Contract Capacity and Associated Energy that is no longer required by Meralco to any other Person, subject to the consent of Power Supplier, which consent shall not be unreasonably withheld, delayed or conditioned, it being understood that withholding consent would not be considered unreasonable if the proposed Transfer would be contrary to the reasonable requirements of Finance Parties under the Finance Documents, as evidenced by a written confirmation by the relevant Finance Parties.

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**Article 10 Billing and Payment**

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**10.2 Payments**

10.2.1 Meralco shall pay the entire amount indicated in the Final Invoice (subject to Appendix H) when due and payable, provided that Meralco shall not be required to make payment on any Invoice that is manifestly in error, apparently invalid or not in the form or substance contemplated by this Agreement.

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**Article 11 Taxes, Fees and Costs**

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**11.2 Charges Due to Change in Law**

- (a) If as a result of a Change in Law, Meralco becomes liable to pay any new charges, fees, taxes, duties, assessments or other similar amounts ("**New Charges**"), or any increase in existing charges, fees, taxes, duties, assessments or other similar amounts ("**Increased Charges**") become payable with respect to this Agreement, the New Charges or Increased Charges shall form part of the price that Meralco will charge to its customers.
  
- (b) If as a result of a Change in Law (other than a change in income taxes payable by Power Supplier), Power Supplier becomes liable to pay New Charges or Increased Charges with respect to this Agreement, and such liability materially and adversely affects the ability of Power Supplier to perform its obligations under this Agreement, materially and adversely affects its sale of Contract Capacity and Associated Energy in accordance with this Agreement, makes the administration or operational aspects of such performance materially more burdensome or causes or may cause serious damage to, or materially and adversely affects the financial condition of Power Supplier, Power Supplier shall send a notice of Change in Law to Meralco and the provisions of Section 17.6.6 will apply. Provided that if the Change in Law results in a change in the business taxes payable by Power Supplier, Power Supplier shall send notice of such change in business taxes to Meralco and, if the

Parties agree, Meralco shall file the necessary application with the ERC for the adjustment of the Price; provided further, that the adjustment shall only be effective upon approval by the ERC. Notwithstanding any provision in this Agreement to the contrary, in no case shall the Power Supplier be entitled to terminate this Agreement as a result of the change in its business taxes.

- (c) In the event that, as a result of a Change in Law and pursuant to a corresponding order of the ERC or any Governmental Instrumentality:
  - (i) Meralco is no longer permitted to pass through to its customers any amounts that it is permitted to pass through as of the date of this Agreement, including but not limited to the amounts specified in Section 11.1.2; or
  - (ii) any portion of the Price that has been paid to Power Supplier is required to be refunded to Meralco or Meralco's customers in connection with the ERC Application or any petition, claim, case, proceeding or other action involving any of the Parties brought before any judicial, administrative or quasi-judicial body,

the Parties shall enter into good faith negotiations to agree on a satisfactory solution regarding the amendment of this Agreement to restore Meralco's commercial position prior to such Change in Law, including an adjustment of the Price. If the Parties fail to reach a mutually satisfactory resolution within sixty (60) Days from the commencement of negotiations, the provisions of Section 17.6.6 (b) will apply.

**Article 13 Covenants**

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**13.2 ERC Approval**

13.2.1 Subject to the non-occurrence of the Longstop Date, upon receipt of the ERC Final Approval, Meralco shall provide a copy of such ERC Final Approval to Power Supplier. Power Supplier shall have ten (10) Days from the date of receipt from MERALCO of such ERC Final Approval to notify Meralco in writing that (i) it accepts such ERC Final Approval or (ii) it does not accept the ERC Final Approval, stating the grounds for non-acceptance.

13.2.2 In case of Power Supplier's non-acceptance, Power Supplier shall be free to file with the ERC a motion for reconsideration. Any order on a motion for reconsideration shall be treated as an ERC Final Approval for purposes of the processes under this Section 13.2.

13.2.3 Following (i) a written notice of acceptance from Power Supplier with respect to the ERC Final Approval (including upon reconsideration under Section 13.2.2 above), or (ii) the lapse of the period referred to in Section 13.2.1 without Power Supplier communicating its acceptance or non-acceptance in writing, the Acceptance Date shall be considered as having occurred on the date of the written notice of acceptance or on the last Day of such period, as applicable ("Acceptance Date"), provided, in each case, that Meralco has not filed any motion for reconsideration or appeal subsequent to the Power Supplier's acceptance of such ERC Final Approval and the Longstop Date has not occurred.

