ENERGY REGULATORY COMMISSION
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Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

RESOLUTION NO. 17, Series of 2023

A RESOLUTION ADOPTING THE 2023 REVISED RULES FOR THE ISSUANCE OF CERTIFICATES OF COMPLIANCE FOR GENERATION FACILITIES

WHEREAS, Section 6 of Republic Act No. 9136, otherwise known as the *Electric Power Industry Reform Act of 2001* (EPIRA), states that "any new generation company shall, before it operates, secure from the Energy Regulatory Commission (ERC) a Certificate of Compliance (COC) pursuant to the standards set forth" therein;

WHEREAS, under Section 1, Rule 5 of the Implementing Rules and Regulations (IRR) of the EPIRA, no person may engage in the generation of electricity unless such person has been issued a COC by the ERC to operate facilities used in the generation of electricity;

WHEREAS, on 26 June 2002, the ERC promulgated the *Guidelines for the Issuance of COC for Generation/Facilities* (COC Guidelines);

WHEREAS, on 10 March 2010, the ERC amended the said COC Guidelines through the promulgation of ERC Resolution No. 09, Series of 2010, entitled *Revised Rules for the Issuance of COCs for Generation Companies/Facilities* (COC Rules);

WHEREAS, on 15 September 2014, the ERC further amended the COC Rules through the promulgation of ERC Resolution No. 16, Series of 2014, entitled *2014 Revised Rules for the Issuance of COCs for Generation Companies, Qualified End-Users and Entities with Self-Generation Facilities* (2014 Revised COC Rules);

WHEREAS, on 03 October 2019, the ERC posted on its official website (www.erc.gov.ph) the proposed amendments to the 2014 Revised COC Rules, under ERC Case No. 2019-008 RM, for solicitation of comments from electric power industry stakeholders;

WHEREAS, on 06 November 2019, 07 November 2019, and 13 November 2019, the Commission, pursuant to the rule-making procedure under its *Rules of Practice and Procedures*, subjected the said proposed amendments to public consultations in Visayas, Mindanao, and at the ERC Main Office, Pasig City, respectively;

WHEREAS, after notice to stakeholders and the conduct of several public consultations, the ERC received several comments to the proposed amendments to the 2014 Revised COC Rules, from the following entities:

(1) National Grid Corporation of the Philippines (NGCP);
(2) SMC Global Power (SMCGP);
(3) Aboitiz Power Corporation (APC);
(4) SN Aboitiz Power (SNAP);
(5) Minergy Power Corporation (MPC);
(6) WeGen Energy Philippines (WeGEP);
(7) Aggreko Rentals Philippines, Inc. (Aggreko);
(8) Millennium Energy Inc. (MEI);
(9) Panasia Energy Inc. (PEI);
(10) Energy Development Corporation (EDC);
(11) Oriental Mindoro Electric Cooperative, Inc. (ORMECO);
(12) National Power Corporation (NPC);
(13) Davao Light and Power Company, Inc. (DLPC);
(14) SMC Global Power Holdings Corp. (SMCGPHC);
(15) Global Business Power Corporation (GBPC);
(16) Philippine Electricity Market Corporation (PEMC); and
(17) Philippine Independent Power Producers Association, Inc. (PIPPA);

WHEREAS, on 08 October 2020, the ERC approved for posting on its official website (www.erc.gov.ph) the second (2nd) draft of the proposed amendments to the 2014 Revised COC Rules for all interested parties to submit their comments to the said draft on or before 30 October 2020;

WHEREAS, on various dates from 08 October 2020 to 30 October 2020, the ERC received comments on the 2nd draft of the proposed amendments to the 2014 Revised COC Rules from the following: (1) NGCP; (2) SMCGP; (3) APC; (4) SNAP; (5) MPC; (6) WeGEP; (7) Aggreko; (8) MEI; (9) PEI; (10) EDC; and (11) ORMECO;

WHEREAS, in view of new policy pronouncements and developments in the power sector, the Commission, on 01 June 2023, directed the posting of the third (3rd) draft of the proposed amendments to the 2014 Revised COC Rules on its official website (www.erc.gov.ph) for all interested parties to submit their comments thereto on or before 20 June 2023;

WHEREAS, on various dates from 02 June 2023 to 22 June 2023, the ERC received comments on the 3rd draft of the proposed amendments to the 2014 Revised COC Rules from the following:

(1) Angat Hydropower Corporation (AHC);
(2) Aboitiz Power (AP);
(3) Cagayan Electric Power & Light Co., Inc. (CEPALCO);
(4) First Gen Power (FGHPC);
(5) GNPower Kauswagan Ltd. Co. (GNPK);
(6) KEPCO SPC Power Plant (KSCPC);
(7) Lachica & Associates;
(8) MEI/PEI;
(9) Manila Electric Company (MERALCO);
(10) NGCP;
(11) PIPPA;
(12) SMGP;
(13) SN Aboitiz Power Group (SNAPG);
(14) Tarlac Power Corporation (TPC);
(15) National Transmission Corporation (TransCo);
(16) Power One Corporation (POC);
(17) MPC; and
(18) GBPC;

WHEREAS, on 23 June 2023, the ERC conducted a public consultation on the 3rd draft via online platform Zoom;

WHEREAS, on various dates from 23 June 2023 to 27 June 2023, the ERC received additional comments from the following:

(1) ACEN Corporation (ACEN);
(2) MERALCO;
(3) SNAPG;
(4) AP;
(5) Emerging Power, Inc.;
(6) POC; and
(7) Jobin-SQM Inc.;

WHEREAS, after a thorough review of all information gathered, as well as careful examination of the comments submitted by various stakeholders, and due deliberation by the Commission En Banc on 13 September 2023, the ERC adopted the *2023 Revised Rules for the Issuance of Certificates of Compliance for Generation Facilities (2023 Revised COC Rules).*

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved, that the ERC adopts and issues the **2023 REVISED RULES FOR THE ISSUANCE OF CERTIFICATES OF COMPLIANCE FOR GENERATION FACILITIES (2023 REVISED COC RULES)**, hereto attached as Annex A.

This Resolution shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation in the country, whichever comes first.

Let copies of this Resolution be furnished to the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR) and all industry stakeholders, as well as published on the ERC's official website (www.erc.gov.ph) and such other online platforms available to the ERC.

Pasig City, 13 September 2023.

ERC
Office of the Chairperson and CEO
MCD2023-009844

MONALISA C. DIMALANTA
Chairperson and CEO

ALEXIS M. LUMBATAN
Commissioner

CATHERINE P. MACEDA
Commissioner

FLORESINDA G. BALDO-DIGAL
Commissioner

MARKO ROMEO L. FUENTES
Commissioner

ASP / RVM / SOM

2023 REVISED RULES FOR THE ISSUANCE OF CERTIFICATES OF COMPLIANCE FOR GENERATION FACILITIES (2023 REVISED COC RULES)

ARTICLE I
GENERAL PROVISIONS

Section 1. **Objectives**. – These 2023 Revised Certificates of Compliance (COC) Rules have the following objectives:

(a) to facilitate the approval of applications for the issuance of COCs;

(b) to prescribe the qualifications, disqualifications, as well as legal, technical, financial, and other obligations of COC applicants and grantees in accordance with existing pertinent laws, rules, and regulations;

(c) to provide a standard set of requirements and procedures, and timelines for the filing of applications for the issuance of COC, with the view to facilitating the processing of such applications; and

(d) to monitor compliance with Republic Act No. 9136 (R.A. No. 9136), otherwise known as the "Electric Power Industry Reform Act (EPIRA) of 2001" and its Implementing Rules and Regulations (IRR), Republic Act No. 9513 (R.A. No. 9513) otherwise known as "An Act Promoting the Development, Utilization, and Commercialization of Renewable Energy Resources and for other Purposes" and its IRR, Republic Act No. 11646 (R.A. No. 11646) otherwise known as "An Act Promoting the Use of Microgrid Systems to Accelerate the Total Electrification of Unserved Areas Nationwide" and its IRR, the Philippine Grid Code (PGC), the Philippine Distribution Code (PDC), the Philippine Small Grid Guidelines (PSGG), the Philippine Electrical Code (PEC), the Wholesale Electricity Spot Market (WESM) Rules and its Manuals, the Open Access Transmission Service (OATS) Rules, the Distribution Service Open Access Rules (DSOAR), and any other applicable rules and regulations.

Section 2. **Definition of Terms**. As used in these 2023 Revised COC Rules, the following terms shall have the following respective meanings:

(a) "Affiliate" refers to any person which, alone or together with any other person, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with another person. Affiliates shall include a subsidiary company and parent company and subsidiaries, directly or indirectly, of a common parent.

(b) "Alternating Current (AC)" refers to a form of electricity in which the current alternates in direction (and the voltage alternates in polarity) at a frequency defined by the generator (usually between 50 and 60 times per second, i.e., 50-60 hertz).

(c) "AC System" refers to an AC system where the flow of electric charge periodically reverses direction.

(d) "Ancillary Services (AS)" refer to those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the transmission system in accordance with good utility practice and the Philippine Grid Code.

(e) "Black Start" refers to the process of recovery from total System blackout using a Generating Unit with the capability to start and synchronize with the power System without an external power supply.

(f) "Black Start Resource" refers to Generating Unit(s) and its associated set of equipment which have the ability to be started without support from the System.

(g) "Certificate of Compliance (COC)" refers to a license issued by the ERC in favor of a person or entity to operate a power plant or other facilities used in the generation of electricity pursuant to Section 6 of R.A. No. 9136 and Section 4, Rule 5 of its IRR.

(h) "Commercial Operations" refer to the generation of electricity for sale or disposition upon achievement by the generation facility of applicable operational and capability

criteria in accordance with standard engineering practice for Generation Facilities.

(i) "Control" refers to the power to direct or cause the direction of the management policies of a person by contract, by agency, or otherwise.

(j) "Conversion" refers to the transformation of an existing technology to a different technology in the generation of electricity.

(k) "Decommissioning" refers to the permanent retirement of a generating plant or unit from operation upon reaching its maximum economic life and the generation of electricity is no longer technically viable, subject to the confirmation of the Department of Energy (DOE) under DOE Department Circular (DC) No. DC2023-07-0022[1] and any amendments thereto.

(l) "Department of Energy (DOE)" refers to the government agency created pursuant to R.A. No. 7638[2] and whose powers and functions are expanded in R.A. No. 9136, and further expanded in R.A. No. 9513.

(m) "Dependable Capacity" refers to the Maximum Capacity, modified for ambient limitations for a specified period of time, such as month or a season.

(n) "Distributed Energy Resources (DER)" refer to power sources connected to the Distribution System or electrical system of the End-Users, that could be aggregated to meet a demand.

(o) "Distribution Services and Open Access Rules (DSOAR)" refer to the rules promulgated by ERC on the provision of regulated services by Distribution Utilities (DUs) to entities such as captive and contestable customers, Retail Electricity Suppliers (RES) or Local RES, other DUs, generation companies, and the guidelines for establishing regulated service rates.

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[1] Implementing Guidelines on the Decommissioning and Mothballing of a Generating Plant or Unit pursuant to Section 2.8 of DOE Department Circular (DC) No. DC2010-03-0003.
[2] An Act Creating the Department of Energy, Rationalizing the Organization and Functions of Government Agencies Related to Energy, and for Other Purposes.

(p) "Distribution System" refers to the system of wires and associated facilities belonging to a franchised DU, extending between the delivery points on the transmission, sub-transmission system, or Generating Facility connection and the point of connection to the premises of the End-User.

(q) "Distribution Utility (DU)" refers to any electric cooperative, private corporation, government-owned utility or existing local government unit which has an exclusive franchise to operate a Distribution System in accordance with its franchise and R.A. No. 9136.

(r) "Economic Zones" refer to selected areas which are highly developed or have the potential to be developed into agro-industrial, industrial, tourist, recreational, commercial, banking, investment and financial centers, including but not limited to the following: Industrial Estates (IE), Export Processing Zones (EPZ), Free Trade Zones, Information Technology Parks and Tourist/Recreational Centers, the Bases Conversion and Development Authority or (BCDA), Cagayan Economic Zone Authority (CEZA), Clark Development Corporation (CDC), Philippine Economic Zone Authority (PEZA), Phividec Industrial Authority (PIA), and Zamboanga City Economic Zone Authority (ZCEZA).

