Republic of the Philippines
ENERGY REGULATORY COMMISSION
Pasig City

IN THE MATTER OF THE JOINT APPLICATION FOR THE APPROVAL OF THE POWER SUPPLY AGREEMENT BETWEEN MANILA ELECTRIC COMPANY AND SANTA CRUZ SOLAR ENERGY INC., WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

ERC CASE NO. 2024-121 RC

MANILA ELECTRIC COMPANY AND SANTA CRUZ SOLAR ENERGY INC.,
Applicants.
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Promulgated:
October 14, 2024

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 27 September 2024, Manila Electric Company (MERALCO) and Santa Cruz Solar Energy Inc. (SCSEI) filed a *Joint Application,* dated 03 September 2024, seeking the Commission's approval of their Power Supply Agreement (PSA) with motion for confidential treatment of information.

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

I. THE APPLICANTS

A. MERALCO

1. Applicant MERALCO is a private corporation existing under the laws of the Republic of the Philippines, with principal office located at Lopez Building, Ortigas Avenue, Brgy. 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.

B. SCSEI

3. Applicant SCSEI is a corporation duly organized and existing under the laws of the Philippines, with principal place of business at 35th Floor, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.

4. SCSEI owns the San Marcelino Solar Power Plant Project located in Barangay Sta. Fe, San Marcelino, Zambales, on the island of Luzon in the Philippines (the "Plant").

II. STATEMENT OF FACTS AND TIMELINESS

5. In accordance with MERALCO's latest and duly accepted Distribution Development Plan and posted Power Supply Procurement Plan ("PSPP") approved by the Department of Energy ("DOE"), MERALCO foresees a renewable energy mid-merit capacity deficit in its portfolio for the Renewable Portfolio Standards ("RPS") covering 350 MW_{AC} (net) and 150 MW_{AC} (net) based on its power situation outlook for first quarter of 2025 and first quarter of 2026, respectively.

6. Thus, in order to ensure continuous and reliable electricity for MERALCO's customers, there is a need for MERALCO to source additional 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, pursuant to Section 4, Article IV of the Energy Regulatory Commission's ("ERC") Resolution No. 16, Series of 2023 ("ERC CSP Guidelines"), MERALCO conducted a Competitive Selection Process ("CSP") for the procurement of 500 MW_{AC} (net) renewable energy mid-merit supply requirement. The conduct of CSP proceeded as follows:

8.1. On 6 May 2024, MERALCO submitted to the DOE, the Invitation to Bid ("ITB")/Terms of Reference ("TOR") for its 350 MW_{AC} (net) Requirement Effective March 2025 to increase by 150 MW_{AC} (net) Effective March 2026 (collectively referred to as the "500 MW RE CSP"), to request for issuance of a Certificate of Conformity in accordance with MERALCO's latest and duly accepted Distribution Development Plan and posted PSPP, pursuant to Section 4.3 of DOE Department Circular No. DC2023-06-0021, Series of 2023 and Section 5, Appendix B of the ERC CSP Guidelines.

8.2. On 20 May 2024, the DOE issued in favor of MERALCO a Certificate of Conformity No. DOE-EPIMB-COC-2024-05-004 dated 17 May 2024 (the "DOE COC") covering MERALCO's 500 MW_{AC} (net) renewable energy mid-merit supply requirement, which MERALCO received on the same day and endorsed to its Bids and Awards Committee for Power Supply Agreements ("BAC-PSA") for commencement of the 500 MW RE CSP. On the same day, pursuant to requirements provided in the ERC CSP Guidelines, the BAC-PSA Secretariat furnished the ERC a copy of the DOE COC and formally notified the DOE (copy furnished the ERC) of the commencement of the 500 MW RE CSP in relation to the DOE COC.

8.3. On 25 May 2024 and 1 June 2024, the BAC-PSA caused the publication of the ITB in The Philippine Star, a newspaper of general circulation in the Philippines. The ITB contained the TOR, a summary of the process and timelines of the CSP, and invitation to power generation companies to pay the Participation Fee and submit an Expression of Interest and set of documents on or before the deadline set out in said ITB. The ITB and the TOR were likewise posted on MERALCO's website and on the DOE e-based CSP Portal.

