

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

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**IN THE MATTER OF THE JOINT
APPLICATION FOR APPROVAL OF
THE POWER SUPPLY AGREEMENT
BETWEEN MANILA ELECTRIC
COMPANY ("MERALCO") AND
MASINLOC POWER PARTNERS
CO., LTD. ("MPPCL"), WITH MOTION
FOR CONFIDENTIAL TREATMENT
OF INFORMATION,**

ERC CASE NO. 2021- 018-RC

**MANILA ELECTRIC COMPANY
("MERALCO") and MASINLOC
POWER PARTNERS CO. ("MPPCL"),
LTD.,**

Applicants.

X-----X

JOINT APPLICATION

[with Motion for Confidential Treatment of Information]

Applicants **MANILA ELECTRIC COMPANY (MERALCO)** and **MASINLOC POWER PARTNERS CO., LTD., (MPPCL)** by undersigned counsel, and to this Honorable Commission, most respectfully state: That -

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.

3. Applicant **MPPCL** is a partnership duly organized and existing under the laws of the Republic of the Philippines, with principal office located at Masinloc Coal-Fired Thermal Power Plant, Barangay Bani, Masinloc, Zambales. It may be served with notices and other processes of this Honorable Commission through its counsel at the address indicated herein.

4. **MPPCL** shall construct, own, operate, manage and maintain a coal-fired thermal Power Plant to be located in Barangay Bani, Masinloc, Zambales and capable of supplying 600 MW.

5. Based on its power situation outlook for 2024 and succeeding years, as shown in its 2020 Power Supply Procurement Plan approved by the Department of Energy (“DOE”), MERALCO foresees a baseload capacity deficit in its portfolio covering 1,800 MW.

6. Thus, in order to ensure continuous and reliable electricity for MERALCO's customers, there is a need for MERALCO to source additional baseload 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 baseload capacity, on 02 March 2021 MERALCO executed a Power Supply Agreement (“PSA”) with MPPCL, for the purchase of electric energy corresponding to 600 MW. The conduct of CSP proceeded as follows:

8.1. Pursuant to DOE Department Circular No. DC2018-02-0003 (“DOE 2018 CSP Rules”), MERALCO submitted to the DOE and the DOE approved the Terms of Reference (“TOR”), the salient provisions of which are shown below:

Scheduled Commercial Operations Date (“COD”)	<ul style="list-style-type: none">• 1,200 MW (net) by December 2024, with option by Meralco to take available energy up to 1,200 MW (net), at Commissioning Energy Charge, starting December 2023.• Additional 600 MW (net) by May 2025, with option by Meralco to take available energy up to 600 MW (net), at Commissioning Energy Charge, starting May 2024. For clarity, the total Contract Capacity by May 2025 will be 1,800 MW (net).
Supply Type	<ul style="list-style-type: none">• Baseload (firm and dispatchable)• Single or portfolio of plant/s, provided that the power plant/s should be in commercial operation not earlier than January 2020 but no later than May 2025.
Tariff Structure	<ul style="list-style-type: none">• Two-part Tariff consisting of Fixed and Variable Costs (inclusive of separate line item proposal for Line Rental cap).• For Contract Years 1 to 10 implementation, the reference price (F₀) shall be adjusted on a quarterly basis using an adjustment factor following the formula provided by the DOE.• For Contract Years 11 to 20, the fuel cost shall be a pass-through cost.

8.2. On 1 October 2020, MERALCO caused the publication of an Invitation to Bid (“Invitation”), which contained the TOR, 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 said Invitation. At the same time, MERALCO caused the posting thereof on its website. A second publication was done on 8 October 2020.

8.3. On 27 January 2021, the bidders submitted their compliance with the Bid Requirements and the respective submissions of the bidders were opened by the Third-Party Bids and Awards Committee (“TPBAC”). On 19 February 2021, the respective bid offers of bidders who passed the pre-qualification evaluation were opened. MPPCL's bid was declared as one of the best bids on even date.

8.4. On 26 February 2021, TPBAC sent a letter-notice to MPPCL 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 its favor.