(s) "Embedded Generation Facility" refers to Generation Facility that is indirectly connected to the grid through the DU's lines or industrial generation facility that is Synchronized with the grid.

(t) "End-User" refers to any person or entity requiring the supply and delivery of electricity for its own use, as defined under Section 4(t) of R.A. No. 9136.

(u) "Energy Regulatory Commission (ERC)" refers to the regulatory agency created under R.A. No. 9136.

(v) "Energy Storage" refers to an asset where the final use of electrical energy is postponed to a later point in time than when it was generated.

(w) "Energy Storage System (ESS)" refers to a facility capable of absorbing energy directly from the Grid or Distribution

System, or from a renewable energy (RE) plant or from a conventional plant connected to the Grid or Distribution System and storing it for a time period, and injecting stored energy when prompted, needed to ensure reliability and balanced power System.

(x) "Expansion" of a Generation Facility refers to the construction of a new Generation Facility adjacent to the existing facility which will be provided with or install a new connection point that will connect it to the grid or to the distribution system, as the case may be.

(y) "Final Certificate of Approval to Connect (FCATC)" refers to the certification issued by the Transmission Network Provider (TNP) or DU to a GenCo attesting that its Generation Facility/ies is/are ready to deliver energy to the Grid or distribution network in accordance with PGC, PDC, and other relevant guidelines and specifications.

(z) "Generation Company (GenCo)" refers to any person or entity authorized by the ERC to operate facilities used in the Generation of Electricity.

(aa) "Generation Facility" refers to a facility for the production of electricity.

(bb) "Generation of Electricity" refers to the production of electricity by a GenCo or co-Generation Facility pursuant to the provisions of R.A. No. 9136.

(cc) "Generating Unit" refers to the unit conversion apparatus including auxiliaries and associated equipment, functioning as a single unit, which is used to produce electric energy from some other form of energy.

(dd) "Grid" refers to the high voltage backbone System of interconnected transmission lines, substations and related facilities, located in each of Luzon, Visayas and Mindanao, or as may be determined by the ERC in accordance with Section 45 of the R.A. No. 9136.

(ee) "Hybrid Power Systems" refer to a combination of two or more different technologies to produce power.

(ff) "Industry Participant" refers to any person or entity engaged in the generation, transmission, distribution or supply of electricity.

(gg) "Installed Generating Capacity in a Grid" refers to the sum of the maximum capacity of the generation facilities which are connected to a transmission system or Distribution System that forms part of a particular Grid.

(hh) "Independent Power Producer Administrators (IPPA)" refer to qualified independent entities appointed by PSALM that shall administer, conserve and manage the contracted energy output of NPC-IPP contracts, including selling the contracted energy output of these contracts and offering AS, where applicable.

(ii) "Market Operator" refers to the entity duly authorized to operate the WESM, in accordance with R.A. No. 9136, its IRR, and applicable WESM Rules.

(jj) "Material Change" refers to any event which has a pertinent impact and substantial effect on the company's ownership, management, operations, financial condition and performance and which shall require an amendment, revision, modification or any changes in the information and other details relative to any documents and compliances submitted by the GenCo before the ERC.

(kk) "Maximum Capacity" refers to the maximum capacity that a unit can sustain over a specified period of time, and can be expressed as gross maximum capacity or net maximum capacity, the determination of which shall be in accordance with the provisions of the PGC, and which, for purposes of these rules shall be expressed in MW.

(ll) "Maximum Load (Pmax)" refers to the maximum net output in MW that a Generating Unit can reliably sustain based on the Generating Unit capability tests.

(mm) "Microgrid System Provider (MGSP)" refers to natural or juridical person whose business includes the installation, operation, and maintenance of microgrid systems in Unserved or Underserved areas nationwide, including those qualified third parties (QTPs) providing alternative electric service pursuant to Section 59 of R.A. No. 9136.

(nn) "Minimum Stable Loading (Pmin)" refers to the minimum net output in MW that a Generating Unit, generating block or module, can continuously reliably sustain based on the Generating Unit capability tests.

(oo) "Missionary Electrification Development Plan (MEDP) refers to the development plan of the government, updated annually, detailing the policies, strategies, plans and programs for missionary electrification, including the capital investment and operation in Off-Grid areas.

(pp) "Mothballing" refers to the temporary deactivation or removal from service of a generating plant or unit, within the specified period provided by the applicant and to be restarted and used to supply power at a future date. In accordance with DOE DC2023-07-0022,[3] the period within the applicable outage allowance pursuant to the issuances of the ERC shall not be considered as mothballing activity.

(qq) "National Power Corporation (NPC)" refers to the government corporation created under R.A. No. 6395,[4] as amended.

(rr) "National Transmission Corporation (TRANSCO)" refers to the government corporation organized pursuant to R.A. No. 9136 to acquire all the transmission assets of the NPC.

(ss) "Net-Metering" refers to a system, appropriate for distributed generation, in which a distribution grid user has a two-way connection to the grid and is only charged for its net electricity consumption and is credited for any overall contribution, as defined in Section 4 (gg) of R.A. No. 9513.

(tt) "Net Metering Agreement (NMA)" refers to the agreement between a Qualified End-User (QE) and the DU governing the commercial and interconnection arrangements between the DU and the QE.

(uu) "Off-Grid Area" refers to an area or system that is not connected to the Grid.

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[3] Implementing Guidelines on the Decommissioning and Mothballing of a Generating Plant or Unit pursuant to Section 2.8 of DOE Department Circular (DC) No. DC2010-03-0003.
[4] An Act Revising the Charter of the National Power Corporation.

(vv) "Open Access Transmission Service Rules (OATS Rules)" refer to the rules that govern the implementation of the OATS, as approved by the ERC.

(ww) "Operator" refers to an entity who controls the output of a Generation Facility and/or its Generating Units without necessarily owning such Generation Facility/ Generating Units. Such entity may enter into supply agreements or other similar agreements with energy off-takers under its own name, subject to its agreement with the owner of the Generation Facility/ Generating Units.

(xx) "Philippine Distribution Code (PDC)" refers to the set of rules, requirements, procedures, and standards governing the operation, maintenance, and development, connection and use of the Distribution Systems in the Philippines. It also defines and establishes the relationship of the Distribution Systems with the facilities or installations of the parties connected thereto.

(yy) "Philippine Electrical Code (PEC)" refers to the electrical safety code that establishes basic materials quality and electrical work standards for the safe use of electricity for light, heat, power, communications, signaling, and for other purposes.

(zz) "Philippine Grid Code (PGC)" refers to the set of rules, requirements, procedures and standards to ensure the safe, reliable, secured and efficient operation, maintenance, and development of the Grid and its related facilities.

(aaa) "Philippine Small Grid Guidelines (PSGG)" refer to the rules, procedures, and requirements for the generation scheduling, dispatch, and control of active power, including provisions of ancillary service, if any, which are required to ensure power quality, reliability, and security of the Small Grid.

(bbb) "Philippine Stock Exchange (PSE)" refers to the entity created under the Revised Securities Act to manage the trading of shares of stocks of listed corporations.

(ccc) "Power Development Plan (PDP)" refers to the indicative plan for managing electricity demand through energy-

efficient programs and for the upgrading, expansion, rehabilitation, repair and maintenance of power generation and transmission facilities, formulated and updated yearly by the DOE in coordination with the Generation, Transmission and DU Companies.

(ddd) "Power Factor" refers to the ratio of active power to apparent power.

(eee) "Power Sector Assets and Liabilities Management Corporation (PSALM)" refers to the corporation created pursuant to Section 49 of R.A. No. 9136.

(fff) "Provisional Authority to Operate (PAO)" refers to the interim authority granted by the ERC in favor of a person(s) or entity(ies) to operate generation facilities used in the generation of electricity, pending the completion of requirements for issuance of COC, and as the power demand and supply situation warrants, provided the requirements for grant of PAO is complied with, and that the government permits issued thereto are valid.

(ggg) "Provisional Certificate of Approval to Connect (PCATC)" refers to the certification issued by the TNP or DU to a GenCo, allowing the conduct of Test and Commissioning with respect to its Generation Facility/ies.

(hhh) "Public Offering" refers to the random or indiscriminate offering of securities in general to anyone who will buy, whether solicited or unsolicited, made in accordance with the modes of public offering prescribed under Section 43(t) of R.A. No. 9136.

(iii) "Qualified End-Users (QE)" refer to entities that generate electric power from an eligible on-site RE generation facilities, such as but not limited to, houses or office buildings with a photovoltaic systems that can be connected to the grid, for the purposes of entering into a Net-Metering Agreement, as defined in Section 7 of the IRR of R.A. No. 9513.

(jjj) "Ramp Down Rate" refers to the normal rate that a Generating Unit reduces its power output, expressed in MW per minute.

(kkk) "Ramp Rate" refers to the rate of change in electricity production or consumption from a Generating Unit or scheduled load.

(lll) "Ramp Up Rate" refers to the normal rate that a Generating Unit increases its power output, expressed in MW per minute.

(mmm) "Rated Capacity" refers to the full-load continuous gross capacity of a unit under the specified conditions, as calculated from the electric generator nameplate based on the rated Power Factor.

(nnn) "Related Group" refers to a person and any business entity controlled by that person, along with the Affiliates of such business entity, and the directors and officers of the business entity or its Affiliates, and relatives by consanguinity or affinity, legitimate or common law, within the fourth civil degree, of the person or any of the foregoing directors or officers.

(ooo) "Renewable Energy Resources (RE Resources)" refer to energy resources that do not have an upper limit on the total quantity to be used. Such resources are renewable on a regular basis, and whose renewal rate is relatively rapid to consider availability over an indefinite period of time. These include, among others, biomass, solar, wind, geothermal, ocean energy, and hydropower conforming with internationally accepted norms and standards on dams, and other emerging renewable energy technologies.

(ppp) "Repowering" refers to the replacement of a significant portion of the plant to improve its performance and efficiency; a cost-effective way to extend unit life while adding capacity, improving heat rate, reducing emissions, and/or lowering heat rejection and water usage per kW generated.

(qqq) "Republic Act No. 9136 (R.A. No. 9136)" refers to the Electric Power Industry Reform Act of 2001 otherwise known as "An Act Ordaining Reforms in the Electric Power Industry, Amending for the Purpose Certain Laws and for Other Purposes".

(rrr) "Self-Generation Facility (SGF)" refers to a power Generation Facility owned and constructed by an End-User for such End-User's own consumption or internal use excluding Generation Facilities for use by households, clinics, hospitals, and other medical facilities.

(sss) "Small Grid" refers to the backbone system of interconnected high voltage lines or medium voltage lines, substations and other related facilities not connected to the National Grid in Luzon, Visayas and Mindanao.

(ttt) "Small Grid Owner (SGO)" refers to the party that owns the backbone transmission or sub-transmission or Distribution System, and responsible for planning, operations and maintaining adequate capacity.

(uuu) "Small Power Utilities Group (SPUG)" refers to the functional unit of NPC created to pursue Missionary Electrification function.

(vvv) "Stand-by/Back-up" refers to a Generating Unit used for the main purpose of providing in-house electricity source for the power plant's auxiliary equipment during total system shutdown.

(www) "Synchronized" refers to the state when connected Generating Units and/or interconnected AC Systems operate at the same frequency and where the phase angle displacements between their voltages vary about a stable operating point.

(xxx) "System" refers to the Grid or Distribution System or any User System. Also refer to a group of components connected or associated in a fixed configuration to perform a specified function.

(yyy) "System Operator (SO)" refers to the party responsible for generation dispatch, or the implementation of the generation dispatch schedule of the Market Operator, the provision of AS, and operation to ensure safety, power quality, stability, reliability, and security of the Grid.

(zzz) "Test and Commissioning" refers to the conduct of procedures to determine and certify that a Generation Facility/Generating Unit was connected to the

Grid/Distribution System/Small Grid in accordance with the PGC, PDC, PSGG and other relevant guidelines and specifications and to determine readiness to deliver energy to Grid, Distribution System or Small Grid.

(aaaa) "Transmission Network Provider (TNP)" refers to the party that is responsible for maintaining adequate Grid capacity in accordance with the provisions of the PGC.

