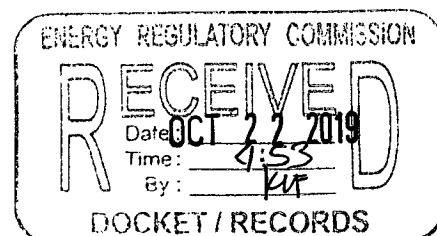


Republic of the Philippines
ENERGY REGULATORY COMMISSION
 San Miguel Avenue, Pasig City

**IN THE MATTER OF THE
 APPLICATION FOR THE
 APPROVAL OF THE POWER
 SUPPLY AGREEMENT (PSA)
 BETWEEN MANILA ELECTRIC
 COMPANY (MERALCO) AND FIRST
 GEN HYDRO POWER
 CORPORATION (FGHPC) WITH
 PRAYER FOR PROVISIONAL
 AUTHORITY AND/OR INTERIM
 RELIEF AND MOTION FOR
 CONFIDENTIAL TREATMENT OF
 INFORMATION,**



ERC CASE NO. 2019-082RC

**MANILA ELECTRIC COMPANY
 (MERALCO) AND FIRST GEN
 HYDRO POWER CORPORATION
 (FGHPC),**

Applicants.

X-----X

**JOINT APPLICATION
 with
 PRAYER FOR PROVISIONAL AUTHORITY AND/OR
 INTERIM RELIEF AND MOTION FOR CONFIDENTIAL
 TREATMENT OF INFORMATION**

Applicants **MANILA ELECTRIC COMPANY ("MERALCO")** and **FIRST GEN HYDRO POWER CORPORATION ("FGHPC")**, through their respective undersigned counsel, respectfully state:

1. Applicant MERALCO is a private corporation duly organized and existing under the laws 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.

2. MERALCO has a legislative franchise to operate and maintain a distribution system in the cities/municipalities of Metro Manila, Bulacan, Cavite and Rizal, and certain cities/municipalities/barangays in Batangas, Laguna, Quezon and Pampanga, pursuant to Republic Act No. 9209, and is authorized to charge all its customers for their electric consumption at the rates approved by the Honorable Commission.

3. Applicant FGHPC is a private corporation duly organized and existing under the laws of the Philippines, with principal office located at 6th Floor Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Metro Manila. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated below.

4. FGHPC: (i) owns, operates, manages, and maintains the Pantabangan-Masiway Hydroelectric Power Plant, a 132 MW power plant complex located in Nueva Ecija; and (ii) administers and manages: (1) 24 MW (net) output of Bac-Man Geothermal Power Plant, a 150 MW power plant located in Bacon, Sorsogon City and Manito, Albay, Bicol; (2) 16 MW (net) output of Nasulo Geothermal Power Plant, a 49.4 MW power plant located in Valencia, Negros Oriental; (3) 38 MW (net) output of Tongonan Geothermal Power Plant, a 120.5 MW power plant located in Tongonan, Leyte; and (4) 8 MW (net) output of the Unified Leyte Geothermal Power Plant, a 588.4 MW power plant located in Kananga, Leyte (collectively referred to as "**Plant**"). It offered to supply and sell to MERALCO its electric energy corresponding to 100 MW (net) produced from said Plant, the Wholesale Electricity Spot Market ("**WESM**"), or any other source.

5. Based on the power situation outlook for 2020 and succeeding years, MERALCO foresees a capacity deficit in its portfolio due to the expiration of its power supply agreements covering 1905 MW by December 25, 2019.

6. In order to ensure continuous and reliable electricity for MERALCO's customers, there is a need for MERALCO to source mid-merit capacity through bilateral power supply contracts.

7. Under Section 45(b) of Republic Act No. 9136 (EPIRA), it is provided that "*Distribution utilities may enter into bilateral power supply contracts subject to review by the ERC xxx*".

8. Accordingly, following the conduct of a competitive selection process ("**CSP**") for the procurement of mid-merit capacity, on 16 September 2019, MERALCO executed a Power Supply Agreement ("**PSA**") with FGHPC, for the purchase of electric energy by its Plants corresponding to 100 MW (net). The conduct of a CSP proceeded as follows:

8.1. On 16 July 2019, MERALCO caused the publication of an Invitation to Bid, which contained basic terms of reference, indicating a summary of the process and timelines of the CSP, and inviting power generation companies to submit an Expression of Interest and Confidentiality Undertaking on or before the deadline set out in the said invitation. At the same time, MERALCO caused the posting thereof on its website and the Department of Energy's ("**DOE**") e-based portal.

8.2. On 11 September 2019, the bidders submitted their Bid Requirements, followed by the opening of the respective submissions by the Third-Party Bids and Awards Committee ("**TPBAC**") on the same day, FGHPC's bid was declared as one of the best bids.

8.3. On 12 September 2019, the TPBAC sent a letter-notice to FGHPC, as one of the winning power suppliers, confirming after post-qualification evaluation that its proposed energy price was found to be among the best bids. The said letter-notice also contained the Notice of Award in favor of FGHPC.