8.5. A copy of the TPBAC Summary-Report regarding the conduct of the CSP is attached as part of **ANNEX “C”**.

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

“Commercial Operations Date means the date that the conditions set out in Section 3.3.2 (other than the Commercial Operations Date Certificate) have been satisfied, and 600MW of the Plant shall have consequently entered into commercial operation.¹

xxx

Contract Capacity shall be, subject to Article 10, 600 MW (net) sourced from the Plant.²

xxx

2.2 Term of Agreement

Subject to Article 3, this Agreement shall become effective on the Execution Date. The term of this Agreement (the **“Term”**) shall commence on the Commercial Operations Date, and shall expire on the last day of the 20th Contract Year, unless terminated earlier in accordance with the terms of this Agreement or extended by the application of Section 2.2 and Section 17.3.3.

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 Commercial Operations Date

3.3.1 Power Supplier covenants that 600 MW of the Plant shall achieve Commercial Operations Date no later than 26 April 2025 (the **“Scheduled Commercial Operations Date”**).

3.3.3 If the Commercial Operations Date has not occurred by the Scheduled Commercial Operations Date, from and after the Scheduled Operations Date, Power Supplier shall, for each Day of unexcused delay, (i) procure and cause delivery to Meralco of Replacement Power of up to 600 MW (net), as may be applicable, subject to Article 6 and in accordance with Appendix E, to be paid for by Meralco at the lower between WESM price and the Price; or (ii) to the extent that such Replacement Power is not available due to inadequate supply from WESM or from any other source, pay to Meralco a fine equivalent to Nine Hundred Eight Philippine Pesos (PhP 908.00) multiplied by each affected MWh nomination by Meralco, until the earlier of: (a) the Commercial Operations Date, and (b) sixty (60) Days after the Delay Limit Date (as

¹ See PSA, p. 4, clause 1.1, “Commercial Operations Date”.

² See PSA, p. 4, clause 1.1, “Contract Capacity”.

the Delay Limit Date may be adjusted in accordance with the succeeding provisions). For purposes of this Section 3.3.3, a fraction of a Day is considered a Day.

xxx

6.1 **Supply of Power**

6.1.1 Subject to the terms and conditions of this Agreement:

From the Commercial Operations Date of the Plant until the expiration of the Term or earlier termination of this Agreement, Power Supplier shall:

- (a) make available to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Contract Capacity of the Plant; and
- (b) deliver and sell to Meralco, and Meralco shall purchase from Power Supplier, at the Price determined in accordance with Appendix E, the Associated Energy (and Replacement Power), to the extent of Meralco’s relevant day-ahead nominations.

6.1.2 Unless otherwise expressly permitted by this Agreement, Power Supplier shall not, without Meralco’s prior written consent:

- (a) sell, divert, grant, transfer, dedicate, reserve or assign all or any portion of the Contract Capacity and Associated Energy to any Person other than Meralco; or
- (b) provide Meralco with capacity and/or electrical energy from any source other than the Plant; provided, however, that Power Supplier shall be allowed to deliver and sell to Meralco the Associated Energy from WESM or any other source only when the Plant is on Outage beyond Full Load Equivalent Scheduled Outage Allowance Days and/or Full Load Equivalent Forced Outage Allowance Days. For this purpose, should Power Supplier fail to source from the Plant when it is available, Meralco shall pay the lower between WESM price and Price, in accordance with Appendix G.

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Outages

9

Outage Allowances and Replacement Power

9.1

After Commercial Operations Date, Power Supplier shall be allowed Scheduled Outages not exceeding fifteen (15) Full Load Equivalent Outage Days (“**Full Load Equivalent Scheduled Outage Allowance Days**”) and Forced Outages not exceeding three (3) Full Load Equivalent Outage Days (“**Full Load Equivalent Forced Outage Allowance Days**”) each Contract Year; provided that a Forced Outage may be counted towards the Full Load Equivalent Forced Outage Allowance Days upon provision by Power Supplier to Meralco of a copy of the acknowledgement letter from the System Operator or report from the Market Operator that a Forced Outage has occurred.