(bbbb) "Trust Account (TA)" refers to the interest-bearing current accounts intended exclusively for ER 1-94 funds held in trust by the GenCos and or Energy Resource Developers (ERDs), concerned DUs, Designated Beneficiaries, and Indigenous Cultural Communities and Indigenous People (ICCs/IPs) pursuant to Section 8 of DOE DC No. DC2018-08-0021.[5]

(cccc) "Underserved Area" refers to a currently served area whose supply of electricity is less than twenty-four (24) hours daily because of the non-implementation of the approved capital expenditure projects, noncompliance with the service parameters of the PDC, or any other reason resulting to an overall failing mark based on ERC's latest annual technical evaluation of the performance of Distribution Systems.

(dddd) "Unserved Areas" refer to an area, upon the effectivity of the Act, with no electricity access, no distribution system lines, no home power Systems, no connection to any microgrid system, or for which no distribution grid extension has been developed or implemented by the DU.

(eeee) "User System" refers to a system owned or operated by a User of the Grid or Distribution System.

(ffff) "Wholesale Electricity Spot Market (WESM)" refers to the wholesale electricity spot market created in accordance with R.A. No. 9136.

(gggg) "WESM Rules" refer to the detailed rules that govern the administration and operation of the WESM.

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[5] Providing for the Amendments to Rule 29 Part (A) of the Implementing Rules and Regulations of Republic Act No. 9136.

Section 3. **Guiding Principles**.

3.1 General

3.1.1. No person may engage in the Generation of Electricity without a COC duly issued by the ERC to operate a Generation Facility, subject to the following:

(a) Pending the completion of requirements for issuance of COC pursuant to Section 9 hereof, no Person shall commercially operate a Generation Facility unless a Provisional Authority to Operate (PAO) is issued by the ERC; and

(b) The ERC may issue a PAO to such person, upon application, in accordance with Section 10 hereof, should the power demand and supply situation warrant the same.

3.1.2. The application for a COC or PAO shall be in the name of the person(s) or entity(ies) owning and operating the Generation Facilities used in the Generation of Electricity. For purposes of this Section, the person or entity owning the Generation Facility is understood to be the person or entity having legal title to the same. In such case, such person or entity shall apply for the COC or PAO, and the COC or PAO shall be issued, subject to the provisions below:

(a) In case the Generation Facility is operated by a person or entity other than the owner, either the owner or Operator shall apply for the COC or PAO, but the COC or PAO shall be issued in the name of both the owner and Operator. As such, the owner and Operator shall comply with the provisions of the PGC, PDC, PSGG, PEC, WESM Rules, and applicable rules and regulations of the ERC.

(b) For Generation Facilities covered by the National Power Corporation - Independent Power Producer Contracts (NPC-IPP Contracts), the IPP shall apply for the COC or PAO but the COC or PAO shall be issued in favor of the IPP, PSALM, and the IPPAs. Thus, the IPP, PSALM, and IPPAs shall comply with the provisions of the PGC, PDC, PSGG, PEC, WESM Rules, and applicable rules and regulations of the ERC.

3.1.3. A COC or PAO shall be secured from the ERC before the Commercial Operation of the Generation Facility/Generating Unit(s).

(a) For Grid-connected and Embedded Generation Facilities/Generating Unit(s), the Test and Commissioning shall be in accordance with the DOE DC No. DC2021-06-0013 otherwise known as "Adopting a General Framework Governing the Test and Commissioning of New Generation Facilities for Ensuring Readiness to Deliver Energy to the Grid or Distribution Network", as supplemented by DC No. DC2022-05-0015 (DOE DC on T and C),[6] and any amendments thereto, and any related rules and regulations.

(b) For Off-Grid Area Generation Facilities, the GenCo may conduct Test and Commissioning for a maximum period of sixty (60) calendar days even without a COC or PAO. Any sale of the generated output during Test and Commissioning shall not be considered as transactions made during Commercial Operations. Beyond this period, however, the sale of generated output shall already be deemed as transactions made during Commercial Operations for which a COC or PAO shall be required.

(c) In the case of MGSP, the Test and Commissioning shall be in accordance with the MGSP Rules to be promulgated by the ERC.

(d) With regard to QE, the Test and Commissioning shall be in accordance with the ERC Resolution No. 06, Series of 2019 otherwise known as "A Resolution Adopting the Amendments to the Rules Enabling the Net-Metering Program for Renewable Energy (Amended Net Metering Rules)" and any amendments thereto.

[6] Supplementing Department Circular No. DC2021-06-0013 on the Framework Governing the Test and Commissioning of Generation Facilities for Ensuring Readiness to Deliver Energy to the Grid or Distribution Network.

(e) For Distributed Energy Resources (DER), the Test and Commissioning shall be in accordance with the ERC Resolution No. 11, Series of 2022 otherwise known as "Resolution Adopting the Rules Governing Distributed Energy Resources (DER Rules)," and any amendments thereto.

3.1.4. The COC or PAO shall stipulate all the obligations of the grantee(s) consistent with the standards and operating guidelines established herein and which the ERC may require from time to time.

(a) The terms and conditions of the COC or PAO and the technical specification of the Generation Facilities, including, but not limited to, the Rated Capacity (MW), Dependable Capacity (MW), Maximum Load (Pmax in MW), Minimum Stable Loading (Pmin in MW), Ramp Up Rate (MW/min), Ramp Down Rate (MW/min), shall be contained in a document which is made an integral part of the issued COC or PAO.

(b) The capacity to be indicated on the face of the COC or PAO shall be the Rated Capacity of the Generating Unit(s), rounded off to three (3) decimal places in MW/MWp/MWh, and rounded to the nearest kW/kWp if in kW/kWp/kWh.

(c) For GenCo and MGSP, the Rated Capacity of the Generating Unit(s) to be indicated on the face of the COC or PAO should be consistent with the capacity indicated in the Certificate of Endorsement (COE) certifying that the Generation Facility is consistent with the Power Development Plan (PDP)/Missionary Electrification Development Plan (MEDP) issued by the DOE.

(d) For Self-Generation Facility (SGF), QE, and non-exporting DER, the Pmax, Pmin, Ramp Up Rate, Ramp Down Rate may be indicated in the technical specification of the generation facility, if available.

3.1.5. The COC or PAO for GenCos shall be issued in accordance with the "Standard Grid Interconnection Variants" under ERC Resolution No. 23, Series of 2016 otherwise known as "A Resolution Adopting Amended Rules on the Definition and Boundaries of Connection Assets for Customers of Transmission Providers," and any amendments thereto.

For Hybrid Power System, application and issuance of COC or PAO shall also be in accordance with the "Standard Grid Interconnection Variants" under ERC Resolution No. 23, Series of 2016, until such time the ERC promulgates a separate hybrid system policy or framework.

3.1.6. For a Generation Facility consisting of several Generating Units which will be installed and commissioned on different dates, a COC or PAO application shall be filed for the first Generating Unit/s that will be commissioned. A COC or PAO amendment application shall be filed for the succeeding units that will be commissioned. The amended COC or PAO shall indicate the date of the approval of each individual unit.

3.1.7. The transfer of the Generation Facility/ Generating Unit(s) to a different location shall result to an automatic cancellation of the issued COC or PAO .

In cases of COC/PAO with several Generating Units, and where some unit/s are transferred to a different location, an amendment to the COC or PAO must be filed with the ERC to exclude the transferred unit/s, and for the issuance of a new COC or PAO for the transferred unit/s in its new location.

3.1.8. Applications for Black Start Resource and Stand-by/Back-up Generating Unit(s) which include the emergency Generating Unit(s) connected to the generation facility system shall be included in the application for main Generating Unit/s. Such units shall be integrated in the COC or PAO for the main Generating Units.

However, other Generating Unit(s) inside a generation facility excluding those specified above shall be considered as a SGF and a separate application for COC therefor shall be required.

3.1.9. An addition, replacement, Conversion, Repowering of any equipment, and replacement of the Generating Unit(s) that affects the technical specifications of the Generation Facilities, and any Black Start Resource and Stand-by and/or Back-up Generating Unit(s) being operated thereby shall require an amendment of the COC or PAO issued for such facilities. Accordingly, the licensee shall apply for an amendment of its COC or PAO. The amended COC or PAO issued pursuant to addition, replacement, Conversion, Repowering of any equipment, and replacement of the Generating Unit(s) shall be effective from the date of its issuance.

3.1.10. Expansion, as defined herein, shall require a new COC or PAO application.

3.2 QE

A QE that installs an on-site RE Generation Facility, and enters into a NMA with its DU shall secure a COC for such RE Generation Facility, in accordance with the pertinent provisions of these 2023 Revised COC Rules, the Amended Net Metering Rules, and any amendments thereto.

3.3 DER

A DER, prior to its Commercial Operations, shall apply for the issuance of COC in accordance with the pertinent provisions of these 2023 Revised COC Rules, the DER Rules, and any amendments thereto.

Section 4. **Scope. –** These 2023 Revised COC Rules, shall apply, unless otherwise exempted by any law or statute, to all Generation Facilities used or to be used for the Generation of Electricity, including but not limited to the following:

(a) Generation Facilities/Generating Units owned and/or operated by GenCos and IPPs;
(b) Generation Facilities/Generating Units owned and/or operated by DUs;
(c) Generation Facilities/Generating Units owned and/or operated by NPC, PSALM and other government agencies/government-owned and controlled corporations;
(d) Generation Facilities and/or Generating Units owned and/or operated by entities which are leased to NPC or other entities;

(e) Generation Facilities and/or Generating Units owned, operated or leased by New Power Providers (NPPs);
(f) Facilities connected to the Grid, Small Grid, Distribution System or Embedded Generators and those operating in Off-Grid Areas;
(g) Facilities operating in Unserved and Underserved areas, duly certified by the DOE, as MGSP;[7]
(h) SGFs;
(i) Facilities of QEs;
(j) ESS; and
(k) DER.

ARTICLE II
QUALIFICATIONS OF COC APPLICANTS

Section 5. **GenCo and MGSP.**

5.1 Transmission Cross-Ownership Prohibition

A GenCo or its respective subsidiary or Affiliate or stockholder or official of a GenCo, or other entity engaged in generating and supplying electricity specified by ERC within the fourth civil degree of consanguinity or affinity, shall not be allowed to hold any interest, directly or indirectly, in TRANSCO or its concessionaire. Likewise, the TRANSCO, or its concessionaire or any of its stockholders or officials or any of their relatives within the fourth civil degree of consanguinity or affinity, shall not be allowed to hold any interest, whether directly or indirectly in any GenCo. Except for ex-officio government-appointed representatives, no person who is an officer or director of the TRANSCO or its concessionaire shall be an officer or director of any generation company.

5.2 Generation Market Restrictions

5.2.1. *General Principle*. No GenCo, Related Group or IPPA, or any other person may engage in any anti-competitive behavior including, but not limited to, cross-subsidization, price or market manipulation, false or deceptive marketing, or other unfair trade practices detrimental to the encouragement and protection of the WESM or the contestable market.

[7] In accordance with Section 7, Part II of the R.A. No. 11646.

5.2.2. *Limits on Concentration in Ownership of Generating Capacity*.

(a) No GenCo, Related Group or IPPA, singly or in combination, can own, operate or control more than thirty percent (30%) of the Installed Generating Capacity of a Grid and/or twenty-five percent (25%) of the national installed generating capacity: Provided, That such restrictions shall not apply to PSALM or NPC during the time that its assets are being privatized pursuant to Section 47 of R.A. No. 9136. This limitation shall not apply to a GenCo located in the NPC-SPUG areas or in isolated grids that are not connected to the high voltage transmission system. The ERC shall determine the Installed Generating Capacity in a Grid and the national installed generating capacity on or before the 15th day of March of each year and/or as often as may be necessary.

(b) For purposes of calculating a particular GenCo's compliance with the market share limitations as provided above, the capacity of such Generation Facility shall be credited in accordance with ERC Resolution No. 26, Series of 2005 otherwise known as "Guidelines for the Determination of Installed Generating Capacity in a Grid and the National Installed Generating Capacity and Enforcement of the Limits on Concentration of Ownership, Operation or Control of Installed Generating Capacity under Section 45 of R.A. No. 9136" and any amendments thereto.

(c) This limitation shall not also apply to MGSPs, Entities with SGF, QE, and Entities with DER.

5.2.3. *Limits on Bilateral Contracts*. A GenCo shall not sell to an Affiliate DU through bilateral power supply contracts more than fifty percent (50%) of said DU's total demand. This limitation shall apply regardless of whether the demand is expressed in terms of capacity or energy.