8.4. On 19 September 2019, and upon the directive of this Honorable Commission, MERALCO wrote DOE for a written certification that the aforesaid CSP is compliant with DOE Circular No. 2018-02-003, series of 2018. In lieu of the requested certification that has not been issued to date, the TPBAC Chairman has executed an affidavit attesting to such compliance.¹

9. The PSA between MERALCO and FGHPC, a copy of which is attached as **ANNEX "C"** and made an integral part hereof, contains the following salient features:

"2.2. Term of Agreement

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

2.2.2 The term of this Agreement (the "**Term**") shall commence on the Operations Effective Date, and shall expire on December 25, 2024,

¹ A copy of MERALCO's letter-request stamped received by the DOE and the affidavit of the TPBAC's Chairman are attached as part of the documents showing MERALCO's conduct of a competitive selection process marked as Annex "K" series.

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unless terminated earlier in accordance with the terms of this Agreement or extended by the application of Section 2.2.3.

- 2.2.3 The Term may be renewed for an additional period of up to one (1) year under the same terms and conditions, at the option of Meralco, by giving prior written notice to Power Supplier at least one hundred eighty (180) Days prior to the end of the Term.

xxx

3.3. **Operations Effective Date**

- 3.3.1. The obligations of Power Supplier with respect to the Contract Capacity and Associated Energy shall commence on December 26, 2019 (the "**Operations Effective Date**"), provided that Commencement Date has occurred.
- 3.3.2. If the Operations Effective Date has not occurred by the Longstop Date, then the provisions of Section 14.5.1 shall apply. If the Parties agree to extend the Longstop Date, then the Parties shall also stipulate the revised date by which the Operations Effective Date shall occur.

xxx

4.1 **Supply of Power**

Subject of the terms and conditions of this Agreement, from the Operations Effective Date until the expiration of the Term or earlier termination of this Agreement:

- (a) Power Supplier shall make available to Meralco, the Contract Capacity to be sourced from the Plant, WESM or any other source, and deliver and sell to Meralco the Associated Energy, at the Contract Price determined in accordance with Appendix C; and
- (b) Meralco shall purchase from Power Supplier, to the extent of Meralco's relevant day-ahead nominations, the MEOT, and at its option, the Excess Energy, at the Contract Price determined in accordance with Appendix C.

4.2. **Contract Price**

The Contract Price for the first Contract Year is PhP5.1908 per kWh,1 subject to zero-rated value-added tax (VAT) and an annual escalation as computed and shown in Schedule 1 of Appendix C; provided, that the Benefits to Host Communities Charges, if any shall not form part of and is excluded from the computation of the Contract Price. For the avoidance of doubt, all taxes pertaining to Power Supplier, including but not limited to the Benefits to Host Communities Charges, shall be shouldered by, and be for the sole account of, Power Supplier. Any violation of this Section 4.2 shall constitute a Power Supplier Event of Default as provided for under Section 14.1.

¹Based on sixty percent (60%) plant capacity factor corresponding to the Contract Capacity.

XXX

Article 7. Outages

- 7.1 Power Supplier shall not be entitled to any Outage during the Term of this Agreement. For clarity, this means that notwithstanding Outage of the Plant, Power Supplier shall make available the Contract Capacity and deliver the Associated Energy to Meralco.

XXX

- 7.3 In case Power Supplier fails to make available the Contract Capacity and deliver the Associated Energy to Meralco due to unavailability of supply from its Plant, WESM, and any other source, Power Supplier shall pay a fine equivalent to Nine Hundred Eight Philippine Peso (Php908) multiplied by each MWh during a Day, which shall be used to reduce the generation charge to the consumers. For the avoidance of doubt, in case Power Supplier fails or refuses to supply Contract Capacity and Associated Energy despite availability thereof, then Section 14.3.1 shall apply.

Article 8. Assignment or Transfer of Contract Capacity

- 8.1 Meralco shall be entitled to assign, transfer, designate, delegate or allocate (collectively in this context, "**Transfer**") its rights and obligations to purchase a portion of Contract Capacity and Associated Energy that is no longer required by Meralco to any of its business segments or wholly-owned Affiliates, to the extent allowed by Law, or to any other Person acceptable to Power Supplier (which consent shall not be unreasonably withheld, delayed, or conditioned).
- 8.2 In respect of Transfers not requiring Power Supplier's consent, Meralco shall give a written notice to Power Supplier of such Transfer at least five (5) Days prior to the first Day of the next Billing Period or by such date as would be sufficient for timely notice to WESM of such change. In respect of Transfers requiring Power Supplier's consent, Meralco shall give a written notice to Power Supplier of such Transfer at least sixty (60) Days prior to the first Day of the next Billing Period or by such date as would be sufficient for timely notice to WESM of such change.

Subject to the receipt of Meralco and Power Supplier of the written acceptance of such Transfer by the transferee:

- (a) Meralco shall cease to have any rights and obligations under this Agreement, and
- (b) the transferee shall assume all rights and obligations of Meralco under this Agreement.