8.4. On 25 May 2024, MERALCO posted on its website, an "Invitation to Participate as CSP Observers," which informed the public that the following entities or groups identified in Section 9 of the ERC CSP Guidelines are invited to signify to the BAC-PSA of their interest to participate as observer. On 7 June 2024, two (2) CSP Observers submitted their intent to (and were admitted by) the BAC-PSA as CSP Observers.

8.5. On 14 June 2024, a Pre-Bid Conference was held to allow interested bidders an opportunity to clarify any provisions, requirements, and/or terms and conditions of the bidding documents and/or any other matter that the interested bidders may raise. The Pre-Bid Conference was held at least thirty (30) calendar days before the 500 MW RE CSP's bid submission deadline; attended by CSP Observers; and broadcasted livestream in MERALCO's YouTube page.

8.6. On 17 July 2024, the bidders submitted their bid document submissions in compliance with all the bidding instructions for the 500 MW RE CSP and the respective submissions of the bidders were opened by the BAC-PSA. The bid submission and bid opening were held at least forty-five (45) days after the ITB/TOR's last publication, and were attended by CSP Observers and were broadcasted livestream in MERALCO's YouTube page.

8.7. Following the BAC-PSA's evaluation of each of the bidders' bid submissions, Applicant SCSEI emerged as one of the bidders with the lowest calculated responsive bid ("Best Bid"), with SCSEI offering 21 MW_{AC} (net) out of the required contract capacity of 500 MW_{AC} (net) for the said bidding.

8.8. On 24 July 2024, the BAC-PSA conducted the post-qualification of the document submissions of SCSEI and found the submissions to be compliant and responsive to all the requirements and conditions specified in the bidding documents, as amended, or clarified by pertinent bid bulletins, for the 500 MW RE CSP. The post-qualification was attended by CSP Observers and was broadcasted livestream in MERALCO's YouTube page.

8.9. On 25 July 2024, the BAC-PSA submitted its recommendation and report to MERALCO's Board of Directors recommending SCSEI, as one of the bidders with the best bids in the 500 MW RE CSP, to be declared as one of the Winning Power Suppliers and be awarded a power supply agreement for its offer of PhP8.1998/kWh (total Delivered Headline Rate, VAT and Line Rental inclusive) for 21 MW_{AC} (net).

8.10. On 29 July 2024, MERALCO's Board of Directors approved the BAC-PSA's recommendation and on 31 July 2024, a Notice

of Award was issued by the BAC-PSA in favor of SCSEI.

8.11. On 21 August 2024, the Power Supply Agreement between MERALCO and SCSEI was dated, signed and executed ("MERALCO-SCSEI PSA"). On 19 August 2024, a performance bond was submitted by SCSEI and a Notice to Proceed was issued in its favor on 22 August 2024.

A copy of the BAC-PSA Summary-Report and the DOE COC regarding the conduct of the 500 MW_{AC} (net) CSP are attached hereto as ANNEXES "C" and "C-1".

9. The said Joint Application together with its Annexes was pre-filed with the Honorable Commission starting on 3 September 2024. Hence, this Joint Application is timely filed within the reglementary period provided under the ERC CSP Guidelines.

III. SALIENT FEATURES OF THE MERALCO-SCSEI PSA

10. The MERALCO-SCSEI PSA, a copy of which is attached as ANNEX "D" and made an integral part hereof, contains the following salient provisions:

"Article 1 Definitions and Interpretation

xxx

Availability of Supply means one hundred percent (100%) of the Contract Capacity is dispatchable during the Available Hours.

Available Hours means the continuous periods of twelve (12) hours from Mondays to Sundays covering peak hours of 9:00 AM (Trading Interval 10) to 9:00 PM (Trading Interval 21). The above-mentioned hours are Meralco's peak hours at present, but this may change during Required Contract Period upon mutual consent of both Parties.

xxx

Contract Capacity or CC shall be 21 MW_{AC} (net) by February 26, 2026, sourced from the Plant, the WESM or any other source, as may be adjusted from time to time in accordance with Article 8 and Article 19.

xxx

Material Adverse Government Action means:

(a) any Law or Directive coming into effect after the signing of this Agreement, including the

adoption or enactment, or any change or repeal with respect to the imposition of taxes, duties, levies, fees, charges and similar impositions, and the right to remit or convert currencies. This does not include any Legal Requirement or the application or interpretation thereof in existence at the date of the signing of this Agreement, but which by its explicit terms or due to any other circumstance, became effective or could be implemented only after the date of this Agreement; or