5.2.4. *Penalties for Anti-Competitive or Discriminatory Act or Behavior*. The ERC shall penalize any market power abuse or anti-competitive or unduly discriminatory act or behavior, or any unfair trade practice that distorts competition or harms consumers, by any Industry Participant, in accordance with the procedure laid down in the ERC issued *Competition Rules and Complaint Procedures* and its *Revised Rules of Practice and Procedure*, and other pertinent rules and regulations of the ERC, including any amendments thereto. Upon a finding of a prima facie case that an Industry Participant has engaged in such act or behavior, the ERC shall, after due notice and hearing, issue a cease and desist order. Such remedies shall, without limitation, include the separation of the business activities of an Industry Participant into different juridical entities, imposition of bid or price controls, issuance of injunctions in accordance with the Rules of Court, divestment or disgorgement of excess profits, and imposition of fines and penalties under Section 46 of R.A. No. 9136 and its implementing guidelines.

5.2.5. *Public Offering Requirements*. GenCos shall comply with the public offering requirement (POR) pursuant to Section 43 of EPIRA and ERC Resolution No. 09, Series of 2011, as amended by ERC Resolution No. 04, Series of 2019, or the ERC *Public Offering Guidelines*, and any amendments thereto.

Section 6. **QE and DER.**

6.1 The qualifications of QE shall be governed by the Amended Net Metering Rules.

6.2 The qualifications of DER shall be governed by the DER Rules.

ARTICLE III
REQUIREMENTS AND PROCEDURES

Section 7. **In General.**

7.1 All entities owning and/or operating Generation Facilities shall apply for a COC with the ERC. No application shall be accepted in the absence of any or all the requirements as prescribed under these 2023 Revised COC Rules.

7.2 Pending the completion of the requirements needed for the issuance of a COC, GenCo and MGSP has the option to apply for a PAO in order to commercially operate its Generation Facility/ies or Generating Unit/s, provided that they meet all the requirements for the grant of PAO. The PAO application process shall be autonomous from the COC application.

7.3 The ERC shall act on the application within sixty (60) calendar days from receipt of the complete application, which includes the submission of all documentary requirements and the conduct of the technical inspection.

7.4 For Generation Facilities with DOE-issued Certificate of Energy Project of National Significance (CEPNS) and considered as Strategic Investments under Executive Order No. 18, Series of 2023, the ERC shall act on the application within thirty (30) calendar days and twenty (20) calendar days, respectively, from the submission of complete documentary requirements including the conduct of technical inspection.

Section 8. **When to File New Applications.**

8.1 GenCos and MGSPs shall submit the COC or PAO pre-filing requirements at least thirty (30) calendar days before the date of Test and Commissioning. A certification for pre-filing shall be issued by the ERC upon complete submission of the listed pre-filing requirements under Section 9.1 hereof.

8.2 The application for new COC or PAO of GenCos and MGSPs must be filed no later than thirty (30) calendar days from the last day of the Test and Commissioning and must be accompanied by the requirements under Sections 9.2 or 10 hereof, for COC applications or PAO applications, respectively.

8.3 The application for COC for SGF and DER shall be filed no later than thirty (30) calendar days from the last day of the Test and Commissioning period.

8.4 In the case of a COC application for QEs, the procedure under the Amended Net Metering Rules shall be followed.

8.5 An application for amendment of COC due to an addition, replacement, Conversion, Repowering of any equipment, and replacement of the Generating Unit(s) and change in technical specifications of the Generation Facilities and any Black Start Resource and Stand-by and/or Back-up Generating Unit(s) shall also be filed no later than thirty (30) calendar days from the last day of the Test and Commissioning of such units.

Section 9. **Documents Required for New COC Applications.**

9.1 GenCo and MGSP Pre-filing Requirements. The following documents shall be submitted by GenCo and MGSP applicants, issued in its name,[8] for new Generation Facilities at the time of pre-filing:

(a) General Requirements

(i) Application Form (COC Form No. 1);

(ii) Company Profile (COC Form No. 2);

(iii) Affidavit of Compliance with the PGC, PDC, PSGG, PEC, WESM Rules and Manuals, Cross Ownership and Market Share Restriction (COC Form No. 3); and

(iv) General Plant Description with photos of the Generating Unit, and nameplate photos of Generator, Engine or Turbine, Details of off-takers, and Connection Point (COC Form No. 4).

(b) Technical Requirements

(i) PGC, PDC, PSGG, PEC, and WESM Rules and Manual Requirements:

(1) Electrical and/or Mechanical Plans and Diagrams and Connection Point Drawing, including the connection point to the Grid/Distribution System;

[8] In cases where the submitted document is issued to a different entity, other than the GenCo or MGSP, a written explanation must be submitted explaining the relationship of that entity to the GenCo or MGSP, accompanied with supporting documents that would substantiate the explanation.

(2) Proof of application[9] for the conduct of Test and Commissioning with the TNP for Grid Connected, DU for Embedded Generator and Small Grid Owner or DU for Off-Grid Areas;
(3) For MGSP, Waiver Agreement with DU;[10]

(ii) Management and/or lease contracts in force (in case the plant is operated, leased and/or managed by an entity other than the owner); and

(iii) Application for the Authority to Develop, Own and/or Operate Dedicated Point-to-Point limited transmission or distribution facilities.[11]

(c) Financial Requirements

(i) Certified True Copy[12] of complete set of Audited Financial Statements (AFS) covering the two (2) most recent twelve (12) month periods (i.e., statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in shareholders' equity, notes to financial statements, audit opinion and the statement of management's responsibility on the financial statements), duly stamped received by the Bureau of Internal Revenue (BIR) and the Securities and Exchange Commission (SEC).[13] For a GenCo which has been in operation for less than two (2) years, the AFS of the parent company, if any, shall be required in lieu of the above, covering the two (2) most recent twelve (12) month period;

(ii) Duly attested schedule of liabilities, to include the following information: name of creditor, type of credit, date incurred, loan amortization schedule, credit terms, applicable interest rate(s), and DSCR requirement of creditor(s);

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[9] Must be any form of application through online, duly acknowledged by the concerned agency or walk in stamped received by the concerned agency.
[10] The DU and the MGSP shall come to an agreement on the use of existing facilities and distribution system in the area awarded to the MGSP, either by way of sale, lease, or usufruct or any other manner, during the term of the MGSP without jeopardizing the affordability of electricity rates in the said area.
[11] Submission of first page of Application with Docket No. Applicable for GenCos who develop, own and/or operate its dedicated Point-to-Point limited transmission or distribution facilities.
[12] The Chief Financial Officer shall certify the true copies.
[13] Or proof of online submission if sent electronically to BIR and SEC.

(iii) Five (5) year financial plan (i.e., forecast financial statements, including assumptions/bases used for revenue and cost projections, DSCR calculation); and

(iv) For GenCo which has other business segments, proof of approval of the Business Separation and Unbundling Plan (BSUP), or in the absence thereof, proof of filing[14] with the ERC.

(d) Ownership/Control Requirements

(i) SEC issued Certificate of Registration (COR) with Articles of Incorporation (AOI) / Partnership (AOP) and By-Laws, and all subsequent amendments thereto, or Business Name Registration Certificate (for Single Proprietorship);

(ii) Business Permit (BP) issued by the Local Government Unit (LGU) for its Principal Office or Certificate of Registration for businesses operating in Economic Zones;

(iii) Proof of application for the BP before the LGU where the Generation Facility is located, or in the absence thereof, proof of coordination with LGU for application of BP;

(iv) Latest General Information Sheet (GIS) of the applicant and its stockholders duly stamped received by the SEC;

(1) For Partnership, the latest certification on Partnership Agreement must be submitted;
(2) For Government Owned and Controlled Corporation (GOCC), Government Corporation Information (GCIS) Sheet shall be submitted in lieu of the GIS.

(v) For existing GenCos: Proof of Compliance with Public Offering Requirements (PSE Certificate to the effect that the GenCo is listed with PSE or compliance with any other allowed mode of public offering);[15]

[14] Submission of first page of Application with Docket Number.
[15] For PAO pre-filing requirements, the GenCo shall submit an Affidavit of Undertaking (AOU), with Compliance Plan, which provides that the GenCo undertakes to comply with the POR not later than sixty (60) days prior to the expiration of the PAO. The Compliance Plan shall include the mode

(e) Other Requirements

(i) Department of Energy (DOE)

(1) Affidavit of Undertaking that the GenCo or MGSP shall execute Memorandum of Agreement (MOA) on the establishment of Trust Accounts (TA) by the GenCo and/or the Energy Resource Developer and the Host Beneficiaries (HBs) / Local Government Units (LGUs) on Benefits to Host Communities pursuant to Rule 29 of the IRR of R.A. No. 9136 and shall comply with the obligations to remit the funds to respective beneficiaries; and
(2) Certificate of Endorsement[16] indicating that the power plant project is consistent with the Power Development Plan (COE-PDP) of the Government or with the Missionary Electrification Development Plan (COE-MEDP) for Generation Facility located in Off-Grid Area.

(ii) Department of Environment and Natural Resources (DENR) / Laguna Lake Development Authority (LLDA) / Bangsamoro Autonomous Region in Muslim Mindanao – Ministry of Environment, Natural Resources and Energy (BARMM-MENRE) / National Commission on Indigenous Peoples (NCIP)

(1) Environmental Compliance Certificate (ECC);[17]
(2) Proof of application for the Permit to Operate (PTO);[18]
(3) Proof of application for Wastewater Discharge Permit (WDP)/Discharge Permit (DP);[19]

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of public offering being considered, the succeeding steps to be undertaken and the tentative timeline for such steps.

[16] Must be consistent with the capacity of the generator nameplate rating.

[17] In accordance with the Memorandum Circular 005, July 2014, otherwise known as "Revised Guidelines for Coverage Screening and Standardized Requirements under the Philippine EIS System," and any amendments thereto (MC 005-2014).

[18] In accordance with Section 1, Rule XIX, Part VI of the Implementing Rules, and Regulations (IRR) for R.A. No. 8749, otherwise known as "The Philippine Clean Air Act of 1999," and any amendments thereto (R.A. No. 8749-IRR); Applicable for Oil-Based, Coal, Biomass, Geothermal, and Natural Gas Generation Facilities except for Standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

[19] Required only for generation facilities that utilizes water for power generation, commercial and industrial purposes.

(iii) Water Permit (WP) or Conditional Water Permit (CWP)[20] issued by the National Water Resources Board (NWRB);

(iv) Fuel Supply Agreements (FSA) for main fuel[21] and/or Fuel Sustainability Plan for Biomass Generation Facility; and

(v) For applications affecting Indigenous Cultural Communities / Indigenous People (ICCs/IPs) in lands of Ancestral Domain, proof of the appropriate Certification Precondition issued by NCIP.[22]

9.2 GenCo and MGSP Post-Test and Commissioning Submission. For new Generation Facilities that have completed their Test and Commissioning, the following documents issued in their names,[23] shall be submitted by the GenCo and MGSP applicants, in addition to the documents already submitted during pre-filing, in order for the COC Application to be accepted:

(a) General Requirements

(i) Updated Application Form[24] (COC Form No. 1);

(ii) Latest Company Profile (COC Form No. 2);

(iii) Updated General Plant Description with photos of the Generating Unit, and nameplate photos of Generator, Engine or Turbine, Details of off-takers, and Connection Point (COC Form No. 4).

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[20] For power generation, commercial and industrial purposes.
[21] Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities.
[22] Pursuant to Section 59 of Republic Act No. 8371 (R.A No. 8371) otherwise known as "The Indigenous Peoples Rights Act of 1997" (IPRA), which reads "Certification Precondition. - all department and other governmental agencies shall henceforth be strictly enjoined from issuing, renewing, or granting any concession, license or lease, or entering into any production-sharing agreement, without prior certification from the NCIP that the area affected does not overlap with any ancestral domain. Such certificate shall only be issued after a field based investigation is conducted by the Ancestral Domain concession, license, lease, or production sharing agreement while there is pending application CADT: Provided, finally, That the ICCs/IPs shall have the right to stop or suspend, in accordance with this Act, any project that has not satisfied the requirement of this consultation process". A Certificate of Non-Overlap (CNO) issued by NCIP must be submitted if the area of the Generation Facility is patently outside and will not affect any ancestral domain.
[23] In cases where the submitted document is issued to a different entity, other than the GenCo or MGSP, a written explanation must be submitted explaining the relationship of that entity to the GenCo or MGSP, accompanied with supporting documents that would substantiate the explanation.
[24] Updated COC Form No. 1 including the GUCT Results and actual date of Test and Commissioning.