12.2.4. Following (i) a written notice of acceptance from Power Supplier with respect to the ERC Approval (including upon reconsideration under Section 12.2.2. above), or (ii) the lapse of the period referred to in Section 12.2.1. without Power Supplier communicating its acceptance or non-acceptance in writing, the acceptance date shall be considered as having occurred on the date of the written notice of acceptance or on the last Day of such period, as applicable ("**Acceptance Date**"), provided, in each case, that Meralco has not filed any motion for reconsideration or appeal subsequent to the Power Supplier's acceptance of such ERC Approval and the Longstop Date has not occurred.

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13.2 **Instance of Force Majeure**

Subject to the provisions of Section 13.1., Events of Force Majeure shall include, but not be limited to:

- (a) acts of war or the public enemy whether war is declared or not;
- (b) public disorders, civil disturbance, insurrection, rebellion, acts or campaigns of terrorism, piracy, embargo, sabotage, blockade, revolution, riots or violent demonstrations;
- (c) explosions, fires, earthquakes, lightning, typhoon, tsunami, flood, cyclone, volcanic eruptions, landslide or other natural disasters, acts of God, epidemic, quarantine or plague;
- (d) any action or aggregation of actions or failure to act by any Governmental Instrumentality, including expropriation, requisition, confiscation, nationalization or other compulsory acquisition;
- (e) strikes, lockouts or other collective or industrial action by workers or employees other than non-manual personnel (in each instance, occurring in the Philippines); provided that any Party that seeks to invoke such a strike, lockout or other collective or industrial action as an Event of Force of Majeure must first utilize all reasonable efforts to continue performance of its obligations hereunder; and
- (f) any Transmission Failure that prevents delivery by Power Supplier, or acceptance by Meralco, of Contract Capacity and Associated Energy. In case of disagreement as to the existence of a Transmission Failure, the Parties shall secure the necessary certification from the ERC, which certification shall bind both Parties;

For clarity, the Power Supplier shall not be allowed to claim Force Majeure under Article 13 in case there is supply available from the WESM or any other source.

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13.5. Event Not Excused

Lack or unavailability of supply in itself shall not be considered as an Event of Force Majeure, unless the circumstances in Section 13.1. concur.”

10. Based on the foregoing, and given a certain set of assumptions, the annual effective rate under the PSA is Php5.1908 per kWh (at plant gate, VAT inclusive), as shown in the rate impact analysis below:

FGHPC PSA (100 MW) - Annual Rate Impact					
(YEAR 2020)					
BILLING COMPONENT	UNIT	BASE RATES ^[a]	BILLING DETERMINANT ^[b]		AMOUNT (PHP)
Energy Payment					
Contract Price for energy up to MEOT PCF (45%)	(Php/kWh)	5.1908	395,280,000	(kWh)	2,051,819,424.00
Excess Energy Price for energy greater than MEOT PCF up to 60% pcf	(Php/kWh)	5.1908	131,760,000	(kWh)	683,939,808.00
Total Energy Payment (VAT exclusive)	(Php/kWh)	5.1908	527,040,000	(kWh)	2,735,759,232.00
VAT Payment ^[c]	(Php)				0.00
Total Payment (VAT inclusive)	(Php)				2,735,759,232.00
Effective Rate at Plant Gate (VAT Inclusive)	(Php/kWh)				5.1908
WESM Line Rental Rate ^[d]	(Php/kWh)				0.0000
Delivered Rate (VAT Inclusive)	(Php/kWh)				5.1908
Effective Cost at representative Mid-merit PSA ^[e]	(Php/kWh)				7.5049
Increase / (Decrease) over representative Mid-merit PSA	(Php/kWh)				(2.3141)
Meralco Captive Energy Demand ^[f]	(kWh)				35,005,615,519
Increase / (Decrease) in Generation Cost	(Php)				(1,219,638,029.70)
Increase / (Decrease) in Generation Cost	(Php/kWh)				(0.0348)

Assumptions:

[a] Contract Price (VAT exclusive) and Excess Energy Price (VAT exclusive) as set forth and computed in Appendix C of the PSA.

[b] Energy billing determinant for one year based on 60% plant capacity factor with respect to the Contract Capacity (100,000 kW).

[c] VAT rate of 0.00% as stated in the PSA.

[d] Line Rental rate for FGHPC is based on the maximum allowable value as stated in the PSA.

[e] Cost if equivalent volume of FGHPC was sourced from representative Mid-merit PSA (SMEC) that will expire on Dec. 25, 2019 using average of actual Sep 2018 to Aug 2019 prices (VAT and line rental inclusive).

[f] Forecasted Meralco Captive Energy for 2020 based on Power Supply Procurement Plan as submitted to DOE.