(b) the amendment, modification, repeal or withdrawal of any Law or Directive (including any official interpretation thereof which the Parties have relied upon in entering into this Agreement) in force at the date of this Agreement; or

(c) the modification in the application, enforcement, interpretation or implementation of any Law or Directive by a Governmental Instrumentality which the Parties have relied upon in entering into this Agreement, which modification occurred at any time after the date of this Agreement,

which causes or may cause serious damage to, or materially and adversely affects the financial condition of, any of the Parties. It is understood that there is serious damage to, or material and adverse effect on the financial condition of, a Party if the cost impact is more than ten percent (10%) of the product of (i) PhP8.9800/kWh[1], as may be approved by the ERC, and (ii) the Minimum Energy Off-Take for the relevant Contract Year affected by the Material Adverse Government Action.

xxx

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 the last day of the tenth (10th) Contract Year, unless terminated earlier in accordance with the terms of this Agreement and upon approval by the ERC, or extended by the application of Section 15.3.2.

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1 Contract Price of Energy Within MEOT as defined in Schedule 1 of Appendix D of the MERALCO-SCSEI PSA.

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3.2. Operations Effective Date

Subject to Section 3.2.2, the obligations of Power Supplier with respect to the Contract Capacity and Associated Energy shall commence on February 26, 2026 (the "Operations Effective Date").

xxx

4.1. Supply of Power

Subject to the terms and conditions of this Agreement:

4.1.1 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 during the Available Hours, 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 D; 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 D.

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.

7.2 The preceding Section notwithstanding, Power Supplier shall furnish Meralco its proposed Major Maintenance Outage and Scheduled Outage, inclusive of the duration thereof and schedule of completion and start-up. From time to time, Power Supplier shall inform Meralco of any changes requested by Power Supplier from the System Operator in the schedule of its Major

Maintenance Outage and Scheduled Outage including possible delays in the shut-down and completion of schedules or early completion of Major Maintenance Outage and Scheduled Outage. Failure of Power Supplier to provide its Major Maintenance Outage and Scheduled Outage shall preclude Power Supplier from invoking Article 15.

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 (PhP 908.00) 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 16.3.3. shall apply.

Article 8. Adjustments in Contract Capacity and Associated Energy

8.1. Subject to the provisions of Section 9.2 below, Meralco shall, from time to time, be entitled to a reduction in the Contract Capacity and Associated Energy (the "Reduction in Contract Capacity and Associated Energy") equivalent to the reduction in the demand of its captive customers in order to avoid stranded contract capacities or costs, or by reason of the enforcement of Retail Competition and Open Access (RCOA), the Renewable Energy Law, Renewable Portfolio Standards (RPS), Green Energy Option Program (GEOP), Net Metering program, and other similar government programs, Laws and Legal Requirements.

8.2. Meralco shall give a written notice at least five (5) Days prior to the first Day of the next Billing Period to Power Supplier specifying the Reduction in Contract Capacity and Associated Energy pursuant to Section 9.1, indicating when such reductions shall take place. Upon receipt by Power Supplier of such written notice, Meralco shall cease to have any rights and obligations under this Agreement in respect of such Reduction in Contract Capacity and Associated Energy. Any such reduction shall be limited to the extent of the Contract Capacity and Associated Energy that will allow Meralco to comply with its obligation to supply electricity in the least cost manner to its

customers as of the date indicated in the notice when such Reduction in Contract Capacity and Associated Energy shall commence. Except for such Reduction in Contract Capacity and Associated Energy and the resulting reduction in Capacity Payment, all other terms and conditions of this Agreement, as approved by the ERC, shall remain in full force and effect. For this purpose, Parties shall execute an operations protocol and provide a copy thereof to the ERC.

