

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

**IN THE MATTER OF THE  
APPLICATION FOR THE  
APPROVAL OF THE POWER  
SUPPLY AGREEMENT  
BETWEEN CENTRAL  
NEGROS ELECTRIC  
COOPERATIVE, INC. AND  
ENERGY DEVELOPMENT  
CORPORATION, WITH  
MOTION FOR  
CONFIDENTIAL  
TREATMENT OF  
INFORMATION AND  
PRAYER FOR  
PROVISIONAL AUTHORITY  
OR INTERIM RELIEF**

**ERC CASE NO. 2024-038 RC**

**CENTRAL NEGROS  
ELECTRIC COOPERATIVE,  
INC. (CENECO) AND  
ENERGY DEVELOPMENT  
CORPORATION (EDC),**

*Applicants.*

**x- - - - - x**

**Promulgated:**

March 18, 2024

**ORDER**

On 15 March 2024, Central Negros Electric Cooperative, Inc. (CENECO) and Energy Development Corporation (EDC) filed a *Joint Application*, dated 19 December 2023, seeking the Commission's approval of their Power Supply Agreement (PSA), with motion for confidential treatment of information and prayer for provisional authority or interim relief.

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

**PARTIES**

1. Applicant CENECO is an electric cooperative duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Corner Gonzaga-Mabini Sts., Bacolod City, Philippines. CENECO is represented here by its Acting General Manager, Atty. Arnel L. Lapore and counsel Atty. Irish Mae Rodriguez-Viceral, who have been authorized by its Board of Directors to file the Joint Application as evidenced by the Board Resolution dated March 9, 2023, attached hereto as Annex "DD".
2. Applicant EDC is a generation company duly organized, incorporated and registered under and by virtue of the laws of the Republic of the Philippines, with principal office at Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, represented in this instance by its Vice President, Marvin Kenneth S. Bailon, who has been authorized by its Board of Directors to file the Joint Application as evidenced by the Secretary's Certificate dated September 5, 2023, attached hereto as Annex "EE".
  - 2.1. EDC, as a generation company, falls within the ambit of Sections 6 and 29 of Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 ("EPIRA").
  - 2.2. Pursuant to the Honorable Commission's Resolution No. 02, Series of 2015 requiring distribution utilities and generation companies to jointly file applications for the approval of power supply agreements, EDC has joined in this Joint Application as a co-applicant.
  - 2.3. While EDC is a co-applicant, it manifests that this Joint Application shall neither modify, diminish, nor constitute as a waiver of EDC's rights nor expand its obligations and responsibilities as a generation company under the EPIRA.
3. Applicant CENECO is a grantee of a franchise by the National Electrification Administration to own and operate a system for the distribution of electricity in the cities of Bacolod, Silay, Talisay, Bago, and the municipalities of Murcia and Salvador Benedicto, all in the province of Negros Occidental (the "Franchise Area").
4. Applicant EDC owns and operates the approximately forty-nine megawatt (49 MW) Nasulo Geothermal Power Plant ("Power Plant") located in Valencia, Negros Oriental.
5. The Joint Applicants may be served with the orders, notices, and other processes of the Honorable Commission through their respective undersigned counsels at the address indicated herein.

**NATURE OF THE APPLICATION**

6. This is a Joint Application for the approval of the Power Supply Agreement (“PSA”) entered into by and between CENECO and EDC, being submitted to this Honorable Commission for its review and approval.

**STATEMENT OF FACTS**

7. Applicant CENECO is in need of a qualified supplier that can supply 20MW of power for a period of ten (10) years. Consequently, CENECO conducted a Competitive Selection Process (“CSP”), in compliance with the requirements of the Department of Energy (“DOE”) Department Circular No. (“DC”) 2015-06-008<sup>1</sup>, as supplemented by DC2018-02-0003<sup>2</sup> and amended by DC2021-09-0030.<sup>3</sup>
8. Pursuant to the aforementioned Department Circulars and NEA Memorandum No. 2019-007, Applicant CENECO, thru an Invitation to Bid published on January 13 and 20, 2023, had initiated and conducted a CSP to solicit the most competitive offer/s for its 20MW baseload power supply. After careful evaluation and review of the terms of the bid offers, Applicant EDC emerged as the winning bidder having the most advantageous proposal beneficial for CENECO’s consumers. Accordingly, Applicant CENECO issued a Notice of Award dated March 16, 2023. Thereafter, Applicants executed the subject PSA in accordance with the terms of reference and/or bidding documents of the CSP and EDC’s bid offer.
9. Applicants come now to this Honorable Commission for the approval of the PSA, in compliance with the implementing rules and regulations (“IRR”) of the EPIRA and the rules and guidelines issued by this Honorable Commission.

**ABSTRACT OF THE POWER SUPPLY AGREEMENT AND RELATED INFORMATION**

10. Under the PSA<sup>4</sup>, EDC shall supply power to CENECO for a term of ten (10) years with Contracted Capacity of 20MW. The salient terms of the PSA are as follows:
  - 10.1. Term. The Cooperation Period shall take effect for a period of ten (10) years starting from Target Delivery Date, which shall commence on the first day of the Billing Month following the receipt by the Parties of

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<sup>1</sup> Mandating all Distribution Utilities to Undergo Competitive Selection Process (CSP) in Securing Power Supply Agreements (PSA)

<sup>2</sup> Adopting and Prescribing the Policy for the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market.

<sup>3</sup> Amending Certain Provisions of and Supplementing Department Circular No. DC2018-12-0003 on the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market

<sup>4</sup> Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the PSA

this Honorable Commission’s approval, whether provisional or final, of the terms of the PSA.

- 10.2. **Supply and Purchase of Electricity.** Beginning Target Delivery Date, EDC shall make available to CENECO the Contracted Capacity from the Power Plant throughout the duration of the Cooperation Period. The parties agree that EDC shall have no obligation to supply more than the Contracted Capacity and CENECO shall have no obligation to purchase more than the Contracted Capacity. CENECO shall purchase at least Minimum Contracted Energy (“MCE”) from the Power Plant from Target Delivery Date throughout the duration of the Cooperation Period.
- 10.3. **Availability of Energy.** EDC shall supply Contracted Capacity from any of its Plants, and subject to the terms of the PSA, from the Wholesale Electricity Spot Market (“WESM”) or Suppliers, in accordance with the prudent utility practice and in compliance with applicable law, rules and regulations. Supply of Contracted Capacity shall be available except for interruption and/or reduction due to: (a) any Event of Force Majeure, or (b) safety or other causes as may be provided by law, rule, regulation, or order of a competent authority.
- 10.4. **Basic Energy Charge.** The Basic Energy Charge or the contract price agreed upon by the Parties is as provided in Schedule 4 of the PSA. It was derived using the following formula:

Base rate components for year 1

Non-escalating Component (PhP/kWh)	1.5675
Escalating Component (PhP/kWh)	4.7325

The Escalating Component listed in Table 2 of Schedule 4 of the PSA was determined by applying the formula below to the base components for year 1:

$$\text{Escalating Component } n \text{ (PhP/kWh)} = \text{Escalating Component } n-1 \text{ (PhP/kWh)} \times (1+2.5\%)$$

where n=year of adjustment

- 10.5. **Adjustment to Basic Energy Charge.** Except for the non-escalating components, the other components of the Basic Energy Charge shall be escalated annually starting year 2 following Schedule 4 of the PSA.
- 10.6. **Replacement Power.** It shall be the responsibility of EDC to provide replacement power in case there is delay in the delivery of the Contracted Capacity on the Target Delivery Date, except if the failure to supply is due to or attended by a Force Majeure Event. In the

event of failure by EDC to provide the replacement power, CENECO shall be allowed to source the replacement power at the expense of EDC provided that CENECO shall exercise prudence in sourcing such replacement power. EDC shall pay a penalty for every instance of failure to provide replacement power. The parties agree that the replacement power rate shall be the actual price of replacement power of the prevailing WESM rate, whichever is lower but shall in no case exceed the ERC-approved tariff under the PSA.

11. The charges under the PSA will result to lower generation cost charges of CENECO. Below is an analysis of the rate impact:

**RATE IMPACT ANALYSIS**

12. CENECO simulated a rate impact analysis which resulted in an average reduction of 0.0367 Php/kWh from its existing supplier/s with the execution of the PSA with EDC:

**A. Rate Impact Simulation without Energy Development Corporation**

Source	% to Total kWh Purchased	(A)	(B)	(C= B + C)	(D = C/A)
		kWh Purchased	Basic Generation Cost (PhP)	Total Gen Cost for the month (PhP)	Average Gen Cost (PhP/kWh)
<b>A Power Supply Agreement (PSAs)</b>					
1 Supplier 1	18.47%	14,400,000	88,561,440.00	88,561,440.00	6.1501
2 Supplier 2	6.16%	4,800,000	23,769,513.00	23,769,513.00	4.9520
3 Supplier 3	32.30%	25,186,136	212,818,211.89	212,818,211.89	8.4498
4 Supplier 4	0.82%	643,200	31,991,912.85	31,991,912.85	
5 Supplier 5	0.57%	443,873	2,645,589.43	2,645,589.43	5.9602
Subtotal	58.32%	45,473,209	359,786,667.18	359,786,667.18	7.9121
B Wholesale Electricity Spot Market	41.68%	32,494,230	211,177,558.64	211,177,558.64	6.4989
<b>Total Generation Charges</b>	<b>100%</b>	<b>77,967,439</b>	<b>570,964,226</b>	<b>570,964,225.82</b>	<b>7.3231</b>

**B. Rate Impact Simulation with Energy Development Corporation**

Source	% to Total kWh Purchased	(A)	(B)	(C= B + C)	(D = C/A)
		kWh Purchased	Basic Generation Cost (PhP)	Total Gen Cost for the month (PhP)	Average Gen Cost (PhP/kWh)
<b>A Power Supply Agreement (PSAs)</b>					
1 Supplier 1	18.47%	14,400,000	88,561,440.00	88,561,440.00	6.1501
2 Supplier 2	6.16%	4,800,000	23,769,513.00	23,769,513.00	4.9520
3 Supplier 3	32.30%	25,186,136	212,818,211.89	212,818,211.89	8.4498
4 Supplier 4	0.82%	643,200	31,991,912.85	31,991,912.85	
5 Supplier 5	0.57%	443,873	2,645,589.43	2,645,589.43	5.9602
6 Energy Development Corporation	18.47%	14,400,000	90,720,000.00	90,720,000.00	6.3000
Subtotal	76.79%	59,873,209	450,506,667	450,506,667.18	7.5243
B Wholesale Electricity Spot Market	23.21%	18,094,230	117,593,040.88	117,593,040.88	6.4989
<b>Total Generation Charges</b>	<b>100%</b>	<b>77,967,439</b>	<b>568,099,708</b>	<b>568,099,708.06</b>	<b>7.2884</b>

Generation Mx Rate without EDC	7.3231
Generation Mx Rate with EDC	7.2884
Difference (Increase/ (Decrease))	(0.0367)

13. Likewise, the Applicants provide the following documents in support of the instant Application:

Annex	Documents/Information
A	Power Supply Agreement between EDC and CENECO

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B	Articles of Incorporation and By-laws of CENECO
B-1	Verified Certification of Board Members
C-series	Certificate of Incorporation with Articles of Incorporation and By-laws, and Amended Articles of Incorporation and Amended By-Laws of EDC
D	Latest General Information Sheet of EDC
D-1	Verified Certification on Board of Directors and Board Members of the Ultimate Parent Company, its Subsidiaries and Affiliates
E	Board of Investment (“BOI”) Certificate of Registration
F	Environmental Compliance Certificate (“ECC”) issued by the Department of Environment and Natural Resources (“DENR”)
G	ERC Certificate of Compliance of EDC
H	Certificate of Endorsement of Department of Energy
I*	Geothermal Renewable Energy Service Contract
J	DOE Certificate of Registration
K	Demand Side Management Program
L	Distribution Development Plan and Power Supply Procurement Plan
M	Supply and Demand Scenario and Average Daily Load Curve
M-1	Rate Impact Analysis
N	Performance Assessment of System
O	Estimated Customer Load Reduction
P	Single Line Diagram
Q-series*	Competitive Selection Process documents
R-series	Transmission Service Agreements
S	Executive Summary of PSA
T*	Sources of Funds/Financial Plans (Debt/Equity Ratio, Project Cost, Computation of Return on Investment/WACC, Life of Asset versus Term of

	Loan) and True Cost of Generation and Other Costs
U*	Bank Certifications
V*	Technical and Economic Characteristics of Generation Capacity
W	Latest Audited Financial Statement of EDC
X*	Fuel Procurement Certification
Y*	Heat Rate Computation
Z-series	WESM Membership
AA	Write up on other requirements of EDC
BB	Write up on other requirements of CENECO
CC	Affidavit in support of the Provisional Authority
DD	Board Resolution of CENECO
EE	Secretary's Certificate of EDC
EE-1	Special Power of Attorney in favor of QMBTI

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

**COMPLIANCE WITH PRE-FILING REQUIREMENTS**

14. In compliance with the ERC Rules of Practice and Procedure, Applicants have furnished the Office of the Mayor and the legislative body of the city wherein the principal place of business of CENECO is located, a copy of the Joint Application with all its annexes and accompanying documents. Affidavits of Service to or Certifications issued by the Presiding Officer or Secretary of the legislative body and the Office of the Mayor of Bacolod City, or from their duly authorized representatives, attesting to the fact of service of the Application are attached hereto as Annex "FF-series".
15. Likewise, a copy of the present Joint Application with all its annexes and accompanying documents was furnished to the City of Pasig where EDC's principal place of business is located, and to the municipality of Valencia and the Province of Negros Oriental as EDC's place of operation. Copies of the certification of receipt from and/or Affidavit of Service to the Presiding Officer or Secretary of the legislative body and the Office of the Mayor of Pasig City and the municipality of Valencia, and the Presiding Officer or Secretary of the legislative body and the Office of the Governor of the Province of Negros Oriental, or from their duly authorized representatives attesting to the fact of service are attached hereto as Annex "GG-series".
16. Applicants have also caused the publication of the present Joint Application in a newspaper of general circulation within

the Franchise Area of CENECO. Copies of the corresponding duly notarized Affidavit of Publication and the newspaper publication are attached hereto as Annexes “HH” and “II”.

**MOTION FOR CONFIDENTIAL TREATMENT OF INFORMATION**

17. Section 1, Rule 4, of the ERC Revised Rules of Practice and Procedure provides that a party to a proceeding before the Honorable Commission may move for information to be treated as confidential.
18. Pursuant thereto, Applicants pray that the information contained in the documents attached as annexes be treated as confidential and that the same be continuously protected from public disclosure, except to the officers and staff of the Honorable Commission, as follows:

Annex	Documents/Information
I*	Geothermal Renewable Energy Service Contract
Q-series*	Competitive Selection Process documents
T*	Sources of Funds/Financial Plans (Debt/Equity Ratio, Project Cost, Computation of Return on Investment/WACC, Life of Asset versus Term of Loan) and True Cost of Generation and Other Costs
U*	Bank Certifications
V*	Technical and Economic Characteristics of Generation Capacity
X*	Fuel Procurement Certification
Y*	Heat Rate Computation

19. Annexes “I”, “Q-series”, “T”, “U”, “V”, “X”, and “Y” contain information and data where Applicants are bound by confidentiality provisions or have actual and valuable proprietary interest to protect with respect to such information, which fall within the bounds of “trade secrets”, which are entitled to protection under the Constitution, statutes, and rules and regulations of this Honorable Commission.
  - 19.1. Some of the foregoing annexes contain non-public, proprietary information and data involving EDC’s source of funds, generation rate calculations, and cash flow. EDC determines its competitive rates through these data, thus, the information contained in these documents are privileged and confidential in nature.



- 19.2. Likewise, the details in the said annexes contain information pertaining to the core of EDC's business operations and any disclosure thereof will affect EDC's competitiveness in the industry. As such, the information contained in these documents are likewise privileged and confidential in nature.
- 19.3. Some of the foregoing annexes are also covered by confidential provisions or agreements. As such, information therein will have to be retained as confidential.
- 19.4. Furthermore, the information and data in the aforementioned annexes are not generally available to the public.
20. In the case of *Air Philippines Corporation vs. Pennswell, Inc.*,<sup>5</sup> the Supreme Court defined "trade secrets" and explained that:

**"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 a 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 an advantage over competitors who do not possess the information. Generally, a trade secret is a process or device intended for continuous use in the 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.)**

21. Moreover, the Honorable Commission categorically acknowledged in its Decision in ERC Case No. 2015-111 RC<sup>6</sup> that formulas and pricing structures of a generation company must be accorded confidential protection, to wit:

**"In the case of PNOC RC, the documents sought to be protected from disclosure contain formula and pricing structures used in arriving at their proposed tariff. In fact, all three (3) documents were used by the Commission in evaluating the reasonableness of the proposed rate. In the electric power industry w(h)ere prices is[sic] a major consideration in selecting one's supplier, it is apparent that the assumptions used in arriving at one's proposed tariff is considered a**

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<sup>5</sup> 564 Phil. 774 (2007), G.R. No. 172835.

<sup>6</sup> Decision, ERC Case No. 2015-111 RC dated 30 May 2017 entitled "*In the Matter of the Application for 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).*"

**competitive leverage by one player against its competitors.**

**Thus, the Commission resolves to treat the said documents confidential and may not be publicly disclosed.” (Emphasis supplied).**

22. Clearly, the Honorable Commission recognizes the importance of treating pricing structures as confidential in order to ensure competitiveness of the generation sector. This information, which falls within the definition of a trade secret as defined by jurisprudence, merits the confidential treatment provided for under Rule 4 of the ERC Rules of Practice and Procedure.

**ALLEGATIONS IN SUPPORT OF THE PRAYER FOR  
PROVISIONAL AUTHORITY OR INTERIM RELIEF**

23. Under Rule 14 of the ERC Rules of Practice and Procedure, the Honorable Commission is authorized to issue provisional authority or interim relief prior to a final decision, provided the facts and circumstances alleged warrant such remedy.
24. CENECO’s total peak demand was at 156.43 MW<sup>7</sup>, of which only 73.9 MW had bilateral contracts. This shows that 82MW or approximately 52% of CENECO’s demand is being sourced from the Wholesale Electricity Spot Market (WESM) exposing CENECO’s consumers to the fluctuation of WESM prices;
25. Thus, there is an urgent necessity for the issuance of provisional authority or interim relief, pending final resolution of this instant Application, in order to protect CENECO’s consumers from the price fluctuations in the WESM while enjoying stable and reliable supply of electric power;
26. Moreover, as shown from the comparative scenarios of the Rate Impact Analysis, the immediate implementation of the PSA between EDC and CENECO reflects the most beneficial and cheapest generation charges with a resultant estimated generation rate reduction of 0.0367 Php/kWh.
27. The implementation of the PSA with EDC will afford CENECO’s consumers with a reliable supply of electricity at affordable rates.
28. The grant of a provisional authority or interim relief will allow CENECO to have a steady, continuous, guaranteed and reliable source of electricity, which will immediately redound to the benefit of CENECO’s consumers in terms of providing a more affordable rate. CENECO’s Affidavit in support of the Motion for Provisional Authority or Interim Relief is attached as Annex “CC” of the Application.

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<sup>7</sup> As of November 30, 2023.

PRAYER

WHEREFORE, premises considered, Applicants CENECO and EDC, respectfully pray that this Honorable Commission:

- (i) ISSUE an Order treating Annexes "I", "Q-series", "T", "U", "V", "X", and "Y" as confidential in perpetuity, directing their non-disclosure to persons other than the officers and staff of the Honorable Commission, perpetually 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, pursuant to Rule 4 of its Rules of Practice and Procedure;
- (ii) Immediately GRANT and ISSUE a provisional authority or interim relief authorizing CENECO and EDC to implement the PSA, including the rates therein; and
- (iii) After due notice and hearing on the merits and consideration of this Honorable Commission, ISSUE a Decision approving the Joint Application and PSA between CENECO and EDC and/or making the provisional authority or interim relief permanent and final.

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

Finding the said *Joint Application* to be sufficient in form and with the required fees having been paid, the Commission hereby sets the same 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<sup>8</sup> and Resolution No. 01, Series of 2021<sup>9</sup> (ERC Revised Rules of Practice and Procedure):

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<sup>8</sup> A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

<sup>9</sup> A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

<b>Date</b>	<b>Platform</b>	<b>Activity</b>
<b>16 May 2024</b> (Thursday) at nine o'clock in the morning (9:00 A.M.)	<b>MS Teams Application</b>	Determination of compliance with jurisdictional requirements and expository presentation
<b>23 May 2024</b> (Thursday) at nine o'clock in the morning (9:00 A.M.)		Pre-Trial Conference and Presentation of Evidence

Accordingly, CENECO and EDC are hereby directed to host the virtual hearings at **CENECO's principal office located at Corner Gonzaga-Mabini Sts., Bacolod City**, as the designated venue for the conduct thereof, and ensure that the same is open to the public. Moreover, Applicants shall guarantee that, during the conduct of the expository presentation, the participation of the public shall not be impaired.

**RELATIVE THERETO**, CENECO and EDC are hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* in two (2) newspapers of nationwide circulation in the Philippines at their own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart, and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing* the Offices of the Provincial Governor, the Mayors, and their respective Local Government Unit (LGU) legislative bodies within CENECO's franchise area for the appropriate posting thereof on their respective bulletin boards;
- 3) Inform the consumers within CENECO's franchise area, by any other means available and appropriate, of the filing of the *Joint Application*, its reasons therefor, and of the scheduled virtual hearings thereon;

- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire, to send their duly authorized representatives at the scheduled hearing; and
- 5) Furnish with copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

**Within five (5) calendar days** prior to the date of the initial virtual hearing, CENECO and EDC must submit to the Commission via electronic mail (e-mail) at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), the scanned copies of its written compliance with the aforementioned jurisdictional requirements, attaching the following methodically arranged and duly marked documents:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of affidavits of the Editors or Business Managers of the newspaper where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspapers;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governor, Mayors, and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;
- 3) The evidence of other means employed by CENECO and EDC to inform the consumers within CENECO's franchise area of the filing of the *Joint Application*, its reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, the COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Joint Application* and its attachments, except those subject of a motion for confidential treatment of information, if any, by all those making requests therefor; and

- 6) Such other proof of compliance with the requirements of the Commission.

Moreover, CENECO and EDC are hereby required to post on their bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publication and certifications issued by the concerned Offices of the Governor, Mayors and Local Legislative Bodies, and to submit proof of posting thereof.

Joint Applicants CENECO and EDC, and all interested parties are also required to submit via e-mail at [doCKET@erc.ph](mailto:doCKET@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** before the date of the scheduled virtual hearing and Pre-Trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-Trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-Trial Brief.

Joint Applicants CENECO and EDC must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission **at least five (5) calendar days** before the date of the scheduled initial virtual hearing and Pre-Trial Conference, pursuant to the preceding paragraph.

Failure of CENECO and EDC to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearings.

Joint Applicants CENECO and EDC must also be prepared to make an expository presentation of the instant *Joint Application*, aided by whatever communication medium that they may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Joint Application*. Relevant information and pertinent

details substantiating the reasons and justifications for the *Joint Application* must be cited in support thereof.

Joint Applicants CENECO and EDC are hereby directed to file a copy of their Expository Presentation via e-mail at [docket@erc.ph](mailto:docket@erc.ph), and copy furnish the Legal Service through [legal@erc.ph](mailto:legal@erc.ph), **at least five (5) calendar days** prior to the scheduled virtual hearing. Applicants shall also be required, upon the request of any stakeholder, to provide an advance copy of their expository presentation, **at least five (5) calendar days** prior to the scheduled virtual hearing.

Joint Applicants CENECO and EDC are further directed to submit, through personal service, registered mail, or ordinary mail/private courier, one (1) set of the original or certified true hard copies of their Jurisdictional Compliance, Expository Presentation, Pre-Trial Brief, and Judicial Affidavits of witnesses, **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.

Finally, CENECO and EDC, including their authorized representatives and witnesses, are hereby directed to provide the Commission, through [legal.virtualhearings@erc.ph](mailto:legal.virtualhearings@erc.ph), their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

**SO ORDERED.**

Pasig City, 18 March 2024.

FOR AND BY AUTHORITY  
OF THE COMMISSION:

  
**MONALISA C. DIMALANTA**  
*Chairperson and CEO*

  
LS: ECI/MYM/LSP

**ERC**  
Office of the Chairperson and CEO



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**Copy Furnished:**

1. Central Negros Electric Cooperative, Inc. (CENECO)  
*Co-Applicant*  
Corner Gonzaga-Mabini Sts., Bacolod City
2. Atty. Irish Mae V. Rodriguez  
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6. Commission on Audit  
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Email: [citizensdesk@coa.gov.ph](mailto:citizensdesk@coa.gov.ph)
7. Senate Committee on Energy  
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Email: [senateenergycommittee@gmail.com](mailto:senateenergycommittee@gmail.com)
8. House Committee on Energy  
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9. Regulatory Operations Service  
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10. Office of the Governor  
Province of Negros Occidental
11. Local Government Unit (LGU) Legislative Body  
Province of Negros Occidental
12. Office of the City Mayor  
Bacolod City, Negros Occidental
13. LGU Legislative Body  
Bacolod City, Negros Occidental
14. Office of the City Mayor  
Silay City, Negros Occidental
15. LGU Legislative Body  
Silay City, Negros Occidental
16. Office of the City Mayor  
Talisay City, Negros Occidental
17. LGU Legislative Body  
Talisay City, Negros Occidental
18. Office of the City Mayor  
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19. LGU Legislative Body  
Bago City, Negros Occidental
20. Office of the Municipal Mayor  
Murcia, Negros Occidental
21. LGU Legislative Body  
Murcia, Negros Occidental
22. Office of the Municipal Mayor  
Salvador Benedicto, Negros Occidental
23. LGU Legislative Body  
Salvador Benedicto, Negros Occidental
24. Office of the Governor  
Province of Negros Oriental
25. LGU Legislative Body  
Province of Negros Oriental