11. MERALCO notes that the annual delivered rate of Php5.1908 per kWh (VAT and line rental inclusive) is **lower** by about Php2.3141 per kWh than the effective cost of Php7.5049 per kWh (VAT and line rental inclusive), if the equivalent capacity under the instant PSA will be sourced from MERALCO’s representative mid-merit PSA. In fact, by sourcing the capacity through the instant PSA, MERALCO’s average blended generation rate² of Php5.84 per kWh (VAT and line rental inclusive) will be reduced by about **Php0.0348 per kWh** (as seen in the rate impact above), resulting in savings to consumers of about Php 1.22 Billion.

² Prior twelve (12) month period.

12. It bears emphasis that MERALCO’s foreseen capacity deficit due to the expiration of its several power supply agreements by 25 December 2019 is 1905 MW. Thus, there is an urgent need for provisional authority and/or interim relief to implement the PSA by 26 December 2019; otherwise, MERALCO will be constrained to source its capacity deficit from the WESM, thereby exposing its customers to volatile WESM prices. More importantly, it should be considered that the immediate approval and implementation of the instant PSA would redound to the best interest of the consumers since aside from the very competitive rate, the supply availability under the instant PSA is guaranteed 100% by FGHPC as no outage allowance is provided therein.

13. In support of this Joint Application, and the prayer for provisional authority and/or interim relief, the Judicial Affidavits of **MR. RYAN S. MORALES**, Head of MERALCO's Energy Sourcing Office, and **MR. MARC WENDOLF N. DUQUE**, Senior Analyst of FGHPC’s affiliate, First Gen Energy Solutions, Inc., are attached as **ANNEXES “D”** and **“E”**, respectively, and made integral parts hereof.

14. 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 Articles of Incorporation and By-Laws	F
MERALCO’s latest General Information Sheet (GIS)	G
Demand Side Management Program	H
Write-up on non-applicability of a Certification by NPC re: whether Transition Supply Contract (TSC) capacity and energy is expected to be available	I
Excerpt of Distribution Development Plan – Power Supply Procurement Plan	J
Supply and Demand Scenario	J-1
Average Daily Load Curve scenarios	J-2
Documents showing MERALCO’s conduct of a competitive selection process	K and series
FGHPC’s Amended Articles of Incorporation	L
FGHPC’s Articles of Incorporation and By-Laws	L-1
Bac-Man Geothermal Inc.’s Amended Articles of Incorporation (amending Article II)	L-2

Bac-Man Geothermal Inc.'s Amended Articles of Incorporation (amending Article VII)	L-3
Bac-Man Geothermal Inc.'s Articles of Incorporation and By-Laws	L-4
Energy Development Corporation's Amended Articles of Incorporation (amending Article VII)	L-5
Energy Development Corporation's Amended By-Laws	L-6
Energy Development Corporation's Articles of Incorporation and By-Laws	L-7
Green Core Geothermal Inc's Amended Articles of Incorporation (Amending Article II Primary Purpose thereof)	L-8
Green Core Geothermal Inc's By-Laws	L-9
Unified Leyte Geothermal Energy, Inc's Amended Articles of Incorporation	L-10
Unified Leyte Geothermal Energy, Inc's By-Laws	L-11
Certificate of Incorporation of First Gen Hydro Power Corporation	M
Certificate of Incorporation of Bac-Man Geothermal Inc.	M-1
Certificate of Incorporation of Energy Development Corporation	M-2
Certificate of Incorporation of Green Core Geothermal Inc.	M-3
Certificate of Incorporation of Unified Leyte Geothermal Inc.	M-4
FGHPC's latest General Information Sheet (GIS) showing list of Shareholders	N
Bac-Man Geothermal Inc's latest General Information Sheet	N-1
Energy Development Corporation's latest General Information Sheet	N-2
Green Core Geothermal Inc's latest General Information Sheet	N-3
Unified Leyte Geothermal Energy, Inc's latest General Information Sheet	N-4
Document showing information related to the Ultimate Parent Company, its Subsidiaries and all its affiliates	O
FGHPC's Board of Investments ("BOI") Certificate of Registration No. 2007-070	P
Bac-Man Geothermal Inc's BOI Certificate of Registration No. 2013-048	P-1
Energy Development Corporation's BOI Certificate of Registration No. 2014-027	P-2
Green Core Geothermal Inc's BOI Certificate of Registration No. 2015-254	P-3
Energy Development Corporation's BOI Certificate of Registration No. 2012-024	P-4