9.1.1

9.1.2

During Scheduled Outages within the Full Load Equivalent Scheduled Outage Allowance Days and Forced Outages within the Full Load Equivalent Forced Outage Allowance Days, Meralco shall procure Replacement Power from the WESM and Power Supplier shall not bill Meralco for these quantities.

9.1.3

During Scheduled Outages that exceed the Full Load Equivalent Scheduled Outage Allowance Days and Forced Outages that exceed the Full Load Equivalent Forced Outage Allowance Days, Power Supplier shall purchase Replacement Power, which shall be declared as BCQ and paid by Meralco at the lower between WESM price and Price.

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9.5 Fine for Failure to Provide Replacement Power

In case Power Supplier fails to provide Replacement Power from any other source or WESM due to inadequate supply, Power Supplier shall pay a fine equivalent to Nine Hundred Eight Philippine Peso (PhP908) multiplied by each affected MWh nomination by Meralco, 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 Replacement Power despite availability thereof, then Section 18.3.1 shall apply.

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10 Assignment or Transfer of Contract Capacity

10.1 Transfer of Contract Capacity and Associated Energy

10.1.1 Contract Capacity and Associated Energy that is no longer required by Meralco shall not be assigned, transferred, designated, delegated or allocated (collectively in this context, "Transfer") to another, except (i) if required for project financing in the case of the Power Supplier, as provided in Article 21; (ii) when allowed by the ERC; or (iii) when necessary to mitigate or avoid any losses or costs due to stranded contract capacity; provided that any assignment or transfer to a distribution utility shall comply with applicable competitive selection process rules. In the case of item (iii), Meralco shall be entitled to Transfer its rights and obligations to purchase a portion of Contract Capacity and Associated Energy that is no longer required by Meralco (a) to any of its business segments or wholly-owned Affiliates without the prior consent of Power Supplier, or (b) to any other Person, subject to the consent of Power Supplier, which consent shall not be unreasonably withheld, delayed or conditioned, it being understood that withholding consent would not be considered unreasonable if the proposed Transfer would be contrary to the reasonable requirements of Finance Parties under the Finance Documents, as evidenced by a written confirmation by the relevant Finance Parties. In the case of (b), Power Supplier shall exert reasonable efforts to (i) procure that only the consent of Finance Parties representing no more than seventy-five percent (75%) of the debt plus undrawn commitments shall be required for a Transfer under the Finance Documents; and (ii) upon written notice being given by Meralco, procure such consent for the Transfer; and Meralco shall endeavour to cooperate with Power Supplier by providing documents and information in relation to the Transfer as may be reasonably required by the Finance Parties.

10.1.2 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.

10.2 Reduction in Contract Capacity and Associated Energy

- 10.2.1 Subject to the provisions of Section 10.2.2 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, the Renewable Energy Law and other Laws and Legal Requirements.
- 10.2.2

Meralco shall give a written notice to Power Supplier of the Reduction in Contract Capacity and Associated Energy at least five (5) Days prior to the first Day of the next Billing Period. 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.

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14.3 ERC Approval

- 14.3.1 Subject to the non-occurrence of the Longstop Date, upon receipt of the ERC Final Approval, Meralco shall provide a copy of such ERC Final Approval to Power Supplier. Power Supplier shall have ten (10) Days from the date of receipt from Meralco of such ERC Final Approval to notify Meralco in writing that (i) it accepts such ERC Final Approval or (ii) it does not accept the ERC Final Approval, stating the grounds for non-acceptance."