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12.2 ERC Approval

12.2.1 Subject to the non-occurrence of the Longstop Date, upon receipt of the ERC Approval, Meralco shall provide a copy of such ERC Approval to Power Supplier. Power Supplier shall have ten (10) Days from its receipt from ERC or from Meralco of such ERC Approval, whichever is earlier, to notify Meralco in writing that: (a) it accepts such ERC Approval or (b) it does not accept the ERC Approval, stating the grounds for non-acceptance; provided that, if the ERC Approval does not contain any adjustment or modification, the ERC Approval shall be (i) deemed accepted by Power Supplier and (ii) implemented by the Parties immediately.

xxx"

IV. GENERATION RATE IMPACT

11. Based on the foregoing, and given a certain set of assumptions, the effective rate under the MERALCO-SCSEI PSA is PhP 8.1998 per kWh (at plant gate, VAT exclusive), as shown in the RATE IMPACT ANALYSIS below:

(This space is intentionally left blank.)

Santa Cruz Solar Energy Inc. (SCSEI) PSA Rate Impact at 50% PCF
March 2026 to February 2027

BILLING COMPONENT	UNIT	BASE RATE [a]	BILLING DETERMINANT [b]		AMOUNT (PHP)
A. MEOT Energy Payment **(MEP)**					
Peso Portion	(Php/kWh)	8.9800	82,782,000	(kWh)	743,382,360.00
B. Excess Energy Payment **(EEP)**					
Peso Portion	(Php/kWh)	1.1782	9,198,000	(kWh)	10,836,862.85
Total Payment (VAT exclusive)	**(Php)**				**754,219,222.85**
Effective Rate at Plant Gate	**(Php/kWh)**				**8.1998**
WESM Line Rental Rate [c]	**(Php/kWh)**				**0.0000**
Delivered Rate (VAT exclusive)	**(Php/kWh)**				**8.1998**
Total Effective Cost if sourced from WESM inclusive of RECs	(Php/kWh)				8.4565
Effective Cost if sourced from WESM [d]	(Php/kWh)				8.2149
Effective Cost if RECs are sourced from REM [e]	(Php/kWh)				0.2416
Increase / (Decrease) over WESM Price inclusive of RECs	(Php/kWh)				(0.2566)
Meralco Captive Energy Demand [f]	(kWh)				40,588,918,756.95
Increase / (Decrease) in Generation Cost	**(Php)**				**(23,605,967.95)**
Increase / (Decrease) in Generation Cost	**(Php/kWh)**				**(0.0006)**

NOTES:
[a] Base Rates as set forth in Schedule 1 of the PSA.
[b] Total of energy billing determinant is based on 50% pcf with respect to the Contract Capacity.
[c] Line Rental rate for SCSEI is based on the maximum allowable value as stated in the PSA.
[d] Cost if equivalent volume of SCSEI was sourced from the WESM based on forecasted average hourly peak prices from March 2026 to February 2027.
[e] Maximum allowable price of RECs in the RE Market as stated in ERC Resolution No. 8, Series of 2024
[f] Forecasted Meralco Captive Energy for March 2026 to February 2027 based on 2024 Power Supply Procurement Plan as submitted to DOE.

12. MERALCO notes that the delivered rate of PhP 8.1998 per kWh (line rental inclusive and VAT exclusive) is lower by about PhP 0.2566 per kWh than the effective cost of PhP 8.4565 per kWh (inclusive of price of Renewable Energy Certificates), if the equivalent capacity under the MERALCO-SCSEI PSA is to be sourced from the Wholesale Electricity Spot Market ("WESM"). In fact, by sourcing the capacity through the MERALCO-SCSEI PSA, MERALCO's average blended generation rate will be reduced by about PhP 0.0006 per kWh (as seen in the RATE IMPACT ANALYSIS above) resulting in savings to consumers of about PhP 23 Million.

13. In support of this Joint Application, the Judicial Affidavit of Engr. Jonathan Andrei S. Cruz, Energy Sourcing Engineer of MERALCO's Energy Sourcing – Energy Resource Planning, is attached as ANNEX "E" and made an integral part hereof. The Judicial Affidavit of Ms. Shirlene A. Magdato, Senior Manager – Commercial Operations assigned to SCSEI, is attached as Annex "L" and made an integral part hereof.