FGHPC's Environmental Compliance Certificate ("ECC") No. 03NE-0706-05228-120A	Q
Bac-Man Geothermal Inc's ECC No. ECC-CO-1607-0019	Q-1
Energy Development Corporation's ECC No. ECC-Co-1507-0021	Q-2
Green Core Geothermal Inc's ECC Ref Code 1204-0007	Q-3
FGHPC's Certificate of Compliance ("COC") No. 16-03-M-00286pL	R
Bac-Man Geothermal Inc.'s COC No. 16-03-M-00286jL	R-1
Energy Development Corporation's COC No. 19-07-M-00357V	R-2
Energy Development Corporation's COC No. 17-03-M-13348V	R-3
Energy Development Corporation's COC No. 17-03-M-13347V	R-4
Energy Development Corporation's COC No. 17-03-M-13346V	R-5
Energy Development Corporation's COC No. 18-04-M-00152V	R-6
Energy Development Corporation's COC No. 18-04-M-00151V	R-7
Energy Development Corporation's COC No. 18-04-M000153V	R-8
Green Core Geothermal, Inc's COC No. 15-07-M-286fV	R-9
Hydropower Operating Contract	S*
Geothermal Renewable Energy (RE) Service Contract – Bacon-Manito, Albay-Sorsogon	S-1*
Geothermal Renewable Energy (RE) Service Contract – Southern Negros	S-2*
Geothermal Renewable Energy (RE) Service Contract – Tongonan	S-3*
FGHPC Department of Energy ("DOE") Certificate of Registration No. HOC 2016-06-665	T
FGHPC Department of Energy Certificate of Registration No. HOC 2016-06-666	T-1
Bac-Man Geothermal Inc.'s DOE Certificate of Registration No. GRESC 2012-04-039	T-2
Energy Development Corporation's DOE Certificate of Registration No. GRESC 2009-10-001	T-3
Energy Development Corporation's DOE Certificate of Registration No. GRESC 2009-10-002	T-4
Green Core Geothermal Inc.'s DOE Certificate of Registration No. GOC 2012-04-038	T-5
Transmission Service Agreement between FGHPC and the NGCP	U*
Transmission Service Agreement between BGI and the NGCP	U-1*
Transmission Service Agreement between EDC and the NGCP	U-2*

Transmission Service Agreement between GCGI and the NGCP	U-3*
Transmission Service Agreement between PSALM and the NGCP	U-4*
Sources of Funds/Financial Plans; Generation Rate and Derivation; Cash Flow; Costs analysis related to generation in support of the proposed pricing provisions of the contract; Potential Cost of Ancillary Services - with Financial model in compact disc containing derivation of rates	V*
FGHPC's latest Audited Financial Statements	W
BGI's latest Audited Financial Statements	W-1
EDC's latest Audited Financial Statements	W-2
GCGI's latest Audited Financial Statements	W-3
ULGEI's latest Audited Financial Statements	W-4
Write-up on the non-submission of certain documentary requirements	X

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

ALLEGATIONS IN SUPPORT OF THE MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

15. **Annexes "S" and series, "U" and series, and "V" and series** contain numbers, methodology, and calculations which provide valuable information and insight on how FGHPC and its affiliates arrive at its power generation rate and would accordingly reflect FGHPC's bidding strategy for distribution utilities undertaking competitive process for the selection of their power suppliers, and FGHPC's trading in the WESM. It also contains information regarding the debt or equity ratio, capital costs, weighted average cost of capital, and fuel cost, among other information.

15.1. Pursuant to agreements of FGHPC and the relevant entities with its respective lenders and other counterparties, **Annexes "S" and series, "U" and series, and "V" and series** likewise contain certain non-public information involving its commercial and financial trade secrets. The information contained in **Annexes "S" and series, "U" and series, and "V" and series**, when disclosed together with **Annexes "S" and series, "U" and series, and "V" and series** would certainly provide an indication of FGHPC's bidding strategy and trading in the WESM.

15.2. Applicant FGHPC is bound by confidentiality agreements prohibiting the disclosure of any business, technical, marketing, operational, organizational, financial or other information and trade secrets and other confidential documents, papers and information, such as those contained in **Annexes "S" and series, "U" and series, and "V" and series.**

15.3. It is therefore submitted that **Annexes "S" and series, "U" and series", and "V" and series** fall within the bounds of proprietary "trade secrets" which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.

16. Under Rule 4 of the ERC Rules of Practice and Procedure, the Honorable Commission may, upon request of a party and determination of the existence of conditions, which would warrant such remedy, treat certain information submitted to it as confidential. Pursuant to such provision, Applicant FGHPC respectfully prays for the issuance of a protective order declaring **Annexes "S" and series, "U" and series, and "V" and series** as confidential information, since the Applicant FGHPC intends to present them as evidence in the instant Application.

17. The data contained in **Annexes "S" and series, "U" and series, and "V" and series** constitute "trade secrets" of Applicant FGHPC; thus, FGHPC has actual and valuable proprietary interest to protect with respect to such information. The Supreme Court, in the recent case of *Air Philippines Corporation vs. Pennswell, Inc.* (540 SCRA 215 [2007]), had the opportunity to discuss the definition of "trade secrets" and the great extent to which the same are protected under our laws. In other instances, the Supreme Court has held that the confidential nature of trade secrets protects such from disclosure even in the face of the right of inspection given to stockholders or the constitutional right to information. (*Philpott's vs. Philippine Manufacturing Company*, 40 Phil. 471 [1919]; *Garcia vs. Board of Investments*, G.R. 88637 [1989]).