(b) Technical Requirements

(i) PGC, PDC, PSGG, and WESM Rules and Manual Requirements

(1) FCATC issued by the TNP for Grid-Connected Generation Facility/ies,
(1.1) FCATC issued by Small Grid Owner (SGO) for Generation Facilities located in Off-Grid Areas,
(1.2) FCATC issued by DU[25] for Embedded Generation Facility/ies,
(1.3) For MGSP, proof of successful Test and Commissioning and other technical requirement as may be required under the MGSP rules as promulgated by ERC;
(2) Generating Unit Capability Test (GUCT) Results and Certificates;
(3) WESM Registration;[26]
(4) Ancillary Service (AS) Capability Test Results and Certificates, for AS provider;

(ii) ERC Approved Authority to Develop, Own and/or Operate Dedicated Point-to-Point limited transmission or distribution facilities, and proof of GenCo's compliance with the directives in the Decision;[27]

(c) Financial Requirements. ERC approved BSUP and GenCo's proof of compliance with the directives in the Decision;[28]

(d) Ownership/Control Requirements. BP issued by the LGU where the Generation Facility is located, or in the case of Generation Facilities Operating in Economic Zones, its Certificate of Registration;

(e) Other Requirements

DOE

[25] The DU shall ensure that under Section 4.3.3.7 of the PDC 2017 Edition and the DOE DC 2021-06-0013 are complied with prior to issuance of FCATC.
[26] Not applicable for Generation Facilities operating in the Off-Grid Area and Embedded Generators below the regional threshold per DOE DC No. DC2019-002-003, and any amendments thereto.
[27] Applicable for GenCos who developed, owned and/or operate dedicated point-to-point limited transmission or distribution facilities.
[28] Applicable for Generation Company which has other business segment.

(i) MOA on the establishment of TA by the GenCo and/or the Energy Resource Developer and the HBs/LGUs on Benefits to Host Communities pursuant to Rule 29 of the IRR of R.A. No. 9136;[29]

DENR / LLDA / BARMM-MENRE

(ii) PTO;[30]

(iii) WDP/ DP;[31] and

NWRB

(iv) WP.[32]

9.3 Entities with SGF COC Filing Requirements. The following documents, issued in the name[33] of Entities with SGFs are required to be submitted at the time of application:

(a) SGF with aggregate installed capacity of below 1 MW:

(i) SGF-COC Application Form No. 1;

(ii) DU Acknowledgement that the Entity informed the DU of its SGF; and

(iii) PTO[34] duly issued by the DENR or BARMM-MENRE.

(b) SGF with aggregate installed capacity of 1 MW and above:

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[29] The proof of establishment of TA by the GenCo for electrification fund (EF), development and livelihood fund (DLF) and reforestation, watershed management, health and/or environmental enhancement fund (RWMHEEF) shall be submitted together with the MOA (e.g. Bank Certification on the establishment of said Trust Accounts or Bank Statement). The applicability of execution or non-execution of MOA with ICCs/ IPs shall be made in accordance and observance of R.A. No. 8371 otherwise known as IPRA and/or related rules as well as related issuance(s) of NCIP.

[30] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

[31] Required only for generation facilities that utilizes water for power generation, commercial and industrial purposes.

[32] For power generation, commercial and industrial purposes.

[33] In cases where the submitted document is issued to a different entity, a written explanation must be submitted explaining the relationship of that entity to the entity with SGF, accompanied with supporting documents that would substantiate the explanation.

[34] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

(i) SGF-COC Application Form No. 1;

(ii) DU Acknowledgement that the Entity informed the DU of its SGF;

(iii) SEC issued COR with AOI/AOP and By-Laws, and all subsequent amendments thereto, or Business Name Registration Certificate (for Single Proprietorship), whichever is applicable;

(iv) Latest GIS of the Entity/Company duly stamped received by the SEC;

(v) ECC[35] duly issued by the DENR or BARMM-MENRE; and

(vi) PTO[36] duly issued by the DENR or BARMM-MENRE.

9.4 QE COC Filing Requirement. The following documents shall be submitted by the DU, on behalf of the QE, with whom it has entered a Net-Metering Agreement (NMA) with. The following documents are required for the issuance of a COC to the QE:

(a) QE-COC Application Form No. 1; and

(b) NMA with the concerned DU.

Further, the QE shall issue a cashier's or manager's check payable to the ERC, and shall forward the same to the DU, together with the signed NMA and accomplished QE - COC Form 1. These documents shall be transmitted by the concerned DU to the ERC within five (5) days from the execution of the NMA.

Upon submission by the DU, on behalf of the QE of all the required documents, the QE shall be allowed to operate and implement its Net-Metering Agreement with the DU; however, billing shall retroact from the time of successful Test and Commissioning. Upon assessment and evaluation of the application, the official receipt (OR) and COC shall be issued by the ERC directly to the QE.

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[35] In accordance with MC 005-2014.

[36] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

9.5 Entities with DER COC Filing Requirements. The following documents are required to be submitted:

(a) For End-User's Consumption and Exporting DER:

(i) DER COC Application Form No. 1;

(ii) Renewable DER Supply Agreement with the concerned DU;

(iii) PTO[37] duly issued by the DENR/BARMM-MENRE; and

(iv) Management and/or lease contracts in force (in case the DER is operated, leased and/or managed by an entity other than the End-User/Owner).

(b) For Non-Exporting DER:

(i) DER - COC Application Form No. 1;

(ii) DER - COC Application Form No. 2;

(iii) DU certification that the Entity with Renewable DER is technically compliant with the PDC / PSGG;

(iv) ECC[38] duly issued by the DENR/BARMM-MENRE; and

(v) PTO[39] duly issued by the DENR/ BARMM-MENRE.

Section 10. **Provisional Authority to Operate (PAO).** A GenCo or MGSP that is unable to submit any or some of the requirements, including but not limited to items (a) to (o) below has the option to apply for a PAO pending compliance with the subject requirements:

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[37] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g. tower light, air compressors, pumps etc.).

[38] In accordance with MC 005-2014.

[39] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

(a) FCATC[40] for existing Generation Facilities;

(b) GUCT Test Results and Certificates for existing Generation Facilities;

(c) Renewed AS Capability Results and Certificates;[41]

(d) Amended WESM Registration;[42]

(e) Compliance with the directives set by the ERC in the resolution of its Application for the Approval of Authority to Develop, Own and/or Operate Dedicated Point-to-Point limited transmission or distribution facility;[43]

(f) Compliance with the minimum financial capability standards;

(g) Compliance with the conditions/directives set by the ERC in the resolution of its BSUP and Accounting and Cost Allocation Manual (ACAM) application;[44]

(h) POR;[45]

(i) Renewed BP for issued by the LGU for its Principal Office and/or BP issued by the LGU where the Generation Facility is located;

(j) MOA on the establishment of TA;

(k) Amended COE-PDP/MEDP from the DOE;

(l) Amended ECC[46] from the DENR/BARMM-MENRE;

(m) Renewed or Amended PTO[47] from the DENR/BARMM-MENRE;

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[40] A Certificate of PGC and OATS Rules Compliance is an alternative document for existing generation facilities that were not issued with FCATC by the TNP.
[41] Applicable for Generation Facilities which are AS provider.
[42] Not applicable for Generation Facilities operating in the Off-Grid Area and Embedded Generators below the regional threshold per DOE DC No. DC2019-002-003, and any amendments thereto.
[43] Applicable for GenCos who developed, owned and/or operate dedicated point-to-point limited transmission or distribution facilities.
[44] Applicable for Generation Company which has other business segment.
[45] Not Applicable for New GenCos.
[46] In accordance with MC 005-2014.
[47] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for Oil-Based, Coal, Biomass, Geothermal, and Natural Gas Generation Facilities except for Standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

(n) Renewed or Amended WDP/DP[48] from the DENR/LLDA/BARMM-MENRE; and

(o) WP or Amended WP[49] from the NWRB.

Provided, that in lieu of the aforementioned documentary requirements, applicant shall, at least, submit the following documents corresponding to the enumerated item above:

(a) Compliance Plan in relation to the issuance of FCATC[50] stamped received by TNP or SGO or DU for existing Generation Facilities;

(b) Compliance Plan in relation to the issuance of the GUCT Results and Certificates stamped received by TNP or SGO or DU for existing Generation Facilities;

(c) An application for the renewal of AS[51] Capability Results and Certificate filed before the TNP;

(d) Initial WESM Registration;[52]

(e) Application for authority to develop, own and/or operate dedicated Point-to-Point limited transmission or distribution facility filed before the ERC;[53]

(f) Program to Comply (PTC); [54]

(g) BSUP application filed before the ERC;[55]

(h) Affidavit of Undertaking (AOU), with Compliance Plan, which provides that the GenCo undertakes to comply with the POR not later than sixty (60) days prior to the

[48] Required only for generation facilities that utilizes water for power, generation, Commercial and industrial purposes.
[49] For power generation, commercial and industrial purposes.
[50] For existing Grid-connected generation facilities that were not issued with FCATC nor PCATC, at least the Compliance Plan for the issuance of Certificate of PGC and OATS Rules Compliance stamped received by TNP must be submitted. The Certificate of PGC and OATS Rules Compliance is the alternative document for FCATC issued by the TNP.
[51] Applicable for Generation Facilities which are AS provider.
[52] Not applicable for Generation Facilities operating in the Off-Grid Area and Embedded Generators below the regional threshold per DOE DC No. DC2019-002-003, and any amendments thereto.
[53] Applicable for GenCos who developed, owned and/or operate dedicated point-to-point limited transmission or distribution facilities.
[54] The PTC shall identify the specific activities to be undertaken by the GenCo in order to meet the financial benchmark.
[55] Applicable for GenCos which has other business segment.

expiration of the PAO. The Compliance Plan shall include the mode of public offering being considered, the succeeding steps to be undertaken and the tentative timeline for such steps;

(i) Proof of application for the renewal of BP before the LGU where the Generation Facility is located and/or proof of coordination for application of BP before the LGU where the Generation Facility is located;

(j) Proof of Establishment of a Trust Account by the GenCo for electrification fund (EF), development and livelihood fund (DLF) and reforestation, watershed management, health and/or environmental enhancement fund (RWMHEEF), such as a Bank Certification on the establishment of such Trust Accounts, or bank statements;[56]

(k) Proof of application for the amendment of COE-PDP or MEDP filed before the DOE;

(l) Proof of application for the amendment of the ECC[57] filed before the DENR or BARMM-MENRE;

(m) Proof of application for the renewal and/or amendment of PTO[58] filed before the DENR or BARMM-MENRE;

(n) Proof of application for the renewal or amendment of the WDP/DP[59] filed before the DENR or LLDA or BARMM-MENRE; and

(o) Conditional WP (CWP)[60] or proof of application for amendment of WP filed before the NWRB.

For new generation facilities applying for new PAOs, the GenCo and MGSP shall also submit the pre-filing requirements listed under Section 9.1 hereof, as well as the requirements stated under Section 9.2

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[56] The establishment of Trust Accounts shall be in accordance with DOE Circular 2018-08-0021, including Section 7.4 thereof. Further, the applicability of execution or non-execution of MOA with ICCs/IPs shall be made in accordance and observance of R.A. No. 8371 or IPRA and/or related rules as well as related issuance(s) of NCIP.
[57] In accordance with MC 005-2014.
[58] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby/stationary /portable/ mobile/ multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[59] Required only for generation facilities that utilizes water for power, generation, Commercial and industrial purposes.
[60] For power generation, commercial and industrial purposes.

hereof that were not substituted by requirements indicated in the preceding paragraph.

The PAO shall be issued in the form of a letter to the applicant and shall be valid for a period of one (1) year from issuance thereof.

Section 11. **PAO Extension.**

11.1 If the GenCo or MGSP cannot yet comply with the requirements and conditions of the issued PAO, it shall file an application for extension of PAO not later than sixty (60) calendar days prior to the expiration of the existing PAO, with a written verified explanation as to the efforts undertaken to comply with the requirements, and the reasons for their continued failure to comply with all the requirements for COC issuance. The substitute requirements stated Section 10 hereof shall be submitted by GenCo and MGSP applicants for the requirements and conditions that remain unavailable as of submission of the application for PAO extension.

