

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

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

ERC CASE NO. 2024-070 RC

**NUEVA ECIJA I ELECTRIC
COOPERATIVE, INC. AND
MASINLOC POWER PARTNERS
CO. LTD.,**

Applicants.

X-----X

Promulgated:
May 29, 2024

ORDER

On 21 May 2024, the Nueva Ecija I Electric Cooperative, Inc. (NEECO I) and Masinloc Power Co. Ltd. (MPCL)¹ filed a *Joint Application* dated 01 April 2024, seeking the Commission's approval of their Emergency Power Supply Agreement (EPSA), with motion for confidential treatment of information.

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

The Joint Applicants

1. NEECO I is an electric cooperative duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal office address at Malapit, San Isidro, Nueva Ecija. It holds a franchise to operate light and power services in the Municipalities of San Isidro, Jaen, San Antonio, Cabiao and City of Gapan all in the Province of Nueva Ecija (Franchise Area). It shall also be herein referred to as the "Buyer".

¹ Formerly known as Masinloc Power Partners Co. Ltd.

2. MPCL is a limited partnership duly organized and existing under and by virtue of the laws of the Republic of the Philippine, with business address at Masinloc Coal-Fired Thermal Power Plant, Barangay Bani, Masinloc, Zambales. It shall also be herein referred to as the “Seller”.
3. The Joint Applicants may be served with the orders, notices and other processes of the Honorable Commission through their respective undersigned counsels at the addresses indicated herein.

NATURE OF THE APPLICATION

4. The Joint Application for approval of the Emergency Power Supply Agreement (“EPSA”) entered into by and between NEECO I and MPCL, is being submitted to the Honorable Commission for its review and approval pursuant to Sections 25² and 45(b)³ of Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001 (the “EPIRA”), Rules 5, Section 4(e)⁴ and 11, Section 5⁵ of its Implementing Rules and Regulations (IRR), Rule 20(B) of its Rules of Practice and Procedure, and other pertinent rules and regulations.

STATEMENT OF FACTS

1. NEECO I was sourcing all its electricity requirements from GNPowder Ltd. Co (GNPD), which Provisional Authority relative to the said PSA was revoked with immediate effect.
2. In view of recent developments, particularly the termination of the provisional authority issued by the Energy Regulatory Commission, NEECO I was unable to draw power from GNPD starting from 18 June 2023. As a result, NEECO I had been heavily reliant on the Wholesale Electricity Spot Market (WESM) to meet its power requirements.
3. Considering the urgency of the situation, NEECO I looked for a reliable emergency power supply solution that can address its immediate needs and ensure uninterrupted power supply to the cooperative. Thus, in order to have a reliable, accessible, and efficient electric service and avert exposure to the volatile prices in the WESM for its members-consumer-owners (“MCO”), NEECO I solicited proposals from different power

² SEC.25. Retail Rate. – The retail rates charged by distribution utilities for the supply of electricity in their captive market shall be subject to regulation by the ERC based on the principle of full recovery of prudent and reasonable economic costs incurred, or such other principles that will promote efficiency as may be determined by the ERC.

³ Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC: xxx xxx xxx.

⁴ Prior to the implementation of Open Access and Retail Competition, the prices charged by a Generation Company for the Supply of Electricity shall be subject to ERC regulation on the Retail Rates charged by Distribution Utilities and transition supply contracts (TSCs) as specified in Section 67 of the Act.

⁵ Limits on Bilateral Supply Contracts by a Distribution Utility.

suppliers. Eventually, NEECO I entered into an EPSA with MPCL having the most competitive rate and beneficial terms.

EXEMPTION FROM THE CONDUCT OF COMPETITIVE SELECTION PROCESS

4. Exemption from the conduct Competitive Selection Process (CSP). The present Joint Application is being filed pursuant to Section 2.2.1.2. of the Department Circular No. DC2021-09-0030⁶, which provides:

“The following instances shall warrant a Certificate of Exemption from the conduct of Competitive Selection Process (COE-CSP) from the DOE:

XXX

Negotiated procurement of emergency power supply wherein the cooperation period of the corresponding Emergency Power Supply Agreement (EPSA) shall not exceed one (1) year, and such EPSA shall be filed immediately before the Energy Regulatory Commission (ERC) upon the issuance and within the effectivity of the COE-CSP; Provided, that the DU shall prove and certify that it has performed all the necessary and required due diligence, and solicited proposal from at least one (1) power supplier for EPSA to address the emergency situation and to avert and/or mitigate its consequences, and the offers from the available Power Suppliers shall be attached in the request for COE-CSP; Provided also, that the procurement of emergency power supply shall be not be entitled to any form of subsidy. xxx”.