10. The Payment Structure under Appendix E of the PSA is as follows:

B. MONTHLY POWER BILL UPON COMMERCIAL OPERATIONS DATE

The MPB upon COD shall consist of Capacity Payment, Energy Payment, and Other Payment. The Capacity Payment consists of Component A (MCP), Component B (MIFP) and Component C (MFOM), and the Energy Payment consists of Component D (MFP) and Component E (MVOM). Other Payments are Component F (RCP), Component G (LRAP), and Component H (ASCRP). Thus, the MPB upon COD ("**MPB**") for Contract Capacity and Associated Energy (and Replacement Power) for each Billing Period shall be equal to:

$$\text{MPB} = \text{MCP} + \text{MIFP} + \text{MFOM} + \text{MFP} + \text{MVOM} + \text{RCP} - \text{LRAP} + \text{ASCRP}$$

The MPB is exclusive of the applicable Value Added Tax.

11. Based on the foregoing, and given a certain set of assumptions, the annual effective rate under the PSA is **PhP 3.3708 per kWh** (at plant gate, VAT inclusive), as shown in the rate impact analysis below:

**Masinloc Power Partners Co. Ltd. PSA - Rate Impact at 95.07% pcf
(YEAR 2025)**

BILLING COMPONENT	UNIT	BASE RATE ^[a]	CPI Adj Factor ^[g]	BILLING DETERMINANT ^[h]		AMOUNT (PHP)
A. Capacity Payment (MCP)						
Peso Portion	(Php/kW-yr)	9,289.5967		600,000	(kW)	5,573,758,020.00
B. Interconnection Facilities Payment (MIFP)						
Interconnection Facilities Capacity Portion	(Php/kW-yr)	-		600,000	(kW)	0.00
Interconnection Facilities FOM Portion	(Php/kW-yr)	-	1.151964	600,000	(kW)	0.00
C. Fixed O&M Payment (MFOM)						
Non-escalating US Dollar Portion	(USD/kW-yr)	-		600,000	(kW)	0.00
Escalating US Dollar Portion	(USD/kW-yr)	-	1.078194	600,000	(kW)	0.00
Non-escalating Peso Portion	(Php/kW-yr)	4,803.0160		600,000	(kW)	2,881,809,600.00
Escalating Peso Portion	(Php/kW-yr)	-	1.151964	600,000	(kW)	0.00
D. Fuel Payment (MFP)	(Php/kWh) ^[b]	1.1357		4,996,800,000	(kWh)	5,674,686,907.29
E. Variable O&M Payment (MVOM)						
Non-escalating US Dollar Portion	(USD/kWh)	-		4,996,800,000	(kWh)	0.00
Escalating US Dollar Portion	(USD/kWh)	-	1.078194	4,996,800,000	(kWh)	0.00
Non-escalating Peso Portion	(Php/kWh)	0.1818		4,996,800,000	(kWh)	908,418,240.00
Escalating Peso Portion	(Php/kWh)	-	1.151964	4,996,800,000	(kWh)	0.00
Total Energy Payment (VAT exclusive)	(Php/kWh)	3.0097				15,038,672,767.29
VAT Payment	(Php)					1,804,640,732.07
Total Energy Payment (VAT inclusive)	(Php)					16,843,313,499.36
Effective Rate at Plant Gate	(Php/kWh)					3.3708
WESM Line Rental Rate ^[c]	(Php/kWh)					0.1000
Delivered Rate (VAT inclusive) ^[d]	(Php/kWh)					3.4708
Effective Cost if sourced from WESM ^[e]	(Php/kWh)					4.7293
Increase / (Decrease) over WESM Price	(Php/kWh)					(1.2585)
Meralco Captive Energy Demand ^[f]	(kWh)					40,256,100,690
Increase / (Decrease) in Generation Cost	(Php)					(6,288,586,062.97)
Increase / (Decrease) in Generation Cost	(Php/kWh)					(0.1562)

NOTE:

[a] Base Rates as set forth in Schedule 1 of Appendix E of the PSA.

[b] Fuel Payment calculated based on Guaranteed Net Plant Heat Rate at 100.00% load factor for Contract Year 1, and Forex = PhP 51.352/USD.

[c] Line Rental rate for Masinloc Power Partners Co. Ltd. is based on the maximum allowable value for Contract Year 1 as stated in the PSA.