11.2 For application for extension of PAO filed in accordance with the 60-day period provided in these Rules, the extended PAO shall be deemed to have been issued on the day immediately following the expiration of the previously issued PAO, and the extended one (1) year term shall be reckoned from such date.

11.3 If the application for extension of PAO was filed beyond the 60-day period provided under these Rules, a new PAO shall be issued by the ERC valid for a period of one (1) year effective from the date of approval. As such, the subject facility shall be deemed to have operated without a PAO from the date the same is deemed to have expired, until prior to the issuance of the subject PAO extension. Appropriate sanctions shall be imposed according to the rules of the ERC for late filing and operating without a valid COC for the period that is not covered by the new PAO.

11.4 The grant of PAO shall be limited to five (5) consecutive issuances, which shall commence on the grant of PAO in accordance with these 2023 Revised COC Rules.

Section 12. **Documents Required for Amendment Applications.**

12.1 GenCo and MGSP - Amendment Application for Addition, Replacement, Conversion, Repowering and/or Change in Technical Specifications. The following documents shall be submitted by GenCo and MGSP at the time of application:

(a) General Requirements

(i) Application Form (COC Form No. 1); and

(ii) Updated General Plant Description with photos of the Generating Unit, and nameplate photos of Generator, Engine or Turbine, Details of off-takers, and Connection Point (COC Form No. 4).

(b) Technical Requirements

(i) PGC, PDC, PSGG, PEC, and WESM Rules and Manual Requirements:

(1) Updated Electrical and/or Mechanical Plans and Diagrams and Connection Point Drawing, including the connection point to the Grid/Distribution System;
(2) FCATC issued by the TNP for Grid-Connected Generation Facility/ies

FCATC issued by Small Grid Owner (SGO) for Generation Facilities located in Off-Grid Areas,

FCATC issued by DU[61] for Embedded Generation Facility/ies,

For MGSP, proof of successful Test and Commissioning and other technical requirement as may be required under the MGSP rules as promulgated by ERC;

(ii) Generating Unit Capability Test (GUCT) Results and Certificates;[62]

[61] The DU shall ensure that under Section 4.3.3.7 of the PDC 2017 Edition and the DOE DC 2021-06-0013 are complied with prior to issuance of FCATC.
[62] Applicable if the amendment includes the change in the Pmax, Pmin and Ramp Rates.

(iii) Amended WESM Registration.

(c) Other Requirements

DOE

(i) Amended Certificate of Endorsement[63] indicating that the power plant project is consistent with the Power Development Plan (COE-PDP) of the Government or with the Missionary Electrification Development Plan (COE-MEDP) for Generation Facility located in Off-Grid Area; and

(ii) Letter of Confirmation (LOC) for Decommissioning or Mothballing from the DOE.[64]

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(i) Amended ECC;[65] and

(ii) Amended PTO.[66]

12.2 Entities with SGF - Amendment Application for Change in Technical Specification Requirements. The following documents shall be submitted by Entities with SGF at the time of application:

(a) SGF with aggregate installed capacity of below 1 MW:

(i) SGF-COC Application Form No. 1;

(ii) DU Acknowledgement that the Entity informed the DU of the amendment of its SGF; and

(iii) Amended PTO[67] duly issued by the DENR or BARMM-MENRE.

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[63] Must be consistent with the capacity of the generator nameplate rating and is applicable if there is variance between the nameplate capacity and the capacity reflected in the previous issued COE.
[64] Applicable for Partial Generating Unit Mothballing or Decommissioning.
[65] Applicable if the capacity in the existing capacity is lower than the new capacity.
[66] Applicable if there is variance between the nameplate capacity and the capacity reflected in the previous issued PTO. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[67] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

(b) SGF with aggregate installed capacity of 1 MW and above:

(i) SGF-COC Application Form No. 1;

(ii) DU Acknowledgement that the Entity informed the DU of the amendment of its SGF;

(iii) Amended ECC[68] duly issued by the DENR or BARMM-MENRE; and

(iv) Amended PTO[69] duly issued by the DENR/ BARMM-MENRE.

12.3 Entities with DER - Amendment Application for Change in Technical Specification Requirements. The following documents shall be submitted by Entities with DER at the time of application:

(a) For End-User's Consumption and Exporting DER:

(i) DER COC Application Form No. 1;

(ii) Amended Renewable DER Supply Agreement with the concerned DU;

(iii) Amended PTO[70] duly issued by the DENR or BARMM-MENRE; and

(iv) Management and/or lease contracts in force (in case the DER is operated, leased and/or managed by an entity other than the End-User and/or Owner).

(b) For Non-Exporting DER:

(i) DER – COC Application Form No. 1;

(ii) DER – COC Application Form No. 2;

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[68]In accordance with MC 005-2014.
[69] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[70] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g. tower light, air compressors, pumps etc.).

(iii) Amended DU certification stating that the Entity with Renewable DER is technically compliant with the PDC and/or PSGG;

(iv) Amended ECC[71] duly issued by the DENR or BARMM-MENRE; and

(v) Amended PTO[72] duly issued by the DENR or BARMM-MENRE.

12.4 GenCo and MGSP - Amendment Application for Change in Ownership of the Generation Facility Requirements. The following documents shall be submitted by GenCo and MGSP at the time of application:

(a) General Requirements

(i) Application Form (COC Form No. 1);

(ii) Company Profile (COC Form No. 2); and

(iii) Affidavit of Compliance with the PGC, PDC, PSGG, PEC, WESM Rules and Manuals, Cross Ownership and Market Share Restriction (COC Form No. 3).

(b) Technical Requirements

(i) PGC, PDC, PSGG, and WESM Rules and Manual Requirements[73]

(1) Amended FCATC issued by the TNP, in the name of the new owner, for Grid-Connected Generation Facility/ies;

Amended FCATC issued by Small Grid Owner (SGO), in the name of the new owner, for Generation Facilities located in Off-Grid Areas;

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[71] Applicable if the capacity in the existing capacity is lower than the new capacity.
[72] Applicable if there is variance between the nameplate capacity and the capacity reflected in the previous issued PTO. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g. tower light, air compressors, pumps etc.).
[73] A Letter from the TNP, DU and SGO indicating that there is no need to amend the issued FCATC may be submitted in lieu of the amended FCATC and AS Certificate.

Amended FCATC issued by DU[74], in the name of the new owner, for Embedded Generation Facility/ies;

(2) Amended WESM Registration;[75]

(3) Amended Ancillary Service (AS) Capability Test Results and Certificates, for AS provider;

(ii) Management and/or lease contracts in force (in case the plant is operated, leased and/or managed by an entity other than the new owner);

(c) Financial Requirements

(i) Certified True Copy[76] of complete set of AFS covering the two (2) most recent twelve (12) month periods (i.e., statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in shareholders' equity, notes to financial statements, audit opinion and the statement of management's responsibility on the financial statements), duly stamped received by the BIR and SEC.[77] For a GenCo which has been in operation for less than two (2) years, the AFS of the parent company, if any, shall be required in lieu of the above, covering the two (2) most recent twelve (12) month period;

(ii) Duly attested schedule of liabilities, to include the following information: name of creditor, type of credit, date incurred, loan amortization schedule, credit terms, applicable interest rates (s), and DSCR requirement of creditor(s);

(iii) Five (5) year financial plan (i.e., forecast financial statements, including assumptions and/or bases used for revenue and cost projections, DSCR calculation); and

(iv) ERC approved BSUP;[78]

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[74] The DU shall ensure that under Section 4.3.3.7 of the PDC 2017 Edition and the DOE DC 2021-06-0013 are complied with prior to issuance of FCATC.
[75] Not applicable for Generation Facilities operating in the Off-Grid Area and Embedded Generators below the regional threshold per DOE DC No. DC2019-002-003, and any amendments thereto.
[76] The Chief Financial Officer shall certify the true copies.
[77] Or proof of online submission if sent electronically to BIR and SEC.
[78] Applicable for Generation Company which has other business segment.

(d) Ownership/Control Requirements

(i) SEC issued COR with AOI or AOP and By-Laws, and all subsequent amendments thereto, or Business Name Registration Certificate (for Single Proprietorship);

(ii) BP issued by the LGU for new owner's Principal Office or Certificate of Registration for businesses operating in Economic Zones;

(iii) BP issued by the LGU in the location of Generation Facility or Certificate of Registration,[79] issued in the name of the new owner;

(iv) Latest GIS of the new owner and its stockholders duly stamped received by the SEC;

For Partnership, the latest certification on Partnership Agreement must be submitted;

For Government Owned and Controlled Corporation (GOCC), Government Corporation Information (GCIS) Sheet shall be submitted in lieu of the GIS;

(v) For existing GenCos: Proof of Compliance with Public Offering Requirements (PSE Certificate to the effect that the GenCo is listed with PSE or compliance with any other allowed mode of public offering);

(e) Other Requirements

<u>DOE</u>

(i) MOA on the establishment of TA by the GenCo and/or the Energy Resource Developer and the HBs/LGUs on Benefits to Host Communities pursuant to Rule 29 of the IRR of R.A. No. 9136.[80] or Deed of Assignment of the executed MOA to the new owner;

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[79] Applicable for Generation Facilities Operating in Economic Zones.
[80] The proof of establishment of TA by the GenCo for EF, DLF and RWMHEEF shall be submitted together with the MOA (e.g. Bank Certification on the establishment of said Trust Accounts or Bank Statement). The applicability of execution or non-execution of MOA with ICCs/ IPs shall be made in accordance and observance of R.A No. 8371 or IPRA and/or related rules as well as related issuance(s) of the NCIP.

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(ii) Amended ECC issued in the name of the new owner;
(iii) Amended PTO[81] issued in the name of the new owner;

(iv) Amended WDP/ DP[82] issued in the name of the new owner;

NWRB

(v) Amended WP[83] issued in the name of the new owner; and

(vi) FSA for main fuel[84] and/or Fuel Sustainability Plan for Biomass Generation Facility.

12.5 Entities with SGF - Amendment Application for Change in Ownership Requirements. The following documents shall be submitted by Entities with SGF, issued in its name,[85] at the time of application:

(a) SGF with aggregate installed capacity of below 1 MW:

(i) SGF-COC Application Form No. 1;

(ii) Amended PTO[86] duly issued by the DENR/BARMM-MENRE, in the name of the new owner;

(b) SGF with aggregate installed capacity of 1 MW and above:

(a) SGF-COC Application Form No. 1;

(b) SEC issued COR with AOI or AOP and By-Laws, and all subsequent amendments thereto, or Business

[81] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[82] Required only for generation facilities that utilizes water for power generation, commercial and industrial purposes.
[83] For power generation, commercial and industrial purposes.
[84] Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities.
[85] In cases where the submitted document is issued to a different entity, a written explanation must be submitted explaining the relationship of that entity to the entity with SGF, accompanied with supporting documents that would substantiate the explanation.
[86] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).

Name Registration Certificate (for Single Proprietorship), whichever is applicable;

(c) Latest GIS of the Entity or Company duly stamped received by the SEC;

(d) Amended ECC[87] duly issued by the DENR or BARMM-MENRE, in the name of the new owner; and

(e) Amended PTO[88] duly issued by the DENR or BARMM-MENRE, in the name of the new owner;

12.6 Entities with DER - Amendment Application for Change in Ownership Requirements. The following documents shall be submitted by Entities with DER at the time of application:

(a) For End-User's Consumption and Exporting DER:

(i) DER COC Application Form No. 1;

(ii) Amended Renewable DER Supply Agreement with the concerned DU;

(iii) Amended PTO[89] duly issued by the DENR/BARMM-MENRE; and

(iv) Management and/or lease contracts in force (in case the DER is operated, leased and/or managed by an entity other than the End-User and/or Owner).

(b) For Non-Exporting DER:

(i) DER COC - Application Form No. 1;

(ii) DER COC - Application Form No. 2;

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[87] In accordance with MC 005-2014.
[88] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[89] In accordance with Section 1, Rule XIX, Part VI of the R.A. No. 8749-IRR; Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose Generator set engines (1-15kW) used in small scale operation (e.g. tower light, air compressors, pumps etc.).