5. Salient Features of the EPSA.

Term. The supply duration shall be up to a maximum period of one (1) year or twelve (12) Billing Periods from Supply Effective Date ("SED") on 26 August 2023 or up to the approval by the ERC of the power supply agreement resulting from the BUYER's conduct of its Competitive Selection Process, whichever comes first.

Security Deposit. The BUYER shall not be required by the SELLER to post a Security Deposit upon the execution of this Agreement. In any case that the BUYER should fail to pay in full its current power bill on or before its Due Date, it shall be required to post a Security Deposit at the immediately succeeding Billing Period after the Due Date equivalent to one hundred percent (100%) of the average monthly power bill for the Billing Periods from SED up to the current Billing Period.

Contract Capacity. Beginning SED, the SELLER shall make available to the BUYER, and the BUYER shall purchase from the SELLER the Contract Capacity of 40,000 kW.

⁶ Amending Certain Provisions of and Supplementing Department Circular No. DC2018-02-003 on the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market.

Contract Energy. Beginning SED, the BUYER shall commit a minimum nomination per trading interval of fifty percent (50%) with respect to the Contract Capacity as follows:

No. of Days per Billing Period	Monthly Contract Energy, kWh
29 Days	13,920,000
30 Days	14,400,000
31 Days	14,880,000

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

Monthly Contract Charges. Beginning SED and subject to the terms and conditions of this Agreement, the BUYER shall pay the following:

- a. Generation Charge. Flat Generation Rate ("FGR") equivalent to PhP6.8000/kWh subject to possible adjustment in the event that the global COAL Newcastle ("NEWC") index goes above USD250.00/MT or the foreign exchange ("FX") rate goes above PhP58.000/USD.
- b. Other Charges. All WESM Charges, including Line Rental, as billed by the IEMOP and all other costs and charges incurred after the Delivery Point, including but not limited to transmission line losses, any interconnection charges and site-specific loss adjustments, among others, shall be for the account of the BUYER.
- c. Taxes. All applicable existing taxes including Value Added Tax ("VAT"), as well as all other future taxes (except Corporate Income Tax and Local Business Tax), that may be imposed by the government and which may be legally passed on by the SELLER to the BUYER in connection with the SELLER's performance of its obligation under this Agreement, including any increase or adjustments thereon, shall be for the account of the BUYER.
- d. Prompt Payment Discount. The BUYER may avail of the Prompt Payment Discount ("PPD") equivalent to one percent (1.0%) applied to the Generation Charge component of the power bill.

8.11 The BUYER agrees that it will pay the FGR as stated in Annex II for the Contract Capacity and Associated Energy and that at any time during the implementation of this Agreement prior to

the Parties' receipt of the ERC Approval, should the BUYER refuse and/or make payments for power supply lower than the FGR pursuant to whatever government regulatory issuance of whatever nature, the BUYER knowingly acknowledges the SELLER's right to immediately suspend the supply thereof. If within the period of five (5) Days after the suspension of the supply to the BUYER and the Parties still fail to arrive at an amicable solution, the BUYER conclusively acknowledges the SELLER's right to terminate the Agreement without prejudice to all the available remedies it has such as but not limited to the collection of all outstanding accounts that accrued prior to the termination of the Agreement.

GENERATION RATE IMPACT ANALYSIS

6. An analysis was conducted to determine the impact of the implementation of the EPSA on Applicant NEECO I 's generation rate while taking into account Applicant NEECO I 's projected energy, available contracted supply, and supply from WESM for the forecasted energy requirement over the next twelve months from 26 August 2023 to 25 August 2024. Table 1 below, shows the combine generation rate without Applicant MPCL to the new proposed MPCL rate under EPSA with different utilization factors. Table 1 shows the blended generation rate without MPCL EPSA at 8.3927 while the blended rate with MPCL EPSA shows the combined generation rate at 7.2213. A copy of the said analysis is attached hereto as Annex "PP".

As shown by the analysis, the procurement of supply from Applicant MPCL under EPSA will result to a rate impact/decrease of 1.1714.