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13.2.5 In the event that the Acceptance Date has not occurred by the Longstop Date, either Party may terminate this Agreement by serving a thirty (30) Day written notice to the other.

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## **Article 16 Force Majeure**

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### **16.5 Effect of Extended Force Majeure**

If any Event of Force Majeure prevents Power Supplier from making available the Contract Capacity or Associated Energy or Meralco from accepting Contract Capacity or Associated Energy, in each case for a continuous period of more than one hundred eighty (180) Days, then either Party may upon written notice, require the other Party to meet as soon as practicable to reasonably discuss any modification, change or amendment of this Agreement under such reasonable terms, to the extent necessary to resolve the issues arising from the Event of Force Majeure and maintain, to the extent feasible, the rights and obligations of the Parties under this Agreement.

If the Parties do not reach such satisfactory solution within ninety (90) Days from the end of the one hundred eighty (180) Day period, or such other time as may be agreed upon, either Party may terminate this Agreement in accordance with Section 17.6.5.

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## **Article 17 Events of Default and Termination**

### **17.1 Power Supplier Events of Default**

Each of the events described below shall constitute a Power Supplier Event of Default, provided that such events (with the exception of Sections 17.1(d) and Section 17.1(e) (i), (ii) and (iii)) results in or is accompanied by an

actual failure by Power Supplier to make Available the Contract Capacity and/or deliver the Associated Energy of Meralco in accordance with the terms of this Agreement:

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**17.2 Meralco Events of Default**

Each of the events described below shall constitute a Meralco Event of Default, provided that such event (with the exception of Section 17.2(d)) results to or is accompanied by an actual failure by Meralco to receive, and pay for, the Contract Capacity and Associated Energy in accordance with this Agreement:

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For the avoidance of doubt, it is understood and agreed that, subject to Section 16.2(d) being applicable, the expiration and/or non-renewal of the Franchise shall not be considered a Meralco Event of Default.

10. The Payment Structure, as provided in Appendix E of the PSA shall be as follows:

**“2 PAYMENT STRUCTURE**

The payment to be made in each Billing Period during the Term for Contract Capacity and Associated Energy shall consist of a Capacity Payment, Energy Payment, Additional Reimbursable Costs and applicable value-added tax. The Capacity Payment consists of Component A (MCP) and Component B (MFOM), the Energy Payment consists of Component C (FP) and Component D (MVOM), the Reimbursable Costs consists of Component E (RC), and Component F (VAT). Thus, the Monthly Power Bill (“MPB”) payment for Contract Capacity and Associated Energy for each Billing Period shall be equal to:

$$\text{MPB} = \text{MCP} + \text{MFOM} + \text{FP} + \text{MVOM} + \text{RC} + \text{VAT}$$

All payments to Power Supplier under this Agreement will be made in Philippine Pesos (PHP). All computations for payments to Power Supplier shall not

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be rounded off, except for the final PHP amount, which shall be rounded off to the nearest centavo.

XXX XXX XXX”

11. Given the foregoing, a sample calculation of the base contract price under the PSA, given a certain set of assumptions, results in an annual effective rate of PhP3.7549 per kWh (at plant gate), as shown in the sample calculation below:

**SRPGC PSA - Rate Impact**  
(YEAR 2021)

BILLING COMPONENT	UNIT	BASE RATE <sup>(a)</sup>	CPI Adj Factor <sup>(b)</sup>	BILLING DETERMINANT <sup>(c)</sup>	AMOUNT (PHP)
<b>A. Capacity Payment (MCP)</b>					
Peso Portion	(Php/kW-yr) <sup>(b)</sup>	14,984.0250		400,000 (kW)	5,993,610,000.00
<b>B. Fixed O&amp;M Payment (MFOM)</b>					
US Dollar Portion Escalating	(USD/kW-yr) <sup>(b)</sup>	34.1370	1.000000	400,000 (kW)	629,076,636.00
Peso Portion Escalating	(Php/kW-yr) <sup>(b)</sup>	967.8230	1.000000	400,000 (kW)	387,129,200.00
<b>C. Fuel Payment (MFP)</b>					
Peso Portion	(Php/kWh) <sup>(c)</sup>	0.9999		2,803,200,000 (kWh)	2,803,010,234.20
<b>D. Variable O&amp;M Payment (MVOM)</b>					
Peso Portion	(Php/kWh)	0.0995	1.000000	2,803,200,000 (kWh)	278,918,400.00
<b>E. Reimbursable Cost Payment (RCP) <sup>(d)</sup></b>					
Real Property Tax	(Php)				293,278,000
Start-up Costs	(Php)				
Shutdown Costs	(Php)				
Supplemental Payments	(Php)				140,713,210
<b>TOTAL PAYMENT</b>	(Php)				10,525,735,679.80
<b>Effective Rate at Plant Gate</b>	(Php/kWh)				3.7549
<b>WESM Line Rental Rate <sup>(e)</sup></b>	(Php/kWh)				0.1082
<b>Delivered Rate</b>	(Php/kWh)				3.8631
<b>Effective Cost at WESM Price <sup>(f)</sup></b>	(Php/kWh)				7.0640
<b>Increase / (Decrease) over WESM Price</b>	(Php/kWh)				(3.2009)
<b>Meralco Captive Energy Demand <sup>(g)</sup></b>	(kWh)				34,658,621,088
<b>Increase / (Decrease) in Generation Cost</b>	(Php)				(8,972,776,426.81)
<b>Increase / (Decrease) in Generation Cost</b>	(Php/kWh)				(0.2589)

**NOTE:**

- <sup>(a)</sup> Base Rates as set forth in Schedule 1 of Appendix E of the PSA  
<sup>(b)</sup> Annual Capacity Rate and Annual Fixed O&M Rate are converted into monthly rates by applying the formulas shown in Appendix E of the PSA  
<sup>(c)</sup> Fuel Payment calculated based on Guaranteed Net Plant Heat Rate at 91.25% plant load factor, Newcastle Index = USD 50.38/MT, and Forex rate at PhP 46.07/USD (current prices as of Mar 2016)  
<sup>(d)</sup> Reimbursable Payments (pass through costs) based on estimated taxes  
<sup>(e)</sup> Assumed estimated SRPGC line rental rate  
<sup>(f)</sup> Cost if equivalent volume of SRPGC was sourced from the WESM based on forecast average Jan - Dec 2021 hourly prices  
<sup>(g)</sup> Meralco Captive Energy Demand based on 2021 forecast  
<sup>(h)</sup> Assumed no CPI escalation  
<sup>(i)</sup> Energy Payments based on 80.00% plant capacity factor

12. As seen in the rate impact above, given the above assumptions, the simulated delivered price under the PSA would result in the reduction of MERALCO's generation charge by about PhP0.2589 per kWh.

13. Notably, the Plant offers greater reliability compared to existing plants that are past their expected plant life, at a price competitively at par with the rates of the existing plants despite its newness.
14. It bears emphasis that there is an urgent need for the final approval of the PSA considering the requirement of lenders for the Honorable Commission's final approval of the PSA prior to financial closure. Only thereafter can SRPGC commence construction of the Plant to meet the target Commercial Operations Date and allow for delivery of MERALCO's needed capacity and associated energy by then.
15. Verily, this Honorable Commission's approval of the PSA will send strong signals to lenders of the viability of financing power generation projects in the Philippines, and thus, set the pace for infusion of similar investments by the private sector.
16. Additionally, the realization of this project and its contribution to achieving the government's target of available capacity as per the Department of Energy's Philippine Development Plan would largely depend on the timely approval of this Application.
17. In support of this Joint Application, the Judicial Affidavit of **MR. CIPRINILO C. MENESES**, Head of MERALCO's Energy Sourcing Office, is attached as **ANNEX "B"** and made an integral part hereof.
18. Likewise, in support of the instant Joint Application, the Applicants provide this Honorable Commission with the following documents, which underwent the pre-filing conference of this Honorable Commission

<b>Description of Document</b>	<b>Annex</b>
SRPGC Certificate of Registration with the Securities and Exchange Commission	C
SRPGC Articles of Incorporation & By-Laws	D
Latest General Information Sheet of SRPGC	E
Latest Audited Financial Statements of SRPGC	F
SRPGC Affidavit Re: Non-Registration with the Board of Investments	G
SRPGC Environmental Compliance Certificate	H