(iii) Amended DU certification, issued in the name of the new owner, stating that the Entity with Renewable DER is technically compliant with the PDC or PSGG;[90]

(iv) Amended ECC[91] duly issued by the DENR or BARMM-MENRE, in the name of the new owner; and

(v) Amended PTO[92] duly issued by the DENR or BARMM-MENRE, in the name of the new owner.

Section 13. **Transfer of Ownership.** If a Generation Facility, including that of NPC, whose owner has been previously issued with a COC or PAO, is transferred or sold and the term of the PAO has not yet expired, the transfer of ownership and the conformity of the new owner to the transfer shall be reported to the ERC by the existing owner within seven (7) calendar days from the effectivity[93] of the transfer or sale of the Generation Facility.

Within ninety (90) calendar days from the effectivity[94] of the transfer, the new owner shall file for an amendment of COC to transfer the COC or PAO in its name.

In case the transfer of ownership is not reported and/or the COC amendment application is not filed within the prescribed timeline, the COC or PAO is deemed cancelled on the 90th day from the effectivity[95] of the transfer and the new owner shall be required to apply for a new COC or PAO.

Upon the effectivity of the transfer of ownership, the new owner shall comply with all the obligations imposed on a GenCo, MGSP, QE, Entities with SGF and DER including the submission of reportorial requirements under Section 28 hereof.

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[90] A Letter from the DU indicating that there is no need to amend the previously-issued DU certification may be submitted in lieu of an amended DU certification.
[91] Applicable if the capacity in the existing capacity is lower than the new capacity.
[92] Applicable if there is variance between the nameplate capacity and the capacity reflected in the previous issued PTO. Applicable for oil-based, coal, biomass, geothermal, and natural gas Generation Facilities except for standby stationary/portable/mobile/multi-purpose generator set engines (1-15kW) used in small scale operation (e.g., tower light, air compressors, pumps etc.).
[93] Date of notary.
[94] *Ibid.*
[95] *Ibid.*

Section 14. **Change of Status.** An entity with SGF, which intends to sell its generated electricity, shall file an application for COC or PAO, which shall be deemed as a new application, and shall comply with the requirements under Article III herein. The Generating Unit with issued COC-SGF shall not be allowed to commercially operate without a COC or PAO as a GenCo. The COC of the SGF shall be deemed automatically revoked once the COC or PAO as a GenCo has been issued.

An End-User, Owner and/or Operator of a non-exporting DER that intends to export energy to the DU shall file an application for COC, which shall be deemed as a new application and shall comply with all the pertinent requirements for a new DER-COC Application, the DER Rules, and any amendment/s thereto. Conversely, an End-User, Owner and/or Operator of an exporting DER shall also apply for a new DER-COC Application if it intends to be converted to a non-exporting DER.

A GenCo which intends to convert its COC or PAO to SGF or DER shall file an application for COC-SGF or DER, which shall be deemed as a new application and shall comply with all the pertinent requirements for such COC. The COC or PAO of the GenCo shall be deemed automatically revoked once the COC-SGF or DER has been issued.

GenCo, MGSP, Entities with SGF and DER which intend to amend any information on the technical specifications of its Generation Facilities contained on the face of the COC or PAO and its annexes shall file an application for the amendment of the COC or PAO in accordance with Section 12 hereof.

Section 15. **Ocular Technical Inspection.** No COC or PAO or PAO extension thereof shall be issued to a GenCo, MGSP, and Entities with DER without a technical inspection having been conducted by an authorized ERC Personnel on the facilities. For new Generation Facilities, a technical inspection shall be conducted by an authorized ERC personnel after the Test and Commissioning, and in all cases prior to the start of its Commercial Operations.

For Entities with SGF having an aggregate Rated Capacity greater than or equal to 1.000 MW, no COC shall be issued to such Generation Facility without the conduct of a technical inspection.

All Generation Facilities shall be subjected to a spot technical inspection to be conducted by an authorized ERC personnel at any given time without prior notice.

The conduct of the technical inspections under this Section may also be done through videoconferencing, which may still be subject to further physical technical inspection, if necessary.

A virtual technical inspection may be conducted in lieu of a physical technical inspection should there be an occurrence of any of the following conditions:

(a) Force majeure;

(b) Emergency Situations to protect the health and ensure the safety and security of the ERC personnel and stakeholders; and

(c) Other conditions as the ERC may deem fit.

ARTICLE IV
FEES AND CHARGES

Section 16. **GenCo and MGSP.** An application fee shall be imposed on all applications for COC or PAO, including applications for extension of the PAO in accordance with Resolution No. 21, Series of 2007, otherwise known as "A Resolution Approving the Revised Schedule of ERC Fees & Charges," and any amendments thereto. The COC fees indicated in the said Resolution shall also apply to applications for PAO.

Section 17. **Entities with SGF, QE, and Entities with DER.** The COC application fee for SGF shall be based on item VI-B of Resolution No. 21, Series of 2007, and any amendments thereto. For purposes of these 2023 Revised COC Rules, the COC application fee for SGF shall also be applicable for COC application fee of QE and Entities with DER.

Section 18. **COC or PAO Amendment.** The application fee shall be based on Item III of Resolution No. 21, Series of 2007, and any amendments thereto.

ARTICLE V
ISSUANCE AND TERM OF THE CERTIFICATE OF COMPLIANCE

Section 19. **Issuance and Term.** Upon compliance with the requirements as provided in these 2023 Revised COC Rules, the ERC shall issue a COC to the GenCo, Entities with SGF, MGSP, and Entities with DERs that are solely for End-User/Owner's own consumption subject to compliance with other terms and conditions that the ERC may require. The COC issued by the ERC shall be effective from the date of approval of the ERC as indicated in the Certificate, and shall remain valid, unless otherwise suspended, revoked or annulled by the ERC after due notice and hearing.

The term of the COC issued, with respect to Renewable DER that is for End-User's consumption and exporting, shall commence from the date of approval of the ERC and is co-terminus with the Renewable DER Agreement of the End-User with the DU.

The term of the QE-COC shall commence from the date of approval of the ERC and is co-terminus with the Net-Metering Agreement of the QE with the DU.

ARTICLE VI
OBLIGATIONS OF GENCO, MGSP, ENTITIES WITH SGF, QE, AND ENTITIES WITH DER

Section 20. **Compliance with Technical Standards.** A GenCo, MGSP, Entity with SGF, QE, and Entity with DER shall ensure compliance of all its Generation Facilities connected to the Grid, or Distribution System or Small Grid, with the technical design and operational criteria of the PGC, PDC, PSGG, PEC, and the system requirements of TNP, SO, TRANSCO, DU, or SGO.

A GenCo intending to develop, own, and/or operate a dedicated Point-to-Point limited transmission or distribution facilities for the purpose of connecting to the transmission or distribution system, respectively, shall secure prior approval from the ERC.

Section 21. **Compliance with Financial Standards.** A GenCo with Generation Facilities connected to the Grid shall comply with Resolution No. 3, Series of 2021, otherwise known as "Revised Guidelines for the Financial Capability Standards of Generation Companies (Revised Financial Guidelines)," and any amendments thereto.

The Generation Facilities connected to the Grid which are administered by PSALM-appointed IPPAs, shall likewise comply with the Revised Financial Guidelines, and any amendments thereto.

Section 22. **Compliance with Environmental Standards.** GenCo, MGSP, Entities with SGF, QE, and Entities with DER shall ensure that its Generation Facilities comply with applicable environmental laws, rules and regulations.

Section 23. **Structural and Functional Unbundling of a Generation Company.** GenCo and MGSP shall structurally and functionally unbundle its generation business activities and rates from its supply and/or related businesses, if any, in accordance with the ERC's Business Separation Guidelines (BSG), as amended.

Section 24. **Benefits to Host Communities.** The obligations of GenCo and energy resource developers to communities hosting the Generation Facilities and/or energy resource development projects as defined under Chapter II, Section 289 to 294 of the R.A. No. 7160 (Local Government Code) and Section 5 (i) of R.A. No. 7638 (DOE Law) and their implementing rules and regulations shall continue to be implemented; Provided, that the obligations mandated under Chapter II, Section 291 of Local Government Code, shall apply to privately-owned corporations or entities utilizing the national wealth of the locality.

The requirements provided in DOE Circular No. 2018-08-0021, and any amendments as may be adopted in relation thereto shall be complied with by GenCos, MGSPs, energy resource developers, and others covered by the scope of the subject DOE Circular.

Section 25. **Generation Company's Participation in the WESM.** A GenCo with Generation Facility/ies connected to the Grid or Distribution System shall comply with the membership criteria as prescribed under the WESM Rules and Manuals.

A GenCo with Generation Facility/ies connected to the Grid or Distribution System shall make information available to the Market

Operator to enable it to implement the appropriate dispatch scheduling and shall comply with the said scheduling in accordance with the WESM Rules and Manuals.

A GenCo shall likewise make information available to the SO to facilitate its central dispatch. Subject to technical constraints, the grid operator of the SO shall provide central dispatch to a Generation Facility connected, directly or indirectly, to the Grid or Distribution System in accordance with the dispatch schedule submitted by the Market Operator, which schedule shall take into account outstanding bilateral contracts.

Section 26. **DOE Reportorial Requirements.** A GenCo and MGSP shall submit to the DOE any information as may be required by it for the preparation of the PDP or MEDP and in determining the adequacy, reliability, security, and affordability of the supply of electric power, subject to appropriate measures to preserve the confidentiality of proprietary or commercially sensitive information.

Section 27. **Material Change.** Within seven (7) calendar days from the happening of an event which results in a Material Change concerning or affecting the company's ownership, management, operations, financial condition and performance, excluding outage events, the GenCo, MGSP, and Entities with SGF and DER shall submit a Material Change notice to the ERC of such fact or event and its impact on the company.

A GenCo and MGSP shall inform the ERC, in writing, within seven (7) calendar days of any changes in the individual Generating Unit's registered Pmax, Pmin, Ramp Up Rate and Ramp Down Rate which should be supported by Generating Unit Capability Test Certificate and corresponding results. Thereafter, the GenCo and MGSP shall file for an amendment of the technical specifications (COC or PAO Annex B) of its Generation Facilities in accordance with Section 12 hereof.

Section 28. **ERC Reportorial Requirements.**

28.1 GenCo and MGSP Reportorial Requirements.

28.1.1. On or before the 30th day of January of each year, the GenCo and MGSP shall submit to the ERC a Generation Company Management Report (GCMR) which shall contain the following:

(a) Report on capacity utilization, electricity dispatch/sales volume, maintenance schedules, and unscheduled downtimes during the period;

(b) Report on energy revenues during the period, detailing volumes, the identity/ies of the buyer/s and prices broken down as follows: fuel cost, fixed operating and maintenance expenses, variable operating and maintenance expenses, and capital recovery charge; and

(c) Information on individual units Rated Capacity, Maximum Load (Pmax), Minimum Stable Loading (Pmin), Ramp Up Rate (MW/min), Ramp Down Rate (MW/min), Maximum Available Output, and Heat Rate (BTU/kWh, kCal/kWh, kJ/kWh), if applicable.

28.1.2. On or before the 30th day of January of each year, the GenCo and MGSP shall submit to the ERC a Generation Company Information Sheet (GCIS) in accordance with Section 1, Article III of the ERC Resolution No. 26, Series of 2005, and any amendments thereto.

28.1.3. On or before the 30th day of January of each year, the GenCo and MGSP shall submit to the ERC the updated COC Form No. 4 (Generation Facility Description).

28.1.4. Within thirty (30) calendar days from public offering, the GenCo shall submit reports on the extent of its compliance, together with proofs showing the numbers of shares of stock listed, registered or offered for sale, names of the shareholders/purchasers presently owning said shares of stock and other relevant information for monitoring and verification purposes.

28.1.5. Within one hundred fifty (150) days from the end of its calendar or fiscal year, the GenCo shall submit a certified true copy of a complete set of its AFS (i.e. statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in shareholders' equity, notes to financial statements) including the audit opinion and the statement of management's responsibility on the financial statements, duly stamped received by the BIR. The statement of comprehensive income should include a detailed schedule of operating expenses for the period. The submitted financial statements should clearly show the financial positions, results of operation, and cash flows pertaining to the generation business. Together with its AFS, the GenCo shall also submit the following:

(a) DSCR calculation based on its submitted AFS;

(b) Five (5) year financial plan with the following details:

(i) Projected statement of financial position;

(ii) Statement of comprehensive income;

(iii) Statement of cash flows;

(iv) Assumptions/bases used in the forecast; and

(v) DSCR Calculation based on the financial plan.