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Table 1 is shown below:

Generation Rate Impact

WITHOUT MASINLOC POWER PARTNERS LTD. CO. (MPCL)					
Power Supplier	Forecasted 26 August 2023 to 25 August 2024 Quantity (kWh)	Amount (PhP)	Percent Share (%)	Average Rate (P/kWh)	Weighted Average Rate (kWh)
WESM	304,811,209	2,558,190,739	100%	8.3927	8.3927
TOTAL	304,811,209	2,558,190,739		8.3927	
WITH MASINLOC POWER PARTNERS LTD. CO. (MPCL)					
Power Supplier	Forecasted 26 August 2023 to 25 August 2024 Quantity (kWh)	Amount (PhP)	Percent Share (%)	Average Rate (P/kWh)	Weighted Average Rate (kWh)
MPCL	235,926,042	1,780,769,767	77%	7.5480	7.2213
WESM	68,885,166	420,350,469	23%	6.1022	
TOTAL	304,811,209	2,201,120,236	100%	7.2213	
				RATE REDUCTION	1.1714

Assumptions:

Forecasted Metered Quantity for 26 August 2023 to 25 August 2024
WESM Prices based on actual prices for 2022 with VAT
MPCL Rate at Flat Generation Rate of Php 6.8000/kWh plus VAT
Prompt Payment Discount (PPD) inclusive

7. Copies of the foregoing documents and/or information are attached to the Joint Application as annexes and made integral parts hereof:

Annex	Documents/Information
"A"	Emergency Power Supply Agreement entered into by and between NEECO I and MPCL
"A-1"	Executive Summary of EPSA
"B"	NEECO I's Articles of Incorporation
"B-1"	NEECO I's Original Articles of Incorporation
"C"	NEECO I's By-Laws
"D"	Notarized certification on the list of NEECO I's Board of Directors
"E"	NEECO I's Demand Side Management Program
"F"	NEECO I's Certification of Expiration of TSC
"G"	NEECO I's PSPP submitted to DOE and published in the CSP Portal
"H"	NEECO I's Supply and Demand Scenario
"I"	NEECO I's Details of Existing Suppliers
"J"	NEECO I's Contract Utilization
"K"	NEECO I's Average Daily Load Curve
"L"	NEECO I's Single-line Diagram
"M"	NEECO I's Performance Assessment of the System
"N"	NEECO I's Contestable Customer Data
"O"	NEECO I's Certification of Non-applicability of Requirement Item #24 in the Pre-filing Checklist
"P"	Proposal received by NEECO I

Annex	Documents/Information
"Q"	NEECO I's Request for exemption from the conduct of Competitive Selection Process for the procurement sent to the DOE
"R"	NEECO I's Certificate of Exemption issued by the DOE
"S"	NEECO I's Board Resolution Approving the Emergency Power Supply Agreement with MPCL
"T"	NEECO I's Board Resolution Authorizing Joint Application and Signatory
"T-1"	NEECO I's Board Resolution Engaging the Services of Atty. Edmon Evangelista
"U"	MPCL 2007 Articles of Partnership
"U-1"	MPCL 2021 Amended Articles of Partnership
"U-2"	Write-up/Explanation on Non-applicability of By-laws Submission
"V"	Write-up/Explanation on the Requirement of Shareholders Agreement
"W"	Write-up/Explanation on the Requirement of List of Shareholders (GIS Sheet)
"X"	MPCL Secretary's Certificate Re: Ultimate Parent Company
"Y"	Write-up/Explanation on the Non-applicability of Certificate of Registration with the Board of Investments ("BOI") for MPCL Units 1 and 2
"Y-1"	Certificate of Registration BOI of MPCL Units 3 and 4
"Y-2"	Terms and Conditions of the BOI <i>(Confidential)</i>
"Z" to "Z-2"	Environmental Compliance Certificates for Units 1-3 of MPCL
"AA"	Certification of Ongoing Evaluation signed by the Market Operations Service Director Sharon O. Montañer
"BB"	Write-up - Explanation on the Non-applicability of the DOE Certificate of Endorsement ("COE") for MPCL Units 1 and 2
"BB-1"	DOE COE of MPCL Units 3 and 4
"CC"	Write-up/Explanation on the Non-applicability of the Requirements regarding Renewable Energy Plant
"DD"	Write-up/Explanation on the Non-applicability of Water Permit from the National Water Resources Board (NWRB)
"EE"	Audited Financial Statements on 2018 - year of acquisition of MPCL by San Miguel Global Power Holdings Corp.
"FF"	Verified Certification
"GG"	Write-up/Explanation on the capacity of Units 1-3 of MPCL to supply the minimum energy requirements of NEECO I

Annex	Documents/Information
“HH”	Write-up/Explanation on the Non-applicability of Requirements regarding the Ancillary Services Procurement Agreement
“II”	Write-up/Explanation on the Non-applicability of the Distribution Wheeling Service
“JJ” and Series	Certification from Independent Electricity Market Operator of the Philippines (“IEMOP”) on the WESM Registration of MPCL and NEECO I
“KK”	MPCL Sample Bill for NEECO I
“LL”	MPCL Secretary’s Certificate re: Entering into an EPSA with NEECO I
“MM”	MPCL Outage Hours from 2018-2022
“NN”	Documents Related to Fuel (<i>Confidential</i>)
“OO”	MPCL Secretary’s Certificate re: Filing of Joint Application and Appointment of Counsels
“PP”	NEECO I’s Rate Impact Simulation