V. COMPLIANCE WITH DOCUMENTARY REQUIREMENTS

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 the Honorable Commission:

Description of Document	Annex
A. Applicants' Authority	
MERALCO's Secretary's Certificate	"A"
SCSEI's Secretary Certificate	"B"
B. MERALCO's Documents	

BAC-PSA Summary-Report regarding the conduct of the CSP DOE Certificate of Conformity No. DOE-EPIMB-COC-2024-05-004 dated 17 May 2024	"C" "C-1"
MERALCO-SCSEI PSA	"D"
Executive Summary	"D-1"
Judicial Affidavit of MERALCO's witness, Engr. Jonathan Andrei S. Cruz, Energy Sourcing Engineer of MERALCO's Energy Sourcing – Energy Resource Planning	"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) 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" "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"
• Excerpt of MERALCO's Distribution Development Plan – Power Supply Procurement Plan (Supply and Demand Scenario); • Average Daily Load Curve scenarios • Details of Existing Suppliers • Details of Power Supply Contract Utilization • Details of SAIDI and SAIFI • Estimation 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"
Documents showing MERALCO's conduct of CSP	"K" and series
C. SCSEI's Documents	
Judicial Affidavit of Ms. Shirlene A. Magdato	"L"
SCSEI's Articles of Incorporation and By-laws	"M"
SCSEI's General Information Sheet	"N"
SCSEI's Certification on the list of Board of Directors of the ultimate parent company, subsidiaries, and affiliates	"O"
SCSEI's Certificate of Registration	"P"
SCSEI's Financial Model *(Confidential)*	"Q"
SCSCEI's Sample Computation of Power Rates *(Confidential)*	"R"

SCSEI's Write up on the Shareholder's Agreement	"S"

VI. ALLEGATIONS IN SUPPORT OF THE MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

15. Under Rule 4 of ERC's Revised Rules of Practice and Procedure ("RRPP"), a party to any proceeding before the Honorable Commission may request that certain information not be disclosed and be treated as confidential, by describing with particularity the information to be treated as confidential, specifying the ground for the claim of confidential treatment of the information and, if applicable, specifying the period during which the information must not be disclosed.

16. With respect to the following documents marked as ANNEXES "Q" and "R", SCSEI respectfully moves that these be treated as confidential and not be disclosed to any party for the reason that these contain non-public, proprietary information, data and calculations involving the investments, financial calculations, and business operations of SCSEI. The data and information contained therein are part of the overall formula and process in arriving at the competitive rates of SCSEI. These formula and process are specifically developed for the use of SCSEI and are treated as trade secrets. If the information contained in these documents are unduly disclosed, it will seriously prejudice the competitiveness of SCSEI. These documents are neither generally available to the public nor already in the possession of the Honorable Commission on a non-confidential basis.

17. In the case of Air Philippines Corporation vs. Pennswell Inc,[2] the Supreme Court defined "trade secret" as follows:

> *"A **trade secret** is defined as a **plan or process, tool, mechanism or compound known only to its owner and those of his employees to whom it is necessary to confide it.** The definition **also extends to a secret formula or process not patented, but known only to certain individuals using it in compounding some article of trade having commercial value.** A **trade secret** may consist of **any formula, pattern, device, or compilation of information that (1) is used in one's business;** and (2) **gives the employer an opportunity to obtain advantage over competitors who do not possess the information.** Generally, a **trade secret** is a **process or device intended for continuous operation of the business,** for example, a machine or formula, but can be a*

[2] G. R. No. 172835, 13 December 2007.

> *price list or catalogue or specialized customer list.* ***It is indubitable that trade secrets constitute proprietary rights.***" (Emphasis supplied.)

18. The protection of trade secrets is likewise recognized by the Honorable Commission in its Decision in ERC Case No. 2015-111 RC:

> *"In the case of PNOC RC, the documents sought to be protected from disclosure contains formula and pricing structures used in arriving at their proposed tariff. The prices cited in the documents were components of the proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. In electric power industry [where] prices is a major consideration in selecting one's supplier, it is apparent that the assumption used in arriving at one's proposed tariff is considered a competitive leverage by one player against its competitors.*
>
> *Thus, the Commission resolved to treat the said documents confidential and may not be publicly disclosed."*[3]

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

20. The interest of the consumers of MERALCO is sufficiently protected by the review and evaluation of the rates under the PSA by the Honorable Commission, without the need to disclose the contents of ANNEXES "Q", and "R". The reasonableness and transparency of the prices of electricity is to be assured by the Honorable Commission through its own review and verification of the foregoing documents sought to be afforded confidential treatment in the evaluation and handling thereof.

