

Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

**IN THE MATTER OF THE
JOINT APPLICATION FOR
APPROVAL OF THE
CONTRACT FOR SUPPLY OF
ELECTRIC ENERGY
("CSEE") IN THE LUZON
GRID BETWEEN POWER
SECTOR ASSETS AND
LIABILITIES
MANAGEMENT
CORPORATION AND
MANILA ELECTRIC
COMPANY**

ERC CASE NO. 2024-090 RC

**POWER SECTOR ASSETS
AND LIABILITIES
MANAGEMENT
CORPORATION (PSALM)
AND MANILA ELECTRIC
COMPANY (MERALCO),**

Applicants.

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Promulgated:
September 06, 2024

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 16 July 2024, the Power Sector Assets and Liabilities Management Corporation (PSALM) and Manila Electric Company (MERALCO) filed a *Joint Application* dated 10 June 2024, seeking the Commission's approval of their Contract for Supply of Electric Energy (CSEE).

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

1. Applicant PSALM is government-owned and controlled corporation organized and existing by virtue of Republic Act ap

No. 9136¹ (“**EPIRA**”), with principal office address at 10th Floor, Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.

2. Pursuant to Section 49 of the EPIRA and the consequent assignment on 11 May 2009 (a copy of the NPC Assignment Letter is attached as **ANNEX “L”**) of all National Power Corporation (“NPC”) power supply contracts to PSALM, NPC assigned and transferred to PSALM all its rights and obligations in, to, and under its CSEEs and other similarly or substantially equivalent power supply contracts with NPC power customers (collectively referred to as “Power Supply Contracts”).
3. On and from 11 May 2009, the Power Supply Contracts were deemed amended by the NPC Assignment Letter as follows: (i) all references to NPC therein shall be treated as references to PSALM; (ii) PSALM shall be deemed the SUPPLIER under said Power Supply Contracts; and (iii) the rights and obligations of the Parties shall be governed by and construed in accordance with said Power Supply Contracts.
4. Applicant MERALCO is a private corporation organized and existing under the laws of the Republic of the Philippines, with principal office located at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.
5. MERALCO has a legislative franchise to operate and maintain a distribution system in the cities/municipalities of Metro Manila, Bulacan, Cavite, Rizal and certain cities/municipalities/barangays in Batangas, Laguna, Quezon and Pampanga, pursuant to Republic Act No. 9209,² and is authorized to charge all its customers for their electric consumption at the rates approved by this Honorable Commission.
6. In light of the (i) decrease in rate of migration of electricity consumers from captive to contestable, resulting in a deficit of around 90 MW (net) Peaking; and (ii) that the same decrease in rate of migration was not included in the demand forecast of MERALCO’s Power Supply Procurement Plan (“**PSPP**”), in order to mitigate exposure to the Wholesale Electricity Spot Market (“WESM”) of its customers, MERALCO foresees a peaking capacity deficit in its portfolio from 26 March 2024 until 25 November 2024 for 90 MW which will be secured through this Contract for Supply of Electric Energy (“**CSEE**”).

¹ Electric Power Industry Reform Act of 2001.

² An Act granting the Manila Electric Company a franchise to construct, operate and maintain a distribution system for the conveyance of electric power to the end-users in the cities/municipalities of Metro Manila, Bulacan, Cavite, and Rizal, and certain cities/municipalities/barangays in Batangas, Laguna, Quezon, and Pampanga.

- 7. Thus, in order to ensure continuous and reliable supply of electricity for MERALCO's customers at the least cost, there is an urgent need for MERALCO to source additional peaking capacity through bilateral power supply contracts.
- 8. In view thereof, MERALCO executed a CSEE with PSALM (the "**2024 PSALM-MERALCO CSEE**") on 24 May 2024, with a Contract Duration of up to 25 November 2024.
- 9. Under Section 45(b) of the EPIRA, it is provided that "*Distribution Utilities may enter into bilateral power supply contracts subject to review by the ERC xxx.*"
- 10. Corollary to that, Section 2.3.2 of the Department of Energy ("DOE") Department Circular No. DC2023-06-0021³ (the "**2023 DOE Policy on Mandatory CSP Rules**") allows exemption from a Competitive Selection Process ("CSP") in provisions of power supply by PSALM through bilateral contracts for the power produced from the undisposed generating assets and Independent Power Producer Contracts.
- 11. Pursuant to Section 5 of ERC Resolution No. 16, Series 2023 ("**ERC CSP Guidelines**"), in relation to the aforementioned portion of the **2023 DOE Policy on Mandatory CSP Rules**, PSALM and MERALCO executed the **2024 PSALM-MERALCO CSEE** and implemented the same beginning 27 May 2024. Following its implementation, herein Applicants was pre-filed with the Honorable Commission on ___ June 2024. Accordingly, the Joint Application is timely filed within the reglementary period provided under the ERC CSP Guidelines.
- 12. The 2024 PSALM-MERALCO CSEE, a copy of which is attached as ANNEX "D", contains the following salient features:

"1.6 CONTRACT ENERGY - refers to the energy in kilowatt-hour (kWh) whether monthly or hourly (in case of Time of Use Rate) allocated by PSALM to CUSTOMER within the contract period, as stated in "Annex I" of this Contract.

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CONTRACT ENERGY

4.1 Contract Energy and Equivalent Demand as indicated in Annex I may be changed by PSALM due to a change in the projected available capacity of PSALM's power plants and at any time during the duration of the Contract due to the privatization of any of the assets of PSALM pursuant to the EPIRA.

³ Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market.

4.1.1 CUSTOMER shall nominate: (i) its hourly month-ahead energy requirements three (3) days before the start of the next billing period; and (ii) its day ahead energy requirements in a per hour trading interval on or before 1400H. On a day-to-day transaction, the CUSTOMER shall confirm the schedule of hourly energy requirements to PSALM on the day ahead. PSALM shall declare to WESM the schedule of energy requirements delivered to customers immediately on the day after.

ANNEX I

CAPACITY ALLOCATION FOR 2024
(NON-FIRM)

YEAR	2024		
MONTHS	EQUIVALENT DEMAND (kW)	CONTRACTED ENERGY (kWh)	LOAD FACTOR
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	90,000	19,800,000	30%
July	90,000	19,800,000	31%
August	90,000	18,900,000	28%
September	90,000	20,700,000	31%
October	90,000	19,800,000	31%
November	90,000	18,900,000	28%
December	-	-	-

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CONTRACT
DURATION

3.1 This Contract shall be effective for a period of six (6) months from 26 May 2024 to 25 November 2024, unless modified by the applicable WESM Rules.

AVAILABILITY OF
SUPPLY

4.2 PSALM shall supply the Contract Energy in accordance with good utility.

practice and in compliance with appropriate rules and regulations such as the Philippine Grid Code, and Open Access Transmission Service (OATS). Supply of energy shall be available except for interruption or reduction due to: a) causes beyond the control of PSALM despite the exercise of due care, including but not limited to the conditions stated in Section 4.1 of this Contract; b) transmission failure; c) maintenance to ensure system stability and safety reasons as may be provided by laws, rules or regulation. In case of shortage in the generation capacity of PSALM, CUSTOMER shall be informed of the deficiency and allocation of the available supply of electricity to the CUSTOMER which shall be proportionate to the contracted energy and equivalent demand as provided for in this Contract. PSALM has no obligation to cause (or make arrangements for) the delivery of replacement power to the CUSTOMER. Moreover, PSALM shall not be held liable to any costs that the CUSTOMER may incur in purchasing the replacement power.

ASSIGNABILITY

PSALM may assign or transfer, part or all of, its rights and obligations in the supply of Contract Energy herein stated, to any such entity, provided that prior written notice is given to CUSTOMER Ninety (90) days before the actual transfer. This Contract shall remain binding to Parties, their successors and assignees. PSALM warrants that any sale, assignments, transfer, or subcontracting of the Contract shall not affect or impair CUSTOMER's rights and obligations with respect to quantity and price of electricity, Contract effectivity, incentives, discounts and other terms and conditions of this Contract. The assignee shall, by written instrument, assume the rights and obligations of PSALM to CUSTOMER. Should this Contract

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be assigned by PSALM to a Successor Generating Company (SGC) by virtue of the privatization of the PSALM Generating Plant pursuant to the EPIRA, the SGC has the option to renegotiate this Contract with the CUSTOMER within six (6) months from its actual transfer to the SGC. If the CUSTOMER and the SGC fail to reach an agreement, either Party shall have the right to terminate this Contract.