8. Further, in compliance with Article VI, Sections 1 and 2 of the Honorable Commission’s Guidelines for the Recovery of Costs for the Generation Component of the Distribution Utilities’ (DU) Rates, copies of the foregoing are, likewise, attached to the Joint Application as annexes and made integral parts hereof:

Annex	Documents/Information
“QQ” and Series	Relevant technical and economic characteristics of the generation capacity, installed capacity, mode of operation, and dependable capacity Write-up on Non-applicability of related contracts
“RR”	Transmission Service Agreement (TSA) between the National Grid Corporation of the Philippines (NGCP) and MPCL
“SS”	MPCL Rate Calculation (<i>Confidential</i>)
“TT”	Latest Audited Financial Statements (AFS), Balance Sheet, Income Statement, and Statement of Cash Flows of MPCL
“UU”	Certification from MPCL Unit 1 on net heat rate
“UU-1” to “UU-2”	MPCL Units 2 and 3 Performance Test Report

9. The Joint Application is likewise consistent with Section 1 of the same Department Circular No. DC2021-09-0030 which declares as State policy, that:

“All distribution utilities must henceforth take cognizance and assume full responsibility to

forecast, assure and contract for the supply of electric power in the respective franchise areas to meet their obligations as a distribution utility.” (Underscoring supplied).

10. By way of emphasis, Resolution No. 21, Series of 2005 of the Honorable Commission date 19 October 2005 had directed all Distribution Utilities (DUs) “to enter into future bilateral power supply contract with power producers to be subjected to a review by the Commission.” (Underscoring supplied).
11. The EPSA with MPCL was made to ensure the continuous supply of power to NEECO I and due to the former’s competitive pricing structure and other favorable terms of its contract, which will redound to the benefit of the latter and its end-consumers in terms of reliable and affordable power supply.

Allegations in Support of the Confidential Treatment of Annex “Y-2”, “NN” and “SS”

12. Rule 4 of the Honorable Commission’s Rules of Practice and Procedure provides that NEECO I and MPCL may request that information may not be disclosed.
13. MPCL prays for the confidential treatment of the information contained in the Annex “Y-2”, “NN” and “SS”, and not disclosed except to the officers and staff of the Honorable Commission and its staff.
14. Annex “Y-2”, “NN” and “SS” contains the details of MPCL’s BOI Terms and Conditions, power rate calculations and financial model as well as the manner by which these were derived, and the pertinent details of coal supply contracts. This information is proprietary in nature and should be protected as trade secrets as contemplated by law and jurisprudence. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*⁷, the Supreme Court defined a trade secret, as follows:

“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 an advantage over competitors who do not possess the information. Generally, a trade secret is a process or device intended for continuous use in the 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. The inventor, discoverer, or possessor of a trade secret or similar innovation has rights therein which may be treated as

⁷ G.R. No. 172835, 13 December 2007

property, and ordinarily an injunction will be granted to prevent the disclosure of the trade secret by one who obtained the information “in confidence” or through a “confidential relationship”. American jurisprudence has utilized the following factors to determine if an information is a trade secret, to wit:

- (1) the extent to which the information is known outside of the employer’s business;
 - (2) the extent to which the information is known by employees and others involved in the business;
 - (3) the extent of measures taken by the employer to guard the secrecy of the information;
 - (4) the value of the information to the employer and to competitors;
 - (5) The amount of effort or money expended by the company in developing the information; and
 - (6) the extent to which the information could be easily or readily obtained through an independent source.” (*citations omitted, emphasis supplied*)
15. The interest of the consuming public 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 Annex “Y-2”, “NN” and “SS”. The reasonableness and transparency of the prices of electricity is to be assured by the Honorable Commission through its own review and verification of MPCL’s operating costs and expenses.
16. More importantly, MPCL’s competitors, should they obtain the information in Annex “Y-2”, “NN” and “SS”, will gain undue advantage thereon and have the opportunity to use the same in their operations. The negotiating power of MPCL with parties it plans to contract with or who it is currently doing business with, will clearly be thwarted if it is compelled to disclose such information;
17. Accordingly, MPCL submits one (1) copy Annex “Y-2”, “NN” and “SS”, in a sealed envelope, with the said envelope and each page of the documents and/or information stamped with the word “Confidential”.
18. Lastly and corollary to the foregoing, MPCL 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 confidential⁸.