Executive Summary of the PSA	I
SRPGC Source of Funds/Financial Plans*	J
SRPGC Purchased Power Rate and Financial Model*	K
SRPGC Project Cash Flow*	L
SRPGC Operating Expenses*	M
Indicative Loan Agreement*	N
MERALCO's procurement process	O
NGCP Certification Re: System Impact Study	P
Written explanation regarding Department of Energy Certification	Q
Plant Description	R
SRGCP Affidavit of Undertaking Re: COC and other Government Authorizations and Permits in relation to Power Plant	S
[NOT USED]	T
Excerpt of the Load Forecast Projections from MERALCO's 2015-2024 Distribution Development Plan	U
Coal Supply Offer*	V
Written explanation regarding: a. Certification of the net heat rate  b. Simulation of the no. of operating units necessary to meet the MEOT  c. Potential Cost (absolute amounts and PhP/kWh) of Ancillary Services.	W
Details on the procurement process	X
Demand Side Management (DSM) program	Y

***\* Subject of the Motion for Confidential Treatment of Information.***

**ALLEGATIONS IN SUPPORT OF  
MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION**

19. Under Rule 4 of the ERC Rules of Practice and Procedure, the Honorable Commission may, upon request of a party and determination of the existence of conditions which would warrant such remedy, treat certain information submitted to it as confidential.
  
20. Pursuant thereto, SRPGC respectfully moves that the **SRPGC Source of Funds/Financial Plans (Annex "J")**, **SRPGC Purchased Power Rate and Financial Model (Annex "K")**, **SRPGC Project**



**Cash Flow (Annex "L"), SRPGC Operating Expenses (Annex "M"), Indicative Loan Agreement (Annex "N"), and Coal Supply Offer (Annex "V")** to be submitted in support of the instant Application (the "**Confidential Documents**") not be disclosed and be treated as confidential. SRPGC respectfully submits that the foregoing documents contain certain non-public information, data and calculations involving business operations and financial trade secrets reflecting SRPGC's investment and business calculations.

21. SRPGC hereby submits one (1) copy of each of the foregoing Confidential Documents in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential."

#### **PRAYER**

**WHEREFORE**, premises considered, it is respectfully prayed that the Honorable Commission:

- a) **ISSUE** an Order: (i) treating the Confidential Documents and the information contained therein as confidential, (ii) directing their non-disclosure pursuant to Rule 4 of the ERC Rules, and (iii) prescribing the guidelines for the protection thereof; and
- b) after hearing on the merits, a Decision be rendered **APPROVING** the PSA between Applicants MERALCO and SRPGC.

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

The Commission has set the Application for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on **29 November 2016 (Tuesday) at three o'clock in the afternoon (3:00 P.M.), at the ERC Hearing Room, 15<sup>th</sup> Floor, Pacific Center Building, San Miguel Avenue, Pasig City.**

All persons who have an interest in the subject matter of the instant case may become a party by filing with the Commission a verified Petition to Intervene at least five (5) days prior to the initial hearing and subject to the requirements under Rule 9 of the 2006 Rules of Practice and Procedure (2006 RPP), indicating therein the docket number and title of the case and stating the following:

- 1) The petitioner's name and 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.

All other persons who may want their views known to the Commission with respect to the subject matter of the case may file their Opposition or Comment thereon at any stage of the proceeding before Applicants conclude the presentation of their evidence, subject to the requirements under Rule 9 of the 2006 RPP. No particular form of Opposition or Comment is required, but the document, letter, or writing should contain the following:

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

All such persons who wish to have a copy of the Application may request from Applicants that they be furnished with the same, prior to the date of the initial hearing. Applicants are hereby directed to furnish all those making such request with copies of the Application and its attachments, subject to the reimbursement of reasonable photocopying costs. Any such person may likewise examine the Application and other pertinent records filed with the Commission during the standard office hours.

**WITNESS**, the Honorable Chairman **JOSE VICENTE B. SALAZAR** and the Honorable Commissioners **ALFREDO J. NON**, **GLORIA VICTORIA C. YAP-TARUC**, **JOSEFINA PATRICIA A. MAGPALE-ASIRIT**, and **GERONIMO D. STA. ANA**, Energy Regulatory Commission, this 24<sup>th</sup> day of October 2016 in Pasig City.

*for: [Signature]*  
**ATTY. NATHAN J. MARASIGAN**  
*Chief of Staff*  
Office of the Chairman and CEO

*[Signature]*  
LS: MCC/ICG