4.9 CUSTOMER may assign, sell or transfer a part or all of its Contract Energy and/or Equivalent Demand either permanently or for a certain number of billing periods, subject to the written consent of PSALM under the following conditions, and which consent shall not be unreasonably withheld:

- a. If applicable, the CUSTOMER has obtained a certification from NGCP that the transmission, sub-transmission, substation and other facilities can accommodate the increase in the power requirements of the assignee/transferee.
 - b. the buyer, assignee or transferee has no outstanding obligation to PSALM, and said buyer, assignee or transferee undertakes to assume the obligations of CUSTOMER and to pay for the additional expenses necessary or incidental to the transfer.
 - c. Assignment of CUSTOMER to assignee shall comply with the forms provided in Annex IVa and Annex IVb of this Contract.
 - d. The buyer, assignee or transferee shall assume all obligations of the CUSTOMER related to Contract Energy that might arise in a pending suit with the ERC or in Arbitration proceedings.
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e. Payment of corresponding assignment fee equivalent to PhP500,000.00.

4.10 The sale, assignment or transfer by CUSTOMER of all its Contract Energy shall relieve the CUSTOMER of all its rights and obligations to PSALM, provided that CUSTOMER has paid all its outstanding obligations to PSALM.

4.11 Any application for sale, assignment or transfer shall be acted upon by PSALM within ninety (90) days from compliance by CUSTOMER of the requirements for such sale, assignment or transfer, and filing by CUSTOMER with the principal office of PSALM of a copy of the deed of sale, assignment or transfer.

**SECURITY
DEPOSIT**

AMOUNT

5.1. The Security Deposit shall stand as security for the faithful and proper compliance by the CUSTOMER of its obligations under this Contract and shall be procured and maintained by the CUSTOMER for the entire Contract Duration and any extension thereof. The Security Deposit shall be equivalent to 100% of the average monthly Contract Energy, as may be amended, indicated in Annex I of the CSEE multiplied by the average TOU rate pursuant to Annex III of the CSEE and shall become valid and effective for the Contract Duration.

**FORM AND TIME
OF POSTING**

5.2 The Security Deposit shall be required to be posted upon the effectivity of this Contract and it may be allocated or assigned as provided in Section 4.8 hereof if the prospective buyer, assignee, transferee, or successor-in-interest so requires. It shall be in the form of cash, manager's or cashier's check, or irrevocable stand-by letter of credit. In the event the Security Deposit of the CUSTOMER becomes nil, PSALM reserves the right to

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refuse or discontinue the supply of electric energy. Within five (5) business days from PSALM's service of the notice that it has drawn on the Security Deposit, the CUSTOMER shall replace, replenish, or provide such additional security or securities acceptable to PSALM as may be sufficient to restore the original amount of the Security Deposit. PSALM reserves the right to continue supplying electric energy to the extent of the CUSTOMER's remaining Security Deposit.

**RELEASE OF
SECURITY
DEPOSIT**

5.3 The Security Deposit shall be returned to the CUSTOMER within thirty (30) days upon expiration or termination of the Contract provided that the CUSTOMER shall have no outstanding obligation with PSALM. PSALM shall return or release the Security Deposit to the CUSTOMER, subject to deductions for any amounts owed by the CUSTOMER to PSALM.

**BASIC ENERGY
CHARGE**

6.1 The Basic Energy Charge (BEC) applied to the CUSTOMER's hourly energy consumption which shall be the ERC-approved NPC/PSALM's Time of Use (TOU) generation rates, Franchise and Benefits to Host Communities (FBHC), plus adjustments in the tariff including but not limited to Deferred Accounting Adjustments (DAAs) and the Incremental Currency Exchange Rate Adjustments (ICERA), Automatic Cost Recovery Mechanism (ACRM), ACRM True-Up Adjustments, which is attached as Annex III, and the RA 9136 Mandatory Rate Reduction Adjustments, if applicable. The BEC to be applied to the Contract Energy shall be in accordance with Section 7.1 (Price Settlement Mechanism During the WESM Operation).

Energy consumption higher than the contracted level shall be sourced and settled by the CUSTOMER in accordance with relevant WESM Rules.

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6.1.1 The BEC shall be applied to the CUSTOMER's hourly energy consumption based on the hourly nominated energy quantity mentioned in Section 4.1.1 (Contract Energy).

**MINIMUM
CHARGES**

6.2 CUSTOMER shall pay the Minimum Charges if it has not fully taken or failed to consume the Contract Energy. The calculation for the Minimum Charges shall be the difference between the Contract Energy as indicated in Section 4.1 of this Contract and the actual energy delivered per billing period, multiplied by the BEC which is the average TOU rate for the same billing period and FBHC, subject to deductions and adjustments as expressly provided for in this Contract.