[d] Delivered Rate (VAT inclusive) will include AS Cost Recovery rate once imposed under existing rule or regulation. AS Cost Recovery rate for Masinloc Power Partners Co. Ltd. shall be based on the lower between actual rate and cap of PhP 0.28/kWh.

[e] Cost if equivalent volume of Masinloc Power Partners Co. Ltd. is sourced from the WESM based on forecasted average hourly prices from May 2025 to Apr 2026, inclusive of 6% VAT.

[f] Forecasted Meralco Captive Energy for May 2025 to Apr 2026 based on Power Supply Procurement Plan as submitted to DOE.

[g] Forecasted Indices for 2025.

[h] Energy Payments based on 95.07% plant capacity factor.

12. MERALCO notes that the annual delivered rate of **PhP 3.4708 per kWh** (VAT, and line rental inclusive) is **lower** by about PhP 1.2585 per kWh than the effective cost of PhP 4.7293 (VAT inclusive), if the equivalent capacity under the instant PSA will be sourced from the WESM. In fact, by sourcing the capacity through the instant PSA, MERALCO’s average blended generation rate will be reduced by about PhP 0.1562 per kWh (as seen in the rate impact above) resulting in savings to consumers of about PhP 6.29 Billion.

13. In support of this Joint Application, the Judicial Affidavits of **MR. RYAN S. MORALES**, Head of MERALCO’s Energy Sourcing Office is attached as **ANNEX “E”**, respectively, and made an integral part 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"
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);	"J"
Average Daily Load Curve scenarios	"J-1"
Documents showing MERALCO's conduct of CSP	"K" and series
Write-up - Explanation on the Requirements of Articles of Incorporation and List of Shareholders	"L"
MPPCL 2007 Articles of Partnership	"L-1"
MPPCL 2020 Amended Articles of Partnership	"L-2"
Write-up Explanation on the Requirement of Shareholders Agreement	"M"
MPPCL SEC Registration Page	"N"
SMC Global Power Holdings Corp. Corporate Structure Chart	"O"
MPPCL Registration to the Board of Investments	"P"
MPPCL Environmental Compliance Certificate Application	"Q"
Write-up – Explanation on Non-availability of Certificate of Compliance	"R"
Receiving Copy of Letter to DOE on Application for Certificate of Endorsement to the Power Development Plan	"S"
Write-up – Explanation on the Non-applicability of the Requirements regarding Renewable Energy Plant	"T"
Write-up – Explanation on the Requirements regarding Transmission Projects and Submission of Project Feasibility Study	"U"
Project Feasibility Study (Confidential)*	"U-1"
Write-up – Explanation on the Funding Sources of the Project	"V"
Details of the Power Rate Calculations and Financial Model (Confidential)*	"W and series"
Write-up – Explanation on Fuel Procurement Process	"X"
Fuel Supply Plan (Confidential)*	"X-1"
Cost Analysis (Confidential)*	"Y"
MPPCL 2019 Audited Financial Statement (BIR Stamped)	"Z"
Write-up – Explanation on the Non-applicability of Minimum Energy Off-take Provision	"AA"
Write-up – Explanation on the Non-applicability of Requirements regarding the Ancillary Services Procurement Agreement	"BB"

Description of Document	Annex
Write-up – Explanation that all Information on Technical Characteristics and Net Heat-rate can be found in the Project Feasibility Study	"CC"

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

ALLEGATIONS IN SUPPORT OF MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION

15. Under *Rule 4 of the ERC Rules of Practice and Procedure*, 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 documents marked and attached as **ANNEXES "U-1", "W and series", "X-1" and "Y"**, MPPCL 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 MPPCL. The data and information contained therein are part of the overall formula and process in arriving at the competitive rates of MPPCL. These formula and process are specifically developed for the use of MPPCL and are treated as trade secrets. If the information contained in these documents are unduly disclosed, it will seriously prejudice the competitiveness of MPPCL. 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.*,³ 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 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:

³ G. R. No. 172835, 13 December 2007.