18. Information, which falls within the definition of a trade secret, as defined by jurisprudence is clearly information which merits the confidential treatment provided for under Rule 4 of the ERC Rules of Practice and Procedure. **Annexes "S" and series, "U" and series, and "V" and series** should therefore be entitled to the protection of confidential information provided under Rule 4 of the ERC Rules of Practice and Procedure.

19. FGHPC hereby submits one (1) copy of each of the foregoing confidential documents in a sealed envelope, with the envelope and each page of the document stamped with the word "Confidential."

PRAYER

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

(i) **ISSUE** an Order treating **Annexes "S" and series, "U" and series, and "V" and series** as confidential information pursuant to Rule 4, Section 1 of the ERC Rules of Practice and Procedure and prescribing the guidelines for the protection thereof;

(ii) Immediately **ISSUE** a provisional authority and/or interim relief authorizing the Applicants to implement the Power Supply Agreement by 26 December 2019; and

(iii) After hearing on the merits, render a Decision **APPROVING** the Power Supply Agreement.

Other relief just and reasonable are likewise prayed for.

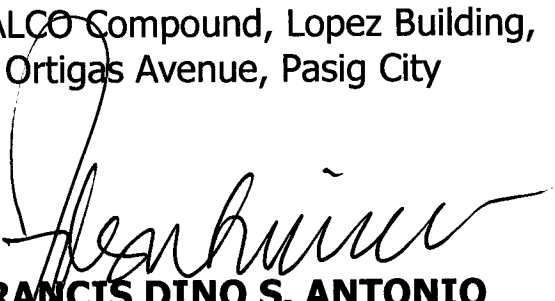
Pasig City, 21 October 2019.

MANILA ELECTRIC COMPANY

Co-Applicant

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By:



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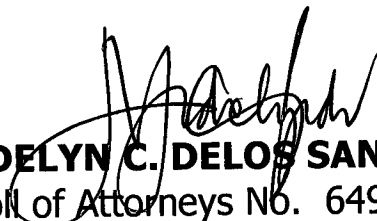
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IBP NO. 060726; 1/3/2019
QUEZON CITY



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PTR NO. 5212297; 1/3/2019
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RSM



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PTR NO. 5232096; 1/5/2019
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IBP NO. 060732; 1/3/2019
RSM



CARA MARIEL S. MAGLAYA

ROLL OF ATTORNEYS NO. 66519
MCLE COMPLIANCE NO. VI-0011535; 4/14/2022
PTR NO. 5232098; 1/5/2019
PASIG CITY
IBP NO. 060733; 1/3/2019
RSM

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG) S.S.

VERIFICATION
AND CERTIFICATION OF NON-FORUM SHOPPING

I, **JOSE RONALD V. VALLES**, Filipino, of legal age, married, with office address at 7th Floor, Lopez Building, MERALCO Compound, Ortigas Avenue, Barangay Ugong, Pasig City, after being sworn in accordance with law, hereby depose and say that –

1. I am the Vice President and Head, Regulatory Management Office, of Applicant Manila Electric Company ("MERALCO"). In such capacity, I have caused the preparation and filing of the foregoing Application;

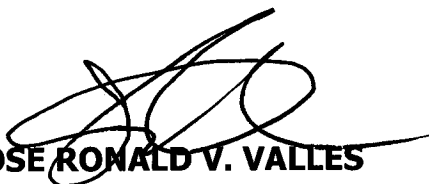
2. Moreover, I have been authorized by the Board of Directors of MERALCO to certify that Applicant has not heretofore filed any similar action, pleading or application involving the same issues before the Supreme Court, the Court of Appeals or any other lower courts or administrative bodies. A copy of the Secretary's Certificate authorizing me to cause the preparation of the instant Application and sign this Verification and Certification is attached hereto as **ANNEX "A"**;

3. I have read and understood the allegations contained therein and the same are true and correct based on my personal knowledge and authentic records made available to me in the ordinary course of business of MERALCO;

4. To the best of my knowledge, no similar action or proceeding is pending before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies;

5. If I should hereafter learn that a similar action has been filed before the Supreme Court, the Court of Appeals, the lower courts or administrative bodies, I undertake to report such fact to this Honorable Commission within five (5) days from notice of such fact.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 21st day of October 2019 at Pasig City, Philippines.


JOSE RONALD V. VALLES
Affiant

SUBSCRIBED and SWORN to before me this 21st day of October 2019, affiant having exhibited to me his Social Security System ID bearing the number 33-10900088.

Doc. No. 217;
Page No. 45;
Book No. 111;
Series of 2019.