**SERVICE
INTERRUPTION
ADJUSTMENT**

6.4 Should the supply of electricity be interrupted or curtailed to a level below the Contract Energy due to the fault or lack of generation capacity of the PSALM, even if CUSTOMER was at that time unable to take or consume electricity, the Contract Energy shall be adjusted taking into account the ratio of the number of hours that electric service was interrupted to the total number of hours in the billing period. The adjusted Contract Energy shall be used in the calculation of Minimum Charge.

6.5 Should the supply of electricity be interrupted or curtailed to a level below the Contract Energy due to the fault or lack of generation capacity of the PSALM, even if CUSTOMER was at that time unable to take or consume electricity, the Contract Energy shall be adjusted to actual off-take below contract level for all hours when service was curtailed or interrupted based on declaration of power curtailment issued by the NGCP.

6.6 Should the supply of electricity be interrupted or curtailed to a level below the Contract Energy due to the fault or lack of

generation capacity of the PSALM, the Contract Energy not taken due to CUSTOMER's fault or negligence or other causes affecting CUSTOMER's ability to take or consume electricity shall not entitle CUSTOMER to interruption adjustment.

**MAINTENANCE
SERVICE
ADJUSTMENT**

6.7 CUSTOMER may avail of the service adjustment during the **scheduled maintenance** of its facilities, not to exceed two (2) billing periods in one year. The minimum charge on the energy consumption shall be fifty percent (50%) of the Contract Energy. To be able to avail of this adjustment, CUSTOMER must inform PSALM in writing thirty (30) days prior to the commencement of the scheduled maintenance.

**DISCONNECTION
OF POWER
SERVICE**

6.21 In addition to the above-stated penalty interest charges and without prejudice to its right under Section 8.7 Contract Termination, PSALM shall have the right, subject to existing laws, rules and regulations, to discontinue supplying electric services and to refuse to resume electric service for failure of the CUSTOMER to post the required Security Deposit, for non-payment of bills, failure to enter into a restructuring agreement or a special payment arrangement for overdue accounts within the required period, or if any amount including any accrued interest and other charges not necessarily limited to the foregoing, remains unpaid. Notwithstanding such discontinuance of electric service, the CUSTOMER shall pay at least the Minimum Charge based on the Contract Energy, and failure by the CUSTOMER to make full payment of the overdue account within a period of six (6) months shall entitle PSALM to terminate the Contract without prejudice to the right of PSALM to recover unpaid bills and other penalties from the CUSTOMER.

FORCE MAJEURE 8.3 *Force majeure is an extraordinary event which cannot be foreseen or which though foreseen, cannot be avoided. The event must render it impossible for a party to fulfill its obligation in a normal manner despite the exercise of due care. Force majeure shall not excuse either party from exercising due care to prevent it or minimize its effects. Force majeure includes a storm, typhoon, lightning, flood, earthquake, tsunami, fire, war, rebellion, insurrection, riot, naval or other blockade, labor disturbance, civil unrest, and not be excused from its failure to perform its obligations under this Contract even if the same is caused by force majeure except as provided in this Section and Section 8.4.*

8.4 *Insolvency or business losses shall not be considered as an event of force majeure.*

DEDUCTION DUE TO FORCE MAJEURE 8.5 *The duties and responsibilities of the Party affected by the Force Majeure shall be temporarily suspended while the Force Majeure subsists. Moreover, the Parties shall be excused from performing their respective obligations under this Contract and shall not be liable for damages if and only to the extent that they are unable to so perform or are prevented from performing their respective obligations under this Contract by reason of the Event Force Majeure, provided, that:*

- a. *The Party affected by the Force Majeure gives the other Party written notice describing the event, the effect thereof, the specific time it would need to recover from the Force Majeure (if known), and the actions being taken in response thereto.*
- b. *The other Party shall have thirty (30) days to verify*

or deny in writing that such situation exists.

c. *The Contract Energy and Equivalent Demand shall be adjusted to the actual off-take below contract level for all hours when service was suspended because of a Force Majeure.*

d. *No obligation of either Party, which arose before the occurrence of the event that caused the suspension of performance, shall be excused as a result of the Force Majeure.*