"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.⁴

19. MPPCL hereby submits one (1) copy of each of the foregoing confidential documents in sealed envelopes, with the envelopes 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 "U-1", "W and series", "X-1" and "Y"**. 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, MPPCL would like to implore the discerning wisdom of the Honorable Commission to include in its issuance for this purpose the ***"procedures for the handling or returning the confidential information, as appropriate, upon the close of the proceedings or at the end of the period for which the information is to be treated as confidential"***⁵.

22. This is guided by the fact that MPPCL 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 MPPCL enclosed in the subject annexes.

PRAYER

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

a) Issue an Order **TREATING** Annexes **"U-1", "W and series", "X-1", and "Y"**, and all other information contained therein **AS CONFIDENTIAL**, directing their non-disclosure to persons other than officers and staff of this Honorable Commission, continuously protecting the said information from public disclosure by maintaining the same separate and apart from the records of the case, and ensuring that these are not divulged to unauthorized persons, and that the same

⁴ *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. Emphasis and underscoring supplied.

⁵ Letter (d), Section 4, of the ERC Rules and Practice and Procedure.

will be returned to Applicant MPPCL, pursuant to Rule 4 of the ERC Rules of Practice and Procedure; and

b) After hearing on the merits, render a Decision **APPROVING THE PSA** and the terms and conditions thereunder, including the price.

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

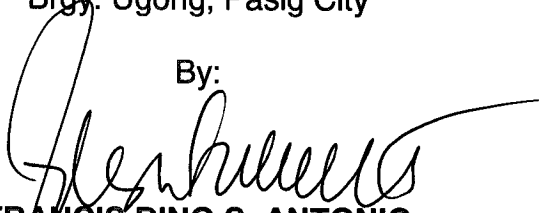
Pasig City and Mandaluyong City for Pasig City, 02 March 2021.

MANILA ELECTRIC COMPANY

Applicant

Lopez Building, Ortigas Avenue
Brgy. Ugong, Pasig City

By:



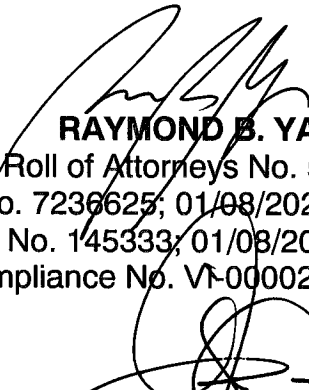
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MCLE Compliance No. VII-0001788; 02 December 2019



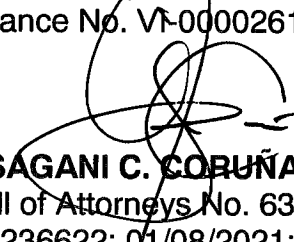
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IBP No. 145333; 01/08/2021; Capiz

MCLE Compliance No. VI-0000261; 11 July 2016



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Admitted to the Phil. Bar on 19 June 2019

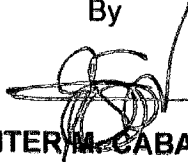
MCLE No. Governing Board Order No. 1

Series of 2008, 04 July 2008

7th Floor, Lopez Building,
Ortigas Avenue, Barangay Ugong, Pasig City
Tel no. 1622-2260; Fax No: 1622-3550
Email: regaffairs@meralco.com.ph

MASINLOC POWER PARTNERS CO., LTD.,
Co-Applicant
Masinloc Coal-Fired Thermal Power Plant,
Barangay Bani, Masinloc, Zambales

By



JUPITER M. CABAGUIO
Roll of Attorneys No. 47112
PTR No. 4577718 / 07 January 2021 / Mandaluyong City IBP No. 06372 /
Lifetime / Makati City
MCLE Compliance No. VI – 0015891 / 13 December 2018
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REPUBLIC OF THE PHILIPPINES }
CITY OF PASIG } S.S.