ATTY. EDGAR MICHAEL C. ROBLES
Notary Public
Pasig San Juan and Pateros
Issued on January 21, 2019 at Pasig City
Appointment No. 76 (2019-2020)
Roll No. 62413/IBP Lifetime No. 011798 RSM Chapter
PTR No. 5312069/01-21-19 Pasig City
MCLE VI-0000249-07/11/16
8th Floor Lopez Bldg. Ortigas Avenue, Pasig City

VERIFICATION AND CERTIFICATION OF
NON-FORUM SHOPPING

I, **DENNIS P. GONZALES**, of legal age, Filipino, under oath, hereby depose and state that:

1. I am the Vice President of First Gen Hydro Power Corporation, one of the Applicants in the above-captioned case;

2. I have been duly authorized by First Gen Hydro Power Corporation to cause the preparation of the foregoing Application;

3. I have read the same and all the allegations contained therein are true, correct and of my own knowledge and/or based on authentic records of First Gen Hydro Power Corporation;

4. First Gen Hydro Power Corporation has not commenced any action or proceeding involving the same issues before this Honorable Court, the Court of Appeals or any of its divisions, the Supreme Court or any of its divisions, or any other tribunal or agency, and to the best of my knowledge, no similar action or proceeding involving the same issue/s has been filed or is pending before any other court, tribunal or agency; and should First Gen Hydro Power Corporation thereafter learn that a similar action or proceeding has been filed or is pending before the Supreme Court or any of its divisions, the Court of Appeals or different divisions thereof, or any other tribunal or agency, I undertake to promptly inform this Honorable Commission, as well as such other courts, tribunals or agency, of such fact within five (5) days therefrom.


DENNIS MICHAEL P. GONZALES

SUBSCRIBED AND SWORN to before me this ____ day of OCT 21 2019
2019 at Pasig City, who is personally known to me, and having exhibited to me his Passport No. P6855252A issued by DFA NCR South on April 21, 2018.

Doc. No. 162;
Page No. 30;
Book No. III;
Series of 2019.


ROCHEZA, BIANCA R. BELTRAN
NOTARY PUBLIC
FOR AND IN THE CITY OF PASIG AND SAN JUAN
AND IN THE MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2019
PTR NO. 5232094; 1/5/2019; PASIG CITY
IBP NO. 080734; 1/3/2019; RSM
MCLE COMPLIANCE NO. VI-0012424; 4/14/2022
ROLL NO. 85974/ APPOINTMENT NO. 35 (2018-2019)
21/F Robinsons-Equitable Tower, 4 ADB Ave. cor. Poveda St.
1805 Ortigas Center, Pasig City



ORTIGAS AVENUE, PASIG CITY
0300 PHILIPPINES

ANNEX "A"

SECRETARY'S CERTIFICATE

I, **WILLIAM S. PAMINTUAN**, a duly elected, qualified and incumbent Assistant Corporate Secretary of the Manila Electric Company (MERALCO), a corporation duly organized and existing under and by virtue of the laws of the Philippines, do hereby certify that:

At the regular meeting of the Board of Directors of the Company duly convened and held on September 6, 2019, at which meeting a quorum was present, acted throughout and voted, the following resolutions were approved and said resolutions are in full force and effect on the date hereof:

"RESOLVED, in connection with the conduct of a competitive selection process for 500 MW mid merit capacity, the Board of Directors of the Manila Electric Company Electric Company (MERALCO) hereby authorizes the signing of the relevant Power Supply Agreement/s (PSA/s) with the Winning Power Supplier/s upon conclusion of the said competitive selection process;

"RESOLVED, FURTHER, that the following officers, namely Messrs. **MANUEL V. PANGILINAN**, Chairman of the Board, **RAY C. ESPINOSA**, President & Chief Executive Officer, **BETTY C. SIY-YAP**, Chief Finance Officer, **WILLIAM S. PAMINTUAN**, Senior Vice President & Chief Legal Counsel, **RONNIE L. APEROCHO**, Senior Vice President & Head, Networks, **VICTOR S. GENUINO**, First Vice President & Head, Corporate Retail Services & Corporate Communications, and **JOSE RONALD V. VALLES**, Vice President & Head, Regulatory Management, are hereby directed and empowered, for and in behalf of the Company, to sign, execute and deliver any contract, agreement, instrument, and other documents which may be deemed necessary or appropriate for the purpose, and to perform or execute all other acts and deeds as may be necessary or appropriate to carry out or accomplish the said purpose;

"RESOLVED, FURTHERMORE, that the Board of Directors authorize, as it hereby authorizes, MERALCO, through **JOSE RONALD V. VALLES**, Vice President and Head, Regulatory Management, or any lawyer or employee of MERALCO that any of them may designate, name or appoint:

- (1) To file the appropriate application/s with the Energy Regulatory Commission (ERC) for the approval of the Power Supply Agreement/s between MERALCO and the Winning Power Supplier/s, for the supply and delivery of energy to MERALCO;
- (2) To sign, execute, and deliver in connection therewith the necessary pleadings, motions, verification, affidavit of merit, certificate of non-forum shopping, powers of attorney, and other instruments as may be necessary or proper; and
- (3) To designate, name, and appoint, a representative or an attorney-in-fact in behalf of the Company during the preliminary conference, pre-trial, trial, execution and all

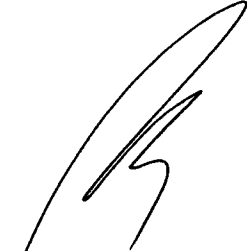
other stages of or incidents related to the case, proceeding or action; to negotiate, enter into, and agree to an amicable settlement, make admissions or stipulations of fact and/or documents; and to perform and execute any and all actions and such other matters as may aid in the prompt disposition of such case, proceeding or action."