19. This is guided by the fact that MPCL 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 MPCL enclosed in the subject annexes.

PRAYER

WHEREFORE, the premises considered, Joint Applicants NEECO I and MPCL most respectfully pray of that the Honorable Commission:

- i. ISSUE an Order treating Annex “Y-2”, “NN”, and “SS” as confidential in perpetuity, directing their non-disclosure to persons other than the officers and staff of the Honorable Commission, perpetually protecting the said information from public disclosure by maintaining the same separate and apart from the records of the case, ensuring that these are not divulged to unauthorized persons, and that these confidential documents are returned to MPCL after the termination of this case pursuant to Rule 4 of its Rules of Practice and Procedure;
- ii. After due notice and hearing, ISSUE a Decision approving the instant Joint Application *in toto* which will thereby allow/authorize NEECO I to charge and collect the fees from its customers reckoned from the commencement of the supply to the latter by MPCL.

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

Finding the said *Joint Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same for determination of compliance with the jurisdictional requirements, expository presentation, Pre-Trial Conference, and presentation of evidence on the following dates and online platform for the conduct thereof, pursuant to Resolution No. 09, Series of 2020⁹ and Resolution No. 01, Series of 2021 (ERC Revised Rules of Practice and Procedure):¹⁰

⁸ Letter (d), Section 4, of the ERC Rules and Practice and Procedure.

⁹ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

¹⁰ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

Date	Platform	Activity
04 July 2024 (Thursday) at two o'clock in the afternoon (2:00 PM)	Microsoft Teams Application	Determination of compliance with the jurisdictional requirements and expository presentation
11 July 2024 (Thursday) at two o'clock in the afternoon (2:00 PM)		Pre-Trial Conference and presentation of evidence

Accordingly, NEECO I and MPCL are hereby directed to host the virtual hearings at **NEECO I's principal office located at Brgy. Malapit, San Isidro, Nueva Ecija**, as the designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, NEECO I and MPCL shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

RELATIVE THERETO, NEECO I and MPCL are hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* in two (2) newspapers of nationwide circulation in the Philippines at their own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors, and the Local Government Unit (LGU) legislative bodies within NEECO I's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within NEECO I's franchise area, by any other means available and appropriate, of the filing of the *Joint Application*, the reasons therefor, and of the scheduled virtual hearings thereon;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General

(OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives and attend the scheduled hearings; and

- 5) Furnish with copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

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

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of affidavits of the Editors or Business Managers of the newspapers where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by NEECO I and MPCL to inform the consumers within NEECO I's franchise area of the filing of the *Joint Application*, the reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, by all those making requests therefor, if any; and

- 6) Such other proof of compliance with the requirements of the Commission.

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

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

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

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

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

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

details substantiating the reasons and justifications for the *Joint Application* must be cited in support thereof.

Joint Applicants NEECO I and MPCL are hereby directed to file a copy of their Expository Presentation via e-mail at doCKET@erc.ph, and copy furnish the Legal Service through legal@erc.ph, **at least five (5) calendar days** prior to the scheduled virtual hearing. NEECO I and MPCL 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 NEECO I and MPCL are further directed to submit, through personal service, registered mail or ordinary mail/private courier, one (1) set of the original or certified true hard copies of their Jurisdictional Compliance, Expository Presentation, Pre-Trial Brief, and Judicial Affidavits of witnesses, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

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

SO ORDERED.

Pasig City, 29 May 2024.

FOR AND BY AUTHORITY
OF THE COMMISSION:


MONALISA C. DIMALANTA
Chairperson and CEO

ERC

Office of the Chairperson and CEO



MCD2024-017484


LS: MND/ARG/KTB

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Copy Furnished:

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12. Office of the Sangguniang Bayan
Gapan City, Nueva Ecija
13. Office of the Municipal Mayor
Cabiao, Nueva Ecija
14. Office of the Sangguniang Bayan
Cabiao, Nueva Ecija
15. Office of the Municipal Mayor
Jaen, Nueva Ecija
16. Office of the Sangguniang Bayan
Jaen, Nueva Ecija

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17. Office of the Municipal Mayor
San Antonio, Nueva Ecija
18. Office of the Sangguniang Bayan
San Antonio, Nueva Ecija
19. Office of the Municipal Mayor
San Isidro, Nueva Ecija
20. Office of the Sangguniang Bayan
San Isidro, Nueva Ecija
21. Regulatory Operations Service
14th Floor, Exquadra Tower, Jade Drive,
Ortigas Center, Pasig City
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