**CONTRACT
TERMINATION**

8.8 *Either party will have the right to terminate this Contract upon failure of the other to perform its obligation under this Contract, provided that the party at fault will have to pay all its outstanding account and reimburse the costs incurred by the other party as a result of the termination."*

13. Based on the foregoing, and given a certain set of assumptions, the annual effective rate under the PSALM CSEE is **PhP 6.1656 per kWh** (at plant gate), as shown in the rate impact analysis below:

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PSALM CSEE - Rate Impact at 29.66% pcf
(June to November 2024)

BILLING COMPONENT	UNIT	BASE RATE	BILLING DETERMINANT ⁽¹⁾	AMOUNT (PHP)
A. Basic Generation Charge (BGC) ⁽²⁾				
June 2024	(Php/kWh)	6.4201	19,800,000 (kWh)	127,117,584.00
July to November 2024	(Php/kWh)	6.0848	98,100,000 (kWh)	596,918,880.00
B. Franchise & Benefits to Host Communities (FBHCC) ⁽³⁾	(Php/kWh)	0.0245	117,900,000 (kWh)	2,888,550.00
C. Automatic Cost Recovery Mechanism Adjustment (ACRM)				
Fuel and Purchased Power Cost Adjustment (FPPCA) ⁽⁴⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
Foreign Exchange - Related Cost Adjustment (FxA) ⁽⁵⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
D. ACRM True-Up Adjustments				
True-Up Adjustment on Fuel and Purchased Power Costs (TAFPPC) ⁽⁶⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
True-up Adjustment on Foreign Exchange - Related Costs (TAFxA) ⁽⁷⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
E. Deferred Accounting Adjustment (DAA)				
Generation Rate Adjustment Mechanism (GRAM) ⁽⁸⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
Incremental Currency Exchange Rate Adjustment (ICERA) ⁽⁹⁾	(Php/kWh)	0.0000	117,900,000 (kWh)	0.00
Total Payment (VAT exclusive)	(Php)			726,925,014.00
Effective Rate at Plant Gate	(Php/kWh)			6.1656
WESM Line Rental Rate ⁽¹⁰⁾	(Php/kWh)			0.1264
Delivered Rate (VAT exclusive)	(Php/kWh)			6.2920
Effective Cost if sourced from WESM ⁽¹¹⁾	(Php/kWh)			13.6628
Increase / (Decrease) over WESM Price	(Php/kWh)			(7.3708)
Meralco Captive Energy Demand ⁽¹²⁾	(kWh)			19,161,511,598.08
Increase / (Decrease) in Generation Cost	(Php)			-869,021,126.57
Increase / (Decrease) in Generation Cost	(Php/kWh)			(0.0454)

NOTES:

- ⁽¹⁾ Average TOU Rates for interval 10 to 19 as set forth in Annex III of the CSEE.
- ⁽²⁾ Contracted energy as set forth in Annex I of the CSEE.
- ⁽³⁾ FBHCC rate as set forth in Annex II of the CSEE.
- ⁽⁴⁾ The existing FPPCA and FxA values (Php 0.0000/kWh) are in accordance with the ERC Order dated 28 June 2016 under ERC Case No. 2008-019 RM.
- ⁽⁵⁾ Subject to change based on ERC's approval of PSALM's application for ACRM true-up adjustments and Deferred Accounting Adjustment.
- ⁽⁶⁾ Line Rental rate is pass-through cost. Assumed line rental is based on actual line rental of the Kalayaan PSPP and Botocan HEPP from Oct 2021 to July 2022.
- ⁽⁷⁾ Cost if equivalent volume of PSALM CSEE was sourced from the WESM based on the forecasted average hourly peak prices from June to November 2024.
- ⁽⁸⁾ Forecasted Meralco Captive Energy for June to November 2024 based on 2024 Power Supply Procurement Plan as submitted to DOE.

14. MERALCO notes that the delivered rate of the PSALM CSEE of **PhP 6.2920 per kWh** is **lower** by about **PhP 7.3708 per kWh** than the effective cost of **PhP 13.6628 per kWh** if the equivalent capacity under the instant CSEE will be sourced from the WESM. In fact, by sourcing the capacity through the PSALM-MERALCO CSEE, MERALCO's average blended generation rate will be reduced by about **PhP 0.0454 per kWh** (as seen in the rate impact analysis above), resulting in savings to consumers of about PhP 869.021 million.
15. In support of this Joint Application, the Judicial Affidavits of **ENGR. WILHELMINA P. MANALAYSAY**, Energy Sourcing Engineer, Energy Sourcing Risk & Process Management of MERALCO's Energy Sourcing Office, and that of **ENGR. JASMINE D. NINOBLA**, **Officer-in-Charge**, Corporate Staff Officer B of the Electricity Trading Department under PSALM's Privatization and Asset Management Group, are attached as ANNEXES "E" and "K", respectively.