WITNESS THE SIGNATURE of the undersigned as such officer of the Company and its corporate seal hereunto affixed on this 16th day of September 2019.


WILLIAM S. PAMINTUAN
 Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 16th day of September 2019, affiant exhibited to me his Taxpayer Identification Number (TIN) 146-473-562, issued by the Bureau of Internal Revenue (BIR) as his competent evidence of identity.

Doc. No. 369;
 Page No. 78;
 Book No. III;
 Series of 2019.


RAYMOND B. YAP
 Notary Public
 Pasig, San Juan and Pateros
 Issued on February 11, 2019 at Pasig City
 Appointment No. 184 (2019-2020)
 No. 55889/IBP No. 66249; 1/9/19; Capiz Chapter
 PTR/No. 5229241; 1/9/19; Pasig City



REPUBLIC OF THE PHILIPPINES)
) S.S.

SECRETARY'S CERTIFICATE

I, **JULIE ANN S. TERRADO-ACOSTA**, Filipino, of legal age, and with office address at 6th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City 1604, after having been duly sworn in accordance with law, do hereby certify that:

1. I am the Assistant Corporate Secretary of **FIRST GEN HYDRO POWER CORPORATION**, a corporation duly organized and existing under Philippine law, with principal office at 6th Floor, Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City 1604 ("Corporation").

2. At the special meeting of the Board of Directors of the Corporation duly held at its principal office and convened on 17 September 2019, at which a quorum was present, the following resolutions were duly approved:

"RESOLVED, That the Board of Directors of First Gen Hydro Power Corporation (the "Corporation") authorizes the Corporation to file before the Energy Regulatory Commission ("ERC") an application for the approval of the Power Supply Agreement ("PSA") dated September 16, 2019 between the Corporation and Manila Electric Company, including the filing with or submission to the ERC, of any and all pleadings, applications, petitions, motions, papers, filings, letters, memoranda, affidavits, and other documents, and the taking of any appropriate action or filing, in relation to the application for the approval of the PSA ("ERC Application").

RESOLVED FURTHER, that the Board of Directors of the Corporation hereby makes, constitutes, and appoints The Law Firm of Quiason Makalintal Barot Torres Ibarra Sison & Damaso or any of its lawyers ("Quiason"), with address at the 21st Floor, Robinsons-Equitable Tower, 4 ADB Avenue corner Poveda Road, 1605 Ortigas Center, Pasig City, to be the Corporation's legal counsel and true and lawful attorney-in-fact for the ERC Application, and at all hearings, proceedings, meetings, conferences, discussions, and all related incidents thereto, with full power and authority to act for and on behalf of the Corporation, with respect to any and all matters arising out of or in connection with the ERC Application;

RESOLVED FURTHER, that the Board of Directors of the Corporation hereby authorizes any one (1) of the following persons to sign, execute and deliver the necessary Application, Verification, and Certificate of Non-Forum Shopping, and/or any related pleadings for the ERC Application, and to testify, and/or appoint another person to testify, for and on behalf of the Corporation, before the ERC in connection with the ERC Application:

*Victor Emmanuel B. Santos, Jr.
Dennis Michael P. Gonzales
Erwin O. Avante*

RESOLVED FURTHER, that the Board hereby confirms and ratifies the acts and things done by Quiason and any of the above-mentioned representatives, pursuant to and in accordance with the foregoing authority;

RESOLVED FINALLY, that the foregoing resolutions shall remain valid and subsisting until and unless subsequently modified, revoked, rescinded or superseded by the Board of Directors of the Corporation."

3. The foregoing resolutions remain in full force and effect to this date and are in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 19 2019 day of September 2019 in PASIG CITY City.


JULIE ANNS. TERRADO-ACOSTA
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this SEP 19 2019 day of September 2019 in PASIG CITY City, affiant exhibiting to me her Philippine Passport No. P8397412A issued in DFA Manila on 17 August 2018 and her Community Tax Certificate No. 11777380 issued in Pasig City on 23 January 2019 as competent proof of identity.

Doc. No. 83;
Page No. 14;
Book No. 7;
Series of 2019.


ATTY. MARITA P. LAGOS
Notary Public - Cities of Pasig, Taguig & San Juan
& Municipality of Pateros until 31 December 2020
Appointment No. 223 (2019-2020)
10th Floor, Rockwell Business Center Tower 3
Ortigas Avenue, Pasig City
ISP No. 1041184 / 5-23 2016 / IBP Rizal Chapter [Lifetime member]
PTR No. 5371897 / 1-29-2019 / Pasig City
MCLE VI-0002225 / 4-14-2019
Roll of Attorneys No. 65937