VERIFICATION/CERTIFICATION OF NON-FORUM SHOPPING

I, JOSE RONALD V. VALLES, Filipino, of legal age, married, with office address at 12th Floor, Lopez Building, MERALCO Compound, Ortigas Avenue, Pasig City, after being sworn in accordance with law, hereby depose and say that—

1. I am the First Vice President and Head of the Regulatory Management Office of Applicant Manila Electric Company ("MERALCO"), and is authorized to represent in this Joint Application as per the attached Secretary's Certificate (ANNEX "A");

2. I have caused the preparation of the instant Joint Application and read the contents thereof, and I attest that the allegations herein contained are true and correct;

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. The foregoing Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

5. The factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery;

6. I have not commenced any other action or proceeding involving the same issues before the Supreme Court, the Court of Appeals or any court, tribunal, or quasi-judicial agency and, to the best of my knowledge, no such other action or claim is pending therein; and

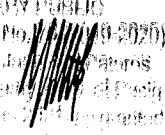
7. Should I hereinafter learn that the same or a similar action or claim has been filed or is pending in the Supreme Court, the Court of Appeals, or any court, tribunal, or quasi-judicial agency, I shall report such fact to this Honorable Commission within five (5) days from discovery of such fact.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 02 day of MAR 2021 at Pasig City, Philippines.


JOSE RONALD V. VALLES
Affiant

SUBSCRIBED and SWORN to before me this 02 day of MAR 2021, affiant having exhibited to me his Social Security System ID bearing the number 33-109000-88

Doc. No. 376
Page No. 77
Book No. IV
Series of 2021.

ATTEST: 
ATTY. GENERAL O. C. ROBLES
CLERK OF COURT
Appointment No. 10-2020
Pres. of the Court
Issued on 21 day of March at Pasig City
Valid until 31 day of March 2021
Notary Public for the Philippines
Roll No. 0911
7th Floor, Lopez Building, Ortigas Avenue, Pasig City

**VERIFICATION AND
CERTIFICATION AGAINST FORUM SHOPPING**

I, **PAUL BERNARD D. CAUSON**, Filipino, of legal age, and with office address at the 19th Floor, San Miguel Properties Centre, No. 7 St. Francis Street, Mandaluyong City, after having been duly sworn to in accordance with law, depose and state, that:

1. I am the authorized representative of Masinloc Power Partners Co. Ltd. ("MPPCL") a co-applicant in the above-captioned case;
2. I have caused the preparation and filing of the subject Joint Application and that I have read the contents thereof and all the allegations contained therein are true and correct based on my personal knowledge and on authentic and official records/documents;
3. Pursuant to the amended Rules of Civil Procedure which took effect on 01 May 2020, the Joint Application is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation and that the factual allegations therein have evidentiary support or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery; and,
4. I further certify that I have not filed any action involving the same issues in the Supreme Court, Court of Appeals, or any other courts or tribunals or quasi-judicial bodies/ agencies and to the best of my knowledge, no such other action or claim is pending therein. If ever there is a case pending before the said courts or tribunals involving the same issues, I undertake to inform the Honorable Commission of such fact within five (5) calendar days from knowledge thereof.

I am executing this undertaking in support of the Joint Application and the veracity of the allegations therein as well as for any other legal purpose this may serve.

IN WITNESS WHEREOF, I have hereunto set my hand this MAR 02 2021 at Mandaluyong City.


PAUL BERNARD D. CAUSON
Affiant

SUBSCRIBED AND SWORN to before me this MAR 02 2021 at Mandaluyong City. Affiant personally appeared and exhibited to me his Philippine Passport No. P8120059A issued on 27 July 2018 at the Department of Foreign Affairs (DFA), NCR East as his competent proof of identity.

Doc. No.: 358 ;
Page No.: 73 ;
Book No.: II ;
Series of 2021.




MARILEN S. VIZCO-ADRIANO
Appointment No. 0571-20
Notary Public for Mandaluyong City
Until December 31, 2021
No. 155 EDSA, Brgy. Wack-Wack, Mandaluyong City
Roll No. 52532
PTR No. 4577721; 01/07/2021; Mandaluyong City
IBP Lifetime IBP No. 835229; 10/08/2010; Quezon City Chapter
MCLE Compliance No. VI-0918687; 02/18/2019, Pasig City