(c) Duly attested updated Schedule of liabilities to include the following information:

(i) Name of creditor/s;

(ii) Type of credit;

(iii) Date Incurred;

(iv) Loan amortization schedule;

(v) Credit Terms;

(vi) Interest Rate/s; and

(vii) DSCR Requirement of creditor/s.

For Generation Facilities administered by a PSALM appointed IPPA, the foregoing reportorial requirements as applicable shall be submitted by the said IPPA relative to the said facilities.

28.1.6. A GenCo or MGSP shall apply for the renewal of its expiring permits indicated under Section 9.1 and Section 9.2 hereof, based on the existing guidelines of the agencies concerned. In line with this, GenCo or MGSP shall submit to the ERC copy/ies of the renewed permits within thirty (30) days from the receipt from the agencies concerned.

28.1.7. A GenCo or MGSP shall submit to the ERC copy/ies of the validated Annual Work Program/s within thirty (30) days upon completed submission of the host beneficiaries to the GenCo.

28.2 SGF Reportorial Requirements.

On or before the 30th day of January of each year, Entities with SGF shall submit to the ERC Annual SGF Report which shall contain the electricity generated (kWh), hours of operation (hr), and fuel consumption (Liter).

28.3 DER Reportorial Requirements.

On or before the 30th day of January of each year, all End-Users, Owners, and/or Operators of DERs shall submit a Management Report to the ERC in accordance with Section 26, Article VI of the DER Rules.

28.4 DU Reportorial Requirements.

28.4.1. All DUs shall submit a list of commercial and industrial establishments owning generation facilities for their own use within their respective jurisdiction. For the first two (2) years of the implementation of these 2023 Revised COC Rules, all DUs shall submit the SGF Report on a semi-annual basis, with the first report due not later than January 31st, and the second not later than July 31st of each year. After two (2) years of implementation, the reports shall be filed annually not later than March 31st of each year. The SGF Report shall contain the following information:

(a) Customer names;

(b) Billing and service addresses;

(c) Customers' account numbers;

(d) Meter numbers;

(e) Customer information such as telephone numbers and e-mail addresses, subject to agreement on confidentiality; and

(f) The number and type of generation facilities and their capacity.

28.4.2. All DUs shall submit a list of embedded generation facility/ies in its Distribution System. For the first two (2) years of the implementation of these 2023 Revised COC Rules, all DUs shall submit the Embedded Generator's Report on a semi-annual basis, with the first report due not later than January 31st, and the second not later than July 31st of each year. After two (2) years of implementation, the reports shall be filed annually not later than March 31st of each year. The Embedded Generator Report shall contain the following information:

(a) Name of Generation Company;

(b) Name of Generation Facility;

(c) Location of Generation Facility;

(d) Generation Company information such as telephone numbers and e-mail addresses, subject to agreement on confidentiality;

(e) The number and type of generation facilities and its capacity;

(f) Date of issuance of FCATC;

(g) Date of execution of Connection Agreement and its validity; and

(h) Date of execution of Metering Service Agreement (MSA), if the DU is the metering service provider and its validity.

28.4.3. The DU shall also submit the weekly Test and Commissioning report and FCATC as provided under 4.3.1.7 and 4.4.4, Section 4 of the DOE DC on T and C, and any amendments there.

28.5 TNP or SGO Reportorial Requirements.

28.5.1. The TNP or SGO shall submit a list of grid-connected/small grid customers owning generation facilities for their own use. For the first two (2) years of the implementation of these 2023 Revised COC Rules, the TNP or SGO shall submit the SGF Report on a semi-annual basis, with the first report due not later than January 31st, and the second not later than July 31st of each year. After two (2) years of implementation, the reports shall be filed annually not later than March 31st of each year. The SGF Report shall contain the following information:

(a) Customer names;

(b) Billing and service addresses;

(c) Customers' account numbers;

(d) Meter numbers;

(e) Customer information such as telephone numbers and e-mail addresses, subject to agreement on confidentiality; and

(f) The number and type of generation facilities and their capacity.

28.5.2. The TNP or SGO shall submit a list of grid-connected or Small Grid generation facility in its system. For the first two (2) years of the implementation of these 2023 Revised COC Rules, all TNP or SGO shall submit the grid-connected or Small Grid Generator's Report on a semi-annual basis, with the first report due not later than January 31st, and the second not later than July 31st of each year. After two (2) years of implementation, the reports shall be filed annually not later than March 31st of each year. The grid-connected or Small Grid Generator Report shall contain the following information:

(a) Name of Generation Company;

(b) Name of Generation Facility;

(c) Location of Generation Facility;

(d) Generation Company information such as telephone numbers and e-mail addresses, subject to agreement on confidentiality; and

(e) The number and type of generation facilities and its capacity;

(f) Date of issuance of FCATC;

(g) Date of execution of Connection Agreement, Transmission Service Agreement, and Metering Service Agreement and its validity;

(h) Generating Unit Capability Test Reports and Certificates; and

(i) Ancillary Service Test Reports and Certificates.

28.5.3. The TNP shall also submit the weekly Test and Commissioning report and FCATC as provided under 4.3.1.7 and 4.4.4, Section 4 of the DOE DC2021-06-0013.[96]

[96] DOE DC No. DC2021-06-0013 otherwise known as "Adopting a General Framework Governing the Test and Commissioning of New Generation Facilities for Ensuring Readiness to Deliver Energy

ARTICLE VII
WITHDRAWAL / DENIAL OF THE CERTIFICATE OF COMPLIANCE OR PROVISIONAL AUTHORITY TO OPERATE, AND IMPOSITION OF PENALTIES

Section 29. **Withdrawal**. A GenCo, MGSP, Entities with SGF, QE, and Entities with DER desiring to withdraw a COC or PAO application filed with the ERC shall submit a notification to withdraw, stating therein the reason(s) for the withdrawal. Upon acknowledgement of the ERC, the COC or PAO application is deemed automatically withdrawn without reimbursement of the COC or PAO application fee.

Section 30. **Decommissioning and Mothballing the Generation Facility or Generating Units.**

30.1 No GenCo and MGSP with issued COC or PAO shall Decommission or Mothball its Generation Facility or any of its Generating Units without obtaining prior authorization from the DOE. Upon receipt of the Letter of Confirmation (LOC) from the DOE for the Decommissioning or Mothballing, the GenCo and MGSP shall submit the copy to the ERC within seven (7) calendar days.

30.2 In cases of total Generation Facility Mothballing or Decommissioning, the ERC shall issue a Notice of Revocation of the COC which shall be effective on the actual date of Decommissioning upon confirmation thereof.

30.3 In cases of partial Generating Unit Mothballing or Decommissioning, the GenCo or MGSP shall apply for an amendment of existing COC or PAO to exclude the decommissioned or mothballed unit/s within seven (7) calendar days from the effective date of the Decommissioning or Mothballing period.

30.4 Return to service of a mothballed Generation Facility shall be subject to an application for a new COC or PAO while return to service of Generating Unit/s within a Generation Facility shall be subject to an application for an amendment of COC or PAO.

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to the Grid or Distribution Network", as supplemented by DC No. DC2022-05-0015 (DOE DC on T and C), and any amendments thereto.

30.5 For Decommissioning of SGF, QE Generation Facility, or DER, the Entities with SGF or DER and QEs shall submit a Material Change notice pursuant to Section 27 hereof. The ERC shall issue a notice of revocation of the COC which shall be effective on the actual date of Decommissioning upon confirmation thereof.

Section 31. **Denial.** The ERC may, upon due evaluation of all the requirements and conduct of technical inspection, deny with finality an application for the issuance of COC or PAO, without prejudice to the refiling thereof upon full compliance with all the requirements for the issuance of a COC or PAO.

Section 32. **Penalties and Revocation.** A GenCo, MGSP, Entities with SGF and DER and QEs that fail to comply with any of the obligations set forth herein and the terms and conditions contained in the COC or PAO, including operating the Generation Facilities without a valid COC or PAO, shall be subject to the imposition of fines and penalties, after due notice and hearing. Penalties that may be imposed by the ERC include fines and penalties under Article III of the "Guidelines to Govern the Imposition of Administrative Sanctions in the Form of Fines and Penalties Pursuant to Section 46 of R.A. No. 9136, as amended", penalties imposed under the EPIRA, and other relevant rules and regulations. Where the circumstances warrant, the ERC reserves the right to revoke the issued COC or PAO.

ARTICLE VIII
MONITORING

Section 33. The ERC shall monitor the compliance of GenCo, MGSP, Entities with SGF, QEs, and Entities with DER with the terms and conditions of their COCs or PAOs, the provisions of these 2023 Revised Rules and all other applicable Rules and Regulations.

Section 34. GenCo, MGSP, and other entities issued COCs, as may be allowed under these Rules, shall be subject to an annual regulatory fee to be imposed by the ERC in accordance with rules it shall adopt for this purpose.

ARTICLE IX
TRANSITORY PROVISION

Section 35. **Transitory Provision for GenCo and MGSP.**

For new Generation Facilities with pending applications for issuance of new COC filed before the ERC, the GenCo and MGSP shall refile a

COC or PAO application without the need to repay the application fee. Non-commencement of the re-filing process within six (6) months from the effectivity of the 2023 Revised COC Rules shall mean that the COC application is deemed withdrawn.

For existing Generation Facilities with pending application for renewal of COC filed before the ERC, the validity period of such COC is extended until 2024, and the date of which shall be the day and month of its original expiry. After which, the GenCo and MGSP shall apply for issuance of COC or PAO not later than sixty (60) calendar days prior to the expiration of the extended validity period without the need to repay the COC application fee.

For existing Generation Facilities with issued PAO, the validity period of such PAO is extended until 2024, and the date of which shall be the day and month of its original expiry. After which, the GenCo and MGSP shall apply for issuance of COC or PAO not later than sixty (60) calendar days prior to the expiration of the extended validity period.

For existing Generation Facilities with issued COC, the GenCo and MGSP shall apply for issuance of COC or PAO not later than sixty (60) calendar days prior to the expiration of such COC.

Section 36. **Transitory Provision for SGF, QE and DER.** All COC applications, including renewal thereof, filed before the promulgation of these 2023 Revised COC Rules shall be processed in accordance with ERC Resolution No. 16, Series of 2014.

To encourage the submission of COC application of Entities with SGF with no issued COCs to date, the ERC hereby grants leniency for a period of six (6) months from the effectivity of these 2023 Revised COC Rules for Entities with SGFs to file their COC applications without fear of sanction for filing out of time.

ARTICLE X
EXCEPTION CLAUSE

Section 37. Where good cause appears, the ERC may allow an exception from any provision of these 2023 Revised COC Rules, if such exception is found to be for the interest of the public and is not contrary to law or any other related rules and regulations.

ARTICLE XI
SEPARABILITY CLAUSE

Section 38. If any provision of these 2023 Revised COC Rules is declared invalid or unconstitutional by a court of competent jurisdiction, those provisions which are not affected thereby shall continue to be in full force and effect.

ARTICLE XII
APPLICABILITY AND REPEALING CLAUSE

Section 39. The existing rules inconsistent herewith are hereby repealed or modified accordingly.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

Section 40. **Data Privacy.** All Stakeholders shall ensure compliance with the prevailing laws on data privacy, in the gathering, storing, protection, use, and destruction of information of the GenCo, MGSP, Entities with SGF, QE, and Entities with DER.

Section 41. **Notification.** All notices contemplated in these 2023 Revised COC Rules shall be transmitted in any of the following means of communication:

(a) in writing;

(b) electronic mail; and

(c) other means of communication capable of time stamping.

Section 42. **Interpretation.** If any provision of these 2023 Revised COC Rules is inconsistent with or in conflict with another Rule issued by the ERC, the provisions of these 2023 Revised COC Rules shall apply except to the extent that the ERC issues a clarification to address the inconsistency or conflict. Provided, that other ERC issuances, rules and regulations shall apply in suppletory character or by analogy whenever practicable and convenient on matters not included in these Rules.

Section 43. **Effectivity.** These 2023 Revised COC Rules shall take effect fifteen (15) calendar days following its complete publication in a newspaper of general circulation or in the Official Gazette.

JJAS / JLSM / ASP/RVM / SOM