21. Lastly and corollary to the foregoing, SCSEI would like to implore the discerning wisdom of the Honorable Commission to include in its issuance for this purpose the "procedures for handling or returning the confidential information, as may be appropriate, upon the close of the proceedings." (Sec. 2, Rule 4, ERC's RRPP)

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3 In the Matter of the Application for the Approval of the Power Supply Agreement Between Nueva Ecija II Electric Cooperative, Inc. – Area 2 (NEECO II – Area 2) and PNOC Renewables Corporation (PNOC RC) with Prayer for Provisional Authority, ERC Case No. 2015-111 RC, Decision dated 30 May 2017, p. 26.

22. This is guided by the fact that SCSEI will seek for the return of these sought to be declared confidential annexes after its utilization as evidence in this case and/or at the close of the proceedings hereof, so as to relieve the Honorable Commission of the burden of safekeeping the trade secrets of SCSEI enclosed in the subject annexes.

PRAYER

WHEREFORE, premises considered, Applicants respectfully pray that the Honorable Commission:

a) During the pendency of the proceedings/scheduled hearing(s) and before the final resolution/approval of this case, that an Order be issued for the GRANT of:

   a. a Directive affording Annexes "Q" and "R" confidential treatment in the handling and evaluation thereof from the time these annexes are received by the Honorable Commission up to the termination of the instant case by continuously protecting the said information from public disclosure by maintaining the same as separate and apart from the records of the case, and ensuring that these are not divulged to unauthorized persons other than the concerned staff and officers of the Honorable Commission; and

   b. an Issuance concerning the procedures for handling the confidential information upon the close of the proceedings and its return/delivery to SCSEI.

b) After hearing on the merits, render a Decision APPROVING the MERALCO-SCSEI PSA 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 determination of compliance with the jurisdictional requirements, expository presentation, Pre-Trial Conference and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020[4] and Resolution No. 01, Series of 2021[5] (ERC Revised Rules of Practice and Procedure):

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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.

Date	Platform	Activity
03 December 2024 (Tuesday) at two o'clock in the afternoon (2:00 P.M.)	**Microsoft Teams Application**	Determination of compliance with jurisdictional requirements and expository presentation
10 December 2024 (Tuesday) at two o'clock in the afternoon (2:00 P.M.)		Pre-Trial Conference and Presentation of Evidence

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

Any interested stakeholder may submit its comments and/or clarifications at **least one (1) calendar day** prior to the scheduled initial virtual hearing, via electronic mail (e-mail) at docket@erc.ph, and 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 furnishing 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. The verified Petition to Intervene 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, and 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.

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

(This space is intentionally left blank.)

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 Officer-in-Charge Chairperson and CEO **JESSE HERMOGENES T. ANDRES**, and the Honorable Commissioners **ALEXIS M. LUMBATAN**, **CATHERINE P. MACEDA, FLORESINDA G. BALDO-DIGAL**, and **MARKO ROMEO L. FUENTES**, Energy Regulatory Commission, this 14th day of October 2024 in Pasig City.

FOR AND BY AUTHORITY
OF THE COMMISSION:

KRISHA MARIE T. BUELA
Director III, Legal Service

LS: AVL/LSP

Republic of the Philippines
ENERGY REGULATORY COMMISSION

OGCS-N-03/1105-2024

NOTICE

Sirs/Mesdames:

Please take notice that on **14 October 2024,** the Commission issued an **Order** and a **Notice of Virtual Hearing** in the following case, the original documents were received by this Office on 24 October 2024:

ERC CASE NO. 2024-121 RC, IN THE MATTER OF THE JOINT APPLICATION FOR THE APPROVAL OF THE POWER SUPPLY AGREEMENT BETWEEN MANILA ELECTRIC COMPANY AND SANTA CRUZ SOLAR ENERGY INC., WITH MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION – MANILA ELECTRIC COMPANY AND SANTA CRUZ SOLAR ENERGY INC., *Applicants*.

Attached are electronic copies.

Please be reminded of the Commission's existing rules on electronic service of orders and decisions provided under **Rule VI** of **Resolution No. 9, Series of 2020**[1], which became effective on 17 November 2020.

Thank you.

Very truly yours,

EVELYN O. REYES
Administrative Officer IV
OGCS-Central Records Division

/jdc

[1] A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission