Republic of the Philippines ENERGY REGULATORY COMMISSION Pasig City

IN THE MATTER OF THE FOR APPLICATION THE APPROVAL OF THE **CONTRACT FOR SUPPLY OF ELECTRIC ENERGY (CSEE)** WITH AURORA ELECTRIC INC. **COOPERATIVE.** (AURELCO) AND LETTERS AGREEMENT OF (LOA) WITH PAMPANGA Π ELECTRIC COOPERATIVE, INC. (PELCO II), LOCATED IN THE LUZON GRID, WITH **PRAYER FOR ISSUANCE OF PROVISIONAL AUTHORITY**

ERC CASE NO. 2024-126 RC

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM), Applicant.

Promulgated: October 14, 2024

NOTICE OF VIRTUAL HEARING

TO ALL INTERESTED PARTIES:

Notice is hereby given that on 07 October 2024, Power Sector Assets and Liabilities Management Corporation (PSALM) filed an *Application* dated 29 August 2024, seeking the Commission's Approval of their Contract for Supply of Electric Energy (CSEE) with Aurora Electric Cooperative, Inc. (AURELCO) and Letters of Agreement (LOA) with Pampanga II Electric Cooperative, Inc. (PELCO II), located in the Luzon Grid, with Prayer for Issuance of Provisional Authority.

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

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 2 OF 15

- 1. Pursuant to Section 67 of Republic Act No. 9136, otherwise known as the *Electric Power Industry Reform Act of 2001* ("EPIRA") and Section 5, Article III of the Energy Regulatory Commission's ("ERC") Guidelines for the Recovery of Costs for the Generation Component of the Distribution Utilities' Rate, PSALM respectfully submits this Application for the approval of the Contract for the Supply of Electric Energy ("CSEE") with Aurora Electric Cooperative, Inc. ("AURELCO") and Letters of Agreement ("LOAs") entered into by PSALM with Pampanga II Electric Cooperative, Inc. ("PELCO II") ("AURELCO"), all located in the Luzon Grid.
- 2. PSALM is a government-owned and controlled corporation created by virtue of the EPIRA, with principal office address at 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City.
- 3. Section 67 of the EPIRA mandates the National Power Corporation ("NPC") to file before this Honorable Commission its Transition Supply Contracts ("TSCs") or CSEE duly negotiated with the Distribution Utilities ("DUs"). Notably, Section 49 of the same law created PSALM which took ownership of NPC's generation assets, liabilities, Independent Power Producer contracts, real estate and all other disposable assets.
- 4. Pursuant to the above-mentioned provisions, NPC sent PSALM an Assignment Letter dated 11 May 2009.

A copy of the NPC Assignment Letter is attached hereto as **Annex "A.**"

- 5. In view of such assignment, PSALM (the present party to the CSEE/LOAs) is filing the instant Application.
- 6. In order to facilitate the approval of CSEEs, the ERC issued Resolution No. 8, Series of 2005 dated 07 July 2005, which adopted a template for the CSEEs. Said template was later on amended by the ERC in its Resolution No. 15, Series of 2005 dated 09 August 2005.
- 7. In ERC Resolution No. 33, Series of 2006, entitled *"Resolution Clarifying the Purpose of the Adoption of the Transition Supply Contract ("TSC") Template,"* the ERC clarified that the template should merely serve as a guide and should not be construed as the contract contemplated under Section 67 of the EPIRA.

THE CSEE and LOAs SUBJECT OF THIS APPLICATION

8. PSALM is filing the instant Application for the approval of the CSEE and LOAs with the following DUs:

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 3 OF 15

DU	CSEE/LOA	Covered	Annex
		Period/	
		Contract	
		Duration	
Aurora Electric	CSEE between PSALM	26 December	В
Cooperative, Inc.	and AURELCO ¹ dated 14	2023 to 25	
("AURELCO")	November 2023	December 2024	
Pampanga II Electric	LOA between PSALM and	26 December	B-1
Cooperative, Inc.	PELCO ² dated 22	2022 to 25 June	
("PELCO II")	December 2022	2023	
Pampanga II Electric	LOA between PSALM and	26 June 2023 to	B-2
Cooperative, Inc.	PELCO ³ dated 21 June	25 December	
("PELCO II")	2023	2023	

BACKGROUND OF THE CSEE AND LOAS SUBJECT OF THIS APPLICATION

9. The CSEE and LOAs subject of this Application were executed in consideration of the following requests by the abovementioned DUs:

DU	Letter/Request	Annex
AURELCO	AURELCO letter dated 11 April 2023 to PSALM	С
	expressing its intent to enter into a CSEE with	
	PSALM to procure its 3MW power requirements	
	from 26 December 2023 to 25 December 2024. On	
	26 April 2023, the PSALM Board of Directors,	
	through Board Resolution No. 2023-0426-01,	
	approved the execution of the above- mentioned	
	CSEE.	
PELCO II	PELCO II letter dated 27 October 2022 to PSALM	C-1
	expressing its intent to extend its CSEE for six (6)	
	months covering the period 26 December 2022 to	
	25 June 2023. PSALM granted PELCO II's request	
	for the extension of the CSEE.	
PELCO II	PELCO II letter dated 28 April 2023 to PSALM	C-2
	expressing its intent to extend its contract under	
	its existing LOA for six (6) months covering the	
	period 26 June 2023 to 25 December 2023.	
	PSALM granted PELCO II's request for the	
	extension of the contract.	

10. Copy of the Secretary's Certificate attesting to the approval of the execution of the PSALM-AURELCO CSEE by the PSALM's Board of Directors pursuant Board Resolution No. 2023-0426-01 is attached herein as **Annex "D"**.

¹ Hereinafter referred to as the "PSALM-AURELCO CSEE".

² Hereinafter referred to as the "1st **PSALM-PELCO II LOA**".

³ Hereinafter referred to as the "2nd PSALM-PELCO II LOA".

Salient Provisions of the PSALM-AURELCO CSEE

11. The subject CSEE has the following salient provisions:

(i) <u>CONTRACT ENERGY</u>

- 4.1 Contract Energy and Equivalent Demand as indicated in Annex I may be changed by PSALM at any time during the Contract Duration due to: (a) a change in the projected available capacity of PSALM's power plants; or (b) the privatization of any of the assets of PSALM pursuant to the EPIRA.
 - 4.1.1 CUSTOMER shall nominate: (i) its hourly month-ahead energy quantity requirements three (3) days before the start of the next billing period; and (ii) its day ahead energy requirements in a per 5- minute interval on or before 1400H. On a day-to-day transaction, the CUSTOMER shall confirm the schedule of hourly energy requirements to PSALM on the day ahead. PSALM shall declare to WESM the schedule of energy requirements delivered to customers immediately on the day after.

(ii) <u>ASSIGNABILITY</u>

- PSALM may assign or transfer part or all of its rights **4.8** and obligations in the supply of Contract Energy herein stated, to any such entity, provided that prior written notice is given to the CUSTOMER Ninety (90) days before the actual transfer. This Contract shall remain binding to Parties, their successors and assignees. PSALM warrants that any sale, assignments, transfer, or subcontracting of the Contract shall not affect or impair the CUSTOMER's rights and obligations with respect to quantity and price of electricity, Contract effectivity, incentives, discounts and other terms and conditions of this Contract. The assignee shall, by written instrument, assume the rights and obligations of PSALM to CUSTOMER. Should this Contract be assigned by PSALM to a Successor Generating Company (SGC) by virtue of the privatization of the PSALM Generating Plant pursuant to the EPIRA, the SGC has the option to renegotiate this Contract with the CUSTOMER within six (6) months from its actual transfer to the SGC. If the CUSTOMER and the SGC fail to reach an agreement, either Party shall have the right to terminate this Contract.
- **4.9** The CUSTOMER may assign, sell or transfer a part or all of its Contract Energy and/or Equivalent Demand either permanently or for a certain number of billing periods, subject to the written consent of PSALM under

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 5 OF 15

the following conditions, and which consent shall not be unreasonably withheld:

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

(iii) <u>SECURITY DEPOSIT AMOUNT</u>

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

(iv) FORM AND TIME OF POSTING

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

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 6 OF 15

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

(v) <u>RELEASE OF SECURITY DEPOSIT</u>

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

(vi) **BASIC ENERGY CHARGE**

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

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

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

(vii) MINIMUM CHARGES

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

period and FBHC, subject to deductions and adjustments as expressly provided for in this Contract.

(viii) FUTURE ADJUSTMENT

6.3 CUSTOMER shall be liable to pay (or be entitled for a refund on) any applicable ERC-approved cost/true- up adjustments for the period it was drawing power from PSALM.

(ix) <u>SERVICE INTERRUPTION ADJUSTMENT</u>

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

(x) <u>MAINTENANCE SERVICE ADJUSTMENT</u>

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

(xi) <u>PROMPT PAYMENT DISCOUNT</u>

6.11 Subject to ERC's approval, the Prompt Payment Discount (PPD) shall be in accordance with PSALM's latest credit and collection policies duly approved by the PSALM Board as provided below, unless otherwise amended:⁴

(xii) **DISPUTED BILLS**

6.12 Should there be any dispute on bills, any such dispute would be considered as waived unless the CUSTOMER questions the same in writing within sixty (60) calendar days from the CUSTOMER's receipt thereof. On a "best-efforts basis", PSALM commits to resolve such dispute within a period of sixty (60) calendar days counted from PSALM receipt of the CUSTOMER's written dispute, the disputed bills and complete supporting documents.

⁴ Please see 6.11.a to 6.11.h. of the PSALM-AURELCO CSEE.

(xiii) OVERDUE ACCOUNT

- **6.16** In the event that a power bill remains unpaid within five (5) days after its due date, PSALM has the option to call on or draw against the Security Deposit as provided for under Section 5 (Security Deposit).
- **6.17** The CUSTOMER shall pay its unpaid current power account within thirty (30) days from receipt of notice from PSALM. Any current power bill or account of the CUSTOMER not paid on the due date shall bear a floating interest rate computed from the first day after it becomes due and payable pursuant to PSALM's Credit and Collection Policy. The floating interest rate shall be based on the highest non-prime lending rate of PSALM's depository banks for every quarter ending March, June, September and December of each year. Interest on overdue accounts shall be computed based on a 360-day year.
- **6.18** A restructuring agreement and/or special payment arrangement of the overdue account shall be executed by PSALM and the CUSTOMER, subject to the PSALM's Credit and Collection Policy and such other terms and conditions which may be agreed upon by the Parties.

(xiv) DEDUCTION DUE TO FORCE MAJEURE

- **8.4** The Duties and responsibilities of the Party affected by the Force Majeure shall be temporarily suspended while the Force Majeure subsists. Moreover, the Parties shall be excused from performing their respective obligations under this Contract and shall not be liable for damages if and only to the extent that they are unable to so perform or are prevented from performing their respective obligations under this Contract by reason of the Event Force Majeure, provided that:
 - a. The Party affected by the Force Majeure gives the other Party written notice describing the event, the effect thereof, the specific time it would need to recover from the Force Majeure (if known), and the actions being taken in response thereto.
 - b. The other Party shall have thirty (30) days to verify or deny in writing that such situation exists.
 - c. The Contract Energy and Equivalent Demand shall be adjusted to the actual off-take below

contract level for all hours when service was suspended because of a Force Majeure.

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

(xv) <u>CONTRACT TERMINATION</u>

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

(xvi) **EFFECTIVITY**

8.16 This Contract shall be executed in counterparts and shall be effective when at least one counterpart shall have been executed by one of the parties herein, and each set of counterparts shall constitute one single and binding agreement.

The PSALM-PELCO II LOAs

12. PELCO II previously executed a CSEE with PSALM covering the period from 26 March 2022 to 25 December 2022 (the "PSALM-PELCO II CSEE"). The PSALM-PELCO II CSEE was submitted for approval to the Honorable Commission in ERC Case No. 2022-072 RC⁵ and the same is already pending for resolution.

1st PSALM-PELCO II LOA

- 13. In a letter dated 27 October 2022, PELCO requested PSALM for an extension of six (6) months covering the period 26 December 2022 to 25 June 2023 with the same equivalent demand of 15MW.
- 14. PSALM presented the said request to the Board for its information and the corresponding *Letter of Agreement* was entered into by PSALM President and CEO in accordance with PSALM's Manual of Approvals.
- 15. This 1st PSALM-PELCO II LOA amended Section 3.1 on Contract Duration of the PSALM-PELCO II CSEE. Further, it is understood that the PSALM-PELCO II LOA shall be an integral part of the PSALM-PELCO II CSEE, and the terms and conditions not otherwise affected by the abovementioned amendment shall remain valid and effective.

⁵ The PSALM-SIARELCO CSEE is Annex B-12 of the Application.

2nd PSALM-PELCO II LOA

- 16. In a letter dated 28 April 2023 to PSALM, PELCO II again expressed its intent to extend its contract under the existing LOA for six (6) months covering the period 26 June 2023 to 25 December 2023. PSALM granted PELCO II's request for the extension of the contract.
- 17. PSALM presented the said request for this 2nd PSALM-PELCO II LOA to the Board for its information and thus, the parties executed the 2nd PSALM-PELCO II LOA.
- 18. It is understood that this 2nd PSALM-PELCO II LOA shall be an integral part of the PSALM-PELCO II CSEE as well as the 1st PSALM-PELCO II LOA, and the terms and conditions not otherwise affected by the above-mentioned amendment shall remain valid and effective.
- 19. Summaries of the corresponding Equivalent Demand, Contracted Energy, and Load Factor computation are indicated in the subject CSEE and LOAs.

PSALM'S EXEMPTION FROM JOINING THE COMPETITIVE SELECTION PROCESS ("CSP")

20. This Honorable Commission recognized that PSALM is exempted from joining the CSP in the procurement of power supply. In a letter dated 20 September 2016, the Honorable Commission said that PSALM need not participate in the CSP due to the nature of its operations.

A copy of the Honorable Commission's letter dated 20 September 2016 is attached hereto as **Annex "E"**.

21. This Honorable Commission also recognized PSALM's exemption from joining the CSP in its Decisions in ERC Case No. 2016-186 RC,⁶ ERC Case No. 2018-054 RC,⁷ and ERC Case No. 2019-040 RC.⁸ Moreover, in its Decision in ERC Case No. 2019-040 RC, the Honorable Commission referred to Section 2 of the Department of Energy's ("DOE") Department Circular No. 2018-02-0003⁹ to further justify PSALM's exemption from joining the CSP.

⁶ Dated 24 October 2017.

⁷ Dated 20 September 2021.

⁸ Dated 21 July 2021.

⁹ Entitled "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."

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 11 OF 15

22. In relation to Section 2.2.1.5 of the DOE Department Circular No. 2021-09-0030¹⁰ relative to the provision of power supply by PSALM through bilateral contracts and submission of Certificate of Exemption ("COE") from the conduct of CSP, the DOE through its letter dated 07 March 2022, requested PSALM to include as one of its requirements in entering/renewing a CSEE, a letter from the DOE that the DU has a pending application/request for the issuance of a COE" from the conduct of CSP.

Pursuant thereto, copies of the following COEs and letter are hereby submitted:

DU	COE/Letter	Annex
AURELCO	COE issued by the DOE on 19 July	F
	2023	
PELCO II	COE issued by the DOE on 25 May	F-1
(1 st LOA)	2023	
PELCO II	DOE letter dated 19 October 2023	F-2
(2 nd LOA)		

23. For the 2nd PSALM-PELCO II LOA, the DOE in its letter dated 19 October 2023 to PELCO II, informed the latter that it will no longer accept COE-CSP Applications and advised PELCO II to directly apply the request for COE-CSP issuance to the Honorable Commission for review and approval.

<u>COMPLIANCE WITH THE HONORABLE COMMISSION'S</u> <u>PRE-FILING REQUIREMENTS</u>

- 24. In compliance with Section 2, Rule 6 (Pre-Filing Requirements) of the Honorable Commission's Resolution No. 01, Series of 2021 (the "ERC Revised Rules of Practice and Procedure"), a copy of the instant Application (including its Annexes) will be furnished to the offices of the City Mayor and the Sangguniang Panlungsod of Quezon City and be published (excluding its Annexes) in a newspaper of general circulation.
- 25. The proof of compliance with the Pre-Filing Requirements, particularly, the service to the Mayor and the Sangguniang Panlungsod of Quezon City as well as the publication of the instant Application, shall be attached to the instant Application as **Annexes "G" and series**, pursuant to Section 3, Rule 6 of the ERC Revised Rules of Practice and Procedure.

ALLEGATIONS IN SUPPORT OF THE ISSUANCE OF PROVISIONAL AUTHORITY

¹⁰ Entitled, "Amending Certain Provisions of and Supplementing Department Circular No. DC2018-02-0003 on the Competitive Selection Process in the Procurement by the Distribution Utilities of Power Supply Agreement for the Captive Market"

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 12 OF 15

- 26. PSALM acknowledges that the continued operation of the DUs subject of this Application is indispensable to the economic efficiency of the franchise areas they serve, not to mention the ripple effect of that efficiency to the economic growth of the entire country. In order for the DUs to continue lawfully drawing electricity from the grid, it is imperative that it enters into agreement/s with PSALM as Supplier for the supply of electricity, through a contract for the sale of electricity, hence the respective LOAs.
- 27. A grant of Provisional Authority ("PA") or Interim Relief to implement the LOAs subject of this Application, will ultimately redound to the benefit of end consumers.
- 28. Attached as **Annex "H"** is the Affidavit of Engr. James Marvin A. Mamaradlo, the Corporate Staff Officer B of the Electricity Trading Department under PSALM's Privatization and Asset Management Group, attesting to the truth of the above matters.
- 29. Pursuant to the ERC Revised Rules of Practice and Procedure, the Honorable Commission may exercise its discretion by granting a PA or an Interim Relief prior to a final decision.
- 30. It is understood that the PA or Interim Relief sought by PSALM, which may be granted by the Honorable Commission, shall be subject to adjustments and other conditions that the Honorable Commission may impose upon final evaluation of the Application.¹¹

PRAYER

WHEREFORE, Applicant POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION ("PSALM") most respectfully prays that the Honorable Commission *APPROVE* the following Contract for the Supply of Electric Energy ("CSEE") and Letters of Agreement ("LOAs"):

- a) PSALM-AURELCO CSEE duly notarized on 14 November 2023
- b) PSALM-PELCO II LOA dated 22 December 2022; and
- c) PSALM-PELCO II LOA dated 21 June 2023

It is likewise prayed that a Provisional Authority *BE ISSUED* authorizing PSALM to implement the said LOA and CSEE.

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

The Commission hereby sets the instant *Application* for hearing for hearing for determination of compliance with the jurisdictional

¹¹ Section 4, Rule 14 of the ERC Revised Rules of Practice and Procedure.

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 13 OF 15

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 2020¹² and Resolution No. 01, Series of 2021¹³ (ERC Revised Rules of Practice and Procedure):

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

Accordingly, PSALM, AURELCO and PELCO II are hereby directed to host the virtual hearings at **AURELCO's and PELCO II's Principal Office located at Brgy. Reserva, Baler, Aurora and San Roque, Guagua, Pampanga**, respectively, as designated venue for the conduct thereof and ensure that the same is open to the public. Moreover, PSALM, AURELCO, and PELCO II 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 virtual hearing, via e-mail at <u>docket@erc.ph</u>, copy furnish the Legal Service through <u>legal@erc.ph</u>. 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 <u>docket@erc.ph</u>, and copy furnish the Legal Service through <u>legal@erc.ph</u>, a verified Petition to Intervene **at least five (5) calendar days** prior to the date of the initial virtual hearing and must follow the requirements under Rule 9 of the ERC Revised Rules of Practice and Procedure, indicate therein the docket number and title of the case, and state the following:

¹² A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

¹³ A Resolution Adopting the Revised Rules of Practice and Procedure of the Energy Regulatory Commission.

- 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 <u>docket@erc.ph</u>, copy furnish the Legal Service through <u>legal@erc.ph</u>, 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 persons mentioned in the preceding paragraphs may access the copy of the *Application* on the Commission's official website at <u>www.erc.gov.ph</u>.

Finally, all interested persons may be allowed to join the scheduled initial virtual hearings by providing the Commission, through <u>legal.virtualhearings@erc.ph</u>, 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

ERC CASE NO. 2024-126 RC NOTICE OF VIRTUAL HEARING/ 14 OCTOBER 2024 PAGE 15 OF 15

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 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.

ATTY. KRISHA MARIE T. BUELA Director III, Legal Service

LS: KAA