16. Likewise, in support of the instant Joint Application, the Applicants provide the following documents, which underwent the pre-filing conference and pre-filing marking of annexes with this Honorable Commission:

Description of Document	Annex
MERALCO's Secretary's Certificate	"A"
PSALM Corporation's Secretary's Certificate	"B"
MERALCO's Letter Application for Power Supply Contract with PSALM dated 7 March 2024	"C"
PSALM's Letter Reply to MERALCO dated 18 March 2024	"C-1"
2024 PSALM-MERALCO CSEE	"D"
Judicial Affidavit of Engr. Wilhelmina P. Manalaysay	"E"
MERALCO's Articles of Incorporation and By-Laws (SEC-certified true copy)	"F"
MERALCO's Latest General Information Sheet ("GIS") (SEC-certified true copy)	"G"
Verified Certification of True Copies of MERALCO's Articles of Incorporation, By-Laws, and GIS and of MERALCO's Ultimate Parent Company, all of its subsidiaries and affiliates	"G-1"
MERALCO's Demand Side Management Program	"H"
Write-up on the Non-Applicability of National Power Corporation ("NPC") Certification regarding whether or not Transition Supply Contract ("TSC") capacity and energy is expected to be available during the contractual period	"I"
<ul style="list-style-type: none">Excerpt of MERALCO's Distribution Development Plan – Power Supply Procurement Plan (Supply and Demand Scenario);Average Daily Load Curve scenariosDetails of Existing SuppliersDetails of Power Supply Contract UtilizationDetails of SAIDI and SAIFIEstimation of the potential for a reduction in load supplied by MERALCO due to RCOA, GEOP, etc.	"J" "J-1" "J-2" "J-3" "J-4" "J-5"
Judicial Affidavit of Engr. Jasmine D. Ninobla	"K"
Assignment Letter NPC to PSALM dated 11 May 2009	"L"
Certification or Proof of Service of the instant Joint Application (including annexes) was furnished to the Office of the City Mayor and Sangguniang Panlungsod of Quezon City	"M"
Certification or Proof of Service of the instant Joint Application (including annexes) was furnished to the Office of the City Mayor and Sangguniang Panlungsod of Pasig City	"N" "N-1"

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Description of Document	Annex
Proof of publication of the instant Joint Application (excluding annexes) in a newspaper of general circulation	"O"
Affidavit of Publication	"O-1"

PRAYER

WHEREFORE, premises considered, Applicants respectfully pray that the Honorable Commission, after hearing on the merits, render a Decision **APPROVING** the 2024 PSALM-MERALCO CSEE executed 24 May 2024 and the terms and conditions thereunder, including the price.

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

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

Date	Platform	Activity
01 October 2024 (Tuesday) at nine o'clock in the morning (9:00 A.M.)	Microsoft Teams Application	Determination of compliance with jurisdictional requirements and expository presentation Pre-Trial Conference and Presentation of Evidence

Accordingly, MERALCO and PSALM are hereby directed to host the virtual hearings at **MERALCO's Principal Office located at Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City** as designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, MERALCO and PSALM shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

⁴ A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.
⁵ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

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

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

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

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

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

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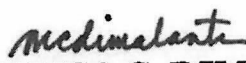
All interested parties filing their Petition to Intervene, Opposition or Comment are required to submit the hard copies thereof through personal service, registered mail or ordinary mail/private courier, **within five (5) working days** from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission.

Any of the persons mentioned in the preceding paragraphs may access the copy of the *Joint Application* on the Commission's official website at www.erc.gov.ph.

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

WITNESS, the Honorable Commissioners **ALEXIS M. LUMBATAN**, **CATHERINE P. MACEDA**, **FLORESINDA G. BALDO-DIGAL**, and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 6th day of September 2024 in Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:

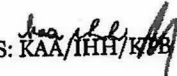

MONALISA C. DIMALANTA
Chairperson and CEO *ap*

ERC

Office of the Chairperson and CEO



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